Agenda
Village of Glen Ellyn
Special Workshop Meeting
Monday, April 14, 2014
6:00 PM
Glen Ellyn Civic Center, Room 301

Village Board Workshop Procedures Statement

Visitors are most welcome to attend all meetings of the Village Board and can find copies of the Agenda on their chairs or online at www.glenellyn.org prior to the meeting. Any individual with a disability requiring a reasonable accommodation in order to participate in a meeting should contact Harold Kolze, Village of Glen Ellyn ADA Coordinator, 630-469-5000, at least five (5) business days in advance of the next scheduled meeting. All matters on the Agenda may be discussed, amended, and acted upon.

A. Call to Order

B. Roll Call

C. Pledge of Allegiance

D. Audience Participation

1. Open:

   Members of the public are welcome to speak to any item *not* specifically listed on tonight's agenda for up to three minutes. For those items which are on tonight's agenda, the public will have the opportunity to comment at the time the item is discussed. In either case, please complete the Audience Participation form and turn it in to the Village Clerk. It is requested that, if possible, one spokesman for a group be appointed to present the views of the entire group. Speakers who are recognized are requested to step to a microphone and state their name, address and the group they are representing prior to addressing the Village Board.

E. Potential Annexation of the Marston-Bemis and Park and Butterfield Areas.

1. Planning and Development Director Staci Hulsberg will lead a discussion regarding the potential annexation of the Marston-Bemis and Park and Butterfield areas.

F. Other Items

G. Adjournment

Glen Ellyn Village Board
535 Duane Street
Glen Ellyn, IL 60137

Meeting: 04/14/14 06:00 PM
Department: Planning & Development
Department Head: Staci Hulseberg
Category: Discussion Item
Prepared By: Michele Stegall

SCHEDULED

AGENDA ITEM (ID # 1158) DOC ID: 1158 D

Planning and Development Director Staci Hulsberg will lead a discussion regarding the potential annexation of the Marston-Bemis and Park and Butterfield areas.

Background. Based on the Village's annexation policy and past direction from various Village Boards, staff has actively pursued the annexation of several unincorporated areas surrounding Glen Ellyn. These areas are numbered areas 1-7 on the attached "Potential Neighborhood Annexation" map. The attached memorandums dated February 2012 and March 2012 provide some information about these past efforts and priorities along with general information related to the some of the costs and benefits of annexation.

Over the last couple of years the Village's annexation efforts have focused on the Arboretum Estates East neighborhood, properties along Hill Avenue beyond the east end of the Village, the single-family homes in the Marston/Bemis area, and the commercial properties at the northwest corner of Park Boulevard and Butterfield Road. In 2012, the Village entered into annexation agreements with 2 of 3 industrial property owners in the Hill Avenue area and will be working toward entering into an annexation agreement with the third industrial property owner. We are reviewing an annexation proposal for property north of Country Club Estates for a possible 8-lot subdivision. We are also engaged in ongoing annexation discussions with the Glen Oak Country Club. We recently renewed annexation agreements with School District 89 and the Theater Guild at the northwest corner of Butterfield Road and Park Boulevard. A few years ago, we renewed annexation agreements for approximately 122 properties in the Martson/Bemis area.

The main purpose of this memorandum, however, is to discuss the next steps with the Marston/Bemis Road area and the northwest corner of Park Boulevard and Butterfield Road. More information about these two areas is below.

Marston/Bemis Area. Between 2009 and 2012, the Village worked to renew expired annexation agreements for roughly 90 properties in the Glen Crest North and Glen Crest South subdivisions along with 32 other properties in the Marston area all of which are served by Village utilities. A map depicting the area is attached. With the renewal of these agreements and other effective agreements for nearby properties, there are more than 150 parcels in this area that have valid annexation agreements with Glen Ellyn. These properties are currently contiguous to the Village and could be annexed immediately. The Village has not yet triggered these annexations as when the agreements were renewed we verbally informed the property owners that we would wait at least one year before proceeding with annexation. At that time, further analysis of the impact still needed to be conducted.

The timing of this annexation has been brought to the forefront by a new proposed 10-lot subdivision on Sunnybrook Road known as the Brookhaven subdivision. The developer, Jerry McKeown, needs direction regarding whether he should design the proposed subdivision to County standards and proceed with the subdivision in unincorporated DuPage County or if the property will be annexed and the subdivision should designed to Village standards. The proposed subdivision would have relatively large lots and would mirror the Brookshire Subdivision to the north, which was constructed by the same developer. Upon annexation, the 7 homes in the Brookshire Subdivision would generate 15% of the total property tax revenue from the 150 homes.

The attached table shows the anticipated impact of annexing all 150 plus homes on the fees and taxes received by the Village. The analysis shows a net gain of $92,294 annually. It should be noted however that the Village levies a property tax amount and that some of the generated revenue would be required to be placed in different funds. For example, the Motor Fuel tax would need to be used to promote tourism and the water fee supports the Village's water system needs. Therefore, this figure should not be viewed as an increase to the Village's general fund.

The annexation of this area would place additional demand on the Police Department for patrol and emergency response. The Police Chief has indicated that this annexation could potentially have a negative impact on emergency response times and would dilute neighborhood patrol strength for existing residents. It would also place additional demand on the Planning and Development Department for permitting, inspections, code enforcement and zoning matters. The area is already located within the boundaries of the Glen Ellyn Fire Company. Therefore, it would not place any additional demand on the Fire Company. However, staff's analysis found that the Fire Company is estimated to lose $5,000 in annual revenue from the elimination of these properties from the South Fire District SSA and the replacement of this tax with the new Village Fire Company fee.

The area contains 2.12 miles of new roadway that the Village would also need to assume snow plowing and other maintenance responsibilities for. The Public Works Department has indicated that they could assume snow plowing responsibilities for this area without adding personnel but that it could cause equivalent delays in snow plowing efforts elsewhere in the Village. An analysis of anticipated capital improvement costs to maintain the roads was also conducted by Professional Engineer Bob Minix (see attached memo). This analysis includes a recommendation for road resurfacing at an estimated $1.8 million and eventual road reconstruction within the next 15-years, estimated at $8.2 million. If the area is annexed, staff would plan to incorporate these roadway projects into the capital improvements schedule and budget.

The area is located in the Village's planning jurisdiction and will therefore be incorporated into Glen Ellyn at some point in the future. A decision to actively work towards the annexation of this area was made repeatedly between 2009 and 2012 as Ordinances were approved renewing the agreements in this area and by the direction given to staff to continue pursuing the renewal of these agreements.

The key agreement that gives the Village contiguity to the rest of the area expires in 2019. From a long term planning perspective there is little difference to the Village if the area is annexed now or 4 years from now. However, annexing the area now would allow the proposed Brookhaven Subdivision to be constructed to Village rather than County standards and allow the Village to realize the property tax revenue from these homes immediately. Therefore, it is the recommendation of the Development Committee that we proceed with the annexation of this area.

If the Board concurs, staff will begin coordinating with the property owners in the area to obtain the required annexation petitions and would hope to have the annexation ready for Board consideration within the next 4-6 months.

The annexation of this area would cause a handful of properties to be completely surrounded by the Village. In accordance with Village policy, staff would subsequently plan to work on the forced annexation of these few lots. The annexation of this area would also cause the Bemis Road wastewater plant to obtain contiguity with the Village which would trigger the disconnection of the property from Lombard and the annexation of the plant to Glen Ellyn.

Park/Butterfield. The Village currently has annexation agreements in place with 6 properties at the northwest corner of Park Boulevard and Butterfield Road, including a 300-foot wide strip of School District 87 property located along Park Boulevard. This strip allows the Village to obtain contiguity with the remaining properties in the area. The Village has not triggered this agreement, as unlike other agreements, the agreement for the property to the south known as 2S678 Park Boulevard (aka "The Church of God") requires the Village to annex 2S678 Park Boulevard upon obtaining contiguity. Holding off on the annexation of the School District's property therefore gives the Village more control over the future development of the approximately 4-acre Church of God site. Police and Fire have also previously expressed concern over the annexation of this area as it would require the Village to take in, and become responsible for, emergency response at the high-volume Park Boulevard and Butterfield Road intersection.

Harbor Chase recently entered into a contract to purchase the Church of God property and plans to construct an approximately 122-bed assisted living facility on the site. Staff plans to proceed with the annexation of this lot and the 300-foot strip of School District property to the north. We would like to discuss with the Board whether we should also proceed with annexing the remaining properties to the south that have valid annexation agreements. The attached maps represent three potential options for proceeding.

- Option A shows the annexation of the School District property and 2S678 Park Boulevard including the adjacent portion of Park Boulevard.

- Option B shows the annexation of the entire corner including the adjacent portions of Park Boulevard and Butterfield Road (including the intersection).

- Option C shows the annexation of all of the properties with the exception of the tax exempt School District 89 property at the corner and the adjacent portions of Park Boulevard and Butterfield Road (not including the intersection).

The annexation of this area will have little to no effect on Public Works as Park Boulevard is a County road and Butterfield Road is a State road. Even upon annexation, the underlying jurisdiction will remain with those agencies. Therefore, the Village would not have any maintenance responsibilities for the roads. The area is also already served by existing Village utilities. Annexation of this area would also have limited impact on the demand for Planning and Development

Department services. It could however, have a significant impact on the demand for Police and Fire services.

Information provided by the DuPage County Sheriff's Department shows a total of 241 crashes at the Park and Butterfield intersection in the 5 year period between 2009 and 2013. This is an average of 48 accidents a year that, upon annexation, the Glen Ellyn Police Department would need to begin responding to (rather than the County Sheriff). Of these accidents, 82 (or an average of 16 a year) involved injuries requiring ambulance transport. In addition to the demand placed on the Fire Company for vehicular crashes at the intersection, DuComm records reflect a total of 74 ambulance calls to the 60-bed Arden Court assisted living facility during this same time period for an average of 15 calls a year. It should be noted that the proposed Harbor Chase facility would also place additional demand on the Fire Company for ambulance service.

For the Board's information, a table showing the estimated taxes and revenues generated by the annexation of this area is attached. This table shows an annual net gain to the Village of $29,972.80. However, it does not include any property tax or water revenue that would be generated from the proposed Harbor Chase development which would be constructed on what is currently tax exempt property. The same caveats discussed above for the Marston/Bemis Road area would apply to any revenue generated from the annexation of the Park and Butterfield Road intersection.

At this time, it is the recommendation of the Development Committee that the Village proceed with Option C, which would include the annexation of the entire area with the exception of the School District 89 administration building at the corner. This property is currently tax exempt and brings with it the annexation of, and responsibility for, the intersection. Therefore, staff sees little benefit to annexing this property at the present time. It should be noted however, that with this option a portion of Butterfield Road would become the responsibility of the Village. Therefore, police and fire may still be called to respond to an accident if it is unclear where it is located with respect to the jurisdictional boundary.

Staff also recently received a call from someone interested in potentially opening a small senior home and obtaining Village water for a property across Butterfield Road to the south known as 3S010 Park Boulevard. If the Village were to proceed with Option C, we would not be able to annex this property as the Village would lack contiguity. However, we could enter into an annexation agreement.

Requested Action. The Village Board is requested to discuss the potential annexations of the Marston/Bemis Road area and the northwest corner of Park Boulevard and Butterfield Road and provide direction to staff on how to proceed.

Attachments.
- Map of Marston/Bemis Area
- Tax-Fee Revenue Table for Marston-Bemis Area
- Memorandum from Bob Minix dated March 21, 2014
- Maps of Park and Butterfield Annexation Options (3 total)

- Tax-Fee Revenue Table for Park and Butterfield
- Memorandum dated February 16, 2012 with attachments (including “Potential Neighborhood Annexation Map”)
- Memorandum dated March 22, 2014 with attachments

Cc: Phil Norton, Police Chief
Julius Hansen, Public Works Director
Jim Bodony, Fire Chief
Bob Minix, Public Works Professional Engineer
Lauren Parisi, Planning Intern

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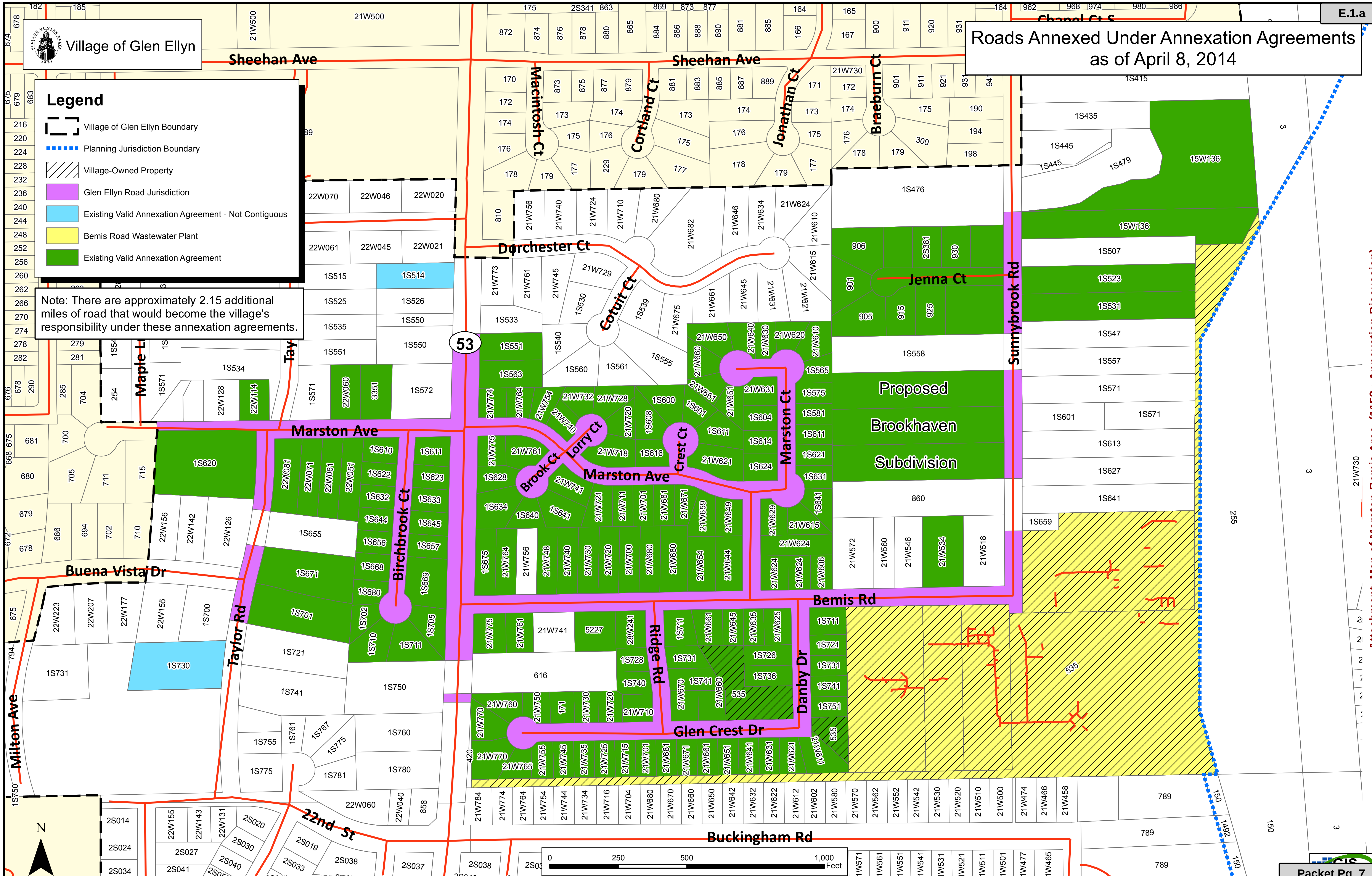
ATTACHMENTS:

- Map of Marston-Bemis Area (PDF)
- Memorandum from Bob Minix dated March 21, 2014 (PDF)
- Tax-Fee Table for Marston-Bemis Area (PDF)
- Maps for Park and Butterfield Annexation Options (3 total) (PDF)
- Tax-Fee Revenue Table for Park and Butterfield (PDF)
- March 22, 2012 memorandum with attachments (PDF)
- Memorandum dated February 16, 2012 with attachments (including Potential Neighborhood Annexation Map) (PDF)


Village of Glen Ellyn
Roads Annexed Under Annexation Agreements
as of April 8, 2014
Legend
Village of Glen Ellyn Boundary
Planning Jurisdiction Boundary
Village-Owned Property
Glen Ellyn Road Jurisdiction
Existing Valid Annexation Agreement - Not Contiguous
Bemis Road Wastewater Plant
Existing Valid Annexation Agreement
Note: There are approximately 2.15 additional miles of road that would become the village's responsibility under these annexation agreements.
Sheehan Ave
Macintosh Ct
Cortland Ct
Jonathan Ct
Braeburn Ct
Chapel Ct S
Dorchester Ct
Cotuit Ct
Jenna Ct
Sunnybrook Rd
Marston Ave
Marston Ct
Lorry Ct
Brook Ct
Crest Ct
Birchbrook Ct
Proposed
Brookhaven
Subdivision
Bemis Rd
Ridge Rd
Danby Dr
Glen Crest Dr
Taylor Rd
Buena Vista Dr
Maple Ln
Milton Ave
22nd St
Buckingham Rd
53
N
0
250
500
1,000
Feet
20140408_DRMMGP

MEMORANDUM

TO: Lauren Parisi, Planning Intern

FROM: Bob Minix, Professional Engineer

DATE: March 21, 2014

SUBJECT: Glen Crest Subdivision and Environs Annexation
Roadway Rehabilitation Expenses

Per your request, the Engineering Division has reviewed the roadway network that likely would be taken over by the Village as a result of the proposed annexation of properties in the area of Route 53 and Marston / Bemis. These roadways are currently under the jurisdiction of Milton Township. The roadways involved in this analysis are depicted in the annexation area map prepared by Planning and Development Department, a copy of which is enclosed herewith. Please note that Route 53 within the annexation area is under the jurisdiction of the Illinois Department of Transportation and would remain as such after the proposed annexations.

Civil Engineer Jeff Perrigo performed the portion of the analysis that identified the individual roadway segments and the existing dimensional parameters (lengths and areas). The roadway segments included in the analysis are shown in the attached table. The roadway network consists of slightly more than two miles of local streets and two bridge/box culvert segments spanning Glen Crest Creek on Bemis Road near Ridge and near the intersection of Glen Crest and Danby drives. The existing cross-section of the roadways varies between asphalt roadways without curbs, asphalt roadways with separate curb and gutters, and asphalt-over-concrete roadways with integral curbs. Based on available records, the Glen Crest Subdivision roadways (north and south of Bemis and east of Route 53) were constructed in the 1970's and are likely now about 40 years old. The age of the rural-road streets (Marston west of Route 53, Taylor, Bemis and Sunnybrook) are likely somewhat older. Birchbrook Court was constructed in the early 1980's; Jenna Court was built in the early 2000's.

The overall current condition of the roadways in the area is judged to be fair, with some level of rehabilitation likely required for most of the roadways within the next 3-5 years. Based on engineering judgment and using the current methodology employed for estimating roadway rehabilitation costs, various project expenses were developed. The methodology consists of applying a unit cost factor multiplied by the roadway surface area to estimate costs based on the type of rehabilitation selected. The unit cost factors for this analysis were as follows:

Glen Crest Subdivision and Environs Roadway Rehabilitation Rehabilitation Types and Unit Costs		
Type of Rehabilitation	**Description**	**Unit Cost (\$/SY) (2014 Basis)**
Type IA Resurfacing	Removal and replacement of asphalt surface; shoulder work	\$40
Type IB Resurfacing	Removal and replacement of asphalt surface; moderate spot curb and concrete base repairs	\$50

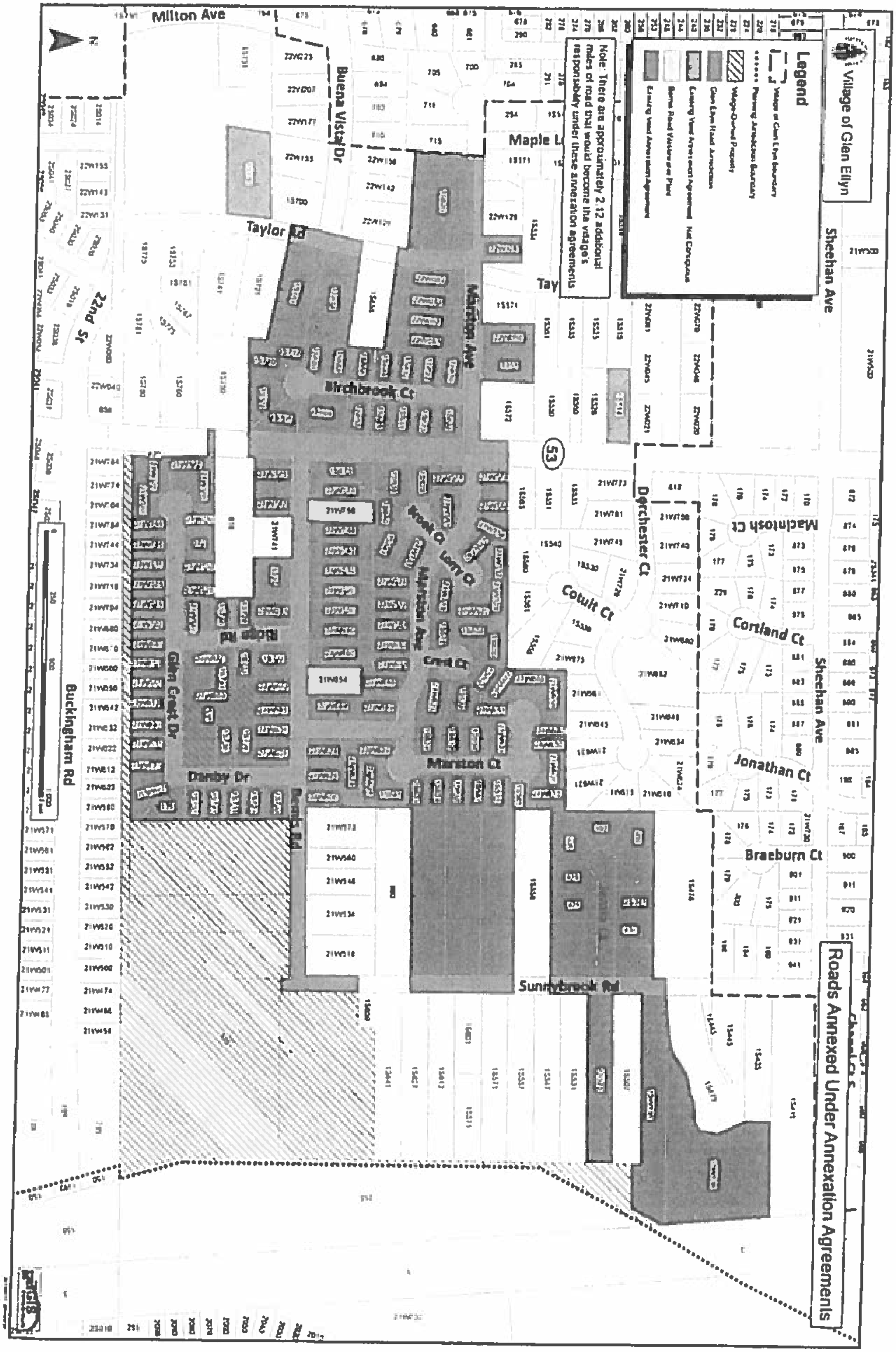
Type II Rehabilitation	Complete removal and replacement of asphalt cross section down to aggregate base; full curb and driveway replacement	$140
Type IIA Rehabilitation	Complete removal of entire existing street cross section down to sub-grade and replacement with a full depth asphalt section; full curb and driveway replacement	$190
Asphalt Reconstruction	Complete rebuilding of the roadway with full-depth asphalt; construction of curb and gutter and new driveway approaches; sidewalk installation; closed drainage system installation	$220

The initial recommended rehabilitation for the proposed annexation roadways would be a **resurfacing** project that is estimated to cost about **$1.8 Million** (in 2014 dollars) including engineering and construction.

Ultimately all the roadways would need to be reconstructed. Given the current age of most of the roads in the proposed annexation area, these reconstructions would be warranted within a 15 year timeframe. To reconstruct all the roadways, including replacement of the box culvert / bridges, the estimated cost is **$8.2 Million** (in 2014 dollars) including engineering and construction.

enc. as noted

cc: Julius Hansen, Public Works Director
Jeff Perrigo, Civil Engineer
Staci Hulseberg, Planning and Development Director
Michele Stegall, Village Planner
Ray Ulreich, Stormwater Engineer



Attachment: Memorandum from Bob Minix dated March 21, 2014 (1158 : Annexation Discussion)

GLEN CREST SUBDIVISION AND ENVIRONS ANNEXATION - ROADWAY REHABILITATION EXPENSES

March 20, 2014

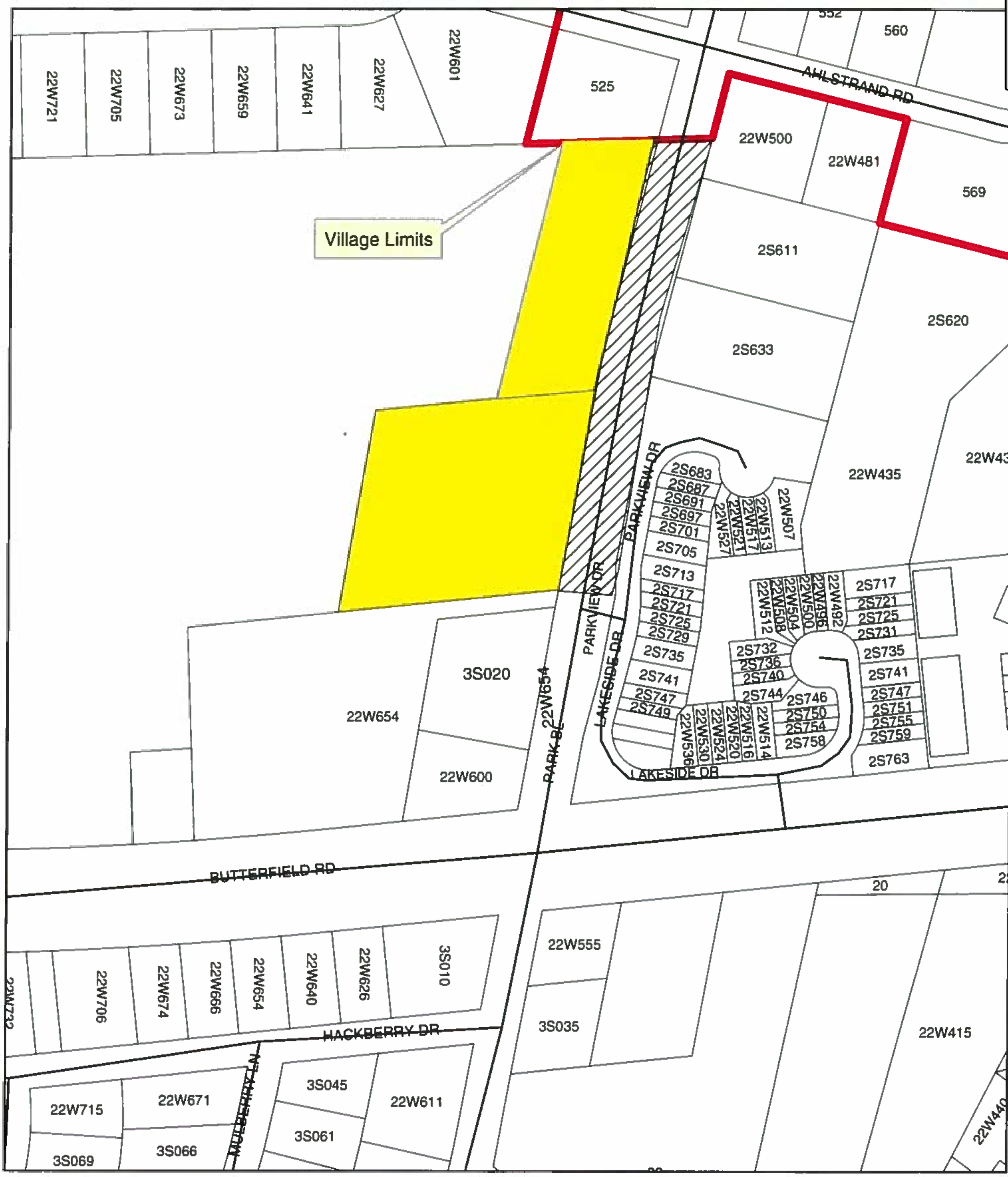
						NEXT REHABILITATION WORK			RECONSTRUCTION COST		
Street Name	Segment	Existing Cross-Section	Length (ft)	Width (ft, avg.)	Area (SY)	Resurfacing Type	Unit Cost ($/SY)	Cost (2014 $'s)	Type	Unit Cost ($/SY)	Cost (2014 $'s)
Bemis Rd	Route 53 to Ridge	Asphalt - Stone Base	708	23	1,811	Type IA	$40	$72,440	Asphalt Reconstruction	$220	$362,200
Bemis Rd	Rdige to Greenview	Asphalt - Stone Base	353	22	863	Type IA	$40	$34,520	Asphalt Reconstruction	$220	$172,600
Bemis Rd	Glen Crest Creek Bridge	Pre-cast Box Culvert				Misc Repair		$50,000	Replacement		$300,000
Bemis Rd	Greenview to Danby	Asphalt - Stone Base	178	23	456	Type IA	$40	$18,240	Asphalt Reconstruction	$220	$91,200
Bemis Rd	Danby to Sunnybrook	Asphalt - Stone Base	775	23	1,981	Type IA	$40	$79,240	Asphalt Reconstruction	$220	$396,200
Ridge Rd	Bemis to Glen Crest	Asphalt - Stone Base - Separate Curb	471	26	1,362	Type IB	$50	$68,100	Type II	$140	$272,400
Danby Dr	Bemis to Glen Crest	Asphalt - Stone Base - Separate Curb	452	28	1,405	Type IB	$50	$70,250	Type II	$140	$281,000
Glen Crest Dr	Ridge to West End	Asphalt - Stone Base - Separate Curb	557	28	1,733	Type IB	$50	$86,650	Type II	$140	$346,600
Glen Crest Dr	Ridge to Danby	Asphalt - Stone Base - Separate Curb	505	27	1,515	Type IB	$50	$75,750	Type II	$140	$303,000
Glen Crest & Danby	Glen Crest Creek Bridge	Pre-cast Box Culvert				Misc. Repair		$10,000	Replacement		$300,000
Sunnybrook Rd	Bemis to Jenna	Asphalt - Stone Base	1149	20	2,554	Type IA	$40	$102,160	Asphalt Reconstruction	$220	$510,800
Sunnybrook Rd	Jenna to Village Limits	Asphalt - Stone Base	403	19	851	Type IA	$40	$34,040	Asphalt Reconstruction	$220	$170,200
Jenna Ct	Sunnybrook to West End	Asphalt - Stone Base - Separate Curb	509	20	1,132	Type IA	$40	$45,280	Type II	$140	$226,400
Marston Av	Village Limits to Taylor	Asphalt - Stone Base	386	28	1,202	Type IA	$40	$48,080	Asphalt Reconstruction	$220	$240,400
Marston Av	Taylor to Taylor	Asphalt - Stone Base	22	28	67	Type IA	$40	$2,680	Asphalt Reconstruction	$220	$13,400
Marston Av	Taylor to Birchbrook	Asphalt - Stone Base	476	21	1,111	Type IA	$40	$44,440	Asphalt Reconstruction	$220	$222,200
Marston Av	Birchbrook to Route 53	Asphalt - Stone Base	203	20	452	Type IA	$40	$18,080	Asphalt Reconstruction	$220	$90,400
Taylor Rd	Marston to Buena Vista	Asphalt - Stone Base	558	20	1,240	Type IA	$40	$49,600	Asphalt Reconstruction	$220	$248,000
Birchbrook Ct	Marston to South End	Asphalt - Stone Base - Separate Curb	693	28	2,157	Type IA	$40	$86,280	Type II	$140	$431,400
Marston Av	Route 53 to Brook	Asphalt over Concrete Base - Integral Curb	426	28	1,325	Type IB	$50	$66,250	Type IIA	$190	$265,000
Marston Av	Brook to Lorry	Asphalt over Concrete Base - Integral Curb	39	40	171	Type IB	$50	$8,550	Type IIA	$190	$34,200
Marston Av	Lorry to Crest	Asphalt over Concrete Base - Integral Curb	459	27	1,376	Type IB	$50	$68,800	Type IIA	$190	$275,200
Marston Av	Crest to Greenview	Asphalt over Concrete Base - Integral Curb	279	28	867	Type IB	$50	$43,350	Type IIA	$190	$173,400
Marston Av	Greenview to Marston Ct.	Asphalt over Concrete Base - Integral Curb	114	28	354	Type IB	$50	$17,700	Type IIA	$190	$70,800
Marston Ct	Marston to North / West End	Asphalt over Concrete Base - Integral Curb	635	28	1,974	Type IB	$50	$98,700	Type IIA	$190	$394,800
Brook Ct	Marston to South End	Asphalt over Concrete Base - Integral Curb	209	52	1,205	Type IB	$50	$60,250	Type IIA	$190	$241,000
Lorry Ct	Marston to North End	Asphalt over Concrete Base - Integral Curb	174	55	1,065	Type IB	$50	$53,250	Type IIA	$190	$213,000
Crest Ct	Marston to North End	Asphalt over Concrete Base - Integral Curb	177	57	1,123	Type IB	$50	$56,150	Type IIA	$190	$224,600
Greenview Dr	Bemis to Marston	Asphalt - Stone Base - Separate Curb	401	29	1,293	Type IB	$50	$64,650	Type II	$140	$258,600
TOTALS			11,311	feet	32,645	square yards		$1,533,480			$7,129,000
			2.14	miles			with 15% Engineering	$1,763,502		with 15% Engineering	$8,198,350

Attachment: Memorandum from Bob Minix dated March 21, 2014 (1158 : Annexation Discussion)

Marston/Bemis Road Area – Estimated Taxes and Fees

Property Taxes to Village - 150 homes	**$108,893**
• Portion from 7 of 9 Homes on Jenna Court	$16,363 (15%)
• Property Taxes to Library (not included in total)	$68,432
Per Capita Tax (based on 150 x 2.63= 394.5 people)	**$53,493**
• Income Tax	$37,635
• Use Tax	$6,588
• Motor Fuel Tax	$9,270
Fire Company Impact	-$5,000
• Village Fire Fee	$15,000
• Lost SSA Fire District Revenue	-$20,000
Water Revenue Difference	-$65,092
• Current Non-Resident Fee	$151,014
• Resident Fee after Annexation	$85,922
Cumulative Difference	**$92,294**

Park and Butterfield Annexation - Option A



Prepared By: Planning and Development
Date: March 4, 2014

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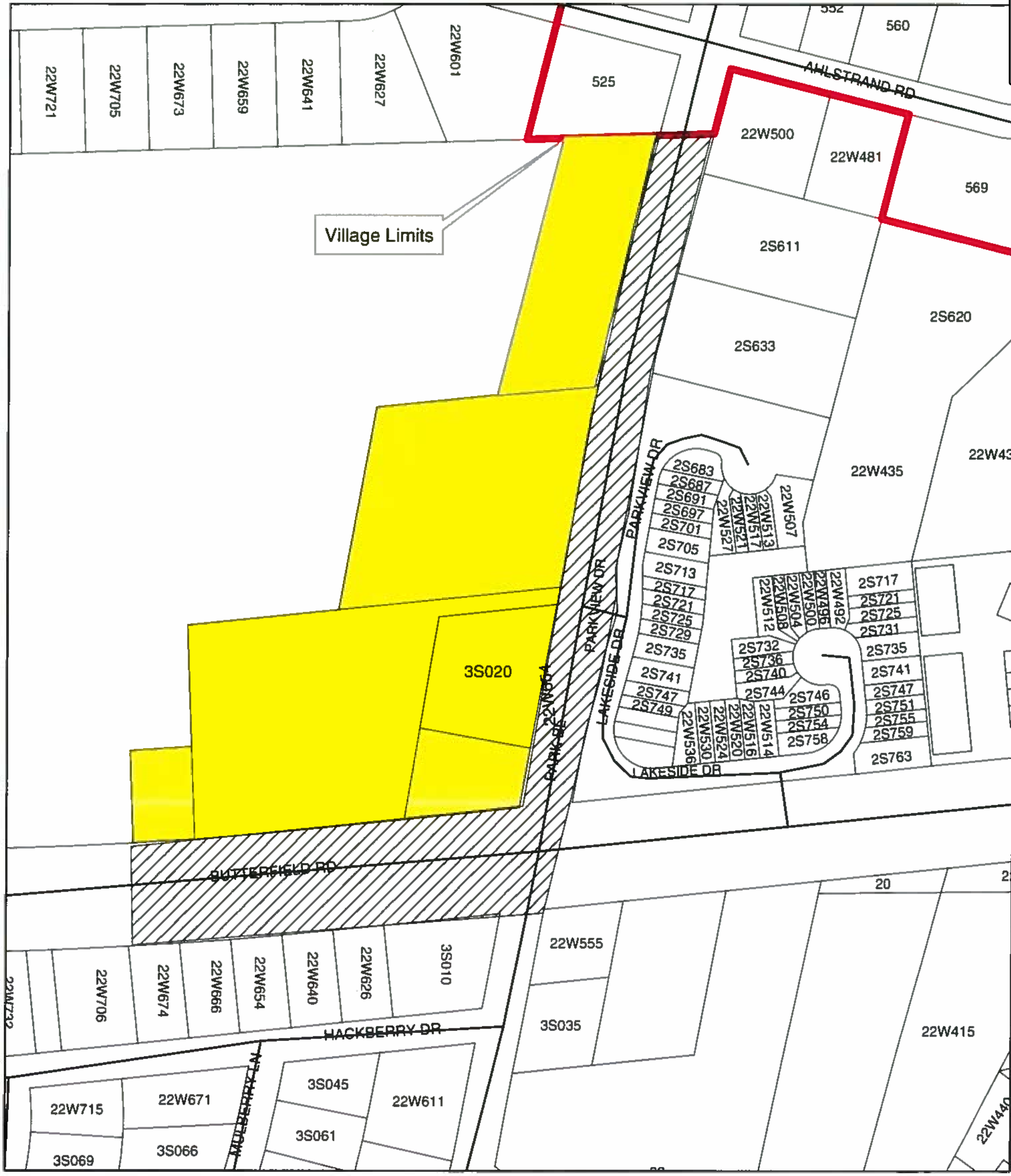
Park and Butterfield Annexation - Option B



Prepared By: Planning and Development
Date: March 4, 2014

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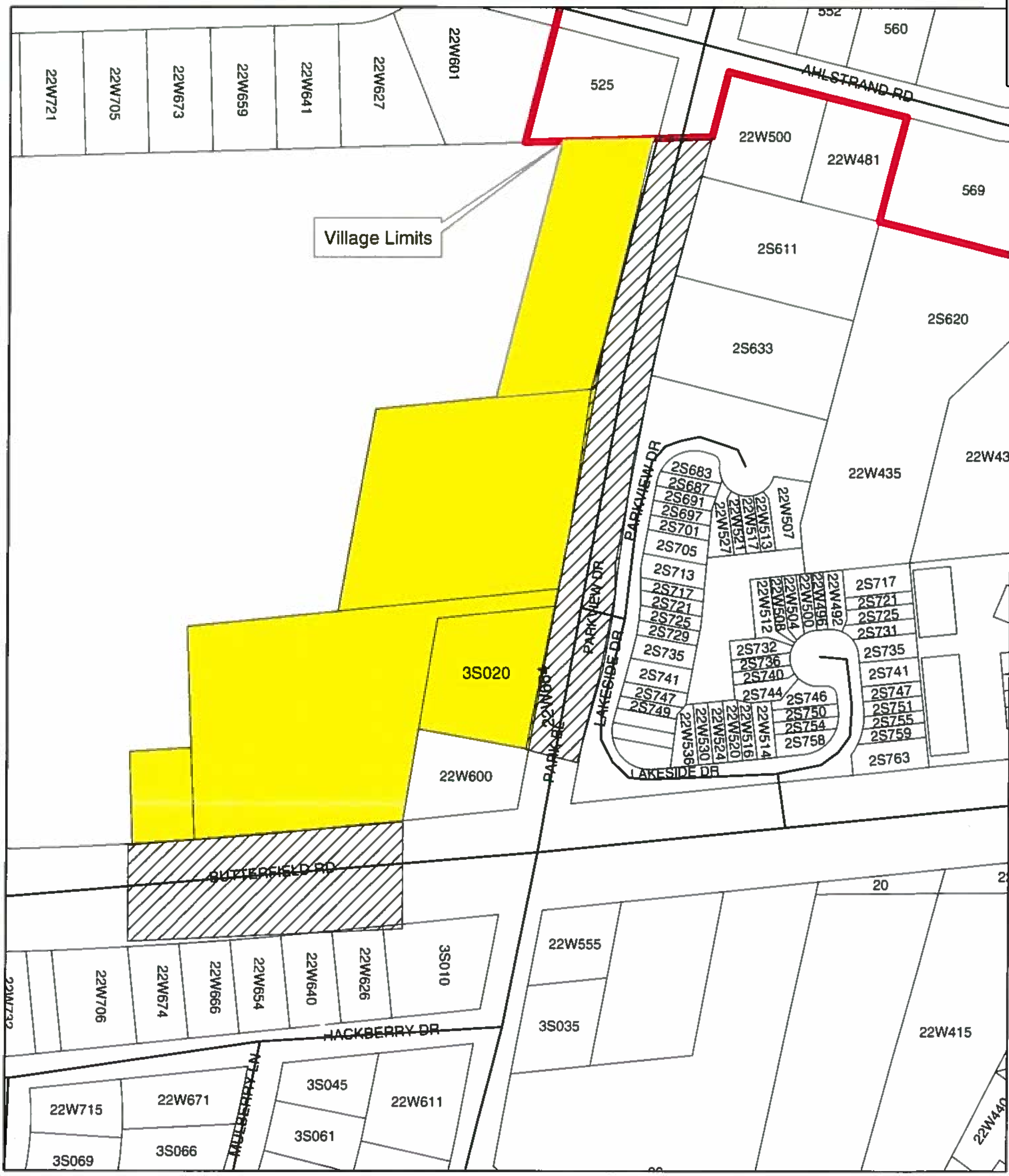
Park and Butterfield Annexation - Option C



Prepared By: Planning and Development
Date: March 4, 2014

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Feet

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Park and Butterfield Annexation

Location/Address	P.I.N.	Equalized Assessed Value	Property Taxes to the Village	Property Taxes to the Library	Per Capita Tax	- SSA Fee + GE Fire Fee	Water (Resident Rate – Non Resident Rate)
Church of God 2S678 PARK BLVD	05-26-306-002	Currently Exempt	$0.00	$0.00	N/A	+$96.00	$423.30 -$635.30 =-$212.00
Doctor's Office 22W654 BUTTERFIELD RD	05-26-306-003	$443,990	$2,314.52	$1,454.51	N/A	+$96.00 -$445.32	$837.25-$1,256.86 = -$419.61
Arden Courts 2S706 PARK BLVD	05-26-306-004	$1,625,920	$8,475.92	$5,326.51	(60 Beds) $8,136.00	+$240.00 -$1,630.80	$21,860.30-$32,816.17 = -$10,955.87
Village Theater 3S020 PARK BLVD	05-26-306-006	$123,020	$641.00	$403.01	N/A	+$96.00 -$123.39	$204.43-$306.88 = -$102.45
School District 89 Offices 22W600 BUTTERFIELD RD	05-26-306-007	Currently Exempt	$0.00	$0.00	N/A	+$96.00	$412.25-$618.68 = -$206.43
Proposed Harbor Court Assisted Living 2S678 PARK BLVD					(122 Beds) $16,543.20	+$240.00	
			$11,431.44	$7,184.03	$24,589.20	-$1,335.51	-$11,896.36

Net Gain = $29,972.80

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Attachment: Tax-Fee Revenue Table for Park and Butterfield (1158 : Annexation Discussion)

MEMORANDUM

TO: Mark Franz, Village Manager

FROM: Staci Hulseberg, Planning and Development Director
~~Michele Stegall,~~ Village Planner
Michael Strong, Planning Intern

DATE: March 22, 2012

RE: Planning for Annexation

Background. The purpose of this memorandum is to provide the Village Board with general information about annexation and the current priorities related to annexation.

In Illinois, municipalities have statutory authority to annex properties using many different methods. The three most common methods are voluntary, involuntary, or court-controlled. In Glen Ellyn, two annexation methods have generally been regularly used including voluntary annexations, where the petitioner requests or petitions for annexation and involuntary annexations, where the Village forcibly annexes property that is completely surrounded by one or more municipalities or other land features and is less than 60 acres in size. A third method allowed by state statute, court-controlled annexation, is where a petition to annex is filed with the circuit court rather than with the municipality. The petition must be signed by a majority of the property owners and electors in the territory to be annexed. This procedure is particularly useful when seeking to annex properties that are not directly contiguous to the Village where intervening property owners may not be interested in annexation. Past Village Boards have indicated a willingness to pursue this approach in several areas. However, the Village has yet to exercise this option.

Issues. The decision of a municipality to annex property is generally based on several factors. The motivation for annexation in most cases is either to gain control over the pattern of development surrounding its boundary, by its desire to broaden its tax revenue base, to clarify jurisdictional responsibilities for emergency response and public improvement maintenance, or to ensure that consistent zoning and other regulations are applied to adjacent properties. Property owners are typically interested in annexing in order to obtain water and sewer services although there may be other motivations. Municipalities often consider the costs and benefits prior to moving forward with an annexation regardless of the number of properties involved.

Contrary to popular belief, the primary motivation for annexation is not always to collect additional tax dollars. This is particularly true in the case of residential annexations where the cost of providing services to the area are often equal to or more than the tax revenue that is received. Commercial annexations generate more sales tax and property tax revenues relative to residential opportunities. Additionally, it can take longer to see property tax revenues given the nature of collection and redistribution.

Analyzing the costs of annexation can be difficult because each annexation opportunity has unique characteristics. Short term costs tend to vary with the immediate needs for services such as the anticipated costs of police, utility, and street maintenance. Long term costs may include capital improvement obligations, such as extending water or sewer mains, maintaining streets or other improvement projects a municipality may assume after annexation.

Many of the annexations the Village has coordinated over the past several years have been for individual single-family lots or small subdivisions that have had minimal impact on Village costs and services. In many cases, the property owners have contributed to the cost of extending utilities in these areas or developers have paid the cost for any needed public improvements. However, over time these annexations have had a cumulative impact of the demand for Village services.

The attached memorandum from Gary Webster dated February 10, 1999, summarizes annexation benefits for the Village of Glen Ellyn. This is a very complete overview of the reasons to pursue annexations in our planning jurisdiction.

The attached article illustrates some issues resulting from low-density annexation in Monroe, Louisiana. The annexation opportunity that was pursued in the community consisted of 7.3 acres of residential property, which has only bolstered a few hundred dollars of additional property tax revenue.

Similarly, the City of Phoenix (article attached) argues that annexation pursuits should be prioritized based on their projected revenue. Since roughly one-half of the City's revenue comes from sales tax, the goal of annexation in Phoenix has been to capture existing commercial areas, or areas of future development.

The Village President requested we put the following new policy statements on record in the Village:

- Expansion of commercial areas were applicable
- Continued diversity of commercial and residential stock and zoning classifications, including the use of RE and R0 where applicable
- Eventual expansion of Glen Ellyn into its planning district
- Development that continues to make Glen Ellyn unique and a desired place to live, work, shop, study and visit

In response, we believe it would be appropriate for the Village Board to update the Village's 1992 Annexation Policy (attached). We will plan to bring a draft revised annexation policy including the recommendations above to the Village Board in the near future.

Recommendation. No recommendation necessary, memorandum is for informational purposes only.

Action Requested. No action by the Village Board is requested at this time, memorandum is for informational purposes only. If the Village Board has additional questions, or would like to schedule this topic for a future workshop discussion, we would be happy to do so.

Attachments.

- Memorandum from Gary Webster dated February 10, 1999
- Adding up the costs, benefits of annexation by Monroe (2/18/2012)
- "Border wars over tax revenues in Phoenix" by Carol Heim (2011)
- 1992 Village Annexation Policy

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MEMORANDUM

DATE: February 10, 1999

TO: Honorable President and Board of Trustees

FROM: Gary Webster, Village Manager

SUBJECT: Benefits to the Village Associated with Annexation

Attached is our latest updated "List of Benefits to the Village of Glen Ellyn Associated with Annexation." This draft #4 is dated February 10, and is significantly expanded from the first draft which was shared with you about three weeks ago.

This is for your background information and intended to assist in our annexation discussions.

GW:kb
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Attachment

cc: Department Managers
Stewart H. Diamond, Village Attorney

RECEIVED
FEB 10 1999
PLANNING DEPARTMENT
VILLAGE OF GLEN ELLYN

DRAFT #4

LIST OF BENEFITS TO THE VILLAGE OF GLEN ELLYN ASSOCIATED WITH ANNEXATION FEBRUARY 10, 1999

Background

Illinois State statutes recognize, encourage, and facilitate municipal annexation of unincorporated areas in order to achieve rational land use planning, coordinated infrastructure, and municipal service delivery. This is accomplished through:

A. Boundary agreements - All unincorporated land adjacent to Glen Ellyn is included in boundary agreements with adjacent municipalities in order to identify the "ultimate boundaries" of each municipality.

B. All subdivision plans within 1 1/2 miles of our boundary, but within our boundary agreement area, are regulated by Village land use controls and plan review process.

C. All unincorporated territory within Glen Ellyn's "ultimate boundary area" is included in our wastewater facility planning area established in 1974 by the State of Illinois. The Glenbard Wastewater facility, which was constructed in 1979, was sized to accommodate Glen Ellyn's "ultimate boundary area."

D. Illinois State statutes permit municipalities to annex unincorporated properties around their boundaries in many different ways, including the involuntary annexation of properties that fall within certain criteria.

Benefits to Village

1. Emergency Services - The Glen Ellyn Volunteer Fire Company and Glen Ellyn Police Department jointly respond to fire and ambulance emergencies throughout the Village. The Fire Company jurisdiction extends to most unincorporated areas around Glen Ellyn within our "ultimate boundaries" and responds to fire and many ambulance calls. Because the Police Department does not normally respond to these unincorporated areas, the timeliness and level of emergency service provided is reduced, and the Fire Company volunteers do not receive the very knowledgeable support from Glen Ellyn Police personnel.

2. Revenue - Municipal revenues are increased by annexation. A single-family home will provide annual revenue of approximately $470 to the Village, including State-shared revenues of $100 per capita (average 2.7 people per

house), Utility Tax revenue of $150 per house, and miscellaneous revenues of $50.

The State-shared revenues of $100 per capita are dependent upon an official Federal census, with the next decennial census scheduled for April, 2000. These counts remain in place for ten years, unless changed by a special Federal census.

In Glen Ellyn, Village services account for 7 percent of the property tax bill. This results in a payment of approximately $250 by the owner of a single-family home with a market value of $180,000. However, annexations do not increase overall municipal property tax revenues; they merely reduce property taxes paid by existing taxpayers because annexations increase the overall Village assessed values.

3. Rights-of-Way - Unincorporated properties along rights-of-way maintained by the Village are receiving "free" Village services, such as police presence and street maintenance. This is not fair to Village taxpayers.

4. Addresses - Unincorporated properties continue to use a direction in their address, such as 1 S 807 Kenilworth. When a property is annexed, it is reassigned a Village address which fits into the overall consecutive numbering. When a street is interrupted by an unincorporated address, emergency responses by police, fire, and public works can be confused and result in slower responses.

5. Utility Line Maintenance - Village water and sanitary sewer mains in the public right-of-way need to be repaired from time-to-time. When these lines are in unincorporated areas and rights-of-way, the Village must coordinate and obtain permits from the Township. Annexation reduces the bureaucracy and time needed to make utility line repairs.

6. Right-of Way Maintenance - Where boundaries of the municipality are irregular, that is where one or more properties are outside the corporate limits followed by one or more properties inside the corporate limits, right-of-way maintenance is more difficult to coordinate. This includes tree trimming, removal of dead trees, tree planting, street repairs, snow removal, storm sewer flushing and cleaning, and sidewalk maintenance and construction.

7. Delivery of General Municipal Services - Besides emergency services, other municipal services are complicated when faced with irregular, interrupted

municipal boundaries. These include garbage collection, street lighting, cable television, storm water management, and library services.

8. Ultimate Village Boundaries - Glen Ellyn has entered into boundary agreements with all adjacent municipalities which designate the ultimate boundaries of each municipality. All annexations done by Glen Ellyn assist in expansion to the agreed ultimate boundaries.

9. Land Use - Unincorporated areas are regulated by the County zoning code. Village annexations of parcels within our ultimate boundary area allows Glen Ellyn to have zoning and approval authority on any proposed changes in use of property. Village and County zoning codes are different, and County land use decisions are not focused on the needs of Glen Ellyn.

10. Population Expansion - Annexations result in additional population within the Village limits and helps assure that the Village will maintain its home rule status based on the Federal year 2000 decennial census.

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thenewsstar.com

Adding up the costs, benefits of annexation by Monroe – 02/18/2012

By: **Amritha Alladi**

The city of Monroe has annexed five properties totaling 7.3 acres since 2009, with the annexation of a sixth, 25-acre, property slated in coming weeks.

The annexation of the sixth property off Frontage Road, owned by Larry Cooper, was favored at the last City Council meeting and will go for a final vote at the council's next scheduled meeting Feb. 28. It will be the largest piece of property to be annexed in recent memory.

However, these annexations so far have done little to bolster property tax revenues to the city or increase the city's population, which has seen an 8.1 percent decline over the last 10 years.

Monroe Mayor Jamie Mayo said annexation is a priority for him to increase the city's population and its tax base, and to provide high-quality public service to more people. The city's current population of 48,812 falls below the mayor's ideal goal of 60,000-70,000.

"It's been a little more challenging trying to annex certain residential areas," Mayo explained. "We are actively pursuing properties to be annexed both residential and commercial and along (Interstate 20)."

The challenge the city faces is that the residents must petition to be annexed, and many times, they are reluctant to do so because they prefer to send their children to certain schools in the parish, he said.

"There's been some reservations such as schools, that have held us back from being able to annex some of those properties," Mayo said.

He feels the biggest attraction to bring people in is the city's clean water.

Associated costs

At a City Council meeting about one month ago, Councilman Arthur Gilmore said the city must move from discussing annexation to realizing it.

He was speaking in light of the city's consideration to allow Greater Ouachita Water Company to provide city water to residents south of U.S. 80. Gilmore was concerned that by providing them water, the incentive for these residents to join the city would be eliminated. He said he felt whatever costs would be associated with infrastructure tie-ins would easily be made up within a few years.

"We've looked at those means of being able to do that. There's always a cost that's involved," Mayo responded.

The cost of maintaining infrastructure was one of the reasons cited by Monroe Council Chairman Jay Marx for approving Greater Ouachita Water's request.

Marx felt it would be several years before the city saw the profits from the investment and didn't think these residents would agree to be annexed in the first place.

Therefore, he said it would be a better deal for the city to allow Greater Ouachita Water to supply the water, as the agreement would be only temporary. Mayo agreed that it would be more financially feasible to at least make some revenue from selling water to the residents. Finally, Monroe officials decided to approve Greater Ouachita Water's request due to the humane need to give residents in this area access to clean water.

But Public Works Director Tom Janway earlier this month said it doesn't cost anything to set up infrastructure when an area is annexed. The residents of that area or the developer incur the costs, unless the infrastructure isn't up to standard, he said.

"There hasn't been any cost associated with (annexation) in this point of time. We require them to bring their service lines to us," he said. "We haven't expended any dollars on infrastructure."

Marx later explained on Saturday that even if the city wasn't billed for hooking the residents up to city water and sewer systems, in the future, the city would be responsible for the upkeep of this area's roads and other infrastructure. That, he said, are would be the cost associated with annexation.

"There are inherent costs to annexations," Marx reiterated. "With police protection, fire protection. There are always costs to everything."

Both the mayor and the city's planning director Joanne Poret said there is no cost associated with providing fire protection for new areas, as existing city fire stations would simply extend their range. On the other hand, they said there's a potential for costs to the city when the city has to relocate a fire station as the city expands to maintain its class 1 rating. The class 1 fire rating is one of the advantages of living in Monroe, and what has enticed both residents and businesses like Gardner Denver Thomas to settle here, Mayo said: it lowers their insurance rates.

Property taxes are generally lower in the city than in the parish, one of the advantages to annexation, said Tax and Revenue Director Tim Lewis.

And the revenues associated with extending the city limits ranges from extended utility services to reaping more property taxes, though revenue collected by way of property tax has been minimal since 2009.

Additional revenue

As of press time, figures for the revenues the city has collected from utility services for annexed areas were unavailable.

In terms of property taxes, the annexations in recent years have brought no more than a few hundreds of dollars to the city because property values have been modest. For instance, a half-acre lot owned by Emma Del Savage on Glenwood Drive brought in $102.27 last year, and the 2.3 acres owned by CAMPCO of Monroe Inc. garnered another $112.92.

Moreover, two of the properties annexed belonged to nonprofits, which means the property owners paid no property tax to the city. However, Lewis said the city still benefits from payments for utilities and services such as trash and sewer.

The 25-acre Frontage Road property is undeveloped and valued at $58,500. Monroe's Economic Development Director Dwight Del Vines said revenues as a result of this particular annexation won't be great, though the city would be collecting sales taxes from the economic activity that ensues. Poret is expecting the vacant lot will be more profitable once it's developed. For example, an annexed subdivision owned by the Brockman Family Partnership is expected to develop up to $3 million in housing.

The mayor's big push for annexation is rooted in his desire to increase the city's population, but Marx on Saturday said "50,000 is not the only criteria" anymore.

In 2007, the city feared losing valuable federal entitlement funding if it slipped below a 50,000 population threshold that was required to receive more than $1 million annually in Community Development Block Grants and other transportation funding.

Yet Marx said that is no longer the case as the federal government views Monroe as a "hub city," protecting the funding. "In considering annexation, there is a more to it than the magical 50,000 number," Marx said. "You have to look at additional revenues and expenses that the city may incur through the annexation."

municipalities to capture outlying residents and revenue sources. San Jose city officials justified annexations partly on the grounds that they would capture a tax base for city services (Trounstine and Christensen, 1982: 92–3; Abbott, 1993: 40). William Fulton (1997: 75), discussing the area southeast of Los Angeles, noted that after 1954, 'municipal raids upon surrounding county territory became common. In particular, voracious cities coveted the tax-rich industrial area east of Vernon'. Ann O'M. Bowman and Michael Pagano (2004: 67–8, 131–40) described municipal fiscal motivations for annexation in the Phoenix metropolitan area, focusing particularly on the 1990s. One of the goals of this article is to extend their contribution by providing more detailed evidence for a longer period and a larger set of municipalities in the area, and to evaluate the importance of the fiscal motivation in relation to others.

In the Phoenix area the primary argument for annexation, from the perspective of municipal officials, often was to obtain tax revenues and fees. These included sales taxes, property taxes and other revenues such as population-based shared revenues (for example, state-shared revenues and federal revenue sharing). Population-based state-shared revenues come to municipalities from the state sales tax, income tax, vehicle license tax, highway user revenue fund and local transportation assistance fund. From the late 1980s, development impact fees were also collected in annexed (and other) areas.[4]

Annexation brought additional costs as well as revenues. The League of Arizona Cities and Towns (1973: 2) encouraged municipalities to undertake studies of the effects of annexation before taking action, since 'the additional revenue to be gained must be considered in light of the necessary expenditures to provide services to the annexed areas'. In some cases, such considerations led to decisions against annexation. Mesa held off on a proposed annexation in 1974 owing to concern that financing necessary services in the area would lower the city's income (*Phoenix Gazette* [hereafter *PG*], 18 June 1974: A2; 3 December 1974: C11).

The city of Phoenix's staff conducted a series of studies on the budgetary impact of annexations. In several cases they concluded that the short-run cost-revenue relationship was negative, but the longer-run outcome would be more positive. For example, a retrospective cost-benefit analysis of a 1972 annexation by Phoenix showed that it cost the city more than it received in revenue in the first two fiscal years, although the report predicted that the relationship between costs and revenues was likely to become more positive in the future (City of Phoenix, 1974). Similarly, a 1978 study concluded that the annexation being analyzed would be financially beneficial after 2–3 years (City of Phoenix, 1978). In 1982, Phoenix city departments concluded that annexation in areas to the west and southwest would result in immediate costs exceeding revenues. By the third year, general-revenue-fund benefits would be positive, although by less than the amount of water and wastewater surcharges that would be lost when the areas were annexed. The study recommended that the city annex only contiguous parcels where development appeared imminent, a positive cost-revenue projection was made and infrastructure was funded by the developer (Andrews *et al.*, 1982: 3–4, 48). Other reports also emphasized various aspects of the timing of annexation, including setting dates for annexation such that property-tax revenue would arrive in time for the next fiscal year (City of Phoenix, 1981).

The 1988 *Annexation Policy Study* produced by the City of Phoenix Planning Department discussed variables affecting the short-term revenue/cost ratio (including population density, proximity to existing services, non-residential land use, infrastructure needs and finance and timing), the approach the city used to determine benefits and costs, and difficulties in calculating revenue/cost ratios (City of Phoenix,

4 Arizona has transaction privilege taxes rather than traditional sales taxes. These are not imposed on the purchaser of the goods, but on the seller for the privilege of conducting business. The population-based state-shared revenues did not all exist throughout the entire period studied in this article.

1988: 4–5, 10–13). It concluded (*ibid.*: 28) that 'in return for the longer term economic benefits enabling it to be a strong core city, Phoenix has temporarily subsidized the operating costs of service delivery to areas with low density, scattered residential development and few commercial areas'.

Population-based tax revenues motivated municipalities to accomplish annexation before the next census. Gilbert's Acting Town Manager advised the Town Council and Planning and Zoning Commission that 'during the calendar year 1979, annexation should be an important issue for the Council, P&Z Commission and the Town staff', since the town's boundaries for the 1980 census would include areas annexed before 1 January 1980 (Town of Gilbert, 1979).[5] Buckeye, a town of 5,600, annexed state prison facilities so that the inmates would be counted in the town's population in the 2000 census.[6]

Through annexation, cities also sought to avoid being ringed by independent municipalities with their own taxing powers. David Rusk (former mayor of Albuquerque) argued that cities must be 'elastic' in order to grow. An elastic city 'had vacant city land to develop *and* the political and legal tools to annex new land' (Rusk, 1995: 10). Phoenix city officials and staff clearly shared this view. 'Phoenix has had an aggressive annexation policy, officials explain, to prevent a landlocked core city that eventually would decay and cause residents to move to the suburbs. Instead, [Mayor] Barrow said, "we annexed the suburbs"' (*AR*, 13 November 1974: B2).[7] A 1974 staff report compared Phoenix to cities that did not annex between 1950 and 1970. It concluded that annexation provided an expanding tax base and protected the city against a proliferation of incorporated cities or annexations by other cities (Cravens, 1974). Council member Howard Adams was explicit about revenue motivations: 'It's incumbent upon us to protect our pocketbook . . . and keep bedroom communities from sapping our financial strength' (*PG*, 24 March 1978: C6). Mayor Margaret Hance, echoing the 1974 report, said annexation policy had been 'the single most important factor in the health and vitality of Phoenix' (*PG*, 4 July 1978: A4).[8]

In some cases, the goal of annexation was to capture existing sources of revenue, such as the factory outlet mall inside a 12-square-mile area near New River, annexed by Phoenix in 1995 (*AR*, 17 November 1995: A1). Often, however, annexation was in anticipation of future development. For example, in 1987 Gilbert annexed 150 acres at the southeast corner of Gilbert and Williams Field Road; plans for the area included a major shopping center, an auto sales mall, an office complex and residential housing (*AR*, 30 January 1987: SE Extra 6; *Gilbert Independent*, 20–26 May 1987: 11). Sales-tax revenues were especially desired and auto malls topped the list of sought-after developments.

5 See also *Gilbert Tribune* (13 July 1995: B4; 15 August 1995: B1), on Gilbert's unsuccessful efforts to gain state-shared revenue by annexing residents of 9 Maricopa County neighborhoods before the mid-decade census of 1995.

6 See *Arizona Republic* (29 January 1999: 1 and 19 May 1999: 1 [Southwest Valley Community section]; 21 May 1999: 3 [Sun Cities/Surprise Community section]; Committee on Public Institutions and Universities, 1999).

7 See also Wenum (1970: 51–2, 57); *Phoenix Gazette* (31 October 1974: A16); Luckingham (1989: 161–62); Bridges (1997: 152–54); VanderMeer (2002: 41); Gammage (2003: 36–9, 49); Collins (2005: 8, 94) and Gober (2006: 34–5).

8 Pack (2002: 41–5, 192–95) disagreed with Rusk's assertions that annexation brought metropolitan-wide benefits. She concluded that central cities were the main beneficiaries. For 250 metropolitan areas during the period 1960 to 1990, annexation did not lead to significant increases in growth of population or per-capita income in the suburbs or the metropolitan area as a whole. Much of what may appear to be effects of annexation were regional effects; annexations were concentrated in regions of high growth (the South and West). Central-city residents benefited from the improved tax base: 'The one clear change is that the newly enlarged city will generally have a sounder fiscal base after incorporating suburban areas, which will account for the higher city bond rating Rusk cites, and this will be a real benefit to the residents of the original city, at least in the short run' (*ibid.*: 42). This assumes that at least some of the additional revenues resulting from the sounder fiscal base are spent within the original city boundaries.

Table 3 Sales taxes as a share of revenue

Fiscal Year	Phoenix	All US Municipalities
Share of general revenue from own sources (%)		
1969-1970	41.62	12.94
1979-1980	38.80	17.18
1989-1990	28.66	16.98
1999-2000	34.44	NA
2001-2002	37.24	17.69
Share of general revenue (%)		
1969-1970	30.82	9.10
1979-1980	21.01	10.79
1989-1990	19.28	12.12
1999-2000	22.96	NA
2001-2002	24.11	12.41

Note: Sales taxes in this table include general and selective sales taxes that are part of general revenue from own sources. General revenue from own sources (which also includes other taxes, current charges for commodities and services other than liquor-store sales, and miscellaneous revenue) is one of two categories that make up general revenue; the other is intergovernmental revenue.
Sources: US Census Bureau (1971: 7, 9; 1981: 10, 13; 1991: 4, 7; 2003: 130; 2005; 2008b)

Phoenix's fiscal structure is more dependent on sales taxes than US municipalities as a whole (see Table 3). In Scottsdale, sales taxes were reported in 2005 to make up half of the city's operating budget, with sales taxes from auto deals accounting for about 17% of those sales taxes (*AR*, 18 January 2005). More than one-quarter of the municipalities in the Phoenix metropolitan area had no primary or secondary property tax in early 2005.[9]

A second argument municipalities made for annexation was that it would allow for orderly, planned growth. Planning staff for Mesa explained that 'city zoning laws are tougher than those of Maricopa County, which administers unincorporated land' (*AR*, 29 March 1978: B2). A former Phoenix City Council member claimed that 'some of the worst problems the cities have is in areas where (land was) annexed from the counties. Counties have just a hodgepodge of zoning that's inappropriate. In the counties' defense — some of the stuff is very old — they were not equipped to make those kinds of (planning and zoning) decisions' (*Arizona Business Gazette*, 20 July 1987: 8).[10]

9 Property tax information was provided by the League of Arizona Cities and Towns, in an email from Brent Stoddard to the author dated 15 February 2005. Municipalities in Arizona are not responsible for school finance; that responsibility lies with school districts, which levy their own taxes.

10 It is, of course, possible that planning was offered as a rationale for annexation when another motivation (such as tax revenues) was equally or more important. However, there did not seem to be great reluctance on the part of municipal officials to put forward tax revenues as a reason for annexation, so it appears that concerns about planning were genuine, and not merely a smokescreen for other motivations. It does not necessarily follow that growth, in fact, will be well-planned as a result of annexation. Municipalities do not always have the tools or political conditions to allow the quality of planning they might desire. Similarly, a belief that annexation will bring net economic benefits can be a motivation for annexation regardless of whether the belief is correct. Not all municipalities conduct revenue and expenditure studies, and even if studies are undertaken, municipal officials may not have complete, accurate information about the costs and benefits of annexation (Herzik, 1984). According to Steinbauer *et al.* (2002: 55): 'Annexation does not always lead to universal revenue gains for a city'. My focus in this article is on the reasons annexations were

RESOLUTION NO. 92-7

RESOLUTION TO ESTABLISH AN ANNEXATION POLICY
FOR THE VILLAGE OF GLEN ELLYN

WHEREAS, the Village has recently received an increased number of annexation requests; and

WHEREAS, the Village desires to establish a framework in which future annexations will be considered in a uniform manner, with the flexibility to respond to individual circumstances or concerns; and

WHEREAS, the Village also desires to assume a more active role in encouraging properties to annex into the Village when such annexation is mutually beneficial; and

WHEREAS, the Village Board discussed the elements of a formal annexation policy at the February 4, 1992, and February 17, 1992, Board workshop meetings;

NOW, THEREFORE, BE IT RESOLVED BY THE PRESIDENT AND BOARD OF TRUSTEES OF THE VILLAGE OF GLEN ELLYN, DUPAGE COUNTY, ILLINOIS, as follows:

SECTION ONE: The purpose of this policy is to establish a framework in which the Village will consider future annexations. Furthermore, it is the Village's position to actively encourage annexations for, including but not limited to, the following reasons:

A. Expansion of Village revenue base;

B. Annexation of properties that have existing annexation or pre-annexation agreements with the Village;

C. Improved planning of future land uses/developments within the Village's planning jurisdiction; and

D. Matter of convenience or desire on the part of the annexing property for community identification as well as securing Village services such as law enforcement, utilities, etc.

<u>SECTION TWO</u>: The out-of-pocket costs to the Village generally should not exceed the anticipated revenue benefits to the Village for the five years following the annexation. Where appropriate, any new or existing non-revenue benefits to the Village also may be considered.

<u>SECTION THREE</u>: The following areas are considered to be of special interest for annexation into the Village:

A. Areas which currently have an annexation or pre-annexation agreement with the Village but are outside the present Village boundaries;

B. Areas outside of the present Village boundaries which will establish contiguity with areas currently under pre-annexation or annexation agreements;

C. Areas that are completely surrounded by the Village boundaries (enclaves); and

D. Areas where a petition is signed by a majority of the property owners expressing a desire to annex into the Village.

<u>SECTION FOUR</u>: In those cases where the Village elects to construct water and/or sanitary sewer lines, Special Service Areas are the preferred method of financing such public improvements, with a maximum length not to exceed ten years. Prior to the construction of such improvements, a majority of property owners must agree to sign an area annexation petition, if requested by the Village. The annexation agreement shall contain a provision that the property owner agrees not to object to the creation of a Special Service Area to finance these improvements. This section does not apply to new subdivision developments, which will continue to be governed by applicable Village development codes.

PASSED by the President and Board of Trustees of the Village of Glen Ellyn, Illinois, this 9TH day of MARCH, 1992, on first reading, second reading not being requested.

AYES: SCANLAN, WARK, DEMLING, FRANKE, GILKERSON, POEPPEL

NAYS: -0-

ABSENT: -0-

Acting Village Clerk of the Village
of Glen Ellyn, Illinois

Village President of the Village
of Glen Ellyn, Illinois

ATTEST:

Acting Village Clerk of the Village
of Glen Ellyn, Illinois

MEMORANDUM

TO: Mark Franz, Village Manager

FROM: Staci Hulseberg, Planning and Development Director
~~Michele Stegall~~, Village Planner
Michael Strong, Planning Intern

DATE: February 16, 2012

RE: Annexation Projects/Priorities Update

<u>**Background.**</u> On September 8, 2010 the Planning and Development Department provided a memorandum (attached) to the Village Board that identified potential annexation areas. The purpose of this memorandum is to provide an update on the status of the priority areas identified in that memorandum.

<u>**Issues.**</u> The Planning and Development Department has made significant progress in a number of these areas. However, some areas have been put on hold or have been made lower priorities including, Areas #3 and #4, due to current financial or staffing constraints in pursuing them or the current lack of property owner interest. Area numbers correspond with those listed on the Village-wide annexation map (attached).

- <u>**Area(s) #1, 6, 7 – Marston/Bemis/Glen Crest Subdivision Area.**</u> All 32 annexation agreements for the Marston Area have been renewed, along with 90 agreements in the Glen Crest North and South Subdivision. The Village also has annexation agreements with other properties in the area. The Department is currently working to obtain signed annexation agreements for five additional properties in the area that are connected to Village utilities and do not have agreements. It is anticipated that the agreements for these five properties will be ready for consideration by the Village Board in February or March of 2012. The properties in these areas are contiguous with the Village and can be annexed at any time. A map has been attached identifying the properties in this area with annexation agreements.

- <u>**Area #2 – Hill Avenue Industrial Properties.**</u> Village staff has continued conversations with the three property owners in this area to negotiate the terms of annexation agreements. It is anticipated that the annexation agreements will be ready for Village Board consideration in mid 2012.

- <u>**Area #3 – Northeast Corner of Historic Stacy's Corners**</u>. Due to the current economic climate, pursuit of this area has been put on hold. As the annexation of this area would require a significant investment by property owners to extend Village utilities. The Planning and Development Department has no immediate plans to revisit this area by the end of the current fiscal year.

- **Area #4 – Acorn, Fairview, Hill and Walnut.** A number of property owners in this area previously expressed interest in receiving Village utilities and annexing to Glen Ellyn. However, in 2011, many of these property owners attended a public meeting regarding a possible Village loan for utilities in the area and informed the Village that they were no longer interested in receiving services or annexing to the Village due to the current economy. This area is currently on hold and has become a lower priority at this time due to the lack of interest by the property owners.

- **Area #5 – School District 89 Office Building and Village Theatre Guild.** Village staff has been communicating and meeting with officials from District 89 and the Theatre Guild to discuss the renewal of their annexation agreements. Director Hulseberg also attended a District 89 School Board meeting to review the annexation agreement and Village policies. As a part of the annexation agreement negotiations, the Village has offered to assist School District 89 repair a leaking hydrant on their private property thru the provision of advice, manpower and materials we had on hand. It is anticipated that these agreements will be ready for Village Board consideration and approval in the early part of 2012.

- **Arboretum Estates/Walmart.** The Department has continued to follow up with property owners in the Arboretum Estates subdivision. Since January of 2010, a couple of additional property owners have expressed interest in connecting to Village services but none have actively pursued it. Various Trustees and members of the community have expressed interest in working towards the annexation of the Walmart property at Butterfield and Route 53. If Walmart were to be annexed, Arboretum Estates would be the most likely route to reach this site. However, the annexation agreements for these properties require contiguity and utility connection prior to annexation. Although the properties are currently contiguous, utility connection is not required until 2023. Staff will continue its efforts to communicate with property owners in this subdivision in 2012. A map of Arboretum Estates has been attached identifying the properties that are currently connected to Village services.

Recommendation. No recommendation needed this memorandum is for informational purposes only.

Action Requested. No action is requested at this time. This memorandum is for informational purposes only.

Attachments.

- Memorandum dated September 8, 2010
- Potential Neighborhood Annexations Map dated May 14, 2010
- Marston/Bemis/Glen Crest Subdivision Map updated January 19, 2012
- Arboretum Estates Subdivision Map updated January 19, 2012

Cc: Phil Norton, Police Chief
Julius Hansen, Public Works Director

MEMORANDUM

TO: Steve Jones, Village Manager

FROM: Staci Hulseberg, Planning and Development Director
Michele Stegall, Village Planner

DATE: July 6, 2010

SUBJECT: Annexation Projects/Priorities

Attached is a map identifying the various neighborhood annexations on the planning division's "to do" list. The top seven priority neighborhoods are indicated by number on the map. The planning division is currently working on or will soon be working on the annexation of each of these areas. Below is a brief summary and status update of each of these 7seven group annexations.

- Area #1 – Marston Area. The 32 properties outlined in red in this area had recently expired annexation agreements with the Village. Beginning in mid 2009, the department began efforts to renew these agreements and in January of 2010, the Village Board approved new agreements for 29 of the 32 properties. Since this time, one of the outstanding property owners has submitted a signed agreement. A number of reminder letters have been sent to the remaining two property owners and we hope to have all three outstanding agreements scheduled for consideration at a September Village Board meeting. However, as previously directed by the Village Board, we are prepared to shut the water off to the remaining two properties on August 25 if signed agreements are not returned by that time. The planning team will be sending out final 30 day notices to these property owners on or around July 25.

  After all of the agreements have been renewed, the Village can proceed with the annexation of this area. There are a variety of methods in which the annexation could be approached. Therefore, prior to commencing actual annexation, we plan to schedule this item for Village Board discussion, likely in September or October.

- Area #2 – Hill Avenue Industrial Properties. In light of the issues surrounding the Hill Avenue bridge, annexation discussions with the property owners in this area commenced in early 2010. At these meetings, staff proposed a number of items to include in potential annexation agreements with the property owners, including, in one case, contributing to the cost of bridge repair. Now that a decision has been made regarding the Village's financial participation in the bridge repairs, we will be contacting the property owners to follow-up.

- Area #3 – Northeast Corner of Stacy's Corners. The Village commenced annexation discussions with Area #3 (the four block area northeast of Stacy's Corners) in 2005. These discussions were prompted by the interest of many of the property owners in obtaining water and sanitary sewer as well as being granted R2 zoning which would allow these large lots to be subdivided. This project has been on hold for some time and the team plans to contact the property owners in the near future to renew annexation discussions. As the annexation of this area would involve the extension of utilities, it would have some impact the Village's future capital improvement budget. Therefore, the planning team intends to work closely with the Village Board, Public Works department and

Finance department in negotiating the terms of any agreements to ensure that any funds fronted by the Village for these improvements are within our means. The team will also explore potential grant and low interest loan programs that could assist with the project.

- **Area #4 – Acorn, Fairview, Hill and Walnut**. In recent years, a number of property owners in this area have expressed interest in receiving water and sanitary sewer services and annexing to Glen Ellyn. The Public Works Department recently applied for a zero percent loan to assist with the cost of extending utilities in this area. We expect to hear back this fall about whether or not the Village's application is successful. If the application is successful, the team plans to begin negotiating an annexation agreement with the property owners. If the application is not successful, the team did not plan to extend utilities at this time and therefore would put any annexation discussions on hold.

- **Area # 5 – School District 89 Office Building and Village Theatre Guild**. Area #5 includes the School District 89 administrative offices and the Village Theatre Guild at the northwest corner of Park Boulevard and Butterfield Road. Both of these properties had annexation agreements with the Village that recently expired. School District 89 has expressed interest in renewing their agreement. In the coming months, the planning teams will be working to enter into new annexation agreements with both properties.

- **Area #6 – Glen Crest (North).** In 1975, the Village approved by motion, not Ordinance, an annexation agreement for the Glen Crest Subdivision. Like many agreements, in exchange for receiving Village water and sanitary sewer services it required annexation upon contiguity to the Village limits. There was also a clause in the agreement requiring a provision to be placed in the deeds for each property upon its sale that referenced the agreement. This was never done and the agreement was never recorded. Several years ago, Attorney Diamond indicated that although the agreement was approved by motion, rather than Ordinance, that it would still be valid if the terms of the agreement had been fully adhered to. However, since the required language was not placed in the deeds, it was his opinion that the annexation agreement was no longer binding.

  The properties in this subdivision are currently being served by Village water and sanitary sewer. Therefore, similar to the approach used in Area #1 (the Marston Area) we plan to inform the property owners that they must sign an annexation agreement in order to continue to be served by Village utilities. This will ensure that the intent of the original agreement is followed through with. A template agreement has been prepared and is currently at the Village attorney's office for review. The planning team is also in the process of looking up the ownership information, PINs and legal descriptions of each of the 49 properties in this area so that the agreement can be customized for each property. We plan to invite the property owners in this area to a neighborhood meeting before forwarding them the agreements.

- **Area #7 – Glen Crest (South)**. This area is made up of 47 properties and is part of the same subdivision discussed above. The same template agreement used for Area #6 will also be used for this area. As with Area #6, the planning team is in the process of looking up ownership information, PINs and legal descriptions for each property so the agreements can be customized.

Although not identified on the attached map as one of the top seven priority areas, the planning team has also been working on the following annexations.

- Arboretum Estates East Subdivision. The Village has a number of annexation agreements with property owners in the Arboretum Estates East subdivision located northeast of Park Boulevard and Butterfield Road. A number of properties with agreements are currently contiguous to the Village. However, the agreements require contiguity to the Village limits and connection to Village water before we can compel annexation. Letters were recently sent to those property owners with annexation agreements encouraging them to consider connecting to Village water. In some cases this would allow us to commence annexation. Annexation of this neighborhood is the Village's most likely route to obtaining contiguity to Walmart and The Abbington.

- Glen Oak Country Club. Over the past few years the Glen Oak Country Club has periodically expressed interest in annexation in order to receive Village water. At one point, an annexation agreement was close to completion when the Country Club put the request on hold. We anticipate that that Country Club will be renewing these discussions in the future at which time staff will once again begin to actively work on this project.

Generally speaking, the cost of servicing areas annexed to the Village is typically equivalent to the additional tax revenue received from the annexed properties. However, at some point the cumulative effect of annexations or the specific characteristics of a particular property can result in an increased public costs not covered by the annexations. For example, at some point it could become necessary to add additional patrol unit in the police department to serve the current residents and annexed areas. As the Village continues to pursue these group annexations, the team will be mindful of the impacts on service costs and will keep the Board informed if we believe such an issue arises. In addition, as Areas #3 and #4 would likely require the Village to front money for utility improvements, the benefits of annexing these areas and the costs of serving them with utilities will need to be closely evaluated and weighed in relation to other Village priorities before moving forward.

Attachment: Potential Neighborhood Annexations Map dated May 14, 2010

Cc: Phil Norton, Police Chief
Joe Caracci, Public Works Director
Bob Minix, Public Works Professional Engineer
Andrew Letson, Planning Intern
Andy Lueck, Planning Intern

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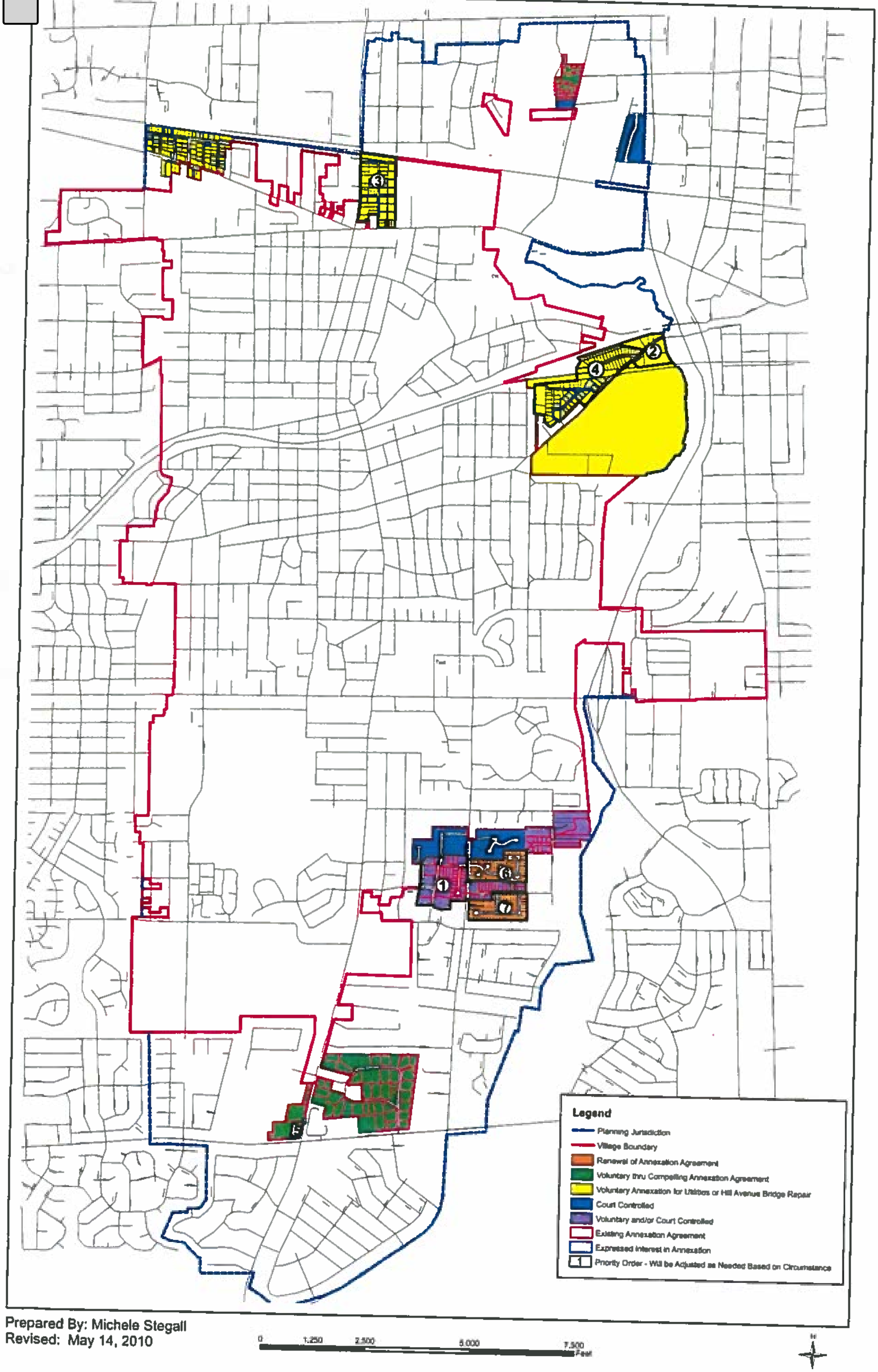
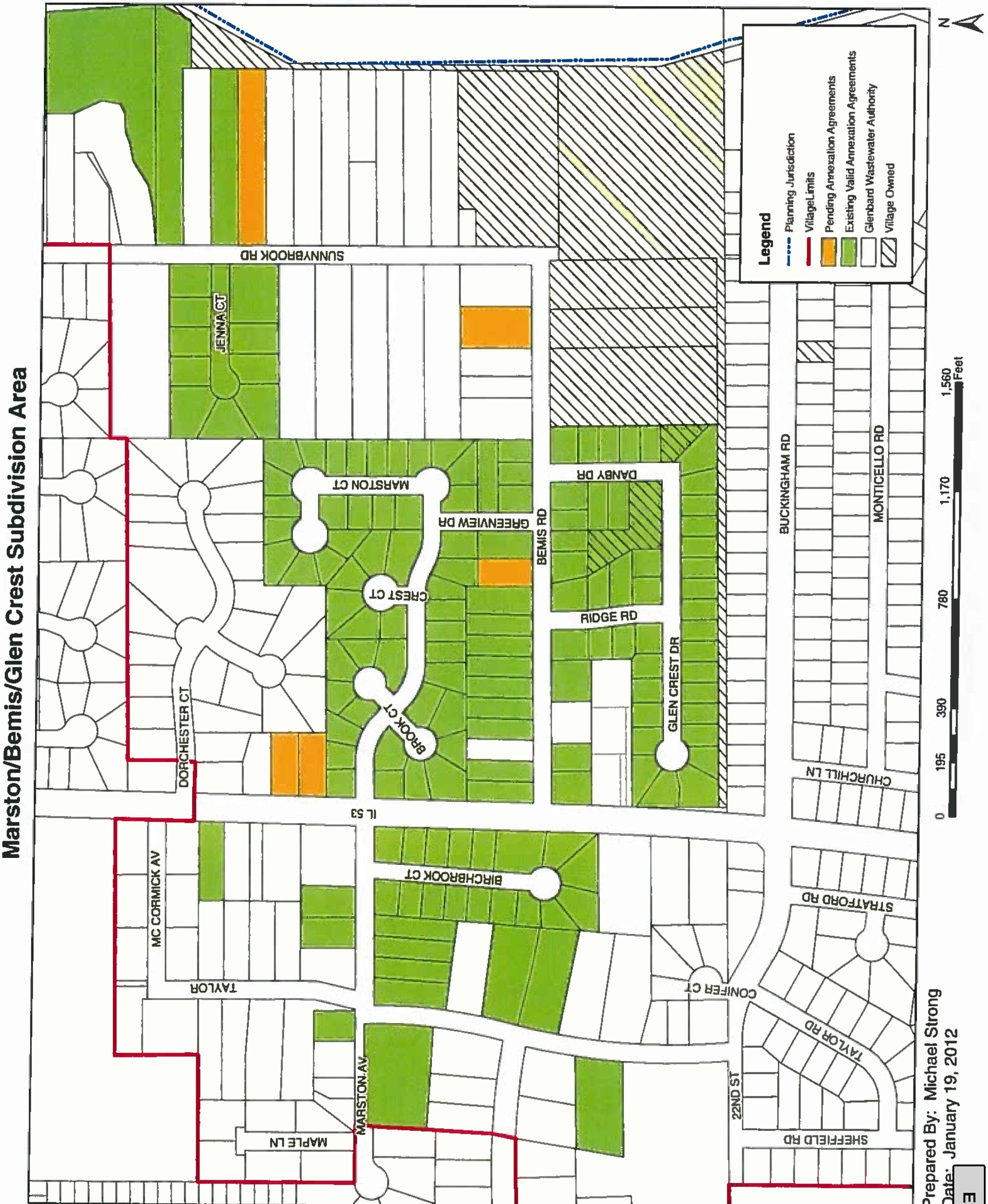
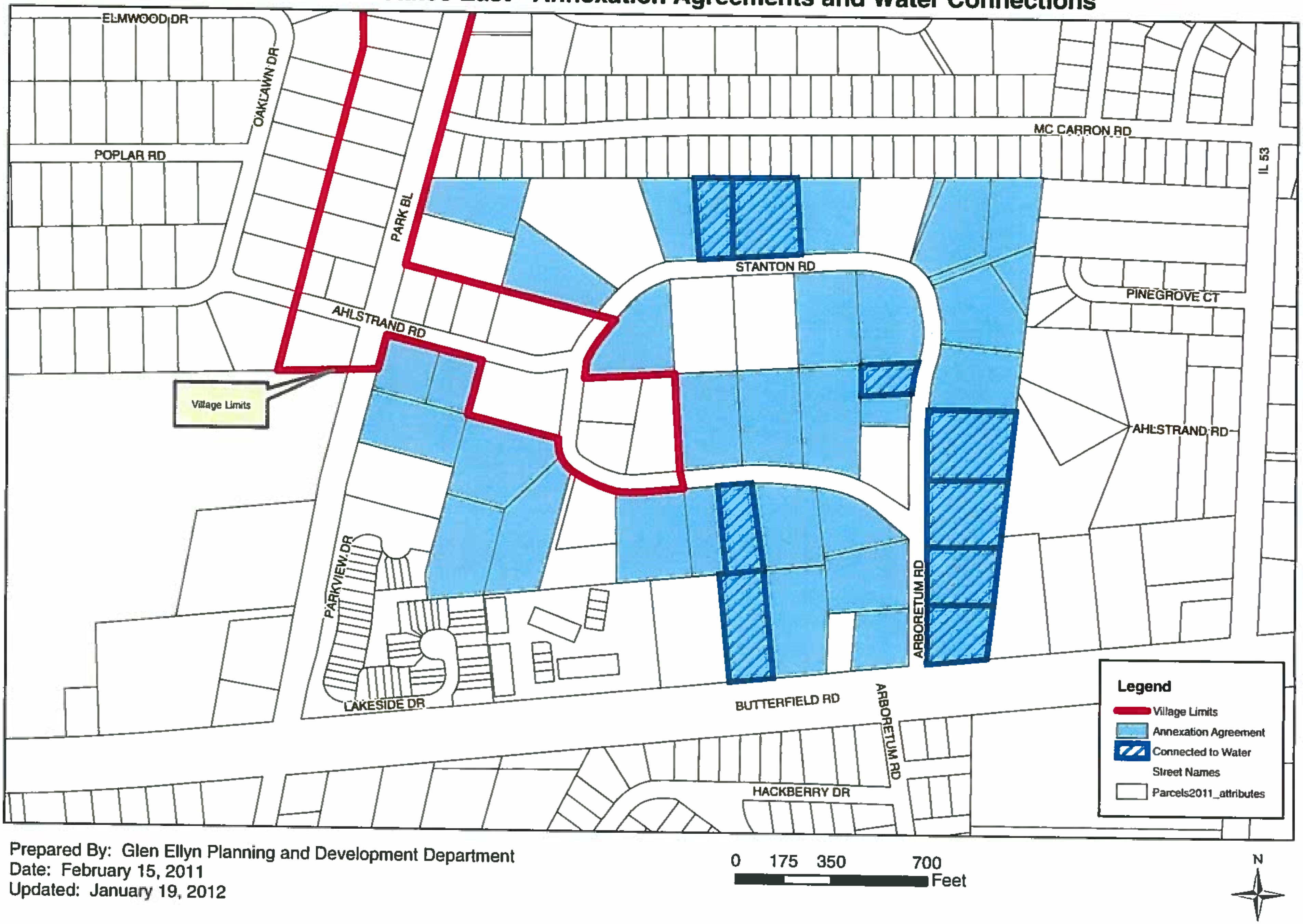
Potential Neighborhood Annexations



Prepared By: Michele Stegall
Revised: May 14, 2010


Marston/Bemis/Glen Crest Subdivision Area
SUNNYBROOK RD
JENNA CT
DORCHESTER CT
MARSTON CT
GREENVIEW DR
CREST CT
BROOK CT
BEMIS RD
DANBY DR
RIDGE RD
GLEN CREST DR
BUCKINGHAM RD
MONTICELLO RD
CHURCHILL LN
IL 53
MC CORMICK AV
BIRCHBROOK CT
STRATFORD RD
TAYLOR
CONIFER CT
TAYLOR RD
MARSTON AV
22ND ST
MAPLE LN
SHEFFIELD RD
Legend
Planning Jurisdiction
VillageLimits
Pending Annexation Agreements
Existing Valid Annexation Agreements
Glenbard Wastewater Authority
Village Owned
N
0
195
390
780
1,170
1,560
Feet
Prepared By: Michael Strong
Date: January 19, 2012

Arboretum Estates East - Annexation Agreements and Water Connections



Prepared By: Glen Ellyn Planning and Development Department
Date: February 15, 2011
Updated: January 19, 2012