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## Agenda Memo

Crest Hill, IL

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<b>Meeting Date:</b>	December 4, 2023
<b>Submitter:</b>	Ron Mentzer, Acting Community and Economic Development Director
<b>Department:</b>	Community Development
<b>Agenda Item:</b>	Revised building permit fees for new commercial/industrial buildings.

**Summary:** This issue was discussed at the November 27, 2023, City Council Workshop Meeting.

The structure of the City's current building permit fee schedule does not clearly account for the phased construction of new commercial/industrial buildings such as the 577,000 sq. ft. speculative industrial/warehouse building Midwest Industrial Funds (MIF) is currently constructing at 21225 Lidice Parkway. It is typical for developers of buildings such as this to seek an initial building permit to construct the building foundation, a second permit to construct the building shell, and subsequent permits to finish/build-out the interior space within the building once a specific tenant/or tenants have been secured for the building. This is exactly the phased permit process MIF has been working through for their 21225 Lidice Parkway building.

As a follow up to the direction received at the November 27, 2023, City Council Workshop Meeting, Community Development Department staff and the City Attorney collaborated on the preparation of revised building permit fee schedule provisions for commercial and industrial construction that would:

- (i) clarify building permit fee requirements for a phased permitting approach,
- (ii) make the total building permit fees for a phased permit approach more consistent with the total permit fees for a single permit approach when phased tenant build-out permits are applied for within three (3) years of the issuance of the initial building permit for the project,
- (iii) ensure building permit plan review fees cover outside plan review consulting costs incurred by the City and account for the City's increased administrative costs associated with issuing multiple permits instead of one.

A copy of the ordinance the City Attorney prepared to approve the revised building permit fee schedule language is included in the agenda back up materials.

**Staff Recommendation:** Approve an Ordinance amending section 15.08.020, Building Permit Fees for Commercial/Industrial Construction, of the Crest Hill City Code of Ordinances.

**Financial Impact:** Dependent on the level and type of future commercial/industrial building permit activity.

**Funding Source:** Not applicable.

**Budgeted Amount:** Not applicable.

**Cost:** Not applicable.