Thomas Austin and Helen Austin v. County of El Dorado, et al., Case Number PC20150633

FREQUENTLY ASKED QUESTIONS

Why is the County issuing refunds for development impact fees?

On December 2, 2015, petitioners Thomas and Helen Austin filed a lawsuit alleging that the County failed to comply with certain procedural requirements under California's Mitigation Fee Act (MFA), which regulates how local agencies can impose fees on certain permits in order to mitigate impacts from land development. This litigation has been ongoing for nearly 10 years and involved an intermediate trip to the Third District Court of Appeal and a 3-phase trial that started in January of 2023 and finally ended on April 7, 2025 when the court issued its final opinion ordering the County to refund Traffic Impact Mitigation (TIM) fees (now called Traffic Impact Fees, or TIF) and special district fees that were collected during specified time periods. Instead of appealing the Court's ruling and further prolonging the resolution of this case, the County negotiated a settlement that is in the best interest of the County, its citizens, and the TIF program. One component of that settlement is to issue partial refunds of TIM/TIF fees paid during a designated time period (see below).

El Dorado Hills Community Services District (EDHCSD) and El Dorado Hills County Water District (EDH Fire) also entered into settlement agreements with the petitioners in relation to the special district fees.

Which impact fees are subject to partial refund?

Traffic Impact Mitigation (TIM) fees, EDHCSD park & recreation impact fees, and EDH Fire fire impact fees, that were paid within specific time periods (see below).

Are the partial refunds going to be in the form of direct payment (checks)?

On December 2, 2025, the Board of Supervisors will determine the method by which prorated partial refunds will be issued, which could include direct payments, a temporary suspension of fee collection, fee credits, a combination of the foregoing, or by any other reasonable means.

Who is eligible for a partial refund?

To be eligible for a refund, three criteria must be met for each fee:

TIM/TIF fees (Traffic Impact Fees)

- The real property had to be within a <u>TIM Fee Zone</u> and subject to the impact fee (eligible parcel)
- The TIM fee for the eligible parcel had to have been paid during the time period of December 2, 2014 through November 15, 2016 (eligible time period)
- You must be the property owner listed on the August 20, 2025 Last Equalized Assessment Roll for the eligible parcel (eligible property owner)

El Dorado Hills CSD (Park & Recreation Impact Fees)

- The real property had to be within the CSD district and subject to the impact fee (eligible parcel)
- The CSD fee for the eligible parcel had to have been paid during the time period of December 2, 2014 through June 28, 2016 (eligible time period)
- You must be the property owner listed on the August 20, 2025 Last Equalized Assessment Roll for the eligible parcel (eligible property owner)

El Dorado Hills County Water District (Fire Impact Fee)

- The real property had to be within the CSD district and subject to the impact fee (eligible parcel)
- The Fire fee for the eligible parcel had to have been paid during the time period of December 2, 2014 through December 13, 2016 (eligible time period)
- You must be the property owner listed on the August 20, 2025 Last Equalized Assessment Roll for the eligible parcel (eligible property owner)

Can a property owner be eligible for more than one impact fee refund?

Yes, depending on which fees were paid on a particular parcel. If all three fees were paid, then the property owner on the last equalized assessment roll would be eligible for a refund from all three fund accounts.

Why are the people who actually paid the fee not necessarily the people entitled to a refund?

The person(s) or entities that paid the fees are not necessarily the person(s) or entities that are eligible for a refund based on the requirements of the Mitigation Fee Act. Under the MFA (Government Code 66000 et seq), regardless of who actually paid the fee, the refund is

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paid to the current owners of record identified on the last equalized assessment roll. The last equalized assessment roll was deemed equalized on August 20, 2025 (Revenue and Taxation Code 2052).

The refund is paid to "the then *current record owner or owners* of the lots or units, as *identified* on the *last equalized assessment roll*, of the development project or projects on a *prorated basis*, the unexpended portion of the fee, and any interest accrued thereon." (Government Code 66001(e), italics added)

Why are the refunds referred to as "partial refunds"? Aren't the eligible property owners going to get 100% of the impact fees that were previously paid?

No, eligible property owners will not get 100% of the impact fees paid for two reasons: 1) this was a negotiated settlement and petitioners agreed to accept a lower refund amount in order to settle the case, and 2) petitioners agreed that attorney fees and costs that are owed to their attorneys would come out of the refund amount so that all property owners who are entitled to a refund will contribute to the attorney fees and costs because they benefited from the litigation. The refunds will be prorated to reflect a property owner's proportionate share of the total amount of funds available for refund.

Why are refunds limited to fee payments made during a particular period of time?

This litigation posed many legal questions that the courts had never dealt with before. Ultimately, the Third District Court of Appeal ruled that refunds are only required for fees collected one year prior to the filing of the petition through the dates the County made the applicable 5-year findings for each fee.

How will I know if I am eligible for a partial refund?

The County is currently in the process of identifying eligible parcels, determining fees paid during the eligible time periods, and identifying the eligible property owners listed on the last equalized assessment roll. Once those parcels and owners are identified, the County intends to notify the eligible property owners, by letter, of their potential eligibility with instructions on how to claim a refund. The specific procedures and processes are still being determined. Please check back for more information.

What is the process for claiming a partial refund?

Please see response above and check back for more information.

Why did my neighbor get a partial refund, and I didn't?

Please see response to eligibility requirements question.

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What is the timing for the partial refunds?

The County intends to issue partial refunds to all eligible property owners by Fall 2026.

