

**VERGENNES TOWNSHIP**  
**Escrow Fund Policy**  
**RESOLUTION 1-99**

*Revised 4/21/03, 1/17/05, 9/18/06, 12/18/06*

**RESOLUTION REGARDING ZONING APPLICATION FEES, DEVELOPMENT REVIEW FEES, AND ESTABLISHING AN ESCROW FUND REQUIREMENT FOR CERTAIN ZONING APPLICATIONS AND DEVELOPMENTS**

WHEREAS, the Vergennes Township Board (“Township Board”) has established certain fixed application fees for zoning and development reviews and approvals pursuant to the Vergennes Township Ordinances “(Zoning Ordinance”) and state law, and

WHEREAS, there are certain developments, zoning applications and development Projects, including proposed projects in the pre-planning stages, which require Vergennes Township (“Township”) to incur additional and at times extraordinary out-of-pocket costs and expenses above and beyond what is associated with typical or average zoning review for minor projects; and

WHEREAS, the Township Board believes that it is reasonable and appropriate to place the cost of processing zoning and development applications for medium and large scale developments (or applications involving unusual costs to the Township) on the applicants involved rather than on the taxpayers of the Township; and

WHEREAS, the Township intends that the zoning and development review and escrow fees be reasonably related and proportionate to the costs incurred by the Township for the particular application or zoning process involved, and that such fees and reimbursements be used to defray the costs of administering and enforcing the Zoning Ordinance and the Township Rural Zoning Act, as amended (MCL 125.271 et seq.); and

WHEREAS, the Township Board intends to establish this Escrow Policy to accomplish the above goals.

NOW THEREFORE, BE IT RESOLVED AS FOLLOWS:

1. The fixed basic zoning and development application fees (as set by the Township Board by resolution from time to time) shall hereafter cover costs associated with the following:
  - a. Applicant's appearance at regular Planning Commission, Zoning Board of Appeals and/or Township Board meetings.
  - b. Mailing and legal notice requirements for public hearings.
  - c. Involvement by Township officials staff and employees (excluding outside contractors or professionals such as township planner engineering, legal counsel and other services).
  
2. In addition to the fixed zoning and development fees, all other expenses and costs incurred by the Township which are directly associated with reviewing and processing a zoning application for uses specified in Section 3 hereof shall be paid (or reimbursed to the Township) from the funds in an Escrow Account established by the applicant as provided herein. Pre-application conferences are also subject to this requirement. The Township may draw funds from an applicant's Escrow Account to reimburse the Township for out-of-pocket expenses incurred by the Township relating to the application. Such reimbursable expenses include, but are not limited to, expenses related to the following:
  - a. Mailing, legal notices, compensation for special Planning Commission meetings, and Planning Commission subcommittee meetings.
  - b. Mailing, legal notices, and Zoning Board of Appeals member compensation for special Zoning Board of Appeals meetings.
  - c. Services of the Township Attorney, Engineer and/or Planner, Zoning Administrator, or Assessor directly related to the application.
  - d. Services of other professionals including specialized consultants working for the Township which are directly related to the application.
  - e. Any additional public hearings, required mailings and legal notice requirements necessitated by the application.
  - f. Cost to prepare a ex. pub ordinance, resolutions or preparing orders and publishing orders and ordinances.
  - g. Pre-application conferences with Township Attorney, Engineer, Planner, Zoning Administrator, Assessor, or other professionals.
  
3. Applications involving the following shall be subject to this Escrow Fund requirement:
  - a. Site Plan Reviews
  - b. Planned Unit Developments (PUD) and PUD amendments
  - c. Special Use Permits

- d. Zoning ordinance amendments including, rezoning and text amendment.
- e. Subdivision Plat reviews
- f. Site condominium reviews
- g. Comprehensive Plan - Amendment
- h. Variance or interpretation proceedings before the Zoning Board of Appeals where Township officials determine that the scope of the project or application will probably require the assistance of the Township professionals or additional costs referred to in Section 2 hereof.
- i. Land divisions over four.
- j. Private road approval
- k. Open Space developments
- l. Pre-application conferences

The Zoning Administrator has authority to decide when to apply escrow.

4. The escrow fees for each application for uses specified in Section 2 hereof are established at the following step rates:
  - Small projects with a private road - \$2,000
  - Projects of 11-20 lots - \$3,000
  - Projects of 21-50 lots - \$4,000
  - Projects over 50 lots - at the township board's discretion
  - *Commercial and Industrial projects - \$2,500*

These deposits shall commence with the initial amount provided by the applicant to the Township at the time of application. No application shall be processed prior to the required escrow fee having been deposited with the Township. Any excess funds remaining in the Escrow Account after the application has been fully processed, reviewed and the final Township decision has been rendered regarding the project will be refunded to the applicant with no interest to be paid on those funds. At no time prior to the Township's final decision on an application shall the balance in the Escrow Account fall below **\$500**. If the funds in the Escrow Account drop below **\$500**, an additional deposit of **\$500, or enough to pay any outstanding invoices** by the applicant into the Escrow Account shall occur before the application review process will be continued. Additional amounts may be required at the discretion of the township. For pre-application conferences, the initial deposit may be \$250.00 with additional funds added if the balance falls below \$50.00.

5. No Certificate of Occupancy shall be granted for a zoning and development application until all outstanding out-of-pocket costs and expenses incurred by the Township as specified have been reimbursed to the Township from the Escrow Account.

6. The Township Treasurer shall maintain itemized records regarding the Escrow Account and shall authorize the disbursement of escrow funds in writing. Such escrow accounts (from one or more applicants) shall be kept in a separate Township bank account, or sub account.

Township has the right to collect any remaining unpaid incurred costs or fees.

7. If an applicant objects to the amount of escrow funds it must deposit with the Township or how the escrow funds have been applied, it can appeal the Township's determination regarding these matters to the Township Board. All such appeals shall be in writing and shall be made not later than thirty (30) days after final Township action regarding the application.

This Resolution was offered by Board Member Weber, and supported by Board Member Geiger-Hessler, with the roll call vote being as follows:

YEAS:	5
NAYS:	0
ABSTAIN:	0
ABSENT:	0

This Resolution declared adopted on the 18<sup>th</sup> day of January, 1998.

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Mari Stone  
Vergennes Township Clerk

I hereby certify the foregoing to be a true copy of the amended resolution adopted at a Regular Meeting of the Vergennes Township Board on the 21<sup>st</sup> day of April, 2003.

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Mari Stone  
Vergennes Township Clerk