

# HOMESTEAD VALLEY SANITARY DISTRICT

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May 23, 2017

Marin County Superior Court  
P.O. Box 4988  
San Rafael, CA 94913-4988

Attention: Judge Kelly V. Simmons

Subject: Grand Jury Report: Overcoming Barriers to Housing Affordability  
Report Date: April 12, 2017

Dear Honorable Judge Kelly V. Simmons,

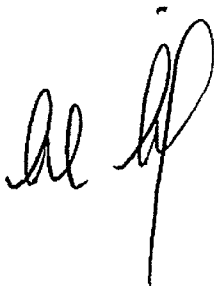
In response to the Findings and Recommendation contained in the Grand Jury Report the Homestead Valley Sanitary District was asked to respond to Recommendation R5, Each utility district should adopt waivers for hook-ups fees for low-income housing projects and accessory dwelling units.

After review and discussion of Recommendation R5, the Homestead Valley Sanitary District Board of Directors requested review and input from Marin County Counsel. Based on that review and input we are concerned that charging a reduced rate or waiving fees may be in conflict with Proposition 218. Proposition 218 requirements are to set rate proportionate to benefits received. Also, County Counsel could find no provision in the Sanitary District Act of 1923 that authorizes fee waivers and that the California Constitution prohibits gifts of public funds and that fee/connection waivers to low income persons or affordable housing units may well constitute a gift of public funds.

Therefore, the Homestead Valley Sanitary District, while sensitive to the issues of housing affordability within the County of Marin, cannot adopt waivers for hook-up fees for low-income housing projects and accessory dwelling units pursuant to Recommendation R-5 of the Grand Jury report.

Please do not hesitate to contact the District if you have any further questions.

Regards,



Allan Leibof  
President