



Village Governance
Home Rule
Committee of the Whole

March 19, 2024

The Village of Glencoe – Legal Status

- Governance Documents
 - Special Charter (Passed by Illinois General Assembly March 29, 1869)
 - The Village Code (Codified by Village Board August 25, 1965)
- Operational Form
 - Article 3 Mayor/Council (president and six trustees elected at large)
 - Managerial Form (by ordinance only)
- Non-Home Rule



Illinois Municipal Law 101

Municipal Authority in Illinois

- Dillon's Rule
- The Creation of Home Rule (1970)



Illinois Constitution Article VII Section 6

- (a) EXCEPT AS LIMITED BY THIS SECTION.... Home Rule Units have the power to “perform any function pertaining to its government and affairs including, but not limited to the power to regulate for the protection of the public health, safety, morals, and welfare AND the power to license, to tax, and to incur debt.
- (m) the powers and function of home rule units shall be construed liberally



Illinois Constitution Article VII Section 6

Section 6f

- Can alter the form of government (and provide for officers, their manner of selection and terms of office), but only by referendum or as otherwise authorized by law.



Illinois Constitution Article VII Section 6

Express limits in the Constitution (Sections 6d and 6e):

- Cannot incur long term debt payable from property tax (maturing 40 years from time it is incurred)
- Cannot define and provide for the punishment of a felony
- Cannot punish by imprisonment for more than 6 months
- Cannot create a tax upon or measured by income or earnings
- Cannot create a tax upon occupations



Illinois Constitution Article VII Section 6

State preemption

- Section 6 (g) The state legislature can deny or limit HR any power or function of a home rule unit (even if it is not being exercised or performed by the State *(but only with a 3/5 majority)*)
- Section 6 h) The State may provide for the exclusive exercise by the state of any power or function of a home rule unit



Home Rule Communities

Becoming Home Rule:

- Automatic qualification for communities with population greater than 25,000
- Referendum

(Note: can abolish home rule by referendum)



Home Rule Communities

Current Count

221 home rule municipalities
1 home rule county



Home Rule Communities – Notable Adopters

- Lake Forest (2004)
- Lake Bluff (2005)
- Winnetka (2005)
- Bannockburn (2006)
- Highwood (2006)
- Riverwoods (2006)
- Northfield (2010)



Home Rule Communities – Recent Adopters

- Barrington (2022)
- Belvidere (2011)
- Cahokia Heights (2021)
- Gilman (2014)
- Hometown (2022)
- Huntley (2016)
- Lockport (2017)
- Matteson (2022)
- Savoy (2021)
- Shorewood (2015)
- South Chicago Heights (2019)
- Sparta (2014)
- Summit (2016)
- Willowbrook (2019)
- Woodstock (2016)



Home Rule Referenda – Recent and Upcoming

UPCOMING

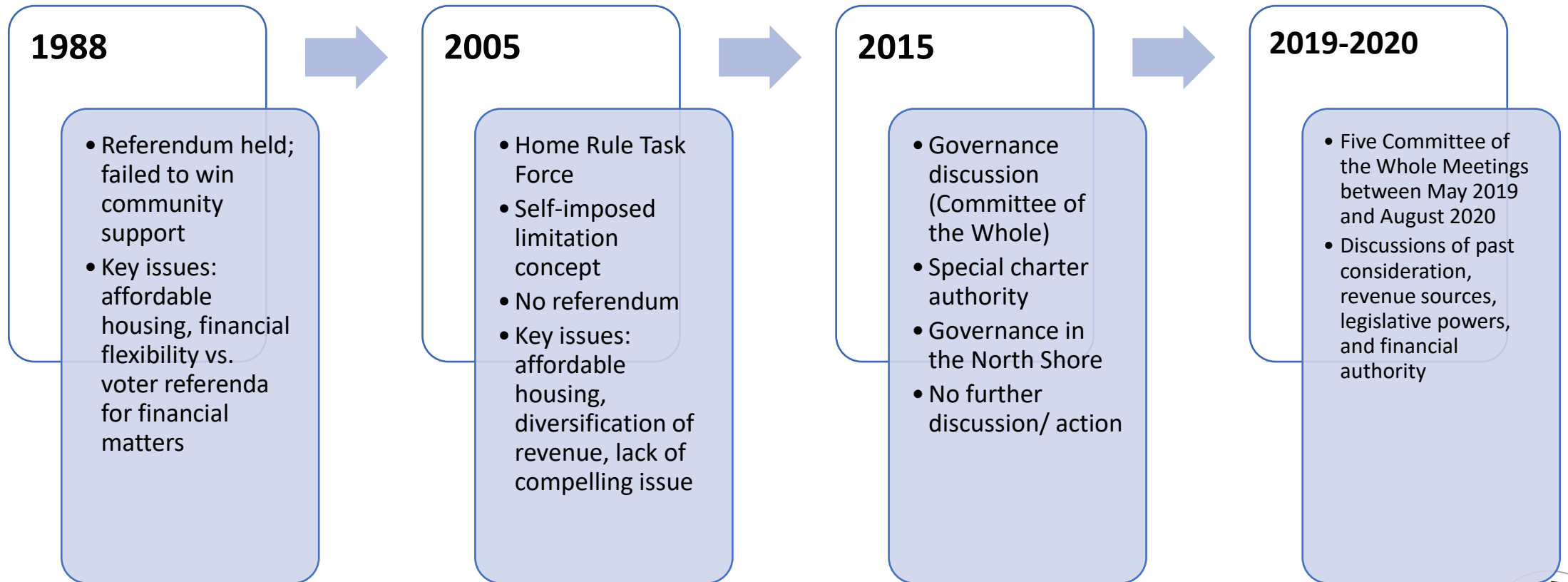
- Cary – March 19, 2024
- Richton Park – March 19, 2024
- Roselle – March 19, 2024

VERY RECENT

- Kankakee – November 2022 (Retained Home Rule)
- Lyons – April 2023 (Failed)
- Lakemoor – April 2023 (Failed)
- Wauconda – April 2023 (Failed)



History of Home Rule Efforts in Glencoe



May 16, 2019 Committee of the Whole Meeting

Calendar Year 2019-2020 Discussions

- Municipal governance structure overview
 - Regulating Authority
 - Limitations on local legislation - Coal tar asphalt product ban, vicious dog regulation, licensing of short-term home rentals, affordable housing plans
 - Delayed response to local issues – cellular ban, smoking ban
 - Economic Development Authority
 - Sale of property, economic development financing programs
 - Financial Authority
 - Property tax, non-property tax revenues, debt restrictions



July 18, 2019 Committee of the Whole Meeting

Calendar Year 2019-2020 Discussions

- Applications of home rule
 - Self-limitations
 - Self imposition of Property Tax Extension Limit Law (PTELL) & exceptions for emergencies, changes in State law
 - Additional policies implemented
 - Affordable housing plans
 - Zoning regulations
 - Amendments to property maintenance codes
 - Local adjudication*

**Although local adjudication is now allowable for non-home rule municipalities, it is still subject to limitations*



September 19, 2019 Committee of the Whole Meeting

Calendar Year 2019-2020 Discussions

Revenue Description	Assumptions	Home Rule	Non-Home Rule
<u>New Revenues for Home Rule and Non Home Rule</u>			
Home Rule Sales Tax (<i>Non Home Rule 1% MAX</i>) ✓ \$	Each 0.25% Increment	\$75,000	\$75,000
Food and Beverage Tax (<i>Places of Eating 1% MAX</i>) ✓ \$	Each 0.25% Increment	\$30,000	\$30,000
Local Fuel Tax (<i>Non Home Rule Limit \$.03</i>) ✓ \$	Each \$0.01 Increment	\$12,000	\$12,000
Hotel/Motel Tax (<i>Restricted to Tourism</i>) ✓ \$	Each 1% Increment, 5% MAX	TBD	TBD
Increase Telecommunications Tax*	Raise Existing Rates to Max	\$57,000	\$57,000
Subtotal of New Revenue Available =		\$174,000	\$174,000
<u>Additional Home Rule Revenues</u>			
Packaged Liquor Tax ✓ \$	Each 0.25% Increment	\$75,000	-
Amusement Tax ✓ \$	Each 1% Increment	\$30,000	-
Contractor's License ✓	Fee of \$50 per Contractor	\$15,000	-
Scavenger's License ✓	Fee of \$10 /Month/ Business	\$5,000	-
Natural Gas <u>USE</u> Tax ✓	Fee of \$0.05 per Therm	\$400,000	-
Real Estate Transfer Tax ✓ (<i>Referendum Required</i>)	Fee of \$1 / \$1,000 Home Price	\$185,000	-
Storm Water Utility Fee ✓	Fee of \$5 /Month/ Account	\$305,000	-
Additional Home Rule Revenue Excluding Property Tax =		\$1,015,000	-
<u>Plus Potential Property Tax</u>			
Real Estate Property Tax*	Pensions (All Employees)	\$1,500,000	-
Grand Total New Revenue Available =		\$2,689,000	\$174,000

*Values noted represent the difference between what is collected now and the maximum amount that could be collected.

✓ - Indicates a New Fee or Tax \$ - Indicates paid by both residents and non-residents



January 16, 2020 Committee of the Whole Meeting

Calendar Year 2019-2020 Discussions

- Community survey feedback

SURVEY QUESTION	AGREEMENT	DISAGREEMENT	NEUTRAL/UNSURE
Local legislative authority	51%	15%	34%
Determine property tax levies	38%	41%	21%
Implement taxes for non-residents	37%	26%	37%
Local adjudication	37%	21%	42%
Encourage commercial development	58%	12%	30%



Current State

Non-Home Rule vs. Home Rule Governance

- August 20, 2020 - Home rule discussions ceased with onset of COVID-19
- Non-home rule continues as limiting factor
 - Timelines for financing capital
 - Administering certain zoning restrictions
 - Limitations on revenues that may shift tax burden
 - Restrictions on multi-year purchasing contracts
 - Inability to legislate local issues – restricted by and reliant on State and County



Current State

Non-Home Rule vs. Home Rule Governance

- Non-home rule enforcing reliance on property tax

City	County	Year Built	Building Sq Ft	Land Sq Ft	Portion of Property Taxes Paid to Municipality									
					2014	2015	2016	2017	2018	2019	2020	2021	2022	Total
Glencoe	Cook	1927	2,834	12,231	\$2,514	\$2,587	\$2,692	\$2,854	\$2,697	\$3,178	\$2,992	\$3,215	\$3,240	\$ 25,968
Lake Forest	Lake	1986	2,833	9,374	2,679	3,122	3,180	3,367	3,540	3,605	3,866	3,997	4,130	31,485
Evanston	Cook	1924	2,836	6,800	2,575	2,513	2,843	2,944	3,046	3,212	3,235	3,228	2,751	26,346
Winnetka	Cook	1921	2,839	9,060	2,858	2,999	3,212	2,840	2,749	2,770	2,748	2,516	2,689	25,380
Wilmette	Cook	1955	2,834	6,700	2,100	2,257	2,665	2,001	2,081	1,959	1,862	1,913	2,324	19,162
Lake Bluff	Lake	1942	2,837	17,311	1,905	1,781	1,794	1,874	1,936	1,663	1,711	1,768	1,863	16,294
Highland Park	Lake	1975	2,839	12,310	1,278	1,270	1,350	1,398	1,495	1,472	1,578	1,630	1,697	13,167
Park Ridge	Cook	1957	2,839	6,550	1,559	1,585	1,498	1,251	1,277	1,267	1,349	1,355	1,302	12,442
Northfield	Cook	1954	2,824	26,400	1,068	1,042	1,300	1,431	1,701	1,260	1,286	1,329	1,809	12,226
Deerfield	Lake	1969	2,837	12,001	1,569	1,539	1,009	1,068	1,089	1,170	1,314	1,651	1,685	12,092
Northbrook	Cook	1956	2,839	10,048	782	854	1,028	1,223	1,296	1,378	1,389	1,390	1,168	10,506
Lincolnwood	Cook	1951	2,834	5,780	929	933	1,103	1,146	1,169	1,045	994	998	1,185	9,503
Skokie	Cook	1964	2,840	7,781	847	842	820	808	809	779	769	767	745	7,187
Glenview	Cook	1978	2,838	10,020	695	622	778	812	825	706	726	742	747	6,653
Riverwoods	Lake	1975	2,833	49,658	139	188	192	198	207	226	345	439	474	2,409



Discussion and Next Steps

- Village Board discussion
- Possible next steps
 - Direct staff to conduct additional research
 - Cease discussions
 - Pursue referendum



Adoption Process - Referenda

- **By Village Board Resolution**

- Must be adopted not less than 79 days before election day
 - November 5, 2024 General Election – Resolution must be adopted by **August 18, 2024**
 - April 1, 2025 Consolidated Municipal Election – Resolution must be adopted by **January 12, 2025**

- **By Voter Petition**

- Must be signed by 8% of number of votes cast in the village in the last election for Governor
- Must submitted 92 days before election day
 - November 5, 2024 General Election – must submit by **August 5, 2024**
 - April 1, 2025 Consolidated Municipal Election – must submit by **December 30, 2024**



Adoption Process - Referenda

Form of Question:

“Shall the Village of Glencoe become a home rule unit of government pursuant to Article VII, Section 6 of the Constitution of the State of Illinois?”

Referendum approvals requires majority vote of those voting.

