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Title: Chief Administrative Office, Economic Development Division, Housing, Community and Economic Development Program recommending the Board receive and file the annual TIM Fee Offset activity report as stipulated under Board Policy B-14, TIM Fee Offset for developments with affordable housing units.

FUNDING: Federal and State transportation revenues.

Sponsors:

Indexes:

Code sections:

Attachments: 1. A - B14 Program Summary 10-20-15, 2. B - B14 - TIM Fee SDU Policy 10-20-15, 3. C - B14 TIM Fee Offset Procedures 10-20-15

Date	Ver.	Action By	Action	Result
10/20/2015	1	Board of Supervisors	Approved	Pass

Chief Administrative Office, Economic Development Division, Housing, Community and Economic Development Program recommending the Board receive and file the annual TIM Fee Offset activity report as stipulated under Board Policy B-14, TIM Fee Offset for developments with affordable housing units.

FUNDING: Federal and State transportation revenues.

DEPARTMENT RECOMMENDATION

Chief Administrative Office, Economic Development Division, Housing, Community and Economic Development (HCED) Program recommending the Board receive and file the annual Traffic Impact Mitigation (TIM) Fee Offset activity report as stipulated under Board Policy B-14, TIM Fee Offset for developments with affordable housing units.

DISCUSSION / BACKGROUND

Together with the Community Development Agency, the Housing, Community and Economic Development (HCED) Programs of the Chief Administrative Office administers Board Policy B-14, the TIM Fee Offset for developments with Affordable Housing Units. The Board of Supervisors approved revisions to Policy B-14 in 2013 to allow for homeowners who are building a secondary dwelling to apply for the TIM Fee Offset over-the-counter, and for staff to report such activity to the Board on an annual basis. Developers of affordable new construction multi-family projects with five or more units seeking the TIM Fee Offset continue to have an opportunity to submit applications in July and/or January of each year. Multi-family project applications are reviewed by committee and submitted to the Board for approval. In the absence of a multi-family application this year that would have allowed staff an opportunity to provide a program update to the Board, staff recommends the Board receive and file the following TIM Fee Offset annual report.

Background:

On August 22, 2006, the Board of Supervisors adopted Resolution No. 266-2006 establishing the TIM Fee Program as proposed by the Transportation Division as part of the process to implement Measure TC-B of the General Plan. The TIM Fee Program includes a provision to allow for a TIM fee reduction for qualified affordable housing, providing up to \$1 million in federal and state transportation revenues per year for twenty years.

In December 2007 the Board of Supervisors approved Board Policy B-14, establishing the TIM Fee Offset Program for developments with Affordable Housing Units, authorizing \$1.0 million annually to reduce fees for eligible affordable housing units through the Program. The Program is available to developers of affordable new construction projects with five or more rental or for-sale units and to homeowners building a secondary dwelling on their property where one of the units is owner-occupied. The TIM Fee Offset Program allows for a reduction of TIM fees only, and is not a cash subsidy.

The County recognizes that secondary dwellings are an affordable housing option for lower-income adults and families. Policy HO 1.24 of the 2013-2021 Housing Element Update of the General Plan states the County's commitment to encourage second dwelling units to provide housing that is affordable to very low, low, and moderate-income households (moderate income is defined as 120% of the Area Median Income, or \$91,300 for a family of four in 2015). Removing barriers, such as the TIM Fee for homeowners wishing to add a secondary dwelling, provides an affordable housing stock the County seeks to provide while preserving the rural character of its neighborhoods.

Property owners approved for the TIM Fee Offset are required to enter into an Affordable Housing Agreement with the County that places a deed restriction on the property for the occupancy of the secondary dwelling for lower income households at an affordable rent for the length of time required by the offset affordability requirements (i.e., up to 20 years for a 100 percent offset).

Affordable units must be occupied by income-eligible households. Since 2007, the Board and/or the Chief Administrative Office has approved \$2,050,020 in TIM fee offsets under Policy B-14 assisting 89 affordable housing units, 33 of which are secondary dwellings.

Attached to this item is the Annual Program Data (Attachment A). This includes a program summary illustrating the activity under the TIM Fee Offset Program from December 2007 through October 2015.

ALTERNATIVES

N/A

OTHER DEPARTMENT / AGENCY INVOLVEMENT

N/A

CAO RECOMMENDATION

Chief Administrative Office recommends the Board receive and file this report.

FINANCIAL IMPACT

N/A

CLERK OF THE BOARD FOLLOW UP ACTIONS
N/A

STRATEGIC PLAN COMPONENT

CONTACT

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