

# **MEDIA ADVISORY** **FOR IMMEDIATE RELEASE**



FLOSSMOOR

## **CONTACT**

Bridget Wachtel, Village Manager  
708-798-2300  
bwachtel@flossmoor.org

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*August 17, 2020*

### ***Village Board Approves Referendum Question at August 17, 2020 Meeting***

At the August 17, 2020 Village Board meeting, the Mayor & Board of Trustees passed an ordinance that directs Cook County to place a referendum question on the November 3, 2020 ballot asking voters to approve the issuance of General Obligation bonds to finance needed improvements to our Village's infrastructure. Specifically, the bonds would be used to pay for the resurfacing and reconstruction of streets and sidewalks village-wide, as well as improvements to stormwater infrastructure to reduce flooding in the Flossmoor Road Viaduct and upstream tributary areas of the Heather Hill and Old Flossmoor neighborhoods. This decision follows several Board discussions over the past couple of years focused on the need to resurface and reconstruct many streets in our community and within the last year, several discussions related to flooding.

The question will ask voters to approve \$10 million in General Obligation bonds that would be paid off over a period of 20 years. The bond would be financed by the Village's property tax levy and would replace an \$8 million bond that was used to construct the library and will be paid off in 2021.

The question will read as follows on the November 3, 2020 ballot.

Shall the Village of Flossmoor, Cook County, Illinois, issue General Obligation bonds in an amount not to exceed \$10,000,000, said bonds bearing interest at not to exceed the rate of 9.00% per annum, for the purpose of paying the costs of the following infrastructure improvements throughout the Village: street reconstruction, street resurfacing and sidewalk improvements, and storm sewer system improvements including those related to the Flossmoor Road viaduct, and expenses related thereto?

The public may ask why the referendum question defines the interest rate at 9%. A 9% interest rate is the maximum permitted by law. It is legally required that the maximum possible interest rate for the project be included in the referendum question. The Village believes that with our bond rating and the state of the current economy, we can obtain an interest rate far less than 9%. However, it is likely that the Village will issue this debt in more than one issuance (known as a series) over several years. Because the other issuances will not occur until later in the project, it is necessary to disclose the highest interest rate that is permitted by law. Given the

historically low market interest rates and the Village's strong rating, the Village is positioned to receive a favorable interest rate when we go to market.

If the referendum is successful, construction on the street improvements could likely begin as early as 2021 and the stormwater projects would begin as soon as the grant funding is known, which could also be as soon as 2021.

Click [here](#) for the August 3 media advisory. The Village is committed to providing residents with information to better understand the infrastructure needs and the financing. Please stay tuned for more information that will be provided to the community through direct mail, the Village e-news and other media.

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