



# REPORT TO COUNCIL

## City of Sacramento

9

915 I Street, Sacramento, CA 95814-2604  
www.CityofSacramento.org

**CONSENT**  
**November 30, 2010**

**Honorable Mayor and  
Members of the City Council**

**Title: Sewer Credits Approval: 2500 R Street Housing Project**

**Location/Council District:** 1802 26<sup>th</sup> Street, District 1

**Recommendation:** Adopt a **Resolution** awarding a total of 34 Sacramento Regional County Sanitation District (SRCSD) sewer connection fee credits to Pacific Housing, Inc. for the 2500 R Street housing project.

**Contact:** Jennifer Witz, Administrative Analyst: 808-2796

**Presenters:** n/a

**Department:** Economic Development

**Division:** Citywide

**Organization No:** 18000

### **Description/Analysis**

**Issue:** The City of Sacramento's Economic Development Department recommends approval of the attached resolution awarding 34 Sacramento Regional County Sanitation District sewer credits to the infill/transit-oriented housing project known as 2500 R Street housing project, located at 1802 26<sup>th</sup> Street in Sacramento (APN:010-0043-001). 2500 R Street housing project will include 34 two-story infill homes about 1,400 square feet each. In addition, the project anticipates attaining Leadership in Energy and Environmental Design (LEED) Platinum rating from the U.S. Green Building Council's rating system by developing the project with highly efficient mechanical design, including photovoltaic power, which will enable the homes to achieve Net Zero Energy use on an annual basis. 2500 R Street housing project will also be located in between two light rail stations making it a transit-oriented development.

**Policy Considerations:** The City of Sacramento views projects that promote urban infill and transit-oriented development as an important cornerstone of the City's economic development. The City of Sacramento also supports such projects to make Sacramento the most livable city in America. Approval of the subject

recommendation serves to promote this city policy objective.

**Environmental Considerations:** This project was subject to environmental review as part of the approval of its development entitlements. Under the California Environmental Quality Act (CEQA) guidelines, no additional environmental review is required for the award of sewer credits for this project.

**Sustainability Considerations:** n/a

**Commission/Committee Action:** n/a

**Rationale for Recommendation:** This application for 34 sewer connection fee credits meets Council-approved criteria for the granting of sewer credits pursuant to Resolution 2006-457, adopted on June 20, 2006, because 2500 R Street housing project is an urban infill and transit-oriented development. The project will bring 34, anticipated LEED Platinum rating, infill housing units to the Midtown neighborhood creating a sustainable and livable community.

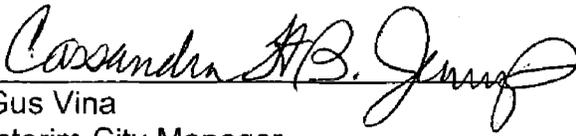
**Financial Considerations:** Approval of the Resolution has no financial impact to the City.

**Emerging Small Business Development (ESBD):**

Respectfully Submitted by: \_\_\_\_\_

  
James R. Rinehart  
Economic Development Director

Recommendation Approved:

  
Gus Vina  
Interim City Manager

APPROVED AS TO FORM:

  
CITY ATTORNEY

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**Attachment 1****BACKGROUND:**

The Sacramento Regional County Sanitation District (SRCSD) established an Economic Development Treatment Capacity Bank (Bank) in June 2000 and the City of Sacramento received the initial allocation of 7,971 Equivalent Single Family Dwellings (ESDs) Credits from the Bank. At the time, SRCSD limited local jurisdictions to using a maximum of 15 percent of its total allocation for residential projects. The City of Sacramento subsequently received another allocation of 756 ESDs in March 2005, bringing the total ESDs to 8,727.

Following the allocation, the City requested greater latitude to use more of the Credits to assist in housing development. In response to the City's request, SRCSD reconvened the Stakeholders' Working Group to discuss the proposed additional flexibility for residential purposes, to recommend a methodology for allocation of additional excess capacity that the District has purchased, disbursement guidelines for the District's own allocation from the Bank, and to address other administrative actions.

SRCSD agreed to expand the criteria for the housing allocation to include infill and transit-oriented housing and provided for an additional 15 percent annual allocation for housing projects. This permitted each local jurisdiction to have more flexibility in using the Bank Credits.

Resolution 2006-457 approved the amended Memorandum of Understanding (MOU) between the SRCSD and the City to include these policy changes. The Resolution also approved the Guidelines for the allocation and awarding of Treatment Capacity Bank Credits for commercial development, Downtown, low-income, and infill / transit-oriented development (TOD) projects.



**CITY OF SACRAMENTO: Application for Economic Development Treatment Capacity Bank Sewer Credits**

Before submitting this application for processing, please contact the Sacramento Regional County Sanitation District (SRCSD) at (916) 876-8100 to receive a quote stating the number of ESD's required for your business. **This application will not be processed without a quote from the SRCSD.** Please call 916-808-7223 with any questions as to eligibility for sewer credits or for assistance in completing the application.

Please print or type your responses to the questions below and provide additional information as requested. When complete, return to: Economic Development Department, City of Sacramento, by mail at 915 I Street, 3<sup>rd</sup> Floor, Sacramento, CA 95814; or by fax to 916-808-8161.

1. Project Name: 2500 R
2. Address for which Credits sought: 1802 26th Street Zip: 95816
3. Assessor's Parcel Number: 010-0043-001-0000
4. Legal Name of Business Owner: Pacific Housing, Inc.
5. Owner's Mailing Address: 2115 J Street, Suite 201 Sacramento, CA 95816
6. Owner's Phone Number: (916) 638-5200 Owner's Fax Number: (916) 325-8624  
Owner's email address: meland@pacifichousing.org / mwiese@pacifichousing.org
7. Brief Project Description: 34 SF Detached Home Subdivision
8. Please mark the category that best describes your project: \_\_\_\_\_ at Moderate Income  
Residential  Number of Units 34 Low-Income Project? Yes  No   
Commercial \_\_\_\_\_ Number of new jobs from creation/expansion \_\_\_\_\_  
Mixed \_\_\_\_\_ Number of Residential Units \_\_\_\_\_ Number of new jobs from creation/expansion \_\_\_\_\_
9. Are sewer credits being sought for a business relocating from another site within the Sacramento Metropolitan area? Yes \_\_\_\_\_ No  If yes, what address relocating from? \_\_\_\_\_

Applicant signature:  Date: 10/22/10  
Print Applicant's Name: Mark Wiese, President

**To be completed by City:**

Prepared By: \_\_\_\_\_ Number of approved ESDs: \_\_\_\_\_  
Project Manager

Approved By: \_\_\_\_\_ Date \_\_\_\_\_  
Jim Rinehart, Citywide Division Manager

**Notes and Project Information:**

- mail 1 Dist. 4
- TOD



Sacramento Regional County Sanitation District  
10060 Goethe Rd.  
Sacramento, CA 95827

October 21, 2010

**TO: WHOM IT MAY CONCERN**  
MAT ELAND [ [meland@pacifichousing.org](mailto:meland@pacifichousing.org) ]  
**FROM: DOLORES ROSS**  
PERMIT SERVICES UNIT  
**RE: SEWER IMPACT FEES** **APN: 010-0043-001**  
**2500 R STREET** **CASE No. SICC2010-XXXXX**

The Sewer Impact Fees due for the **2500 R** housing project located in the City of Sacramento have been calculated as follows:

<u>Impact</u>	<u>ESDs</u>	<u>Rate</u>	<u>Fee</u>
34 single family lots	34.00	\$2,800	\$95,200
IT Recovery Fee			<u>\$100</u>
			<b>\$95,300</b>

If I may be of further assistance, please do not hesitate to call me at 916-876-6100.

cc: Jim Rinehart, City of Sacramento

Sewer Impact Fees are subject to adjustment if the data supplied has changed.

916-876-6100 [www.srcsd.com](http://www.srcsd.com)



**RESOLUTION NO.**

Adopted by the Sacramento City Council

**AWARDING SACRAMENTO REGIONAL COUNTY SANITATION DISTRICT (SRCSD)  
SEWER CONNECTION FEE CREDITS TO PACIFIC HOUSING, INC. FOR  
THE 2500 R STREET HOUSING PROJECT LOCATED AT 1802 26<sup>TH</sup> STREET  
(APN: 010-0043-001).**

**BACKGROUND**

- A. On March 20, 2001, City Council approved a Memorandum of Understanding (MOU) to initiate City participation in the Sacramento Regional County Sanitation District Economic Development Treatment Capacity Bank (Agreement No. 2001-177).
- B. On June 20, 2006, City Council approved Resolution 2006-457, approving criteria for the granting of Treatment Capacity Bank Credits (Credits) for commercial development, Downtown, low-income, and infill / transit-oriented development projects, and approved amending the Memorandum of Understanding (MOU) between the Sacramento Regional County Sanitation District (SRCSD) and the City to increase the amount of credits that may be awarded to housing projects.
- C. The City of Sacramento has been awarded a total of 8,727 Credits. As of June 2010, the City of Sacramento has issued 2,007 Credits to eligible projects.

**BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL  
RESOLVES AS FOLLOWS:**

- Section 1. The City Council finds that award of Credits for the 2500 R Street housing project meets the approved criteria for granting of Credits pursuant to Resolution 2006-457, and hereby awards a maximum of 34 SRCSD Credits to Pacific Housing, Inc. ("Recipient") for this 34-unit infill, transit-oriented housing project located at the 1802 26<sup>th</sup> Street (APN: 010-0043-001).
- Section 2. Any and all Credits awarded herein shall expire if said Recipient has not paid its requisite sewer impact fee to SRCSD within one year from the date of approval of this Resolution.
- Section 3. Any and all Credits awarded herein to said Recipient will expire if all building permits for the 34 housing units at the 2500 R Street housing project are not issued within one year from the date of approval of this Resolution.