## Attachment D

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## Attachment D 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.
  - o 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
  - o 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
  - o Impact fees and/or requirements
    - Fire, parks, schools, traffic, other growth induced impacts
  - o Fees for individual building plan checks and permits.
  - o Utility Connection Fees
    - Water connections, or wells and/or mutual water system
    - Wastewater connections or individual septic systems
  - o Internal recreational opportunities
  - Internal traffic improvements

## Attachment D Development Considerations

- How to Pay for Development Costs
  - o 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.