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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:** RESOLUTION: AUTHORIZING REDUCTION IN THE VILLAGE'S NEW HOME FEE  
**AGENDA:** FEBRUARY 4, 2020 VILLAGE BOARD MEETING  
**DATE:** JANUARY 31, 2020

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**ISSUE**

Shall the Village Board approve a resolution authorizing a reduction in the Village's new home fee.

**DISCUSSION**

At the January 7, 2020 meeting of the Village Board, Board members discussed the merits of reducing the capital development fees charged to new residential building permits. Capital development fees are one portion of the total building permit fee charged to persons obtaining a building permit to construct a new home in Sugar Grove.

The Village Board agreed that reducing the capital development fees to a value that has been applied to other distressed subdivisions was fair and sensible for all undeveloped lots and directed Village staff to implement the change. The attached Resolution is the implementation strategy Village staff recommends the Village Board adopt.

The Resolution will fix the building permit fee to \$17,850. This fee does not include deposits and escrows the Village normally collects for street damage and cleaning, street tree purchase and other similar expenses associated with new construction. Adoption of the Resolution will not change active annexation agreements. In those instances, the Village will continue to approve case-by-case annexation agreement amendments to change the capital development/building fee in certain subdivisions. However, the Resolution will provide the ceiling for such future amendments.

The Resolution has an expiration date of April 30, 2021. Village staff anticipates presenting a similar Resolution prior to the expiration date with an updated value for the cap amount.

**ATTACHMENTS**

- Resolution Authorizing a Reduction in the Village's New Home Fee

**COSTS**

There is no cost with approval of the Resolution since this is not an out-of-pocket expense to the Village.

**RECOMMENDATION**

That the Village Board approve a Resolution Authorizing a Reduction in the Village's New Home Fee, subject to Attorney review.



## RESOLUTION NO.2020-0204A

### A Resolution Authorizing a Reduction in the Village's New Home Fee

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**WHEREAS**, the Village of Sugar Grove (“Village”) is not a home rule municipality within Article VII, Section 6A of the Illinois Constitution, and accordingly, acts pursuant to the powers granted to it under 65 ILCS 5/1-1 *et seq.*; and,

**WHEREAS**, the Village has in effect ordinances regulating zoning, subdivision, improvement of land, and building permits, which include provisions for applicable fees related thereto; and,

**WHEREAS**, the Village also has entered into a number of annexation agreements, each of which establishes a schedule of fees for certain types of development and permitting; and,

**WHEREAS**, the Board of Trustees recognizes that since the inception of each respective fee schedule, external conditions have changed in such a manner that necessitates greater consistency and equity in the application of certain building and permitting fees in order to encourage development throughout the Village; and,

**WHEREAS**, accordingly, the Board of Trustees finds it necessary and proper to establish a maximum cap on its new home fee from the effective date of this Resolution through April 30, 2021.

**NOW THEREFORE BE IT RESOLVED** by the President and Board of Trustees of the Village of Sugar Grove, Kane County, Illinois, as follows:

#### **MAXIMUM FEE IMPOSED FOR NEW HOME**

A maximum fee shall be established for the construction of new homes as follows:

1. The Village's new home fee shall not exceed \$17,850.00 for any single permit.
2. The aforementioned cap on the Village's new home fee shall remain in effect through April 30, 2021.
3. Properties subject to fees established by annexation agreement shall petition the Board of Trustees for a lot-by-lot amendment to any such agreement in accordance with the procedure set forth in said agreement to seek the relief established by this Resolution. Notwithstanding the foregoing, the fee cap set forth in this Resolution shall not be construed to encompass or replace additional financial obligations otherwise existing which may be specific to a property.

**REPEALER**

All resolutions or portions thereof in conflict with this Resolution are hereby repealed.

**SEVERABILITY**

Should any provision of this Resolution be declared invalid by a court of competent jurisdiction, the remaining provisions will remain in full force and effect the same as if the invalid portion had not been a part of this Resolution.

**PASSED AND APPROVED** by the President and Board of Trustees of the Village of Sugar Grove, Kane County, Illinois, this 7<sup>th</sup> day of May 2019.

ATTEST:

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P. Sean Michels,  
President of the Board of Trustees

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Cynthia L. Galbreath,  
Village Clerk

	Aye	Nay	Absent	Abstain
Trustee Sean Herron	___	___	___	___
Trustee Ted Koch	___	___	___	___
Trustee Jen Konen	___	___	___	___
Trustee Heidi Lendi	___	___	___	___
Trustee Rick Montalto	___	___	___	___
Trustee Ryan Walter	___	___	___	___