

9.2

ECONOMIC DEVELOPMENT DEPARTMENT

CITY OF SACRAMENTO



August 25, 2003

City Council
Sacramento, California

Honorable Members in Session:

SUBJECT: SACRAMENTO REGIONAL COUNTY SANITATION DISTRICT
ECONOMIC DEVELOPMENT TREATMENT CAPACITY BANK SEWER
CREDITS FOR BREW IT UP! PERSONAL BREWERY & GRILL.

LOCATION AND COUNCIL DISTRICT: District 1

RECOMMENDATION:

It is recommended that City Council approve a resolution awarding Sacramento Regional County Sanitation District (SRCSD) connection fee credits to the described business known as Brew It Up! Personal Brewery & Grill.

CONTACT PERSONS: Greg Schulte, Administrative Officer, 264-7116

FOR COUNCIL MEETING OF: October 14, 2003

SUMMARY:

The City of Sacramento's Economic Development Department recommends approval of the attached resolution awarding SRCSD sewer credits to the business known as Brew It Up! Personal Brewery & Grill located at 801 - 14th Street (APN: #006-0055-001) on the ground floor of the Memorial Garage. This candidate for sewer credits meets Council-approved criteria for the granting of sewer credits by being in a redevelopment project area, a catalyst use (restaurant), and creating new employment.

BACKGROUND INFORMATION:

On March 20, 2001, City Council authorized the City Manager to sign a Memorandum of

Building on Our History - Creating The Place to Be.

Understanding (MOU) to initiate City participation in the Sacramento Regional County Sanitation District Economic connection fee credits for award by the City. The MOU allocated a total of 7,971 Regional Sanitation sewer credits to the City of Sacramento for award by the City to qualifying development projects.

Approval of the MOU followed prior action by the City Council to approve Resolution No. 2000-539 on September 12, 2002, which established the guidelines and criteria by which credits would be granted. On July 23, 2002, Resolution 2002-498 amended those guidelines to read as follows:

- A. A prospective project must meet at least one of the following criteria:
 - 1. Projects in redevelopment, CDBG and/or infill development areas.
 - 2. Projects located in neighborhood commercial corridors identified in the adopted City Economic Development Strategy.
 - 3. Projects located at a targeted key development opportunity site identified in the adopted City Economic Development Strategy.
 - 4. Projects that create additional employment.
 - 5. Catalyst projects such as restaurants or high job creation projects that will further economic development.

- B. Projects falling under any of the following criteria may be disqualified from receiving credits from the Economic Development Treatment Capacity Bank:
 - 1. Projects where the applicant is changing locations within the City of Sacramento without creating any new job opportunities.
 - 2. Projects that will be owned and/or operated by a jurisdiction that is a member of the Economic Development Treatment Capacity Bank.
 - 3. Projects that are relocating from a neighboring jurisdiction that is a member of the Economic Development Treatment Capacity Bank.
 - 4. Projects that add more undesirable uses to an already saturated area (Undesirable uses defined in an Urban Master Plan, Streetscape plan or Special Planning District).

- A. Low to moderate housing located in one of the following geographical areas:
 - 1. Areas identified in the City's Infill Development Policy;

2. Redevelopment or CDBG eligible areas;
3. Areas consistent with the City's mixed Income Housing Ordinance.

On August 22, 2003, the City received an application from the representative of Brew It Up! Personal Brewery & Grill requesting an award of 11.0 sewer credits to be used at 801 – 14th Street. Award of the requested 11.0 sewer credits will reduce total Regional Sanitation fees to be paid for this project from \$25,454 (at \$2,314 apiece) to approximately \$10,153 (at \$923 apiece).

Based upon a review of the application (Attachment 1), staff concludes that the applicant meets Council-approved objectives for the granting of sewer credits by being in a redevelopment project area, a catalyst use (restaurant), and creating new employment. Staff therefore recommends this project for award of sewer credits by City Council.

The award of 11.0 sewer credits to Brew It Up! Personal Brewery & Grill will leave a total of 6,350.57 sewer credits for future award by the City to support economic development projects.

Attachment 2 provides a summary of City Economic Development Department sewer credit award activity to date.

FINANCIAL CONSIDERATIONS:

Approval of the resolution imposes no additional expense upon the City beyond the very minimal administrative costs associated with processing the approved credits.

ENVIRONMENTAL CONSIDERATIONS:

This project is subject to the environmental review process as part of the approval of its development application.

POLICY CONSIDERATIONS:


The City of Sacramento views projects that create new employment opportunities as an important cornerstone of the City's economic development. Additionally, the City of Sacramento supports the development and success of new and existing businesses of all sizes. Approval of the subject recommendation serves to promote this City policy objective.

ESBD CONSIDERATIONS:

No goods or services are being purchased.

Respectfully submitted:

APPROVED:



KRISTAN OTTO
Economic Development Manager



BETTY MASUOKA
Assistant City Manager

RECOMMENDATION APPROVED:


ROBERT P. THOMAS
City Manager

Table of Contents

- Attachment 1 – Application, p. 5
- Attachment 2 – Sewer Credit Log, p. 6-8
- Attachment 3 – SCRSD Quotation, p. 9
- Resolution, p. 10-11



**CITY OF SACRAMENTO: Application for Economic Development
Treatment Capacity Bank Sewer Credits**

Before submitting this application for processing, please contact the Sacramento Regional County Sanitation District (SRCSD) at (916) 876-6100 to receive a quote stating the number of ESD's required for your business. This application will not be processed without a quote from the SRCSD. Please call Greg Schulte at 916-264-7223 with any questions as to eligibility for sewer credits or for assistance in completing the application.

Please print or type your responses to the questions below and provide additional information as requested. When complete, return to: Economic Development Department, City of Sacramento, by mail at 1030 15th Street, 2nd Floor, Sacramento, CA 95814; or by email at gschulte@cityofsacramento.org; or by fax to 916-264-8161.

1. Name of Business: Brew It Up! Personal Brewery & Grill
2. Address for which Credits sought: 801 14th Street
3. Assessor's Parcel Number: 006-0055-001
4. Legal Name of Business Owner: Brew It Up Enterprises, Inc.
5. Owner's Mailing Address: 3555 Antigua Place, West Sacramento, CA 95691
6. Owner's Phone Number: 916-441-3000 Owner's Fax Number: 916-376-0819
Owner's email address: mike@brewitup.com
7. Please describe the type of business or development project for which this application is being submitted: Restaurant, bar and small scale brewing operation (15 gallon batches).
8. Please attach a copy of the quote from the SRCSD stating the number of ESD's needed for the above-described project.
9. Is this application being submitted to permit a mixed-use development combining housing and business occupancies? Yes No XXX. If Yes, additional documentation may be required.
10. Is this a new business at this location or an expansion of a business already existing at this location? New XXX Expansion
11. How many new jobs will be created by this new business opening or expansion? Please do not include already existing jobs connected to this business: 50
12. Are sewer credits being sought for a business relocating from another site within the Sacramento Metropolitan area? Yes No XXX. If Yes, what address relocating from?
13. Has the subject parcel been previously occupied by a residence and / or a business? Yes No XX. If Yes, applicant may need to provide evidence documenting preexisting use.

Applicant's signature: Michael H. Costello Date: 05-30-03

Print Applicant's Name: Michael Costello, President, Brew It Up Enterprises, Inc.

To be completed by City: Approved by: _____

Print Name and Title: _____

City Council Resolution Number: _____ Date: _____

CITY OF SACRAMENTO
ECONOMIC DEVELOPMENT DEPARTMENT

Attachment 2

REGIONAL SANITATION DISTRICT SEWER FEE CREDIT LOG

Updated: 8/25/2003

| Business Name | Business Address | Council Date | Council District | Status | No. of Emp. | Credits Awarded | Credits Balance |
|------------------------------|---------------------------|--------------|------------------|----------------------------|-------------|-----------------|-----------------|
| Celestin's Restaurant | 1815 K Street | 5/1/2001 | 3 | Approved Res. #2001-256 | 12 | 17.87 | 6775 |
| Selland's Market Café | 5340 H Street | 5/1/2001 | 3 | Approved Res. #2001-257 | 20 | 6.87 | 6757.13 |
| Embassy Suites Hotel | 100 Capitol Mall | 5/15/2001 | 1 | Approved Res. #2001-294 | 150 | 11.60 | 6750.26 |
| Landry's Restaurant | Waterfortn Site A | 5/15/2001 | 1 | Approved Res. #2001-295 | 60 | 55.83 | 6738.66 |
| Jag's India Restaurant | 2416 18th Street | 7/3/2001 | 4 | Approved Res. #2001-486 | 5 | 5.25 | 6682.83 |
| Carneceria 2000 Restaurant | 5637 Mack Road | 7/31/2001 | 8 | Approved Res. #2001-530 | 7 | 4.04 | 6677.58 |
| Lee's Legacy Café | 1910 Frutiridge Rd | 8/14/2001 | 4 | Approved Res. #2001-562 | 5 | 5.70 | 6673.54 |
| Nishiki Sushi | 1501 16th Street #111 | 8/21/2001 | 3 | Approved Res. #2001-574 | 30 | 13.64 | 6667.84 |
| Zen Toro Sushi Expansion | 900 15th Street | 9/4/2001 | 1 | Approved Res. #2001-603 | 5 | 5.48 | 6654.2 |
| Candy Express @ Macy's | 414 K Street | 10/16/2001 | 1 | Approved Res. #2001-682 | 12 | 8.79 | 6648.72 |
| The Naked Lounge Coffee Shop | 1500 Q Street | 10/23/2001 | 4 | Approved Res. #2001-709 | 7 | 5.06 | 6639.93 |
| Deboo's Indian Cuisine | 1518 West El Camino Ave. | 11/27/2001 | 1 | Approved Res. #2001-799 | 4 | 4.39 | 6634.87 |
| Embassy Suites Hotel | 100 Capitol Mall | 1/15/2002 | 1 | Approved Res. #2002-016 | 0 | 15.60 | 6630.48 |
| Woodruff Hotel/Guild Theatre | 3456/3428/3418 3rd Avenue | 1/22/2002 | 5 | Approved Res. #2002-028 | 67 | 14.00 | 6614.88 |
| Gim Lea Sang Restaurant | 918 S Street | 2/5/2002 | 4 | Approved Res. #2002-061 | 3 | 5.72 | 6600.88 |
| Milgard Window | 6050 88th Street | 2/5/2002 | 6 | Approved Res. #2002-060 | 100 | 68.26 | 6595.16 |
| Frank's Quality Meats | 6580 Belleau Wood Lane | 4/25/2002 | 4 | Approved Res. #2002-212 | 8 | 2.40 | 6526.9 |
| | | | | | | | 6524.5 |

| Business Name | Business Address | Council Date | Council District | Status | No. of Emp. | Credits Awarded | Credits Balance |
|-------------------------------|------------------------------------|--------------|------------------|----------------------------|-------------|-----------------|-----------------|
| Hot Rods Burgers | 2007 K Street | 4/25/2002 | 3 | Approved Res. #2002-213 | 15 | 1.65 | 6775 |
| | | | | | | | 6522.85 |
| Togo's/Baskin & Robbins | 1441 Meadowview Rd. #114 | 5/14/2002 | 8 | Approved Res. #2002-269 | 20 | 3.58 | 6519.27 |
| Lucca Restaurant | 1615 J Street | 6/11/2002 | 3 | Approved Res. #2002-358 | 85 | 9.00 | 6510.27 |
| New Blends, Inc. | 1031 Arden Way | 6/11/2002 | 2 | Approved Res. #2002-357 | 50 | 21.19 | 6489.08 |
| Inderkum's | Arena Blvd & Truxel Rd., NW | 6/25/2002 | 1 | Approved Res. #2002-418 | 15 | 4.50 | 6484.58 |
| Superior Auto | E. Stockton Blvd | 8/13/2002 | 8 | Approved Res. #2002-549 | 11 | 1.00 | 6483.58 |
| Baja Fresh Mexican Grill | 2600 Gateway Oaks Drive, Suite 100 | 9/3/2002 | 1 | Approved Res. #2002-586 | 24 | 5.40 | 6478.18 |
| Starbucks | 2620 Gateway Oaks Drive, Suite 200 | 9/3/2002 | 1 | Approved Res. #2002-585 | 10 | 2.79 | 6475.39 |
| Togo's Baskin Robbins | 2620 Gateway Oaks Drive | 9/3/2002 | 1 | Approved Res. #2002-584 | 25 | 3.87 | 6471.52 |
| Del Paso Pipe & Steel, Inc. | 5519 Raley Blvd. | 9/24/2002 | 2 | Approved Res. #2002-638 | 10 | 14.85 | 6456.67 |
| The Arnold Brothers Building | 1801 Capitol Avenue | 12/3/2002 | 3 | Approved Res. #2002-789 | 100 | 19.02 | 6437.65 |
| KBAR | 1200 K Street, #9 | 1/23/2003 | 1 | Approved Res. #2003-018 | 15 | 1.50 | 6436.15 |
| Venture Oaks Hotel, L.L.C. | Venture Oaks Way | 2/4/2003 | 1 | Approved Res. #2003-050 | 30 | 39.00 | 6397.15 |
| Maria's Tacos | 6367 Power Inn Road | 3/4/2003 | 6 | Approved Res. #2003-094 | 15 | 4.68 | 6392.47 |
| Natomas Surgery Center | 616 Northfield Drive | 3/4/2003 | 1 | Approved Res. #2003-093 | 14 | 2.34 | 6390.13 |
| Fulcrum Capital | 1530 "J" Street | 4/29/2003 | 1 | Approved Res. #2003-230 | 0 | 1.05 | 6389.08 |
| Mikuni's Midtown | 1530 J Street, Suite 150 | 4/29/2003 | 1 | Approved Res. #2003-229 | 75 | 12.96 | 6376.12 |
| Jamba Juice - Gateway Oaks Dr | 2600 Gateway Oaks drive, Suite 300 | 6/3/2003 | 1 | 2003-340 | 30 | 2.66 | 6373.46 |
| Oshima Sushi | 2071 Natomas Crossing Drive, #200 | 8/26/2003 | 1 | Pending | 30 | 7.74 | 6365.72 |

| Business Name | Business Address | Council Date | Council District | Status | No. of Emp. | Credits Awarded | Credits Balance |
|----------------------------|-------------------------|--------------|------------------|---------|-------------|-----------------|-----------------|
| Perfection Bakery Building | 1720 - 15th Street | 8/26/2003 | 3 | Pending | 0 | 1.59 | 6775 |
| Fresh Cleaners | 4261 Truxel Blvd., #100 | 9/3/2003 | 1 | Pending | 10 | 2.56 | 6364.13 |
| Brew It Up! | 801 - 14th street | 9/9/2003 | 1 | Pending | 50 | 11.00 | 6361.57 |
| The Cheesecake Factory | 1765 Arden Way | 9/9/2003 | 3 | Pending | 200 | 19.00 | 6350.57 |
| The Melting Pot | 814 - 15th Street | 9/9/2003 | 1 | Pending | 30 | 11.20 | 6331.57 |
| | | | | | 1359 | 454.63 | 6320.37 |



Sacramento Regional County Sanitation District
10545 Armstrong Ave., Ste. 101
Mather, California
95655

MAY 21, 2003
RECEIVING FAX: 264-5115
SENDING FAX: 875-6253

TO: PAUL SHERIDAN
CITY OF SACRAMENTO PARKING FACILITIES DIVISION

FROM: DOLORES ROSS
SACRAMENTO REGIONAL COUNTY SANITATION DISTRICT

RE: SEWER FACILITY IMPACT FEES **APN: 006-0055-001**
805 - 14th St.

The Sewer Facility Impact Fee due for "BREW IT UP", a new tenant at the Memorial Parking Garage is calculated as follows:

4,100 sq. ft. restaurant @ 2.0 ESDs / 1,000 sq. ft. = 8.2 ESDs
4,000 sq. ft. bar @ 0.7 ESDs / 1,000 sq. ft. = 2.8 ESDs

11.0 ESDs @ \$ 2,314 / ESD = \$ 25,454

If you have any questions, please feel free to call me at 876-6063.

This fee is also subject to adjustment if the data supplied is changed.

www.srscsd.com
e-mail: rossd@SacCounty.NET

APPROVED

RESOLUTION NO. 2003-715

OCT 14 2003

ADOPTED BY THE SACRAMENTO CITY COUNCIL

OFFICE OF THE
CITY CLERK

ON THE DATE OF _____

**A RESOLUTION AWARDING ECONOMIC
DEVELOPMENT TREATMENT CAPACITY BANK
CONNECTION FEE CREDITS BY SACRAMENTO
REGIONAL COUNTY SANITATION DISTRICT (SRCSD)
FOR BREW IT UP! PERSONAL BREWERY & GRILL.**

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SACRAMENTO THAT:

WHEREAS, on March 20, 2001, City Council authorized the City Manager to sign a Memorandum Of Understanding (MOU) to initiate City participation in the Sacramento Regional County Sanitation District Economic Development Treatment Capacity Bank (CC2001-177);

WHEREAS, eighty five percent (85%), or 6,775 of the total 7,971 ESD's (Equivalent Single-family Dwelling units) made available to the City of Sacramento under the MOU are allocated for economic development projects, the award of which must be approved by City Council resolution;

WHEREAS, Brew It Up! Personal Brewery & Grill located at 801 – 14th Street in Sacramento meets City economic development objectives by being in a redevelopment project area, a catalyst use (restaurant), and creating new employment.

NOW THEREFORE, be it resolved by the City Council of the City of Sacramento, as follows:

1. City Council hereby awards a maximum of 11.0 ESD credits from the Sacramento Regional County Sanitation District Economic Development Treatment Capacity Bank to Brew It Up! Personal Brewery & Grill located at 801 – 14th Street in Sacramento (APN: 006-0055-001).
2. Any and all credits awarded herein to each individual recipient shall expire if said individual recipient has not paid its requisite sewer impact fee to SRCSD within one-year from the date of approval of this resolution.
3. Any and all credits awarded herein to each individual recipient will expire if said individual recipient has not been issued a building permit for its

FOR CITY CLERK USE ONLY

RESOLUTION NO.: _____

DATE ADOPTED: _____

respective above referenced development project within one year after the City Council has awarded use of the aforementioned sewer credits.

4. Award herein of 11.0 sewer credits will leave a total of 6,350.57 sewer credits for future award by the City to support economic development projects.

MAYOR

ATTEST:

CITY CLERK

FOR CITY CLERK USE ONLY

RESOLUTION NO.: _____

DATE ADOPTED: _____