

Request for Financial Assistance Regarding Development Impact Fees

COMMUNITY SERVICES DEPARTMENT

MAY 6, 2025

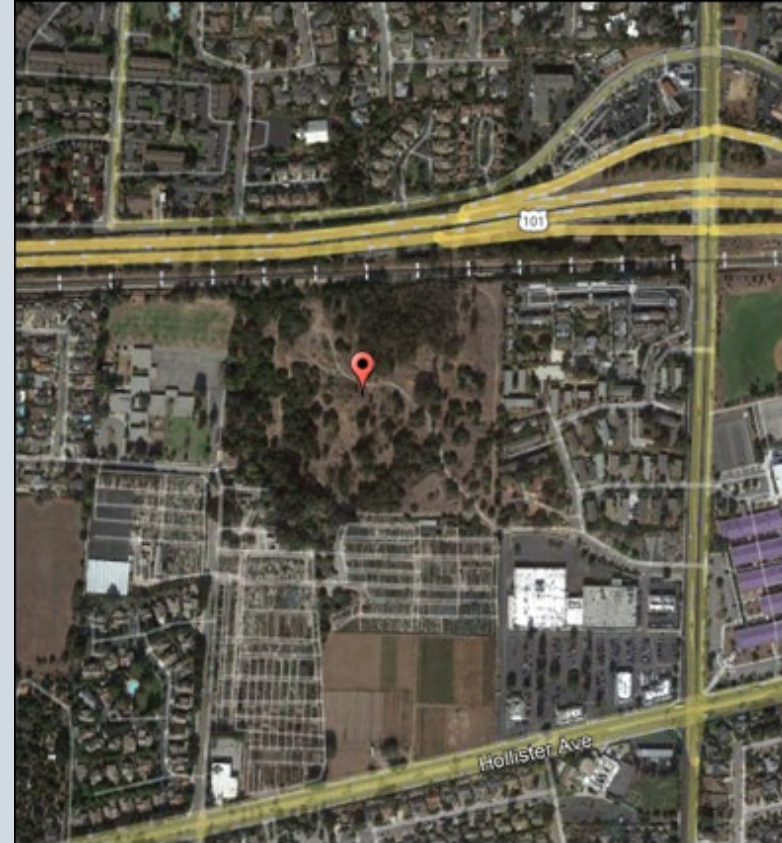


Agenda

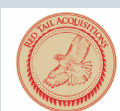
- Project Overview
- Project Site Plan
- Project Funding Sources
- Consideration of Conditional Loan
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Project Overview

- Located at San Simeon Dr and San Marcos Rd
- 106 Deed Restricted Affordable Units (30%-70% of AMI), District Housing Preference, 8 VASH vouchers
- 51 1-bedroom, 26 2-bedrooms, and 29 3-bedroom (Large Family)
- Adjacent to 385 Unit Market Rate and 26 Moderate Unit project to be developed by Red Tail (517 total units)



Project Site Plan



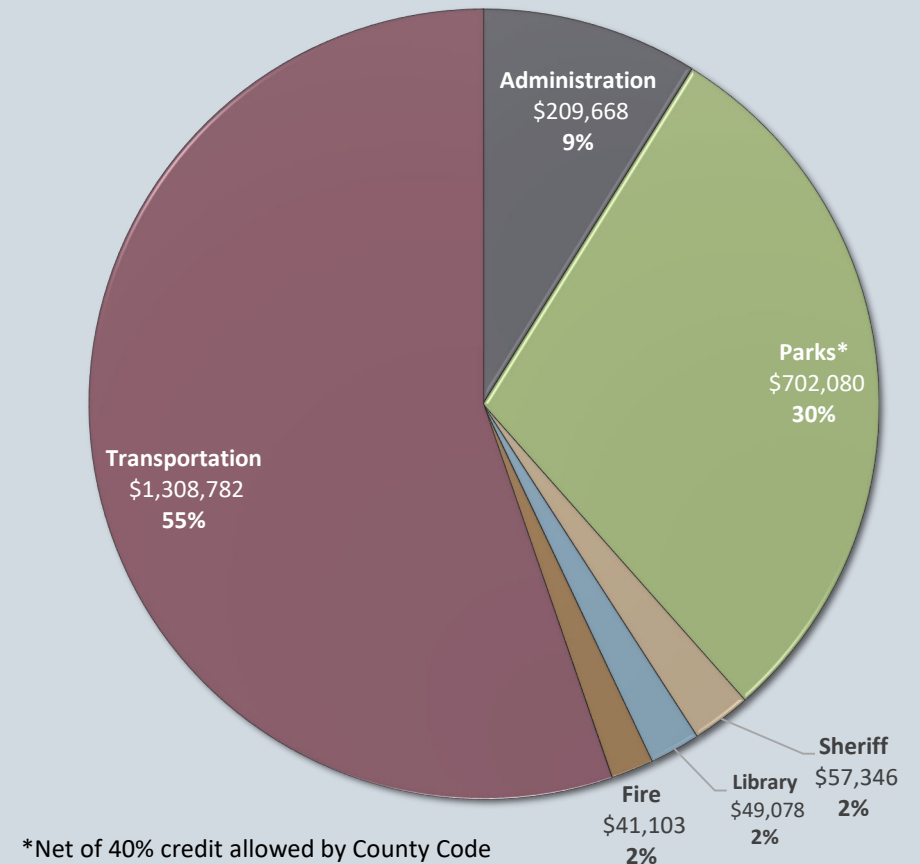
RED TAIL MULTIFAMILY
LAND DEVELOPMENT, LLC
SEARCHING FOR OPPORTUNITY

Project is funded through a combination of private financing and tax credits

The Affordable Housing project is responsible for impact fees totaling approximately \$2.4 million, as follows:

- Transportation-Related Fees: \$1.3 million
- Other Development Impact Fees: \$1.1 Million

Red Tail will pay transportation-related fees, and requests financial assistance to pay remaining impact fees.



Consideration of conditional loan

Board is asked to consider approving conditional loan in the amount of \$1.1 million, subject to subsequent approval of customary loan and regulatory agreements

If approved by the Board:

- Loan to be repaid in years 11 to 15, with any outstanding balance paid at a capital event (e.g. refinanced or syndicated).
- Project must start construction within three years of receipt of tax credits.
- Development Impact Fees to be paid at certificate of occupancy

Policy Framework

Financial assistance of the type requested here is under consideration or has been approved by multiple counties and cities

In anticipation of possible future requests for financial assistance, it is appropriate to consider an overall policy to address such requests.

Subject to Board direction, staff proposes to return to the Board within six months with overall policy to guide similar future requests, if any.

Recommended Actions

That the Board of Supervisors:

- Consider and conditionally approve a loan in the principal amount of development impact fees paid by affordable housing project developer Red Tail Multifamily Land Development, LLC, excluding the transportation related fees, as described herein (Attachment A);
- Authorize the Community Services Director to execute and forward the attached letter to Red Tail Multifamily Land Development, LLC (Attachment B);
- Direct staff to return to the Board with loan documents, including a loan agreement, promissory note, and regulatory agreement, between the County and Red Tail Multifamily Land Development, LLC;
- Direct staff to develop and present to the Board an overall policy concerning requests for development impact fee loan programs, deferrals, or waivers for affordable housing projects;
- Determine that the proposed action does not constitute a “Project” within the meaning of the California Environmental Quality Act (CEQA), pursuant to Section 15378(b)(5) of the CEQA Guidelines, because it consists of an organizational or administrative activity of government which will not result in direct or indirect physical changes in the environment.