



STAFF REPORT

TOWN COUNCIL MEETING OF APRIL 8, 2014

To: Town Council

From: Town Manager, Town Planner and Building Inspector

Subject: Proposed Second Residential Unit (SRU) Fee Policy

Date: March 31, 2014

ISSUE AND DISCUSSION:

The Town typically processes two Second Residential Unit applications per year. Recently, applicants have been relabeling their plans to show the separate unit as a “pool house or Art Studio” to avoid paying the additional fees required of a Second Residential Unit. The issue is that the structure will often later be converted to a second residential unit by the installation of either cooking or bathing facilities. The additions are done without the benefit of building permits and could pose a health and safety issue. To encourage applicants to correctly label and apply for a second residential unit, staff is proposing that the Town lower the application fees and treat the application as Multi Family. This would reduce the application fee by approximately \$6,746 per unit. Maximum floor area for a second unit on parcels up to 9.2 acres is 1,200 sf.

This policy is consistent with the majority of the surrounding jurisdictions. Four (4) of the six (6) jurisdictions use Multi-family or have specific SRU fees (Auburn, Folsom, Rocklin, & Roseville). Staff believes that reducing the fees would result in encouraging the property owners to get building permits for the secondary residential units upfront, and thus will reduce the potential for “bootlegged” and potentially unsafe second units. The Town can count the SRUs as affordable housing.

CEQA:

The proposed policy is exempt from CEQA.

RECOMMENDATION:

Direct staff to implement the policy of lowering the application fees and treat the second unit applications as Multi Family provided the proposed second unit meets all other criteria in the Town’s codes (size, location, etc.).

FINANCIAL IMPLICATIONS:

The Town would lose approximately \$6,746 per secondary residential unit applied for.

MEMO

TO: Rick Angelocci, Rhonda Gannon, Carol Parker

FROM: Marianne Nockles-Lockwood

SUBJECT: Second Residential Unit (SRU) Impact Fees Survey

DATE: March 24, 2014

RECOMMENDATION:

That the Town use the existing MULTI-FAMILY development impact fees when calculating permit fees for new SRUs.

SURVEY RESULTS:

Rhonda and I surveyed SIX (6) surrounding jurisdictions to determine how they calculated impact fees on second residential units.

Auburn – SRU classified as Multi-family for fee calculations.

Folsom – SRU classified as Multi-family for fee calculations.

Lincoln – Impact fees vary based on development agreements which cover ± 80% of the city. If the property is not located within these special areas, then the city defaults to the single family amount.

Placer County – SRU classified as Single Family for fee calculations.

Rocklin – Impact fees vary based on property location within city. If SRU is not specifically identified as a category within the fee, then the city defaults to the single family amount. (However, almost all the fees have SRU.)

Roseville – SRU classified as Multi-family for fee calculations.

Four (4) of the six (6) jurisdictions use Multi-family or have specific SRU fees (Auburn, Folsom, Rocklin, & Roseville).

One (1) uses Single Family (Placer County).

One (1) uses location based fees and Single Family (Lincoln).

FISCAL IMPLICATIONS:

The Town may process two (2) SRU applications per year. The differences between the single family fees and the multi family fees are: Drainage -\$216, Road Circulation/Major Roads -\$960, Horseshoe Bar/Interchange -\$551, Sierra College Circulation -\$297, Community Facility -\$838, Dry Creek Watershed Drainage Improvement -\$192, Quimby In-lieu -\$812, Park Acquisition -\$812, Passive Park/Open Space - \$471, Park Facility Improvements -\$959, and Placer County Capital Facility Impact -\$683.26 for a reduction of \$6,746.26 in fees per SRU. The Town can count the SRUs as affordable housing.

