City of Alexandria, Virginia

MEMORANDUM

DATE:

OCTOBER 6, 2010

TO:

THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL

FROM:

JAMES K. HARTMANN, CITY MANAGER

SUBJECT:

CONSIDERATION OF AN ORDINANCE EXTENDING THE APPLICABLE

PERIOD FOR REDUCED FEES FOR CERTAIN SEWER CONNECTIONS

ISSUE. Consideration of an ordinance to amend City Code Section 5-6-25.1 to extend the exemption period for sewer connection fees for certain coordinated development districts.

RECOMMENDATION: That City Council pass the proposed ordinance (Attachment 1) on first reading and schedule it for public hearing, second reading and final passage on Saturday, October 16.

DISCUSSION: In June 2002 the City Council passed an ordinance exempting the sanitary sewer connection fee (except the minimum fee) for any Coordinated District Development (CDD) that constructed a trunk line across the City from Potomac Yard directly to the publicly owned treatment works at the Alexandria Sanitation Authority. This exemption was directed toward the Potomac Yard/Potomac Greens CDD #10 and expires 16 years from the issuance of the first building permit in the CDD. The Potomac Yard Offsite Sanitary Trunk Sewer (PYTS) was designed and constructed privately by Potomac Yard Development to meet municipal wastewater conveyance requirements from Potomac Yard/Potomac Greens CDD #10. In addition, the PYTS was constructed to meet future needs of City wastewater conveyance including diversion of wet weather flows from the Four Mile Run pump station and separation of combined sewer system flows in the Old Town area.

At the time this ordinance was adopted, the developer of this CDD and the City believed that the CDD would be substantially complete prior to the exemption's expiration. However, due to the slowing economy, the construction has not occurred at the anticipated pace. Therefore, City staff recommends approval of the proposed amendment to extend the exemption for seven additional years. This recommendation considers the fact that the PYTS was designed and constructed privately to serve the capacity needs of the CDD, as well as additional City of Alexandria flows. The developer spent about \$12 million of its own monies to build this trunk line.

FISCAL IMPACT: The City did not anticipate receiving these sewer connection fees based on the previous schedule for development of the CDD; therefore, this ordinance change will not impact the projections in the Sanitary Sewer Enterprise Fund. This ordinance will continue to exempt development in Potomac Yard from paying the usual and customary sewer connection fees for an additional seven years. These fees are collected from new development and are used to pay for sanitary sewer capital investments. In this case, the developer paid for sanitary sewer capital investments upfront in lieu of paying sanitary sewer connection fees as development in Potomac Yard progressed.

ATTACHMENT: Proposed Ordinance (Attachment 1)

STAFF:

Mark Jinks, Deputy City Manager Bruce Johnson, Chief Financial Officer Richard J. Baier, P.E., LEED AP, Director, T&ES Christopher Spera, Deputy City Attorney Emily A. Baker, P.E., City Engineer, T&ES

1	Introduction and first reading: 10/12/10		
2	Public hearing: 10/16/10		
3	Second reading and enactment: 10/16/10		
4			
5 6	INFORMATION ON PROPOSED ORDINANCE		
7	IN ORDINITION ON TROPOSED ORDININEE		
8	<u>Title</u>		
9			
10	AN ORDINANCE to amend and reordain certain provisions of Division 1 (GENERAL		
11	PROVISIONS), Article B (SEWAGE DISPOSAL AND DRAINS), Chapter 6 (WATER		
12	AND SEWER), Title 5 (TRANSPORTATION AND ENVIRONMENTAL SERVICES)		
13	of The Code of the City of Alexandria, Virginia, 1981, as amended.		
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15	Summary		
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17	The proposed ordinance extends the period of time the reduced sewer connection fee		
18	remains in effect for units within developments that have satisfied certain conditions		
19	related to privately funded improvements to City sewer infrastructure.		
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21	Sponsor		
22			
23	N/A		
24			
25	<u>Staff</u>		
26			
27	Richard J. Baier, P.E., LEED AP, Director T&ES		
28	Emily Baker, P.E., City Engineer		
29	Christopher P. Spera, Deputy City Attorney		
30			
31	Authority		
32			
33	§§2.03(d)(e), Alexandria City Charter		
34			
35			
36	Estimated Costs of Implementation		
37	N		
38	None		
39 40	Attachments in Addition to Proposed Ordinance and its Attachments (if any)		
40 41	Attachments in Audition to Froposed Ordinance and its Attachments in any		
42	None		
43	110110		
44			
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EXHIPTE NO. 3

1 2 ORDINANCE NO. 3 4 5 AN ORDINANCE to amend and reordain certain provisions of Division 1 (GENERAL PROVISIONS), Article B (SEWAGE DISPOSAL AND DRAINS), Chapter 6 (WATER 6 AND SEWER), Title 5 (TRANSPORTATION AND ENVIRONMENTAL SERVICES) 7 of The Code of the City of Alexandria, Virginia, 1981, as amended. 8 9 10 THE CITY COUNCIL OF ALEXANDRIA HEREBY ORDAINS: 11 12 Section 1. That Division 1, Article B, Chapter 6 of Title 5 of the Code of the City of 13 Alexandria, Virginia, 1981, as amended, be, and the same hereby is, amended and reordained by 14 the following amendments to the identified sections, as follows: 15 16 (New language is underscored, deleted language is stricken) 17 18 Sec. 5-6-25.1 Sewer connection permits and service fees; construction costs; constructing sewers 19 by owners rather than city; additional connections. 20 21 (Intervening sections remain unchanged) 22 23 (c) Exclusions and exemptions. 24 25 (Intervening sections unchanged) 26 27 The fees established and imposed by this section shall not apply to a connection 28 where (i) such connection is within the limits of a coordinated development district approved by 29 city council, (ii) the main or trunk line to which such connection will be made extends from such coordinated development district directly to the publicly owned treatment works of the 30 Alexandria Sanitation Authority, without connection at the time of its construction to any city 31 32 sewer, unless such a connection is made pursuant to a written requirement of the director and exceeds the requirements to provide service to the coordinated development district, (iii) such 33 34 main or trunk line was constructed totally at private expense, and (iv) the application for such connection is submitted within fifteen (15) twenty-two (22) years of the date of issuance of the 35 first building permit subsequent to April 1, 2002, within such coordinated development district. 36 37 Upon satisfaction of the foregoing criteria, a permit for the sewer connection shall be issued upon payment of a fee for each single family dwelling, townhouse dwelling or dwelling unit in a two-38 family dwelling residential unit, of \$100, for each dwelling unit in a multifamily dwelling, of 39 \$100, and for each floor of a nonresidential property, of \$100 or \$0.08 per square foot of floor 40 space, whichever is greater; provided, however, in the event construction of the improvements to 41 42 be served by such permitted connection has not substantially commenced within 16 twenty-three (23) years of the date of issuance of the first building permit subsequent to April 1, 2002, within 43 44 such coordinated development district, the permit for the sewer connection issued shall expire

and thereafter the fees established and imposed generally by this section shall apply.

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1	(Subsequent sections remain unchanged)		
2			
3	Se	ction 2. That this ordinance shall become effective upon final passage	e.
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5		WILLIAM D. EUILLE	
6		Mayor	
7			
8 .	Introduction:	10/12/10	
9	First Reading:	10/12/10	
10	Publication:		
11	Public Hearing:		
12	Second Reading:		
13	Final Passage:		

ORDINANCE NO. 4682

AN ORDINANCE to amend and reordain certain provisions of Division 1 (GENERAL PROVISIONS), Article B (SEWAGE DISPOSAL AND DRAINS), Chapter 6 (WATER AND SEWER), Title 5 (TRANSPORTATION AND ENVIRONMENTAL SERVICES) of The Code of the City of Alexandria, Virginia, 1981, as amended.

THE CITY COUNCIL OF ALEXANDRIA HEREBY ORDAINS:

Section 1. That Division 1, Article B, Chapter 6 of Title 5 of the Code of the City of Alexandria, Virginia, 1981, as amended, be, and the same hereby is, amended and reordained by the following amendments to the identified sections, as follows:

Sec. 5-6-25.1 Sewer connection permits and service fees; construction costs; constructing sewers by owners rather than city; additional connections.

(Intervening sections remain unchanged)

(c) Exclusions and exemptions.

(Intervening sections unchanged)

(3) The fees established and imposed by this section shall not apply to a connection where (i) such connection is within the limits of a coordinated development district approved by city council, (ii) the main or trunk line to which such connection will be made extends from such coordinated development district directly to the publicly owned treatment works of the Alexandria Sanitation Authority, without connection at the time of its construction to any city sewer, unless such a connection is made pursuant to a written requirement of the director and exceeds the requirements to provide service to the coordinated development district, (iii) such main or trunk line was constructed totally at private expense, and (iv) the application for such connection is submitted within twenty-two (22) years of the date of issuance of the first building permit subsequent to April 1, 2002, within such coordinated development district. Upon satisfaction of the foregoing criteria, a permit for the sewer connection shall be issued upon payment of a fee for each single family dwelling, townhouse dwelling or dwelling unit in a twofamily dwelling residential unit, of \$100, for each dwelling unit in a multifamily dwelling, of \$100, and for each floor of a nonresidential property, of \$100 or \$0.08 per square foot of floor space, whichever is greater; provided, however, in the event construction of the improvements to be served by such permitted connection has not substantially commenced within twenty-three (23) years of the date of issuance of the first building permit subsequent to April 1, 2002, within such coordinated development district, the permit for the sewer connection issued shall expire and thereafter the fees established and imposed generally by this section shall apply. (Subsequent sections remain unchanged)

Section 2. That this ordinance shall become effective upon final passage.

WILLIAM D. EUILLE Mayor

Final Passage: October 16, 2010