



3.4

DEVELOPMENT SERVICES  
DEPARTMENT

CITY OF SACRAMENTO  
CALIFORNIA

1030 15<sup>th</sup> STREET  
SUITE 250  
SACRAMENTO, CA  
95814-2904

CITYWIDE ECONOMIC  
DEVELOPMENT DIVISION

916-808-7223  
FAX 916-808-8161

September 30, 2004

City Council  
Sacramento, California

Honorable Members in Session:

**SUBJECT:** SACRAMENTO REGIONAL COUNTY SANITATION DISTRICT  
ECONOMIC DEVELOPMENT TREATMENT CAPACITY BANK SEWER  
CREDITS FOR TUPELO COFFEE HOUSE

**LOCATION AND COUNCIL DISTRICT:** District 3

**RECOMMENDATION:**

It is recommended that City Council approve a resolution awarding Sacramento Regional County Sanitation District (SRCSD) connection fee credits to the described business known as Tupelo Coffee House (Tupelo).

**CONTACT PERSON:** Micah Runner, Project Manager - 808-5448  
Kristan Otto, Manager – 808-7948

**FOR COUNCIL MEETING OF:** October 19, 2004

**SUMMARY:**

The City of Sacramento's Economic Development Department recommends approval of the attached resolution awarding SRCSD sewer credits to the business known as Tupelo located at 5700 Elvas (APN: #004-0342-020) near the intersection of Elvas and Folsom Blvd. This candidate for sewer credits meets Council-approved criteria for the granting of sewer credits by being in a CDBG and infill development areas along with the creation of new employment.

## **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, 2000, which established the guidelines and criteria by which credits would be granted. On July 18, 2002, Resolution 2002-498 amended those guidelines. On January 27, 2004, Resolution 2004-062 further amended the guidelines to read as follows:

A. A prospective project must meet at least one of the following criteria:

1. Project is located in redevelopment, CDBG and/or infill development areas.
2. Project is located in neighborhood commercial corridors identified in the adopted City Economic Development Strategy.
3. Project is located at a targeted key development opportunity site identified in the adopted City Economic Development Strategy.

And

The prospective project must create additional, new employment aside from the employment of the project applicant(s).

B. In the event the prospective project is not located as described in the criteria outlined above, a prospective project may be considered if it meets at least one of the following two conditions:

1. It is a high job creation project. The project must create a minimum of 20 new jobs.
2. It is a "catalyst project." In order to be awarded credits, the City Council must find that the proposed project is a "catalyst project," i.e. a project that furthers economic development activity consistent with the adopted Economic Development Strategy.

C. 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).
5. The project is part of a franchise operation or conglomeration of company-owned stores.

On August 8, 2004, the City received an application from the representative of Tupelo for an award of 3.03 sewer credits to be used at 5700 Elvas. Award of the requested 3.03 sewer credits will reduce total Regional Sanitation fees to be paid for this project from \$7,012 (at \$2,314 apiece) to approximately \$2,797 (at \$923 apiece).

Based upon a review of the application (Attachment 1), staff concludes that the applicant meets Council-approved objectives for the granting of sewer credits by the creation of new employment of 20 jobs or more.

The award of 3.03 sewer credits to Tupelo will leave a total of 6,045.782 sewer credits for future award by the City to support economic development projects.

The summary of the City Economic Development Department sewer credit award activity to date (Attachment 2) and the SRCSO Quotation (Attachment 3) are attached.

**FINANCIAL CONSIDERATIONS:**

Approval of the resolution imposes no additional expense upon the City beyond the 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:**

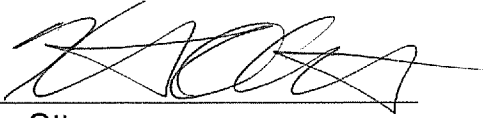
The City of Sacramento views projects that create new employment opportunities as an important cornerstone of the City's economic development. Additionally, the City of Sacramento supports the development and success of new and existing businesses of all sizes. Approval of the subject recommendation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

**ESBD CONSIDERATIONS:**

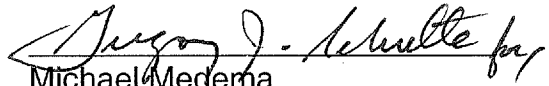
No goods or services are being purchased.

Respectfully submitted:

APPROVED:



Kristan Otto  
Economic Development Manager



Michael Medema  
Interim Development Services Director

**RECOMMENDATION APPROVED:**



ROBERT P. THOMAS  
City Manager

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**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 Micah Runner at 916-808-5448 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 15<sup>th</sup> Street, 2<sup>nd</sup> Floor, Sacramento, CA 95814; or by fax to 916-808-8161.

1. Name of Business: THE NAKED LOUNGE LLC, DBA TOPGLO COFFEEHOUSE
2. Address for which Credits sought: 5700 ELVAS
3. Assessor's Parcel Number: 004-0342-020
4. Legal Name of Business Owner: THE NAKED LOUNGE, LLC
5. Owner's Mailing Address: 118 W. 2<sup>ND</sup> ST. CITICO CA 95926
6. Owner's Phone Number: 530 521 4572 Owner's Fax Number: 530 899 9092  
Owner's email address: NLCHRIS@CITICO.COM
7. Please describe the type of business or development project for which this application is being submitted: TEA & COFFEEHOUSE
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 . 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  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: 12-15
12. 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?
13. Has the subject parcel been previously occupied by a residence and / or a business? Yes  No . If Yes, applicant may need to provide evidence documenting preexisting use.

Applicant's signature: [Signature] Date: 8/16/04  
Print Applicant's Name: CHRISTOPHER PENDARVIS

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

5.

CITY OF SACRAMENTO  
ECONOMIC DEVELOPMENT DEPARTMENT

Attachment 2

REGIONAL SANITATION DISTRICT SEWER FEE CREDIT LOG

Updated: 10/01/2004

Business Name	Business Address	Council Date	Council District	Status	No. of Emp.	Credits Awarded	Credits Balance
							<b>6775</b>
Celestin's Restaurant	1815 K Street	05/01/2001	3	Approved Res. #2001-256	12	17.87	6757.13
Selland's Market Café	5340 H Street	05/01/2001	3	Approved Res. #2001-257	20	6.87	6750.26
Embassy Suites Hotel	100 Capitol Mall	05/15/2001	1	Approved Res. #2001-294	150	11.60	6738.66
Landry's Restaurant	Waterfornt Site A	05/15/2001	1	Approved Res. #2001-295	60	55.83	6682.83
Jag's India Restaurant	2416 18th Street	07/03/2001	4	Approved Res. #2001-486	5	5.25	6677.58
Carneceria 2000 Restaurant	5637 Mack Road	07/31/2001	8	Approved Res. #2001-530	7	4.04	6673.54
Lee's Legacy Café	1910 Frutiridge Rd	08/14/2001	4	Approved Res. #2001-562	5	5.70	6667.84
Nishiki Sushi	1501 16th Street #111	08/21/2001	3	Approved Res. #2001-574	30	13.64	6654.2
Zen Toro Sushi Expansion	900 15th Street	09/04/2001	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	01/15/2002	1	Approved Res. #2002-016	0	15.60	6614.88
Woodruff Hotel/Guild Theatre	3456/3428/3418 3rd Avenue	01/22/2002	5	Approved Res. #2002-028	67	14.00	6600.88
Gim Lea Sang Restaurant	918 S Street	02/05/2002	4	Approved Res. #2002-061	3	5.72	6595.16
Milgard Window	6050 88th Street	02/05/2002	6	Approved Res. #2002-060	100	68.26	6526.9
Frank's Quality Meats	6580 Belleau Wood Lane	04/25/2002	4	Approved Res. #2002-212	8	2.40	6524.5

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Business Name	Business Address	Council Date	Council District	Status	No. of Emp.	Credits Awarded	Credits Balance
							<b>6775</b>
Hot Rods Burgers	2007 K Street	04/25/2002	3	Approved Res. #2002-213	15	1.65	6522.85
Togo's/Baskin & Robbins	1441 Meadowview Rd. #114	05/14/2002	8	Approved Res. #2002-269	20	3.58	6519.27
Lucca Restaurant	1615 J Street	06/11/2002	3	Approved Res. #2002-358	85	9.00	6510.27
New Blends, Inc.	1031 Arden Way	06/11/2002	2	Approved Res. #2002-357	50	21.19	6489.08
Inderkum's	Arena Blvd & Truxel Rd., NW	06/25/2002	1	Approved Res. #2002-418	15	4.50	6484.58
Superior Auto	E. Stockton Blvd	08/13/2002	8	Approved Res. #2002-549	11	1.00	6483.58
Baja Fresh Mexican Grill	2600 Gateway Oaks Drive, Suite 100	09/03/2002	1	Approved Res. #2002-586	24	5.40	6478.18
Starbucks	2620 Gateway Oaks Drive, Suite 200	09/03/2002	1	Approved Res. #2002-585	10	2.79	6475.39
Togo's Baskin Robbins	2620 Gateway Oaks Drive	09/03/2002	1	Approved Res. #2002-584	25	3.87	6471.52
Del Paso Pipe & Steel, Inc.	5519 Raley Blvd.	09/24/2002	2	Approved Res. #2002-638	10	14.85	6456.67
The Arnold Brothers Building	1801 Capitol Avenue	12/03/2002	3	Approved Res. #2002-789	100	19.02	6437.65
KBAR	1200 K Street, #9	01/23/2003	1	Approved Res. #2003-018	15	1.50	6436.15
Venture Oaks Hotel, L.L.C.	Venture Oaks Way	02/04/2003	1	Approved Res. #2003-050	30	39.00	6397.15
Maria's Tacos	6367 Power Inn Road	03/04/2003	6	Approved Res. #2003-094	15	4.68	6392.47
Natomas Surgery Center	616 Northfield Drive	03/04/2003	1	Approved Res. #2003-093	14	2.34	6390.13
Fulcrum Capital	1530 "J" Street	04/29/2003	1	Approved Res. #2003-230	0	1.05	6389.08
Mikuni's Midtown	1530 J Street, Suite 150	04/29/2003	1	Approved Res. #2003-229	75	12.96	6376.12
Jamba Juice - Gateway Oaks Dr	2600 Gateway Oaks Drive, Suite 300	06/03/2003	1	Approved Res. #2003-340	30	2.66	6373.46
Oshima Sushi	2071 Natomas Crossing Drive, #200	08/26/2003	1	Approved Res. #2003-597	30	7.74	6365.72

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Business Name	Business Address	Council Date	Council District	Status	No. of Emp.	Credits Awarded	Credits Balance
							<b>6775</b>
Perfection Bakery Building	1720 - 15th Street	08/26/2003	3	Approved Res. #2003-598	0	1.59	6364.13
Fresh Cleaners	4261 Truxel Blvd., #100	09/03/2003	1	Approved Res. #2003-606	10	2.56	6361.57
Brew It Up!	801 - 14th street	09/09/2003	1	Approved Res. #2003-715	50	11.00	6350.57
The Cheesecake Factory	1765 Arden Way	09/09/2003	3	Approved Res. #2003-624	200	19.00	6331.57
The Melting Pot	814 - 15th Street	09/09/2003	1	Approved Res. #2003-623	30	11.20	6320.37
Pyramid Alehouse	1029 K Street	09/23/2003	1	Approved Res. #2003-654	115	7.21	6313.16
Q-Cup	5635 Freeport Blvd, Suite 4	10/09/2003	5	Approved Res. #2003-698	15	2.16	6311
Campus Plaza Associates	3801 West Pacific Avenue	11/13/2003	5	Approved Res. #2003-785	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	Approved Res. #2003-784	8	1.77	6184.23
Cheesecake Factory	1765 Arden Way	12/09/2003	3	Approved Res. #2003-861	200	4.00	6180.23
Marriott Residence Inn	1501 "L" Street	12/16/2003	1	Approved Res. #2003-877	45	96.24	6083.99
Subway Sandwiches	8765 Center Parkway	12/16/2003	8	Approved Res. #2003-876	9	1.98	6082.01
Tony's Food Finds	800 "H" Street, Suite 10L	12/16/2003	1	Approved Res. #2003-878	6	4.59	6077.42
Bountiful Deli	1301 "I" Street, Suite 100	01/13/2004	1	Approved Res. #2004-017	6	2.06	6075.362
Long Sandwich Deli & Bakery	6434 Stockton Blvd.	01/27/2004	6	Approved	12	4.09	6071.272
Studio Café	6730 Folsom Boulevard	03/16/2004	3	Approved	3	2.61	6068.662
Wok in the Park	1427 L Street	05/04/2004	1	approved	80	17.31	6051.352
La Pizza Cocina	2600 Gateway Oaks	10/12/2004	1	Pending	20	2.54	6048.812
Topelo Coffee House	5700 Elvas	10/12/2004	3	Pending	15	3.03	6045.782

8.

Business Name	Business Address	Council Date	Council District	Status	No. of Emp.	Credits Awarded	Credits Balance
							<b>6775</b>
Trinity Cyber Café	1030 Florin Road	10/12/2004	7	Pending	20	2.88	6042.902
Teriyaki Time	4730 Natomas Blvd. Ste. 146	10/19/2004	1	Pending	12	2.68	6040.222
Hampton Inn	3021 Advantage Way	10/26/2004	1	Pending	25	55.54	5984.682
Holiday Inn Express	2981 Advantage Way	10/26/2004	1	Pending	25	55.96	5928.722
					<b>1980</b>	<b>846.28</b>	



**Sacramento Regional County Sanitation District**  
10545 Armstrong Ave Suite 101  
Mather, California  
95655

**August 11, 2004**  
**RECEIVING FAX: 930 899-9092**  
**SENDING FAX: 916-876-6161**

**TO: WHOM IT MAY CONCERN**

**FROM: Corey Papais**  
SACRAMENTO REGIONAL COUNTY SANITATION DISTRICT

**RE: SEWER IMPACT FEES**

**APN: 004-0342-020**

The SRCSD Sewer Impact Fees due for the **Coffee Shop @ 5700 Elvas** have been calculated as follows:

Impact:				
	Restaurant	1780 sf x	1.9 ESD/1000sf =	<u>3.39</u>
Total				3.39
Credit:				
	Office	1780 sf x	0.2 ESD/1000sf =	<u>0.36</u>
<b>NET IMPACT:</b>				<u>3.03 ESDs</u>
TOTAL SRCSD (Infill): 3.03 ESDs x \$2314 =				<b>\$7,012.00</b>

If you have any questions regarding the above, please feel free to call me at 876-6140.

*This fee is also subject to adjustment if the data supplied is changed.*

[www.srcsd.com](http://www.srcsd.com)

e-mail: [papais@SacCounty.NET](mailto:papais@SacCounty.NET)

10.

# RESOLUTION NO. \_\_\_\_\_

ADOPTED BY THE SACRAMENTO CITY COUNCIL

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

## A RESOLUTION AWARDING ECONOMIC DEVELOPMENT TREATMENT CAPACITY BANK CONNECTION FEE CREDITS BY SACRAMENTO REGIONAL COUNTY SANITATION DISTRICT (SRCSD) FOR TUPELO COFFEE HOUSE.

### 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, Tupelo Coffee House located at 5700 Elvas in Sacramento meets City economic development objectives by being in a CDBG and infill development areas along with the creation of new employment.

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

1. City Council hereby awards a maximum of 3.03 ESD credits from the Sacramento Regional County Sanitation District Economic Development Treatment Capacity Bank to Tupelo Coffee House located at 5700 Elvas in Sacramento (APN: 004-0342-020).
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.

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#### FOR CITY CLERK USE ONLY

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

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

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 3.03 sewer credits will leave a total of 6,045.782 sewer credits for future award by the City to support economic development projects.

\_\_\_\_\_  
MAYOR

ATTEST:

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

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**FOR CITY CLERK USE ONLY**

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

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