



## Legislation Text

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**File #:** 18-0608, **Version:** 1

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Planning and Building Department, Housing, Community and Economic Development Program recommending the Board receive and file the Traffic Impact Mitigation Fee Offset Program annual update in accordance with Policy B-14, Traffic Impact Mitigation Fee Offset Program for Developments with Affordable Housing Units.

**FUNDING:** Federal and State transportation revenues.

### **DEPARTMENT RECOMMENDATION**

Planning and Building Department, Housing, Community and Economic Development Program recommending the Board receive and file the Traffic Impact Mitigation Fee Offset Program annual update in accordance with Policy B-14, Traffic Impact Mitigation Fee Offset Program for Developments with Affordable Housing Units.

### **DISCUSSION / BACKGROUND**

Board Policy B-14, Traffic Impact Mitigation (TIM) Fee Offset Program for Developments with Affordable Housing Units, is administered by the Housing, Community and Economic Development (HCED) Program, in coordination with the Department of Transportation. On December 17, 2013, the Board approved revisions to Policy B-14 to allow for homeowners who are building a secondary dwelling to apply for the TIM Fee Offset at any time, and for staff to report such activity to the Board on an annual basis (Item 47, [Legistar File 13-1516](#)). 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 January and/or July of each year. Multi-family project applications are reviewed by the TIM Fee Offset Review Committee and submitted to the Board for approval. Typically, staff provides an annual update to the Board after receiving applications in January. However, this year, no multi-family applications were submitted in January. Therefore, staff recommends the Board receive and file the following TIM Fee Offset Program annual update, including Attachment B, Program Summary (January 2008 to April 2018).

### **TIM Fee Offset Program Annual Update (January 2008 to April 2018)**

Since the adoption of the Program in 2007 through April 2018, the Board and/or the Chief Administrative Office has approved \$3,523,590 in TIM fee offsets under Policy B-14, assisting 168 affordable housing units, 32 of which are secondary dwellings.

Attached to this Board item is the Annual Program Summary (Attachment A). This includes program data illustrating the activity under the Program from January 2008 through April 2018.

### **Policy B-14 Background**

On August 22, 2006, the Board adopted Resolution No. 266-2006 establishing the TIM Fee Program as proposed by the Department of Transportation 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 20 years. On December 11, 2007, the Board approved Board Policy B-14, establishing

the TIM Fee Offset Program for Developments with Affordable Housing Units, authorizing \$1 million annually to reduce fees for eligible affordable housing units through the Program (Item 56, [Legistar File 07-18](#)). The Program is available to developers of affordable new construction projects with five or more rental units 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 and help provide an affordable housing stock the County seeks to encourage while preserving the rural character of its neighborhoods. As part of the Major 5-Year Capital Improvement Program (CIP) and TIM Fee Program Update in 2016, the County waived the TIM Fees for secondary dwelling units effective in April 2017. By the end of 2017, 31 permits were issued for secondary dwelling units - triple the number of permits issued the previous year (10 permits issued in 2016).

## **ALTERNATIVES**

### **OTHER DEPARTMENT / AGENCY INVOLVEMENT**

Department of Transportation; Community Development Services Administration and Finance Department

### **CAO RECOMMENDATION**

It is recommended that the Board receive and file the report.

### **FINANCIAL IMPACT**

N/A

### **CLERK OF THE BOARD FOLLOW UP ACTIONS**

N/A

### **STRATEGIC PLAN COMPONENT**

Economic Development/Housing

### **CONTACT**

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