

VILLAGE OF DOWNERS GROVE
REPORT FOR THE VILLAGE COUNCIL MEETING
FEBRUARY 20, 2007 AGENDA

SUBJECT:	TYPE:	SUBMITTED BY:
Ordinance Declaring Intent to Create SSA #4 and Hold a Public Hearing	✓ Resolution Ordinance Motion Discussion Only	David H. Barber, PE Director of Public Works

SYNOPSIS

A Ordinance has been prepared that will declare the intent of the Village Council to create Special Service Area (SSA) #4 and establish the public hearing date of March 20, 2007 for brick street improvements in the following areas:

- Oakwood Avenue (Warren to Prairie),
- Middaugh Avenue (Warren to Prairie), and
- Franklin (Oakwood to Linscott).

STRATEGIC PLAN ALIGNMENT

The Village Goals for 2011 include *Top Quality Infrastructure and Facilities* and *Preservation of our Residential and Neighborhood Character*.

FISCAL IMPACT

Approval of this ordinance is the first step in the process of creating Special Service Area #4 that will provide the funding source for the homeowner's share of the costs of this project. The Brick Street Improvement Project (ST-002) is currently estimated at a total cost of \$2,655,000. The Village costs will include \$1,411,800 from the Capital Fund (220) and \$450,000 for the waterline from the Water Fund (481). The DG Sanitary District will contribute \$425,000 for the replacement of the sanitary sewer. The local (homeowner's) share is currently estimated at \$368,200.

The funds to be used initially for this homeowner's share of the project will be paid from the cash balance in the Capital Fund. The creation of the SSA will enable the Village to recover these funds from the homeowners commencing with payments in 2009.

UPDATE AND RECOMMENDATION

Due to weather, the Village Council did not discuss this item as a part of the February, 13, 2007, Council Workshop meeting. Public comments were heard on February 13, 2007.

Therefore, it is recommended that the Village Council approve a single motion at the start of the February 20, 2007, Village Council meeting to waive the traditional one-week waiting period to allow for action on appropriate items.

Subject to approval of the motion to waive the traditional one-week waiting period, staff recommends Council discuss this item and proceed with approval, provided there is consensus for support of this item.

In response to the resident's request that the Village proceed with the infrastructure improvements and repair of the brick streets with Village wide tax revenue (as opposed to creating the SSA to collect approximately \$368,200 in tax revenue from only those property owners immediately contiguous to the proposed project area) staff has outlined the following options for Council's consideration:

- a. Approve the ordinance as presented, which would provide for a March 20th public hearing following by a 60 day period for filing of objections. After the 60 day period, Council could only create the SSA if less than 51% of those eligible file objections.
- b. Deny approval of the ordinance and direct staff to present alternate funding recommendations as a part of the FY08 budget preparation process in the fall of 2007. The would require staff to identify approximately \$368,200 in revenue (which is the equivalent of a Village wide property tax increase of \$0.017 or roughly 2¢) and delay the project for at least one construction season.

BACKGROUND

On January 16, 2007 Village Council approved a motion to move forward with the process to create a Special Service Area (SSA) for the repayment of the homeowner’s share of the cost estimated at \$368,200 for the Brick Street Improvement project included in the Community Investment Program as Project ST-002. The adoption of this Ordinance is the first step in creating this proposed Special Service Area #4. Plans and specifications have been prepared and a cost estimate of probable costs has been developed. The projected cost estimate for this project is shown below.

Street Construction Cost	\$1,755,000
Water Line Construction Cost	\$ 450,000
Sanitary Sewer Construction Cost	\$ 425,000
Materials Testing Services	<u>\$ 25,000</u>
Total Project Cost	\$2,655,000

This initial Ordinance declares the intent of the Village Council to create the SSA and establishes the date for the required Public Hearing on March 20, 2007 at 6:30 PM in Village council Chambers. Following the close of the Public Hearing no action can be taken by the Village Council for a period of 60 days. During this time objections may be filed. To stop the project 51% of the registered voters and 51% of the property owners in the area of the proposed SSA need to file their objections with the Village Clerk by the end of the 60 day period after the Public Hearing. Should the project move forward assuming there is public support for this improvement project an Ordinance to create the SSA will be brought to Village Council on May 22, 2007 for adoption on June 5, 2007, assuming the Public Hearing is closed on March 20, 2007.

The project as proposed includes work on:

- Oakwood Avenue (Warren to Prairie),
- Middaugh Avenue (Warren to Prairie), and
- Franklin (Oakwood to Linscott).

The methodology for determining the homeowner’s share for this project is based on the same methodology used for a similar project in 1988 as explained in the communication submitted for Village Council considerate on January 9, 2007. The homeowner’s share is estimated at \$368,200 and based on the current equalized assessed valuation (EAV) the cost to be distributed to the properties in this new SSA will be no more than \$0.220 per \$100 EAV on an annual basis for a period of up to 20 years.

As requested by Village Council an additional neighborhood meeting will be held on Monday, February 12, 2007, to explain the costs in more detail and the process for the creation of the SSA with the residents. A summary of that neighborhood meeting will be provided at the February 13, 2007 workshop.

ATTACHMENTS

Ordinance

Map of Proposed SSA Area

VILLAGE OF DOWNERS GROVE
COUNCIL ACTION SUMMARY

INITIATED: Director Public Works **DATE:** February 20, 2007
(Name)

RECOMMENDATION FROM: _____ **FILE REF:** _____
(Board or Department)

NATURE OF ACTION:

STEPS NEEDED TO IMPLEMENT ACTION:

- Ordinance
- Resolution
- Motion
- Other

Motion to Adopt "AN ORDINANCE PROPOSING THE ESTABLISHMENT OF A SPECIAL SERVICE AREA IN THE VILLAGE AND PROVIDING FOR A PUBLIC HEARING AND OTHER PROCEDURES IN CONNECTION THEREWITH", as presented.

SUMMARY OF ITEM:

Adoption of this ordinance shall propose to establish Special Service Area #4 to provide for the repayment to the Village by homeowner contributions for a brick street reconstruction project.

RECORD OF ACTION TAKEN:

ORDINANCE NO. _____

**AN ORDINANCE PROPOSING THE ESTABLISHMENT
OF A SPECIAL SERVICE AREA IN THE VILLAGE AND
PROVIDING FOR A PUBLIC HEARING
AND OTHER PROCEDURES IN CONNECTION THEREWITH**

Be it ordained by the Mayor and Village Council of the Village of Downers Grove, DuPage County, Illinois, as follows:

SECTION 1: *Authority to Establish Special Service Areas.*

Special service areas are to be established pursuant to Article VII, Section 6L of the Constitution of the State of Illinois in force July 1, 1971, which provides:

The General Assembly may not deny or limit the power of home rule units (1) to make local improvements by special assessment and to exercise this power jointly with other counties and municipalities, and other classes of units of local government having that power on the effective date of this Constitution, unless that power is subsequently denied by law to any such other units of local government or (2) to levy or impose additional taxes upon areas within their boundaries in the manner provided by law for the provision of special service to those areas and for the payment of debt incurred in order to provide those special services

and are established pursuant to the provisions of the Special Service Area Tax Law (35 ILCS 200/27, *et. seq.*) and pursuant to the Revenue Act of 1939.

SECTION 2: *Findings. The Village Council finds:*

A. It is in the public interest that the creation of the area hereinafter described as a special service area for the purposes set forth herein be considered.

B. That said area is compact and contiguous and constitutes the area wherein certain remaining brick streets exist in the Village of Downers Grove.

C. That said area is zoned for residential purposes and will benefit specially from the municipal services to be provided and that the proposed municipal services are in addition to municipal services provided to the Village of Downers Grove as a whole and it is, therefore, in the best interests of the Village of Downers Grove that the levy of special taxes against said area for the services to be provided be considered.

SECTION 3: *Public Hearing-Tax Rates-Issuance of Bonds.* That a public hearing shall be held on the 20th day of March, 2007, at 6:30 p.m., in the Council Chambers of the Village Hall, 801 Burlington Avenue, Downers Grove, Illinois, to consider the creation of Special Service Area Number 4 of the Village of Downers Grove, in the territory described in the Notice set forth in Section 4 hereof. At the hearing, there will be considered the levy of an annual tax of not to exceed an annual rate of \$.220 per \$100 assessed value, as equalized, of the property in the Special Service Area, said tax to be levied for a maximum of twenty (20)

years from the effective date of this Ordinance. Said taxes shall be in addition to all other taxes provided by law and shall be levied pursuant to the provisions of the Revenue Act of 1939.

SECTION 4: Notice of Hearing. Notice of hearing shall be published at least once not less than fifteen (15) days prior to the public hearing in one or more newspapers in general circulation in the Village of Downers Grove. In addition, notice by mailing shall be given by depositing said notice in the U.S. mail addressed to the person or persons in whose name the general taxes for the last preceding year were paid on each lot, block, tract or parcel of land lying within the proposed Special Service Area. Said Notice shall be mailed not less than ten (10) days prior to the time set for the public hearing. In the event taxes for the last preceding year were not paid, the Notice shall be sent to the person last listed on the tax rolls prior to that year as the owner of the property. The Notice shall be in substantially the following form:

**NOTICE OF HEARING
VILLAGE OF DOWNERS GROVE
SPECIAL SERVICE AREA NUMBER 4**

NOTICE IS HEREBY GIVEN that on March 20, 2007, at 6:30 p.m. in the Council Chambers of the Village Hall, 801 Burlington Avenue, Downers Grove, Illinois, a hearing will be held by the Mayor and Village Council of the Village of Downers Grove to consider establishing a special service area consisting of the following described territory:

**DOWNERS GROVE
SPECIAL SERVICE AREA NUMBER 4**

Lots 1-20 of Block 39 (Permanent Parcels # 09-07-211-001 to 017); lots 1-13 and 17-29 of Block 40 (Permanent Parcels # 09-07-214-001 to 023 and 09-07-214-027); lots 5-30 of Block 42 (Permanent Parcels # 09-07-210-024 to 050 in E.H. Prince and Company's 3rd Addition to Downers Grove, being a subdivision in the Northeast Quarter of Section 7, Township 38 North, Range 11 East of the Third Principal Meridian, according to the plat thereof recorded March 23, 1892 as Document No. 47981 in DuPage County, Illinois

and

Lot 1 and the north 25 feet of lot 2 of Block 2 (Permanent Parcel # 09-07-215-014); lots 18-29 of Block 2 (Permanent Parcel # 09-07-215-001 to 011); lots 9-20 of Block 11 (Permanent Parcel # 09-07-212-001 to 009 and 09-07-212-018) in E.H. Prince and Company's Addition to Downers Grove, being a subdivision in the Northeast Quarter of Section 7, Township 38 North, Range 11 East of the Third Principal Meridian, according to the plat thereof recorded March 23, 1892 as Document No. 47981 in DuPage County, Illinois

and

Lots 1 and 2 of Block 2 (Permanent Parcel # 09-07-215-012 and 013) in the A. Joseph's Resubdivision of Block 2 of E.H. Prince and Company's Addition to Downers Grove, being a subdivision in the Northeast Quarter of Section 7, Township 38 North, Range 11 East of the Third Principal Meridian, according to the plat thereof recorded March 23, 1892 as Document No. 47981 in DuPage County, Illinois.

PERMANENT INDEX NUMBERS

0907212018	0907215007	0907210035
0907215014	0907214019	0907210036
0907211010	0907215008	0907214001
0907211011	0907214020	0907210037
0907212002	0907215009	0907214002
0907212003	0907215010	0907210038
0907211012	0907214021	0907210039
0907212004	0907214022	0907214003
0907211013	0907215011	0907210040
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0907215003	0907211006	0907214010
0907214015	0907210031	0907214023
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Commonly known as Oakwood Avenue and Middaugh Avenue, both from Warren Avenue to Prairie Avenue; and Franklin Street, from Oakwood Avenue to Linscott Avenue.

An accurate map of said territory is on file in the office of the Village Clerk and available for public inspection.

The purpose of the formation of Downers Grove Special Service Area Number 4 in general is to provide special municipal services to the area, including but not limited to, municipal services in connection with the restoration and maintenance of existing brick streets.

A special tax will be considered at the public hearing to be levied for a period not to exceed twenty (20) years and not to exceed an amount of \$.220 per \$100 per annum of assessed value, as equalized, to be levied against the real property included in the special service area.

At the hearing, all interested persons affected by the special service area, including all persons owning taxable real estate therein, will be given an opportunity to be heard. The hearing may be adjourned by the Village Council to another date without further notice other than a motion to be entered upon the minutes of its meeting fixing the time and place of its adjournment.

If a petition is signed by at least fifty one percent (51%) of the electors residing within the special service area and by at least fifty one percent (51%) of the owners of record of the land included within the boundaries of the special service area is filed with the municipal clerk within sixty (60) days following the final adjournment of the public hearing objecting to the creation of the special service district or the levy or imposition of a tax affecting the special service area, no such district may be created, or taxes levied or imposed.

SECTION 5. That this Ordinance shall be in full force and effect from and after its passage as required by law.

SECTION 6. That all ordinances or parts of ordinances in conflict with the provisions of this Ordinance are hereby repealed.

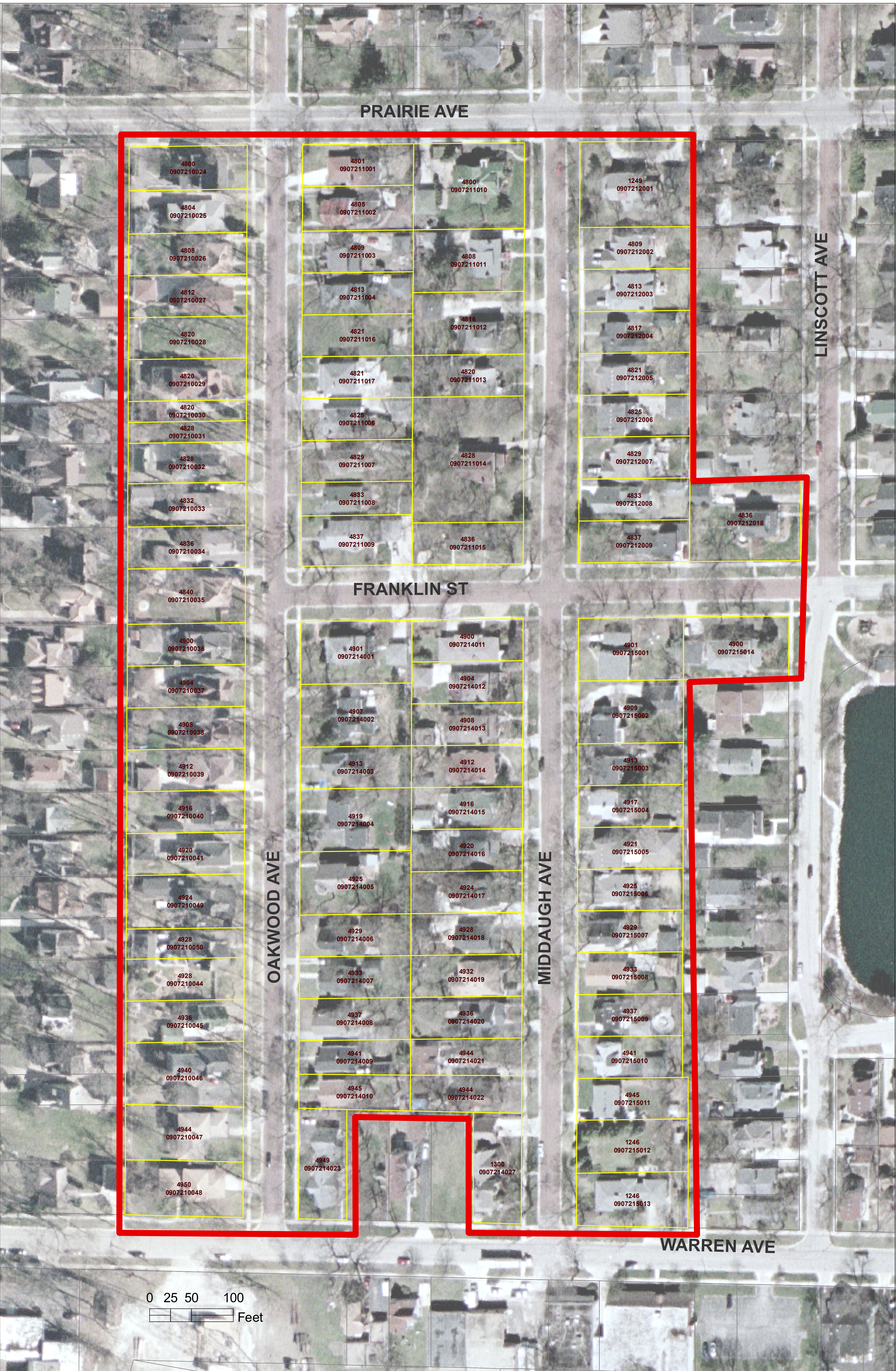
Mayor

Passed:

Published:

Attest: _____

Village Clerk



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LINSCOTT AVE

FRANKLIN ST

OAKWOOD AVE

MIDDAUGH AVE

WARREN AVE

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