



CITY MANAGER'S OFFICE  
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DEPARTMENT OF  
PLANNING AND DEVELOPMENT

CITY OF SACRAMENTO  
CALIFORNIA

1231 I STREET  
ROOM 200  
SACRAMENTO, CA  
95814-2998

September 26, 1989

**APPROVED**  
BY THE CITY COUNCIL

BUILDING INSPECTIONS  
916-449-5716

City Council  
Sacramento, California

OCT 3 1989

PLANNING  
916-449-5604

OFFICE OF THE  
CITY CLERK

Honorable Members in Session:

**SUBJECT: COMPLIANCE WITH SECTION 7 OF THE NORTH NATOMAS SETTLEMENT AGREEMENT (M88-087)**

SUMMARY

Section 7 of the North Natomas Settlement Agreement requires the Council, upon adoption of the Housing Trust Fund (HTF) Ordinance outline (Exhibit A) and Employer TSM Ordinance outline (Exhibit B), to request Sacramento Area Council of Governments (SACOG) and Environmental Protection Agency (EPA) to amend the 1982 Sacramento Regional Air Quality Plan (SRAQP) and State Implementation Plan (SIP) to include these air quality strategies as City implementation measures.

Although not required by the North Natomas Settlement Agreement, staff recommends that the Council:

1. Include the Transportation Systems Management Regulations for New Non-Residential Development outline (Exhibit C) as a City implementation measure to be incorporated in the amended 1982 SRAQP and SIP.
2. Include the Housing Trust Fund Ordinance, Employer Transportation System Management Ordinance and Transportation Systems Management Regulations for Non-Residential Development as City implementation measures to be included in:
  - a) The Interim Air Quality Plan (Phase I)
  - b) The Air Quality Plan (Phase II), to be submitted to the Air Resources Board (ARB) for inclusion in the SIP

The attached resolution formally requests:

- a) SACOG and EPA to amend the 1982 SRAQP and the SIP to include the Housing Trust Fund as per Exhibit A, Employer and Developer TSM Ordinances as per Exhibits B and C.
- b) Indicates the intent of the Council to include the Housing Trust Fund as per Exhibit A, Employer and Developer TSM Ordinances as per Exhibits B and C, as City implementation measures in SACOG's Interim Air Quality Plan Phase I to be submitted to the State Air Resources Board (ARB) and Environmental Protection Agency (EPA) for inclusion in the State Implementation Plan (SIP).

BACKGROUND INFORMATION

Section 7 of the North Natomas Settlement Agreement states that, "subject to the requirements of CEQA and other applicable legal requirements, if the Council enacts additional air quality measures (Housing Trust Fund Ordinance and the Employer Transportation Systems Management Ordinance), it shall: a) "forthwith request SACOG and EPA to amend the 1982 SRAQP to include the additional air quality measures as local implementation measures for the City as a part of said air quality plan; b) request SACOG and EPA to undertake and diligently pursue those actions which are necessary to include the additional air quality measures as local implementation measures for the City in the SIP; c) exercise its best efforts to obtain such an amendment of the 1982 SRAQP and SIP."

The 1982 SRAQP expired on December 31, 1987 without attaining the federal health based standards for ozone. EPA formally disapproved the 1982 SRAQP on December 1, 1988 as a result of a lawsuit agreement requiring EPA to disapprove the local ozone plan and adopt a federal plan in its place.

On December 13, 1988 the City Council adopted the Employer Transportation Systems Management Ordinance. One of the purposes of this ordinance is to promote alternative commute modes and reduce present and future motor vehicle emissions as a contribution to comply with Federal and State ambient air quality standards.

On December 13, 1988, the City Council adopted the Transportation Systems Management Regulations for new non-residential development. These regulations require developers of major projects (primary place of business for 100 or more employees) to prepare a Transportation Management Plan to encourage 35 percent of the future tenants to arrive at the worksite by other than a single occupant vehicle.

The City Council adopted the Housing Trust Fund Ordinance on March 7, 1989. One of the purposes of this ordinance is to increase the supply of housing in close proximity to employment centers and reduce commute distances.

On April 6, 1989, the Commercial Builder's Council filed a lawsuit against the City of Sacramento to halt the implementation of the Housing Trust Fund Ordinance.

On September 8, 1989, the U.S. District Judge, Edward Garcia, granted the City's motion for summary judgement on all seven counts contained in the suit of the Commercial Builders of Northern California relating to the Housing Trust Fund. The lawsuit, therefore, has been found to have no merit without the necessity for going to trial. Plaintiffs will have approximately seventy-five (75) days to appeal this decision to a higher court.

Recognizing the expiration of the 1982 SRAQP and the need to understand our air quality problem in more detail, SACOG is coordinating efforts to update the 1982 SRAQP. This update involves two phases. Phase I is an Interim Air Quality Plan recommending control strategies to reduce stationary, area and transportation source emissions. A draft of the Interim Air Quality Plan was released by SACOG on September 19, 1989. The Final Interim Regional Air Quality Plan is not expected to be adopted by SACOG until sometime in 1990. Phase II would require a more detailed technical analysis involving a meteorological and air quality study to provide the data necessary to run the Air Resources Board's Urban AIRSHED model. Phase II is expected to result in a draft air quality plan in 1991.

Given the expiration and EPA disapproval of the 1982 SRAQP and the recent creation of the Sacramento Metropolitan Air Quality Management District (SMAQMD), staff recommends the Council also request SACOG, SMAQMD and EPA to include the Employer Transportation Systems Management Ordinance outline and the Transportation Systems Management Regulations for New Non-Residential Development outline as City implementation measures to be included in the following plans:

- Interim Air Quality Plan (Phase I)
- Air Quality Plan (Phase II) to be included in the SIP

Staff recommends the Council also request SACOG, SMAQMD and EPA to include the Housing Trust Fund Ordinance outline in the following plans:

- Draft Interim Air Quality Plan (Phase I)
- Draft Air Quality Plan (Phase II) to be included in the SIP

The Housing Trust Fund Ordinance outline is to be included in the amended 1982 SRAQP, and Phase I and Phase II of the Air Quality Plan Update unless this ordinance is adjudged invalid in current or any subsequent litigation.

POLICY CONSIDERATIONS

The Sacramento General Plan's Housing Element recognizes the importance of housing located in proximity to jobs and transit as an air quality mitigation measure. The General Plan's Circulation Element includes Transportation System Management (TSM) policies to help reduce air pollution.

The North Natomas Community Plan requires North Natomas non-residential developers to participate in a housing trust fund to stimulate housing development in North Sacramento and provide a better jobs/housing balance for North Natomas commercial development. In addition, the North Natomas Community Plan contains TSM and air quality implementation measures applicable to all non-residential developments in North Natomas.

The 1982 SRAQP included a City implementation measure to develop a rideshare ordinance for major new employers. In response to this, the City adopted trip reduction regulations for new non-residential development in April, 1983. These regulations were subsequently revised with the adoption of the Transportation Systems Management Regulations for new non-residential development in December, 1988.

The 1982 SRAQP also included a City implementation measure to develop a trip reduction educational program for existing employers. In December 1988, the City Council adopted the Employer Transportation System Management Ordinance requiring certain employers to comply with the TSM requirements.

MBE/WBE CONSIDERATION

No impact.

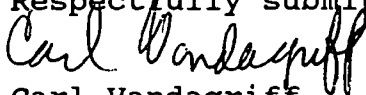
FINANCIAL INFORMATION

None projected at the present time.

RECOMMENDATION

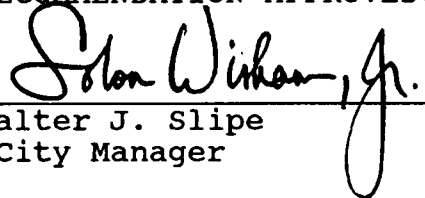
It is recommended the City Council adopt the attached Resolution requesting Sacramento Area Council of Governments, Sacramento Metropolitan Air Quality Management District and the Environmental Protection Agency to:


1. Amend the 1982 Sacramento Regional Air Quality Plan to include the Housing Trust Fund Ordinance outline, Employer Transportation System Management Ordinance outline and Transportation Systems Management Regulations for New Non-Residential Development outline as per Exhibits A, B and C as City implementation measures.
2. Request Sacramento Area Council of Governments, Sacramento Metropolitan Air Quality Management District and Environmental Protection Agency to pursue those actions necessary to include the Housing Trust Fund Ordinance outline, Employer Transportation Systems Management Ordinance outline and Transportation Systems Management Regulations for new non-residential development outline as per Exhibits A, B and C as City implementation measures in the State Implementation Plan.
3. Exercise its best efforts to obtain these amendments in the 1982 Sacramento Regional Air Quality Plan and in the State Implementation Plan.
4. Include the Housing Trust Fund Ordinance outline, Employer Transportation Systems Management Ordinance outline and Transportation Systems Management Regulations for New Non-Residential Development outline as City implementation measures to be included in the Interim Air Quality Plan (Phase I) and the Air Quality Plan (Phase II) to be submitted to the State Air Resources Board and the Environmental Protection Agency for inclusion in the State Implementation Plan.

Respectfully submitted,  
  
 Carl Vandagriff  
 Associate Planner

RECOMMENDATION APPROVED:

APPROVED:

  
 For: Walter J. Slipes  
 City Manager

  
Michael M. Davis  
 Director of Planning and  
 Development

DP:CV:rt

Contact Person:  
 Carl Vandagriff, Associate Planner  
 449-5381

October 3, 1989  
 All Districts

M88-087

# RESOLUTION NO. 89-767

ADOPTED BY THE SACRAMENTO CITY COUNCIL

APPROVED  
BY THE CITY COUNCIL

OCT 3 1989

ON DATE OF \_\_\_\_\_

OFFICE OF THE  
CITY CLERK

RESOLUTION REQUESTING THE SACRAMENTO AREA COUNCIL OF GOVERNMENTS (SACOG), THE SACRAMENTO METROPOLITAN AIR QUALITY MANAGEMENT DISTRICT (SMAQMD) AND THE U.S. ENVIRONMENTAL PROTECTION AGENCY (EPA) TO AMEND THE 1982 SACRAMENTO REGIONAL AIR QUALITY PLAN (SRAQP) AND THE STATE IMPLEMENTATION PLAN (SIP) TO INCLUDE CERTAIN CITY AIR QUALITY STRATEGIES. REQUEST THESE STRATEGIES BE INCLUDED IN THE PLANS LISTED BELOW (M88-087)

WHEREAS, the North Natomas Settlement Agreement, Section 7 requires the Council upon adoption of the Housing Trust Fund Ordinance and Employer Transportation System Management Ordinance to request SACOG and EPA to:

- A. Amend the 1982 SRAQP to include the Housing Trust Fund Ordinance outline and Employer Transportation Systems Management Ordinance outline as City implementation measures as per Exhibits A and B.
- B. Pursue those actions necessary to include the Housing Trust Fund Ordinance outline and Employer Transportation Management Ordinance outline as per Exhibits A and B as City implementation measures in the SIP.
- C. Exercise its best efforts to obtain these amendments in the 1982 and SRAQP and in the SIP.

WHEREAS, due to a lawsuit involving the Housing Trust Fund Ordinance, the Housing Trust Fund outline Exhibit A is to be included in the amended 1982 SRAQP, unless this ordinance is adjudged invalid in current or any subsequent litigation.

WHEREAS, the Transportation Systems Management Regulations for New Non-Residential Development (Exhibit C) was adopted on December 13, 1988, the Council requests SACOG and EPA to also include the outline of this regulation in the following:

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RESOLUTION NO.: \_\_\_\_\_

DATE ADOPTED: \_\_\_\_\_

- A. As an amendment to the 1982 SRAQP as City implementation measure.
- B. As an amendment to the SIP as a City implementation measure.

WHEREAS, SACOG is preparing an Interim Air Quality Plan (Phase I) and work has begun on the Air Quality Plan (Phase II), the Council also requests:

- A. SMAQMD, ARB and EPA to include the Housing Trust Fund outline, unless this ordinance is adjudged invalid in current or any subsequent litigation, (Exhibit A), the Employer Transportation Systems Management Ordinance outline (Exhibit B) and the Transportation Systems Management regulations for New Non-Residential Development outline (Exhibit C) as City implementation measures to be included in the Interim Air Quality Plan (Phase I) and the Air Quality Plan (Phase II) to be submitted to the Air Resources Board and EPA for inclusion in the SIP.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SACRAMENTO THAT: The Council request SMAQMD, SACOG and EPA to amend the 1982 SRAQP and the SIP to include the above ordinance outlines as City implementation measures and incorporate these ordinance outlines as City implementation measures in the Interim Air Quality Plan (Phase I) and the Air Quality Plan (Phase II).

\_\_\_\_\_  
MAYOR

ATTEST:

\_\_\_\_\_  
CITY CLERK

M88-087

FOR CITY CLERK USE ONLY

RESOLUTION NO.: \_\_\_\_\_

DATE ADOPTED: \_\_\_\_\_

**EXHIBIT A**

**OUTLINE OF HOUSING TRUST FUND ORDINANCE**

1. Payment of fee for non-residential development based on the number of employees generated.
2. Fees would be used by Redevelopment Agency to provide low income housing.
3. Market rate housing units would be targeted to infill areas.
4. Projects in redevelopment areas would be exempt from the fee.
5. Variances to reduce or eliminate fees can be issued if the Planning Commission or Council finds that a project has special circumstances and the fee would create a substantial hardship for the project.

**SHOULD THIS HOUSING TRUST FUND ORDINANCE BE ADJUDGED INVALID IN CURRENT OR SUBSEQUENT LITIGATION, THE INCLUSION INTO THE AMENDED 1982 SRAQP, AND PHASES I AND II OF THE AIR QUALITY PLAN UPDATE SHALL BE NULL AND VOID, AND OF NO FORCE OR EFFECT AGAINST THE CITY OF SACRAMENTO.**



**EXHIBIT B****OUTLINE OF THE EMPLOYER TRANSPORTATION  
SYSTEMS MANAGEMENT ORDINANCE**

1. Requires major employers to provide services to reduce trips by employees.
2. Requires major employers to have a transportation management plan.
3. Requires minor employees to provide information to employees on alternative transportation.
4. Requires at least annual monitoring of each major employer to determine how employees arrive at work.
5. This ordinance will be enforced as per applicable State and City codes.

EXHIBIT C

OUTLINE OF THE TRANSPORTATION SYSTEMS MANAGEMENT  
REGULATIONS FOR NEW NON-RESIDENTIAL DEVELOPMENT

1. Requires major projects to prepare an approved Transportation Management Plan (TMP).
2. Major projects are required to provide an annual status report.
3. The property owner of every minor project is required to provide facilities to post information on alternative commute modes.
4. The TMP may include various alternative commute mode selections.
5. Violation of any provisions of these regulations shall be enforced through the Zoning Ordinance or other appropriate methods.



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CALIFORNIA

1231 I STREET  
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95814-2998

September 20, 1989

10-3-89

BUILDING INSPECTIONS  
916-449-5716

MEMORANDUM

PLANNING  
916-449-5604

TO: Janice Beaman

FROM: Roxanne Twilling

SUBJECT: ~~Request to Set Public Hearing for Oct 3, 1989~~

M88-087 Compliance with Section 7 of the North Natomas Settlement Agreement

Not hrs.