



Interoffice Memorandum

AGENDA ITEM

October 11, 2018

TO: Mayor Teresa Jacobs
-AND-
Board of County Commissioners

FROM: Jon V. Weiss, P.E., Director
Community, Environmental and Development Services
Department

CONTACT PERSON: **Scott Skraban, Manager,
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SUBJECT: November 13, 2018 – Consent Item
Transportation Impact Fee Refunds and Write-Offs

The Orange County Comptroller's Internal Audit Department recently completed an audit of the calculation of commercial transportation impact fees assessed in Orange County between October 2015 and June 2017. During this time, 411 commercial projects paid transportation impact fees totaling almost \$13 million dollars. The auditors researched each permit's square footage, land use classification, and AMA designation to recalculate the fees assessed.

Based on the audit report, the assessment of commercial transportation impact fees materially complied with the Orange County Code. In total, 34 permits were incorrectly assessed, some resulting in under payments and others in over payments. The County has recovered all under payments for seven County-owned properties (utility stations) and one commercial permit that had not yet been issued a certificate of occupancy.

Of the 26 remaining permits, nine permits were overcharged by a total of \$72,693. It is reasonable for staff to issue refunds to these customers that were overcharged. The other 17 permits were undercharged transportation impact fees totaling \$208,612. It would be difficult to pursue and collect undercharged amounts from customers (including contractors, property owners, and other businesses) that have already received permits and have been issued final certificates of occupancy or closed out project-related billings and accounts. The requested write-off amount is \$208,612.

ACTION REQUESTED: Authorization to issue refunds totaling \$72,693 for overcharges and write-off of undercharges in the amount of \$208,612 for incorrect transportation impact fee assessments. All Districts

JVW/HC:am