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## PROGRAM OVERVIEW

The County Department of Human Services received a Community Development Block Grant for the purpose of exploring options that will encourage and assist in the development of affordable housing. El Dorado County retained PMC and Development Advisory Services (DAS) to prepare recommendations about which methods could most effectively assist El Dorado County in achieving a full range of affordable housing opportunities.

### HOUSING ELEMENT MEASURE HO-C

Measure HO-C of the El Dorado County Housing Element states the following:

“The County shall establish a task force to explore options that will encourage and assist in the development of affordable housing. One option to be considered is an inclusionary housing ordinance that encourages that a percentage of units in market-rate developments be affordable to very low-, lower-, and moderate-income households. This ordinance may examine the following methods to provide affordable housing: 1) Construction of housing on-site; 2) construction of housing off-site; 3) dedication of land for housing; and 4) payment of an in-lieu fee.”

Development of this ordinance requires an analysis of the following variables:

- A. Limiting the application of the ordinance to developments exceeding a certain size.
- B. Percentage of housing units required to be set aside as affordable and their level of affordability
- C. Design and building requirements
- D. Timing of affordable unit construction

### BOARD OF SUPERVISOR POLICY DIRECTION

The Consultant Team made a presentation to the County Board of Supervisors in January 2007. The Board made the following comments/recommendations:

- Consider a program by geographic areas of the County; pairing of incomes to the programs
- Include wide-spread public involvement;
- Receive recommendations through an Affordable Housing Task Force;
- Consultant should review other jurisdictions in the region to learn from their program experiences, and
- Want to provide many options other than a typical affordable housing percentage requirement.

## AFFORDABLE HOUSING EFFORTS

### County Efforts

In addition to exploring affordable housing options the County is in the process of updating its Mixed-Use and Density Bonus Ordinances to assist with the development of affordable housing.

### Consultant Efforts

The Consultant Team performed an analysis of fifteen (15) housing elements from other cities and counties with affordable housing measures. The effectiveness as well as the benefits and drawbacks of the use of “inclusionary housing” were evaluated. The Project Team also considers alternatives to inclusionary housing, including but not limited to, in-lieu fees, density bonuses, and the possibility of developing a land trust.

## EXISTING NEEDS

To assist with identifying the County’s current affordable housing needs the County’s Housing Element requirements are listed below

### Regional Housing Needs Allocation (RHNA)

California State Law requires every jurisdiction to update their General Plan Housing Element every five years. As part of the update process each jurisdiction has to plan for future growth through a process called the RHNA process. Each jurisdiction is assigned a total number of units that they need to plan for over the next seven years from 2006-2013. The total number is broken down by the four income categories including very low-; low-; moderate- and above moderate-income. The Sacramento Area Council of Governments is currently drafting the RHNA numbers for the 2006-2013 Housing Element timeframe.

El Dorado County’s draft RHNA numbers are listed below and are expected to be modified/challenged. The draft RHNA numbers will be established as the result of a negotiation between El Dorado County and SACOG staff, an appeal period and final adoption by SACOG. The SACOG Board is anticipated to adopt final allocation for the region during December of 2007, or January 2008. Subsequently, the Housing Element must be updated by June 2008 to incorporate the new RHNA numbers, as well as the land inventory and policies to support development of those new targets.

The following chart provides the 2006-2013 draft RHNA allocations for El Dorado and the prior RHNA allocation (2000-2007) totals.

Income Levels	2006-2013 Draft Unincorporated El Dorado County RHNA Allocation		2000-2007 Unincorporated El Dorado County RHNA Allocation <sup>1</sup>	
	Number	Percent	Number	Percent
Very Low-Income	3,559	30.3	2,477	29.3%
Low-Income	2,258	19.2	1,629	19.3%
Moderate-Income	2,208	18.8	1,811	21.5%
Above Moderate-Income	3,714	31.6	2,528	29.9%
<b>Total</b>	<b>11,739</b>	<b>100%</b>	<b>8,445</b>	<b>100%</b>
<b>Units per Year</b>	<b>1,677 units per year</b>		<b>1,206 units per year</b>	

<sup>1</sup>Final Regional Housing Needs Plan, September 20, 2001.

### Development Capacity (Buildout)

Another factor to consider is the development capacity for the unincorporated County. The table below includes the number of units the County has constructed between 2000- 2006 (11,976) and the future residential capacity.

Potential Units Analysis – El Dorado County		
Total to be built per General Plan 2000-2025		32,491 <sup>1</sup>
Units Built: 2000-2006	-	11,976 <sup>2</sup>
Total to be built 2007-2025		= <b>20,515<sup>3</sup></b>
If you subtract units tied up in Development Agreements(DA)		-6,025
The revised total to be built 2007-2025 (no DA units)		<b>14,490<sup>4</sup></b>

<sup>1</sup>2000-2025 rate of permit activity 32,491/25 years = 1,625 per year

<sup>2</sup>2000-2006 rate of yearly permit activity 11,976/7 years = 1,710 per year

<sup>3</sup>2007-2025 rate of yearly permit activity 20,515/20 years = 1,025 per year

<sup>4</sup>2007-2025 rate of yearly permit activity 14,490/20 years (no DAs) = 725 per year

### Development Services Fees (Single Family)

The question has been raised regarding the cost of residential development in El Dorado County and list of fees currently being charged by the different department. The following is a listing of typical residential fees currently being charged in El Dorado County for a 2,200 square foot home with a 450 square foot garage in El Dorado Hills.

Permit Fee 2007 Distribution		
Single Family	Fee	% of Total Cost
Building Permit	\$1,473	1.9%
Plan Check	\$1,473	1.9%
Energy Fee	--	--
Technology Surcharge	--	--
Seismic/Strong Motion	\$29	<1%
Fire Review Fee	--	--
Other Building Permit or Processing Fees	--	--
<b>Total Processing Fees per Unit</b>	<b>\$2,976</b>	<b>3.9%</b>
Sewer	\$9,855	13.0%
Water	\$12,518	16.5%
Traffic Impact Mitigation Fee Program	\$28,870	38.0%
Transit	--	--
Drainage	--	--
Parks-Neighborhood	--	--
Parks	\$10,874	14.3%
Fire/Police	\$2,703	3.6%
Habitat/Greenbelt Preservation	--	--
Affordable Housing	--	--
Capital Improvement/Public Facilities	--	--
Other General Fees/One-Time Taxes	\$386	0.5%
Countywide Fees	--	--
<b>Total Development Impact Fees per Unit</b>	<b>\$65,206</b>	<b>85.8%</b>
Total School Mitigation Per Unit	\$7,810	10.3%
<b>Total County and School Fees per Unit</b>	<b>\$75,992</b>	<b>100.0%</b>

*Economic & Planning Systems, Inc. (EPS) Single Family Homes Development Cost , El Dorado Hills, April 2007.*

### Development Services Fees (Multi-family)

The following is a listing of typical residential fees currently being charged in El Dorado County per unit for a 100-unit complex, 850 square feet per unit in El Dorado Hills.

Permit Fee 2007 Distribution		
Multi-family	Fee	% of Total Cost
Building Permit	\$351	0.8%
Plan Check	\$351	0.8%
Energy Fee	--	--
Technology Surcharge	--	--
Seismic/Strong Motion	\$15	<1%
Fire Review Fee	--	--
Other Building Permit or Processing Fees	--	--
<b>Total Processing Fees per Unit</b>	<b>\$716</b>	<b>1.7%</b>
Sewer	\$4,533	10.5%
Water	\$5,758	13.4%
Traffic Impact Mitigation Fee Program	\$18,840	43.8%
Transit	--	--
Drainage	--	--
Parks-Neighborhood	--	--
Parks	\$8,985	20.9%
Fire/Police	\$867	2.0 %
Habitat/Greenbelt Preservation	--	--
Affordable Housing	--	--
Capital Improvement/Public Facilities	--	--
Other General Fees/One-Time Taxes	\$290	0.7%
Countywide Fees	--	--
<b>Total Development Impact Fees per Unit</b>	<b>\$39,273</b>	<b>91.3%</b>
Total School Mitigation Per Unit	\$3,018	7.0%
<b>Total County and School Fees per Unit</b>	<b>\$43,006</b>	<b>100.0%</b>

*Economic & Planning Systems, Inc. (EPS) Multi-family Development Cost, El Dorado Hills, April 2007.*

## DRAFT EL DORADO COUNTY AFFORDABLE HOUSING POLICY IMPLEMENTATION STRATEGY

In comparison the following table includes residential fees per units being charged in neighboring jurisdictions.

Jurisdiction	Residential Fees (per units)
City of Elk Grove	\$91,343 <sup>1</sup> (Laguna Ridge Development)
Sacramento County	\$87,026 <sup>1</sup> (North Vineyard Station)
City of Woodland	\$78,382 <sup>1</sup> (Spring Lake Development)
City of Folsom	\$53,085 <sup>1</sup> (Empire Ranch Development)
City of Roseville	\$48,448 <sup>1</sup> (North Roseville Specific Plan)
Yolo County	\$29,003 <sup>1</sup> (South Davis Development)

<sup>1</sup>*Economic & Planning Systems, Inc. (EPS) Single Family Homes Development Cost Comparison September 2006*



# DRAFT EL DORADO COUNTY AFFORDABLE HOUSING POLICY IMPLEMENTATION STRATEGY

The following summary provides the Housing Element requirement as well as programs a) from neighboring jurisdictions b) and the Consultant Recommendations in addressing the Housing Element requirement. The Consultant’s full recommendations are provided after the table.

Housing Element Program Requirements	Neighboring Jurisdictions	Consultant Recommendations
Limiting the application of the ordinance to developments exceeding a certain size.	City of Folsom: 10 or more units Sacramento County: 5 or more units Yolo County: 10 or more units  According to the 2003 study “Inclusionary Housing in California: 30 Years of Innovation”, the average minimum project size for 107 California communities was 10.2 units.	All housing projects of 10 or more units will be required to provide affordable housing.
Percentage of housing units required to be set aside as affordable and their level of affordability.	City of Folsom: (inclusionary program) 15% Sacramento County (inclusionary program): 15% Town of Truckee (voluntary): 20%	Second Units. For every five single-family units built one affordable second unit will be required.  Land Dedication. Enough land to yield a number of dwelling units equivalent to 20 percent of the total market rate units in the proposed subdivision.  Fee Option. Developers can pay a fee per unit that will be placed into an affordable housing trust fund that is then used to support development of affordable housing. The fee is used to build housing elsewhere or to subsidize. The fee will be determined through a future nexus study.  Offsite Construction. Developers can build the number of dwelling units equivalent to 25 percent of the total market rate units in the proposed subdivision.

# DRAFT EL DORADO COUNTY AFFORDABLE HOUSING POLICY IMPLEMENTATION STRATEGY

Housing Element Program Requirements	Neighboring Jurisdictions	Consultant Recommendations
Design and building requirements	All ordinances reviewed require affordable units to be comparable in number of bedrooms, exterior appearance and quality of construction to the market rate units in the project.	Affordable units shall be dispersed throughout projects unless otherwise approved by the County. Affordable units shall be constructed with identical exterior materials and an exterior architectural design that is consistent with the market rate units in a project. Affordable units may be of smaller size than the market units in a project. In addition, affordable units may have fewer interior amenities than the market rate units in a project. However, the county may require that affordable units meet certain minimum standards. These standards shall be set forth in a affordable housing agreement for the project.
Timing of affordable unit construction	All ordinances reviewed require affordable units to be constructed concurrently.	Affordable units to be constructed concurrently or before the other units. In a phased project, the affordable units should be provided proportionally. Affordable units dispersed throughout the residential development may be clustered if this increases affordability
<b>Recommendations</b>		
The following recommendations are listed in priority order by the Consultant Team.		
Second Units	City of Folsom allows the production of second units to meet their affordable housing requirement.	A developer may construct accessory dwellings (also known as secondary units or “granny flats”) on site of the development project to meet the affordable housing requirement. The lots upon which the accessory dwellings are constructed shall be deed restricted to provide that the units, if rented, shall be restricted to very low- or low-income households at affordable rents.

# DRAFT EL DORADO COUNTY AFFORDABLE HOUSING POLICY IMPLEMENTATION STRATEGY

Housing Element Program Requirements	Neighboring Jurisdictions	Consultant Recommendations
Land Dedication	<p>Sacramento County: Land Dedication is allowed.</p> <p>City of Folsom: Land Dedication is allowed with review.</p>	<p>Developers can dedicate land that will be given to the County (possibly through a land bank or other third party administrator such as a Community Land Trust). The land is deeded to the County which then deeds it to a community-based nonprofit on a competitive basis, or is deeded directly by the developer to a non profit organization.</p>
Fee	<p>Sacramento County: The in-lieu fee is \$7,000 per unit with a \$3,000 affordability fee per unit.</p> <p>City of Elk Grove: Single family fee: \$4042; Multifamily fee: \$2015.</p> <p>Sonoma County: The in-lieu fee is a fraction of the estimated subsidy cost of providing the affordable units, is graduated based on the size of the new home, and is paid at the time of building permit.</p>	<p>Developers can pay a fee per unit that will be placed into an affordable housing trust fund that is then used to support development of affordable housing. The fee is used to build housing elsewhere or to subsidize. The fee will be determined through a future nexus study.</p>
On/Off-site Construction	<p>As of March 2003, 107 California jurisdictions are known to use local inclusionary practices to provide affordable housing (Inclusionary Zoning: The California Experience 2004).</p> <p>City of Folsom allows offsite construction.</p> <p>Yolo County allows offsite construction.</p>	<p>Developers can build their affordable housing units on/off-site, as long as they don't result in a concentration of low-income housing, the affordable housing agreement stipulates the terms of the off-site units, and they must be built at the same time.</p>

# DRAFT EL DORADO COUNTY AFFORDABLE HOUSING POLICY IMPLEMENTATION STRATEGY

Housing Element Program Requirements	Neighboring Jurisdictions	Consultant Recommendations
Developer incentives	<p>Yolo County: Incentives available to offset cost of inclusionary units: fee waivers or deferrals, modification of planning &amp; public works dept. standards, streamlining processing, and density bonus.</p> <p>Town of Truckee: Reduction in parcel development standards.</p>	<ul style="list-style-type: none"> <li>• Density Bonus</li> <li>• Fee Waiver or Deferral</li> <li>• TIM Fee Offset</li> <li>• Design Modifications</li> <li>• Priority Processing</li> <li>• Credit Transfers</li> </ul>
Administration of affordability control.	<p>Yolo County: For Sale 20 years Rental: permanent</p> <p>City of Woodland: For sale 10 years; Rental: Permanent</p> <p>Sacramento County: For sale 30 years; Rental: 55 years</p>	<p>Ownership and Rental Affordability is no less than 30 years.</p>

## CONSULTANT PROGRAM RECOMMENDATIONS

The Consultant Team is recommending the following guidelines using Measure HO-C of the El Dorado County Housing Element for developing a program that will assist in the development of affordable housing throughout the County.

- A. The Consultant Team recommends limiting the application of the ordinance to developments exceeding 10 or more units.
- B. Developers will be required to submit an Affordable Housing Plan that will include at least one of the following options:
  - Second Units. For every five single-family units built one affordable second unit will be required.
  - Land Dedication. Enough land to yield a number of dwelling units equivalent to 20 percent of the total market rate units in the proposed subdivision (but in no case less than three buildable acres).
  - Fee Option. Pay a fee per affordable units required, as determined by the Board of Supervisors.
  - On/Offsite Construction. Developers can build the number of dwelling unit's equivalent to 25 percent of the total market rate units in the proposed subdivision.
- C. The Project Team recommends the following design and building requirements:
  - Affordable units shall be dispersed throughout projects unless otherwise approved by the County.
  - Affordable units shall be constructed with identical exterior materials and an exterior architectural design that is consistent with the market rate units in a project.
  - Depending on the geographic location in the County, the affordable units may be of smaller size than the market units in a project. In addition, affordable units may have fewer interior amenities than the market rate units in a project. However, the county may require that affordable units meet certain minimum standards. These standards shall be set forth in an Affordable Housing Agreement for the project.
- D. The Project Team recommends all affordable units in a project shall be constructed concurrently within or prior to the construction of the project's market rate units.
- E. The Project Team recommends that all developers building 10 or more units will be required to provide affordable housing in one of the following ways:
  - Providing deed restricted second units;
  - Dedicate land;

- Pay a fee; or
- Build affordable housing units off-site

F. Developer incentives

The following developer incentives will be offered on a project by project basis:

- **Density Bonus:** Density Bonuses of at least 25 percent and an additional incentive or financially equivalent incentive will be granted to developers.
- **Fee Waiver or Deferral:** The Board of Supervisors, by resolution, may waive or defer payment of county development impact fees and/or building permit fees applicable to the affordable units or the project of which they are a part. Fee waivers shall meet the County's criteria for evaluating waivers of county fees for affordable housing projects.
- **TIM Fee Offset.** Affordable housing projects that meet certain requirements will be eligible for a TIM fee offset.
- **Design Modifications:** The granting of design modifications relative to the production of affordable units shall require the approval of the Board of Supervisors and shall meet all applicable zoning requirements of the County. Typical design standards may include the following: reduced setbacks, reduction in infrastructure requirements, reduced open space requirements, reduced landscaping requirements, reduced interior or exterior amenities, reduction in parking requirements, height restriction waivers
- **Priority Processing:** After receiving its discretionary approvals, a project that provides affordable units may be entitled to priority processing of building and engineering approval subject to the approval of the Development Services Director. A project that is eligible for priority processing shall be assigned to county engineering and/or building staff and processed in advance of all non-priority items.
- **Credit Transfers.** In the event a project exceeds the total number of affordable units required, the project owner may request affordable unit credits which may be used to meet the affordable housing requirements of another project. Affordable unit credits are issued to and become the possession of the project owner and may not be transferred to another project owner without approval by the Board of Supervisors. The number of affordable unit credits awarded for any project is subject to approval by the Board of Supervisors

G. The Consultant Team recommends the following administration and affordability control.

- Affordable units shall remain affordable in perpetuity through recordation of an affordable housing agreement or other term as established by the Board of Supervisors.
- Each development should have an Affordable Housing Agreement that is entered into by the county and the developer. The agreement will outline how the developer will comply with the affordable housing requirements. It will also include any incentives the developer chooses to utilize, the affordable rent/sale prices, resale requirements, occupancy

requirements, eligibility requirements, alternatives proposed by the developer, and administrative process to monitor compliance.

- Duration of affordability on rental affordable units is a minimum of 30 years.
- Resale restriction term that requires units to be sold at same price as initially sold until the end of this term
- Resale recapture of funds can be established by the Board of Supervisors at a later date.
- Occupancy requirements must be principal home of resident, annual income certifications must monitor income of occupant. If occupant's income increases, they must either leave the units, or pay the market rate as long as another unit becomes available to an income qualified occupant.

## CONSULTANT'S AFFORDABLE HOUSING RECOMMENDATIONS

The following four recommendations, in order of priority, from the Consultant Team will enable the County to provide affordable housing in the near term.

### Recommendation 1: Second Dwelling Units

Developers can meet their affordable housing requirement through producing a certain amount of accessory dwelling units. The County will need to revise development standards and fees to accelerate the production of this housing type.

**Accessory Dwellings:** A developer may construct accessory dwellings (also known as secondary units or “granny flats”) on site of the development project to meet the affordable housing requirement. The lots upon which the accessory dwellings are constructed shall be deed restricted to provide that the units, if rented, shall be restricted to very low- or low-income households at affordable rents consistent with the provisions below.

- For every five single-family homes constructed one affordable second unit will be required.

### Recommendation 2: Land Dedication

Developers can dedicate land that will be given to the County (possibly through a land bank or other third party administrator such as a Community Land Trust). The land is deeded to the County which then deeds it to a community-based nonprofit on a competitive basis, or is deeded directly by the developer to a non profit organization.

The County shall determine that a site is suitable for dedication and shall require dedication of that site if the land proposed meets the following criteria:

- Enough land to yield a number of dwelling units equivalent to 20 percent of the total market rate units in the proposed subdivision.
- The site is zoned in a manner to accommodate the required number of dwelling units and is located in close proximity to the following amenities:

- An existing or planned public elementary, middle, or high school;
  - An existing or planned public park or recreational facility;
  - An existing or planned transit stop;
  - An existing or planned grocery store or commercial center of at least ten (10) acres;
  - An existing or planned public library or other public facility
- The site is sufficient in size to contribute at least three net buildable acres combined with any additional acreage the developer has agreed to sell or donate but no more than ten (10) net acres in any one location; and
  - The site is feasible to develop considering environmental constraints.

### Recommendation 3: Fee Program

Developers can pay a fee per unit that will be placed into an affordable housing trust fund that is then used to support development of affordable housing. The fee is used to build housing elsewhere or to subsidize the purchase of housing by community members. There are many formulas for an in-lieu fee, some of which set the fee at only a few thousand dollars, others that set the fee at the full value of the foregone affordable units, and still others that set the fee at the cost of assisting a family through an alternative program.

The Project Team is recommending the following Fee Program:

#### *Collection, Use and Administration of Fees*

The Affordable Housing Fee shall be collected, used, and administered as described in items (a) through (c) below

The Affordable Housing Fee shall be paid by the property owner to the County at the time of the issuance of a building permit.

- a) Monies collected through the Affordable Housing Fee are limited to the following uses: 1) hard and soft costs associated with the development of new residential construction that is created as housing affordable to very low- and low-income households and 2) a homebuyer assistance program for lower income households, limited to assisting with the purchase of units constructed during the RHNA planning period,
- b) The establishment of the proportion of fee acquired set-aside for administrative expenses is necessary. Three (3) percent of the total Affordable Housing Fee collected is reserved for administrative expenses. Administrative expenses include but are not limited to costs associated with: making of grants and loans to developers of low income housing, developing guidelines for programs assisted with this fee, implementing and monitoring assistance provided through this fee, marketing programs and assistance provided through this fee, accounting for the fee revenues, and updated the fee program.



- c) An annual inflationary fee adjustment is necessary to keep pace with inflation. In January of each calendar year, commencing on January 1, 2008, or another date as determined by the County, the Affordable Housing Fee will be adjusted based on County policy.

### *Calculating the fee:*

Pay a fee per affordable units based on future nexus study and the Board of Supervisors approval.

### Recommendation 4: On/Offsite Construction

Developers can build their affordable housing units on or off-site, as long as they don't result in a concentration of low-income housing, the affordable housing agreement stipulates the terms of the off-site units, and they must be built at the same time. Developers will be required to build the number of dwelling units equivalent to 25 percent of the total market rate units in the proposed subdivision.

The primary emphasis of this affordable housing program is to achieve the inclusion of affordable housing units to be constructed in conjunction with market rate units within the same project in all new residential projects. However, the county acknowledges that it may not always be practical to require that every project satisfy its affordable housing requirement through the construction of affordable units within the project itself. Therefore, the affordable housing requirements may be satisfied by producing units off-site.

On/Off-Site Projects: Affordable units required may be permitted to be constructed within a project or at a location within the county other than the project site. Affordable units must meet the following criteria:

- The on/off-site affordable units must be determined to be consistent with the county's goal of creating, preserving, maintaining, and protecting housing for very low, low-income households.
- The on/off-site affordable units must not result in a significant concentration of lower-income units in any one particular neighborhood.
- The on/off-site affordable units shall conform to the requirements of all applicable county ordinances.
- The affordable housing agreement shall stipulate the terms of the affordable units. If the construction does not take place at the same time as project development, the agreement shall require the units to be produced within a specified time frame, but in no event longer than five (5) years. A cash deposit or bond may be required by the county, refundable upon construction, as assurance that the units will be built.

# APPENDIX A: AFFORDABLE HOUSING TASK FORCE MEMBER COMMENTS

## INDIVIDUAL TASK FORCE MEMBER COMMENTS (JOHN HIDAHL)

Housing Element Program Requirements	Task Force Member Input	Consultant Recommendations
Limiting the application of the ordinance to developments exceeding a certain size.	All housing projects of 5 or more units will be required to provide affordable housing.	All housing projects of 10 or more units will be required to provide affordable housing.
Percentage of housing units required to be set aside as affordable and their level of affordability.	<p>An inclusionary program should be adopted that includes 20 percent requirement to make up for the lack of affordable housing that now exists in the County.</p> <p>Developers should be able to build affordable housing offsite and receive credit for his onsite development.</p>	<p>Second Units. For every five single-family units built one affordable second unit will be required.</p> <p>Land Dedication. Enough land to yield a number of dwelling units equivalent to 20 percent of the total market rate units in the proposed subdivision.</p> <p>Fee Option. Developers can pay a fee per unit that will be placed into an affordable housing trust fund that is then used to support development of affordable housing. The fee is used to build housing elsewhere or to subsidize. The fee will be determined through a future nexus study.</p> <p>Offsite Construction. Developers can build the number of dwelling units equivalent to 25 percent of the total market rate units in the proposed subdivision.</p>
Design and building requirements	Agree with consultant's recommendation.	<p>Affordable units shall be dispersed throughout projects unless otherwise approved by the County.</p> <p>Affordable units shall be constructed with identical exterior materials and an exterior architectural design that is consistent with the market rate units in a project.</p> <p>Affordable units may be of smaller size than the market units in a project. In addition, affordable units may have fewer interior amenities than the market rate units in a project. However, the county may require that affordable units meet certain minimum standards. These standards shall be set forth in a affordable housing agreement for the project.</p>
Timing of affordable unit construction	Agree with consultant's recommendation.	<p>Affordable units to be constructed concurrently or before the other units. In a phased project, the affordable units should be provided proportionally.</p> <p>Affordable units dispersed throughout the residential development may be clustered if this increases affordability</p>
<b>Recommendations</b>		
The following recommendations are listed in priority order by the Consultant Team.		

Housing Element Program Requirements	Task Force Member Input	Consultant Recommendations
Second Units	<p>Modify consultant's recommendation to only include new development.</p> <p>Granny flats would be discouraged for existing development of 5 or more unit per subdivision.</p>	<p>A developer may construct accessory dwellings (also known as secondary units or "granny flats") on site of the development project to meet the affordable housing requirement. The lots upon which the accessory dwellings are constructed shall be deed restricted to provide that the units, if rented, shall be restricted to very low- or low-income households at affordable rents.</p>
Land Dedication	<p>County must approve any dedicate land for affordable housing and the land shall not exceed 10 % slope. The dedicate land value shall be equal or exceed the cost per acre of the land being developed.</p>	<p>Developers can dedicate land that will be given to the County (possibly through a land bank or other third party administrator such as a Community Land Trust). The land is deeded to the County which then deeds it to a community-based nonprofit on a competitive basis, or is deeded directly by the developer to a non profit organization.</p>
Fee	<p>The developer of 5 to 20 units can pay a fee of \$10,000 per unit in-lieu fee to an affordable housing trust fund. Developments exceeding 21 units shall be required to pay a \$25,000 in-lieu per unit.</p>	<p>Developers can pay a fee per unit that will be placed into an affordable housing trust fund that is then used to support development of affordable housing. The fee is used to build housing elsewhere or to subsidize. The fee will be determined through a future nexus study.</p>
On/Off-site Construction	<p>Agree with consultant.</p>	<p>Developers can build their affordable housing units on/off-site, as long as they don't result in a concentration of low-income housing, the affordable housing agreement stipulates the terms of the off-site units, and they must be built at the same time.</p>
Developer incentives	<ul style="list-style-type: none"> <li>• Priority Processing/Streamline process</li> <li>• Upzoning</li> <li>• Parking Reductions</li> <li>• 30% open space-affordable housing project relief; <u>not to be reduced below 20% open space.</u></li> <li>• Increase height restrictions; <u>not to exceed</u></li> </ul>	<ul style="list-style-type: none"> <li>• Density Bonus</li> <li>• Fee Waiver or Deferral</li> <li>• TIM Fee Offset</li> <li>• Design Modifications</li> <li>• Priority Processing</li> <li>• Credit Transfers</li> </ul>

Housing Element Program Requirements	Task Force Member Input	Consultant Recommendations
	<p><u>20% of County requirements.</u></p> <ul style="list-style-type: none"> <li>• TIM fee reduction for <u>very low income housing</u></li> </ul>	
Administration of affordability control.	Encourage affordable housing homeownership <u>with limit on resale options.</u>	Ownership and Rental Affordability is no less than 30 years.

### Recommendation 1: Inclusionary Housing

For Sale developments with 5 or more units that do not opt for second dwelling units shall provide 20% of the units for low and moderate income; 50 % of these must go to low and 50% must go to moderate income. Developments of less than 5 units shall be subject to in lieu fees.

Multifamily rental units with 20 or more units must provide 25% for very low income and at least 10% for low-income; development units between 7 and 19 units must provide 15% to very low-income and 10% to low income (on-site units); projects less than 7 units are subject to in-lieu fees.

For commercial developments greater than 10 acres in size, mixed use low income housing shall be provided equivalent to at least 2 units/acre. Developments less than 10 acres shall be subject to in-lieu fees.

### Recommendation 2: Second Dwelling Units

For sale unit developers can meet their affordable housing requirement through producing a certain amount of accessory dwelling units. The County will need to revise development standards and fees to accelerate the production of this housing type.

Accessory Dwellings: A developer may construct accessory dwellings (also known as secondary units or “granny flats”) on site of the development project to meet the affordable housing requirement. The lots upon which the accessory dwellings are constructed shall be deed restricted to provide that the units, if rented, shall be restricted to very low- or low-income households at affordable rents consistent with the provisions below.

- For every five single-family homes constructed two affordable second units will be required.

### Recommendation 3: Land Dedication

Developers can dedicate land that will be given to the County (possibly through a land bank or other third party administrator such as a Community Land Trust). The land is deeded to the County which then deeds it to a community-based nonprofit on a competitive basis, or is deeded directly by the developer to a non profit organization.

The County shall determine that a site is suitable for dedication and shall require dedication of that site if the land proposed meets the following criteria:

- Enough land to yield a number of dwelling units equivalent to 30 percent of the total market rate units in the proposed subdivision.
- The site is zoned in a manner to accommodate the required number of dwelling units and is located in close proximity to the following amenities:
  - An existing or planned public elementary, middle, or high school;
  - An existing or planned public park or recreational facility;
  - An existing or planned transit stop;
  - An existing or planned grocery store or commercial center of at least ten (10) acres;
  - An existing or planned public library or other public facility
- The site is sufficient in size to contribute at least three net buildable acres combined with any additional acreage the developer has agreed to sell or donate but no more than ten (10) net acres in any one location; and
- The site is feasible to develop considering environmental constraints.

#### Recommendation 4: Fee Program

Developers of small projects not meeting the inclusionary housing criteria can pay a fee per unit that will be placed into an affordable housing trust fund that is then used to support development of affordable housing. The fee is used to build housing elsewhere or to subsidize the purchase of housing by community members. There are many formulas for an in-lieu fee, some of which set the fee at only a few thousand dollars, others that set the fee at the full value of the foregone affordable units, and still others that set the fee at the cost of assisting a family through an alternative program.

The Project Team is recommending the following Fee Program:

##### *Collection, Use and Administration of Fees*

The Affordable Housing Fee shall be collected, used, and administered as described in items (a) through (c) below

The Affordable Housing Fee shall be paid by the property owner to the County at the time of the issuance of a building permit.

- d) Monies collected through the Affordable Housing Fee are limited to the following uses: 1) hard and soft costs associated with the development of new residential construction that is created as housing affordable to very low- and low-income households and 2) a homebuyer assistance program for lower income households, limited to assisting with the purchase of units constructed during the RHNA planning period,
- e) The establishment of the proportion of fee acquired set-aside for administrative expenses is necessary. Three (3) percent of the total Affordable Housing Fee collected is reserved for administrative expenses. Administrative expenses include but are not limited to costs associated with: making of grants and loans to developers of low income housing, developing guidelines for programs assisted with this fee, implementing and monitoring assistance provided through this fee, marketing programs and assistance provided through this fee, accounting for the fee revenues, and updated the fee program.

- f) An annual inflationary fee adjustment is necessary to keep pace with inflation. In January of each calendar year, commencing on January 1, 2008, or another date as determined by the County, the Affordable Housing Fee will be adjusted based on County policy.

*Calculating the fee:*

Pay a fee per affordable units based on future nexus study and the Board of Supervisors approval.

## Recommendation 5: On/Offsite Construction

Developers can build their affordable housing units on or off-site, as long as they don't result in a concentration of low-income housing, the affordable housing agreement stipulates the terms of the off-site units, and they must be built at the same time. Developers will be required to build the number of dwelling units equivalent to 25 percent of the total market rate units in the proposed subdivision.

The primary emphasis of this affordable housing program is to achieve the inclusion of affordable housing units to be constructed in conjunction with market rate units within the same project in all new residential projects. However, the county acknowledges that it may not always be practical to require that every project satisfy its affordable housing requirement through the construction of affordable units within the project itself. Therefore, the affordable housing requirements may be satisfied by producing units off-site.

On/Off-Site Projects: Affordable units required may be permitted to be constructed within a project or at a location within the county other than the project site. Affordable units must meet the following criteria:

- The on/off-site affordable units must be determined to be consistent with the county's goal of creating, preserving, maintaining, and protecting housing for very low, low-income households.
- The on/off-site affordable units must not result in a significant concentration of lower-income units in any one particular neighborhood.
- The on/off-site affordable units shall conform to the requirements of all applicable county ordinances.
- The affordable housing agreement shall stipulate the terms of the affordable units. If the construction does not take place at the same time as project development, the agreement shall require the units to be produced within a specified time frame, but in no event longer than five (5) years. A cash deposit or bond may be required by the county, refundable upon construction, as assurance that the units will be built.

## INDIVIDUAL TASK FORCE MEMBER COMMENTS (NOAH BRIEL AND KATHY WALDIE)

### Affordable Housing Taskforce Suggestions and Comments

#### Housing Element Program Requirements:

#### Recommendations from Noah Briel and Kathy Waldie

Limiting the application of the ordinance to developments exceeding a certain size.

Agree that all developers of housing projects comprised of ten or more units have conditions placed upon their projects to address affordable housing. The smaller developments should have more options to use in-lieu fees where the bigger developments should be required to provide the land and/or actually build the affordable units.

Percentage of housing units required to be set aside as affordable and their level of affordability

We believe this should be taken care of with a sliding scale of density bonuses.

Regarding the land dedication, enough land to yield a # of dwelling units equivalent to 20% of the total market rate units in the proposed subdivision sounds reasonable if creative building techniques such as mixed use or multi-level (up to 4 stories) is allowed, thus making it more feasible for the developer.

We have addressed offsite construction and fees in the following sections.

Design and Building Requirements

We agree with the team recommendations. In addition, we believe that a well designed, themed project can mitigate traditional opposition to affordable housing. It has been our experience that when discussing the idea of a "village" concept with El Dorado residents, their opposition to affordable housing melts away when it is packaged creatively. For example, a well planned, high density, European themed, walkable village with work/live "artists" lofts is a description of affordable housing that no one has objected to.

Timing of Affordable Units Construction

We believe they should be built concurrently, but funding sources for affordable units sometimes take long periods of time to line up. Projects should not be held up because of this. Perhaps, in these cases, there should be exceptions if the funding is in the works.

Second Units

We agree with the task force recommendations. We would like to add that the granny flat concept/hardship could also apply to mix-used developments to reduce fees.

Land Dedication

We believe the concept of land dedication would be an ideal condition for a large project to facilitate non-profit organizations such as Mercy Housing to build low and very low income units. For example, in a large mixed use project the feasibility for the developer to build low and very low income units on their own is unlikely, but a large mixed use project can supply the infrastructure conditions necessary for non-profit organizations to seek the funding they require to subsidize low income housing.

Fee

We are in favor of an in-lieu fee to fund the rehabilitation of older developments, but we do not feel that an in-lieu fee by itself will generate enough funds to build new units. This idea may be particularly relevant for smaller scale projects.

On/Off Site Construction

We have reservations regarding the idea of off site construction because this could result in segregation. We prefer peppering affordable units in a community. However, on a project by project basis, we would not want to prohibit this idea when it may make sense.

Developer Incentives

We agree with the task force recommendations and would like to add that an extremely useful economic incentive to a developer, especially a developer of a high density mixed-use project, would be a well thought out density bonus system. We believe density bonuses provide a win, win solution for both developer and the county because this allows the developer to economically provide affordable units without loss of revenue/fees to the county. After much research, we have concluded that a well planned, high density project with a pedestrian friendly structure, could help solve issues related to affordable housing, while at the same time providing a palatable format for existing neighborhoods. For example, county permission granted to a developer to build a mixed-use European village could provide an aesthetically pleasing solution to affordable housing needs. We believe this is the win-win solution for everyone.

Administration of  
Affordability Control

We have questions about the legal requirements.



## Summary of Affordable Housing Recommendations

Noah's former twelve years of experience as a Teamster Union Steward taught him one valuable lesson. There is no better answer for a problem than a win-win solution. Many of the above listed solutions could be considered win-lose by opponents of affordable housing or uncontrolled growth. The new reality is "affordable" now refers to our grown children, our retired parents, and the back bone workforce of our county. We believe that educating the public to this reality is absolutely crucial to dealing with this huge problem. We are sure that most citizens of El Dorado County are not aware of the various levels of affordability. They perceive "affordable" as synonymous with poor and would fight to keep it out of their neighborhoods. Our county is in danger, in the long run, of a workforce shortage created by lack of workforce housing, resulting in long commutes from other counties, increasing traffic congestion, and stressing our county infrastructure even more. The infrastructure costs to supply a workforce in El Dorado County ideally should be spent on solving affordability problems instead of building new lanes on the freeway for the same people to commute from elsewhere. We want our community to have the diversity of many economic layers. We do not want to live in a gentrified environment that excludes all but the wealthiest people. In addition, if we do not address these affordability issues, El Dorado County is at great risk of being sued which could once again freeze our General Plan. The City of Folsom recently experienced a two year shut down for not addressing their affordability issues. Clearly, El Dorado County would not want to experience the same fate.

Normally, it appears that other government agencies deal with this problem by taxing their citizens or pushing the burden of affordability onto new development. We believe there is a creative solution that benefits all. The win-win solution in our opinion is to promote smart growth, mixed-use projects and package them in such a way that the normal opposition perceives these projects as an asset to their community. The county can best facilitate these projects by encouraging developers to follow the SACOG Blueprint for smart growth, and granting changes of zoning conditioned with affordable housing requirements mitigated by a multi-level density bonus program. With this solution, the county may not have to give up much needed fees to subsidize construction of affordable units. Ideally the developer would have the feasibility leeway provided by higher densities to profitably build workforce housing without subsidy. Low and very low income units could be supplied by non-profit organizations tapping existing funding sources which are contingent upon access to smart growth infrastructure.

We have learned by traveling to Europe and other regions in the United States that smart growth projects can solve affordability issues without sacrificing the environment or compromising design quality standards. To win over public opinion, we believe it is necessary to build the highest quality, aesthetically pleasing projects.

Achieving an aesthetically pleasing, smart growth project that incorporates affordable housing requires creativity and will power. Where there is a will, there is a way. El Dorado County should be doing all they can to encourage creativity by partnering with innovative people and providing the necessary incentives to foster smart growth principles while not crushing the spirit of willing developers. The risks and rewards of inaction are enormous. The large numbers of affordable housing units requested of El Dorado County by SACOG require courage by government officials to guide the county in a new bold direction. If the county believes in smart growth principles and sets policy to promote these principles, we believe developers will rise to the challenge.

2007 Affordable Housing  
Task Force Members

Noah Briel  
El Dorado Hills

Kathy Waldie  
El Dorado

INDIVIDUAL TASK FORCE MEMBER COMMENTS (TERRY FERRY)

Housing Element Program Requirements	Task Force Member Input	Consultant Recommendations
Limiting the application of the ordinance to developments exceeding a certain size.	There should be no Inclusionary Zoning.	All housing projects of 10 or more units will be required to provide affordable housing.
Percentage of housing units required to be set aside as affordable and their level of affordability.		<p>Second Units. For every five single-family units built one affordable second unit will be required.</p> <p>Land Dedication. Enough land to yield a number of dwelling units equivalent to 20 percent of the total market rate units in the proposed subdivision.</p> <p>Fee Option. Pay a fee per affordable units required, which represents the difference between the average total development costs and the affordable sales price for a family of four at 100 percent of area median income.</p> <p>On/Offsite Construction. Developers can build the number of dwelling units equivalent to 25 percent of the total market rate units in the proposed subdivision.</p>
Design and building requirements	It is apparent that affordable housing was never meant to allow an agency the subterfuge of being comparable in some qualities but not in others. It is necessary to apply the same standards to this housing in regards to trees, open space, parking, and 30% slope. Affordable units may be of smaller size than market units.	<p>Affordable units shall be dispersed throughout projects unless otherwise approved by the County.</p> <p>Affordable units shall be constructed with identical exterior materials and an exterior architectural design that is consistent with the market rate units in a project.</p> <p>Affordable units may be of smaller size than the market units in a project. In addition, affordable units may have fewer interior amenities than the market rate units in a project. However, the county may require that affordable units meet certain minimum standards. These standards shall be set forth in a affordable housing agreement for the project.</p>
Timing of affordable unit construction	Developer should be given the option to create low or very low income units in their communities in lieu of paying fees. Owners should be able to sell at market and receive the benefits after 10 years of ownership.	<p>Affordable units to be constructed concurrently or before the other units. In a phased project, the affordable units should be provided proportionally.</p> <p>Affordable units dispersed throughout the residential development may be clustered if this increases affordability</p>

Housing Element Program Requirements	Task Force Member Input	Consultant Recommendations
Second Units	Granny Flats should be age restricted but not owner-family restricted. They should also have minimum square footage requirements such as 750 square feet per unit and not more than 1,200 square feet. Market rents should apply.	A developer may construct accessory dwellings (also known as secondary units or “granny flats”) on site of the development project to meet the affordable housing requirement. The lots upon which the accessory dwellings are constructed shall be deed restricted to provide that the units, if rented, shall be restricted to very low- or low-income households at affordable rents.
Land Dedication	Land Dedication would be allowed to offset fees.	Developers can dedicate land that will be given to the County (possibly through a land bank or other third party administrator such as a Community Land Trust). The land is deeded to the County which then deeds it to a community-based nonprofit on a competitive basis, or is deeded directly by the developer to a non profit organization.
Fee		Developers can pay a fee per unit that will be placed into an affordable housing trust fund that is then used to support development of affordable housing. The fee is used to build housing elsewhere or to subsidize. The fee will be determined through a future nexus study.
On/Off-site Construction	Also, note “Housing Supply and Affordability: Do Affordable Housing Mandates Work?”	Developers can build their affordable housing units on/off-site, as long as they don’t result in a concentration of low-income housing, the affordable housing agreement stipulates the terms of the off-site units, and they must be built at the same time.

Housing Element Program Requirements	Task Force Member Input	Consultant Recommendations
Developer incentives	<ul style="list-style-type: none"> <li>• Priority Processing/Streamline process</li> <li>• Upzoning</li> <li>• No Parking Reductions</li> <li>• Increase height limits</li> <li>• TIM fee reductions</li> </ul>	<ul style="list-style-type: none"> <li>• Density Bonus</li> <li>• Fee Waiver or Deferral</li> <li>• TIM Fee Offset</li> <li>• Design Modifications</li> <li>• Priority Processing</li> <li>• Credit Transfers</li> </ul>
Administration of affordability control.	Encourage affordable housing homeownership. Reverts to owner/occupant in 10 years, without restrictions.	Ownership and Rental Affordability is no less than 30 years.

## INDIVIDUAL TASK FORCE MEMBER COMMENTS (RICH MEAGHER)

I agree mostly with the Affordable Housing Coalition of El Dorado County's (AHCEDC) position except in the important area of the in-lieu fees. I believe they should be tied to the value of the homes being built at market rate and should produce one non-market rate home for each 5 or ten (whatever the ultimate ratio is) market rate unit.

## INDIVIDUAL TASK FORCE MEMBER COMMENTS (JEFF RILEY, MERCY HOUSING)

I do want to voice concerns I have about the lack of discussion about inclusionary housing and the need for it. I think it is a vital tool for the development of an effective and sustainable affordable housing development policy and, equally important, one that considers the future housing needs of current residents of the community and their families.

## NO GRIDLOCK COMMITTEE COMMENTS

The No Gridlock Committee has been a consistent advocate for affordable housing, and we believe it is critical to consider and analyze substantive alternatives to address the usual lack of affordable housing as well as lack of a full range of housing types and sizes typically provided in proposed development projects.

We believe including a range of housing types and sizes in a project can result in less traffic per unit, and in particular we believe having the opportunity to build second units (“granny flats”), either attached or detached, is essential to accommodate a changing population and demographic over time. Often CC&Rs restrict or prohibit second units. As part of the project review, potential CC&Rs should be closely scrutinized to determine their impact on the County’s ability to meet its range of housing needs.

Mixed densities should be supported actively, as well as mixed use. Mixed densities could include, for example, having corner lots zoned for a duplex or triplex configuration which remains consistent with the size range and architecture of surrounding units but has a different internal configuration. Mixed use (residential and commercial on the same lot) is generally well understood and supported, but the lack of developed guidelines inhibits planners’ ability to support or encourage such projects.

A similar lack of guidelines inhibits the ability to provide fee relief for smaller and more affordable units that don’t have the same impacts as larger units. While an apartment gets a break on TIM fees, small houses don’t. Similar issues exist for sewer and school fees. While some of these issues are outside the county’s authority, it is essential to describe potential solutions or alternative approaches so they can be brought to the attention of the appropriate authority. For issues within the county’s authority, such as TIM fees, it is essential to develop precise, easily accessible and understood guidelines for fee relief. Having a \$1,000,000 line item in a TIM fee CIP for affordable housing is pointless if it never gets used.

Transportation is an enormous cost in counties such as ours, which have developed to be almost entirely dependent on the automobile. To the extent a development can be designed and built to reduce the need for just one automobile in the household, by being within walking or biking range of a school, or by providing the opportunity for an in-home occupation, or by being close to a town center, there is instantly an additional \$35,000 to \$50,000 capital available from the annual savings in not paying the costs of that automobile. Two decades ago annual energy costs were not considered in the cost of housing – once they were, energy conservation was built into new homes and the savings more than covered any increase in mortgage payments. The time has come to similarly consider transportation costs, and cost avoidance, in the housing cost package.

Many creative solutions exist that can move us beyond the fee and inclusionary debates, and should be considered and fully analyzed at the earliest stage of any county action.

We appreciate your consideration of our input.

Sincerely,

Bill Center

530.622.4742

AFFORDABLE HOUSING COALITION OF EL DORADO COUNTY (AHCEDC) COMMENTS

Housing Element Program Requirements	AHCEDC Recommendation	Consultant Recommendations
Limiting the application of the ordinance to developments exceeding a certain size.	All housing projects of <b>5</b> or more units will be required to provide affordable housing.	All housing projects of 10 or more units will be required to provide affordable housing.
Percentage of housing units required to be set aside as affordable and their level of affordability.	<p>Second Units. For every five single-family units built one affordable second unit will be required.</p> <p>Land Dedication. Enough land to yield a number of dwelling units equivalent to 20 percent of the total market rate units in the proposed subdivision. <b>Payable to AHCEDC Housing Trust Fund.</b></p> <p>Clarify Fee Option</p> <p><b>On/Offsite Construction.</b> Developer must build.</p>	<p>Second Units. For every five single-family units built one affordable second unit will be required.</p> <p>Land Dedication. Enough land to yield a number of dwelling units equivalent to 20 percent of the total market rate units in the proposed subdivision.</p> <p>Fee Option. Pay a fee per affordable units required, which represents the difference between the average total development costs and the affordable sales price for a family of four at 100 percent of area median income.</p> <p>On/Offsite Construction. Developers can build the number of dwelling units equivalent to 25 percent of the total market rate units in the proposed subdivision.</p>
Design and building requirements	<p><del>Affordable units shall be dispersed throughout projects unless otherwise approved by the County.</del></p> <p>Affordable units shall be constructed with identical exterior materials and an exterior architectural design that is consistent with the market rate units in a project.</p> <p>Affordable units may be of smaller size than the market units in a project. In addition, affordable units may have fewer interior amenities than the market rate units in a project. However, the county may require that affordable units meet certain minimum standards. These standards shall be set forth in a affordable housing agreement for the project. <u>(Add) The County must develop a model Affordable Housing Agreement.</u></p>	<p>Affordable units shall be dispersed throughout projects unless otherwise approved by the County.</p> <p>Affordable units shall be constructed with identical exterior materials and an exterior architectural design that is consistent with the market rate units in a project.</p> <p>Affordable units may be of smaller size than the market units in a project. In addition, affordable units may have fewer interior amenities than the market rate units in a project. However, the county may require that affordable units meet certain minimum standards. These standards shall be set forth in a affordable housing agreement for the project.</p>
Timing of affordable unit construction	Affordable units to be constructed concurrently or before the other units.	Affordable units to be constructed concurrently or before the other units. In a



Housing Element Program Requirements	AHCEDC Recommendation	Consultant Recommendations
	<p>In a phased project, the affordable units should be provided proportionally.</p> <p><del>Affordable units dispersed throughout the residential development may be clustered if this increases affordability</del></p>	<p>phased project, the affordable units should be provided proportionally.</p> <p>Affordable units dispersed throughout the residential development may be clustered if this increases affordability</p>
<b>Recommendations</b>		
The following recommendations are listed in priority order by the Consultant Team.		
Second Units	<p>Include wording on Program Recommendations: occupancy must be principal home of resident.</p>	<p>A developer may construct accessory dwellings (also known as secondary units or “granny flats”) on site of the development project to meet the affordable housing requirement. The lots upon which the accessory dwellings are constructed shall be deed restricted to provide that the units, if rented, shall be restricted to very low- or low-income households at affordable rents.</p>
Land Dedication	<p>Developers can dedicate land that will be given to the County through the AHCEDC. The land is deeded to the County which then deeds it to the AHCED. The County must develop a model Affordable Housing Agreement.</p>	<p>Developers can dedicate land that will be given to the County (possibly through a land bank or other third party administrator such as a Community Land Trust). The land is deeded to the County which then deeds it to a community-based nonprofit on a competitive basis, or is deeded directly by the developer to a non profit organization.</p>
Fee	<p>Developers can pay a fee per unit equal to 20 percent of the cost of a single family unit in the development payable to the AHCEDC.</p>	<p>Developers can pay a fee per unit that will be placed into an affordable housing trust fund that is then used to support development of affordable housing. The fee is used to build housing elsewhere or to subsidize. The fee will be determined through a future nexus study.</p>
On/Off-site Construction	<p>Agree with consultant.</p>	<p>Developers can build their affordable housing units on/off-site, as long as they don't result in a concentration of low-income housing, the affordable housing agreement stipulates the terms of the off-site units, and they must be built at the same time.</p>

<b>Housing Element Program Requirements</b>	<b>AHCEDC Recommendation</b>	<b>Consultant Recommendations</b>
Developer incentives	<ul style="list-style-type: none"> <li>• Priority Processing/Streamline process</li> <li>• Upzoning</li> <li>• Parking Reductions</li> <li>• 30% open space-affordable housing project relief</li> <li>• Increase height restrictions</li> <li>• TIM fee reductions</li> </ul>	<ul style="list-style-type: none"> <li>• Density Bonus</li> <li>• Fee Waiver or Deferral</li> <li>• TIM Fee Offset</li> <li>• Design Modifications</li> <li>• Priority Processing</li> <li>• Credit Transfers</li> </ul>
Administration of affordability control.	Encourage affordable housing homeownership opportunities.	Ownership and Rental Affordability is no less than 30 years.