

Meeting Date: 12/3/2013

Report Type: Consent

Report ID: 2013-00896

Title: Award of Sewer Credits: Sierra Vista Hospital Expansion

Location: District 8

Issue: The City Council's guidelines awarding sewer credits require that the City Council approve awards exceeding 15 credits. See Resolution 2006-457.

Recommendation: Pass a Resolution awarding 20 Economic Development Treatment Capacity Bank Credits to the Sierra Vista Hospital Expansion located at 8001 Bruceville Road.

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
11/26/2013 3:40:40 PM

City Treasurer Review

Reviewed for Impact on Cash and Debt
Russell Fehr
11/19/2013 10:33:20 AM

Approvals/Acknowledgements

Department Director or Designee: Jim Rinehart - 11/26/2013 10:16:32 AM

Description/Analysis

Issue: The City of Sacramento's Economic Development Department recommends approval of the attached resolution awarding 20.0 Economic Development Treatment Capacity Bank Credits ("**Credits**") to Sierra Vista Hospital for the project known as "Sierra Vista Hospital Expansion," located at 8001 Bruceville Road in Sacramento (APN 117-0120-028). If the City Council awards the requested 20.0 Credits, then the City will have 3,641.41 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 serves to promote this City policy objective by creating new jobs and encouraging business expansion.

Economic Impacts: None

Environmental Considerations: The Sierra Vista Hospital Expansion 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 SRCS D's purchase of unused sewer capacity from industrial users (e.g., closed canneries). The Bank allocated the Credits to SRCS D's member agencies, which in turn award the Credits to new development projects in accordance with SRCS D's guidelines and their own guidelines.

Since 2001, the City has participated in the Bank under a series of agreements, the first of which was City Agreement No. 2001-054 and the most recent of which the City Council approved on October 8, 2013. As required by these agreements, the City Council has approved guidelines for awarding Credits, most recently by the adoption of Resolution 2006-457 in 2006. This application for 20.0 Credits meets the Council-approved guidelines for awarding Credits, because the Sierra Vista Hospital Expansion is a commercial-development project that will create 100 full-time positions.

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 20.0 ECONOMIC DEVELOPMENT TREATMENT CAPACITY BANK CREDITS TO THE SIERRA VISTA HOSPITAL EXPANSION, LOCATED AT 8001 BRUCEVILLE ROAD (DISTRICT 8)

BACKGROUND

- A. On March 20, 2001, the City Council approved City Agreement No. 2001-054, thereby initiating the City's participation in the Economic Development Treatment Capacity Bank (the "**Bank**") established by the Sacramento Regional County Sanitation District ("**SRCS**D"). The City Council subsequently approved amendments to City Agreement No. 2001-054 on June 20, 2006, and October 8, 2013.
- B. Under City Agreement No. 2001-054 as amended, SRCSD transferred Economic Development Treatment Capacity Bank Credits ("**Credits**") to the Bank and then allocated the Credits to the jurisdictions that were participating in the Bank, including the City.
- C. Resolution 2006-457 approved guidelines for the City Council's awarding of Credits for commercial development, Downtown, low-income, and infill / transit-oriented development projects, as well as a contingency usage.
- D. The Bank has allocated to the City a total of 8,993.1 Credits. As of November 1, the City had awarded 5,331.69 Credits to eligible projects.
- E. Sierra Vista Hospital (the "**Recipient**") is expanding its location at 8001 Bruceville Road in Sacramento (APN 117-0120-028-000) (the "**Project**"). The Project falls within the guidelines for awarding Credits because it is a commercial development that will create 100 full-time positions.

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 awarding Credits. Accordingly, the City Council hereby awards a maximum of 20.0 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) the Recipient has not been issued a building permit for the Project within one year after the date of this resolution.