



REPORT TO COUNCIL

City of Sacramento

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915 I Street, Sacramento, CA 95814-2671
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CONSENT
December 6, 2005

Honorable Mayor and
Members of the City Council

Subject: Sewer Credits for Glen Elder #9 and #10, Power Inn Subdivision (M05-094)

Location/Council District:

53rd Avenue and Power Inn Road. Council District 6

Recommendation:

Staff recommends that the City Council approve the Resolution assigning regional sewer connection fee credits to the 35 low-income housing units.

Contacts: Lucinda Willcox, Infill Coordinator, 808-5052; Art Gee, Process Management Division Manager, 808-5945

Presenters: Lucinda Willcox, Infill Coordinator

Department: Development Services Department

Division: Process Management

Organization No: 4814

Summary:

Consistent with the City's adopted guidelines, staff recommends assignment of sewer connection fee credits for the 35 low income housing units in the Glen Elder #9 and #10, Power Inn Subdivision. The project consists of 35 single family homes, which will be developed by Mercy Housing using the mutual self help method.

Committee/Commission Action:

None.

Background Information:

The City Council authorized the City Manager to sign a Memorandum Of Understanding (MOU) to initiate City participation in the Sacramento Regional County Sanitation District (SRCSD) Economic Development Treatment Capacity Bank on March 20, 2001. Of the total 7,971 Equivalent Single Family Dwelling (ESDs) in fee credits made

available to the City of Sacramento, 15 percent of the total are allocated for unrestricted housing projects and another 15 percent annually may be allocated for low- and very-low income housing. Adopted City guidelines call for the housing portion of the credits to be used to support infill and lower income housing. The credits reduce the fees from \$2500 per ESD in SRCSD-defined infill areas or \$6500 per ESD in SRCSD-defined new growth areas to \$923 per ESD in any location.

The Glen Elder #9 and #10 subdivision includes 35 low income single family homes built using the self-help method by Mercy Housing. The request is for 35 ESDs in sewer fee connection credits to reduce the fees for the housing units.

Financial Considerations:

SRCSD impact fees for the project totals \$87,500. Assignment of 35 ESD credits to the project reduces the fees to \$32,305, for a savings of \$55,195. There are no additional costs to the City other than minimal administrative expenses.

Environmental Considerations:

The proposed fee reduction is exempt from environmental review pursuant to State CEQA Guidelines [CEQA Section 15061 (b)(3)].

Policy Considerations:

This action is consistent with SRCSD and City guidelines for use of the Economic Development Treatment Capacity Bank and is consistent with the City's Strategic Plan for promoting affordable housing.

Emerging Small Business Development (ESBD):

No goods or services are being purchased under this report.

Respectfully Submitted by: Art Gee
Art Gee
Manager, Process Management Division

Recommendation Approved:

Robert P. Thomas
ROBERT P. THOMAS
City Manager

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RESOLUTION NO.

Adopted by the Sacramento City Council

December 6, 2005

**REQUESTING ASSIGNMENT OF ECONOMIC
DEVELOPMENT TREATMENT CAPACITY BANK CREDITS
BY SACRAMENTO COUNTY REGIONAL SANITATION
DISTRICT FOR THE GLEN ELDER #9 and #10, POWER
INN RESIDENTIAL SUBDIVISION (M05-094)**

BACKGROUND

- A. The City Council authorized the City Manager to sign a Memorandum of Understanding (MOU) to participate in the Sacramento County Regional Sanitation District (SRCSD) Economic Development Treatment Capacity Bank (Bank);
- B. Based on the MOU, 15% of the City's total allocation from the Bank may be allocated for housing projects, and an additional 15% of the total allocation may be used for low- and very-low-income housing;
- C. The Glen Elder #9 and #10, Power Inn Subdivision, located at 53rd Avenue and Power Inn Road is approved for 35 single family housing units, which will be developed for low-income families using the mutual self-help method by Mercy Housing.
- D. The project requires 35 Equivalent Single Family Dwelling (ESDs) in SRCSD sewer connection fees.

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

- Section 1. The City Council requests assignment of 35 ESD credits from the SRCSD Economic Development Treatment Capacity Bank to the Glen Elder #9 and #10, Power Inn subdivision.
- Section 2. Any and all credits assigned herein shall expire if recipient has not paid requisite sewer impact fees to SRCSD within one year from the date of approval of this resolution.