



City of Sacramento City Council

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

Meeting Date: 1/25/2011

Report Type: Consent

Title: Sewer Credits: Sutter Medical Center

Report ID: 2011-00047

Location: 2801 L Street (District 3)

Recommendation: Adopt a Resolution awarding a total of 114.88 Sacramento Regional County Sanitation District (SRCSD) sewer connection fee credits to Sutter Health Sacramento Sierra Region dba Sutter Medical Center, Sacramento, for the Sutter Medical Center Expansion and Women's & Children Center.

Contact: Jenifer Witz, Project Coordinator, 916-808-2796, Economic Development Department

Presenter: None

Department: Economic Development Division

Division: Citywide Development

Dept ID: 18001031

Attachments:

- 1-Description/Analysis
- 2-Background
- 3-Application
- 4-Resolution

City Attorney Review

Approved as to Form
Sheryl N. Patterson
1/12/2011 8:08:00 AM

City Treasurer Review

Prior Council Financial Policy Approval or
Outside City Treasurer Scope
Russell Fehr
1/6/2011 1:13:52 PM

Approvals/Acknowledgements

Department Director or Designee: Jim Rinehart - 1/10/2011 12:06:24 PM

Assistant City Manager: John Dangberg - 1/11/2011 6:27:25 PM



Description/Analysis

Issue: The City of Sacramento’s Economic Development Department recommends approval of the attached resolution awarding 114.88 Sacramento Regional County Sanitation District (SRCSD) sewer credits to the infill development expansion of the Sutter General Hospital and the construction of the Women’s & Children’s Center (“Project”), located at 2801 L Street, in Sacramento (APN:007-0144-003; 007-0171-017, 002, 003, 004, 005, 006, 007, 008; 007-0173-001, 002, 003, 004).

The Sutter Medical Center is a regional medical facility currently undergoing a major expansion. The Project includes the construction of the new Women’s and Children’s Center, public community garage, and major renovation and expansion of the Sutter General Hospital and Sutter Cancer Center. When complete, the Project will expand the existing medical facilities by 200,000 square feet of new space for physician offices, procedure rooms and ancillary services. The \$775 million Project will create 150 permanent, high-paying, full-time jobs. This catalytic project is a major investment in Sacramento’s economy and will stimulate significant economic growth in the surrounding area.

Policy Considerations: The City of Sacramento views catalytic projects that promote urban infill 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 important city policy objective.

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

Commission/Committee Action: na

Rationale for Recommendation: This application for 114.88 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 the Project is a major investment in the Sacramento economy as an catalytic urban infill development project. The project will bring 150 new high paying jobs to the East Sacramento Neighborhood creating a more vibrant and livable community.

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

Emerging Small Business Development (ESBD): na

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. As of December 2010, the City of Sacramento has a remaining 3,478.72 Credits available for eligible projects.

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.



**Sacramento Regional County Sanitation District
10060 Goethe Road
Sacramento, CA 95827**

November 10, 2010

TO: Whom It May Concern
 RECEIVING EMAIL: Larry Maas massl@sutterhealth.org
 FROM: Marjorie Alpizar – Permit Services Unit
 RE: Sewer Impact Fee Quote
 ADDRESS: Various APN: Various
 CASE No: SICC2010-00055

Sewer Impact Fees due for the **Sutter Expansion Project** are as follows:

	<u>Parcel #</u>		<u>ESDs</u>	<u>RATE</u>	<u>FEES</u>
<u>Sacramento Regional County Sanitation District</u>					
Sutter General					
Hospital Expansion	007-0114-003	52,150 sq.ft @ 0.242 gpd/sq.ft		41.20	
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New Womens and Childrens Center	007-0173-001				
	007-0173-002	395,241 sq.ft @ 0.195 gpd/sq.ft		252.10	
	007-0173-003				
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	007-0171-002				
	007-0171-003				
Sutter Medical Foundation and Energy Center	007-0171-004	189,373sq.ft x 0.4ESDs(Med Office)/1,000sq.ft		75.70	
	007-0171-005	20,408 sq.ft x 0.1ESDs(Energy Cntr)/1,000sq.ft		2.00	
	007-0171-006	Bleed off AC system @ 3.1 gpm		14.40	
	007-0171-007				
	007-0171-008				
	007-0171-017				

TOTAL 385.40

continued in page 2....

Fees are due prior to permit issuance and must be accompanied by a Sewer Impact Fee Permit and Calculation form.

Sewer impact fee rates quoted within represent current rates applicable at the time of this quote preparation. Sewer impact fee rates are subject to change, current rates at the time fees are paid shall apply. Sewer impact fees are subject to adjustment if the data supplied has changed.

916-876-6100 permitservices@sacsewer.com

www.sacsewer.com www.srcsd.com



Sacramento Regional County Sanitation District
10060 Goethe Road
Sacramento, CA 95827

<u>Parcel #</u>	<u>ESDs</u>	<u>RATE</u>	<u>FEES</u>
<u>Credits</u>			
007-0173-001 Credit from previous billing	97.72		
007-0171-004 1,000 sq.ft x 0.2ESDs(office)/1,000 sq. ft.	0.20		
007-0171-005 5,000 sq.ft x 0.2ESDs(office)/1,000 sq. ft.	1.00		
007-0171-007 2,000 sq.ft x 0.1ESDs(retail)/1,000 sq. ft.	0.20		
007-0171-008 1,130 sq.ft x 0.2ESDs(office)/1,000 sq. ft.	0.11		
 Credits from previous billing being transferred from Sutter Memorial Hospital	 171.29		
			<hr/>
	TOTAL CREDITS	270.52	
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SEWER FEES DUE	385.4 ESDS (Total Due) - 270.52 ESDS (Credits) =	114.88	\$2,800
			\$321,664
 IT Recovery Fee			 \$100
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TOTAL SEWER FEES DUE			\$321,764

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RESOLUTION NO.

Adopted by the Sacramento City Council

AWARDING SACRAMENTO REGIONAL COUNTY SANITATION DISTRICT (SRCSD) SEWER CONNECTION FEE CREDITS TO SUTTER HEALTH SACRAMENTO REGION DBA SUTTER MEDICAL CENTER, SACRAMENTO FOR THE SUTTER MEDICAL CENTER PROJECT LOCATED AT 2801 L STREET (APN: 007-0144-003; 007-0171-017, 002, 003, 004, 005, 006, 007, 008; 007-0173-001, 002, 003, 004).

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 December 2010, the City of Sacramento has a remaining 3,478.72 Credits available for 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 Sutter Medical Center project meets the approved criteria for granting of Credits pursuant to Resolution 2006-457, and hereby awards a maximum of 114.88 SRCSD Credits to Sutter Health Sacramento Region dba Sutter Medical Center, Sacramento ("Recipient") for the renovation and expansion of Sutter General Hospital and construction of the Women's & Children's Center located at 2801 L Street (APN: 007-0144-003; 007-0171-017, 002, 003, 004, 005, 006, 007, 008; 007-0173-001, 002, 003, 004).
- 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 renovation and expansion of Sutter General

Hospital and construction of the Women's & Children's Center project are not issued within one year from the date of approval of this Resolution.