Kane County Road Improvement Impact Fee Advisory Committee

Kane County Government Center County Board Room

Meeting Minutes - January 17, 2007, 1:00 p.m.

Members in Attendance:

Chairman Don Wolfe	Kane County Board
Vice Chairman Frank Griffin	Kane County Economic Development Advisory Board
Larry Keller	President, Village of West Dundee
Sharon Gorrell	Fox Valley Association of Realtors
Jeffrey Schielke	Mayor, City of Batavia and representing the Tri-Cities
Christine Ludwiszewski	Attainable Housing Alliance
Catherine Hurlbut	Kane County Board
Jan Carlson	Kane County Board

Others Present:

Gerald Jones	Kane County Board
Holly Kissane	Kane County Board
Phillip Lewis	Kane County Board
John Fahy	Kane County Board
Carl Schoedel	Kane County Division of Transportation
Tom Rickert	Kane County Division of Transportation
Jerry Dickson	Kane County Division of Transportation
Steve Coffinbargar	Kane County Division of Transportation
Heidi Files	Kane County Division of Transportation
Patrick Jaeger	Kane County State's Attorney
Karl Fry	Intersect LLC, Consultant for Kane County
Scott Buening	Village of Sugar Grove
Perry Clark	Village of Sugar Grove
Dan Vogel	Sugar Grove Township
John Noble	City of Batavia
Clyde Sana	Centex Homes
Brian Townsend	City of St. Charles
Ken Smith	Village of Huntley
Mary Randle	Metro West COG
Doug Porch	Village of Big Rock
Anne Marie Goura	Village of Montgomery
David Hollander	Kimball Hill Homes
Richard Young	Kimball Hill Homes
Dan Lynch	Village of Wayne
Scott Marquardt	Village of Carpentersville
Joe Callaghan	Village of West Dundee
Sue McLaughlin	Village of North Aurora

I. CALL TO ORDER

Chairman Wolfe called the Kane County Road Improvement Impact Fee Advisory Committee meeting to order at 1:05 p.m.

II. ROLL CALL/

A quorum was established with eight (8) voting members present.

IV. APPROVAL OF MINUTES (December 6, 2006 and December 20, 2006 meetings)

The minutes of December 6, 2006 were approved on motion by Schielke, seconded by Keller. Motion carried by voice vote of 6-0.

The minutes of December 20, 2006 were approved on motion by Schielke, seconded by Keller. Motion carried by voice vote of 6-0.

V. RECEIVING COMMUNICATIONS -

Letter dated January 9, 2007 to Chairman Wolfe from Colin McRae, CEO for Attainable Housing Alliance.

III. PUBLIC COMMENTS

Citizen Hal Cattron reported that the minutes posted on the county's website were dated from April 2006. He asked that they be posted sooner. Coffinbargar stated the minutes were on the website but one had to go to the specific link for the latest meetings. (Hurlbut arrives.)

Village of Sugar Grove President, Sean Michaels, discussed the positives resulting from the Sugar Grove, Aurora, and Montgomery land plan ("SAM Plan"). The village was implementing a $5,000 per unit fee to improve Gordon Road. Another project was receiving $7,000 per unit for other municipal road improvements. He stated the plan was working just like the county's. However, he stated the village would like to request that the projects in the SAM Plan be added to the CRIP list in order for the developers to receive their credits. The information was passed to Mr. Carl Fry. Mr. Michaels stated the village does support the county proposing a fee schedule. Carlson asked that Mr. Michaels send him an e-mail of the village's current impact fees and the projects he referenced.

VI. REPORTS - None

VII. OLD BUSINESS

A. Review of Accomplishments to Date - Mr. Fry reviewed a PowerPoint presentation summarizing the requirements of the Road Impact Fee legislation, the concerns raised when the first ordinance was passed by the committee, and the committee's goal in September 2005 to revise the Impact Fee ordinance to be more equitable. He explained that to date, the accomplishments have included: a facilities-driven approach; exempt land uses have been re-examined; and three new service area boundaries have been established that reflect the county's travel patterns. Additionally, the committee developed a new fee discount program which was the first in the State of Illinois with requirements to reach a 40% discount. An additional 30% discount could be reached for in-fill and higher density sites. A draft Comprehensive Improvement Plan was developed as well as a preliminary fee schedule for reduced fee variances. (Gorrell arrives). Lastly, he stated a draft CRIP list was developed at a total cost of $1.2 billion. Mr. Fry recalled that the committee discussed a phase-in process for fee schedule over a five-year period. Additional issues to be considered included Site-Specific Development Approval to be grandfathered in under the current fee schedule; the county board considering Stearns and Longmeadow bridges as toll bridges (in order to reduce fees by 10%); and the county board to consider the adoption of an additional two cent gas tax.

For clarification purposes, Hurlbut stated the chart referencing the 32% to 64% figures was not an agreement by this committee and was just a recommendation by Mr. Schielke. Mr. Fry agreed there was no agreement on those figures. Griffin asked if the figures for the four categories under the Draft Comprehensive Road Improvement Plan existed, wherein Mr. Fry stated that he could provide the figures but he did not have them at this time. Griffin questioned how much of the $1.2 billion would go toward the Randall Road Corridor. Because the State identified no deficiency on Randall Road, Griffin believed that new development should not be responsible to pay for the corridor.

B. Staff Response to Comments on Draft CRIP - Mr. Fry reviewed staff's response to new comments received on the draft CRIP Project list in detail. (See "Staff's Response to Comments on Draft CRIP Project List"). Comments were also received from the Cities of Geneva, Batavia, St. Charles, and from the Tri-Cities.

C. Impact Fee Schedule - Mr. Fry recalled that the proposed percentages of the Impact Fee Schedule on the overhead were the figures discussed at the prior meeting. Staff distributed copies of last month's fee schedule for comparison purposes. Per Ms. Ludwiszewski's question, Mr. Fry clarified than the adjustment of 90% made for the Day Care category would be 10% of the figure. Wolfe also reminded the members that the goal discussed at the last meeting was to phase in the fees to reach an average of 60% over the first five years and after that the committee would discuss whether to increase the figure to 80%. On behalf of the municipalities, Mayor Schielke agreed that the increase was significant but it would be more palatable between the services areas if it was phased in, given that the real estate market was somewhat depressed at the moment. He viewed the document as being fluid and the fees could be changed at any time by the county board. However, from a municipal perspective, the phase-in allowed some breathing room to adapt to the fees. Wolfe agreed but reiterated that making comparisons to the prior "needs-based" approach was not a good comparison to what was being presented. He noted that if the fee schedule becomes a negative impact to the development it can be fine-tuned. Keller agreed with Schielke and Wolfe, however, he believed some of the responsibility should be placed on new development as well as the current residents since both would benefit. Hurlbut reiterated that the municipalities needed to understand that the county would like to see an average of 60% over five years, noting that when the 40% to 70% discounts were factored in, the fees were reduced. Discussion followed that projects could have discounts, exemptions, and credits for improvements. Griffin believed those figures should reflect less trip generation. Hurlbut explained that by reducing the figure to 60% the trip generation was already being taken into consideration. Ludwiszewski commented that she was skeptical that the figures on the screen were going to result in a 70% decrease in the near future since over the past 20 years only two projects came to mind that would qualify for the 70% discounts, i.e., Pace and Metra services. Wolfe explained there were other ways for developers to receive credits besides placing developments near Pace and Metra.

Griffin submitted to the committee a letter he received from the Village of Sycamore city's manager regarding the city's financial impact study. In reviewing the financial figures from the study, Griffin's overall concern was the impact of the commercial and industrial dollars being lost because of the market slow down and the additional costs of finding money. Regarding the 80% fee schedule figures, Griffin said he was not against the 80% but rather, concerned about who would be paying for it. Wolfe discussed the initial goal of the program was to reduce congestion and to look at the larger picture, reminding the committee that an economic cost existed and the committee was trying to determine how much new development could bear without driving it away. Griffin questioned how the dollars would be affected if the Randall Road projects were removed from the CRIP. Wolfe, however, reminded the committee that the State's traffic generation manual indicated what the county's roads would bear because of new development. Griffin stated otherwise. Regarding Randall Road, Hurlbut clarified that the projects in the CRIP were projects that would be paid by new development. Current projects underway were ineligible. Numerous projects on Randall Road existed that were ineligible because they were based on current traffic volumes. It was new projects caused by new construction after this program would be adopted. Griffin believed using Sugar Grove, as an example, the proposed figures were wrong.

Mayor Schielke, in discussing his involvement with the CATS Transportation Policy Committee, which programs and plans road improvements to the region, reiterated that money for transportation was short at the state and federal level and new money would have to be generated. Discussion followed on how to institute the grandfather clause, wherein Hurlbut recommended it be instituted across the board and be grandfathered to a specific date. Griffin suggested that the committee approach it as applying the current formula to those projects in the pipeline as opposed to changing the numbers. Mr. Fry explained the committee could determine the site-specific development approval date for instituting the grandfathering phase and begin, for example, 60 days after that date, or, determine the length of the grandfathering phase. Hurlbut agreed the grandfathering process had to be easy. Griffin, however, asked when a project was grandfathered was there any trigger method available to the developers to return for a credit, wherein Mr. Fry stated it would depend upon how the ordinance was worded. Wolfe asked for direction from staff. Mr. Fry conveyed that the development process could vary from project to project and take up to 18 to 24 months. He recommended a range for this committee to consider. Ludwiszewski commented that it could take four to five years for residential development to build out. **Hurlbut moved that any project that is site specific prior January 1, 2008, be grandfathered under the old fees for two years. Any project that is site specific after January 1, 2008, will be based on the agreed upon percentage beginning the third year, seconded by Carlson.** Discussion followed on how the increased fees would be passed along and the fact that the fees were just a recommendation prior to the public hearing. **Roll call: Ayes: Griffin, Gorrell, Schielke, Keller, Ludwiszewski, Hurlbut, Carlson. Nays: None. Motion passed. Vote: 7-0.**

Hurlbut moved to begin the fees at 32% of 100% and end at 80% of 100% over five years which means an increase per year of 12% over the five years, seconded by Griffin. Griffin commented that he still wanted to find funding through another avenue. Mr. Fry suggested that Griffin not consider basing percentages on the actual fee schedule, since the figures were not final. Asked whether funding research for the Stearns and Longmeadow Bridges becoming toll bridges or raising the gas tax were being considered, Mr. Fry stated the point was that staff was considering every option and if the two considerations were instituted, an automatic reduction in the fee would need to be considered. Wolfe voiced his dissent with staff about raising the two issues at all. **Roll call: Ayes: Hurlbut, Carlson. Nays: Griffin, Gorrell, Schielke, Keller, Ludwiszewski. Motion failed. Vote: 2-5.**

Mayor Schielke moved to begin the fees at 32% and end at 64% in Year 5, seconded by Keller. On a personal note, Wolfe, summarized that the cities' perspective on the fees were not favorable, however, if the fees were to be implemented, they were to begin at a very low fee while being allowed to add projects to the CRIP and be prioritized. He questioned the motion. Keller asked whether the county board could ask this committee to reconvene and to increase the amounts, wherein Mr. Fry stated that statute required that this committee meet annually to review the progress for implementing the CRIP. He believed adjustments could be made by the county board. Hurlbut reiterated that while the municipalities wanted the fees as low as possible, she cautioned the committee that the county board members on the committee believed that 60% was an average that allowed some of the roadway projects to get done for the cities' developments. If the fees were lowered than that, the projects would not get completed. The county was trying to respond to the developers in order to meet the projects. Griffin reiterated that other funding should be considered. **Roll call: Ayes: Griffin, Gorrell, Schielke, Keller, Ludwiszewski. Nays: Hurlbut, Carlson. Motion passed. Vote: 5-2.**

D. Implementation Options for New Impact Fee Schedule - See above discussion on grandfathering.

VIII. NEW BUSINESS

A. Recommendation of Public Hearing Date (April 11, 2007) Carlson moved to accept the April 11, 2007 public hearing date, seconded by Hurlbut. Motion carried by voice vote of 7-0.

B. Next Steps- Staff was still working on the project list and fee schedule. The final CRIP project list will be presented at the public hearing. The fee schedule will also be finalized based on today's discussion. After the public hearing, this committee will have 30 days to make its recommendation to the county board (by early May, 2007). Based on that recommendation, the new ordinance would go to the county board at its June or July meeting date. Mr. Fry recommended that the ordinance be effective immediately.

C. Schedule Next Meeting - Per Mr. Fry, the next meeting will be scheduled for late February or early March. Staff will firm up the date.

Griffin voiced his concerns about refunds and the fact that a developer or a homeowner could not provide evidence that they paid a fee. Mr. Fry clarified it was matter of who was entitled to the refund and suggested that Griffin bring his suggestions to the next meeting. Mr. Fry reminded the committee that the county had 15 years to spend the money from the fees. Dir. Schoedel stated the issue was very rare and offered to meet with Griffin on the matter and bring more information to the next meeting, if requested.

Chairman Wolfe opened up the meeting to public comment by the developers. A citizen asked for clarification of the term "Affordable Housing."

IX. ADJOURNMENT

The meeting was adjourned at 3:15 p .m. on motion by Carlson, seconded by Keller. Motion carried by voice vote of 7-0.

Celeste Weilandt
Recording Secretary