

KANE COUNTY

MARTIN, Barreiro, Frasz, Hanson & Surges

COUNTY DEVELOPMENT COMMITTEE LAND/CASH SUBCOMMITTEE

TUESDAY, MAY 14, 2019

County Board Room

Agenda

9:45 AM

Kane County Government Center, 719 S. Batavia Ave., Bldg. A, Geneva, IL 60134

1. Call to Order

2. Approval of Minutes: February 19, 2019

3. Discussion: Land/Cash Fees

4. Adjournment

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REVIEW OF LAND/CASH ORDINANCE

Overview of Process-

- Residential Developments are required to pay impact fees or donate land to Schools/Parks, based on the additional people the development will generate.
- The School/Park District will indicate which they prefer, fees or land.
- Fees are based on the number of bedrooms in the residence.
- A standard formula is used the calculate the fees.

REVIEW OF LAND/CASH ORDINANCE

Overview of Process (continued)-

- The fees are collected by the County prior to the recording of the subdivision.
- The money collected is held by the County until requested by the School/Park.
- Payouts to Schools/Park is a four step process.

REVIEW OF ORDINANCE IN SURROUNDING COMMUNITIES/COUNTIES

What we looked at-

- Reviewed ordinance from 15 communities and the surrounding counties.
- Information was obtained from published ordinances and/or speaking with a representative from the community.
- Compared when they determine the fees, when the fees are paid, and who collects the fees.
- Obtained information on how fees were forwarded to Schools or Parks following collection.
- Checked Kane County formula and constants against other agencies.
- Noted unique requirements of communities.

KEY POINTS WHERE KANE COUNTY DIFFERS

- Most communities collect cash fees at the time of building permit. This captures the unplatted/Plat Act parcels. Kane County collects at platting.
- Communities that collect fees at time of platting, have within their ordinance that 4 bedrooms will be used in the calculation. Kane County uses the policy of 3 bedrooms.
- The "population per unit" table Kane County uses is from 1993.
 Communities vary, but most are based on the 1996 table.
- Surrounding Counties require the fees be paid directly to the School/Park. Most communities collect the funds and pay out on set schedules (i.e., quarterly).

WHERE DO WE GO FROM HERE...

- Article V should be reviewed/revised/updated to include:
 - Using a more current "population per unit" table
 - Collection of fees for unplatted lots at time of building permit
 - Incorporate a standard for the minimum number of bedrooms to be used in the calculation of fees
 - Reorganize/reformat the Article for ease of use
 - Ensure contradictions with other ordinances does not exist
- Host a symposium with Schools/Parks to ensure their concerns are being met by the County.
- Create a routine dialog with School Districts and Parks that occupy the majority of the unincorporated development.

COUNTY OF KANE

KANE COUNTY DIVISION OF ENVIRONMENTAL & WATER RESOURCES

Jodie L. Wollnik, P.E., CFM Director



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Staff Presentation

May 14, 2019

To: Kane County Development Committee

From: Jodie Wollnik, EWR Director

Deanne Orlik, Technician

RE: Review of current Land/Cash Ordinance

In conjunction with the year-end review of the Land/Cash status with the Regional Superintendents Office, Water Resources reviewed Article V, 'Dedication of School/Park Sites or Payment of Fees in Lieu Thereof' from the Kane County Subdivision Regulations, dated October 9, 2012.

It is worth noting that this section of the Ordinance has been in place since its adoption on May 10, 1994. In February of 2002, the Board approved two revisions to the Ordinance; 1) the acreage for a school site was increased for elementary, middle and high school sites, and 2) the Fair Market Value for an acre of land was increased to \$80,000 from \$45,000.

In an effort to begin the process of evaluating the current Ordinance, Water Resources reviewed the code (process/fees/standards) for several communities within the county, as well as the surrounding counties. The results of that query are attached. Information was obtained from their code books and/or speaking with an employee of the community. In general, we found the Kane County Ordinance has areas that can be improved. A few of the significant differences in how Land/Cash is collected or determined are as follows:

- 1. Our fees for the schools/parks are collected at the time of platting. These lots can remain vacant for a number of years. A subdivision that was platted in the late 1990's but developed in 2019, would not be contributing to the schools/parks at todays costs. For reference, the fair market value for an acre in 1990 was \$20,000. We found most of the communities calculate and collect the land/cash fees at the time of building permit.
- 2. Land/Cash is based on the number of bedrooms that will be constructed within a residence. In most cases, the number of bedrooms is not known at the time of platting. To address that unknown, Kane County has simply used a 3 bedroom standard to arrive at a fee. Elburn follows this same process, but will charge an additional fee at the time of building permit should the new development exceed 3 bedrooms. In the event it has fewer than 3 bedrooms, they will refund the difference, but there is a 3 year limit on the refund. In Geneva, all residences are assumed to be 4 bedroom.
- 3. As land/cash is assessed at the time of platting, we do not have a mechanism to capture fees for residential buildings that are constructed on metes and bounds lots (also referred to as unplatted lots, unsubdivided or Plat Act lots). Currently these new homes do not appear to contribute to the land/cash

- fees. We found surrounding counties have additional verbiage in their ordinance that allows the impact fees to be collected at the time of building permit for the unplatted lots.
- 4. Our current table to determine 'population per unit' is from a Naperville study done in 1993. The last Naperville study we can find was done in 1998. Most communities use the Naperville, 1996, study as their base, and some increase the values on an annual basis. We found in Burlington, the 'population per unit' can be more than double the values for Kane County. For example, our single family 3 bedroom is valued at 0.142 (at fair market value of \$80,000) for a high school student. In Burlington, that same value is 0.301 (at fair market value of \$65,000). This difference yields an additional \$440 per residence in Burlington just at the high school level. Comparison of the elementary and middle school levels, showed similar results.
- 5. A few of the surrounding communities have verbiage in their code that allows them to assess fees to new development within 1.5 miles of their corporate limits. We could find no examples where a community had actually pursued that option.
- 6. The Village of Hampshire uses a transition fee in addition to the Land/Cash fee. The transition fee is equivalent to 18 months' worth of taxes for the schools and parks. Both the transition fee and the Land/Cash fee are due at the time of building permit.

Recommendations:

- The manner in which the impact fees are calculated is fairly consistent throughout the communities and surrounding counties. The method currently being used in the County should not be revised. However, Kane County should consider updating its "population per unit" table to the Naperville 1996 model. This model is widely used in the County.
- Section 19-6, Subdivisions (5), states land/cash fees are to be assessed when the Plat Act is used to create 5 acre lots. However, the County does not have a mechanism to be advised of the creation of these parcels, and fees have not been collected. This section needs to be reviewed/revised.
- If fees are to be collected at the time of platting, the County should use a minimum of 4 bedrooms. Discussion should occur to determine if this is ordinance or policy.
- Fees for Plat Act/unplatted lots should be collected at the time of building permit.
- The County should explore the option of having the fees paid directly to the School District and/or the Park District. The developer/builder would need to provide proof of payment prior to the plat being recorded and/or a building permit being issued.
- The current Land/Cash Ordinance, Article V, should be reviewed and updated to include items such as indemnity, collection process for unsubdivided lots, etc. The general format can be improved for easier use.
- There are 4 school districts that appear to have the majority of unincorporated and unplatted parcels in Kane County, District 300, Central 301, Kaneland 302 and Hinckley Big Rock 429. Kane County should work with these districts to ensure that we will meet their district standards.
- Kane County should consider hosting a symposium with the various school districts and parks to ensure that concerns or issues are addressed. For example, in 2008, a number of superintendents in Kane County recommended that the acreage required for a high school be adjusted upwards, from 80 acres to 108 acres. This recommendation has not been reflected in our Ordinance. For the Committees reference, we have included areas for high schools built within the area. Please note the areas are derived from Kane County Maps, and are approximations.

School	Enrollment	Acres	School	Enrollment	Acres
St. Charles North	2,025	75	Kaneland 302	1,300	155
St. Charles East	2,515	70	Hinckley-Big Rock 429	202	15
Geneva	1,935	50	Central 301	1,080	75
Batavia	1,900	45	Larkin	2,080	45
Hampshire Dist. 300	1,640	100	U-46 South Elgin	2,673	70

			Calculation o	of Impact Fees for Scl	nools/Parks for vari	ous jurisdictions	in Kane County			
Municipality/Village	When are fees determined?	When are fees paid?	Who collects the fees?	If fees are paid in lieu of land donation, when are fees provided to the School District?	Current land value used to calculate fee and the year it was implemented	Students for each classification elem/mid/high	Acreage for each classification elem/mid/high	Table of Ultimate Population Per Dwelling Unit/Children per Unit	Commercial or industrial Fees?	Park Ratio #Ac /#population
Kane County	At Plat Recording	At Plat Recording	County	When requested by District and holdharmless is submitted	\$80,000 - (2012)	600/900/1500	15/35/80	Naperville, 1993	No	10 Ac/1000 Pop
Hampshire	At Annexation	At Building Permit	Village	When requested	\$61,205 - (2015)	670/850/1500	15/25/70	Naperville, 1997	Yes - Based on SF of building	10 Ac/1000 Pop
Hampshire has both Trar	nsition fees and Impact fees	. Transition fees are desig	ned to cover the 18 months b	efore taxes would be collecte	d by the Schools/Parks. Trans	sition fees are paid imme	diately to the Schools/Parl	s.		1
Huntley	At Annexation	At Building Permit	Village	From time to time and they do require holdharmless agreement	\$120,000 - (2005) (+5%/year)	750/1500/2500	12.5/35/55	Naperville, 1996	No	10.5 Ac/1000 Pop
Huntley has within their	code that they can charge f	ees up to 1.5 miles outsid	e of their corporate limits.							
Carpentersville	At Building Permit	At Building Permit	Village	Paid out twice a year to schools, no holdharmless agreement required	\$135,000 - (2007)	600/750/2500	15/30/80	Naperville, 1998	No	6 Ac/1000 Pop
Burlington	At Plat Recording	At Plat Recording	Village	Unknown	\$40,000 - (2012) (the text indicates \$40,000 but the dollar amount shown is \$65,000)	600/900/2300	14/24/60	Not identified, Significantly different	Yes - Based on SF of building	10 Ac/1000 Pop
Burlington has within the	eir code that they can charg	e fees up to 1.5 miles outs	side of their corporate limits.							
Elgin	At Building Permit	At Building Permit	Municipality	Paid out monthly to schools, no holdharmless agreement required	\$85,000 - (2018) (+CPI/year increase)	600/1200/2500	11/29/55	Naperville, 1998 or current unit formula	No	10 Ac/1000 Pop
Virgil				Virgil h	as adopted Kane County Sub	division Ordinance as the	ir base			
Campton Hills	At Plat Recording	At Building Permit	Village	When requested by District and holdharmless is submitted	\$195,000 - (2018)	600/900/1500	15/35/108	Naperville, 1996	No	10.5 Ac/1000 Pop
St. Charles	At Plat Recording	At Building Permit	Municipality	When requested by District and holdharmless is submitted	\$240,500 - (2018)	600/900/1500	15/35/108	Naperville, 1996 (does not agree with other charts of same year)	No	10 Ac/1000 Pop
St Charles has within the	ir code that they can charge	e fees up to 1.5 miles outs	ide of their corporate limits.	This is based on a land value o	f \$175,000.					
Kaneville				Kaneville	has adopted Kane County Su	ubdivision Ordinance as th	neir base			
Elburn	At Annexation	At Plat Recording	Village	When requested by District and holdharmless is submitted	\$30,000 - (2015)	525/600/1500	11/29/53	Not identified, Slightly different	No	8 Ac./1000 Pop
Elburn assumes 3 bdrm f	or Single Family and 2 bdrm	n for Multi. If construction	is fewer or more rooms the o	difference is refunded/charged	at time of building permit. (3 year limit on refunds, 1	.0 year limit on charges)			
Geneva	At Plat Recording	At Plat Recording	Municipality	Paid out within 30 days	\$275,000 - (2018)	525/600/1500	11/29/53	Not identified, Slightly different	No	10 Ac/1000 Pop
Geneva also has a table f	for determining number of b	bedrooms when the actua	l building is not known. Single	e family is always assumed to	pe 4 bedrooms		1	1		
Batavia	At Plat Recording	At Plat Recording	Municipality	When requested	\$125,000 - (2016)	600/1200/2000	11/28/50	Not identified, Slightly different	No	10 Ac/1000 Pop
Batavia assumes each platted lot is 3 bedroom. At time of building permit, if the building has more bedrooms, an additional fee is charged. Park fees have a separate table for Population per Unit. Age targeted development is not subject to land/cash fees.										
Big Rock	Unable to locate information regarding impact fees assessed by the Village of Big Rock.									
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Calculation of Impact Fees for Schools/Parks for various jurisdictions in Kane County										
Municipality/Village	When are fees determined?	When are fees paid?	Who collects the fees?	If fees are paid in lieu of land donation, when are fees provided to the School District?	Current land value used to calculate fee and the year it was implemented	Students for each classification elem/mid/high	Acreage for each classification elem/mid/high	Table of Ultimate Population Per Dwelling Unit/Children per Unit	Commercial or industrial Fees?	Park Ratio #Ac /#population
Sugar Grove	At Annexation	At Building Permit	Village	Paid out quarterly to schools, no holdharmless agreement required	\$80,000 - (2018)	600/900/1500	15/35/80	Naperville, 1997	No	10 Ac/1000 Pop
Aurora	At Annexation	At Building Permit	Municipality	Paid yearly to District	\$127,256.35 - (2019) Improved Parcel \$84,837.56 - (2019) Unimproved Parcel	600/900/2300	11/29/53	Based on Naperville 1996, but increased annually per CPI	No	10 Ac/1000 Pop
Aurora has a fee chart for	schools and parks based o	n bedrooms								
Calculation of Impact Fees for Schools/Parks for various surrounding Counties										
DuPage County	At Plat Recording	At Building Permit	Schools/Parks	Land/Cash paid directly to the school/park	Fair Market as determined by the schools and the county	600/900/1500	11/29/45	Naperville, 1996	No	5.5 Ac/1000 Pop
DuPage does not appear t	DuPage does not appear to have a means to collect from Plat Act lots.									
Kendall County	Other	Other	County	Paid out quarterly to schools, no holdharmless agreement required	\$72,680 - (2014)	850/1125/3200	15-20/30/110	Naperville, 1996	No	10 Ac/1000 Pop
For Subdivisions over 3 lo	ts and non-platted Subs, fe	e is paid at Bldg permit. C	therwise, assumption is mad	e that all bldgs are 4 bdrms. Fe		cted at the time of platting	, fees for Plat Act lots are o	collected at the time of buil	ding permit	
DeKalb County	At Plat Recording	At Building Permit	Schools/Parks	Land/Cash paid directly to the school/park	Fair Market as determined by the schools	600/750/1500	11/28/45	Naperville, 1996	No	10 Ac/1000 Pop or for Single Family Only May Be Reduced to 5 Ac/1000
While this is the ordinance, it hasn't been used for 30 years. DeKalb does not collect Land/Cash fees. They do not recognize lots, split using the Plat Act, and deny building permits to such lots. They force all residential development to be within municipalities.										
	Other	Other	Schools/Parks	Land/Cash paid directly to the school/park. Idemnification is filed anually.	Determined by market analysis on an annual basis.	450/600/1500	20/30/55	Naperville, unknown yr.	No	Unable to locate information
McHenry County will require proof of payment at building permit. For one year, beginning October 2018, the county is waiving fees for schools. Fees for platted lots are collected at the time of platting, fees for Plat Act lots are collected at the time of building permit.										

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