



## City of Sacramento City Council

915 I Street, Sacramento, CA, 95814  
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**Meeting Date:** 2/12/2013

**Report Type:** Consent

**Title:** Sewer Credit Approval: 2500 R Housing Project

**Report ID:** 2013-00153

**Location:** District 4

**Recommendation:** Pass a Resolution awarding 34 Treatment Capacity Bank Credits to the 2500 R Housing Project located at 1802 26th Street (District 4)

**Contact:** Sabrina Tefft, Project Manager, (916)808-3789, Economic Development Department

**Presenter:** None

**Department:** Economic Development Dept

**Division:** Citywide Development

**Dept ID:** 18001031

**Attachments:**

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1-Description/Analysis

2-Resolution

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**City Attorney Review**

Not Approved as to Form  
 Joseph Cerullo  
 2/6/2013 1:30:20 PM

**City Treasurer Review**

Reviewed for Impact on Cash and Debt  
 Dawn Bullwinkel  
 2/1/2013 7:58:25 AM

**Approvals/Acknowledgements**

Department Director or Designee: Jim Rinehart - 2/5/2013 5:33:38 PM

## Description/Analysis

**Issue:** The City of Sacramento’s Economic Development Department recommends approval of the attached resolution awarding 34 Treatment Capacity Bank Credits (“**Credits**”) to Pacific Housing, Inc. for the project known as “2500 R,” located at 1802 26th Street in Sacramento (APN 010-0043-001). If the City Council awards the requested 34 Credits, the City will have 3,770.04 Credits remaining. When completed, the 2500 R housing project will include 34 two-story infill homes with approximately 1,400 square feet each. In addition, the project has been designed to Leadership in Energy and Environmental Design (LEED) standards. The 2500 R housing project will be located between two light-rail stations, making it a transit-oriented development.

**Policy Considerations:** The City views projects that promote urban infill and transit-oriented development as important cornerstones to the City’s economic-development goals. The City also supports such projects to make Sacramento the most livable city in America. Approval of the attached resolution serves to promote this City policy objective by constructing 34 two-story infill homes.

**Economic Impacts:** None

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

**Sustainability:** N/A

**Commission/Committee Action:** N/A

**Rationale for Recommendation:** The Sacramento Regional County Sanitation District (“**SRCS**D”) established an Economic Development Treatment Capacity Bank (the “**Bank**”) in June 2000. Since 2001, the City has participated in the Bank under a memorandum of understanding (the “**MOU**”) with SRCS D. As required by the MOU, the City Council has approved guidelines for allocating and awarding Credits from the Bank, most recently by the adoption of Resolution 2006-457 in 2006. This application for 34 Credits meets the Council-approved guidelines for allocating and awarding of Credits because the 2500 R housing project is a development that qualifies as “urban,” residential,” and “transit oriented,” as those terms are defined in the City’s General Plan. The project will bring 34 infill homes to the central city, creating a sustainable and livable community.

**Financial Considerations:** None

**Emerging Small Business Development (ESBD):** No goods or services are being purchased as a result of this action.

## RESOLUTION NO.

Adopted by the Sacramento City Council

### AWARDING 34 TREATMENT CAPACITY BANK CREDITS TO THE 2500 R HOUSING PROJECT LOCATED AT 1802 26<sup>TH</sup> STREET (DISTRICT 4)

#### BACKGROUND

- A. On March 20, 2001, the City Council approved City Agreement No. 2001-177, a Memorandum of Understanding (“**MOU**”) initiating the City’s participation in the Economic Development Treatment Capacity Bank (the “**Bank**”) established by the Sacramento Regional County Sanitation District (“**SRCS**D”).
- B. On June 20, 2006, the City Council approved an amendment of the MOU to increase the amount of Treatment Capacity Bank Credits (“**Credits**”) that may be awarded from the Bank to housing projects.
- C. Resolution 2006-457 approved guidelines for the granting of Credits for commercial development, Downtown, low-income, and infill / transit-oriented development projects.
- D. The Bank has awarded the City a total of 8,727 Credits. As of January 31, 2013, the City had issued 4,922.96 Credits to eligible projects.
- E. Pacific Housing, Inc. (the “**Recipient**”) is the developer of the 2500 R Housing Project at 1802 26th Street in Sacramento (APN 010-0043-001), which will include 34 two-story infill homes (the “**Project**”). The Project falls within the guidelines for granting Credits because it is a development that qualifies as “urban,” “residential,” and “transit oriented” under the City’s General Plan.

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

- Section 1. The City Council finds that an award of Credits for the Project meets the approved guidelines for granting. Accordingly, the City Council hereby awards a maximum of 34 Credits to the Recipient for use on the Project.
- Section 2. Credits awarded under this resolution will expire automatically and without notice if either of the following occurs:
  - (a) the Recipient has not paid its requisite sewer-impact fee to SRCSD within one year after the date of this resolution; or
  - (b) all building permits for the 34 infill homes have not been issued within one year after the date of this resolution.