



CITY COUNCIL STUDY SESSION

**Community Board Room
2729 Prospect Park Drive, Rancho Cordova**

MINUTES

**Tuesday, February 28, 2006
5:30 P.M.**

STUDY SESSION

Call to Order

The meeting was called to order at 5:50 p.m. by Mayor McGarvey.

Roll Call

Present: Council Members: Budge, Sander, and Mayor McGarvey

Staff Present: Gaebler, Hare, Lindgren, Abhar, Thomas, Snyder and consultants, John Goss and Sandy Salerno.

Oral Communications

1. Public Comment

None

Study Session Items

2. **Subject:** Progress Report to Council on Developer Roundtable Discussions Relating to Transportation Capital Improvement Program Implementation Strategy and Financing Plan

Recommendation: This is an informational item; no action will be taken.

Cyrus Abhar gave the staff report. He defined the roles of the developers and the City and the agreement.

Developer Tim Terran said that the developer group will be meeting Friday to consider the City's proposal. He said he agreed with Mr. Abhar's characterization of

the progress made on the agreement. He said the trade-off for the City is that it will be able to grow in a reasonable and responsible manner. He said the developer group will be talking about the cost of building fees, which will be staggering, that will result from the agreement. He said it will be important for the City to prioritize and spend the money for improvements where the money will result in the most value. For example, he said, Swainson's habitat is extremely expensive but doesn't do much for existing Rancho Cordova; also vernal pools have little benefit for existing the costs and benefits must be looked at seriously.

There was no action on this item.

3. **Subject:** General Plan Pro Forma Presentation (An analysis of the tentative General Plan and whether the land use plan will adequately support City operations now and in the future.)

Recommendation: Receive and file report.

Bill Thomas gave the staff report. The purpose of the ProForma is to project City revenues and expenses associated with proposed development. These projections will help determine if the draft General Plan will result in financial stability. Revenues and expenses are distributed based on land use, demand for service, direct relationships and indirect relationships, and assigned among the various land use types.

He said that population & related data used in the model was:

2005 population – 55,100
2005 housing units – 21,606
2005 employment – 43,000
2005 commercial/office – 1,741 acres – 13,227,346 sq ft – \$200 value/square ft.
2005 industrial – 796 acres – 8,938,831 sq ft – \$80 value/square ft.

He said persons per household & values data used were:

Single Family Detached – 2.92 persons/unit - \$475,500 net value/unit
Single Family Attached – 2.48 persons/unit - \$380,000 net value/unit
Multi Family for sale – 1.73 persons/unit - \$261,250 net value/unit
Multi Family rental – 1.96 persons/unit - \$142,500 net value/unit

He said sales tax data baseline figure assumptions were:

\$350 per sq. ft. for general commercial
\$205 per sq. ft. for neighborhood commercial
\$88 per capita

He said strategies to strengthen the bottom line are:

Promote additional economic development focused on retail.
Expand revenues: Business License; Utility User Tax; Transient Occupancy Tax
Expand sphere of influence to include the planning area and negotiate a favorable annexation agreement.

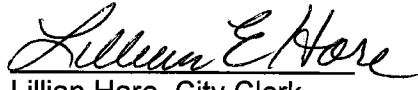
Discussion of utility users tax and business license tax to come back to the Council as study session items.

Conclusion: General Plan land uses seem to provide for solvency. The City Attorney was requested to bring back an ordinance revision to the Transient Occupancy Tax to require hotel check-out every 28 days, which will increase the City's Transient Occupancy Tax revenue.

ADJOURNMENT

The meeting adjourned at 7:50 p.m.

Respectfully submitted,


Lillian Hare, City Clerk