

W.A.B.

Memorandum Date: May 24, 2007
Order Date: NA

TO: Board of County Commissioners
DEPARTMENT: Public Works
Land Management Division
PRESENTED BY: Craig Starr *CS*
AGENDA ITEM TITLE: Report Back - Permit Refunds

I. **MOTION**

None

II. **AGENDA ITEM SUMMARY**

This is a report back requested by the Lane County Board of County Commissioners (hereafter, Board) on May 16, 2007 regarding the matter of refunding permit fees. In particular, the Board's concern seemed to be the sometimes lengthy delay between a refund being requested and the refund being made.

III. **BACKGROUND/IMPLICATIONS OF ACTION**

A. **Board Action and Other History**

The County policy with respect to refunding Land Management Division (LMD) permit fees is articulated at LM 60.850-(3), as follows:

"(3) Refunds. All, or a portion, of the fee accompanying an application may be refunded, if the applicant withdraws the application in advance of any field work or substantial staff review."

While this language could be read to prohibit any permit refund if "...any field work or substantial staff review..." has been performed, LMD staff has interpreted it to allow consideration of a partial refund at any point in the permitting process. Partial refund requests require an analysis of the amount of LMD staff effort already expended on the application or under the permit in order to determine an amount to be refunded.

B. Policy Issues

Should the Board provide direction changing the current priority for processing refund requests relative to processing permit applications, performing plan checks, etc.?

C. Board Goals

NA

D. Financial and/or Resource Considerations

NA

E. Analysis

LMD issues permit refunds in the Building, Environmental Health and Planning Programs when they are warranted pursuant to LM 60.850-(3). Environmental Health and Planning receive relatively few refund requests and the requests that are received are generally processed fairly quickly. The number of potential issues to be considered in evaluating a refund request in these units is usually quite limited (i.e., did we do the work or not). In all but a few situations, a refund, when warranted, will be received within at most 30-60 days after a request is submitted to these units.

The situation regarding refunds is much different in the Building Program. There are something on the order of 85 refund requests currently pending in Building and the oldest pending refund requests are nearly two (2) years old. While the number of refunds requested is much larger and the complexity of evaluation much greater in Building than in the other two (2) programs, this is only part of the reason for the lag in issuing refunds.

There is a long history in the Building Program of delays in processing refund requests. In fact, a backlog of less than two (2) years to the oldest pending request is a considerable improvement over a period not so long ago when the oldest pending requests were often 4 or 5 years old. Although a change in staffing assignments for processing refund requests has achieved some improvement in the last couple of years or so, there are still some obstacles to be overcome in order to make permit refunds still more timely.

Part of the problem with speeding up permit refunds has been the high level of turnover in the Building Official position since that position is crucial to the evaluation and authorization of building permit refunds. The Building Program has had three (3) permanent and two (2) acting Building Officials

in the past five (5) years. The frequent staffing changes in this position have been detrimental to the Building Program's effectiveness in many areas, but, perhaps, refund processing more noticeably than any other area. The latest new Building Official, Brian Craner, is expected to start work on June 4th.

Unlike the Environmental Health and Planning Programs, the Building Program does not have any full-time clerical staff with which to facilitate the processing of permit refunds. Instead, the Building Program has a half-time commitment (effectively, more like 1/3-time after other LMD demands are deducted from the time available) for sharing a secretary from the County Surveyor's Program. In the time available to Building, this position also processes a variety of simple permits, provides some direct customer assistance at the counter and performs other necessary clerical duties. In short, the Building Program's limited clerical capability is another obstacle to overcome in order to make permit refunds more timely.

Finally, it is important to realize that the Board's first priority for the Building Program (and other LMD units, as well) has long been to process new permit applications. While processing refund requests is important, too, delays in that area impact a fairly modest number of individuals compared to increasing the delay in permit issuance. So when a choice has had to be made between processing a refund or processing a new permit from the queue, the choice, until now anyway, has been to process the new permit. The Board can, of course, direct a change in the priority of processing refunds relative to completing the other work of the Building Program, but I believe that the higher priority to process new permit applications is entirely appropriate.

All of this having been stated, I think we should be able to improve on the timeliness of permit refunds and still continue an emphasis on the other work of the Building Program. I have recently started discussions with LMD staff involved in the permit refund process to see how we can speed the process up. Brian Craner will soon be on board as the Building Official, and I hope that he will stay in the position long enough to establish improved program direction and continuity. And, I expect that LMD will soon have some conversation with the Board about permit fees as they relate to staffing to provide a higher level of customer service, probably including more timely permit refunds.

F. Alternatives/Options

NA

IV. TIMING/IMPLEMENTATION

Depends on Board discussion and direction.

V. RECOMMENDATION

This matter is a report back requested by the Board and, as such, requires no action. However, if the Board wishes to change permit refund priorities relative to other LMD activities, direction should be provided so that staff can prepare alternatives for the Board to consider and act on.

VI. FOLLOW-UP

Depends on Board discussion and direction.

VII. ATTACHMENTS

None