

VILLAGE OF BARTLETT
VILLAGE HALL, 228 S. MAIN STREET
COMMITTEE AGENDA
December 17, 2024

1. **CALL TO ORDER**
2. **ROLL CALL**
3. **TOWN HALL:** (Note: Three (3) minute time limit per person)
4. **STANDING COMMITTEE REPORTS:**
 - A. **PUBLIC WORKS AND GOLF COMMITTEE, CHAIRMAN DEYNE**
 1. Fairfax Commons HOA Request for SSA
5. **ADJOURNMENT**



Agenda Item Executive Summary

AGENDA Fairfax Commons HOA Request for SSA
ITEM: _____

BOARD OR
COMMITTEE: Committee

BUDGET IMPACT

Amount	\$ N/A	Budgeted	\$ N/A
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Fund: All Corresponding Activity Measure: N/A

EXECUTIVE SUMMARY

The Fairfax Commons HOA has requested to establish a special service area to facilitate Village provided grass cutting/landscaping of HOA required open areas. This would be our first residential SSA that we would manage so we had our Village Attorney review and put together an overview for establishing the SSA and the process that is required to establish the SSA. We have over 60 Homeowner's Associations so we would need to be prepared for others that may request to establish an SSA as well.

ATTACHMENTS (PLEASE LIST)

Memo from Village Attorney, Letter from Fairfax Commons HOA w/ attachments

RELATIONSHIP TO STRATEGIC PLAN GOAL

Strategic Plan Goal: Continue to enhance and improve efficiency of service delivery methods and approaches

Short Term (1-3 Years): Routine Complex

Long Term (3-5 Years): Routine Complex

ACTION REQUESTED

- For Discussion Only
- Resolution
- Ordinance
- Motion

Staff: Dan Dinges, Director of Public Works

Date: December 9, 2024



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MEMORANDUM

To: Paula Schumacher, Village Administrator
Daniel Dinges, Public Works Director

From: Kurt S. Asprooth

Subject: Fairfax Commons Special Service Area Request

Date: December 11, 2024

The Village of Bartlett (“*Village*”) has been approached by members of the Homeowners’ Association (“*HOA*”) for the Fairfax Commons Subdivision (the “*Fairfax Commons*”) regarding the possibility of establishing a Special Service Area (“*SSA*”) for the provision of grass mowing services. The HOA is interested in petitioning to form an SSA for mowing services in one detention basin and on 13 cul-de-sac landscape islands throughout Fairfax Commons.

The HOA has stated that they discontinued the services of their property management firm several years ago and are now self-managed. The HOA has stated that they have difficulty in collecting assessments from the residents of Fairfax Commons, and that the time to self-administer the HOA is extensive. Thus, the HOA is requesting that the Village levy an SSA tax and perform the mowing services for the HOA instead.

The decision as to whether the SSA should be established is entirely within the Village Board’s discretion. This memo provides a brief overview of the SSA request and the SSA establishment process.

I. Special Service Area Overview

The Municipal Code authorizes the Village to establish an SSA to provide “special” services to a particular area of the Village, and to levy a tax on the properties within that area that receive the benefits of the special service. Generally, SSAs are established for the installation of larger public improvements, such as sewers, water mains, sidewalks, or stormwater detention. SSAs are also commonly used to secure debt payments for bonds issued to construct larger public improvements that benefit a specific area.

The decision to establish an SSA is entirely within the Village Board’s discretion. While residents can submit petitions to establish an SSA (as the HOA has done here with Fairfax Commons), there is no obligation on the Village Board to approve any petition for an SSA.

If the Village decides to proceed with establishing an SSA for Fairfax Commons, a multi-step process will follow, including the adoption of two separate ordinances, publication of notices, and a public hearing. The proposed SSA can be entirely blocked if 51% of the owners within Fairfax Commons object. If the SSA is established, the Village Board will have to approve a tax levy every year to cover the costs of the SSA mowing services for Fairfax Commons. A more detailed summary of the SSA process is included as Exhibit A to this Memo.

Currently, the Village does not have any active SSAs. The Village has used SSAs in the past to finance the issuance of bonds for large public improvement construction projects. The Village has never established an SSA solely for mowing services.

II. Practical Considerations

There are several practical considerations the Village should be aware of before initiating the SSA establishment process. First, as noted above, the Village does not currently have any active SSAs, and the Village has never established an SSA for mowing services only.

Second, if the Village decides to establish the SSA for Fairfax Commons, the Village must be aware of the potential for other owners' associations to submit similar requests to establish their own SSAs. The Village has records of over sixty (60) owners' associations within the Village. Collecting assessments and administering services is something that all owners' associations must address. If the Village establishes an SSA to take over those duties for Fairfax Commons, other owners' associations may file similar SSA petitions to have the Village administer their mowing or other association-performed services through an SSA tax.

Third, the Village should be aware that there are direct administration costs that the Village will incur for administering an SSA. Establishing an SSA, levying the annual SSA tax, and tracking and accounting for the SSA funds will require ongoing administration by the Village. If a special tax roll is required, that will increase the administration costs to the Village. There may also be additional costs associated with the performance of the SSA services, such as the need to bid or negotiate mowing contracts, ensure the necessary insurance is in place, and oversee any contractor hired to perform the mowing services. So, if the Village were to approve an SSA, the Village must ensure that the SSA tax levy includes sufficient funds to cover the applicable administration costs. Once the SSA is established, the only way to increase the SSA levy is to go through the same SSA establishment process, which, as explained below, can be lengthy and will be subject to an objection process. Basically, there is no guarantee that the Village will be able to increase the SSA levy once the SSA is established, even if the costs to perform the mowing services increase.

Fourth, any proposed SSA may be blocked if 51% or more of the residents within the proposed SSA file an objection petition. Many proposed SSAs are blocked entirely by resident objections. The Village will incur costs to proceed through the SSA establishment process, including the cost of preparing, mailing, and publishing notices, drafting ordinances, preparing the tax levy, and

preparing for the provision of mowing services. The Village and the HOA could go through the whole process of setting up the SSA, but if 51% of the residents within Fairfax Commons do not wish to have the SSA tax imposed, they can block the SSA entirely and there is nothing the HOA nor the Village could do to overcome that objection. Thus, if the Village Board desires to pursue an SSA, the Village could consider requiring the HOA to pay a fee or post a deposit to cover the Village's costs in the event the SSA is blocked by an objector's petition.

The SSA request from Fairfax Commons is being brought to the Committee of the Whole for discussion only at this point. If the Village Board decides to pursue the establishment of the SSA, the required notices and ordinances would be prepared. Again, the decision as to whether or not the SSA should be established is entirely within the Village Board's discretion.

EXHIBIT A

II. Special Service Area Taxation Process

Municipalities are authorized by both the Illinois Constitution¹ and the Special Service Area Tax Law² to provide special services to particular areas of the community and to impose a special tax in those areas to pay for those services. This kind of financing is aimed at allowing municipalities to construct improvements or provide services to a limited area of the community and to levy a tax only in the area which benefits from the special service.

The “special services” to be provided in an SSA can include all forms of services pertaining to the government and affairs of the municipality. Generally, SSAs are established for the installation of larger public improvements, such as sewers and water mains and sidewalks. We are not aware of any SSA that has been established solely for mowing services.

III. Tax Basis

A special service area tax is normally based upon the equalized assessed value of each parcel of land in the SSA. In this respect, an SSA tax is similar to ordinary property taxes. However, some SSA taxes may be based on other criteria, such as by lots, so long as the tax provides “a rational basis between the amount of the tax levied . . . and the special service benefit rendered.”³ In cases where the tax is based on something other than an equalized assessed value, a special tax roll is generally required.

IV. Procedure

The procedure for creating an SSA can be lengthy and the outcome will always depend on the support of the property owners within the proposed SSA, and whether the Village Board thinks it necessary or proper to establish the SSA.

1. Proposal. In order to begin the formal process of creating an SSA, the HOA must submit an application with the chief elected official of the Village (the Mayor) explaining, at a minimum, the following: the name and legal status of the applicant; the special services to be provided; the boundaries of the proposed SSA; the estimated amount of the funding requested; and the stated need and local support for the proposed SSA. The application must be signed by an owner of record within the proposed SSA. While not legally required, some municipalities will require a petition signed by 75% or some similar number of the residents within the proposed SSA expressing their support. If 51% of the residents within the SSA object, the SSA cannot be

¹ Ill. Const. 1970, Art. VII, Sec. 7(6).

² 35 ILCS 200/27-5, *et seq.*

³ 35 ILCS 200/27-75.

established. Requiring a super-majority of residents to sign an SSA petition will make it less likely that the ultimate SSA petition is not stopped by an objection.

2. Acceptance or Rejection of the Proposal. The Village Board is not obligated to accept a proposal for an SSA. The Village Board has the full discretion to reject the proposal outright. If the Village Board determines that the Proposal should move forward, the Village Board will then direct Village Staff to prepare a “proposing ordinance” for the SSA.

3. Proposing Ordinance. If the Village Board decides to accept a Proposal for an SSA, a proposing ordinance will be introduced. Before the proposing ordinance is enacted, the Village must have sufficiently specific information about the boundaries of the proposed SSA (which must be contiguous); what special service is to be provided; whether bonds will be issued to be secured by the SSA tax revenue; and how much tax revenue will be required to pay for the service. An estimate must be made of the assessed value of the property within the proposed SSA, and a tax rate determined which is adequate to produce the required revenue. When the proposing ordinance is enacted, it must include:

- a description of the boundaries of the SSA;
- the maximum annual tax rate to be levied on the property in the area or, if the tax is based on anything other than property value, a special tax roll containing, (a) an explanation of the basis for calculating the tax, and (b) the amount of tax to be levied on each parcel;
- a description of the special service to be provided;
- if bonds are to be issued, the maximum amount of bonds, the maximum life of the bonds and the maximum interest rate of the bonds;
- announcement of a date, time and place for a public hearing about the proposed SSA; and
- announcement that any interested person will have an opportunity at the hearing to comment or object to the special tax.

The details of the services provided, the tax to be collected, and the administration of the proposed SSA is determined in the sole discretion of the Village Board, regardless of the petition materials filed by a record owner in support of establishing an SSA. The Village cannot be compelled to create an SSA according to any particular terms set forth in a petition, and it is up to the Village to determine the appropriate methods for providing services within an SSA, if established.⁴

⁴ See, e.g., *Briarcliffe Lakeside Townhouse Owners Ass’n v. City of Wheaton*, 170 Ill.App.3d 244, 253–54 (2d Dist. 1988).

4. Notice. Once the proposing ordinance is enacted, notice must be given of the date, time and place of the public hearing.⁵ The public hearing must be held no less than 60 days after the adoption of the proposing ordinance. Notice must be published in the newspaper not less than 15 days prior to the hearing. Notice must be mailed, not less than 10 days prior to the hearing, to the taxpayer of record for each parcel within the proposed SSA. The notice must include specific information regarding the SSA.⁶ It is common practice to include a copy of the proposing ordinance in the mailed notice.

5. Public Hearing. The public hearing is normally conducted by the corporate authorities (in this case, the Village Board). Anyone may comment on any aspect of the proposed SSA. Written objections to the SSA may be filed by any interested person with the Village Clerk.⁷ The hearing may be continued, if necessary. No action is required by the Village Board, but they may, as part of the public hearing or at the first regular meeting thereafter, remove property from the proposed SSA, so long as the remaining area is still contiguous. At the conclusion of the public hearing, the Village Board may, but need not, call for the enactment of a second ordinance, the “establishing ordinance,” described below.

6. Objection Petition. A proposed SSA will be blocked if, within sixty (60) days after the public hearing, a petition is filed with the Village Clerk, signed by 51% of the owners of all the land within the SSA.⁸ If such a petition is filed, the subject matter of the petition may not be proposed again by the municipality for 2 years. The municipal authorities are not required to assist in the petition process, but are obligated to determine whether a petition meets the statutory requirements.

7. Establishing Ordinance. Following the public hearing, if the petition is not blocked by objectors, the Village Board must enact a second ordinance, the “establishing” ordinance, which finalizes all terms of the SSA, including boundaries, a description of the special services to be provided, the maximum tax rate or special tax roll, the duration of the tax if it is to end at some future date, and the amount, life and rate of any bonds to be issued.

V. Tax Levy & Collection

Each year, the Village must enact a tax levy for an established SSA. The levy may not exceed the maximum amount stated in the establishing ordinance. The levy ordinance must be filed with the County Clerk, as with all other tax levy ordinances. Collection of an SSA tax based on property value is handled exactly like all other property taxes. The SSA tax appears on each tax bill as a

⁵ 35 ILCS 200/27-30.

⁶ See 35 ILCS 200/27-25.

⁷ 35 ILCS 200/27-35.

⁸ 35 ILCS 200/27-55

separate line item. However, the County Assessor and Collector may not be able, or willing, to collect a tax levied on a special tax roll rather than on assessed value of the property, leaving the Village to devise another method of collecting the SSA tax, and resort to foreclosure proceedings if the tax is unpaid.

VI. SSA Modification

Once established, an SSA may be enlarged or the tax rate increased, by repeating the notice, hearing and ordinance process. 35 ILCS 200/27-50. Territory of not more than 1.5% of the total SSA may be disconnected from the SSA by petition of a majority of electors and owners filed in the circuit court, after a hearing and order of the court granting the petition.⁹ Because any SSA modification is subject to the same procedures for the establishment of an SSA, any modification of an SSA could also be blocked by a resident objection of 51% or more of the residents within the SSA.

⁹ 35 ILCS 200/27-60, 35 ILCS 200/27-65.

Dear President Wallace,

We, the Fairfax Commons HOA are desirous of establishing an SSA to facilitate Village provided grass cutting/landscaping of HOA required areas described below. We have been pursuing the SSA for the past 18 months with the help Dan Dinges - Director of Public Works.

In February of this year we concluded a petition of HOA property owners about transitioning to a SSA to provide the landscaping services. The results of the petition were a majority in favor of an SSA. We provided Dan with the petition and results in February at which time Dan advised that he was working with the Village Attorney and would advise on next steps. In September Dan provided a memo from the Village Attorney which advised that our next step would be a formal application to you (the chief elected officer of the Village).

Below is a description and scope of grass cutting/landscaping services requested by the HOA, and a description, size and location of the Fairfax Commons HOA:

- The Fairfax Commons HOA is comprised of 175 single family homes located between Schick & Army Trail roads, along both sides of Fairfax lane. The list of addresses and parcel numbers of the HOA is attached.
- The attached maps that show the areas where grass needs to be cut
 - 1 detention basin (noted as open area)
 - 13 cul-de-sac islands
 - There is also on small space on one corner that has a few grass type plantings that need to be trimmed once per year and weeded a couple of times during the summer

We the HOA, are desirous of converting from the current self-managed HOA process to the SSA for several reasons. The HOA board of directors currently consists of 3 residents. The "board" has rarely exceeded 4 residents since its inception. The HOA board members have performed assessment collection, landscaper selection, bill paying, etc, on our own, in a very manual fashion for many years. A few years ago we transitioned to a property management firm which added expense but improved the process. Unfortunately we encountered challenges with the property management firm and ultimately had to discontinue their services. Now we are back in a self-management mode which means that the 3 board members do assessment development, envelope stuffing, bill paying, etc at our kitchen tables in our spare time....but our spare time seems to be decreasing. Our biggest challenge has always been difficulty in collecting assessments from some of the residents, which has in turn driven up the costs for the residents that **do** pay their assessments. After dealing with these challenges for decades we feel that the most equitable solution (which would require all residents to pay their fair share) would be the establishment of an SSA

Thank you in advance for your consideration.

Respectfully submitted by:

The Fairfax Commons HOA Board Of Directors:

Annabel Barajas

Phil Stevens

Ed Plesa

cut islands in culdascacs



FAIRFAX COMMONS HOMEOWNERS
DISTRICT FREE DISTRICT
PARK VILLAGES ASSOCIATION





Lot	Parcel Identification Number	Site Address
1	01-23-218-016	1796 PENNY LN
2	01-23-218-015	1792 PENNY LN
3	01-23-218-014	1788 PENNY LN
4	01-23-218-013	1784 PENNY LN
5	01-23-218-012	1780 PENNY LN
6	01-23-218-011	1778 PENNY LN
7	01-23-218-010	1774 PENNY LN
8	01-23-218-009	1770 PENNY LN
9	01-23-218-008	1768 PENNY LN
10	01-23-218-007	1764 PENNY LN
11	01-23-218-006	1760 PENNY LN
12	01-23-218-005	1756 PENNY LN
13	01-23-218-004	1752 PENNY LN
14	01-23-218-003	1748 PENNY LN
15	01-23-218-002	1744 PENNY LN
16	01-14-411-002	1710 PENNY LN
17	01-14-411-001	1702 PENNY LN
18	01-14-410-010	1686 PENNY LN
19	01-14-410-009	1682 PENNY LN
20	01-14-410-008	1678 PENNY LN
21	01-14-410-007	1674 PENNY LN
22	01-14-410-006	1672 PENNY LN
23	01-14-410-005	1670 PENNY LN
24	01-14-410-004	1668 PENNY LN
25	01-14-410-003	1664 PENNY LN
26	01-14-410-002	1660 PENNY LN
27	01-14-410-001	1656 PENNY LN
28	01-14-408-007	1644 PENNY LN
29	01-14-408-006	1642 PENNY LN
30	01-14-408-005	1640 PENNY LN
31	01-14-408-004	1638 PENNY LN
32	01-14-408-003	1636 PENNY LN
33	01-14-408-002	1634 PENNY LN
34	01-14-408-001	1632 PENNY LN
35	01-14-409-024	1635 PENNY LN
36	01-14-409-023	1637 PENNY LN
37	01-14-409-022	1639 PENNY LN
38	01-14-409-021	1641 PENNY LN
39	01-14-409-020	1643 PENNY LN
40	01-14-409-019	1645 PENNY LN
41	01-14-409-018	1647 PENNY LN
42	01-14-409-017	1649 PENNY LN

43	01-14-409-016	1651 PENNY LN
44	01-14-409-015	1653 PENNY LN
45	01-14-409-014	1655 PENNY LN
46	01-14-409-013	1657 PENNY LN
47	01-14-409-012	1661 PENNY LN
48	01-14-409-011	1663 PENNY LN
49	01-14-409-010	1665 PENNY LN
50	01-14-409-009	1667 PENNY LN
51	01-14-409-008	1669 PENNY LN
52	01-14-409-007	1671 PENNY LN
53	01-14-409-006	1675 PENNY LN
54	01-14-409-005	1677 PENNY LN
55	01-14-409-004	1679 PENNY LN
56	01-14-409-003	1681 PENNY LN
57	01-14-409-002	1683 PENNY LN
58	01-14-409-001	1685 PENNY LN
59	01-14-412-001	1703 PENNY LN
60	01-23-217-001	1711 PENNY LN
61	01-23-217-002	1719 PENNY LN
62	01-23-217-003	1740 PENNY CT
63	01-23-217-004	1730 PENNY CT
64	01-23-217-005	1720 PENNY CT
65	01-14-412-002	1712 PENNY CT
66	01-23-217-006	1704 PENNY CT
67	01-23-217-007	1705 PENNY CT
68	01-23-217-008	1709 PENNY CT
69	01-23-217-009	1715 PENNY CT
70	01-23-217-010	1721 PENNY CT
71	01-23-217-011	1727 PENNY CT
72	01-23-217-012	1735 PENNY CT
73	01-23-217-013	1745 PENNY CT
74	01-23-217-014	1751 PENNY LN
75	01-23-217-015	1759 PENNY LN
76	01-23-217-016	1767 PENNY LN
77	01-23-217-018	1744 PORTSMITH CT
78	01-23-217-019	1736 PORTSMITH CT
79	01-23-217-020	1728 PORTSMITH CT
80	01-23-217-021	1718 PORTSMITH CT
81	01-23-217-022	1700 PORTSMITH CT
82	01-23-217-023	1701 PORTSMITH CT
83	01-23-217-024	1709 PORTSMITH CT
84	01-23-217-025	1717 PORTSMITH CT
85	01-23-217-026	1725 PORTSMITH CT

86	01-23-217-027	1733 PORTSMITH CT
87	01-23-217-028	1741 PORTSMITH CT
88	01-23-217-029	1749 PORTSMITH CT
89	01-23-217-030	1789 PENNY LN
90	01-23-217-031	1793 PENNY LN
91	01-23-217-032	1797 PENNY LN
92	01-14-402-049	400 HARVARD LN
93	01-14-402-050	404 HARVARD CT
94	01-14-402-051	408 HARVARD CT
95	01-14-402-052	412 HARVARD CT
96	01-14-402-053	416 HARVARD CT
97	01-14-402-054	420 HARVARD CT
98	01-14-402-055	424 HARVARD CT
99	01-14-402-056	428 HARVARD CT
100	01-14-402-057	430 HARVARD CT
101	01-14-402-058	434 HARVARD CT
102	01-14-402-059	433 HARVARD CT
103	01-14-402-060	431 HARVARD CT
104	01-14-402-061	429 HARVARD CT
105	01-14-402-062	425 HARVARD CT
106	01-14-402-063	419 HARVARD CT
107	01-14-402-064	406 HARVARD LN
108	01-14-402-065	410 HARVARD LN
109	01-14-402-066	414 HARVARD LN
110	01-14-402-067	418 HARVARD LN
111	01-14-402-068	422 HARVARD LN
112	01-14-402-069	426 HARVARD LN
113	01-14-402-070	432 HARVARD LN
114	01-14-402-071	436 HARVARD LN
115	01-14-402-072	438 HARVARD LN
116	01-14-402-073	440 HARVARD LN
117	01-14-402-074	448 HARVARD LN
118	01-14-402-075	450 HARVARD LN
119	01-14-402-076	452 HARVARD LN
120	01-14-402-077	461 HARVARD LN
121	01-14-402-078	459 HARVARD LN
122	01-14-402-079	457 HARVARD LN
123	01-14-402-080	455 HARVARD LN
124	01-14-402-081	454 HARVARD LN
125	01-14-402-082	456 HARVARD LN
126	01-14-402-083	458 HARVARD LN
127	01-14-402-084	460 HARVARD LN
128	01-14-402-085	488 HARVARD LN

129	01-14-402-086	490 HARVARD LN
130	01-14-402-087	492 HARVARD LN
131	01-14-402-088	494 HARVARD LN
132	01-14-402-089	496 HARVARD LN
133	01-14-402-090	498 HARVARD LN
134	01-14-402-091	499 HARVARD LN
135	01-14-402-092	497 HARVARD LN
136	01-14-402-093	495 HARVARD LN
137	01-14-402-094	493 HARVARD LN
138	01-14-402-095	491 HARVARD LN
139	01-14-402-096	489 HARVARD LN
140	01-14-402-097	487 HARVARD LN
141	01-14-422-001	485 HARVARD LN
142	01-14-422-002	481 HARVARD LN
143	01-14-422-003	477 HARVARD LN
144	01-14-422-004	473 HARVARD LN
145	01-14-422-005	471 HADLEY CT
146	01-14-422-006	469 HADLEY CT
147	01-14-422-007	467 HADLEY CT
148	01-14-422-008	465 HADLEY CT
149	01-14-422-009	463 HADLEY CT
150	01-14-422-010	461 HADLEY CT
151	01-14-422-011	459 HADLEY CT
152	01-14-422-012	457 HADLEY CT
153	01-14-422-013	455 HADLEY CT
154	01-14-422-014	451 HARVARD LN
155	01-14-422-015	449 HARVARD LN
156	01-14-422-016	447 HARVARD LN
157	01-14-422-017	445 HARVARD LN
158	01-14-422-018	443 HARVARD LN
159	01-14-422-019	441 HARVARD LN
160	01-14-422-020	437 HARVARD LN
161	01-14-422-021	435 HARVARD LN
162	01-14-422-022	427 HARVARD LN
163	01-14-422-023	423 HARVARD LN
164	01-14-422-024	417 HARVARD LN
165	01-14-422-025	415 HARVARD LN
166	01-14-422-026	413 HARVARD LN
167	01-14-422-027	411 HARVARD LN
168	01-14-422-028	405 HARVARD LN
169	01-14-422-029	401 HARVARD LN
170	01-14-422-030	1621 FAIRFAX LN
171	01-14-422-031	1623 FAIRFAX LN

172	01-14-422-032	1625 FAIRFAX LN
173	01-14-422-033	1627 FAIRFAX LN
174	01-14-422-034	1629 FAIRFAX LN
175	01-14-422-035	1631 FAIRFAX LN