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Title: Planning and Building Department, Economic Development Division, recommending the Board approve minor revisions to Board of Supervisors Policy J-8, Special District Impact Fee Offset for Non-Residential Business Development, and to update the review date.

FUNDING: Transient Occupancy Tax (General Fund).

Sponsors:

Indexes:

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Attachments: 1. A - Policy J-8, Special District Impact Fee Offset for Non-Residential Business Development - Clean, 2. B - Policy J-8, Special District Impact Fee Offset for Non-Residential Business Development - Redline

Date	Ver.	Action By	Action	Result
11/8/2022	1	Board of Supervisors	Approved	Pass

Planning and Building Department, Economic Development Division, recommending the Board approve minor revisions to Board of Supervisors Policy J-8, Special District Impact Fee Offset for Non-Residential Business Development, and to update the review date.

FUNDING: Transient Occupancy Tax (General Fund).

DISCUSSION / BACKGROUND

In accordance with Board of Supervisors Policy A-1, Policies, the review date for Board Policies is four (4) years from the approval date or last update. The Planning and Building Department, Economic Development Division (Department), staff have reviewed Board of Supervisors Policy J-8, Special District Impact Fee Offset for Non-Residential Business Development, and are proposing minor revisions to clarify certain criteria and procedures.

On November 7, 2017 (File No. 17-0338, Item No. 37), the Board received an update on the implementation of the Economic Development goal of the County's Strategic Plan and directed the Chief Administrative Officer, Auditor-Controller, and Assessor to return to the Board with recommendations to implement Policy J-7 (Economic Development Incentives), including providing the Chief Administrative Officer the delegated authority to negotiate incentives under specific criteria. Based on this direction, staff from the Chief Administrative Office, Auditor-Controller, and Assessor met and continue to discuss various incentive policies.

On April 24, 2018 (File No. 18-0655, Item No. 44), the Board directed staff to explore options to develop an economic development incentive policy that allows for the County to reimburse non-residential developers for the cost of impact fees established on behalf of special districts (e.g, Fire Districts, Community Service Districts, and Parks & Recreation Districts) related to non-residential development, such as retail/commercial, office, research and development, industrial, agriculture, or

warehouse/distribution development, and to return to the Board within 90 days with a draft policy for consideration.

On October 8, 2018 (File No. 18-1552, Item No. 35), the Board approved Policy J-8, Special District Impact Fee Offset for Non-Residential Business Development. Policy J-8 is an overall statement of intent that the County will consider economic development incentives as part of a broader strategy of business attraction.

Both the County's Strategic Plan and General Plan include Economic Development Elements. The Economic Development Element of the County General Plan, adopted by the Board on July 19, 2004, includes policies to encourage economic development and specifically provides for the development of incentives to encourage development of particular business sectors.

The purpose of Policy J-8, Special District Impact Fee Offset for Non-Residential Business Development is to:

- Ensure any and all incentives offered to businesses in the County of El Dorado benefit the goals of the County.
- Establish a formalized procedure and transparent review of Special District Impact Fee offset incentives for businesses starting in, expanding in, or locating to El Dorado County.
- Identify targeted non-residential business sectors that offer the highest economic impact through the use of Special District Impact Fee offset incentives.
- Provide for the offset of Special District Impact Fees (e.g. those Development Impact Mitigation Fees adopted by the County on behalf of Community Services Districts, Fire Districts, Parks and Recreation Districts, or other Special Districts in accordance with County Ordinance Code Chapter 13.20) for targeted non-residential business development.

ALTERNATIVES

The Board may choose not to approve the recommended changes, direct staff to make additional modifications, or take no action.

OTHER DEPARTMENT / AGENCY INVOLVEMENT

Auditor-Controller, County Counsel, Chief Administrative Office

CAO RECOMMENDATION / COMMENTS

Approve as recommended.

FINANCIAL IMPACT

There is no change to Net County Cost associated with the proposed revisions to this Policy. The purpose of the policy is to identify and analyze economic development incentives, which upon request from prospective applicants, would undergo a thorough cost-benefit analysis and consideration by the Chief Administrative Office and/or Board prior to implementation.

CLERK OF THE BOARD FOLLOW UP ACTIONS

Upon approval of the revised Policy J-8, the Clerk of the Board will publish the updated Policy to the Board of Supervisors Policy Manual webpage.

STRATEGIC PLAN COMPONENT

Good Governance and Economic Development - This action furthers the Strategic Plan goal of retaining, developing and attracting businesses that provide economic sustainability and quality job creation.

CONTACT

Kyle Zimbelman
Economic and Business Relations Manager
Planning and Building Department