



EL DORADO COUNTY
CHIEF ADMINISTRATIVE OFFICE

MEMO

Date: September 30, 2013

To: Terri Daly, CAO

From: C.J. Freeland, Administrative Services Officer
Housing, Community and Economic Development Programs

Cc: Kim Kerr, Acting Director Community Development Agency
TIM Fee Offset Review Committee

Subject: TIM Fee Offset for Affordable Housing Units
July 2013 - Round 12 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 Review Committee ("Committee"), comprised of representatives from the Community Development Agency including Long Range Planning, Environmental Management, and the Department of Transportation (DOT), consider 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. A recommendation for approval of TIM Fee Offset by the Committee does not imply approval of the project. Developers must submit projects for approval and permits through El Dorado County Planning Services.

Approximately \$3.7 million dollars is available to offset TIM fees for affordable housing units. Two applications were submitted for the twelfth round of the TIM Fee Offset program for second dwelling units on an owner-occupied parcel; one located in Pilot Hill (Zone 4, Supervisorial District 4) and one located in Camino (Zone 2, Supervisorial District 2). TIM Fees for second dwelling units are calculated by DOT based on the fee for multifamily residential (MFR). The TIM Fee Offset request submitted amounts to \$17,340.

The Committee reviewed and rated the applications based upon criteria established by Board Policy B-14.

Request Summary:

| | | |
|------------------------|------------------|------------|
| Project Name | Chrisman | Pilot Hill |
| Developer | Charles Chrisman | |
| Total Units | 1 | |
| Target Income Group | Low Income | |
| Offset \$ | \$ 8,620.00 | |
| TIM Zone | 4 | |
| Supervisory District | 4 - Ron Briggs | |
| TIM Fee Offset Request | \$ 8,620.00 | |

Recommendation:

- TIM Fee Offset: Up to **\$ 8,620.00** (Zone 4 MFR 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

Request Summary:

| | | |
|------------------------|-------------------|--------|
| Project Name | DeCantillon | Camino |
| Developer | Roger DeCantillon | |
| Total Units | 5 | |
| Target Income Group | Low Income | |
| Offset \$ | \$ 8,720.00 | |
| TIM Zone | 2 | |
| Supervisory District | 2 - Ray Nutting | |
| TIM Fee Offset Request | \$ 8,720.00 | |

Recommendation:

- TIM Fee Offset: Up to **\$ 8,720.00** (Zone 2 MFR 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

Program Update:

TIM Fee Offsets previously awarded in the amount of \$324,000 were returned to the funding pool. An offset was awarded for \$324,000 to assist 16 affordable units for the Cambridge Townhome housing development in Cameron Park in 2010. The developer was unable to proceed with the project and declined to apply for an extension in accordance with Policy B-14.

Should the recommended TIM Fee Offsets in the amount of \$17,340 be awarded, approximately \$3.7 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, Round 13, is January 1-15, 2014.

Since implementation of the TIM Fee Offset Program in December 2007, and with approval of the Committee recommendation herein, two million two hundred twenty nine thousand sixty dollars (\$2,229,060) in TIM Fee Offsets have been awarded to support the construction of 143

affordable housing units reserved for very-low- to moderate-income households in El Dorado County.

Committee Recommendation

The TIM Fee Offset Review Committee recommends that the CAO concur with its determination that these projects will provide a significant community benefit by providing housing that is affordable to very-low-, low- and/or moderate-income households and request Board approval for TIM Fee Offsets totaling \$17,340. The program allocation summary and redacted project applications are attached to this document for your consideration.