



County of El Dorado

Chief Administrative Office

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ATTACHMENT A - 13-0987

Date: August 6, 2013
To: Board of Supervisors
From: Kim Kerr, Assistant Chief Administrative Officer
Subject: Agenda Item #13-0987: Recapture Traffic Impact Mitigation Fee (TIM) on sale of deed restricted unit – Doug Haines

Recommendation:

Chief Administrative Office recommending the Board:

- 1) Authorize the recapture of Traffic Impact Mitigation (TIM) Fee on sale of deed of restricted unit, applicant Doug Haines, secondary dwelling unit pursuant to Haines TIM Fee Offset Agreement and Notice of Potential Recapture (TIM) Fee on sale or conversion of Deed Restricted Unit; and
- 2) Direct staff to return with recommendation for updating and amending Board of Supervisors Policy B-14.

Funding: TIM Fee Offset Program

Budget Summary:

Original TIM Fee Offset: \$28, 180

Balance Due: approximately \$22,256.76 (if paid on 8/8/13) [The calculation is based on the rate in effect at the time the TIM Fee Offset is effective and based on the number of days remaining on Agreement.]

Background:

The Board created the Affordable Housing Traffic Impact Mitigation (TIM) Fee Offset Program on December 11, 2007, Board Policy B-14.

Douglas A. Haines and Angela R. Haines and Orlando E. Haines own the property located at 1544 Big Oak Road, Placerville (APN 098-120-19-100). The Board approved the TIM Fee Offset on October 7, 2008 for \$28,180 pursuant to Board Agenda Item #08-1542 on the construction of a secondary dwelling unit at the property.

The Haines are selling the property and the buyers have tried to secure a loan to purchase the property. The buyers have contacted 15 lenders to finance the home purchase, but the lenders have refused to lend with the Deed of Trust for the TIM Offset Program.

On July 25, 2013, pursuant to the Haines TIM Fee Offset Agreement and Notice of Potential Recapture (TIM) Fee on the Sale or Conversion of the Deed Restricted Unit, Chief Administrative Office staff provided the seller and buyers the amount to be paid to the County to recapture the TIM Fee.

On August 5, 2013, after working with County Counsel, staff determined that the Board, not staff, needed to approve the Recapture of TIM Fees due to a conflict in the various policies.

On August 6, 2013, Jim Aldrich, Allison James Estates & Homes, who represents the Haines, contacted Assistant Chief Administrative Officer Kerr seeking assistance with this issue. Mr. Aldrich indicated that the Haines have sold the property and wanted to close escrow on August 6, 2013. Unfortunately, with the need for Board approval the escrow did not close on August 6th. Staff requested a Special Meeting for the Board to hear this item on August 7, 2013 at 4:30 p.m.

The sellers and their agent are requesting that the Board authorize the recapture of TIM Fee based on the calculation approved in Board Policy B-14 and Haines TIM Fee Offset Agreement and Notice of Potential Recapture (TIM) Fee on the Sale or Conversion of the Deed Restricted Unit. If the Board authorizes the recapture of TIM Fee, then escrow can close on August 8, 2013. If the Board does not authorize recapturing the TIM Fees, then escrow will not close and the sale may fall through.

Reason for Recommendation:

The Board established Policy B-14 to increase Affordable Housing in the County and the policy allows for the County to recapture TIM Fee Offset through the agreements. To ensure continued use of Policy B-14, the Board needs to ensure that there is a mechanism to address if an affordable housing unit is removed from inventory prior to the 20 year period required in Policy B-14. Otherwise, Policy B-14 may not achieve the Board's objective to increase Affordable Housing in the County. Also, failure to authorize the recapture of the TIM Fee Offset in this case may impact this sale for the property owner.

Recommendation:

- 1) Authorize the recapture of Traffic Impact Mitigation (TIM) Fee on sale of deed of restricted unit, applicant Doug Haines, secondary dwelling unit pursuant to Haines TIM Fee Offset Agreement and Notice of Potential Recapture (TIM) Fee on sale or conversion of Deed Restricted Unit; and
- 2) Direct staff to return with recommendation for updating and amending Board of Supervisors Policy B-14.

Actions to be taken following Board Approval:

- 1) Notify property owners that Board authorized the TIM Fee Offset recapture and provide the final calculation; and
- 2) Staff will return to the Board with a revised Board Policy B-14.

Attachments:

Attachment B – Affordable Housing Agreement for TIM Fee Offset Program (Offset Agreement),
Haines Second Dwelling Unit

Attachment C- Haines Granny Flat TIM Fee Offset Program Application; Board Agenda Item #08-
1542 (10/7/08)