

From: David Lothspeich
Sent: Wednesday, April 8, 2020 7:46 PM
To: Bill Jacob <bill.jacob@longgroveil.gov>; Chuck Nora (chuck.nora@longgroveil.gov) <chuck.nora@longgroveil.gov>
Cc: Margerita Romanello <mromanello@longgroveil.gov>; 'Victor Filippini' <Victor.Filippini@filippinilawfirm.com>; David Lothspeich <dlothspeich@longgroveil.gov>
Subject: Inspection Fees For Downtown

Bill and Chuck,

As follow-up to the discussion at the March 23rd Board Meeting, the attached "Building Plan Review Fees" is from the Village Code and highlights fees charged for the B-1 (Historic Downtown) District. My first general observation is that the fee structure for plan reviews and inspections are scaled so that the larger the commercial building the higher the fee on a per cubic or square foot basis. Secondly, the Village Code was amended in 2013 (attached ordinance 2013-O-16) to specifically reduce inspection fees charged in the B-1 District from \$220 to \$110 per inspection consistent with the residential rate.

The action being considered by the Village Board is for the reduced rates that the Village is paying Mundelein as our vendor for building plan review and inspections and not the fees that the Village charges the B-1 District or others. Mundelein charges the Village the commercial rate (\$80 per inspection) for the B-1 District and not the residential rate (\$40 per inspection). For the B-1 District, the Village collects \$110 per inspection and is charged \$80. The following table summarizes the fees paid vs. collected:

	Inspection Fee Charged To Village:	Inspection Fee Paid To Village:	Difference (Per Inspection):
Single Family Home:	\$40	\$110	\$70
Commercial – B1 (Downtown)	\$80	\$110	\$30
Commercial (Except B1)	\$80	\$145	\$65

Please review and let me know if this addresses the concern for fully documenting the Village's long-standing Policy of charging Residential Inspection Fees for the Downtown. I will share this email with the full Board so that all are informed.

Thank you,

Dave

November 8, 2013 Manager Report

Background – October 2013

Village Trustee John Marshall, Building Commissioner Margerita Romanello and Staff met with Mill Pond property manager Ken Siwieck on Monday, October 14, 2103. The meeting purpose was to clarify the Village's requirements for permits and to review the existing fee structure and requirements for possible ways to improve the efficiency of the Village's operations. As a result of this meeting, the following changes to the Village's building permit requirements are proposed:

- **Allow for the establishment of a "running" bond in the amount of \$1,500.00.** One of the challenges that property owners have is getting approval of checks. Currently the Village requires a new bond for every new project. The proposed change would allow for a property owner, at their discretion, to establish a completion bond for their property that could be kept in place for use with subsequent projects. Under this scenario, the property owner would not have to have multiple checks for multiple completion bonds and the Village would remain protected by requiring a mid-level cash bond.
- **Allow for the coordination of multiple projects per building.** Under the current requirements, a property owner is responsible for obtaining individual permits, and paying the application fee (\$50) and inspection fees (\$110 per inspection) for every project within a single building due to multiple suites. The proposed change would give the property owner the option of coordinating multiple projects and their related inspections for each building. Under this scenario, the property owner would have the risk of not coordinating the projects and bearing the additional costs for re-inspection.

The costs for a single building being renovated for four (4) suite building would be adjusted as follows (note all Village costs are covered under either scenario):

<u>Current requirements.</u>	Application Fees =	\$200 (\$50 each suite)
	<u>Inspection Fees =</u>	<u>\$880 (\$110 per inspection, 2 insp.)</u>
	Total =	\$1,080
 <u>Proposed:</u>	Application Fee =	\$50
	<u>Inspection Fees =</u>	<u>\$220 (Two Inspections)</u>
	Total =	\$270