

## **RESOLUTION 2024-0132**

Adopted by the Sacramento City Council

April 30, 2024

### **Resolution Establishing the Revised Public Facilities Land Acquisition Fee Amount for the North Natomas Land Acquisition Program**

#### **BACKGROUND**

- A. The North Natomas Finance Plan, adopted by Resolution No. 1994-0495 and updated in 1999 by Resolution No. 1999-0471, in 2002 by Resolution No. 2002-0374, in 2005 by Resolution No. 2005-0584, in 2009 by Resolution No. 2009-0341, and in 2017 by Resolution No. 2018-0058 (the “NNFP”) established the North Natomas Land Acquisition Program (“LAP”) to facilitate the City’s timely acquisition of public land for installation of infrastructure and other public facilities in the NNFP Area (which area is defined in the NNFP).
- B. Pursuant to City Code Chapter 18.24, Article III, the City Council may periodically revise the Public Facilities Land Acquisition Fee (“Fee”) charged to developers upon issuance of a building permit. Such revisions are determined by an independent land valuation study to establish the public land acquisition value (“PLAV”) based on the weighted average land value for properties in the NNFP area over the last three years.
- C. City staff is recommending an adjustment of the Fee amount. The independent appraisal firm of BBG, Inc. completed a valuation study to determine the PLAV based on the weighted average land value for properties in the NNFP Area over the last three years. The 2024 Appraisal Report prepared by BBG, Inc. determined that as of November 1, 2023, the PLAV of developable land acre is estimated at \$410,984 per acre (“Valuation Study”). When the last Fee adjustment was made in 2023, the PLAV was estimated at \$375,058 per acre. In addition to the Valuation Study, City staff reviewed a Fee Study prepared by Economic and Planning Systems, Inc. in 2005 for the LAP. Therefore, City staff used the Valuation Study and the Fee Study (collectively, the “2024 Fee Basis”) to calculate the recommend amount for increase of the Fee amount for the LAP.

- D. The North Natomas Community Plan (the “NNCP”), the NNFP, and the 2024 Fee Basis, along with the studies and reports each may reference or be based upon in whole or in part, together with any amendments thereto made after their initial adoption, establish the need for, costs of, and financing of public infrastructure and public facilities to address impacts of development within the NNFP Area, including acquisition of public lands, and present a reasonable basis on which to establish development impact fees. The foregoing items, and all other additional studies and reports, including, without limitation, drainage reports and proposals, transportation studies, and housing studies presented to the Council now or in the past for Council’s approval or for informational or other purposes, along with the studies, reports, and data each may reference or be based upon in whole or in part, and any and all amendments thereto made after their initial adoption, together with staff reports and other matters presented to the Council by City staff or interested parties, whether in writing or orally, constitute the record before City Council for purposes of the adoption of this resolution (the “Legislative Record”).
- E. The Legislative Record contains an analysis of impacts of contemplated future development in the NNFP Area and the need for new public infrastructure and facilities required by such development. The 2024 Fee Basis sets forth a reasonable relationship between North Natomas development, the public lands, their estimated acquisition costs, and the amount of the development impact fee required for acquisition.
- F. On Tuesday, April 30, 2024, at 2:00 p.m., a public hearing on adoption of this resolution was conducted by the Sacramento City Council at the City Council Chambers, New City Hall, 915 I Street (first floor), Sacramento, California.
- G. The 2024 Fee Basis was available for public inspection and review through the Office of the City Clerk for a period of at least ten days prior to the public hearing. Materials supplementing the 2024 Fee Basis and all background data referenced in the 2024 Fee Basis were made available to interested parties upon request made to the City Finance Department, at least ten days prior to said public hearing.
- H. The public hearing was also noticed pursuant to and in compliance with Government Code sections 66018, 66019, and 6062a and was held as part of a regularly scheduled meeting of the City Council, all as required by Section 18.24.070 of the Sacramento City Code.

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

**SECTION 1.**

Findings.

- A. The City Council hereby finds and determines as follows:
- (i) The background statements A through H are true and correct and are incorporated herein by reference as findings.
  - (ii) The contents of the 2024 Fee Basis are incorporated herein.
- B. As to the revised Fee associated with the LAP, as authorized by Chapter 18.24, Article III of the Sacramento City Code, the City Council makes the following additional findings:
- (iii) The LAP (as subsequently revised) and the 2024 Fee Basis reflect reasonable and necessary refinements to the LAP as it was initially adopted. The revised LAP sets forth a reasonable, fair, and equitable method by which the cost of the acquisition of necessary public land is shared by North Natomas landowners, without cost to the City. The revised LAP also sets forth provisions concerning credits, reimbursements, and deferral in the payment of the Fee. As such, the revised LAP is consistent with the goals and policies reflected in the NNCP and the NNFP.
  - (iv) The purpose of the Fee is to finance only the acquisition of required public land, as specified in Chapter V of the NNFP.
  - (v) The various types of development in the NNFP Area generate a need for certain public infrastructure that has not been constructed and that is required for consistency with the City's General Plan and the NNCP, and to protect the public's health, safety, and general welfare. The acquisition of public land under the LAP is necessary to support the construction of public facilities and infrastructure and to provide open space, buffers, and certain parks as set forth in the LAP.
  - (vi) The Legislative Record establishes a reasonable relationship between the need for the specified public land and the impacts of the various types of development contemplated in the NNFP Area, for which the Fee is charged.
  - (vii) There is a reasonable relationship between the use of the revised Fee and the type of development for which the Fee is charged, as described in the Legislative Record, including, without limitation, the LAP, the NNFP, and the 2024 Fee Basis.

- (viii) The revised Fee amount is consistent with the City's General Plan and the NNCP, and the City Council has considered the effects of the Fee with respect to the City's housing needs and the regional housing needs.

## **SECTION 2.**

The amount of the Fee provided under the LAP is hereby established for each of the referenced categories of land use as specified in the Updated North Natomas Public Facilities Land Acquisition Fee Schedule, which is incorporated herein as Exhibit A.

## **SECTION 3.**

The amount of the PLAV that is used to establish the Fee is hereby established as the amount specified in the Valuation Study, which is incorporated herein by reference and was based on the criteria defined in the NNFP. The PLAV may be adjusted annually and become effective July 1st of each succeeding year.

## **SECTION 4.**

Pursuant to Chapter 18.24 of the Sacramento City Code, credits against and reimbursements of the Fee shall be calculated and adjusted pursuant to and in accordance with the provisions of the NNFP.

## **SECTION 5.**

The provisions of this resolution are subject and subordinate to the provisions of City Code Chapter 18.24 and shall be construed and applied consistent therewith as Chapter 18.24 presently exists or is amended from time to time.

## **SECTION 6.**

Any judicial action or proceeding to attack, review, set aside, void, or annul this resolution must be brought within 120 days of its effective date, pursuant to California Government Code section 66022(a).

## **SECTION 7.**

This resolution will become effective 60 days after its adoption, pursuant to California Government Code section 66019(b).

## **SECTION 8.**

Severability.

- A. If any section, phrase, sentence, or other portion of this resolution for any reason is held or found to be invalid, void, unenforceable, or unconstitutional by a court of competent jurisdiction, such portion shall be deemed a separate, distinct, and independent provision, and such holding shall not affect the validity of the remaining portions of this resolution.
- B. If any fee set by this resolution for any reason is held or found to be invalid, void, unenforceable, or unconstitutional by a court of competent jurisdiction, such fee shall be deemed a separate, distinct and independent fee, and such holding shall not affect the validity of the remaining fees set by this resolution.
- C. If any fee set by this resolution is held or found to be invalid, void, unenforceable, or unconstitutional by a court of competent jurisdiction based upon an insufficient relationship or nexus to a specific public infrastructure for which the revenue generated from such fee may be expended pursuant to Chapter 18.24 of the Sacramento City Code or any resolution adopted pursuant to that chapter, the fee as it relates to the specific public infrastructure shall be deemed a separate, distinct, and independent fee, and such holding shall not affect the validity of the fee as it relates to other public infrastructure.

## **SECTION 9.**

Exhibit A is part of the resolution.

### **TABLE OF CONTENTS:**

Exhibit A - Updated North Natomas Public Facilities Land Acquisition Fee Schedule

Adopted by the City of Sacramento City Council on April 30, 2024, by the following vote:

Ayes: Members Guerra, Jennings, Kaplan, Maple, Talamantes, Thao, Valenzuela, Vang, and Mayor Steinberg

Noes: None

Abstain: None

Absent: None

Attest:  05/07/2024

Mindy Cuppy, City Clerk

*The presence of an electronic signature certifies that the foregoing is a true and correct copy as approved by the Sacramento City Council.*

**EXHIBIT A TO RESOLUTION**  
**UPDATED NORTH NATOMAS PUBLIC FACILITIES LAND**  
**ACQUISITION FEE SCHEDULE**

LAND USE	Public Facilities Land Acquisition Fee (Effective July 1, 2024)
<b>Residential</b>	<b><u>Fee Per Unit</u></b>
Single Family Attached / Detached	
Rural Estates	\$43,769
Lot Size > 5,000 sq. ft.	\$6,528
Lot Size 3,250-5,000 sq. ft.	\$5,372
Lot Size < 3,250 sq. ft.	\$4,215
Age-Restricted Single Family	\$7,758
Multi-Family (>2 attached units)	
8-12 units per net acre	\$4,215
12-18 units per net acre	\$3,073
>18 units per net acre	\$1,930
Age-Restricted Apartments	\$1,937
Age-Restricted Congregate Care	\$1,022
<b>Non-Residential</b>	<b><u>Fee Per Acre</u></b>
Convenience Commercial	\$43,769
Community Commercial	\$43,769
Village Commercial	\$43,769
Transit Commercial	\$43,769
Highway Commercial	\$43,769
Regional Commercial	\$43,769
Office EC 30	\$43,769
Office EC 40	\$43,769
Office/Hospital EC 50	\$43,769
Office EC 65	\$43,769
Office EC 80	\$43,769
Light Industrial w/ <20% Office	\$43,769
Light Industrial w/ 20%-50% Office	\$43,769
Age-Restricted Conv. Care/Skilled Nursing	\$43,769
Stadium	\$26,750