



## Legislation Text

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**File #:** 14-1604, **Version:** 1

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Community Development Agency, Administration and Finance Division, recommending the Board adopt Resolution **242-2014**, amending Resolution 125-2010, to Adopt Planning Services Permit Processing and Related Fees, pending review, minor modification and approval from County Counsel and Risk Management. There are no new or increasing fees as a result of the requested update; changes to Resolution 125-2010 will accomplish the following:

- 1) Remove of a \$50.00 processing charge that was formerly used to cover the cost of processing refunds;
- 2) Update the process for disposing of unexpended fees to four (4) years after notice is given instead of three (3) years, as outlined in Government Code Section 50050 - 50057; and
- 3) Update references to the Community Development Agency or it's Divisions to match the existing structure of the Agency.

### **Fiscal Impact/Change to Net County Cost**

There may be minimal impact on Net County Cost. The County will no longer be withholding a \$50 processing fee for unexpended planning application fees, which may minimally reduce the revenue to Development Services operational accounts previously derived from this fee.

### **Background**

On August 3, 2010, the El Dorado County Board of Supervisors adopted Resolution 125-2010 which established a fee schedule and fee policies and procedures for the Planning Division of the Development Services Department (now the Community Development Agency, Development Services Division, Planning Services). The policies and procedures, under Section J "Refunds", included a "refund processing charge" of \$50 to be deducted from any customer refund of application fees, as well as applying a time limit of three years of account inactivity before unclaimed customer application fees would become the property of the County.

### **Reason for Recommendation**

It has been determined that the \$50 refund processing charge is unnecessary and not in the best interest of the public; the customer should not be penalized for paying an application fee that is considered a deposit from which charges incurred will be drawn down on a time and material basis. The nature of the time and material deposit makes refunds inevitable and the refunding process should be considered a routine part of doing business. Additionally, there are no other such refund processing charges in the Community Development Agency's approved fee schedules, eliminating this fee would bring more consistency for the Agency-wide refund procedures.

The County holds cash deposits in special revenue funds. These deposits are associated with customer projects and unexpended funds should be refunded when the project has been deemed final. The County did not routinely refund unexpended funds when a project was closed nor did the customer request a refund of this credit balance. It was discovered that customers were not sent account statements unless there was an outstanding amount due to the County, therefore the customers were not aware of account credit balances. This has resulted in unexpended funds being held on projects that have been inactive for long periods of time.

Customers have been notified that unexpended funds are being held by the County. Going forward there is a process in place to refund unexpended fees in a timely manner. If projects are deemed inactive, and all notices have been given, the County can follow the escheatment process for disposing of unexpended fees after four years have passed.

Other than these two changes regarding application fee refund policies, there are minor changes made to Agency and Division names to reflect the current organization of the Community Development Agency. The fees being collected have not changed, the Agency is currently working on a comprehensive update on all fee schedules throughout the Agency for a future Board hearing.

### **Clerk of the Board Follow Up Actions**

The Clerk of the Board will provide one (1) copy of the Resolution to the Community Development Agency, Development Services Division for implementation.

The Agency will forward to the Auditor Controller's Office the appropriate documentation to process the refunds.

### **Contact**

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### **Concurrences**

Pending