

Subject: AFFORDABLE HOUSING FEE STRUCTURE	Policy Number B-11	Page Number: 1 of 4
	Date Adopted: 03/14/2000	Revised Date:

BACKGROUND:

A goal of the Housing Element of the El Dorado County General Plan is to provide housing incentives through programs which assist developers in providing affordable housing opportunities while protecting the public health, safety and welfare. The Board of Supervisors has established a specific goal of studying means to create affordable housing within the County. The deferral or waiver of development fees is one potential incentive in the process of developing affordable housing.

DEFINITIONS:

Lower Income Households: Households with monthly incomes that do not exceed 80% of the median monthly income for El Dorado County, as defined by the U.S. Department of Housing and Urban Development.

Very Low Income Households: Households with monthly incomes that do not exceed 50% of the median monthly income for El Dorado County, as defined by the U.S. Department of Housing and Urban Development.

Affordable Housing: Dwellings for which the monthly cost or rent, including a reasonable utility allowance, does not exceed 40% of the maximum monthly income limit for Lower Income Households in El Dorado County.



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POLICY:

1. Fee Deferrals: Federally tax-exempt private non-profit or public agency applicants for construction of affordable housing utilizing primarily volunteer or self-help construction labor may have applicable Planning, Building, Transportation, Environmental Management and General Services (Parks and Recreation) fees deferred on a new construction unit until such time as a refinancing, resale or change in ownership from the initial owner-occupant of the unit occurs. The deferred amount shall bear simple interest at a rate of 3% per annum on the unpaid balance, and become due and payable by the owner-occupant upon the refinancing, resale or change in ownership of the unit.

Very low income applicants for permits to make health or safety repairs to their primary residence may receive a special needs deferral of Building Department fees until such time as their primary residence is re-financed, sold or changes ownership. Fees and interest also will become due and payable upon the death of a deferral beneficiary. The deferred amount shall bear simple interest at a rate of 3% per annum on the unpaid balance.

2. Fee Waivers: Because the Planning, Building, Transportation, Environmental Management and General Services (Parks and Recreation) Departments are fee dependent, the waiver or reduction of affordable housing development fees will only be considered when an alternative source of funds, other than the County General Fund, is identified and available to pay the otherwise required fees. If available, alternative sources of funds may include Community Development Block Grant or other resources.



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If an alternative source of funds is available to pay the otherwise required fees, applicable Departments must receive confirmation of payment of offsetting funds prior to the waiver of fees.

- 3. Residential Development: In order to promote affordable housing opportunities countywide, the County shall offer a Density Bonus Program, as described in the El Dorado County Housing Element, Policy 4.3.1.2, to encourage all builders and developers to provide dwelling units suitable for sale to low and moderate income groups. Density bonuses and other incentives shall be utilized as inclusionary zoning tools to promote the availability of affordable housing in all communities. Density bonus and other incentive requests shall be considered during the regular Planning Commission and Board of Supervisor review and approval process.
- 3. Other Agencies: It is the policy of the Board of Supervisors to encourage the purveyors of public facilities and services (schools, fire, water, sewer) to defer or waive fees in the development of affordable housing projects.

PROCEDURE:

An applicant for a fee deferral or waiver shall present a request in writing to the Department of Community Services, along with documentation necessary to establish eligibility for a deferral or waiver. Documentation for affordable housing construction projects shall include a copy of the applicant's Articles of Incorporation as a non-profit organization, evidence of experience and capacity in the construction of affordable housing, and a description of the proposed project. Documentation for low-income health and safety repairs shall include verification of the applicant's income and a description of the proposed project. The Department of Community Services shall review requests, determine eligibility and make recommendations in writing to the



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applicable County Departments. Final authority in determining if a deferral or waiver request shall be granted shall rest with the directors of the departments responsible for collection of the fees. Determinations shall be made in accordance with all applicable laws, regulations and policies.

In the event that fees are deferred until the refinancing, resale or change in ownership of a unit, it shall be the obligation of the department deferring the fees to record the fees and interest schedule with the County Recorder's office, to become due and payable upon the refinancing, resale or change in ownership of the unit, and to collect the fees with interest when they become due and payable.

Primary Departments: Community Services

Building Department

Planning Department

Transportation

Environmental Management

General Services

References: None