



COUNTY OF PLACER
Community Development Resource Agency

John Marin, Agency Director

PLANNING

Michael J. Johnson, AICP
Director of Planning

MEMORANDUM

DATE: OCTOBER 10, 2006
TO: HONORABLE BOARD OF SUPERVISORS
FROM: MICHAEL JOHNSON, DIRECTOR OF PLANNING
SUBJECT: **Update/Status Report on Affordable Housing Stakeholder Group**

ACTION REQUESTED

This is an update to the Board of Supervisors on the status of the Affordable Housing Stakeholder Group, convened in June 2005, and to confirm future actions.

BACKGROUND

In May 2003, the Board of Supervisors adopted the Housing Element of the Placer County General Plan. As set forth in the Housing Element there are numerous programs and policies identified to address the ongoing issue of housing affordability throughout Placer County. Goal A of the Housing Element calls for the County "To provide a continuing supply of affordable housing to meet the needs of existing and future residents in all income categories." One of the policies identified in the Housing Element (Policy A-8) calls for the County to evaluate the adoption of an inclusionary housing ordinance as a means of integrating affordable housing units within new market-rate residential developments. In support of that policy, a program identified in the Housing Element (Program A-19) calls for the County staff to prepare a draft Inclusionary Housing Ordinance to apply to all areas of the County outside of Redevelopment Areas.

As identified by the Housing Element, staff did prepare a Draft Inclusionary Housing Element, and the document was considered by the Planning Commission and Board of Supervisors on several occasions. During the presentations before the Board of Supervisors, numerous issues were raised by various groups, including representatives from affordable housing advocates and the Building Industry Association. Based upon the multitude of issues raised during these presentations, the Board concluded that, rather than trying to craft a policy/ordinance during the public meeting process, it would be beneficial to have the various interested parties most concerned with the issue of the provision of affordable housing to meet and collectively identify a program that could be ultimately be considered by the Board.

As directed by the Board, a group of interested stakeholders was convened to address issues associated with the provision of affordable housing within Placer County. As set forth by the Board, the stakeholders for this group included representatives from the Building Industry Association (BIA), local real estate interests and affordable housing advocacy groups. The purpose of these stakeholder meetings was to determine if there were any areas of agreement/consensus on how to provide affordable housing in Placer County.

DISCUSSION

The Stakeholder Group first met in June 2005 with representation from affordable housing advocacy groups, the BIA, local real estate interests and Placer CABPRO. This effort has been facilitated by Dave Ceppos of the Center for Collaborative Policy. Staff from the Planning Department, the County Executive's Office and County Counsel have participated regularly to provide program and technical clarification, historical perspective and general input. On an as-needed basis, staff from the Redevelopment Agency have attended meetings to provide information and direction regarding their experience with affordable housing programs. (For a detailed listing of the participants in these Stakeholder Group meetings, please refer to Exhibit A.)

The area of discussion for these meeting has focused on the geographic region below 5,000 feet in elevation (generally the area west of Blue Canyon). This delineation was done in recognition that affordable/workforce housing issues for the Tahoe area are already being addressed in a separate forum.

After several meetings, the stakeholder group concluded that, because of the complexity of the topics that were being addressed, as well as the need to complete the process within a reasonable timeframe, it was necessary to meeting on a more frequent basis. Since October 2005, the stakeholder group has met on a regular (almost weekly) basis to address the multi-faceted issues associated with the provision of affordable housing.

As defined by the Board of Supervisors, the stakeholder group has functioned as a collection of three interested-based "caucuses" comprised of representatives from the Building Industry Association, affordable housing advocates, and representatives of real estate and landowner interests. The County staff defined its role early on as providing support to the process, as well as providing technical expertise. It is important to note that County staff did not act as a negotiating stakeholder in this process.

On August 24, 2006, Susan Vergne, an attorney with the Law Offices of Brigit Barnes and representing Placer CABPRO on the stakeholder group, resigned from the stakeholder group. On September 1, 2006, Brigit Barnes and Susan Vergne were contacted by the process facilitator (Dave Ceppos) with an offer to renew their participation in the process based upon further successful results by the group. In subsequent communications from Ms. Barnes to the stakeholder group, the following rationale was provided for the resignation:

“Placer CABPRO still supports a program for affordable housing which recognizes that there is not nexus between the construction of new housing and the need for affordable housing, and a package of incentives which would encourage builder to incorporate affordable housing into their offerings to the public. These incentives must come in the form of concrete modifications to the County’s zoning codes, so that a builder can calculate its anticipated reduction in profit attributable to that portion of affordable housing product he provides before he invests in his purchase, or the builder will go elsewhere (cities like Roseville, Yuba or Sutter County, etc.). On behalf of Placer CABPRO, our office will prepare a formal proposal and distribute it to all Board members and review our proposal in public hearings. What we will not do is continue to participate in these meetings...”.

As mentioned above, the primary purpose in establishing the stakeholder group was that the stakeholders and the County were not making any progress in trying to craft a solution during public hearings. When discussed with other stakeholder group members, it was concluded that there was in fact value in proceeding with the group and trying to identify a final recommendation for consideration by the Board of Supervisors.

As has been identified by the process facilitator, many of the issues discussed during these meetings are viewed in different ways by different groups, and the potential for conflict and disagreement is very high. As a result, extensive discussion is needed to work through issues and reach consensus. As noted below, significant accomplishments have been made by the group, and it is the desire of the group to continue to proceed to a point where a group recommendation can be made to the Board of Supervisors.

Content of Stakeholder Discussions

Much of the time during the first meetings of the stakeholder group was spent identifying commonalities and differences on how best to effectively achieve affordable housing in the County. Through these discussions, the stakeholder group created a list of nine “items of potential agreement” that served as the starting point for more focused discussions. Among the nine items of potential agreement, issues associated with the certainty and timeliness of the development of affordable housing were discussed the most.

Another topic where the stakeholder group was able to reach general agreement was on the need to develop a flexible range of options for the application of affordable housing principles. All parties generally concurred that, through the development of a flexible range of options (as opposed to a one-size-fits-all solution), the ability to develop solutions for affordable housing could be better achieved.

Through this collaborative process over the past year, the stakeholder group has found its work to be focused less on specific aspects of the creation of an affordable housing ordinance (as was the original direction) and more on substantive elements of a more thorough, broad-reaching, long-range comprehensive and mutually supported affordable housing program for Placer County.

Results of the Stakeholder Group Meetings

While the stakeholder group identified 11 principles on which the group generally concurred (refer to the discussion in the Stakeholder Report, Exhibit B), the issue that garnered a majority of the discussion was the certainty and timeliness of the development of affordable housing projects. While the members of the group acknowledged that these terms have different meanings and provide different benefits to the respective stakeholders, each party concluded the principle of certainty and timeliness was key to the success of the development of affordable housing. Other key principles that the group agreed to include:

- Negotiated Trade-offs: The members of the group agreed that there will be trade-offs as a part of any negotiated agreements or recommendations to the Board of Supervisors.
- Multiple / Diverse Interests: Because of the unique interests of the various members who make up the stakeholders group, it was necessary to come to an agreement that there were a multitude of interests being discussed, and that each of the stakeholders would need to be respectful of the positions valued by the other stakeholder members.
- Geographic Framework: Consistent with the general direction provided by the Board, and in recognition of the affordable/employee housing efforts being undertaken in the Tahoe area, the focus of the stakeholder group was on the portion of the County situated below the 5,000 foot elevation (generally westerly of the Blue Canyon area). Additionally, as the three major Specific Plan areas (i.e., Placer Vineyards, Regional University and Placer Ranch) are proceeding on separate timelines and are considering their own affordable housing programs, these Specific Plan areas were not included within the context of the group's analysis.

Development of a "Menu of Options"

In its analysis of affordable housing issues, the stakeholders group, through extensive analysis, concluded that there may be merit to the development of a "menu of options" to assist in the development of affordable housing (as opposed to a one-size-fits-all solution). This menu of options could include, but not be limited to:

- The actual construction of affordable housing units (either on- or off-site)
- The dedication of land for the development of affordable housing units (either on- or off-site)
- Payment of an in-lieu fee to be used for the development of affordable housing
- The creation of "affordable housing credits" to be transferred between projects
- Allowing for the development of alternative housing types (i.e., allowing duplexes to be constructed on corner lots within single-family developments)
- Conversion/rehabilitation of existing housing stock into affordable units

The intent of the menu of options was to recognize the diversity of the County and various project conditions (i.e., building type, economic status, geographic location), thereby allowing project applicants to fine-tune a proposal that might fit their specific needs, while at the same time furthering the County's affordable housing efforts.

Improvements Already Implemented by Staff

During the various stakeholder group meetings, there were several issues identified that staff concluded were worthy of immediate implementation, as opposed to waiting for some formal action/direction by the Board of Supervisors. In discussing these issues with the stakeholder group, it was concluded that immediate implementation just made sense, and showed that the County was constantly looking for ways in which to improve the manner in which it does business. Some of the process improvements that have already been implemented include:

- Use of the Pre-Development Meeting process as a consistent method to identify as early as possible the opportunities that may exist for the inclusion of affordable housing into new residential developments. To this end, County staff is engaging applicants in discussions regarding opportunities for density bonuses and funding opportunities that may facilitate the development of affordable housing.
- The Planning Department has identified specific staff members who are knowledgeable of affordable housing issues who are available to work with other County staff and/or oversee the processing of affordable housing projects.
- The Planning Department has reorganized its staff to allow one staff person to be solely dedicated to the ongoing implementation of the programs and policies set forth in the County's adopted Housing Element.

Outstanding Issues

While the stakeholder group has made exceptional headway in identifying common ground on a multitude of issues, there are still areas where the group has not yet reached consensus. These outstanding issues include:

- In specific support of the stakeholder group's conditional agreement about shared responsibility and expectations, should and can the stakeholders identify specific roles, responsibilities and contributions that each party will be held accountable for as part of an affordable housing program?
- Should the County pursue a numeric total goal of affordable housing units produced and, if so, should such a goal be tracked on a yearly/monthly basis or some other temporal scale?
- If a specific goal is determined, should the County pursue and codify such a goal with a policy, ordinance, or some other means to implement the affordable housing goal?

- If a specific goal is determined, should the County pursue a specific, County-wide income mix for affordable housing projects (i.e., should 5 percent, 10 percent, or 15 percent of new housing developments be set aside for affordable housing units)?
- Should the County implement a mandatory or voluntary affordable housing program? How would the County enforce or alternatively monitor the progress of such a program to ensure that specific goals are met?

CONCLUSION / RECOMMENDED ACTION

There has been significant progress over the past year regarding the ability to reach consensus on affordable housing. At the same time, given the sensitive and, at times, volatile nature of the topic, there are still areas where the stakeholder group has not yet been able to reach consensus. The stakeholder group has concluded that, with further work over a reasonable period of time, the potential exists for the group to develop additional agreements and resolve some (if not all) of these outstanding issues. With such resolution, it is the hope of the stakeholder group that a comprehensive affordable housing program can be presented to the Board for its consideration.

In an effort to meet the interests of the stakeholder group, and to continue with ongoing implementation of existing County housing policy, staff will proceed to:

- Work up to an additional four months with the affordable housing stakeholder group in an effort to reach consensus and prepare a final recommendation/report to be considered by the Board of Supervisors.
- Develop an “affordable housing team”, including members from the Planning Department, Engineering and Surveying Department, and Redevelopment Agency, to assure staff resources are available to:
 - Review any affordable housing project proposal in a timely manner.
 - Maintain a high level of technical working knowledge about affordable housing issues to assist in problem-solving for and with applicants.

As needed, staff will advise the Board of ongoing implementation issues and needs pertaining to affordable housing.

- Consider the opportunities for a series of Zoning Text Amendments to allow affordable housing projects that are consistent with the underlying zoning to be heard by a lower-level hearing body (i.e., the Zoning Administrator).
- Retain the services of a consultant to analyze the benefits and liabilities associated with various funding options to further County affordable housing goals.
- Retain the services of a consultant to analyze the benefits and liabilities associated with the use of non-profit partners to further County affordable housing goals.

Staff will keep the Board of Supervisors apprised of the status of the ongoing stakeholder group meetings.

Respectfully Submitted,



MICHAEL J. JOHNSON, AICP
Director of Planning

ATTACHMENTS:

- Exhibit A: Stakeholder Group Participants
- Exhibit B: Placer County Affordable Housing Stakeholder Process Report
(September 2006)
- Exhibit C: County's Affordable Housing Accomplishments

cc: Thomas Miller, County Executive Officer
Tony LaBouff, County Counsel
Rich Colwell, Chief Assistant County Executive Officer
Holly Heinzen, Assistant County Executive Officer
Allison Carlos, Principal Management Analyst
Gerald Carden, Deputy County Counsel
John Marin, Community Development Resource Agency Director
Ann Baker, Principal Planner
Members of the County Affordable Housing Stakeholder Group

Table 1 – Stakeholder Process Participants

Participant Name		Affiliation	Participation
Joanne	Auerbach	County – Redevelopment Agency	P
Ann	Baker	County – Planning Department	C
Dewey	Bandy	Affordable Housing	C
Brigit	Barnes	Land Owner	P
Gerry	Carden	County – County Counsel	C
Allison	Carlos	County – County Executive Office	C
Rich	Colwell	County – Deputy County Executive	P
John	Costa	Building Industry	C
Terry	Davis	Affordable Housing	C
Scott	Finley	County – County Counsel	P
Tertia	Hawkins ¹	Affordable Housing	C
Holly	Heinzen	County – County Executive Office	P
Rae	James	County – Redevelopment Agency	P
Michael	Johnson	County – Planning Director	C
Marcus	Loduca	Building Industry	P
John	Marin	County – Director-CDRA	P
Tom	Miller	County – County Executive Officer	P
Rachelle	Pellisier ¹	Affordable Housing	C
Susan	Rohan	Real Estate	C
Milo	Terzich	Building Industry	C
Susan	Vergne ²	Land Owners	C
Herb	Whitaker	Affordable Housing	C

Table Notes:

- 1 Early in the process, it was determined that the effort would not address the geographic area above 5,000 feet and in the Lake Tahoe Region. Therefore, Rachelle Pellisier of WHATT, withdrew from the process and was replaced by Tertia Hawkins of Habitat for Humanity*
- 2 On August 24, 2006, Susan Verge (representing CABPRO) resigned from the Stakeholder Group. Brigit Barnes and Ms. Verge were contacted by the process facilitator on September 1 with an offer to renew their participation in the process based on further successful results by the Group. In subsequent communication from Ms. Barnes on September 5 to the Group, the following rationale was provided for the resignation. "Placer CABPRO still supports a program for affordable housing which recognizes that there is no nexus between the construction of new housing and the need for affordable housing, and a package of incentives which would encourage builders to incorporate affordable housing into their offerings to the public. These incentives must come in the form of concrete modifications to the County's zoning codes, so that a builder can calculate its anticipated reduction in profit attributable to that portion of affordable housing product he provides before he invests in his purchase, or the builder will go elsewhere [cities like Roseville, Yuba or Sutter County, etc.] On behalf of Placer CABRPO our office will prepare a formal proposal and distribute it to all Board members and review our proposal at the public hearings. What we will not do is continue to participate in the meetings....". All draft versions and this final version of the Status Report were provided to Ms. Barnes and Ms. Vergne concurrent with all other participants.*

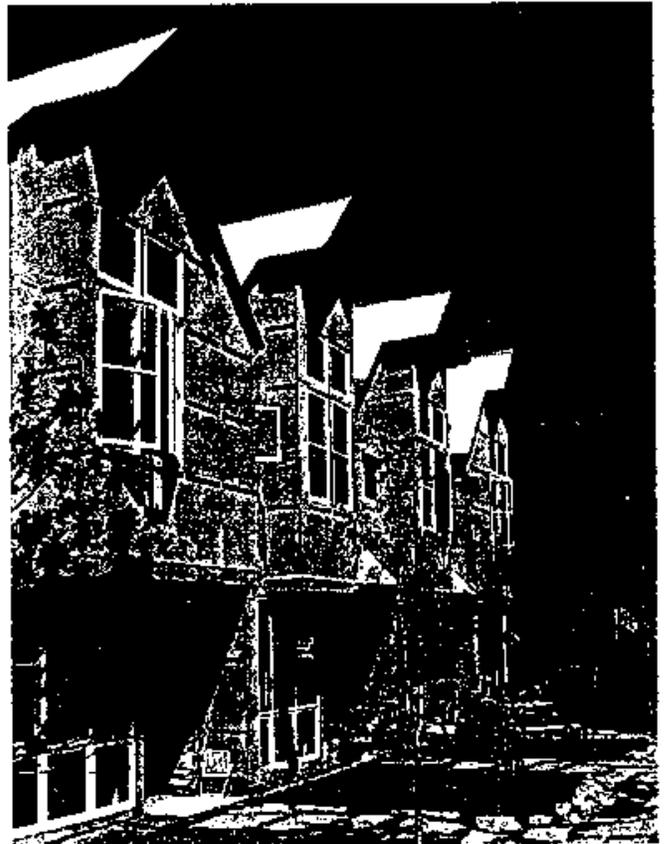
Participation: P = Periodic, C = Consistent

STATUS REPORT

Placer County Affordable Housing Stakeholder Process

Prepared For:

**The Placer County
Board of
Supervisors**



Prepared By:

**The Placer County Affordable Housing
Stakeholder Group**

**With Support From
The Center for Collaborative Policy**

September 2006

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I. Introduction

This report summarizes the status of the Placer County Affordable Housing Stakeholder Process. It explains how the process was started, who has participated, and how it has been conducted. It describes “conditional agreements” between the stakeholders, outstanding issues that have not yet reached agreement, and next step goals of the stakeholders.

II. Stakeholder Group Process

The Placer County Affordable Housing Stakeholder Group (Group) was brought together in June 2005 at the request of the Placer County Board of Supervisors (Board). The County had been addressing challenges regarding a proposed inclusionary housing ordinance. Successive iterations of the proposed ordinance lead to different stakeholder perspectives about the content, intent, and feasibility of the ordinance. In an attempt to resolve these differences prior to the adoption of an ordinance, the Board directed County Staff (Staff) to bring together affected and interested stakeholders to discuss these challenges and determine if a mutually acceptable resolution could be created.

The County invited representatives from affordable housing advocacy groups, the building industry, and real estate / land owner interests to participate in the process (see Table 1). The County contracted the services of the Center for Collaborative Policy (CCP) (a program of California State University Sacramento) to facilitate the Group. The Group first met in June 2005. Prior to the first meeting, CCP conducted a brief interview process with the potential participants to identify key topics and issues. At the first meeting, the facilitator presented findings from the interview process and the group identified basic agreements regarding meeting frequency and duration, process goals, topics for discussion, and operating principles for subsequent work.

Based on initial difficulty to meet regularly, the Group next met in August 2005 and generally on a monthly basis until October 2005 at which time, they determined that due to the complexity of topics being addressed, and the need to complete the process in a reasonable timeframe, they opted to meet more frequently. The group has continued to meet (as warranted and appropriate) on a frequency ranging from weekly to monthly up to the present time. Participation of individual stakeholders has varied as specific topics have been raised and as individual's schedules permitted. Table 1 lists all process participants, their affiliation, and whether they have been periodic or consistent participants.

Table 1 – Stakeholder Process Participants

Participant Name		Affiliation	Participation
Joanne	Auerbach	County – Redevelopment Agency	P
Ann	Baker	County – Planning Department	C
Dewey	Bandy	Affordable Housing	C
Brigit	Barnes	Land Owner	P
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Rae	James	County – Redevelopment Agency	P
Michael	Johnson	County – Planning Director	C
Marcus	Loduca	Building Industry	P
John	Marin	County – Director-CDRA	P
Tom	Miller	County – County Executive Officer	P
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- 2 *On August 24, 2006, Susan Verge (representing CABPRO) resigned from the Stakeholder Group. Brigit Barnes and Ms. Verge were contacted by the process facilitator on September 1 with an offer to renew their participation in the process based on further successful results by the Group. In subsequent communication from Ms. Barnes on September 5 to the Group, the following rationale was provided for the resignation. "Placer CABPRO still supports a program for affordable housing which recognizes that there is no nexus between the construction of new housing and the need for affordable housing, and a package of incentives which would encourage builders to incorporate affordable housing into their offerings to the public. These incentives must come in the form of concrete modifications to the County's zoning codes, so that a builder can calculate its anticipated reduction in profit attributable to that portion of affordable housing product he provides before he invests in his purchase, or the builder will go elsewhere [cities like Roseville, Yuba or Sutter County, etc.] On behalf of Placer CABPRO our office will prepare a formal proposal and distribute it to all Board members and review our proposal at the public hearings. What we will not do is continue to participate in the meetings....". All draft versions and this final version of the Status Report were provided to Ms. Barnes and Ms. Vergne concurrent with all other participants.*

Participation: P = Periodic, C = Consistent

The Group has functioned as a collection of three interest-based, non-County stakeholder “Caucuses” (see below and Table 1) working with Staff. Each Caucus has two or more members that are responsible for attending full Group meetings (when warranted and available) and gathering between full Group meetings to further discuss and negotiate Caucus-specific positions on key issues. The County has been represented regularly by key staff, as well as by intermittent specialists as warranted. The County defined its role early on as providing support to the process and providing technical specialist participation but to not act as a negotiating stakeholder. The three stakeholder Caucuses are:

- Building Industry
- Affordable Housing
- Real Estate and Land Owners

The Group has identified a range of conditional, mutually acceptable agreements (discussed in more detail below) regarding affordable housing issues in Placer County. The Group has conditionally made these agreements recognizing that as a collection of diverse parties, they do not have binding authority as a group. The Group has made these conditional agreements in a consensus-seeking format, wherein each Caucus has sought to achieve their specific interests while seeking to also provide benefit to, or at least not cause detriment to, the other Caucuses.

Content of Group Discussions

In early meetings, the Group identified commonalities and differences on how to effectively achieve affordable housing in the County. More specifically, they created a list of nine “items of potential agreement (IPA) that was the starting point for focused discussions.

Among the nine IPAs, two items provided the basis for significant breakthroughs in the Group’s early discussions. The Group recognized that some regularly used terms had different meanings to different participants and that many of these terms were “charged”; eliciting reactions from each other that were detrimental to productive outcomes. As a result and throughout the process, the Group collectively agreed to focus on terms that could foster mutual acceptance and progress. In that context, one IPA focused on a shared need to define “concurrency”. From this IPA, a key breakthrough was the Group’s collective recognition that when discussing “concurrency”, what was actually being sought was *Certainty* in the planning and construction of affordable housing units. They further identified that a shared goal in the planning and construction of affordable units was to do so in a timely manner. Thus, *Certainty and Timeliness* were identified as a shared framework for respective affordable housing goals. While the group also identified that *Certainty and Timeliness* offer different benefits to different stakeholders (as discussed below), acknowledgement of this shared framework opened opportunities for the Group to develop mutually acceptable concepts to increase affordable housing in Placer County.

The other influential IPA regarded the participants’ support that the planning and construction of affordable housing could benefit from the use of a flexible range of options. This IPA further described a belief that there needs to be, and potentially could be mutually agreeable flexibility in the use of options to achieve affordable housing goals.

Near the end of 2005, the Group's discussions of the nine IPAs lead to the next major breakthrough; identification and prioritization of seven "Work Groups" (Table 2). These Work Groups focused on specific topics, the analysis of which it was believed would result in shared approaches to improve affordable housing opportunities in Placer County.

Table 2 - Stakeholder Work Groups

Priority	Work Group Description
1	Develop a menu of options to ensure that affordable units are constructed, including analysis of implementation constraints, criteria (certainty, timeliness, bottom line) and affordable housing category applicability
1	Assessment of regulatory constraints and incentives including identification of design guidelines and zoning codes that lessen and/or are prohibitive to lowering affordable housing planning and construction costs
2	Develop options for the distribution of affordable housing development burdens
2a	Develop policy-level text regarding the potential funding sources (Note: 2a should follow 2 but not necessarily immediately sequential)
3	Develop options on target income mix levels
4	Develop options / tools to help parties address neighborhood opposition factors
5	Develop options to achieve equity sharing objectives (provision of equity opportunities and maintaining unit affordability)

The rest of the Group's work through 2006 focused on in-depth discussions about six of the seven Work Group topics (the group ultimately decided that discussions about equity sharing would not be productive and would not substantively advance their work at this time).

There have been several integrated results from this stakeholder process. The Group has identified "General Principles" that have framed their discussions and influenced how and what they discuss. The participants have developed supportive, respectful relationships, creating the context for productive outcomes. Lastly, the Group has largely shifted its assumed goal from when it first met. More specifically, several participants entered the discussion assuming the Group's collective goal was to identify mutual agreements on a revised ordinance that Staff would then prepare for Board consideration. Throughout the process, the Group has found their work to be focused less on specific aspects of an ordinance (notwithstanding the possibility that key topics might be addressed through an ordinance) and more on substantive elements of a long-range, comprehensive, mutually supported affordable housing program for Placer County. The following sections describe these results in more detail.

III. Results

The following section presents the results of the stakeholder process. It describes General Principles and specific Work Group items the Group has conditionally agreed to. These results represent the opinion and conclusions of the non-County participants. While they have been discussed with Staff present, they do not represent nor are they intended to represent Staff and Board perspectives.

General Principles

On February 23, 2006, the Group prepared a status report on their accomplishments and agreements to date. Principles 1 through 5 were identified at that time. The rest of the General Principles have been developed over time.

1. Certainty and Timeliness: As previously discussed, an early general agreement by the Group was that Certainty and Timeliness provide a mutually acceptable framework for a variety of subsequent ideas. However, the Group collectively recognizes that these terms have different meanings, and provide different benefits to different stakeholders. Table 3 describes in general terms, these meanings and benefits. It should be noted that these meanings and benefits are not mutually exclusive and that the caucuses acknowledge and often share the other's perspectives; however it is not their primary focus.

Table 3 – Certainty and Timeliness Definitions

Term	Affordable Housing Caucus	Building Industry Caucus and Real Estate / Property Ownership Caucus
Certainty	Assurance that affordable housing units will be constructed	Assurance of a consistent regulatory and project review framework that will support effective planning and financing of a building project.
Timeliness	Assurance that affordable housing units will be constructed in a reasonable timeframe as related to, but not necessarily concurrent with the construction of market rate units.	Assurance that regulatory and project review timelines will be as expedited as possible and will facilitate accurate financial analysis and support for a building project.

2. Personal / Organizational Values: The Group recognized early in the process that results from their discussions would benefit from not judging each other's societal and economic values, and that everyone's respective values were valid, regardless of how diverse they might be. Therefore, the Group agreed that developing solutions and mutually acceptable ideas would not require changing each other's values and the Group's participants committed to not challenge said values.

3. Negotiated Trade-offs: The Group also agreed early on that there will be trade offs as a part of any negotiated agreements / recommendations.

4. Multiple / Diverse Interests: The affordable housing caucus recognized and committed to respect the economic interests and concerns of the building industry and real estate / land owner caucuses. The building industry and real estate / land owner caucuses similarly recognized the important and necessary work that affordable housing advocates do to provide housing for appropriate residents.

5. Shared Need: The Group agreed that affordable housing for Placer County is a necessary and appropriate goal to be achieved through the combined contributions / support of private and public sources.

6. Shared Priorities: Stakeholder types and groups associated with the affordable housing issue should make the development of affordable housing opportunities a shared priority. The Group feels that County Government has not adequately prioritized this issue as an equal responsibility with other County needs and that this lack of prioritization, in contrast with the County's existing and proposed methods to achieve affordable housing (State statute, current and proposed County ordinances and policies, County Housing Element, etc.), sends a conflicting message to affected parties regarding the County's actual level of intent to support affordable housing goals.

7. Shared Responsibility: In response to shared priorities, The Group believes that all stakeholder types and groups associated with the affordable housing issue should share the responsibility of achieving affordable housing goals. More specifically, the lack of affordable housing is not caused by the residential builder and development community. It is a countywide issue reflecting many responsible parties and therefore it is necessary to offset the costs of producing affordable housing through a variety of methods and tools. Further, the Group believes that despite several existing tools and methods (see Principle 6), County Government could and should be more effective in fulfilling its responsibility to achieve affordable housing.

8. Shared Expectations: In the spirit of shared needs, priorities, and responsibilities, all interested and affected parties should have a role contributing to affordable housing goals in Placer County. To that end, a comprehensive, mutually supported Affordable Housing Program (Program) is needed for the County. The Program should provide a flexible range of funding, development, planning, and partnership methods to achieve affordable housing goals. The Program should be supported by all affected parties, conducting proportionate and interrelated roles such that all parties are held accountable to contribute and no party is expected to play a disproportionate role achieving Program goals. Another shared expectation by the Group is that consistent with the County Housing Element, the County must find ways to effectively expedite affordable housing projects.

9. Geographic Framework: For the purpose of the Group's work, the applicable area of the County to be addressed by their recommendations is the unincorporated region below the 5,000 foot elevation. Further, while not specifically precluding it, the Group's work is not expected to be incorporated into the three Specific Plan agreements currently being negotiated. The Group's work is expected to inform and influence future Specific Plan negotiations as appropriate.

10. Aesthetics and Construction: Affordable housing should and can be built with quality construction, use durable materials, and be aesthetically pleasing.

11. Statutory Precedents: The Group has reviewed a range of state statutes and local ordinances and policies in support of its work. All items conditionally agreed to by the Group (as described below) are consistent with these precedents including (California Government Code 65580 – 65589.8, 65915; Placer County Density Bonus Ordinance; Placer County Housing Element)

Work Group Topics

As discussed in Section II, the Group identified seven Work Group topics that occupied the majority of their work time in 2006. The following sections describe the results from these discussions. As stated in General Principle 8 regarding shared expectations, a specific, long range goal of the stakeholders is for the County to establish an Affordable Housing Program (Program) that prioritizes, supports, and aids in the implementation of affordable housing through shared contributions from all affected stakeholders (including the County). Such a program has not yet been defined by the stakeholders or the County. Rather, the Work Group topics have allowed the stakeholders to focus on the complex aspects of the affordable housing topic and identify common ground as a starting place for the Program. This common ground is presented below in the form of “conditional agreements” between the stakeholders. For the purpose of this report, conditional agreement is defined as:

Support of, or a lack of opposition to a concept, principle, or specific item that is acceptable on its own merits but has not yet been agreed to as part of a comprehensive Affordable Housing Program.

Menu of Options

The Group agreed to a preliminary menu of options to achieve affordable housing goals and ensure certainty and timeliness. This menu of options includes:

1. Building units (on and off site)
2. Land Dedication (on and off site)
3. In-Lieu Fee Assessments
4. Affordable Housing unit credits
5. Alternative Housing Type
6. Conversion

The working intent of the menu is that by providing a range of options to use in various project conditions (i.e., building type, economic status, geographic location, etc.) project applicants can maximize this flexibility and equitably contribute to affordable housing opportunities in Placer County. Based on this shared intent, the Caucuses worked concurrently on specific proposals, attempting to define more detailed, and preferably shared perspectives on how the menu of options could be used. The Group has not yet reached consensus on more implementable details.

More specifically, the Group has realized the term “flexibility” has different interpretations. The building industry and real estate / land owner caucuses believe that flexibility should allow project applicants to pursue any (or none) of the options as a way to contribute to affordable housing opportunities. The affordable housing caucus proposed a tiered interpretation of flexibility, describing a first tier of contribution as actual construction of the affordable units by the project applicant or land dedication. Should both be infeasible or if affordable housing opportunities could be better served by another means, then the payment of in-lieu fees, the purchase of affordable housing unit credits, or the construction of alternative housing types could be employed to achieve applicant commitments.

Incentives

The Group conditionally supports the concept that when appropriately applied by applicants, and consistently addressed by Staff, incentives will improve the certainty and timeliness of the construction of affordable housing units. In their analysis however, the Group has concluded that several conditions currently impede the effective provision of incentives that would otherwise support affordable housing opportunities. These conditions include:

- Inconsistency in how project applications that include affordable components are assessed by Staff for potential impacts,
- Uncertainty on the duration of review periods by Staff for project applications that include affordable components, and
- An absence of prioritized information from the County to educate project applicants about affordable housing opportunities.

The following section presents conditional agreements by the Group to improve these conditions.

As previously stated, the Group expects affordable housing opportunities to be expedited by the County. The Group is aware that Staff have focused their efforts on countywide streamlining of all building project applications. Consistent with several statutory precedents (as previously discussed), the Group seeks improvement by Staff in the prioritization and expedition of affordable housing projects; above and beyond standard streamlining. Similarly, the Group supports the County's public trust responsibility to make discretionary decisions on project proposals that might cause specific impacts on health, safety or the physical environment. However, in support of expediting affordable housing projects, the County should review and revise discretionary actions that could be reasonably conducted as ministerial actions.

Regarding specific incentives and the requirements to provide them, the Group supports the County's adoption of a Density Bonus Ordinance in May 2006 (consistent with California Government Code 65915 regarding density bonus incentives for affordable housing). The Group conditionally agrees that such incentives should be further tailored to the specific needs and conditions of County residents and project applicants through the development of Implementation Guidelines for this ordinance. The following items, as conditionally agreed to by the Group, are believed to offer a meaningful starting place for Density Bonus Ordinance Implementation Guidelines.

Implementation Guidelines: The Group supports County development of a tiered incentives program for residential building project applicants. The tiered approach should be structured in categories such that some categories have minimal review for the approval and provision of incentives, and more unique incentives have requirements an applicant should fulfill before the incentive(s) are provided. More specifically, a tiered incentives program based on requests by an applicant should include:

- Tier 1 - An initial tier of incentives that is approved through ministerial actions

- Tier 2 - A second tier of incentives for projects subject to County discretionary review for specific impacts on health, safety or the physical environment but expected to pose limited impacts and therefore receive expedited review by the County without a specific showing of economic necessity.
- Tier 3 - A third tier of incentives for projects expected to have sufficient financial impact on the County. The applicant would be expected to provide information to demonstrate the need for a particular incentive. Such incentives could include but not be limited to gap financing, loans, waivers and/or reduction of application processing fees, alternative funding for service mitigation fees or others as determined on a project-specific basis resulting from discussions between staff and the applicant.

As previously described, the Group has an overall concern that the County has not prioritized affordable housing and the Group supports principles of shared priority, responsibility, and expectations. Regarding incentives, the lack of County prioritization is reflected in the conditions described above. In an attempt to improve these conditions, in support of a tiered incentives program, and in the context of shared responsibility and expectations, the Group supports the following considerations.

The County has recently started using Predevelopment Meetings as a consistent method to improve communication between project applicants and Staff. Predevelopment Meetings offer an exceptional opportunity to further define mutual accountability and shared expectations. The County should include specific steps into Predevelopment Meetings including (but not limited to) the following:

- Project-specific County review timelines should be set.
- Project-specific applicant response and compliance timelines should be set.
- The County should prepare, and Staff should provide educational information about affordable housing goals, opportunities, resources, and incentives to the applicant.
- In the event an applicant is already considering an affordable housing component, the applicant should identify the specific affordable housing benefits anticipated to result from their project and the associated incentives that should be considered.
- Staff and applicants should initiate (when appropriate) discussions about potentially available incentives and commensurate levels of affordable housing opportunities.
- Staff and applicants (specifically development applicants) should identify incentives related to affordable housing in unique and larger-scale developments such as variability in lot sizes, utilities conveyance sizes, other infrastructure needs, fees, etc.
- Staff should provide examples of design details in affordable unit projects to illustrate how such units can meet goals of aesthetics and quality construction.
- Staff and applicants should discuss methods and administration of disclosure options to mutually minimize neighborhood opposition to affordable projects (see Neighborhood Opposition section below).
- Staff and applicants should discuss potential methods and administration of full disclosure steps that could be used to proactively announce the construction of affordable units.

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As stated above, a shared frustration by the Group has been the County's lack of established timeframes and inconsistent basis of review for impacts associated with incentives related to affordable housing. Such lapses in timing and impact determinations makes it infeasible for applicants to know whether an incentives request will likely be approved, and whether said finding will be made in an effective timeframe to accommodate financing timelines and requirements. To improve this situation, the County in concert with Group stakeholders, should prepare an Incentives Assessment Table (Table) for use by all project applicants prior to, during, and/or following a Predevelopment Meeting. The Table should list typical incentives related to affordable housing and available to applicants. Consistent with California Government Code 65915, the Table should identify specific health, safety, and the physical environment issues most likely to occur in the context of affordable housing incentives. The Table should be used as a baseline for applicants to consider the likely impacts they should assess in the context of their proposed project. Applicants pursuing incentives through the tiered approach will be expected to describe to Staff (at some time after the Predevelopment Meeting), anticipated issues associated with their proposal, and any conditions that are expected to minimize such issues.

To continually improve performance in reviewing and expediting affordable housing-related projects, the County should institute the following measures.

- Create internal standards for the review and processing of affordable housing project applications. The County should conduct a yearly review of these standards, and performance on these standards to assess: project timelines, staff timeliness, delivery of investment to applicants for fees (*including recently proposed fee increases*), and effects to affordable housing certainty and timeliness.
- Regarding overall streamlining and the additional expediting of affordable housing projects, the County should implement to the extent feasible, a project review process that allows review of entitlements applications concurrent with review of environmental compliance documents.
- Implement coordination systems between County Departments such that potential impacts associated with a project application are assessed and integrated among Departments, and discretionary actions are taken in a cohesive, consistent manner.
- Establish dedicated affordable housing expertise within the Community Development Resource Agency.
- Expand educational materials and the distribution thereof regarding affordable housing priorities and tools that applicants can use to achieve the County's goals.

Lastly, affordable housing projects, like all building projects are subject to fees assessed by Special Districts throughout the county. To further incentivize affordable opportunities the County should work cooperatively with Special Districts to explore alternative means to satisfy fee obligations.

Funding

Early in the Group's discussions, they collectively recognized that the cost to provide increased affordable housing is sizable and beyond the scope of any one stakeholder type. As stated in General Principle 8 regarding shared expectations, all stakeholder types associated with the affordable housing issue share the responsibility of achieving affordable housing goals. In that context, the Group spent time identifying mutually appropriate funding options to support affordable housing opportunities.

The Group initially brainstormed a very wide range of funding options. They then created the following criteria as a reasonable basis to assess the feasibility of each option:

1. Highest effectiveness in providing affordable housing,
2. Broadest interest group support,
3. Lowest vulnerability to legal challenge,
4. Lowest program startup and maintenance costs,
5. Realistic likelihood of approval by the Board of Supervisors and/or voters, and
6. Highest capacity to renew the fiscal resources

After creating the above criteria, one representative each from the affordable housing caucus, the building industry caucus, and the County assessed and scored each funding idea with the six criteria. The Group convened and reviewed the individual and aggregated scores for each funding option. From that exercise, the group identified nine draft options that had the highest likelihood for success. Further discussion by the Group on the reasonableness and effectiveness of funding options resulted in a non-prioritized set of options that under certain conditions and in the context of four key caveats, could be feasible and could be conditionally agreed on. The four caveats are:

1. Funding options are assumed feasible in the context of a future, comprehensive County Affordable Housing Program. Such a program does not exist yet.
2. Affordable housing for Placer County is a necessary and appropriate goal to be achieved through the combined contributions / support of private and public sources and all stakeholder types and groups associated with the affordable housing issue (building industry [residential and potentially commercial], landowners, housing advocates, public agencies and governmental organizations) should share the responsibility of achieving affordable housing goals.
3. Commercial interests have not been a party in the Affordable Housing Stakeholder process as initiated by the County and as such, commercial interests have not been involved with, nor have agreed to a fee on non-residential development (see below)
4. Funding options have a relationship to the previously described incentives program. Incentives as provided by the County take the form of in-kind funding by reducing the overall cost of a project.

In that context, the Group believes the County should consider the following funding options:

- Contributions from the County General Fund to an Affordable Housing Trust Fund
- Fee on non-residential development (e.g. Commercial)
- County and others approach lenders to advocate meeting their Community Reinvestment Act requirements by investing in a Placer County Affordable Housing Trust Fund
- Affordable Housing Fee for individual lot owners/applicants. *(This fee would apply to small scale projects not otherwise covered by the previously described menu of options such as lot splits, addition of one or more residential units on a single lot, and other small-scale residential projects. The intent of this fee, consistent with the principles of shared need, priority, responsibility, and expectation is that all project applicants in the County must contribute to affordable housing goals, rather than have said goals be the responsibility of a subset of affected stakeholders)*
- Approve a County bond measure with voter approval (if necessary) to capitalize an Affordable Housing Trust Fund
- County and other stakeholders work to acquire grants, loans, and financial contributions.

Income Mix

The Group agrees they have similar objectives of:

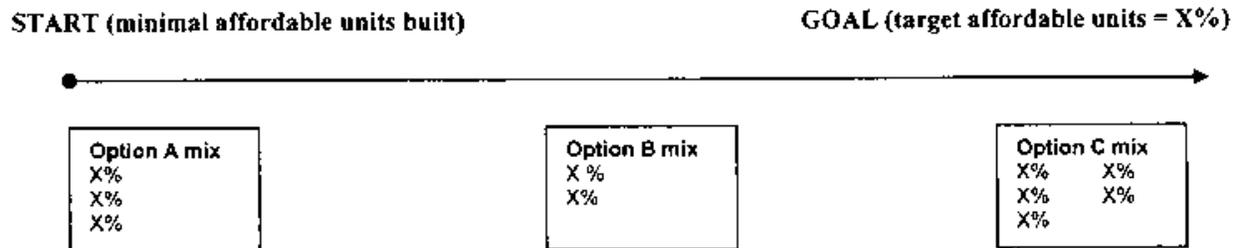
- Improving flexibility in the pursuit of affordable housing opportunities,
- Minimizing inconsistency in the regulatory review and approval of affordable housing projects, and
- Expediting the planning and construction of affordable housing topics,

While they do not yet have consensus on whether they support a target goal for affordable housing in Placer County, nor whether such a goal should be mandatory or voluntary, nor what an income mix breakdown of such a goal might be, the Group collectively acknowledges that there might be benefits to determine a more standardized approach to develop, prioritize, and incentivize income mixes for appropriate projects (i.e., a project of sufficient size to adequately accommodate a mix of income-based residential units – moderate, low, very low, etc.).

In that context, the Group has discussed the concept of a sliding scale-based, income mix approach for appropriate projects. The Group recognizes that California Government Code 65915 describes an existing sliding scale process and that the conditional agreements below could ultimately be supportive of, or alternatively inconsistent with (if not adequately created) 65915. Similarly, the conditional agreements below rely on an incentives-based approach to encourage the pursuit of different income mixes for appropriate projects. This concept is related to the previously described incentives program but is expected to rely on to-be-determined, different incentives than those discussed in the context of the County's Density Bonus Ordinance. As with all other topics in this status report, these conditional agreements are described with the caveat that an Affordable Housing Program does not yet exist and all conditional agreements are subject to proposed specifics of that Program. The following section describes the Group's conceptual approach to and conditional agreements about a sliding scale, income mix approach.

The basis of the sliding scale income mix approach is a county-wide, aggregate total percent of affordable housing units (percentage to be determined) that also represents the sum of smaller target mixes from throughout the County. Each preset option (as illustrated below in Figure 1) does not have to add up to the overall County goal. Each preset can address a different mix of percentages that are appropriate with the types of units being pursued, the types of locations to be built, etc.

Figure 1



The County could incentivize the use of preset options by designating all such options with some base line incentive(s) (provided only to applicants that use a preset). Additional incentives could then be applied to presets deemed to be less likely options for an applicant to pursue and/or more likely to achieve the aggregate County goal. The presets would be intentionally created to facilitate the development and approval process of an affordable housing project.

Applicants would always be provided the option to customize a mix scenario for a specific project as a means to achieve project and fiscal requirements. Customized mixes would not necessarily be offered the baseline, nor expanded set of incentives that would be automatically provided for preset options. However, applicants that propose customized mix scenarios that are innovative and fulfill a unique need (as determined by Staff) such as a homeless shelter, a transportation facility, etc. could be provided incentives on a project specific basis.

To analyze the progress of such an approach as a means to achieve affordable housing goals, a tracking and analysis system, managed by the County or County designee would be developed. Such a system would be in place before commensurate responsibilities are expected by the building industry, project applicants, and others.

To accommodate changing conditions and new information, the County would be expected to leverage and/or revise incentives to direct project applicants towards underused preset options (and associated income mixes). Similarly, the County would be expected to re-evaluate and adjust presets on a periodic, to-be-determined and mutually agreed on (by stakeholders) timeframe if target goals are not being met (as determined through the tracking system described above).

Neighborhood Opposition

As part of the Group's early discussions, they recognized that a significant challenge to successful implementation of affordable housing projects is neighborhood opposition. Neighborhood opposition can take many forms and focus on any aspect of a project. It can be challenging to elected officials that seek to balance the priority of fulfilling affordable housing goals, with the attention from active constituents. The outcomes of successful neighborhood opposition can be costly to several stakeholders in the affordable housing discussion. Advocates can lose opportunities for more focused housing, project applicants can endure costly litigation and lose opportunities to fulfill negotiated obligations. In that context, the Group has reached conditional agreement on the following options to minimize neighborhood opposition.

Consistent with General Principle 11 regarding statutory precedents, and related to steps proposed for Predevelopment Meetings, the County should ensure and memorialize that affordable housing project applications have been consistently assessed and that results have been memorialized for specific health, safety, and the physical environment issues most likely to occur in the context of affordable housing projects. The Group believes that such steps give elected officials some tools to effectively reject neighborhood challenges. Acknowledging the previous discussion in the income mix section about a current lack of consensus about setting a County affordable housing goal, the Group conceptually and conditionally agrees that adopting and promulgating a County affordable housing goal could provide another small tool that elected officials could use to defend affordable housing projects.

Another method to defer such opposition is to ensure that potential challengers have been previously informed about a pending affordable housing project. To that end, the Group conditionally supports that when feasible, full disclosure should be provided to prospective residential property owners and renters of that project, acknowledging the future construction of affordable housing and multi-family units. As previously described, related discussions could take place at the Predevelopment Meeting

When feasible, project applicants and the County should maximize opportunities to "front-load" the construction of affordable housing units. This method, when feasible can ensure that units are built in advance of market rate owners and tenants, ideally minimizing challenges about future construction.

Also related to steps in the Predevelopment Meeting and as a means to dispel stereotypes, the County (in partnership with stakeholders) should develop and provide education materials that describe the role/impact of affordable housing. Similarly and as discussed in General Principle 10 regarding aesthetics and construction, the County and applicants should ensure that affordable projects are aesthetically pleasing, and constructed with quality and durable materials. Lastly, diverse stakeholders should create public partnerships to reflect broad support for proposed affordable housing projects.

IV. Outstanding Issues

As stated at the beginning of this report, the basis for convening the Group was to resolve long-standing stakeholder disagreements regarding the County's proposed inclusionary housing ordinance. Over time the Group has evolved their focus to a broader goal of a mutually supported Affordable Housing Program in Placer County. The Group has made exceptional headway finding common ground on a variety of issues. Not surprisingly though, there remain issues the Group has not yet reach consensus on. This section presents these outstanding issues. The Group believes that with further work over a reasonable timeframe, there is potential that they can develop additional agreements and resolve several, perhaps all of these remaining issues.

1. In specific support of the Group's conditional agreement about shared responsibility and expectations, should and can the stakeholders identify specific roles, responsibilities, and contributions that each party will be held accountable to as part of an Affordable Housing program?
2. Is there a nexus that would require a residential builder alone to shoulder the responsibility of implementing an Affordable Housing Program/Policy?
3. Should the County pursue a numeric total goal of affordable housing units produced and if so, should such a goal be tracked on a yearly, monthly, other some other temporal scale?
4. If a specific goal is determined, should the County pursue and promulgate a Policy, an Ordinance, or some other means to implement the affordable housing goal?
5. If a specific goal is determined, should the County pursue a specific, county-wide income mix and if so, what should that mix be?
6. Should the County implement a mandatory or voluntary Affordable Housing Program? How would the County enforce or alternatively monitor the progress of a Program to ensure specific goals are met?

V. Conclusion

The Stakeholders Group process has been an invaluable and productive effort. It has allowed a group of diverse stakeholders to address challenging topics and improve previously limited working relationships. But the Group's work remains incomplete and this document should only be considered a Status Report.

The Group is indebted to the Board for their leadership and vision in supporting the creation of the process. The Group has found exceptional benefit from being provided a skilled facilitator and believes that without the resources from the County to support this facilitated process, it is unlikely the Group could have achieved the common work it has done. In support of that leadership and with a desire to provide the Board the best consensus guidance feasible, the Group is committed and willing to address and resolve the outstanding issues described in Section IV. In that context and in support of County efforts as well, the Group offers the following recommendations:

1. The Group should continue to meet for an additional four months in a facilitated manner to address and resolve the outstanding issues.
2. The County should continue the work it has initiated on streamlining the planning and approval of projects, and further expediting the review and approval process for affordable housing projects.
3. The County should refrain from addressing several of the conditionally agreed on items in this Status Report to allow the Stakeholders time to resolve the outstanding issues. These issues are expected to influence the direction Staff might take and it therefore seems inappropriate for the County to act on many of these items until the outstanding issues are addressed.
4. In the context of the proposed work by the Group for the next four months, the County should continue to communicate activities on related topics and provide regular updates to the stakeholders for information and input.

Exhibit C

Placer County's Affordable Housing Accomplishments

- In 1999, the Board of Supervisors established the preservation and creation of affordable housing for Placer County residents as a priority with the adoption of the County's first-ever workforce housing strategic plan. This plan, which is still being implemented today, established an housing program with the goals of:
 - Rehabilitating existing affordable housing stock;
 - Assisting in the development of affordable housing through both financial assistance and planning policy for new workforce housing;
 - Establishing a first-time homebuyers program; and
 - Assisting in community special needs housing opportunities.

- New/Rehabbed Residential Units
 - Auburn Courts Apartments (60 units)
 - Snow Cap Apartments (80 units)
 - Single-Family Rehabs (44 units)
 - Down-payment assistance / first-time homebuyers (34 units)

- Special Needs Community Housing Opportunities
 - Home Start Transitional Apartments (Roseville)
 - Peace for Families - Women's/Children's Shelter (Auburn)
 - Lazarus Housing - Men's Transitional Home (Roseville)
 - NAMI - Mental Health Transitional Home
 - EQUIS - Youth Transitional Home

- Single-Family Affordable Housing Units (both existing and yet-to-be-built)
 - Habitat for Humanity (2 units)
 - Atwood III (15 units)
 - Ridgeview (12 units)
 - Bohemia (16 units)

- Implementation of Housing Element Programs and Policies
 - Policy A-1/Program 19: *Development of an Inclusionary Housing Ordinance*
Soon after the adoption of the Housing Element in 2003, the County started the process of preparing an Inclusionary Housing Ordinance as one of the programs and procedures for providing affordable housing within the County. As an outgrowth of that process, the *Placer County Affordable Housing Stakeholder Group* was established to assist in the preparation of an overall affordable housing program. This remains an ongoing staff and stakeholder effort.

- *Policy A-2/Program 20: Maintain an adequate supply of appropriately zoned land with public services to accommodate project housing needs.*
As part of the Housing Element, the County was allocated more than 8,600 units as its fair-share of the region's affordable housing needs. To accommodate these units, the County made sure that adequate land was available with the proper zoning to provide the opportunity for the development of the County's fair-share of affordable housing units. The County continues to look at and analyze impediments that may restrict the development of affordable housing, including the availability of infrastructure (i.e., roads, water, sewer). To the end, the County works with project applicants to construct additional capacity/infrastructure to encourage the development of affordable housing.

- *Policy A-4/Program 24: Improve permit processing to facilitate the development of affordable housing projects.*
As part of the implementation of this policy and program in the Housing Element, the County conducted extensive process improvement workshops with the development community, both in the Auburn area and in Tahoe. Issues raised during those workshops included:
 - Communication issues
 - Timeline predictability
 - Consistent application of codes and ordinances
 - Improve professionalism, turnaround and compliance

Through these workshops, County staff has implemented a series of permit processing improvements that will benefit both market-rate and affordable housing projects. These improvements include:

- Establishment of the Pre-Development Meeting process, whereby County staff meets with applicants and clearly outlines the information/materials that will be needed to successfully process an application.
- Instead of the sequential processing of applications (i.e., complete the environmental review process, then file for discretionary applications), the County now works with applicants to concurrently process applications, thereby significantly reducing the total time required to process discretionary applications.
- Preference is given to applications which include an affordable housing component. For such projects, a team of County staff members is assigned to expedite the processing of the application.

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- *Policy A-5: The County shall encourage "mixed-use" projects where housing is provided in conjunction with compatible non-residential uses.*
As part of the three major Specific Plans in Western Placer County, and in furtherance of the "Smart Growth" principles espoused by the Sacramento Area Council of Governments, staff is identifying numerous areas where mixed-use projects can occur. Through such planning, it is anticipated that residents can live, work, and shop in an area that de-emphasizes the need for automobiles.

- *Policy A-12/Program 23: Amend Zoning Ordinance to conditionally allow second units.*
Since the time of the adoption of the Housing Element, State law changed to require that second units be allowed in all residentially zoned districts. Earlier this year, the Board adopted a Zoning Code Amendment which allowed second units by right in all residentially zoned districts.

In addition to the above, the County continues to work with the project applicants for the three Specific Plans in Western Placer County (Placer Vineyards, Regional University and Placer Ranch). Based upon the Board of Supervisors acceptance of the SACOG Affordable Housing Compact, staff is working with the respective applicants of the three Specific Plans to provide a minimum of 10 percent of the units to be constructed within the Specific Plans as affordable units (4 percent Very Low Income, 4 percent Low Income, 2 percent Moderate Income - alternative methods of meeting the identified affordable housing requirement are also being considered). Based upon this assumption, it is estimated that the following affordable units could be constructed within the three Specific Plan areas:

- Placer Vineyards (approximately 1,400 to 2,100 affordable units)
- Regional University (approximately 430 affordable units)
- Placer Ranch (approximately 670 affordable units)

Aldo