

VILLAGE OF HOMEWOOD



BOARD AGENDA MEMORANDUM

DATE OF MEETING: May 12, 2026

To: Village President and Board of Trustees

Through: Napoleon Haney, Village Manager

From: Noah Schumerth, Interim Director of Economic and Community Development
Bob Grabowski, Fire Chief

Topic: Revisions to Municipal code and Fee Schedule – Building Division, Planning and Zoning;
Subdivision Fees

PURPOSE

In 2021, the Village Board established a fee schedule which compiled all costs imposed by the Village into a unified fee schedule, making it easier for village staff and the public to locate this information. Fees are regularly reviewed and updated by Village staff to ensure that costs for Village reviews are fair, reflect the cost of Village services, and minimize impact on local taxpayers.

The last update for permit, license, and application fees was in 2021 (M-2189), when the unified schedule of fees for the Village was established for all departments. Village fees, including planning and zoning and subdivision fees, were updated periodically in prior years. Some fees, including subdivision fees, have not been updated in over 10 years and require updates to keep pace with inflation and rising operation costs.

Staff reviewed the current fee schedule and structure for all planning, zoning, subdivision, and building permit fees associated with development in the Village. This review was prompted by the adoption of a new Village Sign Code, which created several new application types that do not currently have fees assigned in the Village's fee schedule. Staff reviewed and recommended appropriate fees for these applications, while reviewing all other fees associated with planning, zoning, subdivision, and building permit reviews to ensure alignment with the intent of the Fee Schedule and current costs. During this review, it was noted that certain amounts for bonds remain in the Municipal Code. Village staff desires to adjust the amount and relocate the cost references to the fee schedule.

PROCESS

Staff reviewed the fees for the Village's planning, zoning, subdivision and building permit applications. Staff has included an analysis of fees for each of these application types in this report and the attachments. Fees were assessed with estimated costs incurred for each

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application type, as well as the fees charged by twenty (20) other Chicago suburban communities, including communities of various sizes and home rule status.

Building Division Fees

Amendments to the building division fee schedule are being submitted for approval by the Village Board after completing a comparative study. The last increase/changes were made in 2014. After careful review, and with additional coordination with Economic and Community Development, staff is recommending the amendments be approved with an effective date of May 1, 2026. The municipalities that were used for comparison are: Flossmoor, Hazel Crest, Country Club Hills, Matteson, and South Holland. The new schedule will closely align with all of these communities and will increase revenue proportionally for the Village as well.

Planning & Zoning Fees

Special Use Permit

Costs for special use permit applications in other municipalities range from \$300 to \$1,500. Fees for special use permits in 20 other reviewed communities were an average of \$609. Some communities charged higher fees required to be held in escrow, with fees returned to applicants based on the total of municipal costs incurred.

Homewood currently charges a fee of \$150 for special use permit applications, less than all other communities reviewed. On average, Village staff incurs approximately \$600 in costs for staff review time, legal notices and other charges. Not including regular staff time, the Village generally incurs an additional \$300 for each special use permit application. **Staff recommends an increase of special use permit fees from \$150 to \$300 (100% increase).**



*orange indicates communities which charge higher fees to be held as a balance in escrow; partial fees may be returned if total cost of review is lower than the initial fee.

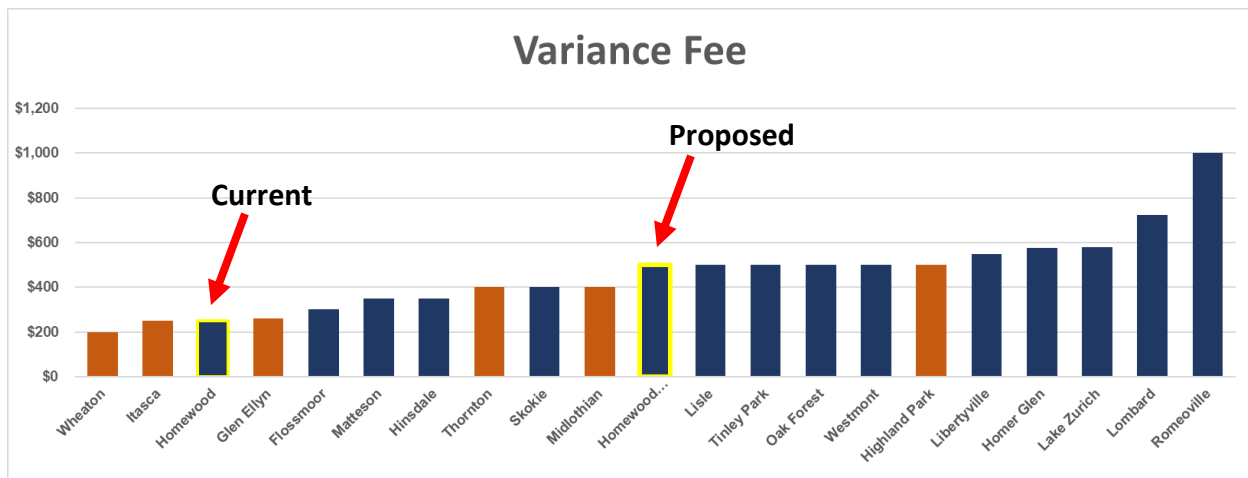
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Zoning Variance

Costs for zoning variance applications in other municipalities range from \$200 to \$1,000. Fees for zoning variances in 20 other reviewed communities were an average of \$455. Most communities charged a single fee for variances, with additional fees invoiced to applicants when additional consultations or legal reviews are needed.

Homewood currently charges a fee of \$150 for residential variance applications and \$250 for non-residential variance applications, significantly less than most communities reviewed. On average, Village staff incurs approximately \$600 in costs for staff review time, legal notices and other charges. Not including regular staff time, the Village generally incurs an additional \$300 for each variance application. **Staff recommends an increase of zoning variance fees for residential applications from \$150 to \$300 (100% increase) and \$250 to \$500 for non-residential applications (100% increase).**



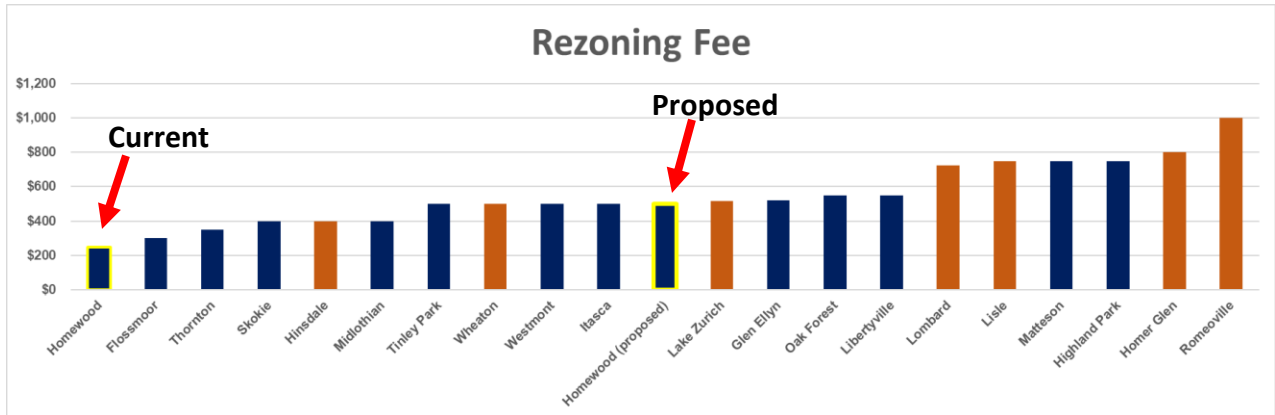
**orange indicates communities which charge higher fees to be held as a balance in escrow; partial fees may be returned if total cost of review is lower than the initial fee.*

Zoning Map/Text Amendment

Costs for special use permit applications in other municipalities range from \$300 to \$1,000. Fees for special use permits in 20 other reviewed communities were an average of \$551. Some communities charged higher fees required in be held in escrow, with fees returned to applicants based on the total of municipal costs incurred. Most communities charged the same fees for zoning map amendments and text amendments.

Homewood currently charges a fee of \$250 for zoning amendment applications, including map and text amendments, which is less than all other communities reviewed. On average, Village staff incurs approximately \$895 in costs for staff review time, legal notices and other charges. Not including regular staff time, the Village generally incurs an additional \$495 for each zoning amendment application. **Staff recommends an increase of special use permit fees from \$250 to \$500 (100% increase).**

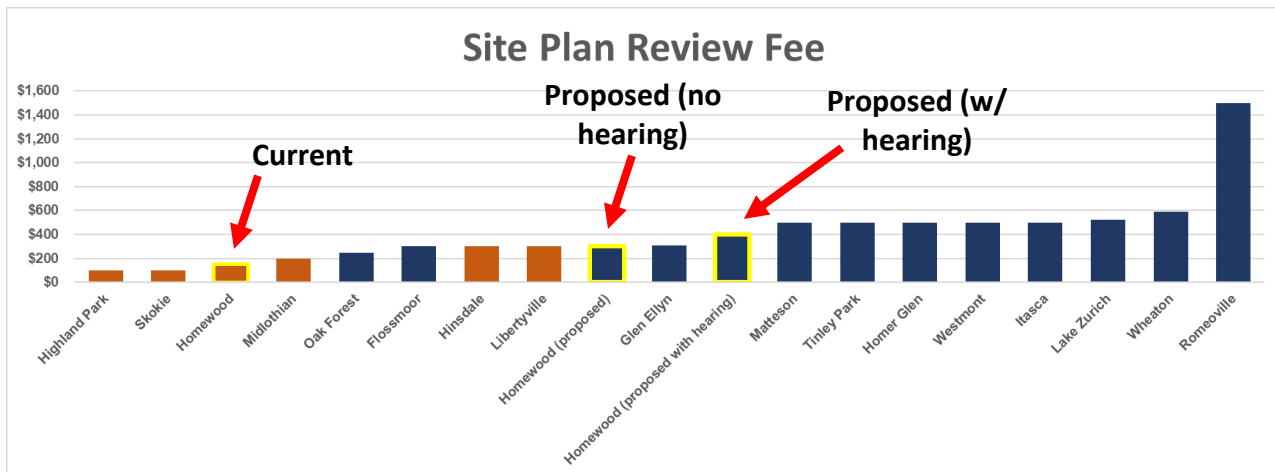
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Site Plan Review

Costs for site plan review applications in other municipalities range from \$100 to \$1,500. Average total fees for site plan reviews in 20 other reviewed communities were \$419. Many communities reviewed charged a base fee with additional costs incurred based on the size or complexity of a project. These communities commonly charge additional fees based on site acreage, land use (residential vs. non-residential), or whether a review is elevated to public hearing review.



*orange indicates communities which charge higher fees to be held as a balance in escrow; partial fees may be returned if total cost of review is lower than the initial fee.

Homewood currently charges a fee of \$150 for site plan review applications, with an additional \$100 charged if an application is elevated to the Planning and Zoning Commission. These amounts are less than most other communities reviewed. On average, Village staff incurs approximately \$730 in costs for staff review time, hearings, and other costs. Not including regular staff time but including additional staff committee and commission review time, the Village

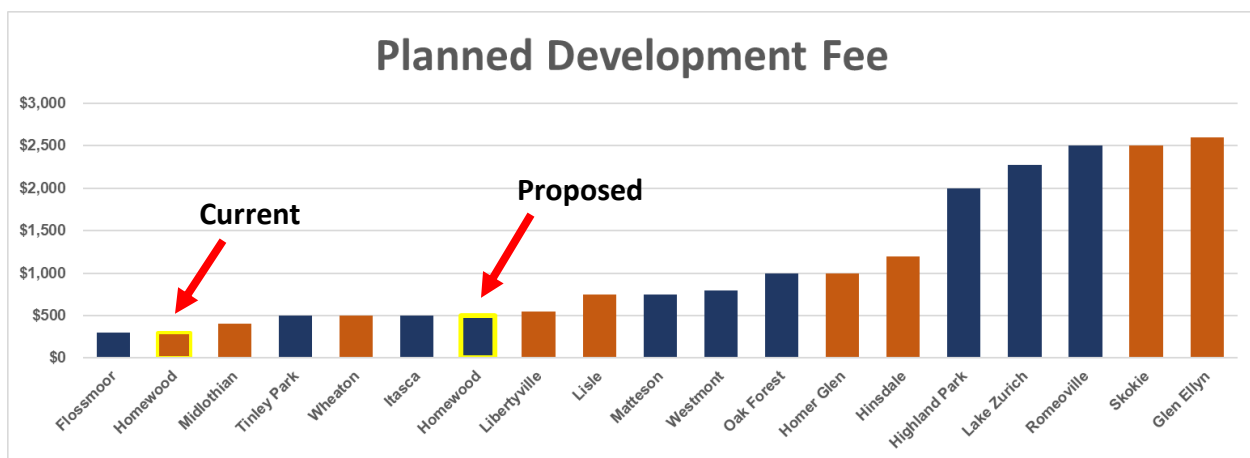
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generally incurs an additional \$330 for each zoning amendment application. **Staff recommends an increase of site plan review fees from \$150 to \$300 (100% increase).**

Planned Development Review

Costs for site plan review applications in other municipalities range from \$300 to \$2,600. Average total fees for planned development reviews in 20 other reviewed communities were \$1,113. Most communities charge a base application fee with additional fees incurred based on the acreage and complexity of the proposed planned development. Some communities also charged additional fees based on the project's residential density or other project features.



Homewood currently charges a base fee of \$300 for planned developments, with higher fees based on site acreage. These amounts are less than most communities reviewed for similar project scales. On average, Village staff incurs approximately \$895 in costs for staff review time, hearings, and other costs. Not included regular staff time, the Village incurs an additional \$495 in costs for each planned development application. **Staff recommends an increase of planned development fees from \$300 to \$500 for projects < 1 acre; \$450 to \$700 for projects between 1 – 4 acres; and \$550 to \$900 for projects > 4 acres (67% increase).**

Variable Planning and Zoning Fees

Other fee types, such as design reviews, annexation requests, and minor zoning reviews or verifications are more variable, and should be closely calibrated with the average costs incurred for review of each type of application by the Village.

Appearance Review/Design Review

Costs for design reviews (called appearance reviews in Homewood and other communities) vary significantly in other communities, ranging from \$100 to \$400 with an average cost of \$189. Some other suburban communities incorporate appearance/design reviews directly into the plan review process and are charged as an additional fee with other building permit fees. Other communities create a tier for fees for appearance/design reviews, with smaller reviews

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(residential, fences, signage, etc.) being assessed lower fees than large-scale reviews which consume significantly more staff review resources.

Homewood currently charges a fee of \$150 for all appearance reviews. Resources required for reviews vary, with some reviews (such as fences and signage) requiring very few staff resources, and larger reviews (site plans, large redevelopments, etc.) requiring significant investments in staff time and Village resources. **Staff recommends that the fee be reduced for smaller projects such as fences and signage (reduced to \$100), but increased for larger projects such as full site redevelopments (increased to \$200).**

Appeals

Costs for administrative appeals to zoning decisions in other municipalities vary from \$250 to \$1,000. Most municipalities have variable fees for appeals, including different fees for appeals based on whether a property is zoned for residential or non-residential use, and whether the decision being appealed was administrative (staff) or made at the hearing.

Homewood currently charges a \$150 fee for administrative appeals. Administrative appeals typically require additional legal consultation, staff review, additional site visits and inspections, and other costs which are currently paid in full by the Village. **Staff recommends an increase of administrative appeal fees from \$150 to \$300 (100% increase).**

New Planning and Zoning Fees

The following fee types have no current fee charged by the Village, and will require a set fee value.

Annexation

The Village currently charges a fee for annexations. Most communities that staff reviewed charged a minimum fee for annexation, with additional costs based on the scale of the annexation requested. The Village is “landlocked” by other municipal boundaries and is unlikely to see a large number of annexation cases; however, annexations could occur from limited unincorporated areas or from land controlled by neighboring municipalities. Creating an annexation fee ensures that the process for annexation applicants is clear, should an applicant approach the Village for such a review.

Other municipalities charged fees for annexations ranging from \$400 to \$1,000 for smaller annexations, and \$1,000 to \$3,000 for larger annexations. Annexations typically require a large amount of resources from a municipality to be processed, including legal consultations, multiple legal and mailed notices, and complex review and approval procedures. **Staff recommends the creation of an annexation fee of \$500 for properties under 1 acre, \$750 for annexations between 1 and 5 acres, and \$1,000 for annexations greater than 5 acres, to recoup costs associated with an annexation.**

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Zoning Verification Letters

Based on the review of other communities, costs for zoning verification letters can vary significantly. Costs typically vary based on the scale and complexity of the request for a verification letter, or the land use of the property for which a letter is requested. The average base fee of a zoning verification letter reviewed was \$106, though final costs can be extremely variable in any given community.

Homewood currently does not have a designated fee for this type of letter. These letters are requested 2-3 times per month. Letters typically take 1-3 hours of staff time to complete, as precise property history and zoning research is required. Additional records review or outreach are often required when writing these letters. These letters represent a service provided by the Village commonly used to support private property sales and due diligence, or other private transactions. **Staff recommends that a fee of \$50 be established to recoup additional staff time, printing, and certified mailing costs.**

Comprehensive Sign Plan

Comprehensive sign plans are a new application type created with the adoption of a new sign code in August 2025 (MC-1089). This application is similar to the Planned Development review process, but does not require legal notice and other requirements and is reviewed by the Appearance Commission. The review requirements are similar to those for Appearance Review applications.

The current fee schedule does not designate a fee for comprehensive sign plans. **Staff recommends a fee of \$200 for comprehensive sign plans, which aligns with the fees for larger appearance reviews which have a similar level of review and resources required from the Village.**

Sign Variance

Sign variances are a common type of variance in most suburban communities. With the adoption of the new Sign Code in August 2025, the Village established a dedicated review process specifically for sign variances to streamline approvals and improve administrative efficiency. The current fee schedule assigns a variance fee for signs that aligns with the residential variance fees.

Staff recommends establishing a separate fee for sign variances at a lower rate than other variance requests, as sign variances typically require fewer staff resources and less review time. To better reflect the administrative effort involved while maintaining consistency with comparable communities, **staff recommends increasing the sign variance fee from \$150 to \$250, a 67% increase.**

Environmental Assessment Review

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Periodically, the Village is required to review environmental assessments or impact reports as part of the development review and approval process. These assessments are typically required when environmental remediation is necessary or when a proposed development may create a unique or potentially adverse impact on the surrounding environment.

Reviewing environmental assessments is a complex process that is commonly completed by Village engineering staff or a third-party reviewer. These reviews require significant staff time and, in some cases, additional costs for outside professional review services. Many municipalities charge a filing or review fee for environmental assessments to help the administrative and professional costs associated with evaluating. Fees vary widely among communities due to differences in development activity and the scope of environmental review required.

Staff recommends establishing a new Environmental Assessment Review fee of \$300 to help offset staff time and administrative costs associated with environmental assessment in connection with development costs.

Subdivision Fees

The Village last updated subdivision fees in 2013. As part of the current fee schedule review, the Village Engineer evaluated subdivision fees in comparable peer communities throughout the region. This analysis found that Homewood's current fees have not kept pace with inflation since the last revision and remain substantially lower than those charged by similar municipalities.

Fees associated with subdivisions, lot consolidations, and other development engineering reviews support the technical review work performed by the Village Engineer and staff, including plan review, coordination, and inspection services. **To better align with peer communities and account for inflationary increases of approximately 2–3% per year over the past 15 years, staff recommends increasing subdivision and development engineering fees by approximately 50% overall.**

Tree Permits

The Village established several application processes for tree replacement or removal in 2023. The Village Arborist has reviewed current tree permit/replacement fees and other arborist-reviewed fees in nearby peer communities, and also reviewed current valuations for different types of trees in professional handbooks.

Fees for tree permits are recommended to be increased by 25% to align with current valuations for tree plantings. Fines for unpermitted tree removals are recommended to remain under consideration on a case-by-case basis by the Village Arborist.

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Administrative Costs

The Village regularly provides paper copies of various Village documents and plans as required to be made available by Illinois State statute. These include but are not limited to zoning maps, zoning ordinances, copies of the Village's Downtown TOD Master Plan, or other documents. These documents are often expensive to provide, with some larger documents (such as the Village's Downtown TOD Plan) costing \$20-25 per copy to print. The Village provides free access to digital copies of all documents which are required to be publicly available.

The Village currently does not charge a fee for these items, though non-home rule municipalities are not barred from charging fees.

Staff recommends the creation of nominal fees to offset costs associated with printing copies of documents, and to encourage use of the Village's existing free digital resources. See *DRAFT FEE SCHEDULE (Exhibit C)* for full list of proposed costs.

OUTCOME

The Village began processing all planning, zoning, engineering, and building permit applications through the Village's SmartGov digital portal on May 1, 2026. These fees will be built into this system after approval.

FINANCIAL IMPACT

- **Funding Source:** General Fund
- **FY 2026-2027 Budgeted Amount:**
 - Building Permits - \$300,000 (50% increase)
 - Subdivision & Zone Fees - \$6,000 (300% increase)
 - Contractor Registration - \$90,000 (50% increase)

LEGAL REVIEW

Completed

RECOMMENDED BOARD ACTION

Pass an ordinance amending the Building Division, Public Works, and Planning and Zoning sections of the Village of Homewood Fee Schedule.

ATTACHMENT(S)

Ordinance