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**PLANNING AND BUILDING
DEPARTMENT**

CAROL SHEARLY
NATOMAS MANAGER

**CITY OF SACRAMENTO
CALIFORNIA**

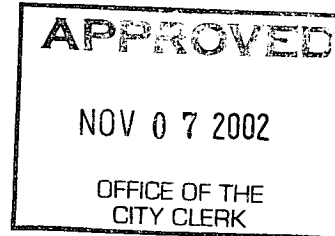
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October 29, 2002

City Council
Sacramento, California

Honorable Members in Session:



**SUBJECT: ORDINANCE RELATING TO THE NORTH NATOMAS REGIONAL PARK
LAND ACQUISITION FEE, WITHIN THE NORTH NATOMAS FINANCING
PLAN**

LOCATION AND DISTRICT: Council District 1; North Natomas Neighborhood Service Area 4

RECOMMENDATION:

It is recommended that the City Council adopt the attached ordinance that would establish a "catch up" fee requirement for landowners paying Regional Park Land Acquisition fees prior to amendment of that fee by the City Council. The ordinance will "sunset" six months from adoption unless renewed by City Council action before expiration, and is an emergency measure requiring a 2/3 vote of the City Council.

(Two thirds vote required emergency ordinance)

CONTACT PERSON:

Carol Shearly, Natomas Manager, 808-5893
Ed Williams, Senior Engineer, 264-5440

FOR COUNCIL MEETING OF:

November 7, 2002

SUMMARY:

This ordinance amendment relating to North Natomas Regional Park Land Acquisition Fee provides a mechanism to allow collection of an additional or a "catch-up" amount if, within the effective period of the ordinance, the City Council increases that fee.

COMMITTEE/COMMISSION ACTION:

None

BACKGROUND INFORMATION:

Certain North Natomas landowners will soon, upon issuance of building permits, be paying their North Natomas Regional Park Land Acquisition Fees (Fund 780). Staff is presently preparing documents for an increase in the fee. It is staff's intent to take the fee increase to the City Council in November. Landowners who are issued building permits prior to the fee increase will be paying far too little, thus imposing a greater fee burden on later-developing landowners. To avoid this inequitable result, this ordinance establishes that the fee due from a developer is the fee in place at the time of issuance of the building permit, plus any increase adopted by the City Council during the effective period of this ordinance. This is known as a "catch-up" provision. The ordinance contains a "sunset" provision, which will cause it to expire automatically six months from its adoption unless it is extended in time prior to its expiration date. The ordinance is designated as an emergency ordinance because fee increases are imminent and the catch up provision will eliminate inequity as between landowners.

FINANCIAL CONSIDERATIONS:

There is no impact to the general fund. The North Natomas Regional Park Land Acquisition Fee (Fund 780) is paid by landowners or developers. However, approval of the attached Council action will provide the City the ability to collect a catch-up increment of the fee.

ENVIRONMENTAL CONSIDERATIONS:

The attached ordinance relates solely to clarification of existing procedure under existing City ordinance, and is itself therefore not a project for the purpose of the California Environmental Quality Act.

POLICY CONSIDERATIONS:

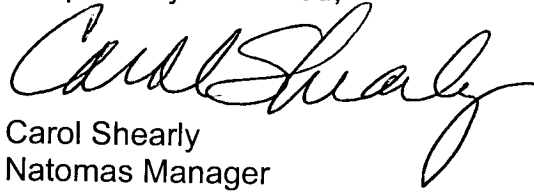
Adoption of the catch-up fee is consistent with the 1994 Financing Plan and Nexus Study and as amended in 1999 and 2002. This is also consistent with the City's Strategic Plan to preserve and enhance the City's quality of life.

City Council
North Natomas Regional Park Land Acquisition – Catch Up Fee
October 29, 2002

ESBD:

None. No goods or services are being purchased.

Respectfully submitted,



Carol Shearly
Natomas Manager

RECOMMENDATION APPROVED:

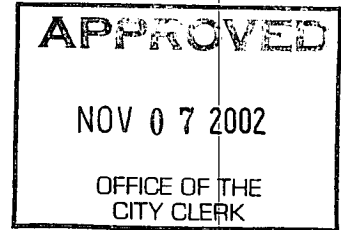


RW ROBERT P. THOMAS
City Manager

ORDINANCE NO. 2002-046

ADOPTED BY THE SACRAMENTO CITY COUNCIL

ON DATE OF _____



AN ORDINANCE REQUIRING PAYMENT OF ADDITIONAL REGIONAL PARK LAND ACQUISITION DEVELOPMENT IMPACT FEES FOLLOWING ISSUANCE OF A BUILDING PERMIT, FOR CERTAIN PROJECTS IN THE NORTH NATOMAS COMMUNITY PLAN AREA, AND DECLARING THE ORDINANCE TO BE AN EMERGENCY ORDINANCE TO BECOME EFFECTIVE IMMEDIATELY

BE IT ENACTED BY THE COUNCIL OF THE CITY OF SACRAMENTO:

SECTION 1.

Under the current Regional Park Land Acquisition Fee structure, the land cost estimate is based upon the Public Land Acquisition Value as specified in the North Natomas Nexus Study as recently updated by the City Council. That value is significantly less than the amount being sought by the owners of the Regional Park land in eminent domain proceedings. The just compensation that will ultimately be awarded to those landowners in the eminent domain proceedings is uncertain. If the award is equal to the amount requested by the landowners, the Regional Park Land Acquisition Fees collected on building permits issued in the near term will be far less than needed to fund the acquisition price, thereby endangering the public's right to a 200 acre regional park in North Natomas as called for by the North Natomas Community Plan.

It is the intention of the City Council to undertake proceedings to amend the North Natomas Regional Park Land Acquisition Fee in the near future in order to take into account the potential for high land acquisition costs, as set forth above.

It is contemplated that a large number of building permits will be issued before the process for amending the fee is completed. Because the Regional Park Land Acquisition Fee is payable at the time of issuance of a building permit, landowners receiving permits before the fee amendment process is completed will pay inadequate fees, and those landowners developing later will be forced to pay inordinately high fees. To address this potential inequity, it is necessary to immediately adopt an ordinance that requires landowners receiving building permits prior to the amendment of the Regional Park Land Acquisition Fee pay the difference between the fee actually paid at building permit issuance and any new fee adopted by the City Council in the near future.

Because the new fee as adopted may prove to be higher than that actually required, based upon the actual acquisition price as determined in the eminent domain proceedings or otherwise, it is necessary to include a provision allowing refund of excess fees upon further revision of the fees.

FOR CITY CLERK USE ONLY

ORDINANCE NO.: _____

DATE ADOPTED: _____

SECTION 2.

Landowners or developers who receive building permits within the North Natomas Community Plan area prior to amendment of the North Natomas Regional Park Land Acquisition Fee shall, as a condition of receiving a building permit, enter into an agreement satisfactory to the City Attorney, to pay the difference between the Fee paid at building permit issuance and the Fee as thereafter amended.

SECTION 3.

This ordinance shall expire six months from its effective date, unless extended by action of the City Council before the end of the six-month period.

SECTION 4.

This ordinance is declared to be an emergency ordinance to become effective immediately upon its adoption. The facts constituting the emergency are as set forth in the findings and intent as expressed in Section 1 of this ordinance.

DATE PASSED FOR PUBLICATION:
DATE ENACTED:
DATE EFFECTIVE:

MAYOR

ATTEST:

CITY CLERK

FOR CITY CLERK USE ONLY

ORDINANCE NO.: _____

DATE ADOPTED: _____