

RESOLUTION NO. 2005-584

Adopted by the Sacramento City Council

August 2, 2005

ADOPTING THE NORTH NATOMAS NEXUS STUDY AND FINANCING PLAN 2005 UPDATE

BACKGROUND

- A. On May 3, 1994, the City Council approved and adopted the North Natomas Community Plan by Resolution No. 94-259;
- B. On August 9, 1994, the City Council approved and adopted the North Natomas Financing Plan ("NNFP") by Resolution No. 94-495. The Financing Plan set forth the methods by which infrastructure required by the North Natomas Community Plan will be funded.
- C. In Resolution 94-495, the City Council acknowledged that the completion of additional studies and measures was required prior to implementation of the NNFP, including, without limitation, studies and measures which would refine the cost of necessary public infrastructure and the allocation of said cost among the various land uses within the NNFP Area.
- D. On August 9, 1994, the City Council also adopted Resolution No. 94-496, which directed City staff to: (i) conduct further analysis and studies relating to the NNFP; (ii) conduct a nexus study to analyze the development impact fee program set forth in the NNFP, identify the cost of the required public infrastructure, and allocate those costs to the various land uses within the Community Plan area; and (iii) follow specified guidelines for the preparation of a nexus study that would support the development impact fee program. The portion of the development impact fee program analyzed by the study relates to the Public Facilities Fee and Transit Fee.
- E. On October 31, 1995, the City Council approved the North Natomas Nexus Study ("Nexus Study") dated October 31, 1995, by Resolution No. 95-619, and established development impact fees for the North Natomas area by adoption of Ordinance No. 95-058 and Resolution No. 95-620. The development impact fees adopted included a Public Facilities Fee and Transit Fee.
- F. Review and revision of the Nexus Study and the development impact fees is legally appropriate and was contemplated by the City Council at the time of its approval of the Nexus Study and the impact fees. Section 1(e) of Resolution No. 95-619 provides: "The Nexus Study may be revised over time and under future circumstances in order to achieve the purposes and policies of the North Natomas Community Plan and the NNFP."

- G. The City undertook an update of the Nexus Study and Financing Plan, taking into account current development conditions within the North Natomas Community and NNFP area, as well as modifications to the financing programs and policies that are appropriate to the achievement of the purposes of the North Natomas Community Plan.

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

SECTION 1. Findings.

The City Council hereby finds as follows:

- (a) The recitals set forth above are true and correct and are incorporated herein by reference as findings.
- (b) The North Natomas Nexus Study and Financing Plan 2005 Update ("Update") sets forth a rational, fair and equitable method by which the cost of necessary public infrastructure in the NNFP area is to be allocated to the various land uses. For purposes of this Resolution, the term "Update" shall not include the discussion in the North Natomas Nexus Study and Financing Plan 2005 Update pertaining to "Changes in Land Use Designation" in Chapter 6, page VI-3.
- (c) The Update properly and reasonably allocates the burden of financing NNFP public infrastructure among development projects within the NNFP Area. The burden is allocated in a manner that achieves proper proportionality in light of those impacts that may reasonably be anticipated from those projects.
- (d) The Update: (i) properly and reasonably identifies the purpose of the fees and their intended use; (ii) establishes a reasonable relationship between the fee and the development on which the fee is imposed; (iii) establishes a reasonable and rational relationship between the need for the public infrastructure and the type of development activity on which the fee is imposed; and (iv) forms the basis for the further finding that the imposition of the fees described therein is necessary in order to protect the public health, safety and welfare within the NNFP Area and the city.
- (e) The Nexus Study and Financing Plan may be revised over time under future circumstances in order to achieve the purposes and policies of the North Natomas Community Plan.
- (f) The findings, conclusions, and methodologies set forth in the Update are consistent with the North Natomas Community Plan.

SECTION 2. Adoption of Nexus Study and Financing Plan 2005 Update

The North Natomas Nexus Study and Financing Plan 2005 Update and other supporting data referred to in the Update are integral to the conclusions reached therein and are hereby approved and adopted. A copy of the North Natomas Nexus Study and Financing Plan 2005 Update shall remain on file with the City Clerk.

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- Exhibit B: Single Family Infrastructure Burden Comparison (1 page)
- Exhibit C: Office Infrastructure Burden Comparison (1 page)
- Exhibit D: Proposed Public Facility Fee and Transit Fee Changes (1 page)

Adopted by the City of Sacramento City Council on August 2, 2005 by the following vote:

Ayes: Councilmembers Cohn, Fong, Hammond, McCarty, Pannell, Sheedy, Tretheway, Waters and Mayor Fargo.

Noes: None

Abstain: None

Absent: None



Mayor Heather Fargo



Shirley Concolino, City Clerk

Exhibit A

North Natomas Nexus Study 2005 Update Total Public Facilities and Transit Fee

	2005 Public Facilities Fee	2005 Transit Fee
<i>Includes 3.0% Administration Allowance</i>		
RESIDENTIAL		
	<i>Fee per Unit</i>	
<i>Single-Family Detached/Attached</i>		
Rural Estates	<i>See Note [2]</i>	
Lot Size > 5,000 Sq. Ft.	\$6,125	\$380
Lot Size 3,250 - 5,000 Sq. Ft.	\$5,372	\$348
Lot Size < 3,250 Sq. Ft.	\$4,618	\$316
Age-Restricted	\$5,145	\$249
<i>Multifamily (>2 attached units)</i>		
8-12 units per acre	\$4,618	\$316
>12 - 18 units per acre	\$3,963	\$283
> 18 units per acre	\$3,309	\$249
Age-Restricted Apartments	\$2,064	\$122
Age-Restricted Congregate Care	\$947	\$68
NONRESIDENTIAL		
	<i>Fee per Net Acre</i>	
Convenience Commercial	\$188,727	\$26,098
Community Commercial	\$108,856	\$13,444
Village Commercial	\$151,287	\$20,167
Transit Commercial	\$152,316	\$20,167
Highway Commercial	\$110,324	\$13,840
Regional Commercial	\$98,608	\$11,863
EC Commercial	\$108,856	\$13,444
EC 30 - Office	\$56,750	\$5,141
EC 40 - Office	\$72,094	\$7,118
EC 50 - Office/Hospital	\$84,084	\$8,699
EC 65 - Office	\$104,481	\$11,467
EC 80 - Office	\$123,238	\$13,840
Light Industrial with < 20% Office	\$33,852	\$2,373
Light Industrial with 20% - 50% Office [3]	\$40,721	\$3,203
Age-Restricted Convalescent Care/Skilled Nursing	\$35,075	\$2,754
Arena	<i>See Note [4]</i>	
Stadium	\$102,327	\$13,341

adj fee

- [1] Includes 3.0% adjustment for administration
- [2] Currently, there is no land designated as Rural Estates in the Finance Plan Area. In the event that such a land use is approved for development, the fee program will be updated to include a fee for Rural Estates
- [3] Modified Light Industrial PFF equals 1.35 times Road portion of PFF for Light Industrial plus 70% of the non-Road PFF for Light Industrial and 30% of the non-Road PFF for EC-30. Total includes 3.0% for administration
- [4] Arena site is already developed, and the City of Sacramento and Arco Arena owners have an agreement regarding PFF and Transit Fees.

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**Exhibit B
Infrastructure Burden Comparison
Single Family Units (2,200 Sq. Ft.)**

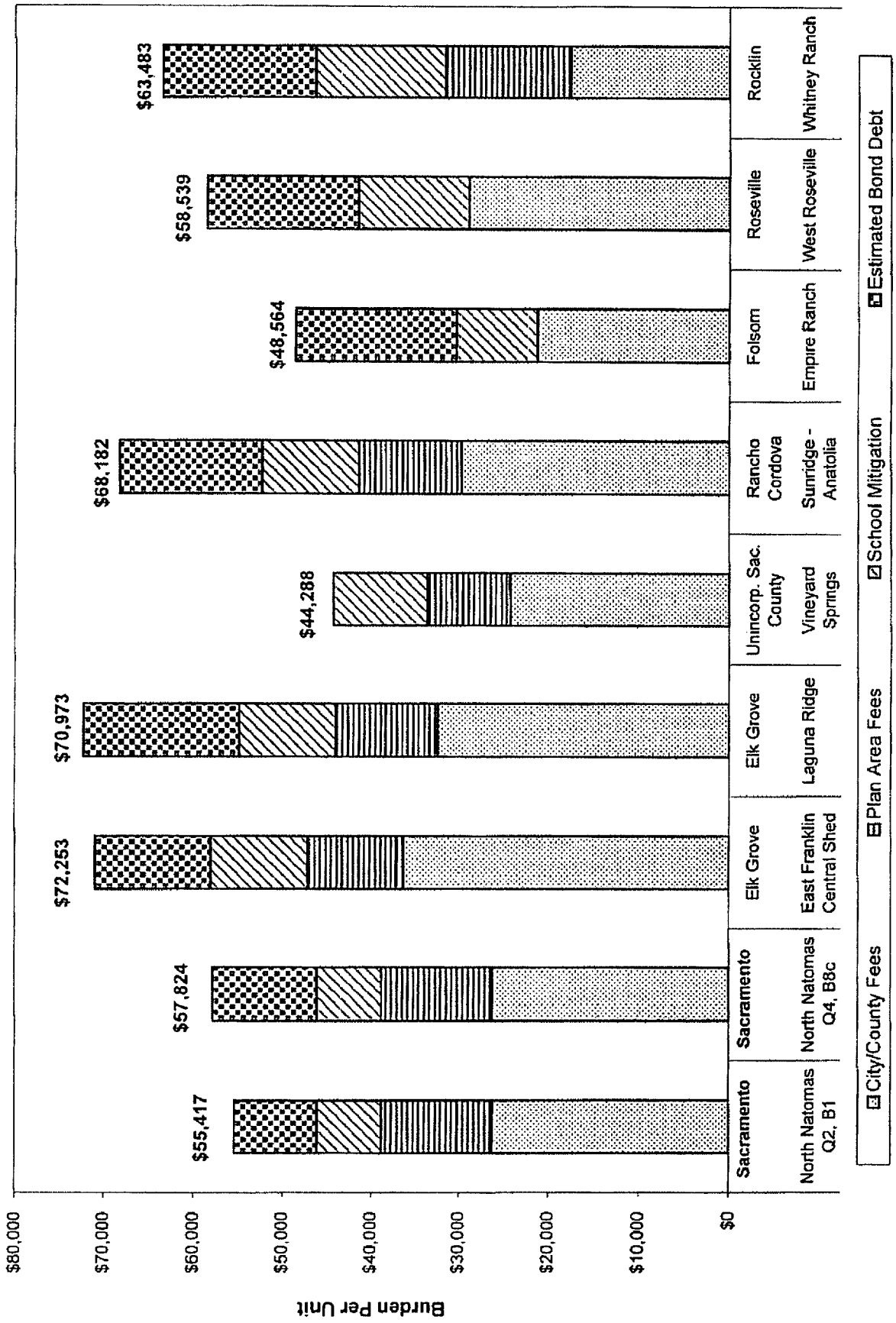


Exhibit C
Infrastructure Burden Comparison
Office (Approx. 75,000 Sq. Ft., 0.34 Floor Area Ratio)

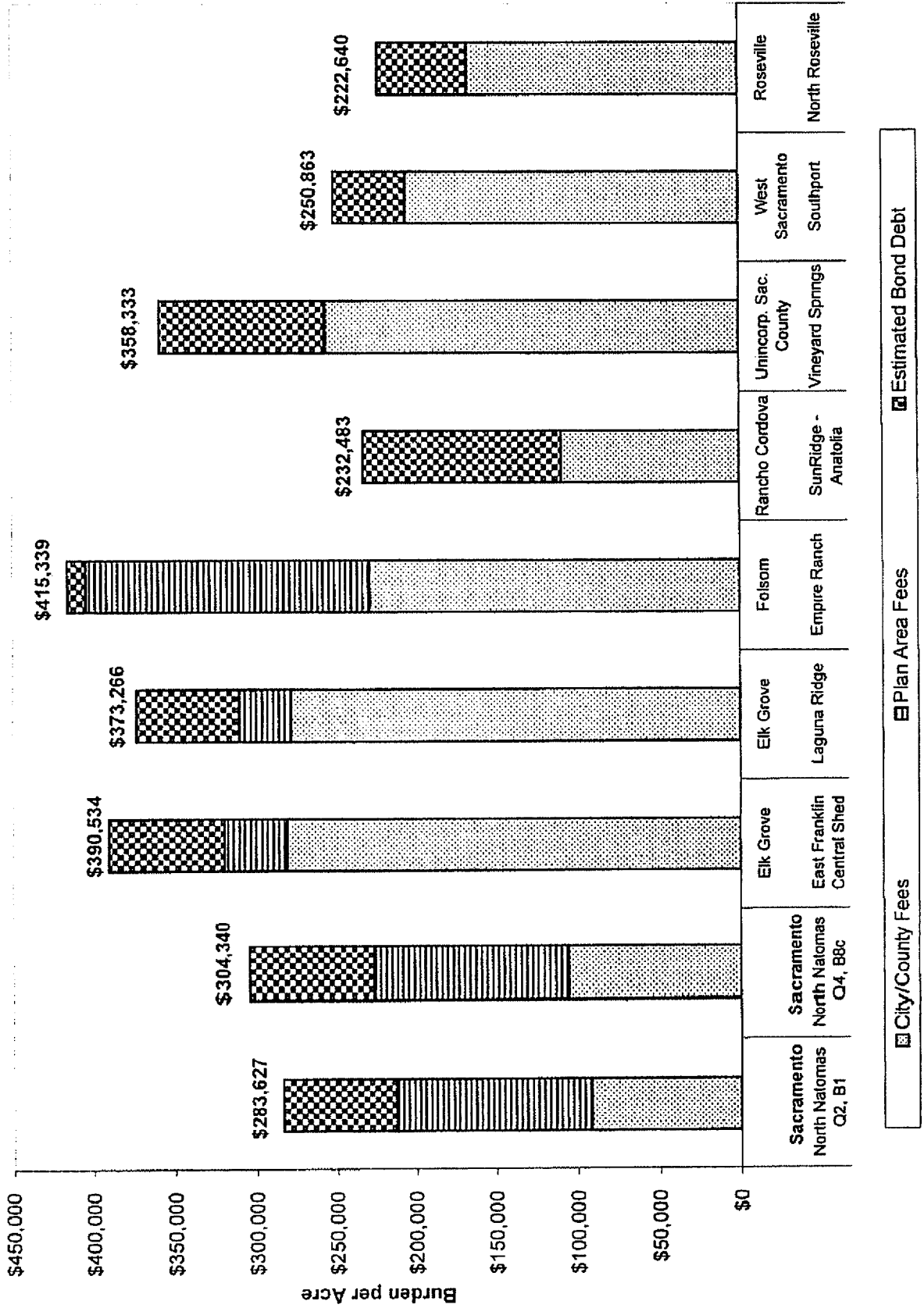


Exhibit D

North Natomas Nexus Study 2005 Update Proposed PFF and Transit Fee Changes

Land Use	Public Facilities Fee			Transit Fee		
	Current 2005 Fee Rate	2005 Proposed Rate	Percent Increase	Current 2005 Fee Rate	2005 Proposed Rate	Percent Increase
RESIDENTIAL						
	<i>Fee per Unit</i>			<i>Fee per Unit</i>		
<i>Single-Family Detached/Attached</i>						
Rural Estates	\$0	\$0	0.00%	\$0	\$0	0.00%
Lot Size > 5,000 Sq. Ft.	\$4,933	\$6,125	24.17%	\$324	\$380	17.06%
Lot Size 3,250 - 5,000 Sq. Ft.	\$4,349	\$5,372	23.51%	\$297	\$348	17.17%
Lot Size < 3,250 Sq. Ft.	\$3,766	\$4,618	22.63%	\$270	\$316	17.29%
Age-Restricted	\$4,093	\$5,145	25.71%	\$213	\$249	16.94%
<i>Multifamily (>2 attached units)</i>						
8-12 units per acre	\$3,766	\$4,618	22.63%	\$270	\$316	17.29%
>12 - 18 units per acre	\$3,226	\$3,963	22.86%	\$241	\$283	17.14%
> 18 units per acre	\$2,688	\$3,309	23.09%	\$213	\$249	16.94%
Age-Restricted Apartments	\$1,609	\$2,064	28.26%	\$104	\$122	17.27%
Age-Restricted Congregate Care	\$807	\$947	17.37%	\$59	\$68	16.40%
NONRESIDENTIAL						
	<i>Fee per Net Acre</i>			<i>Fee per Net Acre</i>		
Convenience Commercial	\$196,568	\$188,727	-3.99%	\$22,281	\$26,098	17.13%
Community Commercial	\$108,650	\$108,856	0.19%	\$11,478	\$13,444	17.13%
Village Commercial	\$155,357	\$151,287	-2.62%	\$17,216	\$20,167	17.14%
Transit Commercial	\$155,805	\$152,316	-2.24%	\$17,216	\$20,167	17.14%
Highway Commercial	\$110,951	\$110,324	-0.57%	\$11,815	\$13,840	17.14%
Regional Commercial	\$97,545	\$98,608	1.09%	\$10,128	\$11,863	17.13%
EC Commercial	\$108,650	\$108,856	0.19%	\$11,478	\$13,444	17.13%
EC 30 - Office	\$51,052	\$56,750	11.16%	\$4,389	\$5,141	17.13%
EC 40 - Office	\$66,072	\$72,094	9.11%	\$6,076	\$7,118	17.14%
EC 50 - Office/Hospital	\$77,974	\$84,084	7.84%	\$7,427	\$8,699	17.13%
EC 65 - Office	\$98,536	\$104,481	6.03%	\$9,790	\$11,467	17.13%
EC 80 - Office	\$116,722	\$123,238	5.58%	\$11,816	\$13,840	17.13%
Light Industrial with < 20% Office	\$27,134	\$33,852	24.76%	\$2,026	\$2,373	17.11%
Light Industrial with 20% - 50% Office	\$34,309	\$40,721	18.69%	\$2,735	\$3,203	17.12%
Age-Restricted Convalescent Care/Skilled Nursing	\$31,455	\$35,075	11.51%	\$2,351	\$2,754	17.12%
Arena		NA			NA	
Stadium	\$105,248	\$102,327	-2.77%	\$11,389	\$13,341	17.14%
Average Increase			11.77%			
				17.10%		

"fee change"

07/27/2005