



# COUNTY of CALAVERAS

## DEPARTMENT of PLANNING

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### Overview

The purpose of today's study session is to review and provide direction to the Planning Department in its work program to complete both the ongoing workload and operations of the Department and a comprehensive update of the County General Plan.

For purposes of this discussion I'm breaking this report into three sections:

- Measures to address current workload
- Measures to address the comprehensive general plan update
- Measures to address funding the general plan update

### Measures to address current workload

As the board and public are well aware the Department has not been able to maintain progress on all of the applications and other duties required of the Department. I have included a summary of the current outstanding applications on file with the Department. The processing of applications is delayed for a number of reasons.

- Planners are not assigned exclusively to the processing of applications. All of the planners regularly take phone calls, answer zoning inquiries, reply to status requests and work on non-application assignments, including post development approval follow-up.
- The number of applications and the increasing complexity of applications require significant amounts of planner time.
- Many applications begin and stop processing for numerous reasons such as incomplete applications, applications which contain insufficient information to complete environmental review and are subject to supplemental information requests, revisions to applications which require amendments to work done or recirculation of the project.

The Department has attempted to "weed out" those applications which have been inactive for sufficient amount of time to be considered withdrawn so that we can more

clearly evaluate our actual workloads. Over the last 14 months the Department has sent out notices to 28 applicants resulting in termination of approximately 1/3 of the applications. Unfortunately for processing purposes, status update requests sometimes results in reactivated projects rather than the withdrawal of projects. In some instances the applicant states an intention to reactivate the project, but requested information is not provided and follow-up is again needed.

The Department complies with CEQA by recommending a negative declaration or mitigated negative declaration whenever it is possible to address the environmental impacts without an environmental impact report. Initial studies have become significantly more complex and require substantial amounts of planner time. In fact the reality is that the time required to process the environmental review is now normally the most significant component of the project analysis and review for approval.

Although the Department closes at 4:00 PM to allow planners time to work on projects with minimal disruption, this procedure alone has not been sufficient to address the backlog.

### **Recommendation to Address the Immediate Backlog:**

I am requesting the Board's concurrence in implementing the following measures for a four (4) month period for evaluation:

- The Department will accept DRAFT submittals of Initial Studies for projects from the applicant, in a format that is provided by the Department to be completed by qualified individuals (a planner or other individual with sufficient background and experience to prepare the document) for review and possible inclusion in part or in whole into the County's environmental review.
- The Department will continue to evaluate current applications and will take applications that have not been active for a period of four (4) months to the Planning Commission for denial without prejudice after notice to the applicant.
- The Department will limit public access to planners from 1:00 PM through the end of the day to allow the planners uninterrupted time to process applications. The office will remain open for all other business. If issues are raised at the counter or by telephone that the planning technicians do not feel they can answer, the individual will be asked to place the matter in writing for evaluation and response. [The Department will provide a form for submission of written issues.] \*\*\*\*Bob, I think this could be simple form-I don't think the board is going to like this unless they can fill out something at the counter.

At the end of the four month period, staff will review the effectiveness of these measures and report to the Board for further direction.

### **Measures to Address the Comprehensive General Plan Update:**

In 2002, the Calaveras Council of Governments (CCOG) updated land use forecasts for traffic analysis purposes. The County can use this information as a baseline in order to reduce the costs of updating land use forecasts for the General Plan Update. In addition the Department of Public Works is requesting funding to update circulation information through CCOG. It may be possible to expand this work to include all of the requirements contained in the General Plan Guidelines for a complete circulation element.

Because of the obvious complexity of the general plan law and general plan guidelines together with the requirement for environmental review the process of accomplishing a comprehensive update of the general plan needs to be carefully mapped out. Clearly no hasty actions should be undertaken until a complete work plan can be developed, including a timetable, to aid the Board in understanding both the work that needs to be done and the potential consequences of decisions to be made.

### **Recommendation to Address the Comprehensive General Plan Update:**

Since we have such a limited staff, I am recommending that the County contract with a professional planner to evaluate the current county General Plan and develop a work plan. The scope of this contract would be to review each General Plan element and make recommendations on what information needs to be updated, what needs to be revised and to suggest where new goals, policies and implementation measures may be needed.

, The consultant can also recommend where the County could use language from General Plans in other counties, where to combine Elements if possible and include a scope of work for proposals to amend the General Plan and where contract work would be needed. In addition to identifying the scope of work needed, the evaluation should be helpful in determining to total cost of the update. I believe this first work could be completed in a very timely manner and at a cost of no more than \$30,000.00. This work could be funded through the Land Use Designated Fund.

### **Measures to Fund the Comprehensive General Plan Update:**

In order to fund a major General Plan amendment, either fees need to be collected over time to accumulate the amount estimated to be needed or the project simply funded by the general fund or a loan from the General Fund (or other fund) must be arranged, to be paid back from future fees collected. At this time it is obvious that some sort of a loan from County reserves will be needed and a fee program established to reimburse the County through time.

Staff is presenting for discussion a 'General Plan Update and Maintenance Fee' levied as a surcharge on building permits based on construction valuation (square footage for mobile homes). I expect the Board to set a Study Session to work on any specific

proposal, but provide the following information to “get a feel” for the need and significance of the proposal.

The proposed fee would provide a stable method of both reimbursing the County for loans to prepare the current general plan update but also create a restricted reserve for future normal updates and funding mandated planning activities currently funded primarily by the County General Fund. Fees are authorized by §66014 (b) of the Gov't Code for “the costs reasonably necessary to prepare and revise plans and policies that a local agency is required to adopt before it can make any necessary findings and determinations.”

66014. (a) Notwithstanding any other provision of law, when a local agency charges fees for zoning variances; zoning changes; use permits; building inspections; building permits; filing and processing applications and petitions filed with the local agency formation commission or conducting preliminary proceedings or proceedings under the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, Division 3 (commencing with Section 56000) of Title 5; the processing of maps under the provisions of the Subdivision Map Act, Division 2 (commencing with Section 66410) of Title 7; or planning services under the authority of Chapter 3 (commencing with Section 65100) of Division 1 of Title 7 or under any other authority; those fees may not exceed the estimated reasonable cost of providing the service for which the fee is charged, unless a question regarding the amount of the fee charged in excess of the estimated reasonable cost of providing the services or materials is submitted to, and approved by, a popular vote of two-thirds of those electors voting on the issue.

(b) The fees charged pursuant to subdivision (a) may include the costs reasonably necessary to prepare and revise the plans and policies that a local agency is required to adopt before it can make any necessary findings and determinations.

(c) Any judicial action or proceeding to attack, review, set aside, void, or annul the ordinance, resolution, or motion authorizing the charge of a fee subject to this section shall be brought pursuant to Section 66022.

While fees may be levied on variances, zoning changes, use permits, building permits, subdivisions, planning services, and LAFCO functions, an informal survey of other jurisdictions reveals fees are most commonly based on building permit valuation. The County should consider the following components in determining whether to levy a ‘comprehensive planning’ fee, and its basis and amount.

### Reasons to Levy Fee

1. Many functions of the ‘Advance Planning’ Division and accompanying cartographic functions are not funded under the County’s adopted Fee Schedule. A comprehensive planning fee offsetting General Fund expenditures will decrease the General Fund contribution.
2. A stable funding source provides the foundation for a rationale and efficient comprehensive planning program.
3. Economic, community, environmental, and legal benefits are derived by updating and maintaining comprehensive planning documents in a timely manner.
4. Mandated planning functions continue to increase. It is likely that the State legislature will cite this fee as a funding source for new state mandates.

It is suggested that this fee be applied only to building permits, the rationale under AB 2936 being that preparing and updating the General Plan and other planning/building documents and codes are necessary precursors to the issuance of building permits. In addition, the very need for the general plan updates is driven by growth and the Building Permit is a one time fee that assures the costs of development are paid by those who generate the need.

### **Activities Funded by Fee**

Eligible activities include maintaining/updating all elements of the General Plan (including area plans); other subject-specific master plans or optional elements called for by or included in the General Plan; and development codes such as subdivision and zoning codes necessary to process subdivisions, use permit, etc.

The average annual costs of performing these functions have not been well funded in past budgets. Comprehensive planning functions tend to be low priority and reactive, undertaken in response to a time-sensitive mandate (such as Housing Element updates), when grant funding is available, or when outside factors require or call for action.

Over the past decade, the County has been involved in several community planning processes. Involved County staff and other resources to various degrees were paid for by the General Fund.

A major General Plan update every 15 years means that the next General Plan update would begin about 12 years from adoption of the current Update, with processing time consuming about 3 years. As the County urbanizes and conditions change more rapidly, so does the need to review and update the General Plan within shorter a time frame. In the interim, legislative and local changes merit ongoing monitoring with periodic County modifications to planning documents. Looking ahead, the draft Housing Element must again be revised by June 30, 2008. Rough estimates of comprehensive planning costs based upon a \$1,000,000.00 general plan update cost and 2005 building permit statistics, provide a basis for discussing fee amounts, their application, positive impact on the General Fund, and impacts on fee payers and the public. Any such fee must be periodically updated to keep pace with costs.

### **Purpose of Fee:**

The fee would fund State requirements that the County adopt and maintain a General Plan. The Housing Element must be updated every five years as required by State law. Minor changes to the General Plan are periodically necessary or desirable. Over the past twenty years, the County has initiated or participated in planning efforts for localized areas or issues; such planning documents must be maintained after adoption. Other requirements of State law are also carried out via General Plan policy or implementation programs, such as comprehensive zoning and floodplain regulations.

### **Cost Estimates:**

Assuming a \$1 million cost for the general plan update funded as a loan, a reimbursement of approximately \$250,000.00 a year could be achieved based on the addition of a residential building permit General Plan Update and Maintenance Fee. With the funding in place and the Comprehensive Update completed, the County would be able to maintain first the Housing element and then the balance of the General Plan at a regular interval and at a lower cost than the comprehensive update approach. Additional funds may be necessary or desirable in the future to maintain compliance with applicable statutes or case law, Board direction, or reflect changing conditions or other factors. Cost estimates, and accordingly fees, should be adjusted to keep pace with inflation.

The subject tasks typically involve work plan preparation, data collection, plan formulation, a public participation component, and a policy board adoption process. Typically, eighty percent of fees collected or more will be expended for contract consultants (Special Department Expense) and County staff resources (Salaries and Employee Benefits). Services and supplies including but not limited to communications, office expense, publications and legal notices, and travel, comprise most of the remaining need. Fixed assets may be required on a case-by-case basis.

One Possible fee schedule is as follows:

<b>Possible General Plan Update and Maintenance Fee Schedule</b>	
<b>Single Family Dwellings:</b>	0.25 percent (0.0025) of total permit valuation based on home dimensions times \$98.00 per square foot
<b>Residential Manufactured Homes:</b>	0.25 percent (0.0025) of assigned valuation based on mobile home dimensions times \$98.00 per square foot
<b>Affordable Housing Units as defined in County General Plan Housing Element</b>	The Director of Planning, Planning Commission, or Board of Supervisors may, in individual cases upon written request and supporting evidence, grant exemptions to said fees for the production of 'affordable housing' or as an additional density bonus incentive as specified in the County General Plan Housing Element.

<b>Examples</b>	<b>Valuation</b>	<b>Proposed Fee Rate</b>	<b>Fee</b>
1500 Sq. Ft. Dwelling (\$98/s.f., UBC)	\$147,000	0.0025	\$368
Double-wide Manufactured Home (\$98/s.f., UBC) (24x60) (1440 s.f.)	\$141,120	0.0025	\$353

2005 Construction	Residential - New	Manufactured		Total Units
Total	681	67		748

Average Fee	Total Units	Total Annual Fee Generated
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\$360	748	\$269,280
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‘Valuation’ is based on the value assigned each construction category set forth in the Uniform Building Code (UBC) adopted by the County (Current revision pending). For example, residential dwelling valuation is calculated at \$98 per square foot (even though actual construction costs are much higher). For Manufactured Homes the residential rate of \$98 per square foot in the UBC is proposed for purposes of comparing the fee applicable to manufactured homes set outside of a park. Residential mobile or manufactured homes in mobile home parks are not within the purview of the County building permit process and are therefore exempt from the fee.

The additional burden of new fees on housing costs may be of concern. A surcharge calculated as a percent of building permit *fees* is *not* proposed because building permit fees per square foot decrease as the size of the structure increases. As such, proportionally a greater fee burden would fall on smaller structures.

Several other measures reduce the burden on housing costs: (1) The mobile home tends to be on smaller units than single-family dwellings; (2) ‘Affordable housing’ units as defined in the County’s Housing Element may be exempted on a case by case basis. Affordable housing is defined as “any housing unit or combination of units developed through action of a private, public, or nonprofit party, or a combination thereof, which results in the production of housing unit(s) that are capable of being purchased or rented by household(s) with very low, low or moderate income based on payment of not more than 30 percent of the gross monthly income, (or 25 percent based on specific program guidelines), including rent or mortgage, taxes, and insurance *when the unit’s affordability is protected for an established amount of time*”; and (3) Housing units developed under the density bonus provisions may also be exempted as an additional incentive. Applying the criteria above, County Planning staff could not identify any new affordable or density bonus housing units that were constructed within the unincorporated County over the past three years.

A comprehensive planning fee could be charged for planning entitlements. However, some would argue that levying the fee on planning applications such as on subdivisions, and later at the building permit stage, results in ‘double’ payment. In addition, the wide variation in processing costs for planning applications results in fees that bear little relationship to property valuations.

**Recommendation to Fund the Comprehensive General Plan Update:**

Staff recommends that the Board of Supervisors set a study session and subsequently schedule the adoption of a General Plan Update and Maintenance Fee as soon as possible.