

COMMON QUESTIONS ABOUT LAND CASH DONATIONS

What are school/park land cash donations?

A 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.

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.

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:

School Donation = School-Aged Children Generated by Development x 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*

Why is Indian Prairie School District seeking to make a change?

SD204 has completed an analysis of fees generated within the district. Based on its findings, the district is requesting an amendment to the generation tables included in Section 7-3-5 of the Naperville Municipal Code 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.

Are changes being proposed to all School Districts and the Park District? A: No. The changes being considered are specific to developments within Indian Prairie School District 204 boundaries. No other districts are considering changes at this time. Should others propose changes in the future, each respective body would need to collect data and submit findings to support a change. A similar public process will be held to provide opportunity for review and comment before City Council consideration of any proposed changes.

Indian Prairie School District 204 Includes portions of the City of Aurora. Are changes being made in Aurora as well? A: Yes, School District 204 is proposing changes to the school and park land cash donation rates in the City of Aurora as well based on its study of housing within its entire district. That process is expected to follow the efforts in Naperville later this year. Any decision by the City of Naperville City Council only impacts those homes in School District 204 located within the limits of the City of Naperville.

Do changes to school and park land cash donations impact taxes for homeowners? A: No. These fees are assessed on new developments prior to construction. Homeowners living in School District 204 are not directly impacted by any fee changes.

How long has the City of Naperville had a land cash ordinance? A: 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. The generation tables were last updated in 2005. 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.

Does the City of Naperville Receive any funds associated with school/park donations? A: No. 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.