

# Attachment C

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## Attachment C – Recommended Changes

Staff recommends the following revisions to the Land Use and Building Services Fee Waiver Policy:

### **Retain Core Waiver Categories**

If adopted, the policy would allow the RMA Director or designee to waive discretionary fees for the following:

#### Financial Hardship

Applicants who qualify under the Housing and Urban Development (HUD) very low-income designation will continue to be eligible for discretionary fee waivers on residential projects. Appeal fees also are eligible for waiver when the applicant can demonstrate financial hardship under California Government Code section 68632.

Approximately \$2,700 in eligible fee waivers were issued to very-low income applicants for FYs 2016/17 through FY 2018/19.

#### Emergency Declarations/Special Procedures

Historically, the Board of Supervisors has authorized special processing and fee waiver procedures in the aftermath of large-scale natural disasters (e.g., 2016 Soberanes Fire, 2017 Winter Storms). These procedures allow the County to provide expedited services and reduce the financial burden on those affected by emergency events. The proposed policy would allow the RMA Director or designee to follow special procedures as directed by the Board. Special fee waivers may include both ministerial and discretionary permits, as determined by the Board.

Approximately \$140,000 in fee waivers were approved for FYs 2016/17 through FY 2018/19 under the special procedures adopted by the Board for the 2016 Soberanes Fire and 2017 Winter Storm declared emergencies.

#### Government Agencies with a Reciprocal Waiver or Service Agreement

Government agencies and County departments that have an active written reciprocal services agreement or memorandum of understanding (MOU) which provides an equivalent fee waiver or service value may apply for a waiver of discretionary permit fees. The reciprocal services agreement or MOU must specify how the party seeking a waiver would provide an equivalent value to the County as a result of a waiver. The equivalent value provided by the applicant must directly benefit the department whose fees are being waived. A general benefit to the County which cannot be quantified is not sufficient.

Approximately \$412,000 in fee waivers for discretionary and ministerial permit fees were approved for government agencies and County departments for FYs 2016/17 through FY 2018/19. If the equivalent value policy is adopted, RMA will maintain a balanced budget by offsetting reduced revenue with cost savings in another area.

### **Waivers Removed from Director Authority**

#### Ministerial Fees

Under the proposed policy, ministerial fees would no longer be eligible for RMA Director's fee waiver except under a declared emergency permit process or specific fee waiver procedure adopted by the Board. This would apply to permits issued to both private and public applicants.

Excluding the emergency-related fee waivers, approximately \$534,000 in fee revenue from ministerial permit fees would have been retained over the past three fiscal years.

In addition to ministerial permit fee waivers, staff recommends that the following categories be removed from the policy, and the delegated authority of approval for all permit fee waivers not listed in the policy update be returned to the Board of Supervisors.

#### Community Facility Projects by Non-Profit and Community Groups

Staff identified \$37,000 in fee waivers for FYs 2016/17 through FY 2018/19 for various non-profit corporations, LLCs, and other groups that met the “Public Benefit” project criteria. The policy’s broad definitions are not clear on what is an eligible project. For example, the policy allows waivers for a “public need previously identified or recognized by the Board of Supervisors.” When the Board has “identified or recognized” a need is open to interpretation.

#### Inclusionary Housing/Special Handling Affordable Housing

In FY 2016/17, one corporation was eligible for over \$124,000 in ministerial fees for an inclusionary housing project. Approximately \$4,000 in additional fees were waived in FY 2017/18. Because inclusionary housing is a mandated part of many residential developments and the budgetary impact of these waivers can be significant, staff recommends returning delegated approval authority for this type of waiver to the Board of Supervisors.

#### Small Daycare Centers

In the last three (3) years, RMA has not processed a fee waiver under this item.

#### Reclassification Applications

This type of application is used when a property is out of compliance with the specified land use, and a new owner is looking to bring the structure into compliance. Because all violations are recorded against the deed and would appear in a title search, a buyer would know about violations when the property is purchased.

#### General Plan Amendments

This item allows for a fee waiver if a General Plan amendment is required due to an inappropriate or inaccurate land use designation. Should such an error occur, it is more appropriate to address it internally and not associate it with an applicant’s project. As such, this item is not needed as a component of the fee waiver policy. In the past three (3) years, RMA has not processed a fee waiver under this item.

### 3-Year Fee Waiver History

The table below summarizes fee waivers for the last three fiscal years if the proposed policy were implemented at the time.

<b>Fee Waivers Eligible for RMA Director Approval</b>				
	<b>FY 16/17</b>	<b>FY 17/18</b>	<b>FY 18/19</b>	<b>Total by Type</b>
62 or Over on a Fixed Income (Discretionary)	\$ -	\$ -	\$ -	\$ -
Emergency Declarations & Special Processing	\$ 59,673	\$ 56,091	\$ 24,737	\$ 140,501
County or Other Government Agencies*	\$ -	\$ 15,599	\$ -	\$ 15,599
<b>Subtotal</b>	<b>\$ 59,673</b>	<b>\$ 71,690</b>	<b>\$ 24,737</b>	<b>\$ 156,100</b>

  

<b>Waivers Requiring Board Approval</b>				
	<b>FY 16/17</b>	<b>FY 17/18</b>	<b>FY 18/19</b>	<b>Total by Type</b>
62 or Over on a Fixed Income (Ministerial)	\$ 2,705	\$ -	\$ -	\$ 2,705
Small Day Care	\$ -	\$ -	\$ -	\$ -
Non-Profit/Community Groups/Public Benefit	\$ 18,440	\$ 9,933	\$ 9,192	\$ 37,565
County or Other Government Agencies*	\$ 158,937	\$ 222,747	\$ 14,691	\$ 396,375
Reclassifications	\$ 938	\$ 5,818	\$ 11,571	\$ 18,327
Inclusionary Portions for Residential Developments	\$ 124,794	\$ 3,935	\$ -	\$ 128,729
Special Handling Affordable Housing Projects	\$ -	\$ -	\$ -	\$ -
Board of Supervisors Fee Waivers	\$ 2,118	\$ -	\$ -	\$ 2,118
<b>Subtotal</b>	<b>\$ 307,932</b>	<b>\$ 242,433</b>	<b>\$ 35,454</b>	<b>\$ 585,819</b>

  

<b>Total</b>	<b>\$ 367,605</b>	<b>\$ 314,123</b>	<b>\$ 60,191</b>	<b>\$ 741,919</b>
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\*For this table, eligible waivers include only County fees. Other agencies may become eligible as reciprocal services agreements are put in place.

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