



Legislation Text

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**CITY COUNCIL AGENDA ITEM**

**ACTION REQUESTED:**

Approve a request from Indian Prairie Community Unit School District No. 204 to initiate consideration of an amendment to Section 7-3-5 (Dedication of Park Lands and School Sites or For Payments in Lieu Of) of the Naperville Municipal Code applicable to SD204 Land Cash donations

**DEPARTMENT:** Transportation, Engineering and Development

**SUBMITTED BY:** Allison Laff, AICP, Deputy Director

**BOARD/COMMISSION REVIEW:**

None required (amendments to Title 7 (Subdivision Ordinance) of the Naperville Municipal Code are not reviewed by the Planning and Zoning Commission)

**BACKGROUND:**

The City has received a request from Indian Prairie Community Unit School District No. 204 ("SD204") to amend the generation tables of the City's Land Cash Ordinance as further discussed herein. As noted in the "Other Districts" summary later in this memo, the proposed amendment would apply only to SD204 school donations.

**History of the Land Cash Ordinance**

In 1972, the City of Naperville passed an ordinance requiring developers to dedicate land, or fees in lieu of land, to serve the immediate and future park and school needs of the residents of a proposed development; this ordinance is codified in Section 7-3-5 of the Naperville Municipal Code and is commonly referred to as the "Land Cash Ordinance". The Land Cash requirements are a condition of approval of a final plat of subdivision or final PUD plat for proposed residential developments in which a net increase in buildable lots is proposed.

**Structure of the Land Cash Ordinance**

The adopted Land Cash Ordinance utilizes a generation table to estimate the number of residents which will be generated by a new development. The generation numbers vary based on type of development (detached single-family; attached single-family; or apartments), as well as the number of bedrooms proposed within those unit types. The generation tables were last updated in 2005.

For the required school donation, the formula calculates the number of acres required to serve the school needs of the school-aged children (aged K-12) generated by the development. If the resulting acreage is not dedicated in the form of a land donation, the following formula is used to calculate the fee-in-lieu:

$$\text{School Donation} = \text{School-Aged Children Generated by Development} \times \text{Acres of School Land to serve}$$

***those Children x \$318,300/acre\****

*\*Represents fair market value for school land as adopted per Code in 2007*

For the required park donation, the formula assumes a required donation of 8.6 acres to serve each 1,000 persons generated by a new residential development. The park donation is always larger than the school donation because the population needs for park districts are based on residents aged 0 - 100+ (vs. the school donation which is limited to school-aged children). If the resulting land amount is not dedicated in the form of a land donation, the following formula is used to calculate the fee-in-lieu:

***Park Donation = Total Population Generated by Development x 8.6 Acres of Park Land per each 1,000 persons x \$323,600/acre\*\****

*\*\*Represents fair market value for park land as adopted per Code in 2007*

### **Cash-in-Lieu of Donations**

As noted above, the Land Cash Ordinance allows developers to donate either land, or cash-in-lieu of land. The impacted park and school district provide a recommendation as to the preferred donation type; this recommendation is subject to final review and approval by the City Council in conjunction with the development request.

Per the Ordinance, if a cash donation is accepted, it can be used to acquire school or park land to serve the immediate or future needs of the residents of the subject development and/or to fund the improvement of other existing local park or school sites which already serve such needs. Land Cash funds may not be used for operational purposes by any district.

### **Recent Amendments**

In 2018, the City Council adopted Ordinance 18-003 amending Section 7-3-5 of the Land Cash Ordinance. This amendment established a new objection process; created a “pay with permit” option (vs. only a lump sum donation payment required to be paid prior to plat recording); and waived school donation requirements for assisted living facilities/age-restricted developments and reduced the required park donation for the same facilities.

### **DISCUSSION:**

On November 30, 2020, SD204 submitted a letter to the Mayor and City Council requesting that the City initiate an amendment to Section 7-3-5 of the Naperville Municipal Code. In conjunction with this request, SD204 has submitted a 19/20 Generation Analysis and an updated Generation Table, both prepared by RSP (see attached).

Overall, SD204 is requesting an amendment to the generation tables included in Section 7-3-5 based on discrepancies observed between the school-aged children estimated by the current tables set forth in the Land Cash Ordinance and the actual school-aged children being generated within built developments. Per the report prepared for SD204, the City of Naperville’s existing generation tables:

- Overestimate the number of school-aged children being generated by detached single-family homes; and
- Underestimate the number of school-aged children being generated by attached single-family homes and apartments.

SD204 is proposing that the City Council amend the Land Cash Ordinance population generation estimates to be consistent with the above findings. As an example, the amended tables would impact the cash-in-lieu of land donation per development type as follows:

Development Type	Existing Donation Requirement	Proposed Donation Requirement	% Difference
4-bedroom detached single-family home	\$8,944.23	\$6,429.66	-28%
3 bedroom attached single-family home (townhome)	\$1,432.35	\$3,373.98	+136%
2 bedroom apartment	\$986.73	\$1,496.01	+52%

SD204 is not seeking any updates to the fair market value for school land or the number of acres required to serve the school needs of the school-aged children generated by a development.

### Amendment Process

If the City Council concurs with SD204’s request to initiate an amendment to Section 7-3-5, City staff will host a virtual public meeting during which representatives from SD204 and RSP (SD204’s consultant) will present their findings. Interested parties, including the Illinois Homebuilders Association, local residential developers, and local attorneys, will be notified of the meeting and given an opportunity to provide feedback and ask questions regarding the proposed amendment. SD204 and RSP will then make any adjustments, as they determine appropriate, to their findings based on input received.

Once the updates are finalized, City staff will prepare an ordinance amending Section 7-3-5 for presentation to the City Council for consideration by a first reading and possible subsequent adoption. Per the “Other Districts” summary below, the proposed amendment will apply only to SD204 school donations.

Following adoption, the updated donation amounts will be applicable to:

- A new development located within SD204 boundaries seeking approval of a Final Plat and opting to pay the required cash-in-lieu of land school donation in a lump sum collected by the City prior to recording the plat; and
- Any residential building permits submitted for developments located within SD204 boundaries which opted to pay the donation requirement on a per permit basis when their Final Plat was approved. Note: the updated donation amount will apply to these building permits regardless of when their applicable subdivision plats were approved and recorded.

Finally, it should be noted that SD204 has concurrently submitted a request to the City of Aurora to update the school generation tables which are applicable to residential developments proposed within SD204’s boundary in Aurora.

### Other Districts

The information submitted by SD204 is specific to school-aged children being generated from developments occurring within its District boundaries. It is important to note that neither the Naperville Park District nor Naperville School District 203 have expressed interest in updating the

demographic tables as they apply to their respective districts; accordingly, their existing generation tables will remain in place following adoption of any amendments to SD204's generation tables.

Should an update to the generation tables be desired by the Naperville Park District or Naperville School District 203, each District would need to conduct additional demographic research specific to their impacted population and geographic boundaries and present this information to the City Council at a future date.

**FISCAL IMPACT:**

All school/park donations collected by the City are directly transferred to the respective districts. If the requested amendment is approved, City revenues will not be impacted.