



PLANNING AND BUILDING
DEPARTMENT

CITY OF SACRAMENTO
CALIFORNIA

1231 I STREET
ROOM 300
SACRAMENTO, CA
95814-2998

Planning Division

PLANNING
916-264-5381
FAX 916-264-5328

April 20, 2004

City Council
Sacramento, California

Honorable Members in Session:

SUBJECT: ASSIGNMENT OF SEWER IMPACT FEE HOUSING CREDITS FROM THE ECONOMIC DEVELOPMENT TREATMENT CAPACITY BANK TO THE HOUSING PROJECT LOCATED AT 8476 W. STOCKTON BLVD. (WESTERNER MOBILE HOME PARK), M04-038

LOCATION AND COUNCIL DISTRICT: 8476 W. Stockton Blvd.
APN: 117-0202-031
Council District 8

RECOMMENDATION: Staff recommends that City Council approve the attached resolution requesting assignment of Sacramento Regional County Sanitation District (SRCSD) housing connection fee credits to the housing project located at 8476 W. Stockton Blvd., in the South Sacramento Community Plan Area.

CONTACT PERSONS: Lucinda Willcox, Infill Coordinator, 264-5052
Aaron Sussman, Assistant Planner, 808-7931

FOR COUNCIL MEETING OF: May 11, 2004 (afternoon)

SUMMARY: Staff recommends approval of the attached resolution requesting assignment of SRCSD connection fee credits for the project located at 8476 W. Stockton Blvd. The project consists of a mobile home park with 47 mobile home spaces that are converting from septic to public sewer service due to failing septic services. Staff is recommending that Council assign 26 ESD credits to the mobile home park. The project is located in the South Sacramento Community Plan Area.

COMMITTEE/COMMISSION ACTION: None

BACKGROUND INFORMATION: 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 (SRCSD) Economic Development Treatment Capacity Bank. The MOU was amended on September 23, 2003 to expand the use of the credits. The MOU allowed City staff to begin review and recommendation of applications for Council approval of sewer credits from the Economic Development Treatment Capacity Bank. Of the total 7,971 ESD's made available to the City of Sacramento, 1,196 ESD's (or 15%) are allocated for housing projects and another 15 percent annually may be allocated for low and very low income housing.

In 2002, SRCSD created a two-tier impact fee system that defined areas as "infill" or "new development" based on 1975 SRCSD boundaries. Some areas within Sacramento's city limits that were included in the higher fee area face many of the economic challenges associated with infill development, and the City Council directed staff to use the sewer credit bank to assist in reducing the effects of the SRCSD fee in these areas where appropriate. The Westerner Mobilehome Park is located in the higher fee area, with a cost of \$6,000 per ESD compared with \$2,314 per ESD in SRCSD-designated "infill" areas.

The project located at 8476 W. Stockton Blvd consists of a mobile home park with 47 mobile home spaces and 37 existing mobile homes. Mobile home parks are licensed and inspected by the State Department of Housing and Community Development (HCD).

The Westerner Mobile home Park has a history of State orders regarding inadequacies in the septic system. In June and July 2003, HCD performed three inspections of the Westerner Mobile Home Park in response to written complaints of sewage surfacing on a daily basis due to the failing septic system. On October 6, 2003, a final compliance order was issued to correct the violations regarding the septic system. A notice of intent was issued to suspend the permit to operate the mobile home park on November 24, 2003. On December 19, 2003, the County of Sacramento noticed the mobile home park for the septic system failure.

City code requires a property to connect to public sewer systems if available. HCD sent notice to the residents of the Westerner Mobile Home park stating that it is unlawful for the owner or operator to charge or collect rent until the failing septic system is corrected on December 29, 2003. Enforcement action was taken by the City on February 12, 2004, and on March 1, 2004, a temporary sewer connection to the County Sanitation District was established to allow residents to continue to reside in the park.

On April 19, 2004, the Sacramento Superior Court issued a "Temporary Restraining Order" (TRO) requiring that the property owner meet various conditions, including the connection of the mobile homes within the park to the sanitary sewer system.

The recommendation is for 26 ESD Regional Sanitation credits for the mobile housing units, bringing the balance of Regional Sanitation fees attributable to housing to be paid from \$211,500 (at \$6,000 per ESD) down to approximately \$79,498 (averaging \$2255 per ESD), close to the per ESD infill amount.

The mobile home park provides affordable housing opportunities to the current residents. Assisting in connection to public sewer service will facilitate retention of existing residents of the park and in bringing the park into compliance with State order.

FINANCIAL CONSIDERATIONS: Approval of the resolution imposes no additional expense upon the City beyond the minimal administrative costs associated with processing the approved credits. Issuance of the credits represents a savings of \$132,002 to the total costs for sewer connection for the property.


ENVIRONMENTAL CONSIDERATIONS: The proposed fee reduction is exempt from environmental review pursuant to State CEQA Guidelines [CEQA Section 15061(b)(3)].

POLICY CONSIDERATIONS: The proposed project is in agreement with the Housing Element's policies for the conservation of existing housing stock.

Strategic Plan Implementation- The issuance of Regional Sanitation credits to the proposed project conforms with the City of Sacramento Strategic Plan, specifically by adhering to the goal to enhance and preserve neighborhoods by directing new development (and supportive infrastructure) to existing developed areas, allowing for efficient use of existing facilities, features and neighborhoods.

ESBD CONSIDERATIONS: No goods or services are being purchased under this report.

Respectfully submitted,


GARY L. STONEHOUSE
Planning Director

RECOMMENDATION APPROVED:

ROBERT P. THOMAS
City Manager

Table of Contents
Resolution Assigning Regional Sanitation Sewer Impact Fee Credits to the
Project Located at 8476 W. Stockton Blvd..... Page 4-5
SRCSD Fee Quote.....Page 6

RESOLUTION NO.

ADOPTED BY THE SACRAMENTO CITY COUNCIL

ON THE DATE OF _____

A RESOLUTION REQUESTING ASSIGNMENT OF ECONOMIC DEVELOPMENT TREATMENT CAPACITY BANK, HOUSING CONNECTION FEE CREDITS BY SACRAMENTO REGIONAL COUNTY SANITATION DISTRICT (SRCSD) FOR THE HOUSING PROJECT LOCATED AT 8476 W. STOCKTON BLVD. (WESTERNER MOBILE HOME PARK) - APN: 117-0202-031 (M04-038)

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SACRAMENTO THAT:

WHEREAS, 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). The MOU was amended on September 23, 2003, to expand the use of the credits;

WHEREAS, fifteen percent (15%) of the total ESD's (Equivalent Single-family Dwelling units) made available to the City of Sacramento are allocated for unrestricted housing projects and an additional 15% annually may be used for low and very low income housing, the distribution of which must be approved by City Council resolution;

WHEREAS, the project located at 8476 W. Stockton Blvd. is in converting from septic system to public sewer service;

WHEREAS, the Westerner Mobile Home Park, located at 8476 W. Stockton Blvd, has received numerous State and local orders to remedy the health and safety conditions related to condition of the septic sewer system;

NOW THEREFORE, be it resolved by the City Council of the City of Sacramento, as follows:

1. City Council requests assignment of a maximum of 26 ESD housing credits from the Sacramento Regional County Sanitation District Economic Development Treatment Capacity Bank to the mobile home units located at 8476 W. Stockton Blvd., consisting of 47 mobile home spaces.
2. In the event that a court appointed receiver is not in control of the property at the time of the issuance of the credits, assignment of the credits is contingent upon execution of an agreement between the owner or legal representative of the property

FOR CITY CLERK USE ONLY

RESOLUTION NO.: _____

DATE ADOPTED: _____

and the City Manager requiring that Patricia Noble and/or her designee comply with applicable health and safety codes. Violation of health and safety codes, as indicated by orders by the State of California, County of Sacramento, or City of Sacramento will require payment by the owner to the City of Sacramento for the value of the sewer credits of \$132,002 as set forth in the agreement. This agreement shall be reviewed by the City Attorney's office prior to signature.

3. Any and all credits assigned herein shall expire if recipient has not paid its requisite sewer impact fee to SRCSD within one-year from the date of approval of this resolution. Any and all credits assigned herein shall also expire if said recipient has not yet been issued appropriate permits for the above referenced project within one year after the date aforementioned sewer impact fees are paid to SRCSD.

MAYOR

ATTEST:

CITY CLERK

FOR CITY CLERK USE ONLY

RESOLUTION NO.: _____

DATE ADOPTED: _____

5

