



Village Administration
3110 Old McHenry Road
Long Grove, Illinois 60047-9623
847-634-9440
www.longgroveil.gov

Staff Memorandum

TO: President Jacob
Village Board of Trustees

FROM: Gregory Jackson, Village Manager

DATE: June 10, 2022

RE: Permitting Fees and Processes

During the recent Village Board Workshop staff was asked to evaluate fees and processes associated with permitting. The attached documentation supports the proposal staff is bringing to the Village Board.

Points of Information

- On average 44% of all permits issued by the Long Grove Building Department are remove and/or replace permits.
- Remove and replace permits are issued almost entirely for Long Grove residential properties.

Proposed Action

- Sixty (60) days post implementation the Village will go 100% web based for remove and/or replace permits. The advantage for the applicant is a reduction in permit cost as well as a significantly less cumbersome permit application process. Staff fully expects "one offs" where a web-based application may not be possible. These will be addressed on a case-by-case basis.
- Every category of remove and replace permits will be impacted by a fee reduction. These reductions will range from \$50 to \$160.
- One half of remove and replace permit categories will be allowed unlimited inspections. Current permit fees include one to two inspections – depending on the type of work. Unlimited inspections will benefit those projects that commonly have phased work such as roofs, siding, and windows.



Village Administration
3110 Old McHenry Road
Long Grove, Illinois 60047-9623
847-634-9440
www.longgroveil.gov

Fiscal Impact

- The total personnel costs for the position of Building Commissioner are calculated at \$90,452. This amount does not include any other operating costs associated with position (i.e., equipment, commodities, office space, software, training, etc.)
- The average percentage of work related to remove and/or replace permitting is calculated at 44%.
- The cost for in-house staff completing remove and/or replace permitting work, utilizing the most recent calendar year (2021) is calculated at \$39,399. Noting that work completed by support/coverage/management staff has not been included with the calculation.
- Utilizing a full calendar year (2021) of operating expense recovery (difference of permit fee revenues and expense paid to Mundelein) calculated at \$30,050 and a staff expense of \$39,799 current loss would be projected at \$9,799.
- Applying the projected loss of \$9,799 to the FY 22/23 General Fund Budget would be a 0.29% reduction in overall projected revenues.
- Utilizing the proposed operating expense recovery (difference of permit fee revenues and expense paid to Mundelein for the 2021 calendar year) calculated at \$17,640 and a staff expense of \$39,799 current loss would be projected at \$22,159.
- Applying the projected loss of \$22,159 to the FY 22/23 General Fund Budget would be a 0.65% reduction in overall projected revenues.

Recommendation

It is recommended that the Village Board direct staff to implement the proposed fee reductions and processes. An amendment to Village Code, Title 12, Chapter 1, Section 2 Fees should be drafted for approval by the Village Board.

Benefits to approving

A purposeful step in further utilizing technology to streamline the government delivery of services.

Speeds up the process for the applicant.

Reduction in fees and in some cases increase inspections (with no additional cost) to mostly Long Grove residential and business property owners.



Village Administration
3110 Old McHenry Road
Long Grove, Illinois 60047-9623
847-634-9440
www.longgroveil.gov

Concerns regarding reduction in revenues

Though total operating costs nor costs for support/coverage/management staff were included in the projected revenue loss calculation neither was the Building Commissioner's time per permit. Though the Building Commissioner's primary responsibility is permitting, the 44% of "Remove and/or Replace" permits cited reflect 44% of permitted **projects** and not 44% of time spent. In fact, time spent is less than 44% of hours worked and will become more so once fully web based. In addition, complaint driven code enforcement and property maintenance issues also fall under the purview of the Building Commissioner.

The potential revenue loss calculation is less than three-quarters of one percent (0.75) which based on the above paragraph is a worse case scenario. In addition, web-based permitting will free up time for other serviced delivery functions.