

RESOLUTION NO. 2005-_____ 2005-547

ADOPTED BY THE SACRAMENTO CITY COUNCIL
ON JUN 28 2005

**RESOLUTION AMENDING THE DEVELOPMENT-IMPACT
FEE WITHIN THE JACINTO CREEK PLANNING AREA**

BACKGROUND:

- 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.

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- 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. As a result, the amount of the JCPA fee has become inadequate.
- E. To redress this inadequacy, on June 29, 2004, the city council adopted a resolution amending all components of the JCPA fee, with a focus on the roadway portion of the public-facilities component. The city council also committed itself to annually review the fee amounts for adequacy.
- F. Harris & Associates has completed a Draft Jacinto Creek Planning Area (JCPA) Finance Plan Update dated May 2005 (the 2005 Update). The 2005 Update focuses on the channel-improvement and drainage components of the fee, and on the water and planning portions of the fee's public-facilities component. Among other things, it (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, and (3) 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).
- G. 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 28, 2005; published and mailed notice of the hearing in accordance with Government Code sections 6062a, 66016, and 66018; and made the 2005 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.
- H. On June 28, 2005, during a regularly scheduled meeting at 2:00 p.m. in its chambers on the first floor of the Sacramento Interim City Hall (730 "I" Street, Sacramento, California), the city council held a public hearing on the proposed fee revision.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL 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.

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- (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 2005 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 fee 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 2005 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 2005 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 2005 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 2005 Update. The city council accepts and approves the 2005 Update, including all background data and studies referenced in it.

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

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amended and established in the amounts set forth in the 2005 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 2005 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 portion or component of the amended JCPA fee established by this resolution to be invalid or unenforceable for any reason, then that portion or component is to be considered a separate and independent portion or component, so that the court's finding will not affect the validity of the remaining portions and components.
- (c) If a court of competent jurisdiction finds any portion or 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 portion or component

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may be expended in accordance with Chapter 18.28 or any resolution adopted under that chapter, then that portion or component, as it relates to the specific public facility, is to be considered a separate and independent portion or component, so that the court's finding will not affect the validity of the portion or component as it relates to other public facilities.

PASSED AND ADOPTED on June 28, 2005, by the following vote:

Aye:
No:
Abstain:
Absent:

HEATHER FARGO

MAYOR

ATTEST:
SHIRLEY CONCOLING

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EXHIBIT A

Table B
Proposed Fees

	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	NA	per unit
Medium/Low Density	\$ 2,593	\$ 104	\$ 2,697	NA	NA	NA	\$ 820	\$ 1,786	\$ 218	\$ 113	\$ 2,937	\$ 5,633 per unit
Medium Density	\$ 2,094	\$ 84	\$ 2,178	NA	NA	NA	\$ 638	\$ 1,450	\$ 149	\$ 90	\$ 2,327	\$ 4,509 per unit
Office/Commercial	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA per ac
School	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA per ac
Watershed 2												
Low-Density (see note 1)	\$ 2,353	NA	NA	NA	NA	NA	\$ 1,076	\$ 1,885	\$ 325	\$ 131	\$ 3,418	\$ 3,418 per unit
Medium/Low Density	\$ 1,883	\$ 75	\$ 1,958	NA	NA	NA	\$ 820	\$ 1,786	\$ 218	\$ 113	\$ 2,937	\$ 4,895 per unit
Medium Density	\$ 1,521	\$ 61	\$ 1,581	NA	NA	NA	\$ 638	\$ 1,450	\$ 149	\$ 90	\$ 2,327	\$ 3,909 per unit
Office/Commercial	\$ 24,005	\$ 960	\$ 24,965	NA	NA	NA	\$ 6,915	\$ 32,345	\$ 1,950	\$ 1,648	\$ 42,859	\$ 67,824 per ac
School	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA per ac
Watershed 3												
Low-Density	\$ 1,954	\$ 78	\$ 2,032	\$ 1,886	\$ 75	\$ 1,962	\$ 1,076	\$ 1,885	\$ 325	\$ 131	\$ 3,418	\$ 7,412 per unit
Medium/Low Density	\$ 1,565	\$ 63	\$ 1,628	\$ 1,509	\$ 60	\$ 1,570	\$ 820	\$ 1,786	\$ 218	\$ 113	\$ 2,937	\$ 6,134 per unit
Medium Density	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA per unit
Office/Commercial	\$ 19,942	\$ 798	\$ 20,740	\$ 19,242	\$ 770	\$ 20,011	\$ 6,915	\$ 32,345	\$ 1,950	\$ 1,648	\$ 42,859	\$ 83,610 per ac
School	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA per ac
Watershed 4												
Low-Density	\$ 996	\$ 40	\$ 1,036	NA	NA	NA	\$ 1,076	\$ 1,885	\$ 325	\$ 131	\$ 3,418	\$ 4,453 per unit
Medium/Low Density	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA per unit
Medium Density	\$ 644	\$ 26	\$ 669	NA	NA	NA	\$ 638	\$ 1,450	\$ 149	\$ 90	\$ 2,327	\$ 2,997 per unit
Office/Commercial	NA	NA	NA	NA	NA	NA	NA	\$ 32,345	NA	NA	NA	NA per ac
School	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA per ac
Watershed 5												
Low-Density	\$ 2,800	\$ 112	\$ 2,912	\$ 1,886	\$ 75	\$ 1,962	\$ 1,076	\$ 1,885	\$ 325	\$ 131	\$ 3,418	\$ 8,292 per unit
Medium/Low Density	\$ 2,240	\$ 90	\$ 2,330	\$ 1,509	\$ 60	\$ 1,570	\$ 820	\$ 1,786	\$ 218	\$ 113	\$ 2,937	\$ 6,836 per unit
Medium Density	\$ 1,809	\$ 72	\$ 1,882	\$ 1,219	\$ 49	\$ 1,268	\$ 638	\$ 1,450	\$ 149	\$ 90	\$ 2,327	\$ 5,477 per unit
Office/Commercial	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA per ac
School	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA per ac
Watershed 6												
Low-Density	NA	NA	NA	NA	NA	NA	NA	\$ 1,885	NA	NA	NA	NA per unit
Medium/Low Density	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA per unit
Medium Density	\$ 1,005	\$ 40	\$ 1,045	\$ 1,219	\$ 49	\$ 1,268	\$ 638	\$ 1,450	\$ 149	\$ 90	\$ 2,327	\$ 4,640 per unit
Office/Commercial	\$ 15,866	\$ 635	\$ 16,501	\$ 19,242	\$ 770	\$ 20,011	\$ 6,915	\$ 32,345	\$ 1,950	\$ 1,648	\$ 42,859	\$ 79,371 per ac
School	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA per ac
Watershed 7												
Low-Density	\$ 903	\$ 36	\$ 939	\$ 1,886	\$ 75	\$ 1,962	\$ 1,076	\$ 1,885	\$ 325	\$ 131	\$ 3,418	\$ 6,319 per unit
Medium/Low Density	\$ 723	\$ 29	\$ 752	\$ 1,509	\$ 60	\$ 1,570	\$ 820	\$ 1,786	\$ 218	\$ 113	\$ 2,937	\$ 5,258 per unit
Medium Density	\$ 584	\$ 23	\$ 607	\$ 1,219	\$ 49	\$ 1,268	\$ 638	\$ 1,450	\$ 149	\$ 90	\$ 2,327	\$ 4,202 per unit
Office/Commercial	NA	\$ 584	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA per ac
School	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA per ac
Laguna Vega (2)												
Low-Density	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA per unit
Medium/Low Density	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA per unit
Medium Density	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA per unit
Office/Commercial	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA per ac
School	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA per ac

Note 1: Exempt from Drainage and Channel fees. They built their drainage improvements prior to the finance plan being put together.
Note 2: Built Out