

**PROCEDURES FOR IMPLEMENTING BOARD POLICY: FEES FROM RESIDENTIAL REAL
ESTATE DEVELOPERS UNDER THE JURISDICTION OF THE
VILLAGE OF NORTHBROOK**

4025

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Section A - Introduction

1. It is the policy of the Board of Education of District #225 to request developers of new residential real estate developments to make cash contributions to the district.
2. Fees from residential real estate developers under the jurisdiction of the Village of Northbrook shall be in accordance with Paragraph 1, Subsection F, Article IV of the Northbrook Subdivision Ordinance, and presented in Section B of these Procedures.
3. The fee from residential developers under the jurisdiction of the Village of Northbrook shall be equal to one year's real estate taxes on the improved real estate. The specific procedures for calculating these fees is contained in Section C of these Procedures.

Section B - The Northbrook Subdivision Ordinance

1. Paragraph 1, Subsection F, Article IV of the Northbrook Subdivision Ordinance reads as follows:

"No Final Plat for any subdivision shall be recommended for approval by the Plan Commission or approved by the Board of Trustees pursuant to Article VIII unless and until the developer or subdivider has presented evidence of a written agreement with the Northbrook Park District and with the local school district within which the proposed subdivision is located providing for one of the following:

- (a) dedication of a reasonable amount of land within the proposed subdivision for park or recreational purposes and for school sites, to serve the immediate and future needs of the residents of the proposed subdivision; or
- (b) a cash contribution to the Northbrook Park District and applicable school district in accordance with the formula established by the Park District or school district; or
- (c) a combination of (a) and (b) above; or
- (d) a waiver by the Northbrook Park District and/or the applicable school district of any and all land dedication and cash contribution requirements.

Section B - The Northbrook Subdivision Ordinance (Continued)

The Northbrook Park District or the applicable school district, as the case may be, shall not be allowed to collect the cash contribution referenced above unless and until it has:

- (a) established a reasonable formula for computing the contribution; which formula shall be uniformly applied to all proposed subdivisions within its jurisdiction; and
- (b) established provisions for holding the cash contribution in trust solely to serve the immediate or future needs of the residents of that particular subdivision; and
- (c) established provisions for the refunding of such cash contribution to the developer or subdivider in the event that the cash contribution is not expended for the purposes set forth herein within seven years after the date of receipt of said cash contribution."

Section C - The Formula to be Applied to New Residential Real Estate Developments Under the Jurisdiction of the Village of Northbrook

1. The fee from new residential real estate developers under the jurisdiction of the Village of Northbrook, shall be equal to one year's real estate taxes on the improved real estate.
2. The formula is described as follows:
 - 1) The estimated average selling price of each residential unit shall be multiplied by the current Cook County assessment factor for residential units.
 - 2) The resulting assessed valuation per unit shall then be multiplied by the State of Illinois Department of Local Government Affairs most recently assigned tax multiplier for Cook County.
 - 3) The resulting equalized assessed valuation per unit shall then be multiplied by the most recent tax rate computed by the Cook County Clerk for District #225.
 - 4) The resulting figure shall be the donation per residential unit.

Section C - The Formula to be Applied to New Residential Real Estate Developments Under the Jurisdiction of the Village of Northbrook (Continued)

- 5) By way of illustration, the contribution for a residential unit, priced at \$300,000, would be:

Price of Residential unit	\$300,000
Cook County Assessment	<u>X .16</u>
	\$ 48,000
Most Recent Cook County Multiplier	<u>X 1.8916</u>
	\$ 90,797
Most Recent District 225 Tax Rate	<u>X 2.195</u>
Contribution	\$ 1,993

NOTE: The above changes will change yearly, and the changes will be reflected on Exhibit A.

4. The formula shall be uniformly applied by the district to all proposed residential developments under the jurisdiction of the Village of Northbrook within the district.

Section D - Procedures for Managing Cash Contributions

The following procedures shall be used by the district for managing cash contributions from residential developers:

1. The director of business affairs shall provide a copy of Board of Education policy and procedures (4025) to any developer seeking approval of a new residential development under the jurisdiction of the Village of Northbrook.
2. The developer shall be required to execute a copy of the Agreement contained in Appendix A of these procedures. Once the Agreement has been executed by the developer, the director of business affairs shall so notify in writing, the Director of Planning of the Village of Northbrook.
3. The Agreement shall require that the contribution pertaining to a unit of the development shall be paid to the district prior to the issuance of the occupancy permit for that unit by the Village. Once the cash contribution has been made by the developer to the district, the director of business affairs shall so notify in writing the Director of Development of the Village of Northbrook, identifying the specific units covered by the contribution.

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4. Cash contributions made to the district shall be in the form of a certified or cashier's check and shall be deposited by the director of business affairs in an escrow account to be used by the district solely to defray, in part, the cost of improvements made to school buildings or school sites, to which students of the development giving rise to the contributions, are assigned. The director of business affairs shall maintain records indicating the use of the funds.
5. If the cash contribution is not used within seven years from the date the contribution is received by the district, the director of business affairs shall return the balance of the contribution to the developer.
6. The Board of Education has authorized the superintendent to develop any additional procedures necessary to implement Board Policy: Fees From Residential Real Estate Developers Under the Jurisdiction of the Village of Northbrook (4025).

Adopted: September 19, 1988
Revised: September 10, 1990
Revised: June 23, 1997

APPENDIX A

AGREEMENT RE DEVELOPER'S FEES

This Agreement is made _____, 19___, by and between Northfield Township High School District No. 225, Cook County, Illinois (the "District") and _____ (the "Developer").

WITNESSETH

WHEREAS:

A. Developer has filed, or is about to file, with the Village of Northbrook (the "Village") a petition seeking Village approval of Developer's proposed subdivision of land or planned unit development within the boundaries of the District to be known as _____ (which subdivision or planned unit development, in the form finally approved by the Village, if so approved, is hereafter referred to as the "Residential Development"); The development will be located at _____ and will be known as _____.
(Name of Residential Development)

B. As provided in the Village's Subdivision Ordinance, the Village approval of the proposed Residential Development is contingent, in part, on the Developer entering into an agreement with the District pertaining to the matters specified in said Ordinance;

C. The Board of Education of the District has adopted a Policy and Procedures pertaining to developer contributions made pursuant to said Ordinance, a copy of which Policy and Procedures have been furnished to Developer and the provisions of which are incorporated herein by reference (the "Board Policy & Procedures");

NOW, THEREFORE, in consideration of the premises and other mutual considerations, the receipt and sufficiency of which are hereby acknowledged, Developer and the District agree as follows:

1. On the condition that the Village approves the Residential Development, Developer agrees to contribute to the District an amount to be calculated under Section C of the Procedures for Implementing Board Policy: Fees from Residential Real Estate Developers Under the Jurisdiction of the Village of Northbrook. It is understood that the figures in Section C are for example only and that the actual sales price of each unit (based on a signed sales contract) will be used in the computation also using the most recent District 225 tax rate and the most recent Cook County multiplier available at the time that the occupancy permit is requested.

For rental units or other residential units which will not be sold prior to occupancy, the developer agrees to provide an estimated market value for the purpose of calculating the developer's fee (with supporting documentation if requested by the District).

2. The Developer shall pay the contributions to the District prior to obtaining an occupancy permit for any unit constructed in the Residential Development, and Developer does hereby authorize and direct the Village to withhold issuance of any such occupancy permit unless and until the Village has received written evidence in the form of a receipt from the District of such payment.

3. The District agrees to hold, use, and return (when applicable) the aforesaid contribution with respect to the Residential Development in accordance with the provisions of the Village Ordinance and the Board Policy and Procedures.

4. This Agreement shall be recorded by the District with the County Recorder of Deeds at anytime after the Agreement is signed. Further, the understanding by the Developer to make payments to the District provided for herein shall be a covenant that is imposed upon the real estate described herein, and such covenant shall run with the land. The covenant, however, shall at all times be subordinate to and subject to the lien of mortgage or trust deed now or hereafter in force affecting all or any portion of the real estate to which this covenant is applicable.

5. In addition to the foregoing, the Developer shall place a notation on the Final Plat of Subdivision for the Development noting and describing this Agreement.

6. This Agreement shall be binding upon the parties hereto and their successors and assigns, and upon any subsequent title holder of the property referred to in this Agreement, and shall be disclosed by the owner to any subsequent proposed purchaser of the property. This Agreement may not be assigned, however, without prior written consent of all parties.

IN WITNESS WHEREOF, the parties have entered the agreement as of the day and year first above written.

Developer:
District #225

Northfield Township High School
Cook County, Illinois

By: _____
(Signature & Title)

(Address)

By: _____
Asst. Supt. for Business Affairs
(847) 998-6100
(Telephone No.)

(Telephone No.)