



**RESOLUTION R19-83**

**A RESOLUTION OF THE MONO COUNTY BOARD OF SUPERVISORS ADOPTING  
FEES PURSUANT TO TITLE 15 CHAPTER 15.40 OF THE MONO COUNTY CODE  
AND SPECIFYING THAT THE FEES COLLECTED PURSUANT  
TO CHAPTER 15.40 WILL BE HELD IN A DESIGNATED FUND FOR  
HOUSING MITIGATION USES**

**WHEREAS**, pursuant to its authority to regulate the use of land under its broad police power, the County of Mono is authorized to impose inclusionary requirements or to charge a fee to address affordable housing ("in-lieu fees"); and

**WHEREAS**, courts have found that the purpose of in-lieu fees is not to defray costs of increased demand on public services, but rather to combat the overall lack of affordable housing; and

**WHEREAS**, in as much as the courts have held that this type of fee is not for the purpose of mitigating the adverse impact of new development but rather to enhance the public welfare by promoting the use of available land for the development of housing that would be available to low- and moderate-income households, these fees are not subject to the Mitigation Fee Act; and

**WHEREAS**, notwithstanding the above, the in-lieu fees recommended by this resolution do not exceed the actual affordable housing impacts attributable to the development projects on which the fee is imposed, as determined by a nexus study, which was prepared in 2018, by Economic Planning Systems ("Nexus Study"); and

**WHEREAS**, the Nexus Study employed widely used, appropriate methodology to determine the maximum amount needed to fully mitigate the burdens created by residential and non-residential development on the need for affordable housing; and

**WHEREAS**, the completed Nexus Study found that fees from \$16.50-\$21.43 per square foot for residential development, \$26.40 per square foot for storage and warehouse development, \$71.30 for commercial development, \$8.60 for industrial/service commercial development and \$94.74 for visitor accommodation development were warranted to offset impacts from new development; and

**WHEREAS**, to ensure that development projects remain economically feasible, the recommended inclusionary requirements and fees as shown in the attached Exhibit A are lower than the maximum amount needed to fully mitigate the burdens created by new development on the need for affordable housing as determined in the Nexus Study; and

**WHEREAS**, this Resolution is intended to implement the language found in Chapter 15.40 of the Mono County Code and that language is hereby incorporated in its entirety by this reference; and

1       **WHEREAS**, State legislation (Assembly Bill 1505), reverses the *Palmer* decision and thereby  
2 allows jurisdictions to require inclusionary units (and in-lieu fees) in rental residential development  
3 projects; and

4       **WHEREAS**, the proposed in-lieu fee structure reflects the following policy of the Mono County  
5 Board of Supervisors:

- 6           • Requiring market-rate development projects to bear the full financial burden of their  
7 impact on affordable housing is economically unviable. Instead, a lesser percentage of  
8 that burden shall be required, and an adjustment mechanism shall be applied to reflect  
9 market changes.
- 10          • Compact, higher density development within existing communities and where  
11 infrastructure is available, consistent with General Plan policies and regulations, is  
12 favored over single-family subdivisions that tend to contribute to less compact and lower  
13 density development patterns.

14       **WHEREAS**, the County will not expend any associated fees collected pursuant to its Housing  
15 Mitigation Ordinance (Chapter 15.40 of the Mono County Code) or this Resolution on a development  
16 prior to the completion of any required environmental review for such specific development, thus the  
17 adoption of this resolution is not a project under the California Environmental Quality Act guidelines  
18 found in Title 14 of the California Code of Regulations at Section 15378(b)(4); and

19       **WHEREAS**, notice of the time and place of the meeting at which this resolution is proposed for  
20 adoption, including a general explanation of the matter to be considered, and a statement inclusive of the  
21 data required by the applicable statute, was published and made available to the public; and

22       **WHEREAS**, notice of the hearing on the proposed fees was published twice in a newspaper of  
23 general circulation; and

24       **WHEREAS**, a duly and properly noticed public hearing was conducted by the Mono County  
25 Board of Supervisors on December 10, 2019.

26       **NOW, THEREFORE, THE BOARD OF SUPERVISORS OF THE COUNTY OF MONO**  
27 **RESOLVES** as follows:

28       **SECTION ONE:** That the declarations set forth above are hereby adopted as findings of the  
29 Board.

30       **SECTION TWO:** Mono County hereby establishes a 5% inclusionary requirement for single-  
31 family residential developments and 3.33% inclusionary requirement for multi-family residential  
32 developments, as set forth in Exhibit A attached hereto and incorporated herein by reference.

33       **SECTION THREE:** Effective March 1, 2021, and each March 1 thereafter that this Resolution  
34 remains in effect, the fee schedule shall be adjusted based on the Construction Price Index for New  
35 Single-Family Houses Under Construction for the preceding twelve-month period ending January 31<sup>st</sup> and  
36 revisited periodically by the Board of Supervisors as needed.

37       **SECTION FOUR:** This resolution shall become effective 60 days from the date of its adoption  
38 and final passage.

1 **PASSED, APPROVED and ADOPTED** this 10th day of December 2019, by the following vote,  
2 to wit:

3 **AYES:** Supervisors Corless, Gardner, Kreitz, Peters, and Stump.

4 **NOES:** None.

5 **ABSENT:** None.

6 **ABSTAIN:** None.  
7  
8

9   
John Peters, Chair

10  
11 **ATTEST:**

12   
13 Clerk of the Board  
14

11 **APPROVED AS TO FORM:**

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13 County Counsel  
14

**EXHIBIT A**  
**TO RESOLUTION DECLARING FEE SCHEDULE BASED ON IN-LIEU FEE POLICY**  
**OF A 5% INCLUSIONARY REQUIREMENT FOR SINGLE-FAMILY DEVELOPMENT**  
**PROJECTS AND A 3.33% INCLUSIONARY REQUIREMENT FOR MULTI-FAMILY**  
**DEVELOPMENTS AND INDIVIDUAL SINGLE-FAMILY AND ACCESSORY**  
**DWELLING UNITS**

Residential fees apply only to conditioned space and are based on inclusionary requirements and in-lieu fees:

- a. Single-family residential: 5% inclusionary requirement for single-family residential development projects consisting of multiple lots, multiple detached units on individual lots, subdivisions, or other residential developments that do not qualify under section b below, meaning one unit affordable to low- to moderate-income levels is required to be built for every 20 market-rate parcels or units. A fee shall be paid for any fractional parcel or unit equal to the fractional cost to subsidize construction of a 1200-sf unit for a low- to moderate-income household. Therefore, the in-lieu fee is set at \$4,700 per market rate lot where parcels are being subdivided or \$3.91 per square foot where units are being built.
- b. Multi-family residential projects: 3.33% inclusionary requirement for multi-family residential development projects consisting of multiple attached units whether on a single parcel under one ownership or condominiumized for individual sale, meaning one unit affordable to low-income levels is required to be built for every 30 market-rate units. A fee shall be paid for any fractional unit equal to the fractional cost to subsidize construction of a 1200-sf unit for a low-income household. Therefore, the in-lieu fee is set at \$3.90 per square foot which is based on a fee of \$4,653 per market rate unit.

Commercial Linkage Fees are calculated based on gross square footage, except Visitor Accommodations:

- Storage and Warehouses: \$0.50/sq.ft.
- Commercial: \$1.00/sq.ft.
- Industrial/Service Commercial: \$0.50/sq.ft.
- Visitor Accommodations including, but not limited to, hotels, motels, condo-hotels, and time shares (as applicable): \$4/sq.ft.
- Short-term Rentals (STRs), including any new unit constructed as a STR or existing units converted into a STR: \$4/sq.ft. for conditioned space dedicated primarily for the use of the renter, which fee will apply at the time the building permit, Director Review or Use Permit, or business license (if no permit is required), is granted.

**ALL FEES ARE SUBJECT TO EXEMPTIONS APPROVED AND ADOPTED PURSUANT TO**  
**ORDINANCE 19-08 AND TITLE 15 CHAPTER 15.40 OF THE MONO COUNTY CODE**