

ORDINANCE NO. XXXX

ORDINANCE OF THE CITY OF DAVIS AMENDING SECTION 33.02.042 OF THE CITY OF DAVIS MUNICIPAL CODE TO EXTEND UNTIL JULY 1, 2012 THE TEMPORARY REDUCTION OF SEWER CONNECTION FEES FOR REUSE OF EXISTING SPACE FOR NONRESIDENTIAL PURPOSES

WHEREAS, the City of Davis implemented new sewer connection fees that are based on volume and type of use; and

WHEREAS, such fees were adopted prior to the severe economic downturn and subsequent tightening of development capital experienced across the nation; and

WHEREAS, the economic downturn is affecting the economic viability of existing and new businesses and is increasing lengths and rates of nonresidential vacancies, further exacerbating the local economic climate; and

WHEREAS, reuse of an existing space by a new nonresidential use with a higher sewer rate requires the payment of a sewer connection fee with credit given for the previous use, which has, and continues to, present impediments for new business ventures seeking to fill non-residential vacancies; and

WHEREAS, on March 3, 2009, the City Council added section 33.02.042 to the Municipal Code to temporarily reduce the sewer connection fees for reuse of existing vacant non-residential space until December 31, 2009; and on November 17, 2009 further extended the reduction to July 1, 2010; and on May 18, 2010 further extended the reduction to July 1, 2011; and

WHEREAS, the City Council finds that the economic difficulties affecting existing and new businesses persist and now desires to extend the temporary reduction in sewer connection fees for reuse of existing vacant nonresidential space for twelve additional months, to July 1, 2012.

NOW THEREFORE THE CITY COUNCIL OF THE CITY OF DAVIS DOES HEREBY ORDAIN AS FOLLOWS:

Section 1. Section 33.02.042 of the Davis Municipal Code is hereby amended to read as follows:

SECTION 33.02.042 –TEMPORARY REDUCTION IN CONNECTION CHARGES.

(a) Beginning on March 3, 2009, the schedule of charges for reuse of existing space subject to a nonresidential sewer connection fee set forth in section 33.02.040 shall be reduced to 50% of the standard fee for a limited time extending from March 3, 2009, until July 1, 2012, unless extended further by ordinance of the City Council. Except as provided herein, on and after July 1, 2012, the nonresidential sewer connection fee shall be the full amount established in section 33.02.040. A Project shall be eligible for the reduced sewer

connection fee if it meets the following requirements: (1) the project is the reuse of existing space by a nonresidential use; (2) the sewer connection fees for the project have not been paid prior to March 3, 2009; (3) a building permit for the Project has been issued by the City prior to July 1, 2012; (4) the Project obtains a certificate of occupancy within 12 months of the date of the issuance of the building permit; and (5) the reduced sewer connection fees are paid on or before the issuance of the certificate of occupancy.

(b) Temporary Deferral of Payment of Sewer Connection Fees: Beginning on March 3, 2009, payment of sewer connection fees required for reuse of existing space for nonresidential purposes may be deferred from payment prior to issuance of a building permit to payment on or before the issuance of a certificate of occupancy for the project if the project qualifies for reduced fees as set forth in section (a) above.

(c) If a project does not obtain its certificate of occupancy within the time set forth in subsection (a) or fails to pay its sewer connection fee at or before the issuance of a certificate of occupancy as set forth in subsection (b), then the project shall pay the then current sewer connection fee set forth in section 33.02.040, and such fee shall be paid in full prior to the issuance of any certificate of occupancy for the project. If a building permit is not issued prior to July 1, 2012, then the project shall pay its sewer connection fee prior to issuance of a building permit for the project.

INTRODUCED on the 17th day of May, 2011, and PASSED AND ADOPTED by the City Council of the City of Davis on the 31st day of May, 2011 by the following vote:

AYES:

NOES:

Joseph F. Krovoza
Mayor

ATTEST:

Zoe S. Mirabile, CMC
City Clerk