



Tamalpais Community Services District

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June 14, 2017

Marin County Grand Jury
3501 Civic Center Drive, Room #275
San Rafael, CA 94903

Attention: Jay Hamilton-Roth, Foreperson

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

In response to the Findings and Recommendations contained in the Grand Jury Report, the Tamalpais Community Services District (TCSD) was asked to respond to Recommendation R-5: Each utility district should adopt waivers for hook-up fees for low-income housing projects and accessory dwelling units.

After review and discussion of Recommendation R-5, TCSD finds that the recommendation will not be implemented because it is not warranted or is not reasonable.

TCSD requested review and input from its legal counsel and 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 rates proportionate to benefits received. Also, TCSD district legal counsel could find no provision in the Sanitary District Act of 1923 that authorizes fee waivers. The California Constitution prohibits gifts of public funds, and offering fee/connection waivers to low-income persons or affordable housing units may constitute a gift of public funds.

While TCSD is sensitive to the issues of housing affordability within the County of Marin, it is for these reasons TCSD cannot adopt waivers for hook-up fees for low-income housing projects and accessory dwelling units pursuant to Recommendation R-5 of the Grant Jury Report.

Note that TCSD does not believe any of the "Findings" are directly relevant to our district, and therefore respectfully declines to comment.

Please contact the District should you have further questions.

Sincerely,

A handwritten signature in black ink, appearing to read "SAB", written over a horizontal line.

Steffen Bartschat
TCSD Board President