



City of Sacramento City Council

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

Meeting Date: 1/4/2011

Report Type: Consent

Title: (Pass for Publication) Amendment of Shovel Ready Investment Protection Ordinance (M10-020)

Report ID: 2011-00008

Location: Citywide

Recommendation: 1) Review an amended Ordinance pertaining to three year extension of certain land use entitlements and building permits; and 2) pass for publication the ordinance titles as required by Sacramento City Charter 32c to be adopted January 11, 2011.

Contact: Sandra Yope, Senior Planner, (916) 808-7158; David Kwong, Planning Manager, (916) 808-2691; Ron O'Connor, Operations Manager, (916) 808-8183, Community Development Department

Presenter: None

Department: Community Development Dept

Division: Current Planning

Dept ID: 21001221

Attachments:

- 1-Description/Analysis
- 2-Proposed Ordinance
- 3-ORD 2009-008 (Existing)

City Attorney Review

Approved as to Form
Paul Gale

City Treasurer Review

Prior Council Financial Policy Approval or
Outside City Treasurer Scope
City Treasurer

Approvals/Acknowledgements

Department Director or Designee: Max Fernandez

Assistant City Manager: John Dangberg



Description/Analysis

Issue: On January 27, 2009, in response to the economic downturn and the constriction of the credit market that delayed the start and completion of construction of land development projects, the City Council adopted interim Ordinance 2009-008 known as the Shovel Ready Investment Protection Ordinance (the “SHRIP Ordinance”). Because the processing, approval, and issuance of land use entitlements and building permits represented a substantial investment of money, time, and effort toward the successful completion of these projects, expiration of these entitlements and permits represented and continues to represent a significant loss for the owners and the City. There are many projects that have faced expiration of building permits or will face expiration of building permits in the near future. The SHRIP Ordinance granted additional time to the term of development entitlements and allowed for reactivation of building permits or building permit applications that were valid and not expired as of the effective date of the SHRIP Ordinance for a three year period, until February 26, 2012.

However, the SHRIP Ordinance did not allow for reactivation of building permits issued after the effective date of the SHRIP Ordinance (February 26, 2009) and that expire during the term of the SHRIP Ordinance even if the building permit application was valid prior to the effective date of the SHRIP Ordinance. Such category of permits has also been impacted by the economic downturn. Staff has prepared an amended ordinance to extend the time (until February 26, 2012) to reactivate building permits issued after the effective date of the SHRIP Ordinance and that expire during the term of the SHRIP Ordinance if the building permits were issued pursuant to building permit applications that were valid on the effective date of the SHRIP Ordinance. All other substantive provisions of the SHRIP Ordinance remain unchanged.

Policy Considerations: This ordinance is consistent with the City Council focus areas of Economic Development and Sustainability and Livability.

Committee/Commission Action: On December 14, 2010, the City Council consented to the proposed amended ordinance bypassing the Law and Legislation Committee to be brought directly to the City Council for consideration.

Environmental Considerations:

California Environmental Quality Act (CEQA): The proposed ordinance is exempt from the provisions of the CEQA under Section 15061(b) (3).

Sustainability Considerations: This proposed ordinance will allow for reactivation of certain additional building permits that were issued after February 26, 2009, if the building permit applications were valid as of February 26, 2009. There are no effects or changes to sustainability impacts.

Rationale for Recommendation: Allowing reactivation of building permits issued after February 26, 2009, if the building permit applications were valid prior to February 26, 2009, will be a citywide economic incentive. The adoption of the amended ordinance preserves development costs already expended by applicants such as design and engineering work, construction, and fees until a more favorable economy allows completion of a project.

Additionally, the extension will allow a shorter time to resume work once conditions change as building permits may be reactivated versus complete new submittals.

Financial Considerations: No additional City funding is required. Expiration of the specified entitlements and permits represented and continues to represent a significant loss for the owners and the City. Additional revenue generated from building permit reactivation fees will cover the required staff time to carry out the actions.

Emerging Small Business Development (ESBD): No goods or services are requested for this service.



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ORDINANCE NO.

Adopted by the Sacramento City Council

Date Adopted

AMENDED ORDINANCE PERTAINING TO THREE YEAR EXTENSION OF CERTAIN LAND USE ENTITLEMENTS AND BUILDING PERMITS (M10-020)

BE IT ENACTED BY THE COUNCIL OF THE CITY OF SACRAMENTO:

SECTION 1. On January 27, 2009, the City Council adopted Ordinance 2009-008 in response to the economic downturn and the constriction of the credit market that delayed the start and completion of construction of land development projects. Because of the economic downturn and the constriction of the credit market, the land use entitlement approvals and building permits for such projects were at risk of expiring. Because the processing, approval, and issuance of land use entitlements and building permits represented a substantial investment of money, time, and effort toward the successful completion of these projects, expiration of these entitlements and permits represented a significant loss for the owners and the City. The City Council adopted Ordinance 2009-008 to protect against the potential loss and preserve “shovel-ready” development opportunities by granting additional time to the term of these entitlements and allowing for reactivation of building permits or building permit applications that were valid and not expired as of the effective date of Ordinance 2009-008.

However, Ordinance 2009-008 did not allow for reactivation of building permits that expired during the term of Ordinance 2009-008 even if the building permit application was valid prior to the effective date of Ordinance 2009-008. The City Council adopts this ordinance to refine and expand the scope of Ordinance No. 2009-008 to incorporate building permits that expire during the term of this ordinance if the application for the building permit was valid as of February 26, 2009.

SECTION 2. Notwithstanding the provisions of Title 17 of the Sacramento City Code (the Zoning Code) to the contrary, the period of time within which to obtain a building permit and commence construction, or to establish a use, under sections 17.132.320 (design review), 17.134.340 (preservation certificate of appropriateness), 17.212.100 (special permit), 17.216.050 (variance), and 17.220.060 (plan review) of the Zoning Code, including any extensions thereof, shall not include the period of time from February 26, 2009 to February 26, 2012. This section shall apply only to design review approvals, certificates of appropriateness, special permits, variances, and plan reviews that are valid and not expired as of February 26, 2009.

SECTION 3. Notwithstanding the provisions of Title 15 of the Sacramento City Code to the contrary, any building permit that was valid and not expired as of February 26, 2009 but which expires between February 26, 2009 and February 26, 2012 may be reactivated up until August 26, 2012. This Section 3 shall not apply to demolition

permits, permits for fire equipment, minor permits, swimming pool permits, sign permits, and permits related to a City code enforcement action.

SECTION 4. Notwithstanding the provisions of Title 15 of the Sacramento City Code to the contrary, any building permit application that was valid and not expired as of February 26, 2009 but which expires between February 26, 2009 and February 26, 2012 may be reactivated up until August 26, 2012. This Section 4 shall not apply to applications for: demolition permits, permits for fire equipment, minor permits, swimming pool permits, sign permits, and permits related to a City code enforcement action.

SECTION 5. Notwithstanding the provisions of Title 15 of the Sacramento City Code to the contrary, any building permit that expires between February 26, 2009 and February 26, 2012 may be reactivated up until August 26, 2012, if the building permit was issued pursuant to a building permit application that was valid and not expired as of February 26, 2009. This Section 5 shall not apply to demolition permits, permits for fire equipment, minor permits, swimming pool permits, sign permits, and permits related to a City code enforcement action.

SECTION 6. A fee in an amount established by resolution of the City Council shall be charged to any person who submits a request to the City to reactivate a building permit under Section 3 of this Ordinance, a building permit application under Section 4 of this Ordinance, or a building permit under Section 5 of this Ordinance. A building permit issued under a building permit application that is re-activated under Section 4 of this Ordinance shall be subject to all City fees and charges that are payable upon issuance of building permit in the amount in effect upon issuance of the building permit.

SECTION 7. This Ordinance is enacted by the City Council as an interim ordinance, without notice and hearing before the Planning Commission and City Council as otherwise required by Section 17.208.010 of the City's Zoning Code. It is anticipated that the economic conditions that are impacting land development will improve within a three year period from February 26, 2009. Therefore, this Ordinance shall remain in effect for six months following such three year period, until August 26, 2012, after which time it shall expire and shall be of no further force or effect.

SECTION 8. Ordinance 2009-008 shall be repealed on the effective date of this Ordinance.



ORDINANCE NO. 2009-008

Adopted by the Sacramento City Council

January 27, 2009

PERTAINING TO THREE YEAR EXTENSION OF CERTAIN LAND USE ENTITLEMENTS AND BUILDING PERMITS (M08-048)

BE IT ENACTED BY THE COUNCIL OF THE CITY OF SACRAMENTO:

- Section 1. The City Council of the City of Sacramento finds and declares as that the current economic downturn and the constriction of the credit market are delaying the start and completion of construction of land development projects, and the land use entitlement approvals and building permits for these projects are at risk of expiring. Because the processing, approval, and issuance of land use entitlements and building permits represent a substantial investment of money, time, and effort toward the successful completion these projects, expiration of these entitlements and permits represents a significant loss for the owners and the City. The City Council desires to protect against this potential loss and preserve “shovel-ready” development opportunities by granting additional time to the term of these entitlements and permits.
- Section 2. Notwithstanding the provisions of Title 17 of the Sacramento City Code (the Zoning Code) to the contrary, the period of time within which to obtain a building permit and commence construction, or to establish a use, under sections 17.132.320 (design review), 17.134.340 (preservation certificate of appropriateness), 17.212.100 (special permit), 17.216.050 (variance), and 17.220.060 (plan review) of the Zoning Code, including any extensions thereof, shall not include the period of time that this Ordinance is in effect. This section shall apply only to design review approvals, certificates of appropriateness, special permits, variances, and plan reviews that are valid and not expired as of the effective date of this Ordinance
- Section 3. Notwithstanding the provisions of Title 15 of the Sacramento City Code to the contrary, any building permit that is valid and not expired as of the effective date of this Ordinance but which expires during the term of this Ordinance may be reactivated at any time until 180 days following the expiration of this Ordinance. This Section 3 shall not apply to demolition permits, permits for fire equipment, minor permits, swimming pool permits, sign permits, and permits related to a City code enforcement action.
- Section 4. Notwithstanding the provisions of Title 15 of the Sacramento City Code to the contrary any building permit application that is valid and not expired as of the effective date of this Ordinance but which expires during the term of this

Ordinance may be reactivated at any time up to 180 days following the expiration of this Ordinance. This Section 4 shall not apply to demolition permits, permits for fire equipment, minor permits, swimming pool permits, sign permits, and permits related to a City code enforcement action.

Section 5. A fee in an amount established by resolution of the City Council shall be charged to any person who submits a request to the City to reactivate a building permit under Section 3 of this Ordinance or a building permit application under Section 4 of this Ordinance. A building permit issued under a building permit application that is re-activated under Section 4 of this Ordinance shall be subject to all City fees and charges that are payable upon issuance of building permit in the amount in effect upon issuance of the building permit.

Section 6. This Ordinance is enacted by the City Council as an interim ordinance, without notice and hearing before the Planning Commission and City Council as otherwise required by Section 17.208.010 of the City's Zoning Code. It is anticipated that the economic conditions that are impacting land development will improve within a three year period. Therefore, this Ordinance shall remain in effect for three years from its effective date after which time it shall expire and shall be of no further force or effect.

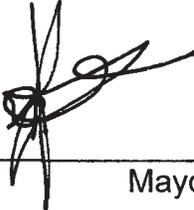
Adopted by the City of Sacramento City Council on January 27, 2009 by the following vote:

Ayes: Councilmembers Cohn, Fong, Hammond, McCarty, Pannell, Sheedy, Tretheway, Waters, and Mayor Johnson.

Noes: None.

Abstain: None.

Absent: None.



Mayor Kevin Johnson

Attest:


Shirley Concolino, City Clerk

Passed for Publication: January 13, 2009
Published: January 16, 2009
Effective: February 26, 2009