



# City of Sacramento City Council

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915 I Street, Sacramento, CA, 95814  
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**Meeting Date:** 9/27/2011

**Report Type:** Consent

**Title:** Sewer Credits Approval: Jackson Labs

**Report ID:** 2011-00815

**Location:** 4910 Raley Boulevard, District 2

**Recommendation:** Adopt a Resolution, awarding an additional 133.14 Sacramento Regional County Sanitation District (SRCSD) connection fee credits to The Jackson Laboratory, for the project known as "Jackson Lab."

**Contact:** Diana Sasser, Project Manager (916) 808-5519, Economic Development Department

**Presenter:** None

**Department:** Economic Development Dept

**Division:** Citywide Development

**Dept ID:** 18001031

## **Attachments:**

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

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### **City Attorney Review**

Approved as to Form  
Jerry Hicks  
9/21/2011 8:55:56 AM

### **City Treasurer Review**

Reviewed for Impact on Cash and Debt  
Russell Fehr  
9/12/2011 10:43:20 AM

### **Approvals/Acknowledgements**

Department Director or Designee: Jim Rinehart - 9/20/2011 9:29:52 AM



## Description/Analysis

**Issue:** On April 10, 2008, the City Council approved a resolution awarding 66.86 Sacramento Regional County Sanitation District (SRCSD) sewer credits to Jackson Laboratories for the project known as “Jackson Labs”. Since that approval, Jackson Laboratories has decided to expand their current facility and has also had a correction made to the original amount due to actual sewer use.

The City of Sacramento’s Economic Development Department recommends approval of the attached resolution awarding an additional 133.14 SRCSD sewer credits to Jackson Laboratories. Jackson Laboratories is located at 4910 Raley Boulevard in District 2 (APN: 215-0273-027). If these additional credits are approved by the City Council, there will be 3,678.06 credits remaining.

**Policy Considerations:** The City of Sacramento views projects that promote job growth and creation as an important cornerstone of the City’s economic development goals. The City of Sacramento also supports such projects to make Sacramento the most Livable City in America. The Jackson Labs project will create 134 high paying jobs.

**Environmental Considerations:** This project was subject an environmental review process as part of its development application approval.

**Sustainability:** NA

**Commission/Committee Action:** NA

**Rationale for Recommendation:** This candidate for sewer credits meets Council-approved criteria for the granting of sewer credits pursuant to Resolution 2006-457, adopted on June 20, 2006. Jackson Laboratories is a commercial use, urban infill project. To promote the goal of making Sacramento the most Livable City in America, it is recommended that the Council issue sewer connection fee credits to the Jackson Labs project. The building is currently a warehouse and will be upgraded to house the growth of lab mice and research. Jackson Labs project will create an additional 134 full time jobs, and act as a catalyst to promote future development.

**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 September 7, 2011, the Bank has 3,811.20 ESD’s remaining of the original 8,727 ESD’s in March 2005.



## **RESOLUTION NO.**

Adopted by the Sacramento City Council

### **AWARDING 133.14 SACRAMENTO REGIONAL COUNTY SANITATION DISTRICT (SRCSD) CONNECTION FEE CREDITS FOR JACKSON LABORATORIES AT 4910 RALEY BOULEVARD (APN# 215-0273-027).**

#### **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 September 2011, the City of Sacramento has issued 4,915.80 Credits to eligible projects.
- D. On April 29, 2008, City Council approved Resolution 2008-243, awarding 66.86 SRCSD sewer credits to Jackson Laboratories for the project known as "Jackson Labs", located at 4910 Raley Boulevard (APN #:215-0273-027).

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

- Section 1. City Council finds that award of credits by this resolution meets the approved criteria for granting of credits pursuant to Resolution 2006-457, and hereby awards a maximum of 133.14 new SRCSD sewer credits to Jackson Laboratories for the project known as "Jackson Labs", located at 4910 Raley Boulevard (APN #:215-0273-027).
- 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 each individual recipient will expire if said individual recipient has not been issued a building permit for its respective above referenced development project within one year after the City Council has awarded use of the aforementioned sewer credits.



# 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, 3<sup>rd</sup> Floor, Sacramento, CA 95814; or by fax to 916-808-8161.

1. Project Name: The Jackson Laboratory
2. Address for which Credits sought: 4910 Raley Boulevard, Sacramento Zip: 95838
3. Assessor's Parcel Number: \_\_\_\_\_
4. Legal Name of Business Owner: The Jackson Laboratory
5. Owner's Mailing Address: 4910 Raley Boulevard, Sacramento, CA 95838
6. Owner's Phone Number: (207) 288-6142 Owner's Fax Number: (207) 288-6297  
Owner's email address: norm.burdzel@jax.org
7. Brief Project Description: Correction for actual sewer use of building renovated in 2008 and expansion.
8. Please mark the category that best describes your project:
  - A. Residential \_\_\_\_\_ Number of Units \_\_\_\_\_ Low Income Project\*? Yes \_\_\_\_\_ No \_\_\_\_\_
  - B. Single Resident Converting from Septic Tank \_\_\_\_\_
  - C. Commercial XXX Number of new jobs from creation/expansion 134
  - 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 XXX If yes, what address relocating from? \_\_\_\_\_

Applicant signature:  Date: July 26, 2011  
 Print Applicant's Name: Norman Burdzel, Jr.

\*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:

- \_\_\_\_\_
- \_\_\_\_\_

