Title: Establishment of Multi-Year Operating Projects: Arden Gateway (I21006100), MLS – CDD (I21006200), and Railyards Block 48 (I21006300)

Location: Citywide

Recommendation: Adopt a Resolution authorizing the City Manager or City Manager’s designee to: 1) establish multi-year operating projects (MYOPs) for a) Arden Gateway (I21006100), b) Major League Soccer (MLS) – CDD (I21006200), and c) Railyards Block 48 (I21006300); and 2) establish revenue and expenditure budgets in these MYOPs in the Development Services Fund (Fund 2016) based on the actual amount of fees received.

Contact: Winfred Deleon, Chief Building Official, (916) 808-5475, Community Development Department

Presenter: None

Attachments:
1-Description/Analysis
2-Resolution
Description/Analysis

**Issue Detail:** The use of Multi-Year Operating Projects (MYOPs) provides better accountability and monitors actual Community Development Department costs incurred for the development of the project. As these three projects will cross multiple fiscal years, staff is requesting authority to establish a MYOP for the Arden Gateway (I21006100), the Major League Soccer (MLS) – Community Development Department (CDD) (I21006200), and the Railyards Block 48 (I21006300) projects.

**Policy Considerations:** The recommended action requires City Council approval pursuant to City Council Resolution 2019-0248, Section 13.2; City Council approval is required for the establishment of a MYOP.

As part of Resolution 2015-0123, a policy for the Development Services Fund (Fund 2016) was adopted to ensure the prudent management of development funds for the public and the City management of major development projects, when the building valuation is more than $50.0 million (as adjusted by the Consumer Price Index, or $59.0 million for Fiscal Year 2019/20).

**Economic Impacts:** Not applicable

**Environmental Considerations:** This report concerns administrative activities that will not have a significant effect on the environment and does not constitute a "project" as defined by the California Environmental Quality Act (CEQA) [CEQA Guidelines Section 15061 (b) (3); 15378 (b) (2)].

**Sustainability:** Not applicable

**Commission/Committee Action:** Not applicable

**Rationale for Recommendation:** These projects require building plan review and inspection services. Expected project completion dates are as follows: Arden Gateway project in FY2020/21; MLS – CDD project in FY2021/22; and Railyards Block 48 project in FY2022/23. City review and processing fees are based on project valuation, staff hourly rates, and flat fees adopted by resolution and are paid in accordance with established City policies and procedures. Establishing a MYOP to monitor the building’s development will allow staff to administer and manage project expenses related to plan review and permit inspections services over the life of the project.
Financial Considerations: Staff recommends that the City Council authorize the establishment of the Arden Gateway project (I21006100), the MLS – CDD project (I21006200), and the Railyards Block 48 project (I21006300). Budgets will be initially established as and then adjusted, based on the actual amount of development review fees received. Budgets are to be established as follows: Arden Gateway, $464,150; MLS – CDD, $1,140,240; and Railyards Block 48, $407,090.

Local Business Enterprise (LBE): Not applicable.
RESOLUTION NO. 2020-

Adopted by the Sacramento City Council

Establishment of Multi-year Operating Projects: Arden Gateway (I21006100), MLS – CDD (I21006200), and Railyards Block 48 (I21006300)

BACKGROUND:

A. The Arden Gateway project is located at 1600 Cormorant Way in Council District 2. The MLS – CDD project is located at 246 6th Street and the Railyards Block 48 project is located at 305 6th Street; both are in Council District 3.

B. These projects require building plan review and inspection services that will continue through two or more fiscal years. City review and processing fees are based on project valuation, staff hourly rates, and flat fees adopted by resolution and are paid in accordance with established City policies and procedures.

C. The Development Services Fund was established in 1999 (Resolution 99-077) to account for major plan review and building permit projects, to account for environmental impact review projects, and to stabilize appropriations between business cycles for multi-year projects.

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

Section 1. The City Manager or his designee is authorized to establish multi-year operating projects (MYOPs) for (a) the Arden Gateway project as I21006100, (b) the Major League Soccer – Community Development Department (MLS – CDD) project as I21006200, and (c) the Railyards Block 48 project as I21006300.

Section 2. The City Manager or his designee is authorized to establish revenue and expenditure budgets in the Development Services Fund (Fund 2016) in the amounts that follow: Arden Gateway (I21006100), $464,150; MLS (I21006200) – CDD, $1,140,240; and Railyards Block 48 (I21006300), $407,090. Project budgets will then be adjusted based on the actual amount of fees received.