

I recently attended a TIM Fee Update workshop presented by Long Range Planning in El Dorado Hills. It was suggested that I send in a comment letter on my thoughts regarding TIM fees and development of an individual parcel by a landowner. Please consider my comments and include them as part of the public comments for this subject when heard by the Planning Commission and Board of Supervisors in late 2015 and early 2016:

In 1990, my wife and I bought a parcel in a development in El Dorado County. The developer put in all of the roads and improvements that connected to County roads. All the roads for this development are private and maintained by the owner's association. Last year we started construction on our home and paid a TIM fee of \$13,330. The impact our residence will have on traffic had already been paid for by the developer's improvements as part of the subdivision development requirements.

We have paid over \$54,000 in property taxes since we purchased the property. The raw land that has existed for over 25 years certainly did not cost the County anywhere close to \$54,000 in any sort of expenses. The only cost to the county was the book keeping and mailing costs associated with collecting our taxes.

As comparison, a developer who subdivides a large property has only paid a very small amount of property taxes per lot when divided over the many lots created when the property is subdivided. Using APN 120-070-02 of approximately 122 acres where approximately 316 homes are proposed for development (Saratoga Estates), property tax paid over the past 25 years was approximately \$6,300 per proposed lot (if paid at a rate of 1.1% on the assessed value). This particular example is for a fairly expensive piece of land with very good freeway access. Doing the same calculation for the Dixon Ranch project works out to about \$1,060 per proposed lot.

What we have paid in property taxes of \$54,000 compared to \$6,300 and \$1,060 reflects the injustice of TIM fees when applied to an individual versus a subdivision.

There needs to be a reduction in TIM fees for single family home development by an individual property owner. I would suggest that a deduction equal to 80% of the total property taxes paid since the parcel was created up to the amount of the TIM fee due.

As an example, if an owner in TIM fee Zone 2 bought a parcel created 10 years ago and \$12,000 in property taxes were paid on the parcel over the past 10 years (approximately \$100,000 purchase price) they would owe a TIM fee of \$26,140 rather than the fee of \$35,740.

[calculated as: $\$35,740 - (\$12,000 \cdot .8)$]

This would help encourage more development by individuals and not penalize them unfairly. I have heard discussions at the Board level numerous times over the past years trying to figure out how we encourage development of individual parcels and remove the barriers for this type of development. This proposal is a step in that direction. Further encouragement could be realized if the credit amounts to more than the TIM fee and could then be used to reduce permit fees.

Sincerely,

Rich Stewart, El Dorado County landowner for over 25 years