



City of Sacramento City Council

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

Meeting Date: 8/23/2011

Report Type: Consent

Title: Sewer Credits- Northwest Land Park- Phase 1

Report ID: 2011-00705

Location: 2570 3rd Street, District 4

Recommendation: Adopt a Resolution, awarding a total of 150.75 Sacramento Regional County Sanitation District (SRCSD) connection fee credits to Northwest Land Park, LLC, for the project known as "Northwest Land Park- Phase 1."

Contact: Jennifer Witz, Project Coordinator, (916)808-2796, Economic Development Department

Presenter: None

Department: Economic Development Dept

Division: Citywide Development

Dept ID: 18001031

Attachments:

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

City Attorney Review

Approved as to Form
Jerry Hicks
8/15/2011 2:14:49 PM

City Treasurer Review

Prior Council Financial Policy Approval or
Outside City Treasurer Scope
Russell Fehr
8/9/2011 1:36:03 PM

Approvals/Acknowledgements

Department Director or Designee: Jim Rinehart - 8/11/2011 4:55:51 PM

Assistant City Manager: John Dangberg - 8/15/2011 12:56:50 PM



Description/Analysis

Issue: The City of Sacramento’s Economic Development Department recommends approval of the attached resolution awarding 150.75 Sacramento Regional County Sanitation District (SRCSD) sewer credits to Northwest Land Park, LLC, for Phase 1 of the infill housing project known as “Northwest Land Park,” located at 2870 3rd Street and 2640 5th Street in Sacramento (APN:009-0030-008, -019; 009-0286-013, -014). If Phase 1 is approved by the City Council, there will be 3,426.43 credits remaining. When completed, Northwest Land Park- Phase 1 will include 201 multi-family infill dwelling units.

The Northwest Land Park project will be constructed in four phases. Phase 1 consists of the 201 multi-family infill dwelling units. Future phase sewer credit requests will be brought forward to Council as they are submitted to staff. Phase 2 is projected to build 160 multi-family infill dwelling units and over 38,000 square feet of retail/ office space; Phase 3 is projected to build 230 multi-family infill dwelling units, and lastly, Phase 4 is projected to build an additional 234 multi-family infill dwelling units and the remaining 25,000 square feet of retail/office space. In total, the Northwest Land Park project anticipates requesting Council’s approval for 595.42 sewer credits over the next five to ten years.

Policy Considerations: The City of Sacramento views projects that promote urban infill development as an important cornerstone to 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 by constructing 201 infill development homes.

Environmental Considerations: This project is 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: NA

Commission/Committee Action: NA

Rationale for Recommendation: This application for 150.75 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 Northwest Land Park- Phase 1 project is a residential infill development. The project will bring 201 infill housing units to the Upper Land Park 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): NA



BACKGROUND:

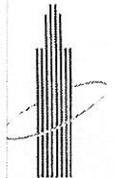
The Sacramento Regional County Sanitation District (“SRCSD”) established an Economic Development Treatment Capacity Bank (“Bank”) in June 2000 and the City of Sacramento received the initial allocation of 7,971 Equivalent Single Family Dwellings (“ESD”)s Credits from the Bank. At the time, SRCSD limited 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 Bank Credits for commercial development, Downtown, low-income, and infill / transit-oriented development (TOD) projects.

As of June 21, 2011, the City of Sacramento has issued 5,300.57 Credits to eligible projects, leaving 3,426.43 credits remaining.



CITY OF SACRAMENTO: Application for Economic Development Treatment Capacity Bank Sewer Credits (i.e. a reduction in rate per ESD to \$923)

Before submitting this application for processing, please contact the Sacramento Regional County Sanitation District (SRCSD) at (916) 876-6100 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 Economic Development at 916-808-7223 with any questions as to eligibility for sewer credits (i.e. a reduction in rate per ESD to \$923) 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, 3rd Floor, Sacramento, CA 95814; or by fax to 916-808-8161.

1. Project Name: Northwest Land Park - Phase 1
2. Address for which Credits sought: 2570 3rd Street, 2640 5th Street Zip: 95818
3. Assessor's Parcel Number: 009-0030-008, -019; 009-0286-013, -014
4. Legal Name of Business Owner: Northwest Land Park, LLC
5. Owner's Mailing Address: 2555 3rd Street, Suite 113, Sacramento, CA 95818
6. Owner's Phone Number: (916) 838-6651 Owner's Fax Number: (916) 475-1249
Owner's email address: KMaguireS@comcast.net
7. Brief Project Description: See attached.
8. Please mark the category that best describes your project:
 - A. Residential Number of Units 201 Low Income Project*? Yes No
 - B. Single Resident Converting from Septic Tank
 - C. Commercial Number of new jobs from creation/expansion
 - D. 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: *Nathan S. Birchall* Date: 7/15/11
Print Applicant's Name: Nathan S. Birchall

*Low-and very-low-income housing as defined in California Health and Safety Code Sections 50079.5 and 50105.

To be completed by City:

Prepared By: _____ Number of approved ESDs: _____

Approved By: _____
Jim Rinehart, Economic Development Director Date

Notes and Project Information:

- _____
- _____



10060 Goethe Rd.,
Sacramento, CA 95827

SEWER IMPACT FEE QUOTE

JULY 21, 2011

TO: WHOM IT MAY CONCERN
Jennifer Lane [Jennifer.Lane@cardno.com]
FROM: DOLORES ROSS
PERMIT SERVICES UNIT
RE: NORTHWEST LAND PARK PHASE 1
APN: 009-0030-019

The SRCSD Sewer Impact Fees for the Northwest Land Park Project Phase 1 have been calculated as follows:

	<u>ESDs</u>	<u>Rate</u>	<u>Fee</u>
201 condominium units x 0.75 ESD/unit	150.75	\$2,800	\$422,100

It is our understanding that the 44.42 ESDs previous billing credit has been reserved for future phases of this Project.

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

cc: City of Sacramento, Economic Development

The Fee rates quoted within represent current rates applicable at the time of the quote preparation, are subject to change, and the rates in effect at the time of payment shall apply. Sewer Impact Fees are subject to adjustment if the data supplied has changed.

permitservices@sacsewer.com

www.srcsd.com



RESOLUTION NO.

Adopted by the Sacramento City Council

AWARDING 150.75 SACRAMENTO REGIONAL COUNTY SANITATION DISTRICT (SRCSD) SEWER CONNECTION FEE CREDITS TO NORTHWEST LAND PARK, LLC. FOR THE NORTHWEST LAND PARK- PHASE 1 MULTI-FAMILY INFILL HOUSING PROJECT LOCATED AT 2570 3RD STREET, 2640 5TH STREET, DISTRICT 4 (APN:009-0030-008, -019; 009-0286-013, -014).

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 2011, the City of Sacramento has issued 5,300.57 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 Northwest Land Park-Phase 1 multi-family infill housing project meets the approved criteria for granting of Credits pursuant to Resolution 2006-457, and hereby awards a maximum of 150.75 SRCSD Credits to Northwest Land Park, LLC. ("Recipient") for this 201 multi-family infill housing project located at 2570 3rd Street, 2640 5th Street in Sacramento (APN: 009-0030-008, -019; 009-0286-013, -014).
- 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 201 multi-family infill housing project at the Northwest Land Park- Phase 1 infill housing project are not issued within one year from the date of approval of this Resolution.