

MEMORANDUM

TO: William T. Lichter, Village Manager

FROM: David A. Hulseberg, AICP, Director of Community Development

DATE: February 5, 2004

RE: Community Development Fee Schedule Modifications

Per the direction of the Village Board at the budget presentation meeting, staff presented the Community Development fee schedule review at the January 20, 2004 Finance Committee meeting. The Committee reviewed the proposed fee modifications as recommended by Village staff and recommends approval to the Village Board.

BACKGROUND

Staff completed a review of the public hearing fee schedule in 2003. The intent of this review is to ensure that the Village is assessing reasonable review and approval fees of items under the purview of the Department of Community Development. Staff notes additional review costs, increases in out-of-pocket expenses, mandated costs and consultant activities fees as costs that are borne by the Village but are not always covered through the public hearing fee process. Staff recommends various changes to tie the associated development review costs to the costs and efforts required to process a petition.

The second phase of the analysis looked at the costs associated with processing zoning petitions. Staff utilized three differing methodologies (i.e., staff cost review, inflation analysis, and a review of neighboring communities) to determine the actual costs of processing petitions. Each of these analyses found that the current Village fee schedule did not reflect the actual costs of development review.

As proposed, the typical Zoning Board of Appeals variation petition will increase from \$100 to \$350. Plan Commission public hearing costs will also increase and will be subject to the specific actions requested of the Commissioners. For any request that requires a public hearing notice in a local newspaper, the petitioner will also be charged an additional flat fee of \$200 for the newspaper notification. Lastly, for cases in which a court reporter is needed, staff will include a \$35 fee for their services. These last two costs are direct costs currently borne by the Village each month to process the respective cases.

It is important to recognize that Community Development staff spends a substantial amount of time preparing the public hearing requests and providing proper legal notice, pursuant to State Statutes and local regulations. While some surveyed communities (9 of 12) may include this fee

within their overall fee schedule, others charge an additional fee. Others make the public hearing notification the responsibility of the petitioner. In review of all of the municipalities, the communities that take care of all notification activities tend to charge higher fees.

Lastly, the Private Engineering Services Division is proposing amendments to their respective fee schedules to reflect the costs of project review.

ACTION REQUESTED

The Finance Committee has reviewed Community Development's report and recommends approval of Ordinances amending the fee schedule and creating a new Chapter to the Village Code associated with recovery of fees.

M:cd/worduser/budget/04-05/WTL memo fee schedule