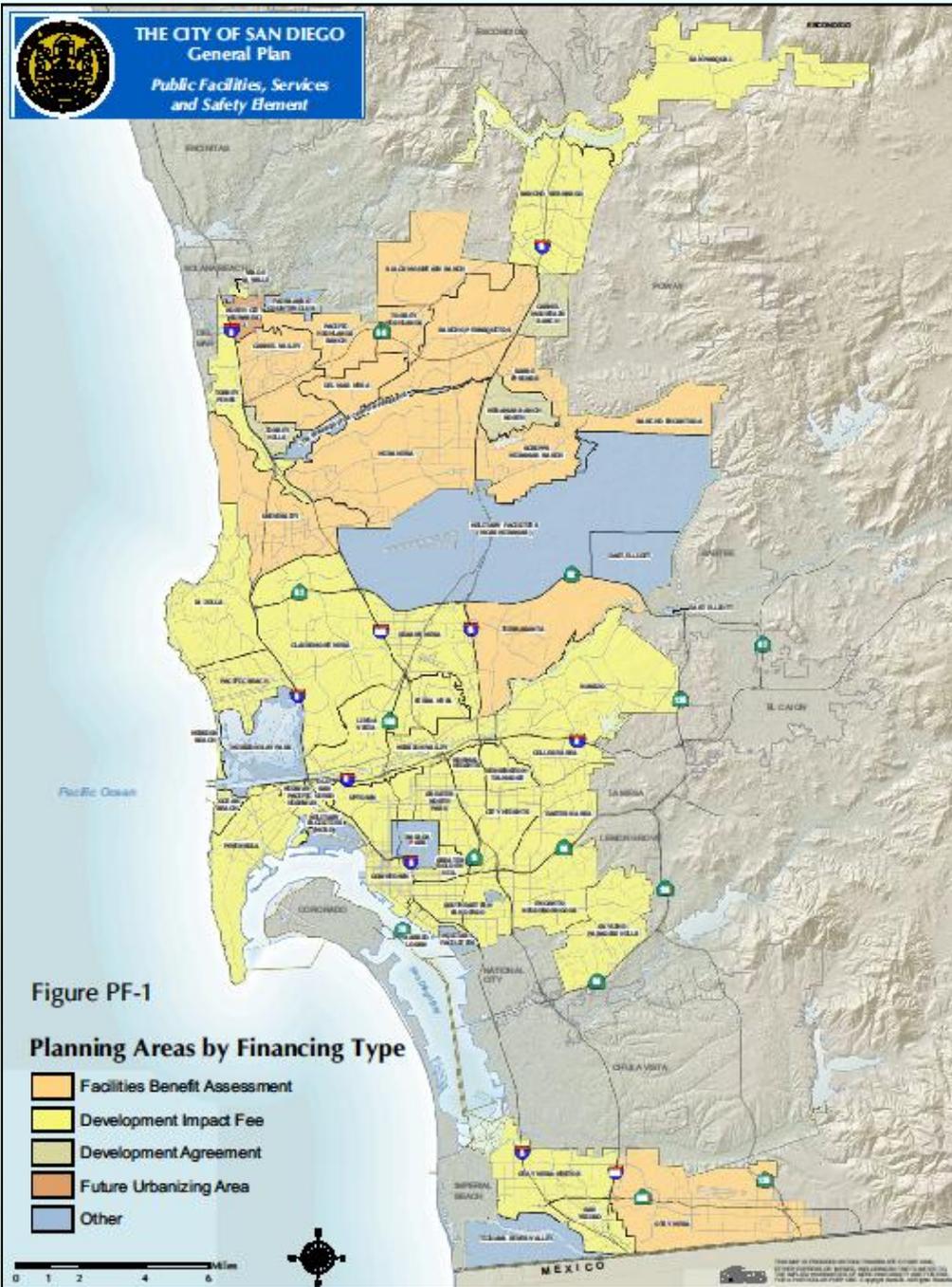




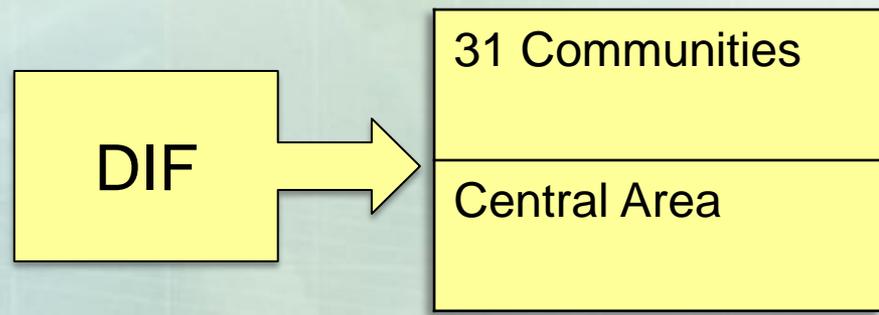
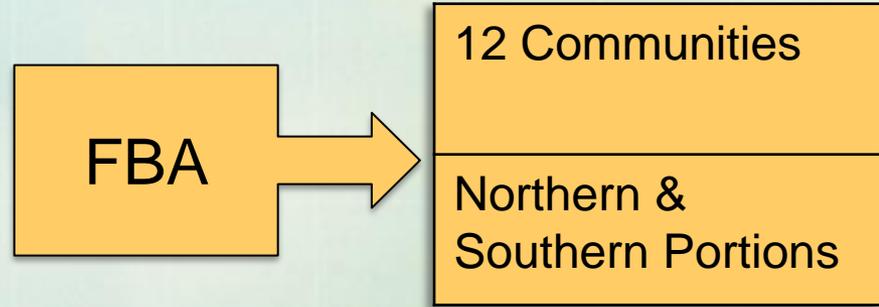
Amending the Municipal Code to Extend the Facilities Benefit Assessments (FBA) Portion of the Fee Deferral Program

**Land Use & Housing Committee
September 14, 2011**

- The FBA portion of the Fee Deferral Program is scheduled to expire on November 10, 2011
- Extend the FBA portion of the Fee Deferral Program to December 31, 2014
- No changes being proposed to the DIF Fee Deferral Program



FBA & DIF Communities



Background:

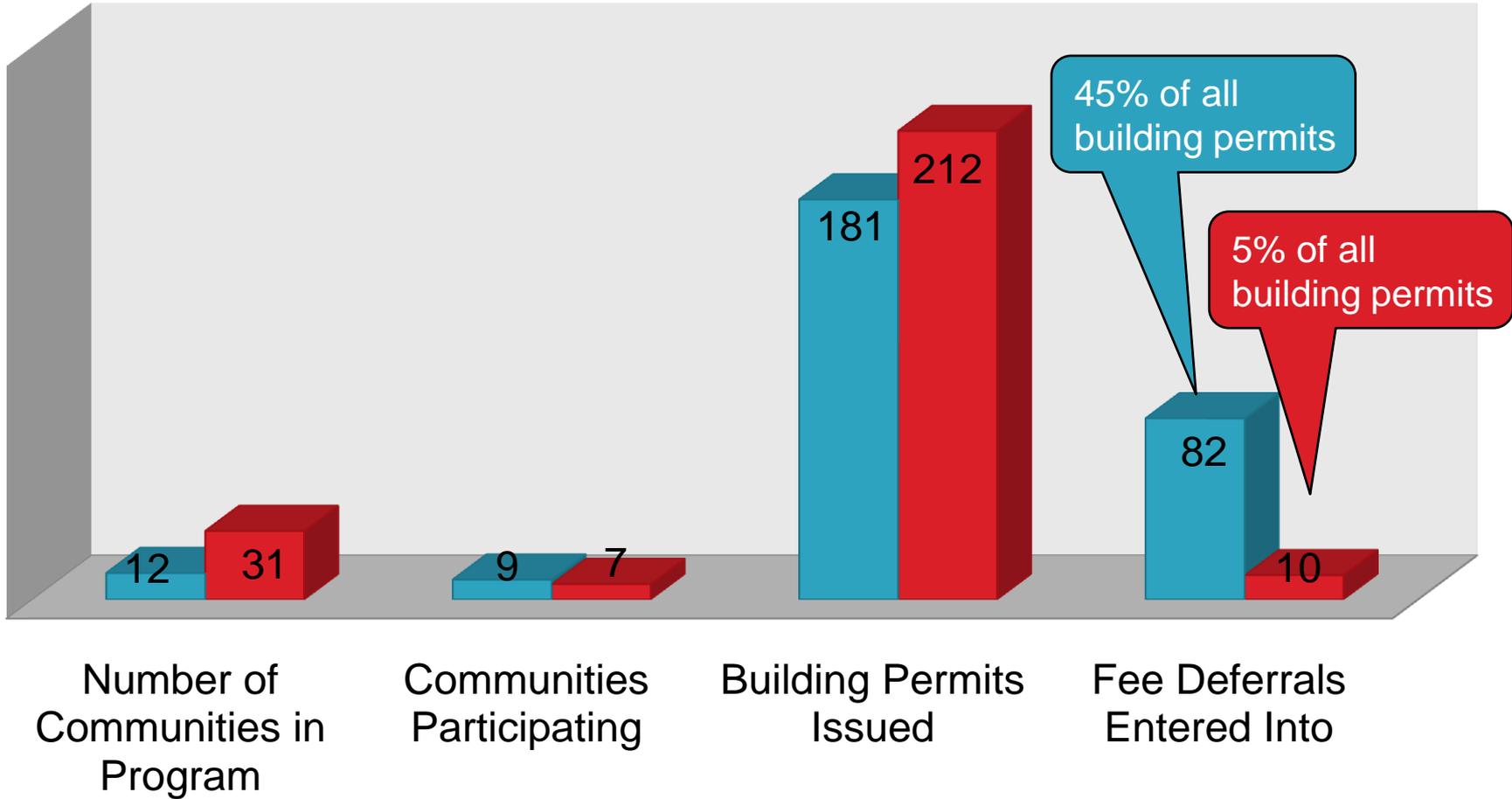
- In November 2009, the FBA Fee Deferral Program was expanded as a relief measure during challenging economic times
- Authorizes deferral of FBAs from building permit to final inspection or for up to two years, whichever occurs first
- FBA Fee Deferral Program expires November 10, 2011

Evaluating the Fee Deferral Program Citywide

(November 11, 2009 – June 30, 2011)

By Volume

FBA DIF

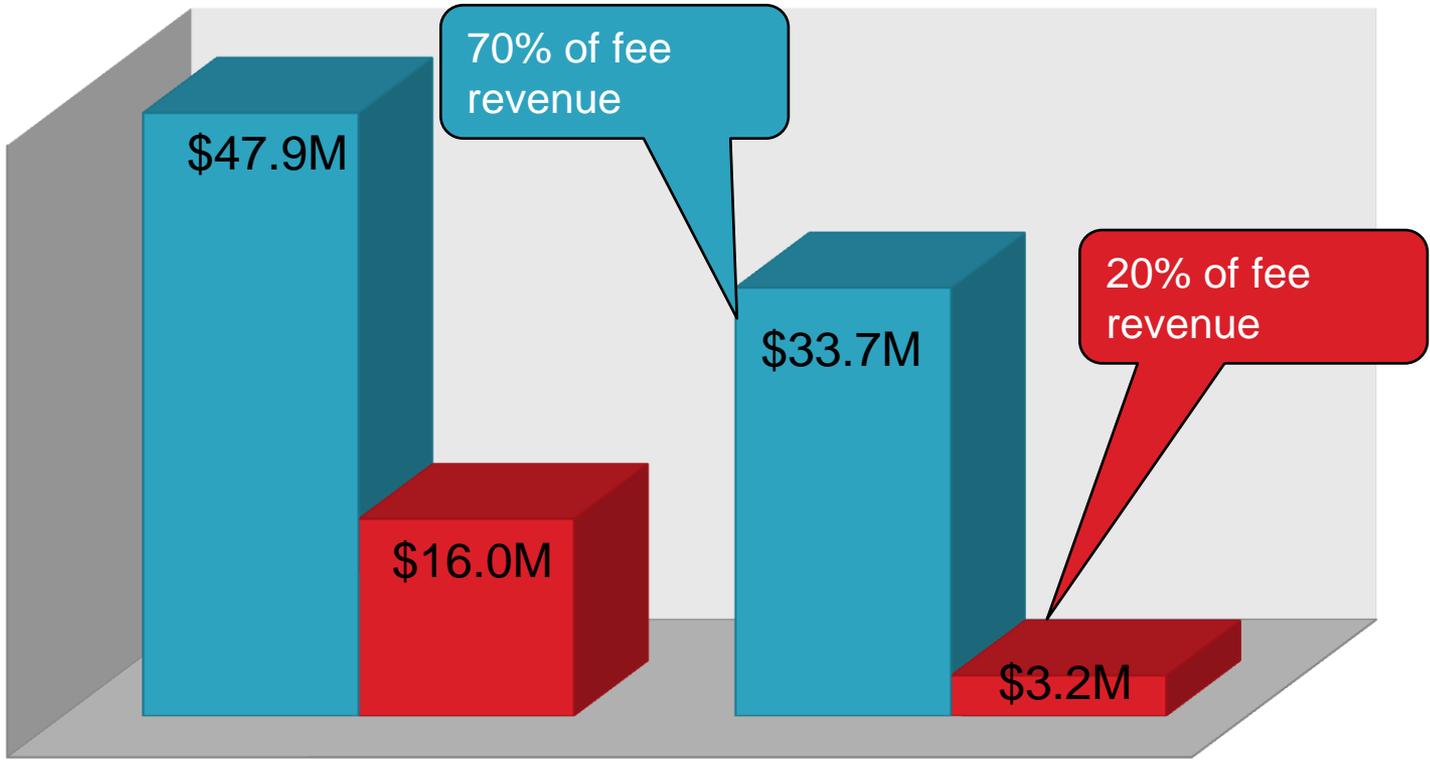


Program Evaluation Contd.

(November 11, 2009 – June 30, 2011)

By Revenue

\$50,000,000
\$45,000,000
\$40,000,000
\$35,000,000
\$30,000,000
\$25,000,000
\$20,000,000
\$15,000,000
\$10,000,000
\$5,000,000
\$0



Fee Revenue

Dollar Value of Fee Deferrals Completed

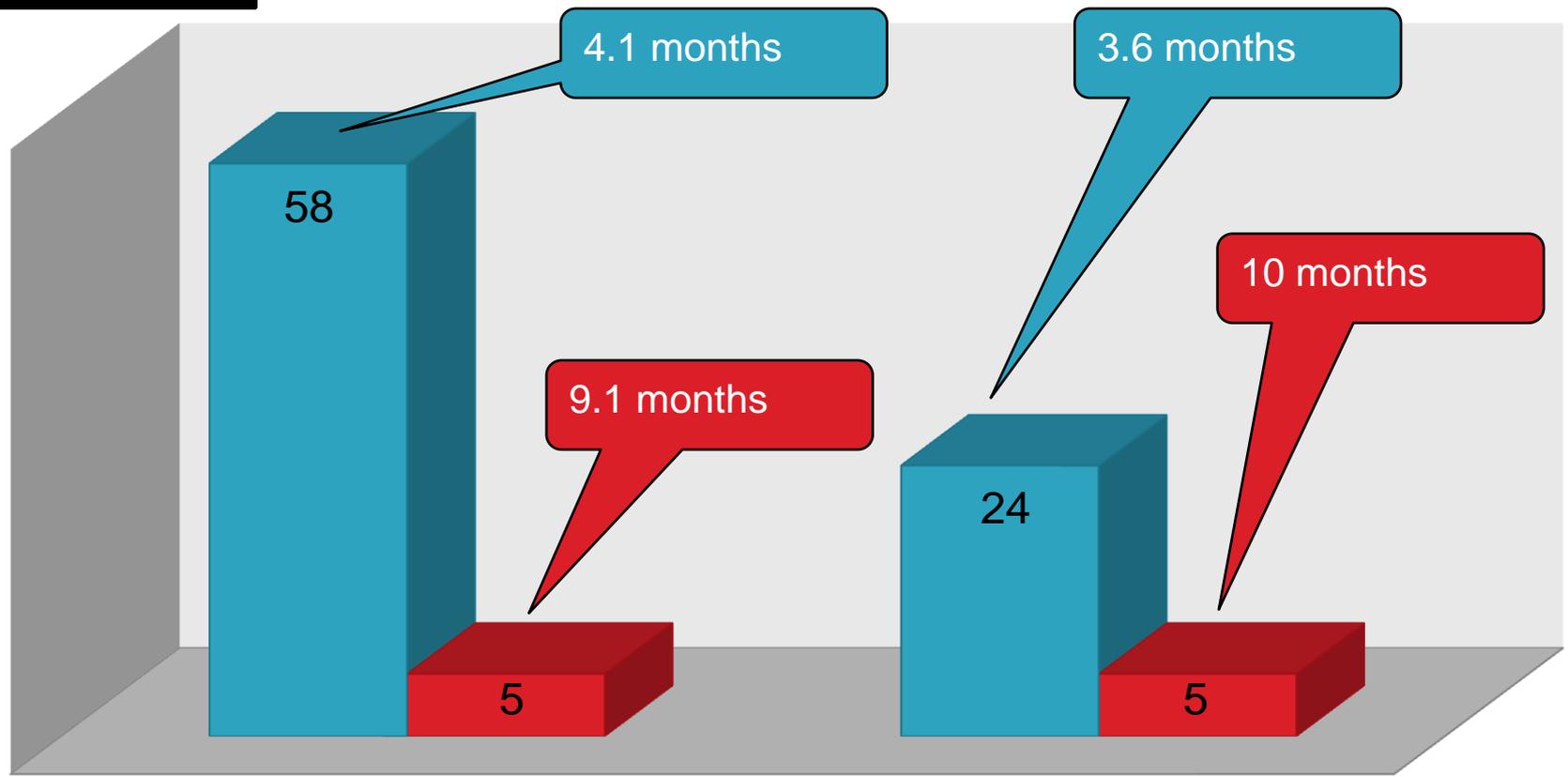
■ FBA ■ DIF

Program Evaluation Contd.

(November 11, 2009 – June 30, 2011)

By Length

FBA DIF



Satisfied Deferrals

Outstanding Deferrals



Fee Deferral Program Conclusions/Recommendations

- Anecdotally, program working:
 - Provides economic stimulus
- No impact to CIP to date
- As challenging economy continues, recommend extending FBA Fee Deferral Program through December 31, 2014

Summary of July 20th & Sept. 14th Amendments (Policy Issues)

7/20/11 Version

- Extend the FBA Fee Deferral Program
- Remove allowance to collect FBA fees prior to property development

9/14/11 Version

- Extend the FBA Fee Deferral Program

Clarifications/Refinements/Clean-up

(Included in July 20th Proposed Amendment)

- 1) Update terminology to be consistent with 2008 General Plan
- 2) Clarify that the Fee Deferral Program is available indefinitely for Affordable Housing Projects
- 3) Revise Process 5 language in the Fee Waiver, Reduction, or Adjustment provision

Clarifications/Refinements/Clean-up Cont.

(Included in July 20th Proposed Amendment)

- 4) Clarify permit language to include Construction Permit when structure not proposed

- 5) Minor clean-ups to various mechanisms/ processes outlined in the ordinance
 - Partial payment of FBA
 - Include reference to fee schedule in Ordinance



Questions, Answers, and Comments