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Romeoville slashes fees on new homes

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ROMEDEVILLE — Officials have approved a plan to lower fees for new home construction.

Under the Build Romeoville program, the village will lower new home permit fees by \$5,000 with hopes that it will stimulate residential construction.

Development director Steve Rockwell said that an average home permit can cost around \$16,000 and that the reduction could help builders secure loans for lots or entice buyers to build.

Rockwell said the new program is the third incentive aimed at helping keep the housing market going during tough economic times.

Previous programs have been aimed at assisting homeowners purchase foreclosed properties and deferred payment of permit fees. The village has also secured a block grant for homeowners who build energy-efficient homes.

The current program is set to expire in January 2014 or sooner should the market rebound.

“The housing starts haven’t stopped in Romeoville, but the trickle might dry up if we don’t do something,” said Rockwell.

Under the new plan, builders would be required to spend \$5,000 each year for marketing their developments in the village.

In addition, water and sewer tap-on fees of will be reduced by \$4,000 each. A \$5,000 impact fee for the local school district will remain unchanged.

Mayor John Noak characterized the move as an opportunity to create the right environment to spur new home growth.

“This isn’t guaranteed money; this is opportunity money,” he said.

Trustee Sue Micklevitz questioned why the incentive didn’t go directly to the home buyer.

Both Rockwell and Village Manager Steve Gulden said that under the current lending climate, banks were less willing to write large loans for bulk lots. Gulden said that many were relying on financing for single lots and that the incentive removed a substantial financial hurdle to getting a new home site started.

“If we don’t help the home builder we won’t have a home buyer,” said Rockwell.

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