

DuPage County, Illinois

SPECIAL SERVICE AREA GUIDE

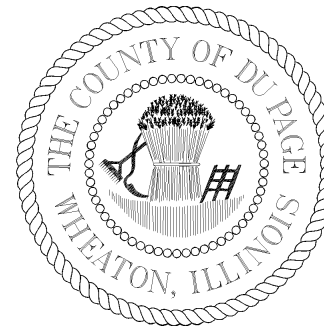
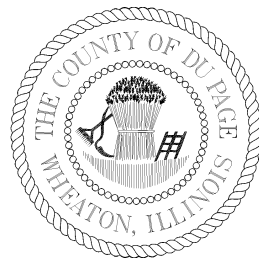
Department of Public Works

DuPage County, Illinois

421 N County Farm Road

Wheaton, IL 60187

Phone: 630-407-6800



January, 2008

Special Service Areas

“B” - Sample Objection Letter

Objection Letter

Date: _____

Gary King
 DuPage County Clerk
 421 N. County Farm Road
 Wheaton, IL 60187

Re: Special Service Area # XX
 (Subdivision Name, Project Description)

Dear Mr. King,

I object to the formation of Special Service Area # XX for the (Subdivision Name, Project Description) as a property owner and registered voter.

List All Owners’ Names of the Property:

List All Registered Voters’ Names of the Property:

Have Every Person Listed as a Property Owner and Registered Voter Sign the Letter:

Signatures:

Special Service Areas

Defined

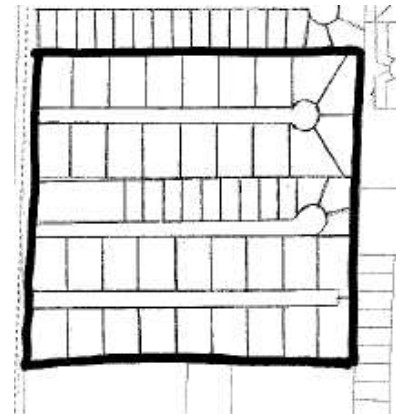
A Special Service Area (SSA) is defined by Illinois law as “a contiguous area within a municipality or county in which special governmental services are provided.” But what exactly does this mean?

Essentially what this means is that a SSA is an area that receives special government services and is completely confined within common borders.

For example, the map in figure #1 illustrates a SSA. All the properties within the SSA share at least one common border and are confined within the same boundaries.

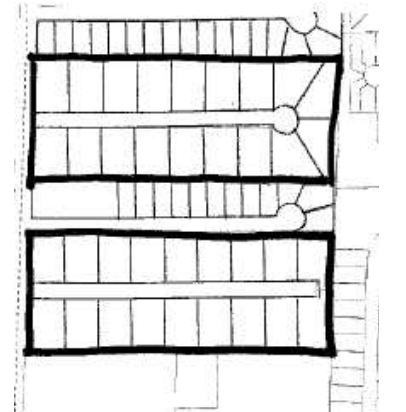
Figure #2, however, represents two separate, non-adjointing areas and would therefore not qualify as a single SSA. The two separate areas may, however, qualify as SSA on their own.

Figure #1



Area does qualify as a SSA

Figure #2



Area does not qualify as a single SSA

Special Service Areas

Formation and Benefits

Now that we have a basic understanding of what a SSA is, let’s take a look at what the formation of a SSA means to you.

A SSA is made up of a group of property owners who have a common interest in completing a large project or other improvement that would prove to be too costly without assistance.



Typically, SSA’s are formed to complete a large infrastructure project, such as the installation of sanitary sewer and water main pipes. SSA’s, however, can also be formed to complete other improvements that are at least \$1,000,000.

The formation of a SSA carries with it may benefits to the property owners including:

- Allows for the completion of large, potentially very costly improvements.
- Allows improvements to be paid for over a period of time.
- Allows improvements to be financed at a very low interest rate.
- Financing for the improvements is tied to the property. In other words, if you move, the tax payments stay with the property... not with you!
- Once completed, improvements will increase your property value and quality of life.

Special Service Areas

“A” - Sample SSA Petition

(Subdivision Name)

Special Service Area Petition for a
Proposed (Sanitary Sewer or Water) Main Extension

We, the undersigned, are property owners in the unincorporated area of DuPage County, Illinois, known as (“Subdivision Name”). This area is located in the (Quarter Sec. 1/4) of Section (#), in (“Township Name”) and is bounded by (north, south, east, west streets). The homes in this area are presently on (private septic or private well) systems. We are interested in extending (sanitary sewer or water) mains into our subdivision and forming a Special Service Area to fund this project. We understand that in forming a Special Service Area we will pay for this project through a tax levy added to our property tax bill.

Property Owners of “Subdivision Name”

Signature	Date	Address
_____	_____	_____
_____	_____	_____
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Special Service Areas

Frequently Asked Questions

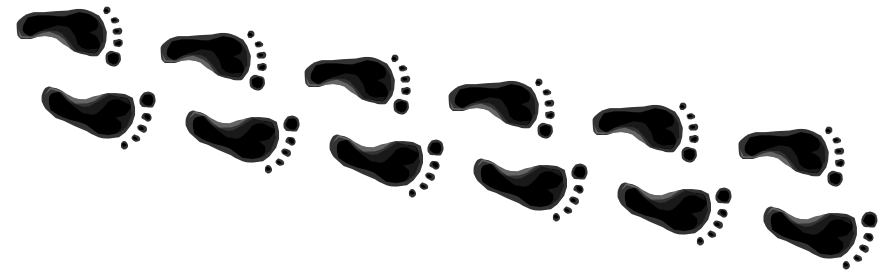
1. **Q** - What is a Special Service Area?
A - A Special Service Area is an area that receives special governmental services and is completely confined within a common border.
2. **Q** - What services are provided through the formation of a Special Service Area?
A - A Special Service Area can be formed to provide any service or improvement, provided that the project cost is estimated to be at least \$1,000,000.
3. **Q** - How is a Special Service Area paid for?
A - A Special Service Area is paid for by issuing a 20-year bond. Repayment of the bond is done through a Special Service Area Tax levied on all of the property owners within the area.
4. **Q** - Once the tax is levied, can it be paid off in full?
A - No. The Special Service Area Tax is set for a specific length of time and stays with the property.
5. **Q** - What happens if the formation of a Special Service Area is voted down by property owners?
A - If at least 51% of property owners and 51% of registered voters in the area reject the formation of a Special Service Area, then the Special Service Area cannot be formed for at least two years. If area residents are interested in forming a Special Service Area after this two-year period, they must start the process from the beginning.



Special Service Areas

Procedure

We now know what a SSA is and what it can do for you. The next step is to examine how to form a SSA, which is a fairly simple process. On the following pages we will examine step-by-step instruction in forming a SSA.



Step 1

Property owners submit a written request to the DuPage County Department of Public Works, defining the service desired and service area. Along with this request, property owners must submit a signed petition showing that about 70% of the property owners are interested in the formation of a SSA. (See page 9 attachment "A" for a sample SSA petition.)

Step 2

Once the signed petition has been received, the County will review it and, if approved by the Public Works Committee, begin work on preliminary engineering plans and cost estimates.

Step 3

County representatives will then meet with area property owners to discuss the plans and costs.

Step 4

After meeting with area property owners, a survey will be taken of all property owners within the proposed SSA to determine the actual amount of interest in the project. Survey results will then be presented to the DuPage County Public Works Committee.

Step 5

The Public Works Committee will either approve or deny the creation of a SSA based upon survey results. If approved, an ordinance creating a SSA will be forwarded to the entire County Board for approval.

Step 6

The County Board will either approve or deny the creation of the SSA. If approved, the County Board will, within 30 days, hold a public hearing regarding the creation of the SSA. Notice of this public hearing will be sent to all residents in the proposed SSA and will appear in a local newspaper as well.

Step 7

On the day of the public hearing, a 60 day time period will begin, during which time residents and registered voters who live in the proposed SSA can formally object to the creation of the SSA. Owners who are interested in the project and want it to be constructed do not need to submit letters. Only objections need to be filed at the office of the DuPage County Clerk, 421 N County Farm Road, Wheaton, IL 60187. (See page 10 attachment "B" for sample objection letter.)

Step 8

At the end of the 60 day period, if there is less than 51% of the registered voters AND less than 51% of the property owners in the proposed SSA that object to the SSA, then a SSA can be formed. At this point, the County Board will either approve or deny the formation of the SSA. Once approved, the project will be financed and moved into the construction phase.

Special Service Areas Financing

The total project amount, which includes all engineering, construction, contingency, easement, and legal fee costs, can be financed over a 10, 15, or 20 year bond period. The interest rate of the bond is determined at the final step of the process, after the County Board approves the formation of the SSA. The best rate is found based on the total amount of the bond, the term selected, and current economic conditions.

The bond is paid down using a SSA tax rate based on the assessed value of each property within the defined area. Some owners will pay different amounts toward the project based on the differing assessed values of their properties.