

Meeting Date: 6/18/2013

Report Type: Consent

Report ID: 2013-00509

Title: Sewer Credit Allocation: Curtis Park Court Project

Location: District 5

Issue: The City Council's guidelines for the allocation of sewer credits (Resolution 2006-457) require that the City Council approve allocations exceeding 15 credits.

Recommendation: Pass a Resolution allocating 68.25 Treatment Capacity Bank Credits to the Curtis Park Court project located at 3675 W Pacific Avenue.

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

Presenter: None

Department: Economic Development Dept

Division: Citywide Development

Dept ID: 18001031

Attachments:

1-Description/Analysis

2-Resolution

City Attorney Review

Approved as to Form
Joseph Cerullo
6/12/2013 4:03:54 PM

City Treasurer Review

Reviewed for Impact on Cash and Debt
Janelle Gray
6/5/2013 9:31:44 AM

Approvals/Acknowledgements

Department Director or Designee: Jim Rinehart - 6/11/2013 4:30:17 PM

Description/Analysis

Issue: The Economic Development Department recommends approval of the attached resolution allocating 68.25 Treatment Capacity Bank Credits ("**Credits**") to Domus Development, LLC for the Curtis Park Court Project, located at 3675 W. Pacific Avenue in Sacramento (APN 013-0010-027). If the City Council allocates the requested 68.25 Credits, then the City will have 3,476.91 Credits remaining.

Policy Considerations: The City views projects that promote job growth and creation as an important cornerstone of 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 promotes this City policy objective by creating new jobs and encouraging business expansion.

Economic Impacts: None

Environmental Considerations: The Curtis Park Court Project was subject to environmental review as part of its development-application approval.

Sustainability: Not applicable

Commission/Committee Action: Not applicable

Rationale for Recommendation: The Sacramento Regional County Sanitation District ("**SRCS**D") established an Economic Development Treatment Capacity Bank (the "**Bank**") in June 2000. Creation of the Bank was made possible by SRCSD's purchase of unused sewer capacity from industrial users (e.g., closed canneries). The Bank allocated the Credits to SRCSD's member agencies, which in turn allocate the Credits to new development projects in accordance with SRCSD's guidelines and their own guidelines.

Since 2001, the City has participated in the Bank under City Agreement No. 2001-054, a memorandum of understanding with SRCSD (the "**MOU**"). As required by the MOU, the City Council has approved guidelines for allocating Credits, most recently by the adoption of Resolution 2006-457 in 2006. This application for 68.25 Credits meets the Council-approved guidelines for allocating Credits, because Curtis Park Court is a development project that qualifies as "infill" and "residential" under the City's General Plan. The project will facilitate construction of 91 units of low-income infill senior housing in Curtis Park Village within the Land Park Community Plan Area, 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

ALLOCATING 68.25 TREATMENT CAPACITY BANK CREDITS TO THE CURTIS PARK COURT PROJECT LOCATED AT 3675 W. PACIFIC AVENUE (DISTRICT 5)

BACKGROUND

- A. On March 20, 2001, the City Council approved City Agreement No. 2001-054, 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 June 1, the City had allocated 5,181.84 Credits to eligible projects.
- E. Domus Development LLC (the "**Recipient**") is the developer for the Curtis Park Court Project at 3675 W. Pacific Avenue in Sacramento (APN 013-0010-027) which will include 91 units of low-income infill senior housing (the "**Project**"). The Project falls within the guidelines for allocating Credits because it is a development that qualifies as "infill" and "residential" 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 the Project meets the approved guidelines for allocation of Credits. Accordingly, the City Council hereby allocates a maximum of 68.25 Credits to the Recipient for use on the Project.

Section 2. Credits allocated 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) the Recipient has not been issued a building permit for the Project within one year after the date of this resolution.