



REPORT TO COUNCIL

City of Sacramento

915 I Street, Sacramento, CA 95814-2604
[www. CityofSacramento.org](http://www.CityofSacramento.org)

Consent
June 23, 2009

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

Title: Sewer Credit Approval: Town Place Suite

Location/Council District: 1780 Tribute Road/ District 3

Recommendation: Adopt a Resolution awarding a total of 23.60 Sacramento Regional County Sanitation District (SRCSD) connection fee credits to the described project known as Town Place Suite.

Contact: Trevor Walton, Program Specialist; 808-6764

Presenters: N/A

Department: Economic Development

Division: Citywide

Organization No: 18000

Description/Analysis

Issue: The Town Place Suite is a proposed new extended stay hotel consisting of one-hundred eighteen (118) units located at 1780 Tribute Road. This project will also create thirty-five (35) new jobs. The business owners, Hotel Circle LLC, have filed an application for Economic Development Treatment Capacity Bank Sewer Credits. The City of Sacramento's Economic Development Department recommends approval of the attached resolution awarding 23.60 SRCSD sewer credits to the project known as Town Place Suite.

Policy Considerations: The City of Sacramento views projects that promote urban infill development and the creation of jobs as important to the economic development strategy of the City.

Environmental Considerations: The allocation of sewer credits is not a project under CEQA that requires prior environmental review. The development project will be subject to the environmental review process as part of the approval of its development entitlements

Sustainability Considerations: There are no sustainability considerations applicable to the awarding of sewer connection fee credits.

Rationale for Recommendation: The Town Place Suite extended stay hotel project is an infill development creating thirty-five (35) jobs. This project:

- is located within a targeted urban infill area as described in the General Plan.
- promotes both urban infill development and job creation; important factors as to the economic development strategy of the City.
- meets Council-approved criteria for the granting of sewer credits pursuant to Resolution 2006-457, adopted on June 20, 2006.

To promote urban infill development, it is recommended that the City Council issue sewer connection fee credits to the Town Place Suite project.

Financial Considerations: Approval of the resolution imposes no additional expense upon the City beyond the nominal administrative costs associated with processing the approved credits.

Emerging Small-Business Development (ESBD): Not Applicable

Respectfully Submitted by: _____

Trevor Walton

Trevor Walton, Program Specialist

Approved by: _____

David L. Spaur
David L. Spaur, CEcD, EDFP
Economic Development Director

Recommendation Approved:

Ray Kerridge
Ray Kerridge
City Manager

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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) Credits 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 the proposed additional flexibility for residential purposes, to recommend a methodology for allocation of additional excess capacity that the District has purchased, to recommend disbursement guidelines for the District's own allocation from the Bank, and to address 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 May 28, 2009, the City of Sacramento has issued 1945.00 Credits in sewer credits since the program's inception.

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.

A prospective project for the sewer credit fee reduction (\$923 per ESD) must meet at least one of the following criteria:

1. Projects in redevelopment, CDBG and/or infill development areas;
2. Project that creates additional employment or is a catalyst project and creates high job creation that will further economic development;
3. Project is located in a neighborhood commercial corridor or is located at a targeted key development site identified in the adopted City Economic Development Strategy.



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 contact Trevor Walton at 916-808-6764 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 915 I Street, 3rd Floor, Sacramento, CA 95814; or by fax to 916-808-8161.

1. Project Name: TOWN PLACE SUITE
2. Address for which Credits sought: 1780 TRIBUTE RD Zip: _____
3. Assessor's Parcel Number: 277-0310-001
4. Legal Name of Business Owner: HOTEL CIRCLE 91 LLC
5. Owner's Mailing Address: 620 NEWPORT CENTER DR 14TH FLOOR NEWPORT BEACH CA 92660
6. Owner's Phone Number: (949) 610-3000 Owner's Fax Number: (949) 610-8236
Owner's email address: RASHIK@TASCADIA.COM
7. Brief Project Description: HOTEL
8. Please mark the category that best describes your project:
Residential N/A Number of Units _____ Low Income Project? Yes _____ No _____
Commercial Number of new jobs from creation/expansion 35
Mixed N/A Number of Residential Units _____ Number of new jobs from creation/expansion _____
9. Are sewer credits being sought for a business relocating from another site within the Sacramento Metropolitan area? Yes _____ No If yes, what address relocating from? _____

Applicant signature: [Signature] Date: 5-6-09
Print Applicant's Name: RASHIK RATIL 949 394-5336

To be completed by City:

Prepared By: [Signature] Number of approved ESDs: 23.60
Project Manager
Approved By: [Signature] 5/28/09
Jim Rinehart, Citywide Division Manager Date

Notes and Project Information:

- D3
- job checked



Sacramento Regional County Sanitation District
10545 Armstrong Ave
Mather, CA 95655

May 5th, 2009

TO: Whom It May Concern
RECEIVING EMAIL: rashikp@tarsadia.com
FROM: Marjorie Alpizar-- Permit Services Unit
RE: Sewer Impact Fee Quote
ADDRESS: 1780 Tribute Rd APN: 277-0310-001
CASE No: SIC2009-00057

Sewer Impact Fees due for the Hotel Circle are as follows:

	<u>ESDs</u>	<u>RATE</u>	<u>FEES</u>
<u>Sacramento Regional County Sanitation District</u> 118 Rooms x 0.2ESDs/room	23.60	\$2,500	\$59,000
TOTAL SEWER FEES DUE	23.60		\$59,000

Fees are due prior to permit issuance and must be accompanied by a Sewer Impact Fee Permit and Calculation form.

Sewer impact fee rates quoted within represent current rates applicable at the time of this quote preparation. Sewer impact fee rates are subject to change, current rates at the time fees are paid shall apply. Sewer impact fees are subject to adjustment if the data supplied has changed

916-876-6100 permitservices@sacsewer.com
www.sacsewer.com www.srcsd.com

RESOLUTION NO.

Adopted by the Sacramento City Council

**AWARD SACRAMENTO REGIONAL COUNTY SANITATION DISTRICT (SRCSD)
CONNECTION FEE CREDITS FOR TOWN PLACE SUITE PROJECT (APN# 277-
0310-001)**

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 December 24, 2008, the City of Sacramento has issued 1870.00 sewer credits to eligible projects.
- D. The town Place Suite project meets the criteria for granting credits and the project developer, Hotel Circle LLC has applied to the City for such credits.

**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 23.60 new SRCSD sewer credits (reduction in sewer credit fee to \$923 per ESD) to the project known as Town Place Suite (APN #:277-0310-001) to the recipient Hotel circle, LLC.
- 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.