

ECONOMIC DEVELOPMENT DEPARTMENT

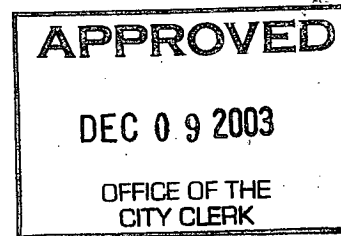
CITY OF SACRAMENTO

3.10

November 14, 2003

City Council
Sacramento, California

Honorable Members in Session:



SUBJECT: SACRAMENTO REGIONAL COUNTY SANITATION DISTRICT
ECONOMIC DEVELOPMENT TREATMENT CAPACITY BANK SEWER
CREDITS FOR THE CHEESECAKE FACTORY.

LOCATION AND COUNCIL DISTRICT: District 3

RECOMMENDATION:

It is recommended that City Council approve a resolution awarding an additional 4.0 Sacramento Regional County Sanitation District (SRCSD) connection fee credits to the described business known as The Cheese Factory.

CONTACT PERSONS: Greg Schulte, Administrative Officer, 264-7116

FOR COUNCIL MEETING OF: December 9, 2003

SUMMARY:

On September 9, 2003, the Council awarded the business known as The Cheesecake Factory located at 1765 Arden Way (APN: #227-0160-041) in the Market Square Shopping Center parking lot a total of 19.0 sewer credits (City Resolution No. 2003-624). Due to a redesign for additional capacity for sanitary sewer impact flows, the SCRSD has revised the sewer facility fees required for this project to a total of 23.0 ESDs, an increase of 4.0 ESDs. This candidate project for sewer credits continues to meet Council-approved criteria for the granting of sewer credits by being an infill project, a catalyst use (restaurant), and creating new employment.

Building on Our History - Creating The Place to Be.

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 Economic connection fee credits for award by the City. The MOU allocated a total of 7,971 Regional Sanitation sewer credits to the City of Sacramento for award by the City to qualifying development projects.

Approval of the MOU followed prior action by the City Council to approve Resolution No. 2000-539 on September 12, 2002, which established the guidelines and criteria by which credits would be granted. On July 23, 2002, Resolution 2002-498 amended those guidelines to read as follows:

- A. A prospective project must meet at least one of the following criteria:
 - 1. Projects in redevelopment, CDBG and/or infill development areas.
 - 2. Projects located in neighborhood commercial corridors identified in the adopted City Economic Development Strategy.
 - 3. Projects located at a targeted key development opportunity site identified in the adopted City Economic Development Strategy.
 - 4. Projects that create additional employment.
 - 5. Catalyst projects such as restaurants or high job creation projects that will further economic development.

- B. Projects falling under any of the following criteria may be disqualified from receiving credits from the Economic Development Treatment Capacity Bank:
 - 1. Projects where the applicant is changing locations within the City of Sacramento without creating any new job opportunities.
 - 2. Projects that will be owned and/or operated by a jurisdiction that is a member of the Economic Development Treatment Capacity Bank.
 - 3. Projects that are relocating from a neighboring jurisdiction that is a member of the Economic Development Treatment Capacity Bank.
 - 4. Projects that add more undesirable uses to an already saturated area (Undesirable uses defined in an Urban Master Plan, Streetscape plan or Special Planning District).

A. Low to moderate housing located in one of the following geographical areas:

1. Areas identified in the City's Infill Development Policy;
2. Redevelopment or CDBG eligible areas;
3. Areas consistent with the City's mixed Income Housing Ordinance.

On November 10, 2003, the City received an application from the representative of The Cheesecake Factory requesting an award of 4.0 additional sewer credits to be used at 1765 Arden Way. Award of the requested 4.0 additional sewer credits, for a total of 23.0, will reduce the total Regional Sanitation fees to be paid for this project from \$53,222 (at \$2,314 apiece) to approximately \$21,229 (at \$923 apiece).

Based upon a review of the application (Attachment 1), staff concludes that the applicant continues to meet Council-approved objectives for the granting of sewer credits by being an infill project, a catalyst use (restaurant), and creating new employment. Staff therefore recommends this project for award of sewer credits by City Council.

The award of 4.0 additional sewer credits to The Cheesecake Factory will leave a total of 6,180.23 sewer credits for future award by the City to support economic development projects.

Attachment 2 provides a summary of City Economic Development Department sewer credit award activity to date.

FINANCIAL CONSIDERATIONS:

Approval of the resolution imposes no additional expense upon the City beyond the very minimal administrative costs associated with processing the approved credits.

ENVIRONMENTAL CONSIDERATIONS:

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

POLICY CONSIDERATIONS:

The City of Sacramento views projects that create new employment opportunities as an important cornerstone of the City's economic development. Additionally, the City of Sacramento supports the development and success of new and existing businesses of all sizes. Approval of the subject recommendation serves to promote this City policy objective.

ESBD CONSIDERATIONS:

No goods or services are being purchased.

Respectfully submitted:



KRISTAN OTTO
Economic Development Manager

APPROVED:



BETTY MASUOKA
Assistant City Manager

RECOMMENDATION APPROVED:

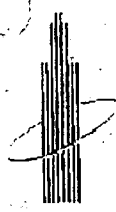


ROBERT P. THOMAS
City Manager



Table of Contents

- Attachment 1 – Application, p. 5
- Attachment 2 – Sewer Credit Log, p. 6-8
- Attachment 3 – SCRSD Quotation, p. 9
- Resolution, p. 10-11



**CITY OF SACRAMENTO: Application for Economic Development
Treatment Capacity Bank Sewer Credits**

Before submitting this application for processing, please contact the Sacramento Regional County Sanitation District (SRCSD) at (916) 876-6100 to receive a quote stating the number of ESD's required for your business. This application will not be processed without a quote from the SRCSD. Please call Greg Schulte at 916-264-7223 with any questions as to eligibility for sewer credits or for assistance in completing the application.

Please print or type your responses to the questions below and provide additional information as requested. When complete, return to: Economic Development Department, City of Sacramento, by mail at 1030 15th Street, 2nd Floor, Sacramento, CA 95814; or by fax to 916-264-8161.

1. Name of Business: The Cheesecake Factory Restaurant
2. Address for which Credits sought: Market Square - 1765 Arden Way, Sacramento, CA 95815
3. Assessor's Parcel Number: 277-0160-041
4. Legal Name of Business Owner: F & M Partnership
5. Owner's Mailing Address: 1530 J Street, Ste 200, Sacramento, CA 95814
6. Owner's Phone Number: (916) 381-9011 Owner's Fax Number: (916) 381-7048
Owner's email address: _____
7. Please describe the type of business or development project for which this application is being submitted: 10,000 s.f. restaurant
8. Please attach a copy of the quote from the SRCSD stating the number of ESD's needed for the above-described project.
9. Is this application being submitted to permit a mixed-use development combining housing and business occupancies? Yes _____ No X If Yes, additional documentation may be required.
10. Is this a new business at this location or an expansion of a business already existing at this location? New X Expansion _____
11. How many new jobs will be created by this new business opening or expansion? Please do not include already existing jobs connected to this business: 200
12. Are sewer credits being sought for a business relocating from another site within the Sacramento Metropolitan area? Yes _____ No X If Yes, what address relocating from? _____
13. Has the subject parcel been previously occupied by a residence and / or a business? Yes _____ No X If Yes, applicant may need to provide evidence documenting preexisting use. (See Below)

Applicant's signature: [Signature] Date: 11/19/03

Print Applicant's Name: MARK FRIEDMAN, F & M Partnership

To be completed by City: Approved by: _____
Print Name and Title: _____
City Council Resolution Number: _____ Date: _____

CITY OF SACRAMENTO
ECONOMIC DEVELOPMENT DEPARTMENT

Attachment 2

REGIONAL SANITATION DISTRICT SEWER FEE CREDIT LOG

Updated: 11/14/2003

Business Name	Business Address	Council Date	Council District	Status	No. of Emp.	Credits Awarded	Credits Balance
							6775
Celestin's Restaurant	1815 K Street	5/1/2001	3	Approved Res. #2001-256	12	17.87	6757.13
Selland's Market Café	5340 H Street	5/1/2001	3	Approved Res. #2001-257	20	6.87	6750.26
Embassy Suites Hotel	100 Capitol Mall	5/15/2001	1	Approved Res. #2001-294	150	11.60	6738.66
Landry's Restaurant	Waterfort Site A	5/15/2001	1	Approved Res. #2001-295	60	55.83	6682.83
Jag's India Restaurant	2416 18th Street	7/3/2001	4	Approved Res. #2001-486	5	5.25	6677.58
Carneceria 2000 Restaurant	5637 Mack Road	7/31/2001	8	Approved Res. #2001-530	7	4.04	6673.54
Lee's Legacy Café	1910 Frutiridge Rd	8/14/2001	4	Approved Res. #2001-562	5	5.70	6667.84
Nishiki Sushi	1501 16th Street #111	8/21/2001	3	Approved Res. #2001-574	30	13.64	6654.2
Zen Toro Sushi Expansion	900 15th Street	9/4/2001	1	Approved Res. #2001-603	5	5.48	6648.72
Candy Express @ Macy's	414 K Street	10/16/2001	1	Approved Res. #2001-682	12	8.79	6639.93
The Naked Lounge Coffee Shop	1500 Q Street	10/23/2001	4	Approved Res. #2001-709	7	5.06	6634.87
Deboo's Indian Cuisine	1518 West El Camino Ave.	11/27/2001	1	Approved Res. #2001-799	4	4.39	6630.48
Embassy Suites Hotel	100 Capitol Mall	1/15/2002	1	Approved Res. #2002-016	0	15.60	6614.88
Woodruff Hotel/Guild Theatre	3456/3428/3418 3rd Avenue	1/22/2002	5	Approved Res. #2002-028	67	14.00	6600.88
Gim Lea Sang Restaurant	918 S Street	2/5/2002	4	Approved Res. #2002-061	3	5.72	6595.16
Milgard Window	6050 88th Street	2/5/2002	6	Approved Res. #2002-060	100	68.26	6526.9
Frank's Quality Meats	6580 Belleau Wood Lane	4/25/2002	4	Approved Res. #2002-212	8	2.40	6524.5

Business Name	Business Address	Council Date	Council District	Status	No. of Emp.	Credits Awarded	Credits Balance
							6775
Hot Rods Burgers	2007 K Street	4/25/2002	3	Approved Res. #2002-213	15	1.65	6522.85
Togo's/Baskin & Robbins	1441 Meadowview Rd. #114	5/14/2002	8	Approved Res. #2002-269	20	3.58	6519.27
Lucca Restaurant	1615 J Street	6/11/2002	3	Approved Res. #2002-358	85	9.00	6510.27
New Blends, Inc.	1031 Arden Way	6/11/2002	2	Approved Res. #2002-357	50	21.19	6489.08
Inderkum's	Arena Blvd & Truxel Rd., NW	6/25/2002	1	Approved Res. #2002-418	15	4.50	6484.58
Superior Auto	E. Stockton Blvd	8/13/2002	8	Approved Res. #2002-549	11	1.00	6483.58
Baja Fresh Mexican Grill	2600 Gateway Oaks Drive, Suite 100	9/3/2002	1	Approved Res. #2002-586	24	5.40	6478.18
Starbucks	2620 Gateway Oaks Drive, Suite 200	9/3/2002	1	Approved Res. #2002-585	10	2.79	6475.39
Togo's Baskin Robbins	2620 Gateway Oaks Drive	9/3/2002	1	Approved Res. #2002-584	25	3.87	6471.52
Del Paso Pipe & Steel, Inc.	5519 Raley Blvd.	9/24/2002	2	Approved Res. #2002-638	10	14.85	6456.67
The Arnold Brothers Building	1801 Capitol Avenue	12/3/2002	3	Approved Res. #2002-789	100	19.02	6437.65
KBAR	1200 K Street, #9	1/23/2003	1	Approved Res. #2003-018	15	1.50	6436.15
Venture Oaks Hotel, L.L.C.	Venture Oaks Way	2/4/2003	1	Approved Res. #2003-050	30	39.00	6397.15
Maria's Tacos	6367 Power Inn Road	3/4/2003	6	Approved Res. #2003-094	15	4.68	6392.47
Natomas Surgery Center	616 Northfield Drive	3/4/2003	1	Approved Res. #2003-093	14	2.34	6390.13
Fulcrum Capital	1530 "J" Street	4/29/2003	1	Approved Res. #2003-230	0	1.05	6389.08
Mikuni's Midtown	1530 J Street, Suite 150	4/29/2003	1	Approved Res. #2003-229	75	12.96	6376.12
Jamba Juice - Gateway Oaks Dr	2600 Gateway Oaks Drive, Suite 300	6/3/2003	1	Approved Res. #2003-340	30	2.66	6373.46
Oshima Sushi	2071 Natomas Crossing Drive, #200	8/26/2003	1	Approved Res. #2003-597	30	7.74	6365.72

Business Name	Business Address	Council Date	Council District	Status	No. of Emp.	Credits Awarded	Credits Balance
							6775
Perfection Bakery Building	1720 - 15th Street	8/26/2003	3	Approved Res. #2003-598	0	1.59	6364.13
Fresh Cleaners	4261 Truxel Blvd., #100	9/3/2003	1	Approved Res. #2003-606	10	2.56	6361.57
Brew It Up!	801 - 14th street	9/9/2003	1	Approved Res. #2003-715	50	11.00	6350.57
The Cheesecake Factory	1765 Arden Way	9/9/2003	3	Approved Res. #2003-624	200	19.00	6331.57
The Melting Pot	814 - 15th Street	9/9/2003	1	Approved Res. #2003-623	30	11.20	6320.37
Pyramid Alehouse	1029 K Street	9/23/2003	1	Approved Res. #2003-654	115	7.21	6313.16
Q-Cup	5635 Freeport Blvd, Suite 4	10/9/2003	5	Approved Res. #2003-698	15	2.16	6311
Campus Plaza Associates	3801 West Pacific Avenue	11/13/2003	5	Pending	5	1.00	6310
Freeport Annexation	Hwy 160 / Freeport Blvd	11/13/2003	7	Pending	0	124.00	6186
Sub Express	4301 Truxel Blvd	11/13/2003	1	Pending	8	1.77	6184.23
Cheesecake Factory	1765 Arden Way	12/9/2003	3	Pending	200	4.00	6180.23
					1702	594.77	



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

November 7, 2003
RECEIVING FAX: 916-383-3974
SENDING FAX: 916-876-6161

TO: Fulcrum Capital
Bill Chizmar
Ph: 916-381-3333

FROM: Fred R. Wingfield
SACRAMENTO REGIONAL COUNTY SANITATION DISTRICT

RE: SEWER FACILITY IMPACT FEES
1765 Arden Way Mall
Sacramento, CA 95815

APN: 277-0160-041
CASE:

The Sacramento Regional County Sanitation District sewer facility fees due for the New Cheese Cake Factory restaurant (10,000 sq. ft.) at 1765 Arden Way are as follows:

Impact to Sacramento Regional County Sanitation District- (INFILL)
Restaurant = 10,000 sq. ft. x 2.3 ESDs*/1,000 sq. ft. = 23.00 ESDs
(2.3 ESDs based on this Cheese Cake Factory having a designed sanitary sewer impact flow 20% greater than a typical/average restaurant @ 1.9 ESDs/1000 sq. ft.)

$23.00 \text{ ESDs} \times \$2314/\text{ESD} = \$53,222$

City of Sacramento Economic Development Treatment Capacity Bank Sewer Credits

This project has been Awarded ESD bank credits for: 19.00 ESDs as of 9/09/2033
Reapply for a total of 23.00 ESDs for this project or a separate award of 4.00 ESDs additional.

Assuming the total ESD bank credits of: 23.00 ESDs, the total SRCSD Sewer Impact fees will be:

$23.00 \text{ ESDs} \times \$923/\text{ESD} = \$21,229$

If you have any questions regarding the above, please feel free to call me at 876-6073.

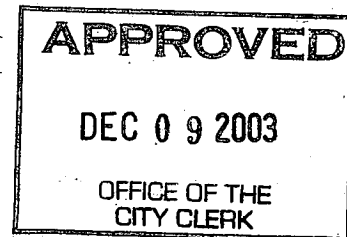
Fees are subject to adjustment if the data supplied is changed.

www.srcsd.com / www.csd-1.com
e-mail: wingfield@SacCounty.NET

RESOLUTION NO. 2003-861

ADOPTED BY THE SACRAMENTO CITY COUNCIL

ON THE DATE OF _____



A RESOLUTION AWARDED ECONOMIC DEVELOPMENT TREATMENT CAPACITY BANK SEWER CONNECTION FEE CREDITS BY SACRAMENTO REGIONAL COUNTY SANITATION DISTRICT (SRCSD) FOR THE CHEESECAKE FACTORY.

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);

WHEREAS, eighty five percent (85%), or 6,775 of the total 7,971 ESD's (Equivalent Single-family Dwelling units) made available to the City of Sacramento under the MOU are allocated for economic development projects, the award of which must be approved by City Council resolution;

WHEREAS, on September 9, 2003, the City Council awarded 19.0 ESD credits to The Cheesecake Factory per City resolution No. 2003-624;

WHEREAS, due to a re-design to the sanitary sewer system requiring an additional 4.0 ESD credits;

WHEREAS, The Cheesecake Factory located at 1765 Arden Way in Sacramento continues to meet City economic development objectives by being an infill project, a catalyst use (restaurant), and creating new employment.

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

- 1. City Council hereby awards an additional 4.0 ESD credits, for a maximum of 23.0 ESD credits, from the Sacramento Regional County Sanitation District Economic Development Treatment Capacity Bank to The Cheesecake Factory located at 1765 Arden Way in Sacramento (APN: 227-0160-041).

FOR CITY CLERK USE ONLY

RESOLUTION NO.: _____

DATE ADOPTED: _____

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.
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.
4. Award herein of 4.0 additional sewer credits will leave a total of 6,180.23 sewer credits for future award by the City to support economic development projects.

MAYOR

ATTEST:

CITY CLERK

FOR CITY CLERK USE ONLY

RESOLUTION NO.: _____

DATE ADOPTED: _____