

RESOLUTION NO. 2004-558

ADOPTED BY THE SACRAMENTO CITY COUNCIL

ON DATE OF: JUN 29 2004

RESOLUTION ESTABLISHING REVISED AMOUNTS FOR THE DEVELOPMENT-IMPACT FEE WITHIN THE JACINTO CREEK PLANNING AREA

RECITALS:

- A. Chapter 18.28 of the Sacramento City Code (Chapter 18.28) establishes and imposes a development-impact fee for the Jacinto Creek Planning Area (JCPA). It further directs that the amounts of this fee be established and amended by resolution. The predecessor of Chapter 18.28 was former chapter 84.06 of the Sacramento City Code, enacted on January 7, 1997, by Ordinance No. 97-002.
- B. On January 7, 1997, the city council adopted Resolution No. 97-012, which established the initial amount of the JCPA fee in accordance with the Mitigation Fee Act and the predecessor of Chapter 18.28. The initial amount was described in the Jacinto Creek Planning Area Financing Plan and Nexus Study dated November 20, 1996, and approved by Resolution No. 97-011 on January 7, 1997 (the 1996 Finance Plan & Nexus Study). A finance plan identifies the public infrastructure needed to support new development, as well as the means of financing that infrastructure. A nexus study identifies how much of the cost to construct the public infrastructure is properly attributable to the properties that will pay the cost through development-impact fees.
- C. The city uses the JCPA fee to offset the costs of designing, constructing, installing, and acquiring the public infrastructure described in the 1996 Finance Plan & Nexus Study (the Public Infrastructure). The intent is that landowners in the JCPA pay for the Public Infrastructure, which is required to meet the needs of, and address the impacts caused by, their development activity. The JCPA fee consists of three components: a *channel-improvement component* that, among other things, funds the widening of Jacinto Creek; a *drainage component* that funds storm-drainage improvements; and a *public-facilities component* that, among other things, funds the widening of Bruceville Road, the construction of a water system, and the reimbursement of planning and administrative costs. The channel-improvement component is collected when final subdivision maps are submitted to the city. The balance of the fee is collected when the city issues building permits for development within the JCPA.
- D. Since January 1997, the JCPA fee has been increased annually to account for inflation, as Chapter 18.28 provides. But these increases have not kept up with increases in the cost to construct the Public Infrastructure. This is especially true for the cost to widen Bruceville Road. As a result, the amount of the JCPA fee,

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especially the amount of the public-facilities component, has become inadequate.

- E. To address the inadequacy of the fee, on October 28, 2003, the city council enacted an ordinance directing staff to perform an update of the 1996 Finance Plan & Nexus Study. The same ordinance also temporarily suspended the issuance of building permits within the JCPA, to allow time to perform the update and increase the fees. This temporary suspension has been extended twice.
- F. Harris & Associates, the consultant retained to perform the update, has completed a Draft Jacinto Creek Planning Area Finance Plan Update dated February 5, 2004. Because estimated costs in the draft update are based on data collected in September 2003, Harris & Associates subsequently adjusted the costs to account for inflation. The adjusted costs are set forth in a memorandum dated June 7, 2004. In this resolution, "Finance Plan Update" refers to the February 5, 2004, draft update as revised by the June 7, 2004, memorandum.
- G. Among other things, the Finance Plan Update (1) confirms that no changes have been made to the Public Infrastructure, (2) identifies the fee increase needed to ensure that the Public Infrastructure can be constructed at current costs, (3) determines that traffic volumes and patterns projected for Bruceville Road in 2025 yield the same percentage share of costs for the JCPA (39%) that was identified by the 1996 Finance Plan & Nexus Study, and (4) concludes that the methodology used in the 1996 Finance Plan & Nexus Study to set the amount of the JCPA fee is still valid (as are the findings in the 1996 Finance Plan & Nexus Study and Resolution No. 97-011).
- H. Chapter 18.28 requires the city council to hold a public hearing on any increase in the JCPA fee other than the annual adjustment for inflation. The hearing must be held in the manner required by Government Code sections 66016, 66017, and 66018. Accordingly, the city clerk scheduled a public hearing for the city council's regularly scheduled meeting on June 29, 2004; published and mailed notice of the hearing in accordance with Government Code sections 6062a, 66016, and 66018; and made the Finance Plan Update, including all background data and studies referenced in it, available for public review at her office for at least 10 days before the hearing.
- I. On June 29, 2004, during a regularly scheduled meeting at 2:00 p.m. in its chambers on the first floor of the Sacramento City Hall (730 "I" Street, Sacramento, California), the city council held a public hearing on the proposed fee increase.

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ACCORDINGLY, THE CITY COUNCIL OF THE CITY OF SACRAMENTO RESOLVES AS FOLLOWS:

Section 1. Findings. The city council finds as follows:

- (a) The recitals set forth above are true and are incorporated into this section as findings in support of the fee increase.
- (b) The amended amount of the JCPA fee has been determined and calculated in a manner consistent with the methodology set forth in the 1996 Finance Plan & Nexus Study, using the data and methodology set forth in the Finance Plan Update.
- (c) The purpose of the amended JCPA fee is to finance the Public Infrastructure, which is required to meet the needs of persons living and employed within the JCPA and to mitigate the impacts on public services and infrastructure caused by development within the JCPA.
- (d) The amended JCPA will be used to finance the Public Infrastructure, which is required to meet the needs of persons living and employed within the JCPA and to mitigate the impacts on public services and infrastructure caused by development within the JCPA.
- (e) The 1996 Finance Plan & Nexus Study and the Finance Plan Update demonstrate that a reasonable relationship exists between the use of the amended JCPA fee and the type of development project on which the fee is to be imposed.
- (f) The 1996 Finance Plan & Nexus Study and the Finance Plan Update demonstrate that a reasonable relationship exists between the need for the Public Infrastructure and the types of development projects on which the fee is to be imposed.
- (g) The 1996 Finance Plan & Nexus Study and the Finance Plan Update demonstrate that a reasonable relationship exists between the amount of the amended JCPA fee and the costs of the Public Infrastructure attributable to the development projects on which the fee is to be imposed.
- (h) The amended JCPA fee and the provisions, procedures, and policies adopted by this resolution are consistent with the city's general plan and the South Sacramento Community Plan as they exist on the date this resolution is adopted, as well as with the 1996 Finance Plan and Nexus Study. In addition, the city council has considered the effects of the amended fee on the city's housing needs and on regional housing needs.

Section 2. Approval of Finance Plan Update. The city council accepts and approves the Finance Plan Update, including all background data and studies referenced in it.

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Section 3. Amended Amount of Development-Impact Fee. The JCPA development-impact fee established and imposed by Chapter 18.28 (in section 18.28.050) is amended and established in the amounts set forth in the Finance Plan Update. A summary of the amended JCPA development-impact fee is attached to this resolution as Exhibit A and is made part of this resolution.

Section 4. Credits and Reimbursements. In accordance with section 18.29.120 of Chapter 18.28, credits against, and reimbursements of, the JCPA development-impact fee are to be calculated in accordance with the 1996 Financing Plan & Nexus Study and the Finance Plan Update.

Section 5. Automatic Annual Adjustment. In accordance with section 18.29.130 of Chapter 18.28, the amended JCPA development-impact fee will be adjusted automatically each year to account for inflation.

Section 6. Interpretation of Resolution. This resolution is subordinate to Chapter 18.28 and is to be interpreted and applied consistently with Chapter 18.28 as it exists on the date of this resolution or may subsequently be amended.

Section 7. Judicial Action to Challenge this Resolution. In accordance with Government Code section 66022, any judicial action or proceeding to attack, review, set aside, void, or annul this resolution must be commenced within 120 days of this resolution's effective date.

Section 8. Effective Date. In accordance with Government Code section 66017, subdivision (a), this resolution is effective 60 days after its adoption.

Section 9. Severability.

- (a) If a court of competent jurisdiction finds any provision of this resolution to be invalid or unenforceable for any reason, then that provision is to be considered a separate and independent provision, so that the court's finding will not affect the validity of the remaining provisions.
- (b) If a court of competent jurisdiction finds any component of the amended JCPA fee established by this resolution to be invalid or unenforceable for any reason, then that component is to be considered a separate and independent component, so that the court's finding will not affect the validity of the remaining components.
- (c) If a court of competent jurisdiction finds any component of the amended JCPA fee established by this resolution to be invalid or unenforceable because of an insufficient relationship or nexus to a specific public facility for which revenue generated by that component may be expended in accordance with Chapter 18.28 or any resolution adopted under that chapter, then that component, as it relates to the specific public facility, is to be considered a separate and independent component, so that the

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court's finding will not affect the validity of the component as it relates to other public facilities.

Deborah Ferg
MAYOR

ATTEST:

Stephanie Mizuno
CITY CLERK

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EXHIBIT A

Table B
Proposed Fees (with ENR adjustments to March 2004)

	Drainage	4% Admin	Drainage (including 4% admin)	Channel	4% Admin	Channel (including 4% admin)	PFF Fee Components				Total PFF	Total Fee	
							Water	Roadways	Developer & City Planning	City Admin (4% of fees)			
Watershed 1													
Low-Density	NA		NA	NA		NA	NA	NA	NA	NA	NA	NA	per unit
Medium/Low Density	\$ 2,360	\$ 94	\$ 2,454	NA		NA	\$ 540	\$ 1,786	\$ 214	\$ 102	\$ 2,642	\$ 5,096	per unit
Medium Density	\$ 1,905	\$ 76	\$ 1,982	NA		NA	\$ 420	\$ 1,450	\$ 148	\$ 81	\$ 2,099	\$ 4,081	per unit
Office/Commercial	NA		NA	NA		NA	NA	NA	NA	NA	NA	NA	per ac
School	NA		NA	NA		NA	NA	NA	NA	NA	NA	NA	per ac
Watershed 2													
Low-Density (see note 1)	NA		NA	NA		NA	\$ 708	\$ 1,885	\$ 321	\$ 117	\$ 3,031	\$ 3,031	per unit
Medium/Low Density	\$ 1,947	\$ 78	\$ 2,025	NA		NA	\$ 540	\$ 1,786	\$ 214	\$ 102	\$ 2,642	\$ 4,666	per unit
Medium Density	\$ 1,572	\$ 63	\$ 1,635	NA		NA	\$ 420	\$ 1,450	\$ 148	\$ 81	\$ 2,099	\$ 3,734	per unit
Office/Commercial	\$24,819	\$ 993	\$ 25,812	NA		NA	\$ 4,554	\$ 32,345	\$ 1,923	\$ 1,553	\$ 40,375	\$ 66,187	per ac
School	NA		NA	NA		NA	NA	NA	NA	NA	NA	NA	per ac
Watershed 3													
Low-Density	\$ 1,954	\$ 78	\$ 2,032	\$ 1,449	\$ 58	\$ 1,506	\$ 708	\$ 1,885	\$ 321	\$ 117	\$ 3,031	\$ 6,569	per unit
Medium/Low Density	\$ 1,565	\$ 63	\$ 1,628	\$ 1,159	\$ 46	\$ 1,206	\$ 540	\$ 1,786	\$ 214	\$ 102	\$ 2,642	\$ 5,475	per unit
Medium Density	NA		NA	NA		NA	NA	NA	NA	NA	NA	NA	per unit
Office/Commercial	\$19,942	\$ 798	\$ 20,740	\$14,780	\$ 591	\$ 15,371	\$ 4,554	\$ 32,345	\$ 1,923	\$ 1,553	\$ 40,375	\$ 76,485	per ac
School	NA		NA	NA		NA	NA	NA	NA	NA	NA	NA	per ac
Watershed 4													
Low-Density	\$ 911	\$ 36	\$ 948	NA		NA	\$ 708	\$ 1,885	\$ 321	\$ 117	\$ 3,031	\$ 3,978	per unit
Medium/Low Density	NA		NA	NA		NA	NA	NA	NA	NA	NA	NA	per unit
Medium Density	\$ 588	\$ 24	\$ 612	NA		NA	\$ 420	\$ 1,450	\$ 148	\$ 81	\$ 2,099	\$ 2,711	per unit
Office/Commercial	\$ 9,270	\$ 371	\$ 9,640	NA		NA	\$ 4,554	\$ 32,345	\$ 1,923	\$ 1,553	\$ 40,375	\$ 50,015	per ac
School	NA		NA	NA		NA	NA	NA	NA	NA	NA	NA	per ac
Watershed 5													
Low-Density	\$ 1,838	\$ 74	\$ 1,911	\$ 1,449	\$ 58	\$ 1,506	\$ 708	\$ 1,885	\$ 321	\$ 117	\$ 3,031	\$ 6,448	per unit
Medium/Low Density	\$ 1,470	\$ 59	\$ 1,529	\$ 1,159	\$ 46	\$ 1,206	\$ 540	\$ 1,786	\$ 214	\$ 102	\$ 2,642	\$ 5,376	per unit
Medium Density	\$ 1,187	\$ 47	\$ 1,235	\$ 936	\$ 37	\$ 974	\$ 420	\$ 1,450	\$ 148	\$ 81	\$ 2,099	\$ 4,308	per unit
Office/Commercial	NA		NA	NA		NA	NA	NA	NA	NA	NA	NA	per ac
School	NA		NA	NA		NA	NA	NA	NA	NA	NA	NA	per ac
Watershed 6													
Low-Density	NA		\$ -	NA	NA	\$ -	\$ 708	\$ 1,885	\$ 321	\$ 117	\$ 3,031	\$ 3,031	per unit
Medium/Low Density	NA		NA	NA		NA	NA	NA	NA	NA	NA	NA	per unit
Medium Density	\$ 594	\$ 24	\$ 618	\$ 936	\$ 37	\$ 974	\$ 420	\$ 1,450	\$ 148	\$ 81	\$ 2,099	\$ 3,691	per unit
Office/Commercial	\$ 9,387	\$ 375	\$ 9,762	\$14,780	\$ 591	\$ 15,371	\$ 4,554	\$ 32,345	\$ 1,923	\$ 1,553	\$ 40,375	\$ 65,507	per ac
School	NA		NA	NA		NA	NA	NA	NA	NA	NA	NA	per ac

