
**VILLAGE OF SUGAR GROVE
BOARD REPORT**

TO: VILLAGE PRESIDENT & BOARD OF TRUSTEES
FROM: WALTER MAGDZIARZ, COMMUNITY DEVELOPMENT DIRECTOR
SUBJECT: ORDINANCE: PROPOSING SPECIAL SERVICE AREA NO. 22 FOR SUGAR GROVE CENTER
AGENDA: SEPTEMBER 20, 2016 REGULAR VILLAGE BOARD MEETING
DATE: SEPTEMBER 16, 2016

ISSUE

Shall the Village Board approve an Ordinance proposing a back-up Special Service Area No. 22 for Sugar Grove Center specifically to be dormant until such time the property owners association fails to perform its duties with respect to maintenance, repair and upkeep of certain common area elements.

DISCUSSION

The Committee of the Whole supported the concept of applying a special service area to the shopping center for common area maintenance purposes when it was presented for discussion on August 33, 2016.

Sugar Grove Center has a property owners association created, among other things, for the purpose of performing maintenance, repair and upkeep of certain common area elements, such as, but not limited to, landscaping, parking lot and service drive paving and striping, and snow plowing and removal in a unified manner across all of the properties.

It is critical to the value of the property and its success as a retail center that certain common area features be maintained and kept in good repair to provide a feeling of safety and a level of comfort for tenants and visitors alike. To this end, the Village should consider establishing a dormant or "back-up" special service are (SSA) in order to ensure that basic property maintenance functions are addressed with respect to the common areas as defined in the property owner association declarations.

The SSA No. 22, if established, would not be used for maintenance or repair of any buildings or wall signs. The proposed SSA will apply only to the parcels in Sugar Grove Center that are subject to the property owner association responsibilities, generally all the parcels lying west of Capitol Drive.

The proposing ordinance establishes the need for the SSA, outlines the process for establishing the SSA, describes what the SSA will be used for and how it will function, and sets the date (November 15, 2016) for the required public hearing. The property owners can halt the process if 51% of the property owners formally object to the proposal.

COSTS

The cost to establish the SSA are limited to publication and Village Attorney fees.

ATTACHMENTS

1. Ordinance Proposing the Establishment of an SSA No. 22 for Sugar Grove Center

RECOMMENDATION

That the Village Board approve the Ordinance Proposing the Establishment of an SSA No. 22 for Sugar Grove Center and direct staff to publish the public hearing notice.



**VILLAGE OF SUGAR GROVE
KANE COUNTY, ILLINOIS**

ORDINANCE NO. 2016-0920

**An Ordinance Proposing the Establishment of a
Special Service Area No. 22 for Sugar Grove Center Common Area Maintenance**

Adopted by the
Board of Trustees and President of the Village of Sugar Grove
this 20th day of September, 2016

Published in pamphlet form by authority of the
Board of Trustees of the Village of Sugar Grove, Kane County, Illinois,
this 20th day of September, 2016

ORDINANCE NO.2016-0920

**AN ORDINANCE PROPOSING THE ESTABLISHMENT OF A
SPECIAL SERVICE AREA NO. 22 FOR
SUGAR GROVE CENTER COMMON AREA MAINTENANCE**

BE IT ORDAINED by the President and Board of Trustees of the Village of Sugar Grove, Kane County, Illinois, as follows;

WHEREAS, the Village of Sugar Grove is not a home rule municipality within Article VII, Section 6A of the Illinois Constitution and, pursuant to the powers granted to it under 65 ILCS 5/1-1 *et seq.*; and,

WHEREAS, pursuant to the provisions of the 1970 Constitution of the State of Illinois (the “Constitution”), the Village of Sugar Grove, Kane County, Illinois (the “Village”), is authorized to create special service areas in and for the Village; and

WHEREAS, special service areas are established by non-home rule units pursuant to Section 7(6) of Article VII of the Constitution, which provides that;

Municipalities...which are not home rule units shall have...powers...to levy or impose additional taxes upon areas within their boundaries in the manner provided by law for the provision of special services to those areas and for the payment of debt incurred in order to provide those special services;

and are established “in the manner provided by law” pursuant to the provisions of “AN ACT to provide the manner of levying or imposing taxes for the provision of special services to areas within the boundaries of home rule units and non-home rule municipalities and counties,” approved September 21, 1973, as amended, and pursuant to the Revenue Act of 1939 of the State of Illinois, as amended; and

WHEREAS, it is in the public interest that the establishment of the area hereinafter described as a special service area for the purposes set forth herein and to be designated as the Sugar Grove Center Common Area Maintenance Special Service Area Number 22, of the Village (the “Area”), be considered; and

WHEREAS, the Area is compact and contiguous, totally within the corporate limits of the Village; and

WHEREAS, the Area will benefit specially from the municipal services to be provided by the Village (the “Services”), and the Services are unique and in addition to the services provided to the Village as a whole, and it is, therefore, in the best interests of the Village that the establishment of the area be considered; and

WHEREAS, it is in the public interest that the levy of a direct annual *ad valorem* tax upon all taxable property within the Area be considered for the purpose of paying the cost of providing the Services; and

WHEREAS, the revenue from such tax shall be used solely and only for Services for which the Village is authorized under the provisions of the Illinois Municipal Code, as amended, to levy taxes or special assessments or to appropriate the funds of the Village, all of the Services to be in and for the Area and all of the necessary construction and maintenance to be on property now owned or to be acquired by the Village, or property in which the Village will obtain an interest sufficient for the provision of the services; and

WHEREAS, a public hearing is being held at 6:00 p.m., on the 15th day of November, 2016 in the Municipal Building, 10 Municipal Drive, Sugar Grove, Illinois (the "Hearing"), to consider the establishment of the Area for the purpose of providing the Services and the levy of an additional direct annual *ad valorem* tax for the purpose of paying the cost thereof, all as described in the Notice of Public Hearing set forth in Section Two hereof (the "Notice"); and

WHEREAS, the Notice has been given by publication and mailing. Notice by publication was given by publication on a date, such date being not less than 15 days prior to the Hearing, in a newspaper of general circulation within the Village, there being no newspaper published therein. Notice by mailing was given by depositing the Notice in the United States 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 Area. The Notice was mailed not less than 10 days prior to the time set for the Hearing. In the event taxes for the last preceding year not paid, the Notice was sent to the person last listed on the tax rolls prior to that year as the owner of said property; and

NOW, THEREFORE, BE IT ORDAINED by the President and Board of Trustees of the Village of Sugar Grove, Kane County, Illinois, as follows:

SECTION ONE: INCORPORATION OF PREAMBLES

The preambles of this ordinance are hereby incorporated into this text as if set out herein in full.

SECTION TWO: NOTICE

The President and Board of Trustees determine that the Notice is in the proper statutory form as set forth as follows:

**SUGAR GROVE CENTER COMMON AREA MAINTENANCE SPECIAL SERVICE AREA
NOTICE OF HEARING
VILLAGE OF SUGAR GROVE, KANE COUNTY, ILLINOIS
SPECIAL SERVICE AREA NO. 22**

NOTICE IS HEREBY GIVEN that on the 15th day of November, 2016, at 6:00 p.m., in the Municipal Building, 10 Municipal Drive, Sugar Grove, Illinois, a hearing will be held by the President and Board of Trustees of the Village of Sugar Grove, Kane County, Illinois, to consider the establishment of a Special Service Area consisting of the following described territory:

LOTS 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11 AND 15 OF SUGAR GROVE CENTER IN THE VILLAGE OF SUGAR GROVE, KANE COUNTY, ILLINOIS ACCORDING TO THE PLAT THEREOF RECORDED FEBRUARY 4, 2005 AS DOCUMENT 2005K014439.

The approximate location is: on the southeast corner of Park Avenue and Sugar Grove Parkway (State Route 47).

The permanent index numbers (PINs) for each parcel located within the proposed area are:

14-16-276-002	14-16-276-010	14-16-276-013	14-16-276-016
14-16-276-003	14-16-276-011	14-16-276-014	14-16-401-006
14-16-276-006	14-16-276-012	14-16-276-015	14-16-401-007
14-16-276-009			

All interested persons, including all persons owning taxable real property located within the Special Service Area, will be given an opportunity to be heard at the hearing regarding 1) the tax levy and an opportunity to file objections to the amount of the levy, 2) formation of the boundaries of the Area and may object to the formation of the Area and 3) the levy of taxes affecting said Area.

The purpose of the formation of Special Service Area No. 22 in general is to provide for the maintenance, repair, and upkeep of certain common areas located in Sugar Grove Center, including, but not limited to, landscaping maintenance and replacement, snow plowing and removal in the parking areas, pavement repair and maintenance, in the event the applicable Property Owner's Association fails to do so, and the proposed municipal services are unique and are in addition to the improvements provided and/or maintained by the Village generally.

At the hearing, all persons affected will be given an opportunity to be heard. At the hearing, there will be considered the levy of an annual tax of not to exceed an annual rate of one-hundred and ten one-hundredths percent (1.1%, being 110¢ per \$100) of the equalized assessed value of the property in the proposed Special Service Area No. 22, said tax to be levied for an indefinite period of time from and after the date of the Ordinance establishing said Area. Said taxes shall be in addition to all other taxes provided by law and shall be levied pursuant to the provisions of the Property Tax Code. Notwithstanding the foregoing, taxes shall not be levied hereunder and said Area shall be "dormant", and shall take effect only if the applicable required owners association or property owner fails to maintain, repair or replace the aforesaid required items and the Village chooses to assume some or all of said responsibilities. The hearing may be adjourned by the President and Board of Trustees 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 signed by at least fifty-one percent (51%) of the electors residing within the proposed Special Service Area No. 22 and by at least fifty-one (51%) of the owners of record of the land included within the boundaries of the proposed Area is filed with the Village Clerk within sixty (60) days following the final adjournment of the public hearing objecting to the establishment of the Area, the enlargement thereof, or the levy or imposition of a tax for the provision of special services to the Area, no such Area may be established or enlarged, or tax levied or imposed.

Dated: this 20th day of September, 2016.

Steven A. Andersson, Village Attorney
for the Village of Sugar Grove

SECTION THREE: MISCELLANEOUS

The Village agrees to produce or file such forms, statements, proceedings and supporting documents as may be required and in a timely manner in order to establish the Area and levy the taxes and, if deemed necessary or advisable by its officers, to employ and pay fiscal agents, financial advisors, attorneys and other persons to assist the Village in these endeavors.

SECTION FOUR: EFFECTIVE DATE

This ordinance shall be in full force and effect from and after its passage, approval and publication in pamphlet form as provided by law.

PASSED AND APPROVED by the President and Board of Trustees of the Village of Sugar Grove, Illinois, this 20th day of September, 2016.

P. Sean Michels,
President of the Board of Trustees of the Village of Sugar Grove

ATTEST:

Cindy L. Galbreath,
Clerk of the Village of Sugar Grove

	Aye	Nay	Absent	Abstain
Trustee Kevin Geary	—	—	—	—
Trustee Sean Herron	—	—	—	—
Trustee Mari Johnson	—	—	—	—
Trustee Ted Koch	—	—	—	—
Trustee Rick Montalto	—	—	—	—
Trustee David Paluch	—	—	—	—