

Zoning Escrow Fee Policy Explanation

The purpose of this memo is to provide information to zoning applicants regarding the Allendale Charter Township policy that calls for zoning applicants to reimburse to the Township the actual costs for Township review of zoning applications.

Many townships have adopted such a policy, and the Allendale Charter Township Board did so on February 14, 2011. The cost of Township review of zoning applications can be significant, depending upon the complexity of the matter, the area of land involved and other factors. These costs do, however, differ greatly among various applications and cannot always be accurately predicted at the time zoning applications are filed.

The Township's general fund can no longer easily bear the cost of zoning review expenses, and so the Township Board has adopted a resolution specifying that such costs and expenses, except for routine expenses, are to be reimbursed to the Township by the individual applicants who are seeking zoning approvals. In this way, the actual costs of review and consideration of zoning applications is borne by the persons who are seeking zoning approvals, rather than by the taxpayers.

Who is Affected by this Policy?

All applicants for rezoning, planned unit development approval, site condominiums, private road approval, site plan approval, granting of variances and other types of zoning applications.

What Expenses are to be Paid by Zoning Applicants?

Costs and expenses for consideration of zoning applications include the basic application fee that is paid to the Township for initial consideration of an application at meetings of the Planning Commission, the Zoning Board of Appeals, the Township Board and other meetings, if any. In addition, the expenses include the costs actually incurred by the Township for the review of applications for zoning approvals, variances, special land use approvals, site plan reviews, planned unit developments, platted subdivisions, site condominiums and similar requests.

How are these Expenses Calculated?

Basic application fees are established by Board resolution from time to time; other expenses will equal the Township's actual expenses incurred in reviewing the application, including the costs of subcommittee meetings, special meetings, review by Township attorney, Township planner, Township engineer, traffic studies, environmental impact studies, notice of additional hearings and similar services or expenses.

What is the Procedure for Payment?

At the time of filing a zoning application, a zoning applicant will pay into a Township escrow account, in advance, an amount estimated to be sufficient to cover the expected costs, as outlined in Resolution 2011-2.

If the funds in the escrow account become depleted, the applicant must make an additional deposit sufficient to cover any deficit and to re-establish a balance of at least \$500.00, or such greater amount as determined by the Township Supervisor or the Supervisor's designee, to be reasonably necessary to cover the anticipated remaining and/or future expenses.

The monies paid into the escrow account are solely for the purpose of reimbursing the Township's actual expenses, and so any excess funds remaining in the account after all services have been fully performed will be promptly refunded to the applicant.

If the balance of the expenses incurred exceeds the amount remaining in escrow following final action by the Township, the Township will send the applicant an invoice for such additional fees, and the Township will issue no further permits or certificates of occupancy until the outstanding fees are paid in full. In addition, if the expenses are unpaid for a period of 14 days, stop work orders or other actions to halt work on a development project may be issued.

We hope that the above explanation will be helpful to you. We believe that this policy will serve the Township well and be beneficial to all Township residents and taxpayers. Thank you for your prompt attention to this policy of the Township, and if at any time you have questions about the matter, please let us know.