

Attachment C

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Attachment C Development Considerations

- Infrastructure & Resource Considerations
 - Is there enough water, from a sustainable source, for the project?
 - Drives project size as much as what is allowed by zoning.
 - How will waste water be handled –
 - On-site septic requires more land, land value that is not recouped by development.
 - Connecting to an existing service provider may require annexation and extension of infrastructure.
 - Does the system have capacity to accept new connections?
 - This is a fixed cost regardless of the square footage of a unit or the number of bedrooms it has.
 - Does the project require construction of new internal road network?
 - Will the project likely trigger off-site improvements or assessments?
 - Traffic improvements, utility upgrades, parks, etc.
 - Are prior approvals catching up so that the next project has a marginal impact?
- Land Use Considerations
 - What is current zoning and land use designation?
 - What permits are required?
 - How much will the permits cost in time and money?
 - Earthquake, flood, or high fire risk zones – end purchaser of home may not qualify for mortgage if homeowners' insurance is not available.
 - Is project in Coastal Zone?
 - Approvals maybe appealed to California Coastal Commission – more time.
- California Environmental Quality Act (CEQA)
 - Does the project location qualify for a CEQA exemption or is it in an area already analyzed by a CEQA document that can be tiered off?
 - Census designated urbanized area
 - Community Plan
- Development Costs – Land, Engineering, Plans, Studies & Reports
 - Time to process entitlements
 - Planning reviews and hearing
 - CEQA
 - Coastal Commission appeal?
 - Litigation?
 - Fees to process entitlements
 - Impact fees and/or requirements
 - Fire, parks, schools, traffic, other growth induced impacts
 - Fees for individual building plan checks and permits.
 - Utility Connection Fees
 - Water connections, or wells and/or mutual water system
 - Wastewater connections or individual septic systems
 - Internal recreational opportunities
 - Internal traffic improvements

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Development Considerations

- How to Pay for Development Costs
 - Directly include in cost of land and structure, or,
 - Establish ongoing Community Facilities District/Mello-Roos district for infrastructure construction and maintenance – higher property taxes mean less monthly income available for affordable mortgage payments.

- How to Pay for Ongoing Development Costs
 - Homeowner Association to maintain private subdivision improvements – higher monthly housing cost, which reduces amount available for other housing expenses, i.e., mortgage payments.