

**CHANNAHON PLANNING AND ZONING COMMISSION
MEETING**

October 8, 2012

Chairperson Karen Ciarlette called the meeting to order at 6:02 pm.

Chairperson Ciarlette led the Pledge of Allegiance.

Chairperson Ciarlette asked for a Roll Call.

Commissioners present: Karen Ciarlette, James Proffitt, Casey McCollom, Chantal Host, Jed Barker, Phil Loizon and Jeff Simon.

Also present were Director of Community Development Mike McMahon and Village Attorney Dave Silverman.

A quorum was declared present.

Approval of the September 10, 2012 Minutes

James Proffitt made a motion to approve the September 10, 2012, meeting minutes. Seconded by Jed Barker.

VOTE: ALL AYES

MOTION CARRIED

Ordinance setting the value of an improved acre of land for the Fee in Lieu of School and Park Land Donation – *PUBLIC HEARING*

Chantal Host made a motion to open the Public Hearing. Seconded by Casey McCollom.

VOTE: ALL AYES

MOTION CARRIED

McMahon presented the memo for Ordinance on Fee in Lieu of School and Park Land Donation

The current fee in lieu of school and park land donation is based on the value of an improved acre of land. In 2006, the Village raised that value from \$50,000 to \$75,000. This is found in the Village Code of Ordinances Sec. 154.85(B)(f)(2), Sec.154.85(C)(2)(b) and *Appendix D in Chapter 154*.

Earlier in the year, the Village received an appraisal prepared by *Real Valuation Group, LLC* for the *South Suburban Home Builders Association* (Association). The purpose of the appraisal was to estimate the fair market value of improved acres of land within the Village in order to calculate the contribution a developer is required to make in lieu of land donations for schools and parks.

The appraisal report concluded that an acre of undeveloped land is worth \$12,000. The appraiser then added \$10,000 per acre for “grading and minimal road work” resulting in an estimate of \$22,000 per acre.

On August 7, 2012, the Village received a letter from the Association officially requesting the Village lower the value of an improved acre to \$23,000. The Association also requested the Village remove the School Facility Impact Fee and the Village Capital Impact Fee. The end goal is to reduce the Village's Building Permit Fee for the newest subdivisions to \$10,000.

Village staff was directed to study the appraisal report and make its own determination of the value of an improved acre of land. Staff concluded the appraiser's figure of \$10,000 for land improvements is extremely low and his definition of "improved" does not meet the definition in the Village Code of Ordinances. Staff based its analysis on two methods: 1) the actual sale of improved lots and the actual construction costs of six most recently constructed subdivisions.

Utilizing the Village's Tax Stamp data base, a list was generated of the sale of improved lot sales through 2009. Over that time period, there were 27 individual lot sales with an average sale of \$31,189 per lot. Using a density of 2.5 lots per acre, the land value came to \$77,973 per acre. Over the most recent two year period, there were 13 individual lot sales averaging \$19,867 per lot. At 2.5 lots per acre, the land value came to \$49,669 per acre.

Staff then determined the per acre land value utilizing the public improvement construction costs provide by the developers for six of the most recent subdivisions. First, the construction cost for each development was divided by the number of lots in that subdivision. The average cost per lot came to \$21,525. Utilizing the same 2.5 lots per acre, the cost to construct the public improvements per acre was \$53,812. Second, staff divided the same construction costs by the number of gross acres in each subdivision. The construction cost came to \$42,647 per acre. Using the Association's \$12,000 per acre for unimproved land, the adjusted values come to \$65,812 and \$54,647 respectively.

Earlier in the year, the Village of Shorewood reduced their land value per acre to \$47,000 and Minooka reduced theirs to \$45,000.

At the September 4, 2012 Village Board meeting, the Trustees directed staff to place this on the PZC Agenda and hold a Public Hearing to consider changing the value of an improved acre of land in Channahon to \$45,000.

Chairperson Ciarlette commented that she feels it's important that Channahon stay marketable with Minooka, that it would benefit the village.

Mr. McMahon explained that what that means to a building permit, Exhibit A in the attached ordinance will be the new table that will be used at the \$45,000. The current fees that will be affected with the change include the Elementary, Junior High, Senior High and the Channahon Park District. These four fees will be reduced with the new ordinance.

In response to Commissioner Simon, there would be no rebates to current subdivisions or homebuyers that would have paid the old fees.

Commissioner Simon also questioned whether there was any discussion with regard to the amount being a little less in order to be more competitive.

McMahon commented that the discussion generally was to be on plane with Shorewood and Minooka, being our closest neighbors. Currently we don't have any homebuilders looking at our area, or at any of the many vacant lots within the village.

One of the discussions that I had with Gene Briscoe and I asked was that lowering the impact fee in lieu of down to bring the building permit fees down, but if no one is aware of it then what good is it. They pledged that they would work with their local builders, and they would be willing to market again, get on the websites and put some ads out there. We will probably do a press release with the newspaper of an article isn't done.

Commissioner Ciarlette commented that it was talked about at the last meeting as to how important it was that people realize what Channahon has to offer and how it could get communicated.

Commissioner Simon questioned how the new figures that we are looking to use (the lower assessment) compare with what Minooka or Shorewood have with the rebate program.

Commissioners discussed the Minooka 5 and 5 program, how it was funded and that it did bring traffic to the village, and it got lots back onto the tax roll. There was further discussion regarding the success Manhattan is having, that they have grown pretty steadily because of it.

Commissioner Proffitt questioned whether our board was aware of the success that Minooka was having when they chose to vote it down.

The builders came to all the villages with the incentive programs at the same time. Minooka didn't take advantage of it initially, they did it later after the downtown program didn't take off and they had a little money to use, but Manhattan was the first back in 2007/08 to take advantage of the program.

Commissioner Simon asked whether our board is aware of how well the other towns have done by numbers.

Mc Mahon commented that he has read articles and forwarded them to the board, I personally haven't spoken to the board about it.

Mr. Silverman commented that he thinks they are aware of it. There was a large article in the Tribune about a month ago talking about the Shorewood, Manhattan and Minooka programs talking about the reduction of fees that recently occurred and the success that they enjoyed because of that.

It was most likely a combination of both the marketing to the user and the discount to the builder that was driving the success of the program. There is really nothing that can quantify the success of the program without asking each individual buyer what made them buy in Minooka.

Commissioner McCollom commented that for the sake of argument, the land evaluation basically pertains to the developer, even with the 934 lots there would have to be a re-subdivision in order for any of the incentive to apply.

The reduction of the land value would have a direct impact on the building permit; these are all being collected at building permit time.

McMahon explained that the permits that the builder didn't pay any of the fees upfront. The fees are pulled at the building permit phase. When a developer comes in and the school states they're going to add a lot of kids, they need a school site, then that fee is applied, it's only in lieu of a land or park donation. We usually put it in the annexation agreement.

The next memo has further information on this reduction and what the builders want the village to freeze, so we can talk about fees then.

Jeff Simon made a motion to close the public hearing. Seconded by Casey McCollom.

VOTE: ALL AYES

MOTION CARRIED

Phil Loizon made a motion to approve reducing the vacant land value from \$75,000 to \$45,000 per acre. Seconded by Jim Proffitt.

VOTE: ALL AYES

MOTION CARRIED

Request to reduce or suspend certain Building and Impact Fees

Mr. McMahon presented the memo Request to reduce or suspend certain Building and Impact Fees

Attached is a letter from the *Southwest Suburban Home Builders Association* requesting a number of impact fee reductions. The Association is requesting:

1. Suspend the School Facility Impact fee for three years. At the end of the three year period, reevaluate.
2. Suspend the Village of Channahon Capital Impact fee for three years. At the end of the three year period, reevaluate.
3. Reduce the Fire Department Impact fee from the current level of \$510.00 to \$250.00 without any annual increases for three years. At the end of the three year period, reevaluate.
4. Reduce the vacant land value from the current \$75,000 per acre to \$45,000 per acre. In three years, reevaluate.

The collection of the School Facility Impact Fee was approved through an agreement with the school districts and requires the Village to include the fee in future residential annexation agreements. It only applies to Deer Ridge, North Hansel Estates, Whispering Oaks and Woods of Aux Sable.

The Village Capital Impact Fee is not set by Ordinance either as it was included in many annexation agreements. The suspension of collecting both fees by the Village Board does not require an ordinance change. The exhibit attached illustrates the reduction in fees if all four recommendations are applied.

The School Facility Impact fee was past in a resolution with Shorewood, Minooka, Joliet and Channahon stating that when we negotiate annexation agreements we are required to put that number into the agreement and collect it on their behalf. They indemnified us to collect that. Our Village Impact fee; some are as low as \$1,250, some are \$1,500, some are \$2,250, with the highest at \$2,500. They would like us to suspend this fee for 3 years. They want the Fire Department fee reduced from \$510 to \$250 and not increase the fee annually which is done by ordinance and then obviously the land fee reduction from \$75,000 to \$45,000.

So to add it up Commissioner Ciarlette, if you bought a house in The Highlands and all these fee adjustments are done, that is what the \$45,000 column will look like. So it would be close to \$11,000.

Commissioner Ciarlette questioned whether Minooka increased their impact fees by a percentage per year; perhaps we should look at how they do this. It would be valuable for the village to know this if we are looking to making everything as close to Minooka as possible.

Commissioner Loizon commented how do you compare Channahon to Minooka, there are a lot variables. They don't have the Park District Channahon has, as well as a lot of the different services. I know it's important to the builders and the trades, but I don't know that if we even gave \$20,000 back if it would make that big of a difference.

Commissioner Simon commented that he looks at it as; we are putting the lots back on the tax rolls and getting the money there.

Commissioner Loizon feels that we don't need to necessarily be in line with Minooka as though they are our competition. I don't have a problem with coming in line with the value of the acre value, as I do with comparison of fees.

Mr. McMahon commented that Village Administrator Joe Pena has shared the request with the Fire Department, and they are okay with it.

Commissioners questioned whether this is a firm three year deal, before evaluation or can we re-evaluate anytime within the three years. What we are looking at is to bring it in line with Shorewood and Minooka.

Chantal Host made a motion to recommend with an annual review; and approve reductions and suspending of impact and permit fees as listed with annual review of the program. Seconded by Jim Proffitt.

**VOTE: 5 AYES
1 NAY**

MOTION CARRIED

This will be brought before the village board's next meeting.

Developing a policy for the combination of residential lots

Mc Mahon resented the Residential Lot Consolidation Policy memo.

Title XV: Land Usage; Chapter 154. Subdivision and Development Regulation regulates the creation of all subdivisions, resubdivision, and development of residential or nonresidential territory within the corporate limits of the Village and contiguous unincorporated territory not more than one and one-half miles beyond the corporate limits.

A consolidation of lots is when more than one lot is joined together legally to create a new single lot. The Village code does not specifically address the consolidation of two or more lots and therefore the subdivision regulations would apply.

There are several reasons why a land owner would want to consolidate property, such as:

1. For tax reasons so that a property owner receives only one bill.
2. To conform to the building code which does not allow construction across a lot line.
3. For zoning requirements to keep accessory structures such as a garage on the same lot as the primary structure.

The Village Board requested the Planning and Zoning Commission develop a policy to deal with the consolidation of residential lots. In addition to the items listed above, the Board specifically wanted the PZC to address the question of what to do with the extra water service from one of the old lots.

At the last board meeting, with the Pilon Estates the question came up concerning that there is no policy in place regarding these instances where someone either buys two lots or the lot next to them and consolidate them to a new subdivision and the board felt there should be a policy in place to deal with garages and in answer to the question, you could build another garage. The only limitation would be the limiting of 32 feet of driveway width making it difficult to build a driveway.

There are a lot of planning issues involved with this. Another issue is the water tap, Trustees McMillin and Nash felt that something needs to be addressed with that. Especially in an instance of when someone buys a lot next to their existing home what to do with the old water service that will most likely never get tapped into. They would like a recommendation from PZC whether that should be removed or cut off at the water main, do nothing, village staff engineering department, public works department doesn't think that's a major issue, these things are made to sit underground for years, just because they are not being exercised doesn't mean they are going to corrode and leak. There is an issue is someone tapped into it at night and get free water, staff's point is there are much easier ways in your own home to steal water.

The issue that Mr. Silverman is talking about in planning instances is what this board should take up. We are talking about a subdivision that was planned with lots and certain house standards and now you are going to start having a number of lots open up and then a big garage or shed. We probably have about a half dozen who have done this; some have not asked for any accessory structures next to them they have just made an extension of their yard. I do have someone who wants to put a swimming pool on it, but he doesn't want to go through the expense of subdividing it because he may want to sell the lot in the future.

This came about earlier in the year with the Yudzentis purchase of two lots and they wanted to take out the middle lot line and put a house on it. The policy is that we ignore that lot line; they had to get rid of the easements, basically keeping the two lots and being able to build across it. When asked if you buy the lot next to you, the board said you had to consolidate.

Commissioners had question regarding building a pool or garage on the lot next to you, as well as how it would apply if there are subdivision covenants.

McMahon explained that the covenant restrictions would still be in effect. The covenants would still be in effect. Therefore if the covenants do not allow a shed, then you wouldn't be able to build one on the lot.

We don't need to make a decision today, we are going to develop a policy over the next several meetings. Think about this and come up with a language, it would probably be put into an ordinance. This would be a zoning change if you were to do this, the zoning code regulates accessory structures, so you could in a sense say maybe in a R1 zoning district if you have an

existing attached garage you cannot have a detached garage and the shed can only be a certain size. We can come up with a policy addressing this.

Commissioner McCollom commented that perhaps we could handle it the same as commercial where if it's visible from the street that they would have to provide screening and plantings.

Commissioners discussed that the homeowners associations if they so choose have an architectural review board requirements and the village has certain requirements so you can put anything to large out there. We have standard requirements and subdivisions have their standard requirements for a reason, it's not like they would putting up a lien too.

There was comment with regard to the uniformity of the street going from house to house and garage. However, some feel that we don't want to dictate what they can put on it.

It needs to be looked at as to where you are putting it at as in R-1 residential, a lot with a garage as its own standing building.

There was discussion with regards to the different covenants and restrictions pertaining to garages specifically in The Highlands where you have to have an attached garage but doesn't state that you can't have an additional free standing garage. Back in the day we never would have had this problem, when you were paying large amounts of money for a lot it wasn't to put just a garage on it.

McMahon commented that with regard to what Mr. Pilon did, he put in the sidewalk on his extra lot on his own. I'm not sure about Parkway trees, which would be another thing for the PZC to consider. Would this be something you would require? I feel that this should also be put in the policy.

Commissioners feel that absolutely is would be a requirement. Chairperson Ciarlette commented that there is one house in a subdivision that there were two lots owned by one resident without a sidewalk.

Although it was put in as a requirement on the Pilon subdivision, going forward it will be a good thing to make sure it is included.

McMahon asked the PZC to think about the list on the memo and he will come up with a list of ideas as well and will bring them forward for the next meeting. Forward via email to me any ideas you may have.

Further discussion on the issue of water and sewer, Commissioner Proffitt commented that he doesn't see the problem with having the water or utilities staying on the property.

Trustee McMillin is concerned that the exposure of the b-box, sometimes they are up above the ground and they have to be at grade. Commissioners commented that they can always be knocked down to grade; it's adjustable on the sleeve. Staff doesn't have an issue with it.

Other Business

McMahon shared that Rick Claes with Bluestone Retail Partners has put the Hammel Property under contract and wants to construct a travel center. The PZC will soon see a plan with one lot for a convenience store, two out-lots and one lot for a hotel use. Staff will soon be working on

an annexation agreement that will include language for Bluestone to realign the Frontage Road with potential TIF district funding all or part of the road.

IDOT is still moving with Phase I and II of their engineering on the bridge over I-55. There is no phase III which would be construction. They will have a set of plans and hopefully within a year then will be done, maybe a little more.

Adjournment

Chairperson Ciarlette asked for a motion to adjourn.

Phil Loizon made a motion to adjourn the meeting. Seconded by Jeff Simon.

VOTE: ALL AYES

MOTION CARRIED