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## Shorewood cuts impact fees to lure developers

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March 29, 2009

By **CLARE WALTERS** For The Herald News

SHOREWOOD -- Village officials are hoping a new measure intended to stimulate the local economy does just that.

After much debate, the village board Tuesday approved an ordinance temporarily reducing a portion of the village's impact fees for construction of single-family homes and duplexes.

The village will forgo a projected \$274,000 in capital improvements and \$82,000 in its general fund by reducing building fees by 25 percent this year. The figures are based on a projection of 126 homes.

Mayor Richard Chapman, who championed the measure, said all governmental agencies need to "step up" during the current financial crisis and get people -- from carpenters and masons to interior decorators and landscapers -- back to work.

"It's not just to build houses for the sake of building houses or for the sake of giving developers a break," he said. "Just about everything you can think of reaches out from a house."

### Reduction too costly?

Trustee Gary Fitzgerald opposed the fee reduction calling it "misguided."

"This is a national issue and it's an illusion that we're going to impact it," he said. "It's not going to make a dent. It's going to be a giveaway to the people who are going to be coming here anyway."

Fitzgerald, who cast the lone vote against the measure, said the reduction is potentially too costly.

The village uses impact fees to pay for infrastructure, including improvements to the water and sewer systems.

Trustee Celine Schwartz said there is no way to ensure that the fee reduction to developers will get passed down to home buyers.

Chapman said that point was moot because if developers don't reduce prices, they won't sell homes.

Trustee Lea Stahr said he thinks the federal home buying incentive coupled with the village's small portion likely will get the "fence straddlers" to buy in Shorewood.

"I think anything we can do to stimulate the local economy is good," he said.

Trustee Daniel Gron said he was willing to give the fee reduction a chance, but the village must collect data on the effort.

"How can we get a data-driven policy?" he said. "I want to know this has an impact. I think it's the right thing to do, but we need data on the back end."

[Mayor McLaughlin's "State of the Village Address"](#)

**From OrlandParker**

[The Impact Fees Tax Shift](#)

**From Pushing Rope**

The views expressed in these blog posts are those of the author and not of the Sun-Times News Group.

donzztake wrote:

"Just about everything you can think of reaches out from a house." Yeah, like a mortgage, that's if you can even get a loan these days?" no way to ensure that the fee reduction to developers will get passed down to home buyers. "That's right Lea~! And developers are only one step below politicians when it comes to treating citizens in a fair manner~!" moot because if developers don't reduce prices, they won't sell homes. "Isn't the current real estate mess enough reason NOT to buy a new house right now? Good luck Mayor Richard Chapman, you'll need it~! likely will get the "fence straddlers" to buy in Shorewood.

3/29/2009 10:43 AM CDT on [suburbanchicagonews.com](#)

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michael edwards wrote:

Why didn't the author of this article report the existing impact and permit fees? It seems to me like an obvious oversight. I think a lot of people would be shocked to read about the extremely high fees associated with building in this area. (Not just Shorewood either.)

3/29/2009 7:49 AM CDT on [suburbanchicagonews.com](#)

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