

MINUTES OF A SPECIAL MEETING OF THE ZION CITY COUNCIL HELD ON THURSDAY, JUNE 24, 2004, AT 1:40 P.M. IN THE CITY COUNCIL CHAMBERS, CITY HALL, ZION, ILLINOIS

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Mayor Harrison called the meeting to order.

On call of the roll the following answered present: Commissioners Bennett, Flammini, DeTienne and Mayor Harrison. Commissioner Taylor was available by speakerphone at 4:33 p.m.

IMPACT FEES

Mayor Harrison requested that Attorney Rolek provide a summary of the Impact Fee Program, in order to consider all options. Mayor Harrison stated Commissioner Taylor is unable to attend due to an out-of-state funeral, however Commissioner Taylor will be available via telephone in order to hear the discussion and vote.

Attorney Rolek stated the City Council approved an ordinance in May of 2003 creating an impact fee program. Attorney Puma provided charts illustrating the fees from Ordinance 2003-0-21 as follows:

- Cash in lieu of land fees
- Capital improvement fees-which are based on cost of construction
- Total fees including cash in lieu of land, capital improvements, and tap ons
- Comparison of actual fees being paid by Deer Point and Kennedy with City ordinance fees

Attorney Puma recommended the following revisions:

- Increase the Fire/Rescue fee from \$180 to \$500 per unit
- Revert the library fee back to \$225 per unit; as this was previously decreased from \$225 to \$180
- Add a \$500 traffic fee
- Establish a process for waiver requests, or just use objection provision in ordinance

Attorney Puma stated Zion-Benton Township High School District 126 has requested an increase based upon \$85,000 per acre. Attorney Rolek stated Deer Point fees and additional items were based on negotiations with the developer. Kennedy Homes was also negotiated including other benefits.

Attorney Rolek stated impact fees are based on the impact by a developer to the City, but can't be used to make up for past deficiencies or problems. Mayor Harrison stated Zion's tax rate is higher than any other nearby community, and if the City maintains these fees, it will cause more people to leave. Attorney Rolek stated new construction is assessed at a higher value and tax rate than existing homes. Capital fees are established for the possibility of building new schools. Commissioner Flammini stated the city is almost land-locked, eliminating the need for building new schools, however there is likely to be a need for school additions. Brian Usher noted that Deer Point Homes paid \$1,369,232 in total impact fees to the taxing bodies. Mayor Harrison stated the city set up a schedule for the collection of these fees for distribution to each taxing body, however side negotiations have taken place, and the Council needs to determine whether or not to apply capital improvement fees in addition to impact fees. Mayor Harrison noted it is time for all taxing bodies to consider funding a special census.

Brian Golwitzer, President of the ZBTHS Board of Education, stated the fees collected for the high school are not as high as hoped for. Attorney Tony Ficarelli stated the school's numbers are based on a blend of land costs and improvements, and the school boards would like to be able to negotiate with the developers.

Attorney Puma noted Zion Park District's fee is based on \$75,000 per acre. Mr. Usher stated 15 acres per 1,000 people is what drives the cost. Attorney Puma stated if this amount were to be either reduced to 5 acres per 1,000 people, the cost would be cut in half, or 10 acres per 1,000 people, the cost would be reduced by a third.

Mayor Harrison recommended the City's attorneys and staff meet with the school boards and their attorney, in order to bring back recommended revisions. Attorney Rolek recommended suspending the capital development fees and holding on any developers' agreements until this matter is resolved. Delaine Rogers requested setting a deadline period of one month, due to pending projects. Commissioner Flammini also recommended not confusing the issue by comparing new projects with developments already in place.

It was moved by Commissioner Flammini, seconded by Commissioner Bennett to

- place a moratorium on, but not repeal, Ordinance 2003-0-21, including capital development fees, for a maximum of 30 days,
- conduct a meeting with the taxing bodies affected by this ordinance,
- schedule this meeting under the direction of Attorney Rolek and City staff, in order to work on a revised impact fee schedule,
- and place this issue on the July 20 Council meeting.

The vote on roll call was: Commissioners Bennett, aye; Flammini, aye; DeTienne, aye; and Mayor Harrison, aye. Motion carried.

29TH ST. & LEWIS AVE/PROPOSED CONDOMINIUM PROJECT

Attorney Rolek stated the Council needs to define what the affect is on the government bodies, in order to justify the fees and demonstrate the impact. Attorney Puma noted the Impact Fee Ordinance has waiver or objection provisions now. Attorney Rolek recommended using the current ordinance and waiver provision in order to consider individual projects.

Mayor Harrison stated age restriction in a development agreement would make a big difference as to whether or not there are impacts on the various taxing bodies, and the agreement would need to guarantee the requirements. Commissioner DeTienne stated the proposed condominium project, as proposed by Jim Funderburk, would have no impact on the schools. Commissioner DeTienne stated impact fees would increase the cost of the buildings, which would also increase the taxes. Chief LaBelle stated one condominium project may not have an impact, but several projects collectively would have an impact. Delaine Rogers stated there are three proposed projects, which could be affected by this issue. Commissioner Bennett stated senior citizens use rescue services. Commissioner Flammini stated seniors do impact rescue, park and library services, recommending each fee be discussed on a separate basis.

Ms. Rogers questioned whether or not the Council is interested in encouraging a higher residential base. Mr. Funderburk stated property along Lewis Avenue has remained vacant and for sale for many years, noting this project would increase the City's tax base. Mayor Harrison stated there is a community good in having older stable family units in the city. Rescue calls are mainly from the senior population, but they are charged for these calls, which are passed on to Medicare. Mayor Harrison stated he would rather adjust the rate for ambulance calls. Commissioner Flammini stated the impact is having the ambulance available at all times, even if never needed. Chief LaBelle stated approximately 50 percent of their rescue calls come from senior citizens. Mr. Funderburk questioned what services are provided by the Park District for seniors. Rich Walker, Zion Park District Special Events Coordinator, stated several programs and activities are available through the Park District for seniors, and encouraged the Council not to waive these fees. Mayor Harrison questioned how a condominium project could have the same impact as a single-family residential development. Ms. Rogers stated there are different rates for detached versus attached residences.

Attorney Puma stated, if school fees were waived, impact fees paid by the developer for the park district, rescue and library would be:

- 1 bedroom unit - \$1,299.75 per unit
- 2 bedroom unit - \$1,897.50 per unit
- averaging \$1,726.71 per unit for 70 units or a total of \$120,870.

Commissioner Taylor was connected to the Council meeting via telephone speaker at 4:33 p.m. Attorney Rolek gave a summary of the discussion on impact fees, informing Commissioner Taylor of the approved motion for the impact fee ordinance moratorium. Attorney Rolek stated Mr. Funderburk has agreed to a covenant with an age restriction and no children for his condominium project on 29th Street and Lewis Avenue, so it has been agreed there would be no school impact.

Commissioner Bennett recommended eliminating the school fees, increasing the fire/rescue fee from \$180 to \$500, reducing the park district in the same amount as increased for the fire/rescue, and maintaining the library fee for senior developments. Commissioner Taylor stated the Park District's fee is too high, especially in relationship to the schools' fees, and if the project is age restricted, all fees should be waived. Commissioner Taylor stated capital costs should only be implemented on an as-needed basis, and not for all developments. Commissioner Taylor suggested raising the rescue call rate, since these calls are billed. Commissioner Bennett stated the billing doesn't cover all costs for rescue services.

Mayor Harrison stated, besides Mr. Funderburk's project, Logan Point and Pickus Development are also age-restricted projects, so decisions would affect these developments. Commissioner Flammini stated fire/rescue fees should not be waived, noting there is also some impact to the parks and library. Commissioner Taylor stated projects should be reviewed on an individual basis. Attorney Rolek noted the Council could either utilize the waiver provision in the current ordinance or amend the ordinance.

It was moved by Commissioner Bennett to eliminate the school fees, increase the fire/rescue fee to \$500, reduce the park district to 10 acres per 1,000 people, and maintain the library fee for the proposed Jim Funderburk condominium development at 29th Street and Lewis Avenue. This motion died for lack of a second.

It was moved by Commissioner DeTienne, seconded by Commissioner Taylor to grant the waiver exempting the proposed Jim Funderburk condominium development of all impact fees, contingent upon the project having an age restricted covenant. Mayor Harrison stated the City needs to be assured it can defend its position. Attorney Rolek stated other developers could request waivers, however the Council can review all projects on an individual basis. Commissioner Flammini stated this project will impact rescue services.

The vote on roll call was: Commissioners Bennett, nay; Flammini, nay; Taylor, aye; DeTienne, aye; and Mayor Harrison, aye. Motion carried.

ADJOURN

There being no further business to come before the Council at this time, it was moved by Commissioner Bennett, seconded by Commissioner Flammini and unanimously approved the meeting be adjourned at 5:31 p.m. Motion carried.

City Clerk