

**Item #1:**  
**Ordinance Proposing Establishment Of Herons Landing Water SSA**

**VILLAGE OF LONG GROVE**

**ORDINANCE NO. 2010-O-\_\_**

**AN ORDINANCE PROPOSING THE ESTABLISHMENT OF A  
VILLAGE OF LONG GROVE SPECIAL SERVICE AREA FOR PROVIDING  
LAKE MICHIGAN WATER TO THE HERON'S LANDING SUBDIVISION**

Adopted by the  
President and Board of Trustees  
of  
the Village of Long Grove  
this 23<sup>rd</sup> Day of November, 2010

Published in pamphlet form by direction  
and authority of the Village of Long Grove  
Lake County, Illinois  
this 24<sup>th</sup> day of November, 2010

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**WHEREAS**, the Village of Long Grove is an Illinois municipal corporation that is authorized to establish special service areas for the purpose of providing special services to designated areas within its boundaries pursuant to Article VII, Section 7 of the Illinois Constitution and the Special Service Area Tax Law, 35 ILCS 200/27-5 *et seq.* ("**SSA Law**"); and

**WHEREAS**, approximately 118 parcels of real property in the subdivision known as the Heron's Landing Subdivision and legally described in Exhibit A hereto ("**Heron's Landing**") are located entirely within the Village; and

**WHEREAS**, Heron's Landing currently obtains water service from private shallow wells and has experienced water quality and reliability concerns regarding the water supply for the subdivision; and

**WHEREAS**, the Heron's Landing Homeowners Association (the "**Association**") has sought opportunities to secure water service for Heron's Landing from a more reliable and better quality water source; and

**WHEREAS**, the Association has conferred with the Lake County Public Works Department ("**LCPWD**") and the Central Lake County Joint Action Water Agency ("**CLCJAWA**") about water service for Heron's Landing; and

**WHEREAS**, CLCJAWA has indicated its willingness to supply water service to Heron's Landing, and LCPWD has indicated its willingness to allow connection of a water system serving Heron's Landing to its existing water distribution system; and

**WHEREAS**, a local water distribution system will be required to distribute water supplied by CLCJAWA to Heron's Landing (the "**Special Service**"), and a substantial majority of the residents of Heron's Landing has delivered a written request to the Village indicating their desire to finance such water distribution system via a special service area (the "**Water SSA**"); and

**WHEREAS**, the Board of Trustees of the Village of Long Grove has determined that it is in the best interest of the Village and its residents and the owners and residents of Heron's Landing to conduct a public hearing pursuant to Section 27-35 of the SSA Law to consider the establishment of the Water SSA for the purpose of providing the Special Service to Heron's Landing;

**NOW, THEREFORE, BE IT ORDAINED BY THE PRESIDENT AND BOARD OF TRUSTEES OF THE VILLAGE OF LONG GROVE, COUNTY OF LAKE, AND STATE OF ILLINOIS**, as follows:

**SECTION ONE.**      **Recitals.**      The foregoing recitals are incorporated herein as findings of the President and Board of Trustees.

**SECTION TWO.**      **Findings.**

(a)      Pursuant to Section 27-20 of the SSA Law, a substantial majority of the residents of Heron's Landing, through the Association, has filed a petition with the Village requesting consideration of creating a special service area for Heron's Landing.

(b)      It is in the public interest that the President and Board of Trustees of the Village consider the creation of a special service area for Heron's Landing.

(c)      The proposed special service area is contiguous as required by the SSA Law and as depicted on the map of Heron's Landing attached hereto as Exhibit B.

(d) The residents of Heron's Landing will benefit specially from the provision of the Special Service to Heron's Landing. The Special Service will provide Heron's Landing with a safe and adequate potable water supply, which service is not generally provided to all the residents of the Village. The Special Service will involve new construction of water distribution facilities serving Heron's Landing.

**SECTION THREE. Proposal.** In response to the conditions and needs of Heron's Landing, and in their determination of the need to promote the public health, safety, and welfare of the Village and its residents, the President and Board of Trustees of the Village hereby propose the establishment of the Water SSA to provide the Special Service to Heron's Landing, as well as the possible issuance of bonds therefor.

**SECTION FOUR. Public Hearing.**

(a) **In General.** Pursuant to Section 27-35 of the SSA Law, a public hearing shall be held on the 14<sup>th</sup> day of December 2010, at 7:00 p.m., in the Board Room of the Long Grove Village Hall, 3110 Old McHenry Road, Long Grove, Illinois, to hear and consider testimony regarding the proposed establishment of the Water SSA described in this Ordinance. At the hearing, the Village will also hear and consider testimony regarding the issuance of bonds for the proposed Special Service, the imposition or levy by the Village of a tax in the proposed special service area sufficient to produce revenues to pay the principal and interest on any such bonds or otherwise to provide for the construction of the Special Service.

(b) **Bond, Construction Taxes.** The maximum amount of any bonds would be \$3,000,000.00, which bonds would be payable over not more than a 30-year period. Such bonds would be issued at an interest rate not exceeding six and one-half percent (6.5%) per annum as a net yield. The maximum annual taxes to be extended within the special service area in any year for the construction of the Special Service (or the payment of principal and interest on any bonds issued for such construction) would not exceed **[\$2,500.00]** per single

family residence, which payments would not continue for more than 30 years. The taxes described in this Section 4(b) will be payable within the special service area pursuant to a special tax roll as more fully described in Section 4(c) below.

(c) Special Tax Roll. The special service area taxes that would be imposed pursuant to Section 4(b) would be payable pursuant to a special tax roll. The special tax roll will allocate taxes on a per-single-family-residence basis among the Heron's Landing lots.

(d) Annual Levy Ordinances. Following the establishment of the Water SSA, the Village may commence levying SSA taxes by annually filing one or more tax levy ordinances with the appropriate County officials. The Village may file tax levy ordinances for the special service area taxes contemplated under Section 4(b), subject to the terms of this Section or as may be provided in the establishing ordinance.

**SECTION FIVE. Notice of Hearing.** Pursuant to the SSA Law, notice of the public hearing will be published at least 15 days prior to the date scheduled for the commencement of the public hearing in the *Daily Herald*, a newspaper of general circulation within the Village. In addition, notice by mailing in the United States mail will be given not less than 10 days prior to the time set for public hearing in the manner required by the SSA Law. The Village Board hereby authorizes the Village Attorney to prepare such notices consistent with this Ordinance.

**SECTION SIX. Objections.** If a petition signed by at least 51 percent of the electors residing within Heron's Landing and at least 51 percent of the owners of record of property within Heron's Landing is filed with the Village Clerk within sixty days following the adjournment of the public hearing objecting to the establishment of the special service area herein contemplated, then such special service area may not be established.

**SECTION SEVEN. Effective Date.** This Ordinance shall be in full force and effect immediately from and after its passage and approval.

PASSED THIS 23RD DAY OF NOVEMBER, 2010.

AYES:

NAYS:

ABSENT:

ABSTAIN:

APPROVED THIS 23RD DAY OF NOVEMBER, 2010.

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Village President

ATTEST:

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Village Clerk

**EXHIBIT A**  
**LEGAL DESCRIPTION**

**EXHIBIT B**  
**DEPICTION OF HERON'S LANDING**

Hérons Landing HOA  
David Wolfe – President  
5827 Blue Heron Drive  
Long Grove, IL 60047

RECEIVED  
NOV 15 2010  
VILLAGE OF LONG GROVE

Monday November 15, 2010

Village President Rodriguez  
Village Board Trustees  
3110 Old McHenry Road  
Long Grove, IL 60047

President Rodriguez and Board Trustees,

On January 12<sup>th</sup>, 2010 the Village of Long Grove passed a resolution (Resolution NO. 2010-R-01) expressing Village support of Lake County Public Works Department's delivery of water service to Herons Landing subdivision via the Central Lake County Joint Action Water Agency (CLC JAWA) water system.

Subsequent to the support shown by the Village of Long Grove, CLC JAWA provided Lake County the necessary approval to provide the Herons Landing subdivision with municipal Lake Michigan water.

A "Consent" form was created to determine the support of residents within Herons Landing for a municipal water project. A copy of the "Consent" form has been included with this letter. As of today, November 4<sup>th</sup>, 2010 a majority of residents of Herons Landing (greater than 70 Percent) have signed the "Consent" form in order to facilitate the progression of a municipal water project in the subdivision.

Pursuant to the wishes of the majority of residents within the Herons Landing Subdivision, we are formally requesting that Village of Long Grove President Rodriguez and the Board of Trustees initiate the procedures necessary to establish a Special Service Area (SSA). The SSA is requested to fund a Herons Landing Subdivision municipal water distribution system.

As requested, enclosed with this package is a check in the amount of \$10,000.00 made out to the Village of Long Grove. The check is intended to cover the initial escrow account and to start the process of establishing an SSA for a Municipal Water Project within the Herons Landing Subdivision.

Thank you for your consideration in this matter. If you have any questions or need additional information, please feel free to contact me.

Sincerely,



David L. Wolfe  
President – Herons Landing HOA

**CONSENT**

Consent to Heron's Landing Homeowner's Association updated Resolution to implement the Municipal Water Project (the "Project") pursuant to Section 107.10 of the Illinois General Not For Profit Corporation Act of 1986, having the following components:

A. Obtain approval from the Central Lake County Joint Action Water Agency for the connection of the proposed Heron's Landing water distribution system to the Lake County Public Water Department's Vernon Hills water system that receives Lake Michigan water;

B. Deem the Project as a "Common Improvement" of the Heron's Landing subdivision;

C. Assist in establishing a "Special Service Area" to fund the public portion of the Project so long as the public portion to be financed does not exceed \$2,500.00 per Lot per annum amortized over 30 years and as specifically set forth in the Budget for the Project dated as of \_\_\_\_\_ and attached to this Consent ("Budget");

D. Construct a water distribution system using the previously approved horizontal directional drilling method;

E. Authorize the Board of Directors of the Heron's Landing Homeowner's Association to impose a special assessment not to exceed \$500.00 per Lot to fund certain initial soft costs for the Project described in the Budget;

F. Authorize and direct the Board of Directors of the Heron's Landing Homeowner's Association to take such steps as are reasonably necessary to implement the Project as set forth herein.

The undersigned Lot Owner/Member hereby consents to the foregoing Resolution by signing below where indicated.

Name Printed: \_\_\_\_\_

Signature: \_\_\_\_\_

Lot No./Address: \_\_\_\_\_

Date: \_\_\_\_\_

**PROPOSED FINANCING PLAN  
HERON'S LANDING SUBDIVISION  
Per Lot Basis Inc. Connection Fees  
LONG GROVE SPECIAL SERVICE AREA WATER SYSTEM PROJECT  
Map #  
Exhibit A**

**Estimated Project Costs:**

Water Distribution System Construction-118 Lots including 1½" service lines, Engineering & 15% Contingency	\$2,235,048
LCPW connection fee, meter, inspection (\$1800 x 118)	\$212,400
CLCJAWA connection fee (\$2564 x 118)	\$302,552 -----
Subtotal Water System Cost:	\$2,750,000
Bond Issuance Cost (Village of Long Grove)	\$100,000
Legal Fees	\$50,000
Total Cost:	\$2,900,000
<b>Necessary Bond Issuance</b>	<b>\$3,000,000</b>

**Estimated Property Tax Impact:**

Number of Lots in SSA	118
Total Cost per Lot	\$27,118
<b>Annual tax payment per lot (Based on 30 year bonds at 6.5%)</b>	<b>\$2,077</b>

**Additional Homeowners Expenses:**

Monthly Water Service Charge: (Assumes 8,000 gallons/month average usage @ \$5.69 per 1000 gallon)	\$45.52
Well Abandonment	\$1,300
CLCJAWA Annual Property Tax Levy (Based on a \$500,000 home value, \$165,000 EAV, Tax rate of \$0.042/ \$100 EAV)	\$70