

# VILLAGE OF HOMER GLEN INFORMATIONAL MEETINGS

OCTOBER 6, 2020  
OCTOBER 12, 2020



# WELCOME!

- Please sign in prior to start of meeting if you would like to publicly comment.
- Questions and public comment will be taken after the presentation.
- Please write your question on provided note cards. Please turn in your questions to staff members.
- Questions and answers will also be posted on the Village's website.
- If you wish to make a public comment, please limit your remarks to three minutes.

**MAYOR GEORGE YUKICH**

**WELCOME**



# OVERVIEW OF PROPOSAL VILLAGE MANAGER KARIE FRILING

- Homer Glen History Review
- Relationship with Homer Township Road District
- Why is this Important to the Residents of the Township?
- The Legal Mechanism to Accomplish the Transfer
- Key Milestones and Timeline
- Village Board & Township Road District Commissioner Comments
- Public Comment and Questions



# HOMER GLEN'S PROUD HISTORY

- **April 17, 2001** – Homer Glen became an incorporated Village to give residents control of their destiny. Upon incorporation, the public roads and right-of-ways became the legal property of the Village. Prior to this, they were under the ownership and control of the Homer Township.
- **2002** – The Village entered into an Intergovernmental Agreement (IGA) with the Homer Township Road District to maintain and oversee the Village roads. *The Village is in its infant stage of life and the IGA was a reasonable solution at that time.*
- **2008** – Special Census completed and Home Rule (HR) was granted (pop. exceeded 25,000). *The Village is growing.*
- **2009** – The Village adopted HR sales tax. *The Village is exercising its legal authority to tax and generate revenue.*
- **2012** – Home Rule status was approved via voter referendum, with an overwhelming majority, due to losing HR status after 2010 Census. *This demonstrated strong public support of the Village and confirmed the desire of its residents to control their own future and destiny.*
- **2012** – Homer Glen formed/joined the Northern Will County Water Agency (NWCWA) to secure the water utility pipeline from IAWC. The Agency condemned the pipeline for fair market value. *The Village was asserting its legal rights to protect its residents and businesses.*

# HOMER GLEN'S PROUD HISTORY

- **2013** - The Village purchased the former Woodbine Golf course. *The Village is evolving and growing into its own future.*
- **2016** – The new Village Hall opened to the public. *The Village is now functioning as a full-service local government.*
- **2016** – The NWCWA prevails in court and is given the authority to purchase the water pipeline. *The Village is exercising their legal and legislative powers on behalf of its residents and businesses.*
- **2016** – The Village adopts local gas tax (0.03/gallon). *The Village is proactively and financially planning for the long-term maintenance needs of our roads, trails and parks.*
- **2018** – Heritage Park opened – Phase I. *The Village is growing and offering additional park amenities.*
- **2019** – Heritage Park - ActiveCore opened – *The Village is growing both park and recreational amenities for the entire Village and for regional recognition and promotion.*

# HOMER GLEN'S PROUD HISTORY

- **2019** – HomerFest moves to its new permanent home – Heritage Park – *The Village takes over full responsibility of the Fest, from Homer Township to the Village.*
- **2019** – The Village's first water & sewer main extensions completed – *The Village is now in the business of owning and controlling its own future growth & utilities.*
- **2019** – Village Board pays off all bonds early – *The Village is debt-free and financially very strong.*
- **2020 – TODAY** – Transfer of Stewardship of our roads back to the Village from the HTRD. *The Village has the necessary resources, abilities and desire to control our own property and assets now and into the future.*

# SOMETHING TO REMEMBER

All of the governmental stakeholders we are going to discuss tonight are separate from each other. They have their own elected boards, taxing authority, and are considered units of local government. Some have more authority than others (villages and cities) due to Home Rule Authority.

- Village of Homer Glen (VHG)
- Homer Township Road District (HTRD)
- Homer Township
- City of Lockport
- Village of New Lenox
- Village of Lemont

# VILLAGE RELATIONSHIP WITH HTRD

**The relationship is formalized via an IGA (January 15, 2002) that includes the following terms:**

- HTRD maintains the streets, which includes snow plowing, drainage ditch and storm sewer maintenance and repair, mowing right of ways, and the maintenance, repair/resurfacing of paved roadway surfaces.
- VHG is responsible, at its sole cost, without any financial contribution from the HTRD, for the construction of any new roads that were not in existence/part of the original HTRD road system.
- VHG must go to HTRD first, in the event that VHG desires to construct any new roadways and provide HTRD the opportunity to construct these, but VHG is still responsible for all costs of construction. If HTRD declines to do work, then VHG can publicly bid the project.
- VHG pays HTRD its share of the road and bridge real estate tax and a portion of the MFT funds received by VHG.
- VHG delegates and grants all maintenance jurisdiction and authority over to the HTRD.
- HTRD has the ultimate decision-making authority on issues related to road maintenance and repair; however, they should consider the suggestions and recommendations of the VHG.
- IGA was amended in August 2020, to provide for auto-renewal for successive 2 year periods, unless terminated by either party upon written notice of not less than one year prior to expiration.

# ADDITIONAL DUTIES OF HTRD

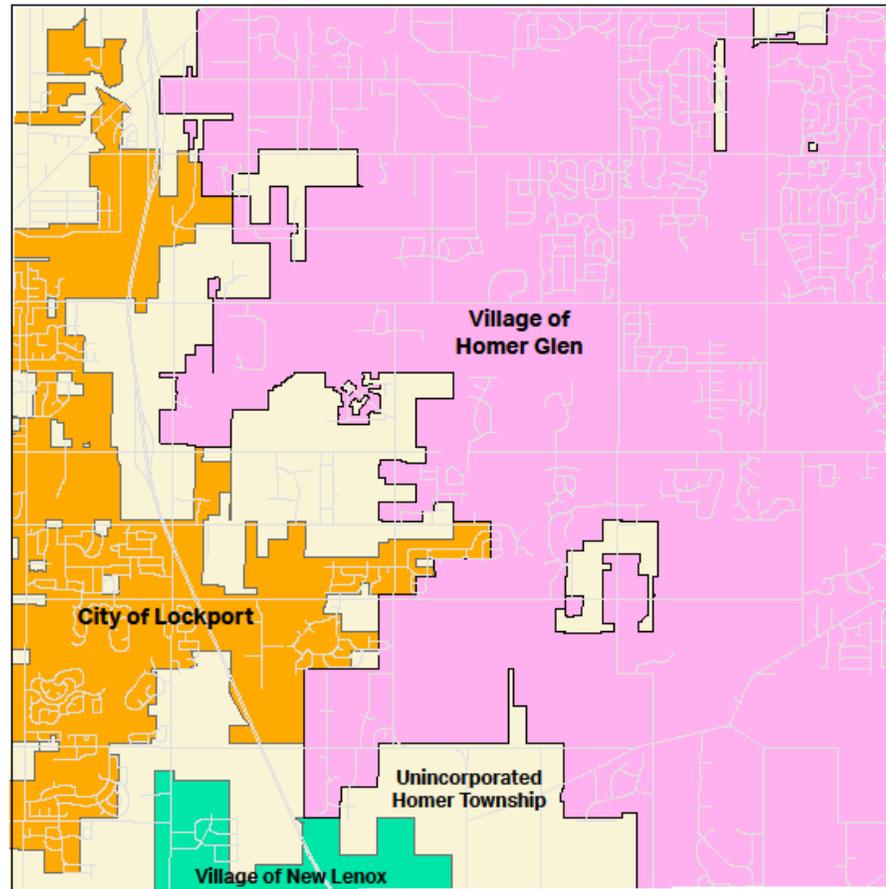
## **HTRD ALSO DOES:**

- Maintenance of all unincorporated miles of roadway
- Assist with Homer Fest planning and oversight
- Has a voting seat on the VHG's Public Services and Safety Committee
- Liaison to the Homer Township Board of Trustees (Township Board approves HTRD's budget)

## **HTRD DOES NOT:**

- Maintain City of Lockport and Village of New Lenox roads that are located in both jurisdictions. Each respective municipality maintains their own roads.

# HOMER TOWNSHIP BOUNDARIES

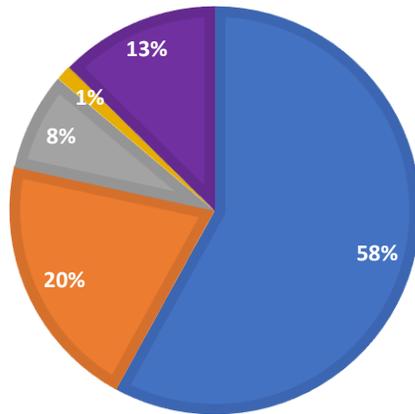


HOMER TOWNSHIP BOUNDARY MAP

*61% of  
Homer Township  
is located in the  
Village of Homer  
Glen*

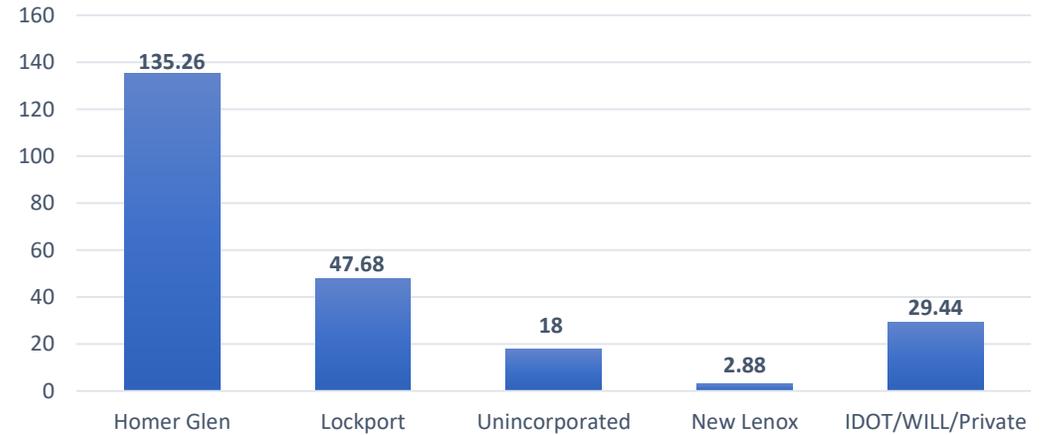
# BREAKDOWN OF TOWNSHIP ROAD MILES BY OWNERSHIP

TOTAL ROAD MILES  
HOMER TOWNSHIP



■ Homer Glen ■ Lockport ■ Unincorporated ■ New Lenox ■ IDOT/WILL/Private

Total Road Miles - 233  
Homer Township



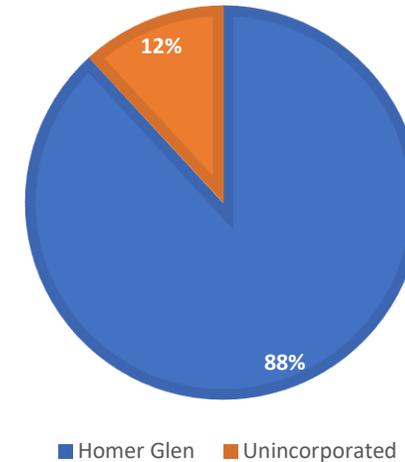
# BREAKDOWN OF TOWNSHIP ROAD MILES MILES MAINTAINED BY HTRD

Homer Glen	135.26
Unincorporated	18

*VHG is the largest investor and owner of HTRD's operations and assets.*

*Yet, VHG has no direct legal authority or input over the HTRD or our roads.*

MILES MAINTAINED BY HOMER TOWNSHIP ROAD DISTRICT



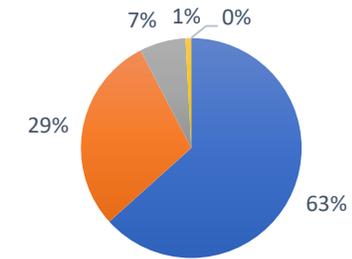
# TAX LEVY OF HTRD

THERE ARE TWO LINE ITEMS ON THE PROPERTY TAX BILL FOR HTRD

Regional Participation - Road & Bridge District Levy - 2019/2020	
Homer Glen	\$ 2,715,656
Lockport	\$ 1,245,988
Unincorporated Homer Township	\$ 291,046
New Lenox	\$ 34,948
Lemont	\$ 654
<b>Total</b>	<b>\$ 4,288,292</b>
* This is the 2019 Levy, collected in 2020.	

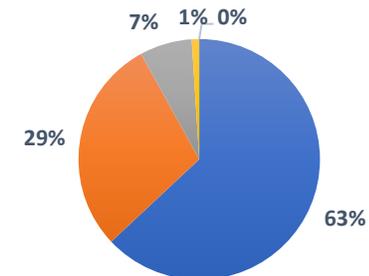
Regional Participation - Equipment & Building Funds - 2019/2020	
Homer Glen	\$ 405,000
Lockport	\$ 186,429
Unincorporated Homer Township	\$ 45,000
New Lenox	\$ 6,429
Lemont	\$ -
	\$ 642,858
*This is the 2019 Levy, collected in 2020.	

2019 Regional Participation Road & Bridge Levy



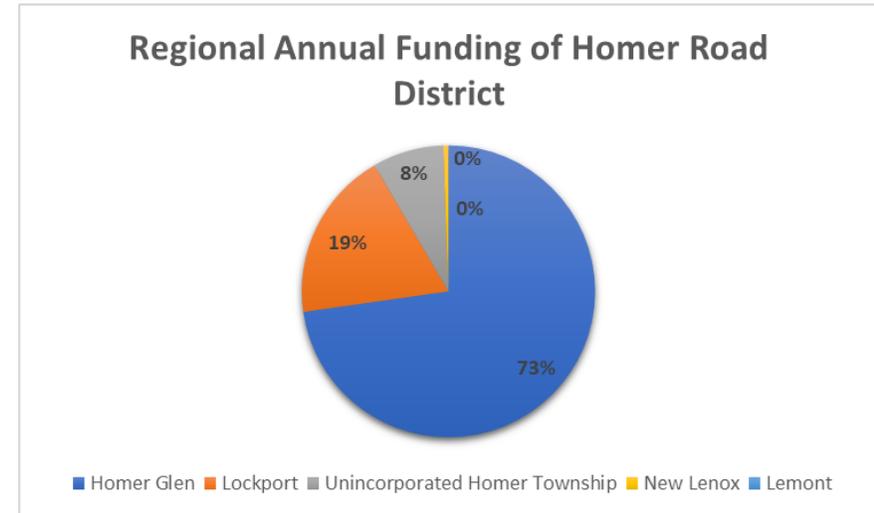
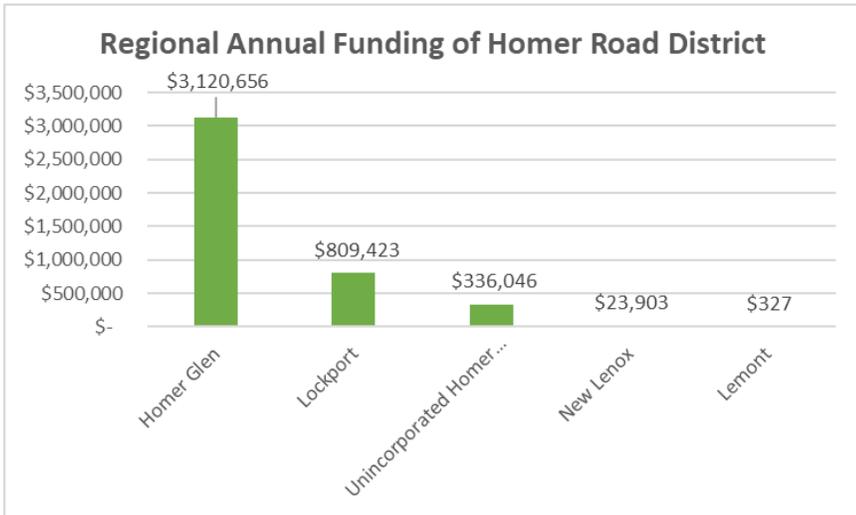
■ Homer Glen ■ Lockport ■ Unincorporated Homer Township ■ New Lenox ■ Lemont

2019 Regional Participation Equipment & Building Levy



■ Homer Glen ■ Lockport ■ Unincorporated Homer Township ■ New Lenox ■ Lemont

# ANNUAL FUNDING OF HTRD



HTRD only gets half of the Road & Bridge tax that is paid by residents in the other communities. The other half collected goes back directly to those towns.

HTRD receives all of the Road & Bridge tax paid by VHG property owners, since they maintain our roads.

Regional Participation - Total Funds Used to Support Road District Operations*	
Homer Glen	\$ 3,120,656
Lockport	\$ 809,423
Unincorporated Homer Township	\$ 336,046
New Lenox	\$ 23,903
Lemont	\$ 327
	\$ 4,290,355

# FUNDING OF HTRD

- Additional VHGF Funding to Road District:
  - \$183,600 Annually in MFT
  - \$3,121,200 Total (through 2019)



# THE FINE PRINT - WHAT DOES THIS MEAN?

- ❑ The Village of Homer Glen property owners have been paying for the HTRD since 2001. They are the largest investors and owners of the HTRD (63%).
- ❑ The other communities, in particular the City of Lockport, have also been paying for the HTRD since 2001. While they are smaller investors/owners than Homer Glen, the HTRD does not maintain their roads.
- ❑ Lockport and New Lenox keeps 50% of the road & bridge tax, but HTRD gets the other 50% without the obligation of maintenance. This is unfair.
- ❑ Unincorporated Homer Township accounts for 18 miles of roads and is only an 7% investor/owner of the HTRD.
- ❑ Yet, Homer Township Board controls the levying of taxes and approval of budgets and the HTRD controls all the decision-making regarding the maintenance and operations of the roads.

## WHY IS THIS NEEDED?

Homer Glen is vulnerable because the existing intergovernmental agreement can be nullified by either party with only one year's notice, and that could potentially cost Village taxpayers significantly more to cover services, buy equipment and hire workers in a short period of time.

# THE SOLUTION

On September 23<sup>rd</sup>, the Village Board unanimously adopted a resolution in support of the Jurisdictional Transfer of Stewardship, including Real Estate and Assets, of the Homer Township Road District (HTRD) to the Village of Homer Glen (VHG).

# HOW DOES THIS LEGALLY WORK?

## VILLAGE ATTORNEY ERIC HANSON

- ❑ The Illinois Highway Code grants road districts the authority to acquire, purchase, hold, sell and convey both real and personal property, for the use of its inhabitants. It also allows road districts, as may be necessary, to enter into all such contracts.
- ❑ The Illinois Highway Code also allows road districts to sell its surplus real estate and idle personal property to a municipality. Specifically, Section 6-201.10 of the Illinois Highway Code grants commissioners of road districts “Authority to make agreements with the highway commissioner of any other road district or with the corporate authorities of any municipality located in the same county or in an adjoining county or with the county board of the county in which such road district is located or of any adjoining county, for the lease or exchange of idle machinery, equipment or tools belonging to the district, upon such terms and conditions as may be mutually agreed upon.”
- ❑ The Illinois Local Government Property Transfer Act provides the legal mechanism for certain units of local government to transfer real estate between one another.
- ❑ Since both the HTRD and VHG are units of local government, the Local Government Property Transfer Act can be used as the legal mechanism to accomplish the voluntary transfer of property between both entities.
- ❑ The Illinois Highway Code will be the legal mechanism to transfer surplus real estate and personal property.

# WHAT ABOUT THE RESIDENTS OF HOMER TOWNSHIP, WHO DON'T LIVE IN HOMER GLEN?

- ❑ The City of Lockport residents are the second largest investor/owner of the road district. They deserve to be fairly and reasonably compensated for their prior investment. The VHG is in the process of finalizing appraisals of the real estate and personal property of the road district to determine the fair market value. The VHG has already reached out to the City of Lockport to begin the dialogue with them. These conversations will continue until a fair resolution is reached between the parties.
- ❑ The residents of unincorporated Homer Township are the smallest investor/owner of the road district. However, their roads still need to be maintained. As such, the VHG has offered to take care of these roads (18 miles) for the township at no cost, via an IGA. This offer is more than fair, as they will have their roads maintained without having to pay for it on their property tax bill. Homer Township will still own these roads, but the VHG would serve as their contractor for the maintenance.
- ❑ The Homer Township Board will need to decide if they will accept this offer of free maintenance on behalf of their unincorporated residents.

***The residents of Homer Township will no longer pay taxes to the HTRD.***

# HOW WILL THE NEW PUBLIC WORKS DEPARTMENT BE FUNDED?

- ❑ The Village of Homer Glen will levy its own road & bridge tax to pay for the operations going forward. This tax will be on the real estate bill for properties located within the Village of Homer Glen.
- ❑ The Homer Township Road District tax (both line items) will no longer appear on the real estate bill for any property within the township.
- ❑ The Village of Homer Glen will also continue to fund a portion of the operations with MFT funds.
- ❑ State statute requires all taxing bodies to set their levy by the end of the calendar year. This means the Village Board must set the levy for next year, by mid-December of this year (2020).
- ❑ The final transfer of the real estate and assets will occur in the Spring of 2021.

# HOW WILL THE NEW PUBLIC WORKS DEPARTMENT BE FUNDED?

The proposed funding strategy has nothing to do with the ballot referendum or dispute with the Homer Township Board. If the HTRD transfer happened tomorrow, next Spring or next year, the VHG would need a funding source for the operations and on-going care of the VHG roads.

# HOW WILL THIS AFFECT MY TAXES?

- The current tax rate for the HTRD is \$0.3191.
- The estimated new rate for VHG is \$0.5037 – this would result in the same amount of \$ levied previously by the HTRD.
- The rate increases because the residents in Lockport, New Lenox, and Lemont are no longer paying into the levy for VHG roads.
- This example is for a VHG home with a market value of \$250,000. The net increase is approximately \$142.75.

	(With Twp Road Fund)		Without Twp Road Fund	
	2019 Tax Rate	2019 Tax Bill (\$250K Mkt Val)	2019 Tax Rate	2019 Tax Bill (\$250K Mkt Val)
Forest Preserve	0.1462	\$113.06	0.1462	\$113.06
Will County Bldg Comm	0	\$0.00	0	\$0.00
Homer Township Town Fund	0.0923	\$71.38	0.0923	\$71.38
Homer Township Road Fund	0.1804	\$139.51	\$0.00	\$0.00
NW Homer Fire District	0.587	\$453.95	0.587	\$453.95
Homer Fire Protection District		\$0.00		\$0.00
School District 33-C	3.9962	\$3,090.39	3.9962	\$3,090.39
High School District 205	1.9593	\$1,515.19	1.9593	\$1,515.19
Community College Dist 525	0.2938	\$227.21	0.2938	\$227.21
Vill Homer Glen Road & Bridge (Twnshp)	0.1387	\$107.26	\$0.00	\$0.00
<b>Village of Homer Glen Public Works</b>			<b>0.5037</b>	<b>\$389.53</b>
Homer Twp Public Library	0.1565	\$121.03	0.1565	\$121.03
Will County	0.5842	\$451.78	0.5842	\$451.78
<b>Total Rate (Per \$100 of Net Equalized Value)</b>	<b>8.1346</b>	<b>\$6,290.76</b>	<b>8.3192</b>	<b>\$6,433.51</b>
Market Value		\$250,000		\$250,000
Equalized Assessed Val (33.3%)		\$83,333		\$83,333
Township Multiplier		1.000		1.000
County Multiplier		1.000		1.000
Homestead Exemption		\$6,000		\$6,000
Senior Exemption		\$0		\$0
Net Equalized Value		\$77,333		\$77,333
Tax Rate (Per \$100 of net Eq Val)		8.1346		8.3192
Property Tax		\$6,290.76		\$6,433.51

# HOW WILL THIS AFFECT MY TAXES?

No change in combined levy -	Increase on \$250K Mkt Value Home	\$142.76
No change in combined levy -	Increase on \$350K Mkt Value Home	\$199.86
No change in combined levy -	Increase on \$550K Mkt Value Home	\$314.07
No change in combined levy -	Increase per \$100K Mkt Value Home	\$57.10

# HOW WILL THIS AFFECT MY TAXES?

## *VILLAGE FLEXIBILITY OPTIONS*

The Village of Homer Glen, as a home rule unit of local government, has other taxing abilities that Homer Township does not have. These include:

1. Motor fuel taxes (MFT)
2. Local home rule sales taxes (1%)
3. Local Government Distribution Funds – from state based upon population
4. State of Illinois - Rebuild Illinois Bonds - \$1.6 Million (one-time allocation)

This provides more flexibility for future funding opportunities, than simply real estate taxes alone.

# HOW WILL THIS AFFECT MY TAXES?

## *POSITIVE IMPACT OF GROWTH*

*As the Village continues to grow and develop, the share of the burden also decreases.  
What does this mean to our residents?*

Village 2019 - EAV	Residential	897,893,454	92%
Village 2019 - EAV	Commercial	68,500,698	7%
Village 2019 - EAV	Industrial	5,741,479	1%
Village 2019 - EAV	Farm	6,832,013	1%
Village 2019 - EAV		978,967,644	100%

Village 2001	\$	554,398,378
Village 2019	\$	978,967,644
<b>EAV Growth</b>	<b>\$</b>	<b>424,569,266</b>

As vacant land develops, the property is re-assessed and the improvements go onto the tax rolls. The VHG EAV then increases, which allows the levy to be spread over more property and reduces the overall burden for all Homer Glen property owners. VHG has projects underway that are only assessed as vacant land, these will be re-assessed and added to the EAV when they are completed.

- M/I Gooding's Grove Townhomes – under construction
- Shorewood Home & Auto – under construction
- Citgo Gas Station – occupied but not fully assessed yet.
- Gas n Wash – under construction
- Pets Plus Supplies – recently approved by VHG

# WHAT IS THE VALUE OF THE HTRD?

The VHG has retained appraisers to assess both the value of the real estate and equipment. While these appraisals are still being finalized, the current value of the equipment is estimated at \$2 million. The real estate value is estimated at \$5 million.

If the VHG is required to create a new Public Works Department, from the ground up, the cost to our taxpayers would be at least **twice** as much.

The Homer Township has indicated they own these assets and the VHG should go out and create our own PWD. This suggestion is unacceptable, as the **RESIDENTS ALREADY OWN THESE ASSETS AND SHOULD NOT HAVE TO PAY TWICE.**

# NEXT STEPS

- Public Informational Meetings
- Complete Appraisals
- Meet with City of Lockport and Villages of New Lenox and Lemont to negotiate fair compensation for their vested ownership
- Draft Legal Documents for the Transfer
- VHG Board sets Public Works Tax Levy by Mid-December
- Approve and Execute Transfer Documents
- Approve and Execute IGAs with other Communities for Vested Ownership Value
- Approve New IGA with Homer Township for 18 Miles of Unincorporated Roads
- Meet and Interview HTRD Staff
- Finalize VHG Amended Organizational Chart
- Begin Re-hiring Processing for HTRD Employees

**Goal -Transfer Completed - May 1, 2021**

# WHAT ABOUT THE TOWNSHIP REFERENDUM?

## Referendum on November 3rd Election Ballot –Proposed by the Homer Township NOT the HTRD nor the VHG

- When Homer Glen and the Township Road District Commissioner proposed to end the current intergovernmental agreement with the Township and transfer stewardship of the Road District to the Village, Township officials decided to place a referendum on the November 3 election ballot asking voters to abolish the Road District and grant control to the Township.

On July 22, 2020, the Homer Township Board unanimously approved a Resolution providing for and requiring the submission of the following proposition for abolishing the Road District of the Township of Homer:

***“Shall the Road District of the Township of Homer be abolished with all of the rights, powers, duties, assets, property, liabilities, obligations, and responsibilities being assumed by the Township of Homer?”***

# WHAT ABOUT THE TOWNSHIP REFERENDUM?

- This would effectively give control of the Road Program, as defined in the current IGA, to a non-Village Board.
- If the referendum is approved, the Township Board will **take total authority of the roads** from the Homer Township Road District and could refuse to allow the transfer of stewardship to occur. If that happens, the Village will have to pay to create a new public works department from the ground up, costing millions of dollars in equipment and property, and ultimately costing Village taxpayers significantly more money. Meanwhile, taxpayers **throughout the entire Homer Township** (Homer Glen, Lockport, New Lenox and Lemont) would still get taxed for the few miles of road the Township would be responsible for in the unincorporated areas.
- If the referendum is defeated, the Village will begin the transfer of stewardship and create its own public works department – with the Road District’s existing assets – which will be managed and led by the Village and accountable to its residents. Furthermore, taxpayers in Lockport, New Lenox and Lemont will no longer have to pay taxes to the Township for roads that exist outside of their towns. The VHG will negotiate a fair compensation arrangement with the other towns for their resident’s ownership interest.

VILLAGE OF HOMER GLEN  
INFORMATIONAL MEETING

**Village Board Comments**

**VILLAGE OF HOMER GLEN  
INFORMATIONAL MEETING**

**Homer Glen Township Road District  
Commissioner Comments**

# PUBLIC COMMENT & QUESTIONS

- If you wish to make a public comment, please limit your remarks to three minutes.
- Please turn your questions into Village staff.
- All questions and answers will be posted on the Village's website – [www.homerglenil.org](http://www.homerglenil.org)

