



ST. CHARLES
SINCE 1834

AGENDA ITEM EXECUTIVE SUMMARY

Title:	Discussion regarding the establishment of a Special Service Area (SSA) to fund proposed improvements in the Oaks of St. Charles subdivision.
Presenter:	Christopher Tiedt

Please check appropriate box:

	Government Operations		Government Services
X	Planning & Development (7/8/13)		City Council

Estimated Cost:	\$0.00	Budgeted:	YES		NO	
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If NO, please explain how item will be funded:

Executive Summary:

The Oaks Subdivision (located near IL 31 and Roosevelt Street) was originally constructed in the 1970's and has private streets and other privately owned infrastructure. At the time when this subdivision was constructed, there were very few requirements relating to stormwater management and therefore stormwater detention was not constructed as part of the original development.

Representatives from the Oaks Townhome Owner's Association (TOA) have approached the City requesting the establishment of a Special Service Area (SSA) to fund rehabilitation and improvement of the streets, sidewalks, storm sewer and stormwater management system within the subdivision.

A Special Service Area (SSA) is a contiguous area within a municipality or county in which special government services or improvements are funded by revenues collected from taxes levied or imposed upon properties within that area.

Our legal counsel has advised staff that the formation of a SSA to fund these private improvements is feasible if the Townhome Owner's Association granted comprehensive easements that allow the public to utilize these improvements and also gave the City the right to maintain the roads and other improvements if the Association failed to do so.

A petition in support of the establishment of a SSA that has been signed by a majority of the homeowners has also been submitted to the City.

All City costs associated with this project are anticipated to be reimbursable through the established SSA.

Attachments: *(please list)*

- The Oaks of St. Charles Storm Water Management Project (SWMP) report
- Minutes from Special Meeting of the Oaks of St. Charles Townhome Owners Association
- Preliminary Plan of proposed improvements

Recommendation / Suggested Action *(briefly explain):*

Discussion regarding the establishment of a Special Service Area (SSA) to fund proposed improvements in the Oaks of St. Charles subdivision.

<i>For office use only:</i>	<i>Agenda Item Number: 5a</i>
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The Oaks of St. Charles
Storm Water Management Project (SWMP)
Report to City Council

BACKGROUND:

The Oaks of St. Charles, a community of townhouses that was authorized by City Ordinance 1967-Z-36 as a multi-family portion of the Fox Glade development, is the oldest development of its kind in the City of St. Charles. Most of the buildings were completed in the mid 70's, in the Tudor-style architecture that has become a landmark for the city's southern entrance along Route 31.

The development followed the approved City standards of the day with respect to public utilities. At that time, there was no storm water management ordinance nor were there any requirements for detention as there are today. Such requirements were made uniform throughout Kane County in 1999. Storm water was managed in The Oaks by a system of drainage swales and small pipes installed to collect downspout and sump pump discharge water. This water eventually found its way to the private street, White Oak Circle, or a small creek along the northern boundary from where it flowed into the city storm sewer system along the west side of, and under, Route 31 and into the Fox River.

PROBLEM:

As years passed, the siltation from decorative, but eroding, berms installed by the developer dramatically and imperceptibly compromised the effectiveness of the original drainage swales. Consequently, more and more residents in the Oaks have observed drainage problems they never experienced before. Instances of storm water in basements and garages have been experienced. Simply stated, the storm water is not being managed as efficiently as it should be.

In 2008, attempts were made to provide quick remedies to some of the isolated problems that became emergencies. But in August of 2009 the Oaks Board took up the challenge to address the drainage problems through a more comprehensive planning process. A team of professionals was selected to seek long-term solutions, and consists of civil engineers, environmental consultants and landscape architects. Their collaboration has resulted in soon-to-be-approved final engineering and landscaping plans where utilization of best management practices has been the goal.

After polling the residents and identifying the extent of remediation required, it became evident there will be a lot of devastation to the area during construction. But the restoration from the ravages of construction will also provide many options to make The Oaks an even more attractive community within the City.

Storm water runoff has been a nemesis. Reducing the amount of point discharge of storm water (by about 10%) has been an early goal and one very worthy to pursue. It is proposed that the private street, White Oak Circle, will be narrowed to a width of 23 feet. After providing the City Fire Marshall an *Autoturn* plot (a computer-generated drawing showing the tracking of the largest fire truck in use by the fire department), the Fire Marshall has given a green light on the pavement reduction and reconfiguration.

The engineering staff of the City of St. Charles has been involved evaluating design strategies for quite some time. In addition to volume of water being managed, another concern for storm water is the quality of it when it leaves The Oaks. By connecting downspouts and sump pump discharges into the new system, water quality will be greatly improved simply by not allowing it to traverse the surface as it presently does. Severe erosion along the east and north sides of The Oaks, after 35 years, has washed away much topsoil. That, by itself, frustrates efforts to stabilize vegetation in such areas. But the bigger consequence, that can be better controlled, is the particulate matter that stays suspended until the water reaches a calmer environment downstream and is eventually deposited in the Willowgate development and finally, into the Fox River. To arrest the problem of further erosion, plans provide for terracing in several strategic locations to minimize the effects of erosion from The Oaks.

The terracing will introduce construction activities very close to the brown fence that presently borders Route 31. The existing fence will need to be removed to facilitate the construction of the terracing and a detention basin, after which, the fence will be replaced. Because the setback requirements for fencing have changed since 1968, the replacement will need to be located more than 10 feet from the present location. But, since there is a 24" city storm sewer approximately 9 to 12 feet from the existing fence, sixteen (16) feet will be left between the new fence and Route 31. This area will be planted with appropriate vegetation.

In addition to rebuilding the street, due to the excavations, many sidewalks will also need to be replaced as a consequence of connecting underground drains for downspouts and sump pumps. Since every driveway will be crossed with the new drain lines, resurfacing (or reconstruction) of driveways must also be done. The ADA non-compliant sidewalk to the clubhouse is another potential upgrade.

PROPOSED SOLUTION:

After nearly five years of preparation for the planning and development of final designs, the point has been reached to put in place the ultimate funding mechanism for the project. All ongoing maintenance in the Oaks has taken priority for funding. This project is too large and complex to be paid with monthly assessments and it cannot be done effectively in stages. It has been concluded that the establishment of a Special Service Area (SSA), with the issuance of construction bonds, is an effective financing tool that will provide the most advantageous means of paying for this very important community upgrade. There seems to be no downside to a levy being added to homeowner real estate tax bills for the next 15-20 years to repay a bond issue. This approach has widespread appeal to our homeowners.

The Oaks Declaration of Covenants provides that the Board must seek and receive authority from a majority of the homeowners to file a petition with the City requesting the establishment of the SSA. Four separate informational meetings on the Storm Water Management Project (SWMP) have been conducted after which, a general membership meeting was held where 57 out of 75 units were represented. The Board received an affirmation of support for the SWMP and SSA by 52 of the 57, or from nearly 92% of our membership in attendance. In addition to this vote, a petition in support of the SWMP and the proposed SSA has been circulated. As a result, 83 out of a possible 120± homeowners and electors (nearly 69%) have signed the petition in support of the establishment of the SSA. During the informational meetings, a consensus of homeowners questioned why street lighting was not included in the SWMP. Since street lighting is also a typical public purpose, it has been added to the project as well.

Charles A. Radovich, a local municipal attorney, has been retained as the Board's attorney on the SSA project and has emphasized the importance of having located a prospective purchaser of the bonds, as well as a clear showing of support for the project from within the Oaks homeowners. He has also contacted key principals from Chapman & Cutler and Speer Financial to test and confirm the appropriateness of SSA funding for the SWMP. For an SSA to be formed and bonds to be issued, the SWMP must meet certain "Public Purpose" criteria. SSA funds can only be used for services "pertaining to the government and affairs of the City of St. Charles", such as storm water management, street lighting, street paving, and sidewalks; they cannot be used on roofing, siding, painting, and such other private purposes that a municipality would not normally provide. Therefore, The Oaks proposes to grant additional easements to the City in order to provide public access to White Oak Circle, which is currently a privately maintained street, and to any other area on which construction will take place. In the next couple weeks final plan approval and approximate cost estimates for the project are expected. With the assistance of the city staff, the July 8th meeting of the Planning and Development Committee meeting is targeted for consideration of The Oaks' petition.

CONCLUSION:

With the authority derived by the Board through consent of the membership to move forward, The Oaks is ready to do so and heartily requests your support for the establishment of **The Oaks Special Service Area**.

John Thornhill, Chairman,
Oaks SWMP Committee

6-19-2013

**Special Meeting of the Oaks of St. Charles Townhome Owners Association
to
Approve a Special Service Area for the Storm Water Management Plan**

Board of Directors President Gene Belmonte opened the meeting at 2:30pm on May 25, 2013 with an overview of the need for a Storm Water Management Plan (SWMP) for the Oaks and why a Special Service Area (SSA) is needed.

Gene (U28) stated that low monthly assessments over the years led to a lack of funds sufficient to maintain the buildings and grounds leading to the use of special assessments (SAs) to fund the recent building renovations. We could do the building renovations over years, he said, but the streets, sidewalks, and storm water modernizations will need to be done over a much shorter time period. Which means we will need to generate more funds in less time than we did with the building renovations. By defining the Oaks as a SSA, with the blessing of the city, we can sell municipal bonds relatively quickly to pay the contractors, but pay off those bonds via our real estate (RE) taxes over 15 to 20 years.

Frank Esposito (U64), Vice-President of the Oaks Board and co-chair of the SWMP Committee, addressed the assembly explaining in more detail why the work and the SSA are needed (see Attachment 1). Frank then invited questions from the homeowners (HOs) present.

Stan LeMaire (U12R) – What effect would this added tax have on my RE bills since my RE taxes are frozen? Frank said that he wasn't sure but he would check. Stan asked if there would be a special assessment next year. Frank stated that we still have a building of six units and the clubhouse to complete so, yes, there would be one but not as large as this year's. Stan then asked when the SSA taxes would take effect. Frank said it depends on how soon we can get the SSA approved and sell the bonds. If in a few months and can get some money this year, it would show up on the 2014 RE tax bill. If later, not until the 2015 RE tax bill.

Barbara Olszewski (U18R) – What would the city's financial responsibility be? Frank said they would have no financial responsibility; only easements to service the sewer lines. John Thornhill (U44) added that the city will be involved in the planning and inspections of the work.

Virginia Maloney (U60) – Will White Oak Circle still be a private street? John said no, but a "No Outlet" sign could be installed.

Barbara Olszewski (U18R) – How will the tax assessment be determined? John said it will be based on the equalized assessed value of the property.

Marilyn Kaiser (U19) – How much will the added tax be? Frank said based on the bank estimates we have now between \$1200 and \$1400/year for 20 years to raise \$1.4M. We expect to be able to do better than this as we solicit other sources.

Sandy Rice (U32) – Do the Oaks HOs get to vote on the how much the taxes will be raised? Frank, no. Gene added that, if you think the SSA is the best way to get the job done, approve it by voting "yes" on the ballot you have. The taxes will be in the ballpark that we have stated.

Michael Richards (U49) – Even if we have both a rise in taxes and a SA in 2014, it still will be less than the original SAs.

Jake Wasinger (U77) – The taxes will go up for one year? Frank said no, for 15 to 20 years depending on the length of the bond issue.

Dick Janis (U61) – What percent of the HOs are needed to approve the SSA? Frank said the majority of 20% of the HOs. Dick said the problem is that I'm now still paying off two SAs and next year there might be the RE tax increase and another SA. We need a breather of a couple of years with no SAs or tax increases. Frank said the Board's job is to do the will of the HOs and that means to do what we need to do to maintain the Oaks property.

Barbara Olszewski (U18R) – Why do we need to decide today? Can't we wait until you have firm numbers for the amount of tax increase we're facing? Frank said if we postpone the decision any longer, we will surely have to wait until next year to start. We think we have the highest numbers in hand now and we will work to get them lower in the coming days.

Roger Tilbrook (U86) – The interest rates will only go up in the coming months; we need to get it done.

Ben Lusted (U46) – Will the monthly assessment be going down? Frank said we will need to build up our reserves. We have been using them to keep the cost of the SAs down. Once we have a plan to build them up, we'll see what we can do about the monthly assessment.

There being no more questions, Frank asked if someone would make a motion to approve the SSA for the SWMP. Marilyn James (U75) moved the following resolution:

I move to authorize the Oaks Board to:

1. proceed with the Storm Water Management Project (SWMP)
2. work with City officials to establish an Oaks Special Service Area (SSA)
3. expand rights of access to White Oak Circle similar to public streets
4. grant City easements over drainage areas where work is performed
5. prepare a petition and obtain signatures in favor of SWMP and an SSA

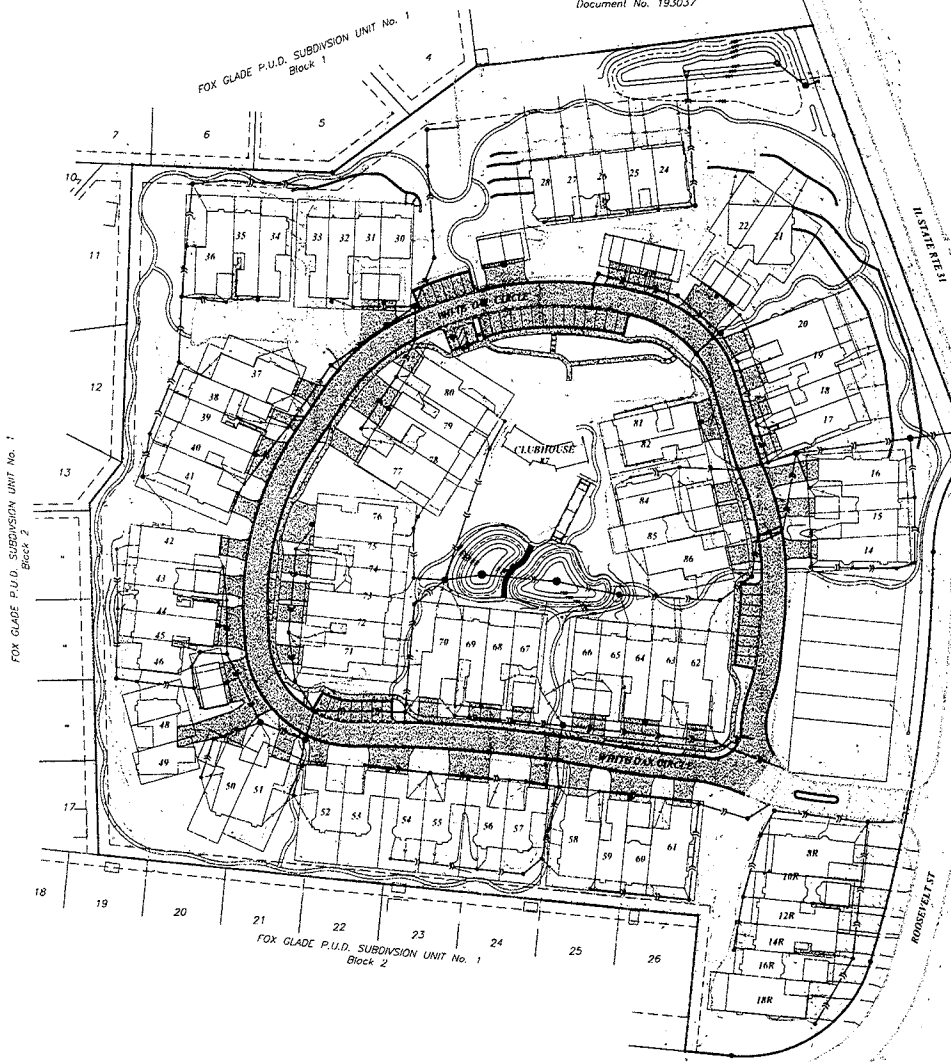
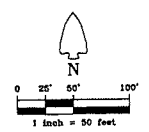
Frank asked for a second to the above motion. Carol Patterson (U58) seconded the motion to authorize the Board to proceed with the SWMP.

The vote was taken by paper ballot (see Attachment 2) with the result that the motion passed by a vote of 52 YES and 5 NO (91% YES), including absentee ballots.

Respectfully submitted,

James A. Bachman (U70)

KATHERINE D. CRISSY TRACT
 Book 665, Page 107
 Document No. 193037



- LEGEND**
- EXISTING CENTERLINE
 - EXISTING FENCE L.C.
 - EXISTING UNDERGROUND ELECTRIC LINE
 - EXISTING UNDERGROUND CABLE TV LINE
 - EXISTING UNDERGROUND GAS LINE
 - EXISTING WATER LINE
 - EXISTING SANITARY SEWER LINE
 - EXISTING STORM SEWER LINE
 - PROPOSED STORM SEWER LINE
 - PROPOSED SANITARY SEWER LINE
 - PROPOSED WATER LINE
 - PROPOSED CENTERLINE
 - PROPOSED ASPHALT PAVEMENT - INTERSECTIONS
 - PROPOSED ASPHALT PAVEMENT - DRIVEWAYS
 - PROPOSED CONCRETIZED WALKING PATH

REFER TO THE 'GEOLOGICAL ENGINEERING REPORT - THE OAKS OF ST. CHARLES PAVEMENT IMPROVEMENTS', PREPARED BY TERRACON CONSULTANTS, INC. DATED MAY 1, 2013, FOR DESCRIPTIONS OF EXISTING CONDITIONS PAVEMENT AND BASE.

REFER TO THE REPORT 'STABLE PORTIONS OF THE EXISTING FILL AND THE EXISTING CRUSHED STONE ACCURATELY WILL BE LEFT IN PLACE FOR SUPPORT OF THE NEW PAVEMENT. SEE TYPICAL SECTION, SHEET 3.

WHERE SOFT SOILS OR OTHER UNSUITABLE MATERIALS ARE ENCOUNTERED, REMEDIAL WORK SHALL BE AS DIRECTED BY THE GEOLOGICAL ENGINEER.

THE OAKS OF ST. CHARLES
 HOMEOWNERS ASSOCIATION

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NO.	DATE	DESCRIPTION	BY	CHECKED	DATE	DESCRIPTION

THE OAKS OF ST. CHARLES - OVERALL PLAN
 ST. CHARLES, KANE COUNTY, ILLINOIS

TITLE SHEET - OVERALL PLAN	DRAWN BY: JRY	DATE: 5/2013	PROJECT NUMBER: 13-001	SHEET 9 OF 30
DRAWN BY: JRY	DATE: 5/2013	SCALE: 1" = 50'		