



MEMORANDUM

TO: Board of Building Appeals

FROM: William J. Heniff, AICP, Director of Community Development *WJH*

MEETING DATE: January 31, 2018

SUBJECT: **Building Permit Fees for Government Entities**

Sections 14 and 150.141(Z) of the Village Code of Ordinances waives building permit fees for units of local government. Staff was directed to review department budgets in anticipation of budget shortfall for the 2019 calendar year. Chapter 14 of the Village Code of Ordinances waives building permit fees for units of local government.

Community Development staff surveyed surrounding municipalities and of the 13 communities that responded, 10 fully waive fees. (Wheaton is unique in that they have an intergovernmental agreement between the County and Park District, when permit fees are over \$500.) DuPage County and Glen Ellyn do not waive fees for units of local government. However, DuPage County does reduce fees for public agencies, rather than waiving them. "Public Agency is used, it shall refer to organizations such as; Fire Districts, Park Districts, Townships, Schools, The DuPage County Forest Preserve District, DuPage County construction projects, and similar organizations."

Building permit fees are variable by project and year. As an example, Glenbard Wastewater permits would have exceeded \$100,000, the Park District Paradise Bay and Recreation Center each would have exceeded \$100,000, and the recently submitted DuPage County Health Department would be approximately \$15,000.

The waiver has burdened the Village with covering costs to process these requests and review the permit submittals. Permit fees also cover time spent at inspections. If the Village hires an outside contractual inspection service we are charged \$80/hour, regardless of the project applicant. As such, the waiver process actually becomes an incurred cost of the Village.

Staff recommends that government entities pay permit fees as do private developers and no longer waive fees. This change would require code updates and therefore Village Board approval. This action would also be consistent with the intent of the reimbursement provisions that is set forth in Section 16 of Village Code.

School Districts are a special exception, in that interior permits are not received from the Village rather the State. However, if a school district resurfaced their parking lot, a permit from the Village would be required, and fees would be charged.

Questions have been raised as to whether this change in policy would negatively impact intergovernmental relations. In response, staff notes that these fees are unique to development project and not an ongoing cost. Also, the Village would still work closely with such governmental entities on planning activities, initial consultations and all other pre-application activities in the same manner as is currently performed.

COMMITTEE ACTION REQUESTED

Staff recommends that BOBA recommend approval of the elimination of the building permit fee waiver for government entities to the Village Board of Trustees. Any recommendation from BOBA will also be shared with the Economic and Community Development Committee (ECDC) and the Finance Committee prior to final consideration by the Village Board.