



EL DORADO COUNTY
DEPARTMENT OF HUMAN SERVICES *Housing, Community and
Economic Development Programs*

Daniel Nielson, M.P.A.
Director

TO: Terri Daly, CAO

FROM: Ren Scammon, Administrative Services Officer *new*
Housing, Community and Economic Development Programs

DATE: August 22, 2011

RE: TIM Fee Offset for Affordable Housing Units
July 2011 - Round 8 Application Review Recommendations

On December 11, 2007, the Board of Supervisors adopted policy B-14, Traffic Impact Mitigation (TIM) Fee Offset Program for Developments with Affordable Housing Units. The Traffic Impact Fee Program includes a provision to set aside \$1 million of federal and state transportation revenues annually for a period of 20 years to be used to offset TIM fees in the development of affordable housing. Affordable units must be designed to serve very-low to moderate-income households in the unincorporated areas of El Dorado County to be eligible under specific guidelines of the Traffic Impact Mitigation (TIM) Fee Offset Program. The TIM Fee Offset Program allows for a reduction of TIM fees *and is not a cash subsidy*.

In an effort to fulfill both the TIM Fee Offset Program and Housing Element implementation program the TIM Fee Offset Committee, comprised of representatives from the Department of Human Services, Development Services Department, Environmental Management, and the Department of Transportation, considers requests from developers twice each year, in January and July, to identify specific projects that will provide a significant community benefit by providing housing that is affordable to very-low-, low- and/or moderate-income households.

Approximately \$3.3 million dollars is available to offset TIM fees for affordable housing units. One application was submitted for the eighth round of the TIM Fee Offset program for a second dwelling unit on an owner-occupied parcel located in Rescue (Zone 2, Supervisorial District 4.) The TIM Fee Offset Committee reviewed and rated the application based upon criteria established by Board Policy B-14. The TIM Fee Offset request is for \$27,180.00.

Request Summary:

Project Name:	Wing Second Dwelling Unit
Developer:	A.E. Wing
Total Units:	1
Target Income Group:	Moderate
TIM Fee:	\$ 27,180
TIM Zone:	2
Supervisorial District:	4 – Ron Briggs
TIM Fee Offset Request:	\$ 27,180

Recommendation:

- TIM Fee Offset: **\$ 27,180** (Zone 2 MFD TIM Fee assessment)
Conditions:
1. Execute TIM Fee Offset Agreement
 2. Rent Limitation and Tenancy Schedule Agreement
 3. Execute TIM Fee Recapture Agreement for 20-year affordability
 4. Execute Planning Services Notice of Restriction

Project Update:

Mercy Housing was awarded a TIM Fee Offset in 2009 (Round 4) for the Sunset Lane Apartments project for a maximum of 54 units in an amount not to exceed \$ 1,467,720 (\$27,180 per qualified unit). The final project has been approved for 39 qualified units for a total TIM Fee Offset of \$1,060,020. The balance of \$407,700 has been returned to the funding pool as reflected in the Program Summary attached.

Should the recommended offset requesting a total of \$27,180 be awarded approximately \$3.3 million would remain in the TIM Fee Offset Program to assist future projects. Any balance remaining at the end of the year will be carried forward and added to the \$1.0 million allocation for the next year. The next application round is January 1-15, 2012.

Since implementing the TIM Fee Offset Program in December 2007, and with approval of the Review Committee recommendations herein, two million three hundred ninety six thousand one hundred dollars (\$2,396,100) in TIM Fee Offsets have been awarded to support the construction of 67 affordable housing units reserved for low- to moderate-income households.

Committee Recommendation

The TIM Fee Offset Review Committee recommends that the CAO agree that the project will provide a significant community benefit by providing housing that is affordable to very-low-, low-and/or moderate-income households and approve the TIM Fee Offset for \$27,180 for the Wing Second Dwelling Unit project.

The program allocation summary and the redacted project application are attached to this document.