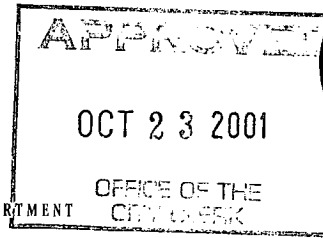


ECONOMIC DEVELOPMENT DEPARTMENT

CITY OF SACRAMENTO



2.18

October 12, 2001

City Council  
Sacramento, California

Honorable Members in Session:

**SUBJECT:** SACRAMENTO REGIONAL COUNTY SANITATION DISTRICT  
ECONOMIC DEVELOPMENT TREATMENT CAPACITY BANK SEWER  
CREDITS FOR THE NAKED LOUNGE COFFEE HOUSE.

**LOCATION AND COUNCIL DISTRICT:** District 4

**RECOMMENDATION:**

It is recommended that City Council approve a resolution awarding Sacramento Regional County Sanitation District (SRCSD) connection fee credits to the described restaurant, coffee shop known as The Naked Lounge Coffee House.

**CONTACT PERSONS:** Aaron Anderson, Economic Development Specialist,  
264-2796  
Kristan Otto, Economic Development Manager,  
264-7948

**FOR COUNCIL MEETING OF:** October 23, 2001

**SUMMARY:**

The City of Sacramento's Economic Development Department recommends approval of the attached resolution awarding SRCSD sewer credits to the restaurant, coffee shop to be known as The Naked Lounge Coffee House and located at 1500 Q Street (APN: 006-0292-001) as depicted on the map herein (Attachment 1). This candidate for sewer credits meets Council-approved criteria for the granting of sewer credits including location in a designated redevelopment area, catalyst project development, and job

creation.

**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, which sets aside 85 percent of the City's sewer credit allocation, or 6,775 sewer credits, for award to economic development projects and established the following guidelines for award of City sewer credits:

A. General Guidelines

1. Projects located in redevelopment, CDBG, and/or infill development areas;
2. Projects that create additional employment;
3. Catalyst projects such as restaurants or high job creations projects that will further economic development efforts;
4. Credits may not be used as a means of attracting business from a neighboring jurisdiction that is a member of the Economic Development Treatment Capacity bank.

B. Commercial and Industrial projects located in one of the following geographic areas:

1. Neighborhood commercial corridors identified in the adopted City Economic Development Strategy;
2. Targeted key development opportunity sites identified in the adopted City Economic Development Strategy;
3. Redevelopment of CDBG eligible areas.

C. Low to moderate housing located in one of the following geographical areas:

1. Areas identified in the City's Infill Development Policy;
2. Redevelopment or CDBG eligible areas;

3. Areas consistent with the City's mixed Income Housing Ordinance.

On October 11, 2001, the City received an application from The Naked Lounge Coffee House requesting award of 5.06 sewer credits to be used for a restaurant/coffee shop located at 1500 Q Street Sacramento. Award of the requested 5.06 sewer credits will reduce total Regional Sanitation fees to be paid for this project from \$17,710 (at \$3,500 apiece) to approximately \$4670 (at \$923 apiece).

Based upon a review of the application (Attachment 2), staff concludes that the applicant meets Council-approved objectives for the granting of sewer credits including location in a designated redevelopment area, catalyst project development, and job creation. Staff therefore recommends this project for award of sewer credits by City Council.

The award of a 5.06 sewer credits to The Naked Lounge Coffee House will leave a total of 6,634.60 sewer credits for future award by the City to support economic development projects.

Attachment 3 provides a summary of City Economic Development Department sewer credit award activity to date.

**FINANCIAL CONSIDERATIONS:**

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

**ENVIRONMENTAL CONSIDERATIONS:**

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

**POLICY CONSIDERATIONS:**

The City of Sacramento views restaurants located within designated neighborhood commercial corridors that create new jobs as an important cornerstone of the City's economic development. Approval of the subject recommendation serves to promote this City policy objective.

**ESBD CONSIDERATIONS:**

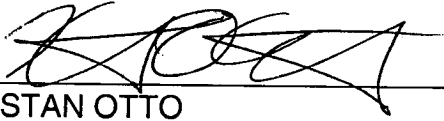
No goods or services are being purchased.

City Council  
Regional Sanitation Credit Application for The Naked Lounge Coffee Shop  
October 23, 2001

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Respectfully submitted:

APPROVED:



KRISTAN OTTO  
Economic Development Manager

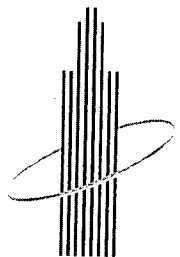
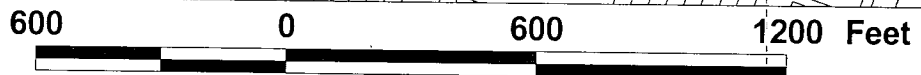
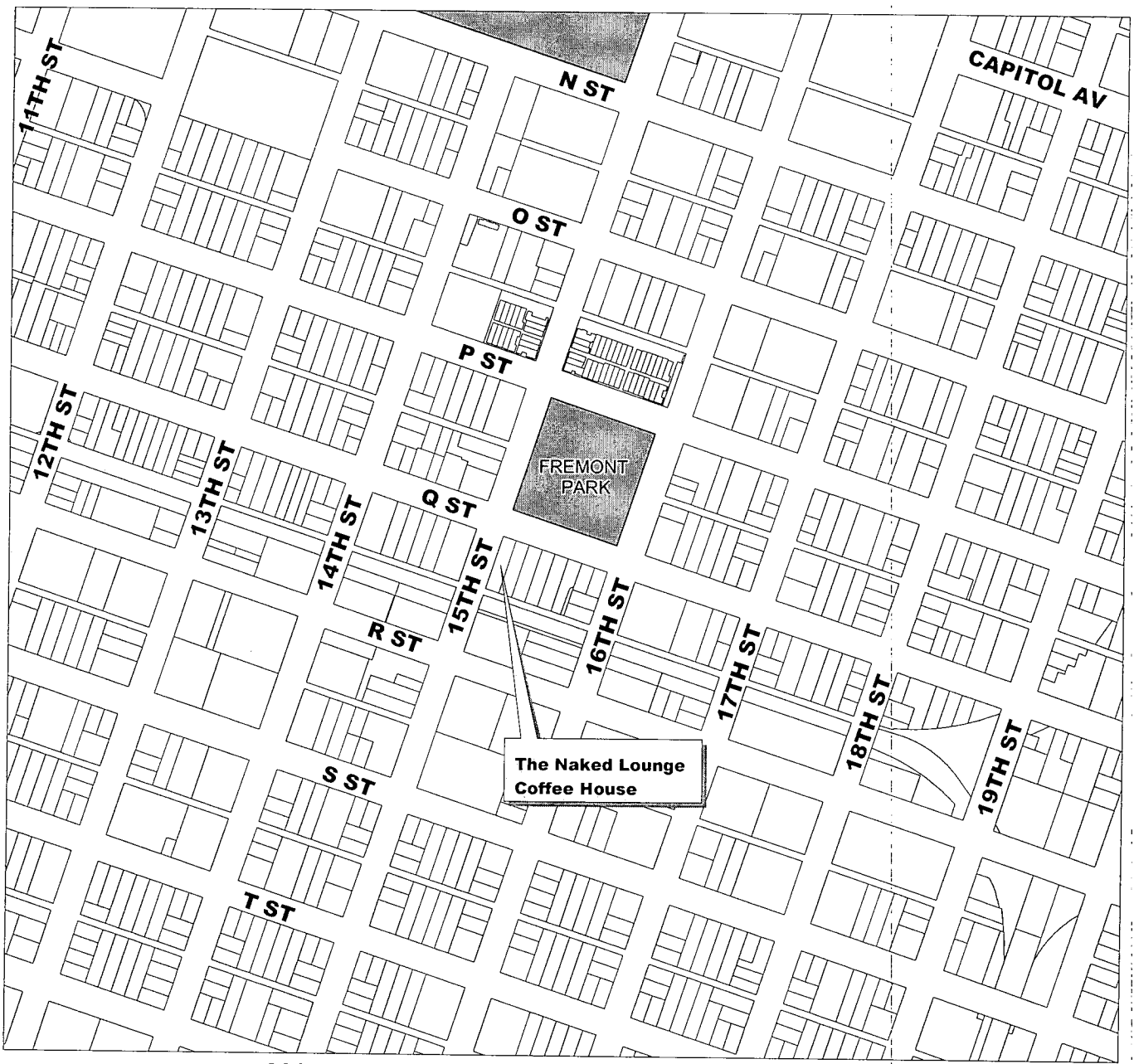


ANDREW J. PLESCIA  
Economic Development Director

**RECOMMENDATION APPROVED:**

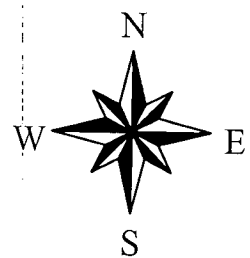


ROBERT P. THOMAS  
City Manager



ECONOMIC DEVELOPMENT DEPARTMENT

CITY OF SACRAMENTO



## CITY OF SACRAMENTO: Application for Economic Development Treatment Capacity Bank Sewer Credits

Thank you for taking the time to complete this application. Please print or type your responses to the questions below. When complete, return to: Matthew I. Slavin, Office of Economic Development, City of Sacramento, by mail at 1030 Fifteenth Street, 2<sup>nd</sup> Floor. Sacramento, CA 95814, or by fax to 916-264-8161.

Please call <sup>KRISTAN OTTO</sup> Matt Slavin at 916-264-2796 with any questions as to eligibility for sewer credits or for assistance in completing the application.

1. Name of Business: THE NAKED LOUNGE COFFEEHOUSE
2. Address for which Credits sought: 1500 Q ST.
3. Assessor's Parcel Number: 006-0292-001
4. Legal Name of Business Owner: CHRIS PONDARVIS
5. Owner's Mailing Address: 1105 W. 5<sup>TH</sup> ST., CHICO, CA
6. Owner's Phone Number: 530-521-6434 Owner's Fax Number: \_\_\_\_\_  
Owner's email address: \_\_\_\_\_
7. Please describe the type of business or development project for which this application is being submitted: NEW COFFEEHOUSE OF 4100 SF IN A RECENTLY RENOVATED HISTORIC BLDG.
8. Has applicant received a Quotation from the Sacramento County Regional Sanitation District stating the number of ESDs that will be needed for the above-described project? Yes  No \_\_\_\_\_. If Yes, please provide a copy of the Quote with this application. The City will not accept applications unless a Quote from Regional Sanitation is attached.
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: 7
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: Ron Vrillakas

Date: 10.11.01

Print Applicant's Name: RON VRILAKAS

441-4685

To be completed by City: Approved by: \_\_\_\_\_

Print Name and Title: \_\_\_\_\_ Date: \_\_\_\_\_

City Council Resolution Number: \_\_\_\_\_



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

**October 3, 2001**  
**RECEIVING FAX: 916-447-4685**  
**SENDING FAX: 916-876-6161**

**TO: DAVE EDWARDS**

**FROM: DOLORES ROSS**  
 SACRAMENTO REGIONAL COUNTY SANITATION DISTRICT

**RE: SEWER FACILITY IMPACT FEES**  
**1500 "Q" St.**

**APN: 006-0292-001**  
**Act. # \_\_\_\_\_**

The Sewer Facility Impact Fees due for the 1,100 sq.ft. tea and coffee house at the above address are as follows:

		<u>ESDs</u>	<u>ESDs</u>
Impact:	6 apts	4.5	
	1100 sq.ft. coffee house	<u>5.17</u>	
		9.67	
Credit:	6 apts		4.5
	1100 sq.ft. retail		<u>0.11</u>
			4.61
Impact to Sac. Regional County San. District			
9.67 - 4.61 ESDs = 5.06 ESDs			
5.06 ESDs @ \$3,500/ESD=			\$17,710

If you have any questions regarding the above, please call me at 876-6100.

cc: Sean Burke  
 City of Sacramento

*This fee is also 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: [rossd@SacCounty.NET](mailto:rossd@SacCounty.NET)

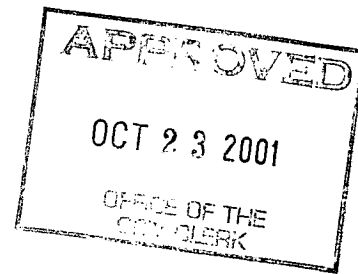
CITY OF SACRAMENTO  
ECONOMIC DEVELOPMENT DEPARTMENT

REGIONAL SANITATION DISTRICT SEWER FEE CREDIT LOG

Updated: 10-12-01

<u>Applicant Name</u>	<u>Applicant Address</u>	<u>Status</u>	<u>Credits Awarded</u>	<u>Council Date</u>	<u>Council District</u>	<u>Credit Balance</u>
						6775.00
Celestin's Restaurant	1815 K Street	Approved Res. #2001-256	17.87	05/01/01	3	6757.13
Selland's Market Café	5340 H Street	Approved Res. #2001-257	6.87	05/01/01	3	6750.26
Embassy Suites Hotel	100 Capitol Mall	Approved Res. #2001-294	11.60	05/15/01	1	6738.66
Landry's Restaurant	Waterfort Site A	Approved Res. #2001-295	55.83	05/15/01	1	6682.83
Jag's India Restaurant	2416 18th Street	Approved Res. #2001-486	5.25	07/03/01	4	6677.58
Carneceria 2000 Restaurant	5637 Mack Road	Approved Res. #2001-530	4.04	07/31/01	8	6673.54
Lee's Legacy Café	1910 Frutiridge Rd	Approved Res. #2001-562	5.70	08/14/01	4	6667.84
Nishiki Sushi	1501 16th Street #111	Approved Res. #2001-574	13.64	08/21/01	3	6654.20
Zen Toro Sushi Expansion	900 15th Street	Approved Res. #2001-603	5.48	09/04/01	1	6648.72
Candy Express @ Macy's	414 K Street	Pending	8.79	10/16/01	1	6639.93
The Naked Lounge Coffee Shop	1500 Q Street	Pending	5.06	10/23/01	4	6634.87





**RESOLUTION NO. 2001-709**

ADOPTED BY THE SACRAMENTO CITY COUNCIL

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

**A RESOLUTION AWARDING ECONOMIC DEVELOPMENT TREATMENT CAPACITY BANK, HOUSING CONNECTION FEE CREDITS BY SACRAMENTO REGIONAL COUNTY SANITATION DISTRICT (SRCSD) FOR THE NAKED LOUNGE 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 7,971ESD'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, the retail outlet known as The Naked Lounge Coffee House and located at 1500 Q Street in Downtown Sacramento meets City economic development objectives including location in a designated redevelopment area, catalyst project development, and job creation;

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

1. City Council hereby awards a maximum of 5.06 ESD credits from the Sacramento Regional County Sanitation District Economic Development Treatment Capacity Bank to retail the restaurant/coffee shop to be known as The Naked Lounge Coffee House and located at 1500 Q Street in Downtown Sacramento (APN: 006-0292-001).
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.

**FOR CITY CLERK USE ONLY**

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

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

3. Any and all credits awarded herein to each individual recipient will also expire if said individual recipient has not been issued a building permit for its respective above referenced development project within one year after the date aforementioned sewer impact fees are paid to SRCSD.
4. Award herein of 5.06 sewer credits will leave a total of 6,634.87 sewer credits for future award by the City to support economic development projects.

\_\_\_\_\_  
MAYOR

ATTEST:

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

\_\_\_\_\_  
FOR CITY CLERK USE ONLY

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

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