



REPORT TO COUNCIL

City of Sacramento

9

915 I Street, Sacramento, CA 95814-2604
www. CityofSacramento.org

Consent
August, 14, 2007

**Honorable Mayor and
Members of the City Council**

Title: Sewer Credits Approval: Meridian Family Apartments

Location/Council District: 6201 Fowler Ave, Council District 6

Recommendation: Adopt a Resolution awarding a total of 35.25 Sacramento Regional County Sanitation District (SRCSD) connection fee credits to the described project known as "Meridian Family Apartments."

Contact: Micah Runner, Senior Project Manager, 808-5448

Presenters: n/a

Department: Economic Development

Division: Citywide

Organization No: 4453

Description/Analysis

Issue: The City of Sacramento's Economic Development Department recommends approval of the attached Resolution awarding 35.25 SRCSD sewer credits to the 47-unit low-income infill housing project known as Meridian Family Apartments, located on Fowler Ave.

Policy Considerations: The City of Sacramento views projects that promote low-income housing and infill development as an important cornerstone of 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.

Environmental Considerations: This project is subject to the environmental review process as part of the approval of its development application.

Rationale for Recommendation: This candidate meets Council-approved criteria for the granting of sewer credits pursuant to Resolution 2006-457, adopted on June 20, 2006. Meridian Family Apartments is a high-density housing infill project with 100% affordable housing units. To promote its goal of making Sacramento the Most Livable City in America, it is recommended that Council grant sewer connection fee credits to the Meridian Family Apartments low-income housing project. The project will bring a total of 47 new affordable

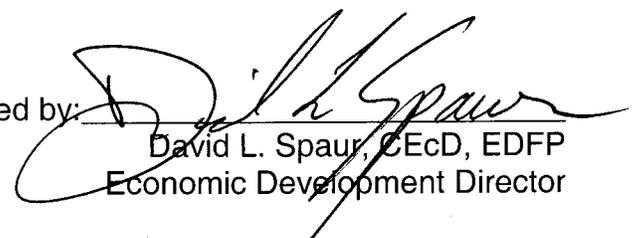
Sewer Credits Approval: Meridian Family Apartments
housing units to the City and will serve as a catalyst for further high-density infill
projects near the project site.

August 14, 2007

Financial Considerations: Approval of the Resolution has no financial impact on the
City.

Emerging Small Business Development (ESBD): Not Applicable

Respectfully Submitted by: 
for James R. Rinehart
Citywide Development Manager

Approved by: 
David L. Spaur, CECD, EDFP
Economic Development Director

Recommendation Approved:

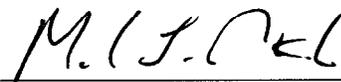

for Ray Kerridge
City Manager

Table of Contents:

	Pg	1-2	Report
Attachments			
1	Pg	3	Background
2	Pg	4-6	Sewer Credit Application and SRCSD ESD Quote
3	Pg	7	Sewer Credits Log
4	Pg	8	Resolution

Attachment 1**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 June 2000 initial allocation of 7,971 Equivalent Single Family Dwellings (ESDs) from the Bank. At the time, SRCSD limited local jurisdictions to using a maximum of 15 percent of its total allocation for residential purposes. 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 the Credits to assist in housing development. In response to the City's request, SRCSD reconvened the Stakeholders' Working Group to discuss increased uses for the Credits. The Group discussed the proposed additional flexibility for residential purposes, recommended a methodology for allocation of additional excess purchased capacity, recommended disbursement guidelines for the District's own allocation from the Bank, and addressed other administrative actions.

Amendments adopted on June 20, 2006, in Resolution 2006-457 expanded the additional 15 percent annual allocation to also include infill and transit-oriented housing. This permitted each local jurisdiction to have more flexibility in using the Bank. As of July 2006, the City of Sacramento has issued 1445.56 Credits in sewer credits since the program's inception. Since Resolution 2006-457, the City has issued 109.98 Credits: 90.98 Credits for commercial and 19.00 Credits for residential projects.

Resolution 2006-457 approved the amended MOU between the Sacramento Regional County Sanitation District (SRCSD) and the City and authorized the City Manager to execute the amended MOU. The Resolution also approved the Guidelines for the allocation and awarding of Treatment Capacity Bank Credits for commercial development, Downtown, low-income, and infill / transit-oriented development (TOD) projects.

Attachment 2



ECONOMIC DEVELOPMENT DEPARTMENT

CITY OF SACRAMENTO

**DIRECTOR'S APPROVAL
FOR ISSUANCE OF COMMERCIAL SEWER CREDITS FROM THE ECONOMIC
DEVELOPMENT TREATMENT CAPACITY BANK**

PROJECT NAME: Meridian Family Apartments

PROJECT LOCATION: 6201 Fowler Ave., 95828

ASSESSOR'S PARCEL NUMBER(S): 040-0031-030

APPLICANT'S NAME/ADDRESS: Global Premier Development Inc. (Jeff Olarte)
925 Park Plaza #908
Irvine, CA 95614

CREDITS REQUESTED: 50.37 ESD

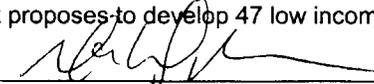
DATE APPLICATION FILED: February 27, 2007

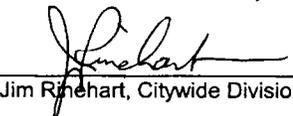
STAFF CONTACT: Micah Runner

APPROVAL: This Director's approval is to recommend the assignment of 50.37 ESD Sacramento Regional County Sanitation District (SRCSD) housing connection fee credit to the property located at 6201 Fowler Ave. 95828.

PROJECT INFORMATION:

- The applicant proposes to develop 47 low income apartments in the Sacramento area.

PREPARED BY: 
Micah Runner, Senior Project Manager

APPROVED BY:  **APPROVED ON:** 3/5/2007
Jim Rinehart, Citywide Division Manager Date

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Sacramento Regional County Sanitation
10545 Armstrong Ave., Ste. 101
Mather, California
95655

February 14, 2007
Receiving Email: Jeff Olarte
jeff@globalpremierdevelopment.com

TO: WHOM IT MAY CONCERN

Contact: Jeff Olarte
Global Premier Dev 1-949-836-7275

FROM: **DOLORES ROSS**
SACRAMENTO REGIONAL COUNTY SANITATION DISTRICT

RE: **SEWER IMPACT FEES**
6201 Fowler Ave.

APN: 040-0031-030
Case No. SWD2007-00103

Sewer Impact Fees due for Meridian Family Apartments, a project consisting of 47 low income apartments have been calculated as follows:

	<u>ESDs</u>	<u>Rate</u>	<u>Fee</u>
<u>County Sanitation District-1</u>			
100% Assessment District Credit	15.12	\$0	\$0
<u>Sacramento Regional County Sanitation District</u>			
47 apartments x 0.75 ESDs/unit	35.25	\$2,700	<u>\$95,175</u>
			\$95,175

Please make your check payable to the County of Sacramento. If I may be of further assistance, please do not hesitate to call or email me at rossd@saccounty.net.

cc: Micah Runner
City of Sacramento

Fees are subject to adjustment if the data supplied is changed
www.srscsd.com / www.csd-1.com

Attachment 3

**CITY OF SACRAMENTO
ECONOMIC DEVELOPMENT DEPARTMENT
Low-Income Sewer Credits Report**

Attachment 3

Updated:7/26/2007

Date App Rcv'd	Project Name	Project Address	Project Type	Council District	Credits Awarded	Credits Balance 1000
7/10/2006	Rio Linda Project	3536 Rio Linda Blvd	LOW-INCOME	2	11	989
10/26/2006	Del Paso Nuevo PhasEntire Subdiv lots 1-95		LOW-INCOME	1	92	897
2/5/2007	Scott Westlake/ May 233 May St. 3 lots, 9		LOW-INCOME	2	3	894
7/24/2007	Meridian Family Apart6201 Fowler Ave., 958		LOW-INCOME	6	50.37	843.63
156.37						

RESOLUTION NO.

Adopted by the Sacramento City Council

AUGUST 14, 2007

AWARD SACRAMENTO REGIONAL COUNTY SANITATION DISTRICT (SRCSD) CONNECTION FEE CREDITS FOR THE MERIDIAN FAMILY APARTMENTS PROJECT AT 6201 FOWLER AVE. (APN :040-0031-030).

BACKGROUND

- A. On March 20, 2001, City Council authorized the City Manager to sign a Memorandum Of Understanding (MOU) to initiate City participation in the Sacramento Regional County Sanitation District Economic Development Treatment Capacity Bank (CC2001-177);
- 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 amending the Memorandum of Understanding (MOU) between the Sacramento Regional County Sanitation District (SRCSD) and the City.
- C. The City of Sacramento has been awarded a total of 8,727 sewer credits. As of July 2006, the City of Sacramento has issued 1445.56 sewer credits to eligible projects.

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 35.25 SRCSD sewer credits to the 47-unit low-income infill housing project known as Meridian Family Apartments located at 6201 Fowler Ave. (Subdivision of Lots 1-47) (APN :040-0031-030).
- Section 2. Any and all credits awarded herein to each individual recipient shall expire if said individual 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.