

VILLAGE OF LOMBARD
REQUEST FOR BOARD OF TRUSTEES ACTION
For Inclusion on Board Agenda

Resolution or Ordinance (Blue) Waiver of First Requested
 Recommendations of Boards, Commissions & Committees (Green)
 Other Business (Pink)


TO : PRESIDENT AND BOARD OF TRUSTEES

FROM: Scott Niehaus, Village Manager

DATE : June 11, 2018

(BOT) Date: June 21, 2018

SUBJECT: Text Amendments to the Village Code of Ordinances, Chapter
150.141(AA): Plan Review Fee Deposits for Major Developments

SUBMITTED BY: William J. Heniff, AICP, Director of Community Development 

BACKGROUND/POLICY IMPLICATIONS:

As part of the Village's ongoing fiscal review of development regulations and policies, the Community Development Department identified building permit fee deposit provisions for selected developments. This matter was reviewed by the Board of Building Appeals (BOBA) as well as the Economic and Community Development Committee (ECDC). Both entities unanimously recommended approval of the establishment of a plan review fee provision for Major Developments.

Please place this item on the June 21, 2018 Village Board agenda. The ECDC and BOBA recommend approval of the code amendments to Chapter 150 as it pertains to requiring a plan review fee deposit for Major Developments.

Fiscal Impact/Funding Source:

Review (as necessary):

Finance Director _____ Date _____
Village Manager _____ Date _____

NOTE: All materials must be submitted to and approved by the Village Manager's Office by 12:00 noon, Wednesday, prior to the agenda distribution.



MEMORANDUM

TO: Scott R. Niehaus, Village Manager

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

MEETING DATE: June 21, 2018

SUBJECT: **Text Amendments to the Village Code of Ordinances, Chapter 150.141(AA): Plan Review Fee Deposits for Major Developments**

As part of the Village's ongoing fiscal review of development regulations and policies, the Community Development Department identified the building permit deposit fees for selected developments. This matter was reviewed by the Board of Building Appeals (BOBA) as well as the Economic and Community Development Committee (ECDC). Both entities unanimously recommended approval of the establishment of a plan review fee provision for Major Developments.

Attached are the following documents for consideration:

1. The ECDC staff memorandum setting forth a plan review fee deposit for projects deemed to be Major Developments, as defined by the Subdivision and Development Ordinance, and;
2. An Ordinance establishing Chapter 150.141 (AA) of the Village Code setting forth the plan review fee deposit requirement for selected projects.


ACTION REQUESTED

Please place this item on the June 21, 2018 Village Board agenda. The ECDC and BOBA recommend approval of the code amendments to Chapter 150 as it pertains to requiring a plan review fee deposit for Major Developments.



MEMORANDUM

TO: Trustee Bill Johnston, Chairperson
Economic & Community Development Committee (ECDC) Members

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

MEETING DATE: February 12, 2018

SUBJECT: **Text Amendment to Section 150.141, Charging Upfront Review Fees for Major Development/Large Projects**

As part of an overall budget review process, Village staff was directed to various department budgets in anticipation of a budget shortfall for the 2019 calendar year. The focus was to be on charging right sized fees for work being done, and making sure costs are recovered for work that is requested by the prospective owner or developer.

One area staff identified was plan reviews for large projects that would meet the definition of a "Major Development" as defined in the Subdivision and Development ordinance. These very large projects would be projects such as the Mariano's that was recently built, the new Thornton's Gas station on North Avenue, or the Sam's Club that was to be built on Butterfield Road. These large projects can have plan review fees in the tens of thousands. Currently there is no requirement for the applicant to pre-pay any initial plan review fee. If the project does not go through, the tax payers can be left with the bill.

Staff completed a survey of 13 communities to see how others handled the same issue. Some communities charged a full plan review fee upfront, some charged a set deposit amount, and some did not charge anything upfront. It should be noted that some that responded to the survey state they would like the results of the survey as they were looking at the same issues.

Staff is proposing a deposit (\$10,000) be required that will work as a retainer to be drawn from as the project progresses. Any surplus would be applied as a credit to the final permit is issued to the applicant. This again would only be for very large projects that meet the definition of a Major Development (i.e., subdivision over 1 acre, new commercial developments and commercial expansion of 10,000 square feet in area). This would not apply to small or medium sized projects such as individual single family homes, garages, decks and the like.

It is important to note that this policy and code change would act more as an insurance policy to meet the overall Village goal of development paying its own way as opposed to creating a new revenue source.

ACTIONS TO DATE

Staff brought this matter to BOBA at their January 31, 2018 meeting and they recommended that that all major developments, as defined by existing Village Code, shall be subject to a \$10,000 deposit to cover initial building permit plan review at the time of application, with the applicant being required to pay for additional permit review costs incurred through the review process. All such collected fees shall be given a credit against the final permit fees at the time of permit issuance.

COMMITTEE ACTION REQUESTED

Staff recommends that ECDC concur with the BOBA recommendation draft code language as set forth above to require \$10,000 deposits for all “Major Developments” as defined in the Subdivision and Development Ordinance, to the Village Board of Trustees. Any recommendation from ECDC will also be shared with the Finance Committee prior to final consideration by the Village Board.

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ORDINANCE _____

**AN ORDINANCE AMENDING TITLE XV, CHAPTER 150, SECTION 150.141(AA)
OF THE LOMBARD VILLAGE CODE IN REGARD TO BUILDING PERMIT
PLAN REVIEW FEES AND DEPOSITS**

WHEREAS, the Lombard Board of Building Appeals met on January 31, 2018, to consider the Village Code amendment set forth below; and,

WHEREAS, the Lombard Economic and Community Development Committee met on February 12, 2018 to consider the Village Code amendment set forth below; and,

WHEREAS, the Lombard Economic and Community Development Committee and the Lombard Board of Building Appeals have filed their recommendations with the President and Village Board of Trustees, recommending approval of the Village Code amendment set forth below;

NOW, THEREFORE, BE IT ORDAINED BY THE PRESIDENT AND BOARD OF TRUSTEES OF THE VILLAGE OF LOMBARD, DU PAGE COUNTY, ILLINOIS, as follows:

SECTION 1: That effective January 1, 2019, Title XV, Chapter 150, Section 150.141 (AA) of the Lombard Village Code is hereby amended to read in its entirety as follows:

“(AA) Plan review fees.

- (1). Plan review fees shall be paid if the plan review has been completed by the Village and/or its agents. This fee shall apply even if the permit applicant withdraws the permit application, or does not pick up the permit.
- (2). Plan Review Fee Application Deposit - All major developments, as defined in Section 154.703 of this Code, shall be subject to a \$10,000.00 deposit to cover the costs of the initial building permit review and/or engineering plan review at the time of application, with the applicant being required to pay for additional building permit review and/or engineering plan costs incurred by the Village above and beyond said \$10,000.00 deposit, through the review process. In the event that the costs incurred by the Village, relative to the building permit review and/or engineering plan review, exceed \$10,000.00, the Village reserves the right to require the applicant to provide an additional deposit to cover the

anticipated additional costs to complete the review. All such amounts that are deposited with the Village, that are unexpended as part of the building permit review and/or engineering plan review process, shall be applied as a credit towards the final permit fees at the time of permit issuance.

- (3). Traffic Impact Advisory Services: In addition to all other fees established by this Section 150.141, all applications for building permits, and all applications for a Plan Commission, Zoning Board of Appeals or Village Board review, that have a substantial traffic impact as determined by the Inter-Departmental Review Committee, shall be accompanied by a deposit of \$1,000.00 to be used for traffic impact analysis services. If the Village's costs for such services exceed the deposit, the applicant shall reimburse the Village for the additional costs incurred by the Village. Any such reimbursement shall be made prior to the final consideration of the development proposal by the Village Board or prior to the issuance of a building permit, whichever occurs first. If such traffic impact analysis services costs are less than the deposit, the Village shall return the difference to the applicant. The total cost incurred by the applicant for such traffic impact analysis services shall not exceed \$10,000.00.

SECTION 2: That this Ordinance shall be in full force and effect after its passage, approval and publication in pamphlet form as provided by law.

Passed on first reading this ____ day of _____, 2018.

First reading waived by action of the Board of Trustees this ____ day of _____, 2018.

Passed on second reading this ____ day of _____, 2018, pursuant to a roll call vote as follows:

Ayes: _____

Nays: _____

Absent: _____

Approved by me this ____ day of _____, 2018.

Keith T. Giagnorio, Village President

Ordinance No. _____

Re: Amendments to Chapter 150.141 – Pre-payment of Review Fees

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ATTEST:

Sharon Kuderna, Village Clerk

Published by me in pamphlet from this _____ day of _____, 2018.

Sharon Kuderna, Village Clerk