



# REPORT TO COUNCIL

## City of Sacramento

915 I Street, Sacramento, CA 95814-2604  
www. CityofSacramento.org

Consent  
June 5, 2007

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

**Title:** Sewer Credits Approval: Orleans Hotel

**Location/Council District:** 1022 2<sup>nd</sup> Street, Council District 1

**Recommendation:** Adopt a **Resolution** awarding a total of 18.75 Sacramento Regional County Sanitation District (SRCS) connection fee credits to the described project known as "Orleans Hotel."

**Contact:** Micah Runner, Senior Project Manager: 808-5448

**Presenters:** n/a

**Department:** Economic Development

**Division:** Citywide

**Organization No:** 4453

### **Description/Analysis**

**Issue:** The City of Sacramento's Economic Development Department recommends approval of the attached resolution awarding 18.75 SRCS sewer credits to the project known as Orleans Hotel located in the downtown area 1022 2<sup>nd</sup> Street ( APN: 006-0071-053)

**Policy Considerations:** The City of Sacramento views projects that promote urban infill development as an important cornerstone of the City's economic development. The City of Sacramento also supports such projects to make Sacramento the most Livable City in America. Approval of the subject recommendation serves to promote this City policy objective.

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

**Rationale for Recommendation:** This candidate for sewer credits meets Council-approved criteria for the granting of sewer credits because it is a high-density mixed-use urban infill project. To promote the goal of making Sacramento

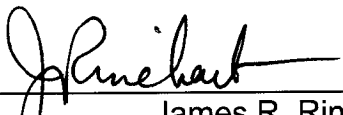
Sewer Credits Approval: Orleans Hotel

the most Livable City in America, it is recommended that Council grant the 18.75 sewer connection fee credits to the Orleans Hotel project. The project will bring over 24 residential units to the downtown area, which adds new permanent housing units to the Central City, and will serve as a catalyst for further high-density, mixed-use and urban infill projects near the project site with a proposed 7,450 square feet for retail space.

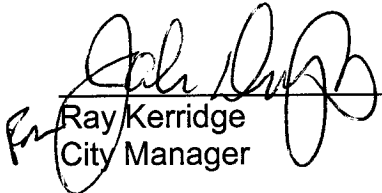
**Financial Considerations:** Approval of the resolution imposes no additional expense upon the City beyond the minimal administrative costs associated with processing the approved credits.

**Emerging Small Business Development (ESBD):** Not Applicable

Respectfully Submitted by: \_\_\_\_\_

  
James R. Rinehart  
Citywide Development Manager

Recommendation Approved:

  
Ray Kerridge  
City Manager

**Table of Contents:**

Report

**Attachments**

- 1 Background
  - 2 Application and SCRSD Quote
  - 3 Sewer Credits Log
  - 4 Resolution
- Exhibit A - History

**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 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 credits.

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.

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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 916-808-8181.

Please note that the proposed project must meet established criteria in order to receive Treatment Capacity Bank Credits at reduced rates and that not all projects are eligible for the Credits.

1. Project Name: Orleans Hotel
2. Address for which Credits sought: 1022 2<sup>nd</sup> STREET Zip: 95814
3. Assessor's Parcel Number: 006 0071 053 000
4. Legal Name of Business Owner: Old SAC Properties, LLC
5. Owner's Mailing Address: 2356 Gold Meadow Way # 204 Zip: 95820
6. Owner's Phone Number: (916) 852 2770 Fax Number: (916) 852 2778  
Owner's email address: Terry@Harvey.com
7. Brief Project Description: Mixed use - Retail + Residential (For Rent)
8. Please mark the category that best describes your project:  
Residential  Number of Units 24 Low Income Project? Yes \_\_\_ No \_\_\_  
Commercial \_\_\_ Number of new jobs from creation/expansion \_\_\_  
Mixed \_\_\_ 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's signature: Terry L. Harvey Date: 4-5-07  
Print Applicant's Name: Terry L. Harvey

To be completed by City:  
Prepared By: Micah Runner  
Micah Runner, Sr Project Manager

Approved By: \_\_\_\_\_ Date \_\_\_\_\_  
Jim Rinehart, Citywide Division Manager

Notes and Project Information:  
• \_\_\_\_\_  
• \_\_\_\_\_

Sewer Credits Approval: Orleans Hotel



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

APRIL 4, 2007  
FROM: [wqpsu@SacCounty.NET](mailto:wqpsu@SacCounty.NET)  
TO: [terry@harvego.com](mailto:terry@harvego.com)

TO: **TO WHOM IT MAY CONCERN**  
TERRY HARVEGO: 852 2770 EXT 2

FROM: **FRED L. CARY III**  
SACRAMENTO REGIONAL COUNTY SANITATION DISTRICT

**SEWER IMPACT FEES**  
**1022 2<sup>ND</sup> STREET**

**APN: 006-0071-053**  
**CASE: SWD2007-00240**

The Sewer Impact Fees for the proposed mixed use project dba "Orleans Hotel", located at the above address and parcel number have been calculated as follows:

	<u>ESDs</u>	<u>RATE</u>	<u>FEES</u>
<b>Sacramento Regional County Sanitation District</b>			
Retail: 7,450 sf x 0.1 ESDs \ 1000 sf = 0.75		0.75	
Lofts: 24 units x 0.75 ESDs =		18.00	
<b>TOTAL SEWER IMPACT FEES</b>	<b>18.75</b>	<b>\$2,725</b>	<b>\$51,094</b>

Payment of these fees are due at time of permit issuance and must be accompanied by a Sewer Impact Fee form, which can be obtained at our office or at 827 7<sup>th</sup> Street, room 102, window 11. If I may be of any further assistance, please do not hesitate to call me at 876-6100.

**Economic Development Treatment Capacity Bank for the City of Sacramento**  
Micah Runner: 808-5448 fax 808-8161 [mrunner@cityofsacramento.org](mailto:mrunner@cityofsacramento.org)

Fred L. Cary III

SEWER IMPACT FEE RATES QUOTED WITH THIS DOCUMENT REPRESENT CURRENT RATES APPLICABLE AT THE TIME OF QUOTE PREPARATION.  
SINCE SEWER IMPACT FEE RATES ARE SUBJECT TO CHANGE, THE RATES CURRENT AT THE TIME FEES ARE PAID SHALL APPLY.  
FEES ARE SUBJECT TO ADJUSTMENT IF THE DATA SUPPLIED IS CHANGED.  
[www.srcsd.com](http://www.srcsd.com) / [www.csd-1.com](http://www.csd-1.com)  
E-mail [wqpsu@saccounty.net](mailto:wqpsu@saccounty.net)

# Sewer Credits Approval: Orleans Hotel

**CITY OF SACRAMENTO  
ECONOMIC DEVELOPMENT DEPARTMENT  
TOD/Infill Sewer Credits Report**

**Attachment 3**

Updated: 05/08/2007

Date App Rcv'd	Project Name	Project Address	Project Type	Council District	Credits Awarded	Credits Balance
07/10/2006	CADA Livework	1510 16th Street	TOD/INFILL	4	8	1192
08/01/2006	Newton Booth Condominiums	2215 27th Street	TOD/INFILL	4	24.75	1167.3
08/01/2006	No'O and Sc'O	1510 16th Street	TOD/INFILL	4	40	1127.3
08/01/2006	Marriott Residence	1501 L Street	TOD/INFILL	1	52.75	1074.5
08/08/2006	Nogales/High Street	3508 High and 1405	TOD/INFILL	2	2	1072.5
08/31/2006	Elvira Mendoza Residence	2870 37th Avenue	TOD/INFILL	5	1	1071.5
09/12/2006	1064 Roanoke	1064 Roanoke Avenue	TOD/INFILL	2	1	1070.5
10/17/2006	1060 Roanoke Avenue	1060 Roanoke Ave. 95838	TOD/INFILL	2	1	
10/17/2006	1330 South Avenue	1330 South Ave. 95838	TOD/INFILL	2	1	
10/17/2006	6345 25th St.	6345 25th St., 95838	TOD/INFILL	5	1	1069.5
11/14/2006	Roanoke	1005 Roanoke Ave. 95838	TOD/INFILL	1	1	
11/14/2006	3417 San Carlos Way	3417 San Carlos Way	TOD/INFILL	5	1	1068.5
12/07/2006	1216 Roanoke Ave.	1216 Roanoke Ave	TOD/INFILL	2	1	1067.5

Tuesday, May 08, 2007

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Date App Rcv'd	Project Name	Project Address	Project Type	Council District	Credits Awarded	Credits Balance
12/08/2006	1328 Nogales St.	1328 Nogales St.	TOD/INFILL	2	1	
12/08/2006	Branch Street	3313 Branch St.	TOD/INFILL	2	1	
12/08/2006	Camation Ave.	7041 Camation Ave.	TOD/INFILL	5	1	
12/08/2006	Cypress Ave.	3844 Cypress Ave.	TOD/INFILL	2	1	
12/08/2006	Rio Linda Blvd	3836 Rio Linda Blvd.	TOD/INFILL	2	1	
12/08/2006	Sonoma Ave.	1037 Sonoma Ave.	TOD/INFILL	2	1	
12/08/2006	43rd Street	4050 43rd Street	TOD/INFILL	1	1	
						1066.5
01/30/2007	740 Claire Ave.	740 Claire Ave.	TOD/INFILL	2	1	
01/30/2007	750 Claire Ave.	750 Claire Ave.	TOD/INFILL	2	1	
01/30/2007	760 Claire Ave.	760 Claire Ave.	TOD/INFILL	2	1	
01/30/2007	730 Claire Ave.	730 Claire Ave.	TOD/INFILL	2	1	
						1065.5
02/13/2007	Wind Youth Services	701 Dixieanne Ave., 958	TOD/INFILL	2	0.6	
						1064.9
03/05/2007	Sutter Townhomes	2613 N. Street	TOD/INFILL	3	2	
						1062.9
04/01/2007	L street Lofts	1818 L Street	TOD/INFILL	3	69.4	
						993.5
04/05/2007	Orleans Hotel	1022 2nd Street	TOD/INFILL	1	18.75	
						974.75
						237.25

**RESOLUTION NO.**

Adopted by the Sacramento City Council  
on

**AWARDING SACRAMENTO REGIONAL COUNTY SANITATION DISTRICT (SRCSD)  
CONNECTION FEE CREDITS FOR ORLEANS HOTEL PROJECT**

**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, amending the Memorandum of Understanding (MOU) between the Sacramento Regional County Sanitation District (SRCSD) and the City, and guidelines for the allocation and awarding of Treatment Capacity Bank Credits (Credits) for commercial development, Downtown, low-income, and infill / transit-oriented development projects.

**BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL  
RESOLVES AS FOLLOWS:**

- Section 1. City Council hereby awards a maximum of 18.75 new SRCSD sewer credits to the project known as Orleans Hotel, located at 1022 2<sup>nd</sup> Street (APN #:006-0071-053).
- 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.

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Exhibit A - History



**HISTORY:**

On April 5, 2007 an application was submitted for Treatment Capacity Bank Sewer Credits for 1022 2<sup>nd</sup> Street to be developed into 24 units with 7,450 square feet of retail space. This development will contribute to the overall quality of the downtown area by providing permanent housing as well as retail space which will potentially lead to greater employment and economic growth in the downtown area.