March 8, 2016

Marin County Board of Supervisors
3501 Civic Center Drive
San Rafael, CA 94903

Re: Workshop to discuss whether to develop an Ordinance establishing time limits on construction

Dear Supervisors:

RECOMMENDATION: Conduct workshop and provide direction to staff.

SUMMARY: Development activity can improve and revitalize neighborhoods, generate jobs, fees, and tax revenues, and stimulate economic growth through increased consumer spending. Construction may also be disruptive to neighborhoods, create noise, dust, and traffic congestion, impact on-street parking spaces, and strain local roads and infrastructure. While many residents accept the temporary nuisance of construction activity, prolonged periods of construction can further affect the overall quality of life for residents, add stress to neighborhoods, and create disproportionate demands on County staffing resources to respond to resident complaints.

Under the County's Building Ordinance, building permits are valid for two years and can be extended by the Chief Building Official for time periods ranging from seven days to one year as long as there is progress made. Because most building permit applicants are motivated to complete their projects within reasonable time frames, the County has not to date chosen to adopt an enforceable regulation requiring timely completion of construction projects.

However, even the rare construction project that drags on for an excessive period of time can cause a great deal of frustration and complaints from neighbors. In response to increased resident complaints about prolonged construction projects, a few communities in the Bay Area have enacted ordinances that establish time limits for construction along with financial penalties intended to incentivize and press applicants to complete projects. Staff was able to find construction time limit ordinances (CTL) for seven Bay Area cities (including the Towns of Belvedere, Ross, and Sausalito in Marin County) and noted a number of similarities in the general approach taken to limit the time allowed for completing construction based on the project's financial valuation and to impose hefty financial penalties for noncompliance.

However this approach may not be fully transferable to the scale of counties since counties more commonly have a greater diversity of land uses, geography, and socio-economic conditions than cities. Staff is not aware of any counties in the Bay Area with a construction time limit ordinance similar to those referred to above.
Attached is a summary comparison of the time limits and penalties imposed by these seven comparison cities. Some variation of the existing model city CTOs would likely be needed to provide flexibility to address the needs of specific unincorporated communities in Marin County. Potential issues to be considered in a CTL include:

- Whether to limit applicability of a CTO to all Building Permits or to just those Building Permits that required a discretionary Planning Permit, such as Design Review;
- Should the CTO apply differently to new structures as compared to interior remodels/additions, and site work only, or should it be tied to the project scale (square footage) or cost (valuation);
- What would be the maximum amount of time allowed for completion of the construction, and should the CTO provide a process to consider time extensions;
- Would there be flexibility in the amount of penalty fee that would be imposed (after any applicable extension(s) has been exhausted), taking into account the size/scale/location of the development; and
- Should there be a public process to consider appeals of any of the aforementioned determinations.

Following the workshop, should your Board wish to consider adoption of a CTL ordinance, staff recommends that a Board subcommittee be formed to work with CDA staff and County Counsel to further review this concept, prepare a draft ordinance, conduct public outreach, and schedule the ordinance for your Board’s consideration. Staff would also make necessary adjustments to the draft Performance Plan, scheduled for the Board’s March 23, 2016 budget workshop, to reflect the addition of this initiative for Fiscal Year 2016-17.

FISCAL/STAFFING IMPACT: If approved, implementation of a construction time limit ordinance will increase the workload for the Community Development Agency in the area of processing extension requests, implementation, and enforcement. These direct costs could be offset by program fees and penalties.

REVIEWED BY:  
(These boxes must be checked)

[ ] Department of Finance  [ ] N/A
[ X ] County Counsel  [ ] N/A
[ ] Human Resources  [ ] N/A

SIGNATURE:  
Tcm Lai  
Assistant Director

Reviewed By:  
Brian C. Crawford  
Director

Attachment: Summary of Construction Time Limit Ordinances