

ORDINANCE NO. 56 -2006

AN ORDINANCE ESTABLISHING A GROWTH REQUIREMENT CAPITAL FEE  
FOR THE CITY OF OTTAWA, ILLINOIS

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**WHEREAS**, the Council of the City of Ottawa, Illinois, believes that it is in the best interest of the City to create and establish a Growth Requirement Capital Fee ("the Fee") for the City which will be used to mitigate unfavorable impacts attributed to new development. Specifically, this fee will be used by the City to pay a portion of the costs of designated public facilities and shall insure that developers pay their fair share of the cost of public facilities required to serve the City's growing population, and

**WHEREAS**, the public facilities which are currently serving the City consist of government and public safety facilities, essential infrastructure and related facilities and cultural and recreational facilities.

**NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF OTTAWA, ILLINOIS, AS FOLLOWS:**

**Section One:** Preambles Incorporated. The foregoing preambles of this Ordinance are incorporated herein by reference as the findings of the Council.

**Section Two:** Use of Growth Requirement Capital Fee. There is hereby created and established a growth requirement capital fee ("the fee") for the City which shall be used to mitigate unfavorable impacts attributed to new development and to provide for new and expanded capital facilities made necessary by expanded population levels and economic activity levels. Specifically, this fee will be used by the City to pay a portion of the costs of designated public facilities which now exist and which may be required and which are required by expanding population levels and economic activity. This fee is designed to insure that developers pay their fair share of costs of existing and new public facilities required to serve the City's growing population.

**Section Three:** Definitions. As used in this Ordinance, the following words and phrases shall have the following meanings, unless the context clearly indicates that a different meaning is intended:

A. "Costs of public facilities" means any costs related to acquisition, construction, repair and financing of public facilities and equipment funded through the City, but does not include costs of routine maintenance.

B. "Cultural and Recreation Facilities" means any libraries, auditorium, concert halls, parks, playgrounds and similar facilities located in the City.

C. "Essential Infrastructure" means any facilities for the storage, treatment and distribution of nonagricultural water; facilities for the collection, treatment, reclamation and disposal of sewerage; facilities for the collection and disposal of storm waters and for flood control purposes; transportation and transit facilities, including but not limited to street and supporting improvements, roads, overpasses, bridges, harbors, ports, airports and related facilities; and any other capital projects which

are not Related Facilities, Cultural and Recreation Facilities, Government Facilities, or Public Safety Facilities.

D. "Government Facilities" means City Hall, City garage and equipment yard, City offices and City parking areas, and similar facilities in or through which the City conducts general City operations.

E. "New Development" means any residential or commercial construction whether in a new or existing subdivision, including multi-family residential units such as apartment units, duplexes, town-homes, or residential or commercial condominiums.

F. "Public Facilities" means Government and Public Safety Facilities, Essential Infrastructure and Related Facilities and Cultural and Recreation Facilities.

G. "Public Safety Facilities" means any capital improvements or equipment related to City police and fire operations.

H. "Related Facilities" means any major landscaping, fountains, monuments, signs and similar facilities and activities of general benefit to the City.

**Section Four:** Relationship Between Need For Additional Public Facilities And Type Of Development. The City Council is committed to maintaining the same level of public facilities and services and the same public facilities-to-population relationship which existed on the date of the adoption of this Ordinance. In order to insure that to the extent City growth occurs in the future, there will be the same level of public facilities and services that existed on said date. The City Council finds that a reasonable relationship exists between the need for additional public facilities and the type of development project for which the fee is imposed for the following reasons:

A. The City Council has determined that commercial developments result in a need for additional public services, which in turn, ultimately result in a need for additional Government and Public Safety Facilities and Essential Infrastructure and Related Facilities. Based on the level of public services and the public facilities-to-population relationship which existed on the date of the adoption of this Ordinance, and the extent to which commercial developments contribute to growth, the City Council determines that commercial developers should be assessed a fee of \$2,000 per platted lot as their fair share of contribution for the costs of these required Public Facilities.

B. The City Council has determined that residential development, including new mobile home park development, result in significant increases in City population, and that residential development adversely affects the public facilities-to-population relationship which exists. The population equivalent of a single-family residence shall be deemed to be 3.5 persons per single family residence or condominium unit. The City Council has further determined that because residential development results in significant increases in population, development results in the need for additional Government and Public Safety Facilities, essential Infrastructure and Related Facilities, and Cultural and Recreation Facilities. Based on the public facilities-to-population relationship which existed on the date of adoption of this Ordinance, and the extent to which residential development contributes to the City's growth, the City Council determines that residential developers should be assessed a fee of

\$2,000 per platted lot or condominium unit as their fair share of contribution for the costs of these required Public Facilities.

C. The City Council has determined that multi-family residential development, whether in a new or existing subdivision, results in significant increases in City population, and that multi-family residential development adversely affects the public facilities-to-population relationship which exists. The City Council has further determined that because multi-family residential development results in significant increases in population, development results in the need for additional Government and Public Safety Facilities, essential Infrastructure and Related Facilities, and Cultural and Recreation facilities. Based on the public facilities-to-population relationship which exists on the date of the adoption of this Ordinance, and to the extent to which multi-family residential development contributes to the City's growth, the City Council determines that multi-family residential developers should be assessed a fee based upon population equivalent (PE) as follows:

Three Bedroom Unit	pe=3.0	\$1,700.00 per dwelling unit
Two Bedroom Unit	pe=2.5	\$1,300.00 per dwelling unit
One Bedroom Unit	pe=1.5	\$900.00 per dwelling unit.

**Section Five:** Adjustment of Fees. These fees shall be reviewed annually and adjusted by the City Council when appropriate to reflect changes in the actual costs of public facilities.

**Section Six:** Relationship Between Fee and Development. The City Council determines that there is a reasonable relationship between the amount of fees set in Section 4 hereof and the cost of the Public Facilities or portions of them attributable to the development on which the fees are imposed.

**Section Seven:** Relationship Between Fee and Type of Development. The City Council finds that there is a reasonable relationship between the use of the fee for specific categories of Public Facilities and the type of development project for which a fee is imposed for the following reasons:

A. The City Council finds that the use of fees generated from commercial development for Cultural and Recreation Facilities is not reasonable because the City Council determines that there is no substantial demand placed on those facilities as a result of commercial development. Because commercial development does increase demand on Government and Public Safety Facilities and Essential Infrastructure and Related Facilities, the City Council finds that the use of fees generated from commercial development for those facilities reasonable.

B. The City Council finds that the use of fees generated from residential development for Government and Public Safety Facilities, Essential Infrastructure and Related Facilities, and Cultural and Recreation Facilities is reasonable because growth in population places demand on all such facilities.

**Section Eight:** Payment of Fee and Security. The fees established pursuant to this Ordinance shall be paid by the developer, (i) at the time of final plat approval or (ii) upon the sale of any lot by the developer, and in the case of residential dwelling units such as a duplex, triplex or town-home, payment shall be made prior to the issuance of building permits for said units.

All developers shall secure the payment of all fees assessed pursuant to this Ordinance by the inclusion of all such fees in the total amount of the bond or letter of credit required pursuant to the terms and provisions of the Subdivision Ordinance of the City.

**Section Nine: Exempt Activity.** Any developer engaging in development activities which satisfy the following criteria shall not be required to pay the fee:

- A. An alteration which does not increase the floor area of a structure.
- B. An addition to a single-family residential dwelling unit which does not constitute the addition of a dwelling unit.
- C. The construction of any residential or commercial structure or building upon any lot or parcel of land located within any subdivision which had received final plat approval prior to the adoption of this Ordinance.

**Section Ten: Accounting of Fees.**

A. The City Council directs that all fees collected under this Ordinance shall be maintained in a fund separate from the City's general fund and shall be separated into two special accounts, one for fees generated from residential development, and the other for fees generated from commercial development. The City shall utilize the fees in these accounts, along with any interest earnings, only for the costs of Public Facilities as specified in this Ordinance.

B. If a fee paid by a developer for a particular development has been retained by the City of five or more years, and the City has not committed that fee to costs for Public Facilities, then the City Council shall make findings describing the continuing need to retain the fee each fiscal year after the first five years.

C. If the City Council does not make such findings, then the City Council shall refund the collected fees to the person or entity that paid the fees, or to the heirs and successors in interest of such person or entity.

**Section Eleven: Annual Findings.** Each fiscal year, at the time of adoption of the Appropriation Ordinance, the City Council shall do the following:

- A. Identify the purposes to which the fees are proposed to be put.
- B. Demonstrate whether there is a reasonable relationship between the fees and the purposes for which the fees were charged. If the City Council determines that there is a reasonable relationship, then its determination shall be supported.

**Section Twelve: Conflict.** Any ordinance or part thereof in conflict with the provisions of this ordinance are hereby repealed.

**Section Thirteen: Effective Date.** This Ordinance shall in full force and effect immediately

after its passage and approval.

Ayes: 3, Eichelkraut, Walse, Eschbach

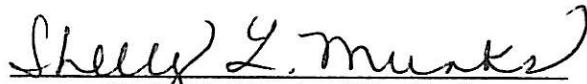
Nays: Ø

Absent: 2, Whitney, Baxter

PASSED and APPROVED this 1<sup>st</sup> day of August, 2006.

  
Robert M. Eschbach, Mayor

ATTEST:

  
Shelly L. Munks, City Clerk

Published in pamphlet form this 3<sup>rd</sup> day of August, 2006.