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**VILLAGE OF SUGAR GROVE  
BOARD REPORT**

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**TO:** VILLAGE PRESIDENT & BOARD OF TRUSTEES  
**FROM:** WALTER MAGDZIARZ, COMMUNITY DEVELOPMENT DIRECTOR  
**SUBJECT:** DISCUSSION: RESIDENTIAL STIMULUS PROGRAM CAP FEE  
**AGENDA:** SEPTEMBER 20, 2016 REGULAR VILLAGE BOARD MEETING  
**DATE:** SEPTEMBER 15, 2016

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**ISSUE**

Should the Village approve the Residential Stimulus Program Cap Fee for the next twelve months.

**DISCUSSION**

On November 3, 2015 the Village Board adopted a Resolution for a Residential Impact Fee/Transition Fee Rebate Program (commonly referred to as the Stimulus Program) that capped building permit fees at \$16,500.00 for the following twelve months. That Program is due to expire on October 31, 2016.

Given that the active residential developments (Hannaford Farm, Meadowridge Villas, and Prairie Glen) are subject to fee arrangements dictated by their respective annexation agreements, the stimulus program directly benefits a very small number of new home permit applications. During the past year the Stimulus Program cap was not applied to any new single family building permit because the building permit fees did not exceed the cap amount.

**COSTS**

There is no direct cost associated with the program.

**RECOMMENDATION**

Since the program is undermined by the annexation agreements and has not benefitted any new home construction in the Village for the past two years, and the new home construction market appears to have reached a new normalcy, it is our recommendation that the Residential Stimulus Program not be renewed for 2017.