



At the Heart of Community

OFFICE OF THE VILLAGE MANAGER

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Date: July 28, 2026

To: Mayor Thomas Poynton
Village Board of Trustees

From: Ray Keller, Village Manager

Subject: Referendum Question Ordinance – November 3, 2026

Issue: Approval of the provided ordinance would place a referendum question on the November 3, 2026 ballot that would, if approved by voters, authorize the Village to issue \$20.3 million in bonds to finance the construction and equipping of a new Fire Station 1.

Analysis: For several years, Village of Lake Zurich Fire Department has been exploring options for rehabilitating or replacing Fire Station 1, located at 321 S. Buesching Road, Lake Zurich. The station was constructed in 1980 for the volunteer fire department that served the community at that time. The station has been updated over the years since the Village transitioned in 1984 to a professional full-time Fire/EMS Department, but the building has reached the end of its useful life.

Over the past six years, Village Fire, Public Works and Administration staff evaluated and ultimately concluded that the current station is constrained by both its size and site conditions. Studies show that stormwater and grading problems cannot be fully corrected on the existing site, and the building was not designed to support major expansion or an additional floor. Renovation would not resolve long-term operational, safety, and space limitations and would still leave the Fire Department with an outdated facility.

In consultation with FGMA Architects, Village staff prepared a conceptual design for a new Fire Station 1, to be located on property at the northwest corner of Route 22 and Old Rand Road that the Village acquired in 2025. The design concept meets today's needs, with the flexibility to accommodate the department's future operational needs over the next 40-50 years.

The design focuses on improved layout of apparatus bays and storage for faster, safer responses; proper safeguarding of vehicles and equipment, and separate zones to reduce cross-contamination between work, living, and equipment spaces. The relocation of the station from Buesching Road to the new site improves the Department's response time radius, while a modern station would provide a more conducive work/living arrangements for today's and future firefighter/paramedics.

Architects and staff project that the construction and equipping of a new station at this site would cost approximately \$20.3 million.

As the Village is not a home-rule municipality, a voter-approved referendum would be required to authorize the issuance of bonds to finance the construction of the new fire station. Analysis of a 20-year bond issuance of \$20.3 million would result in an estimated annual property tax increase of \$195 for a house with a fair market value of \$450,000.

To provide opportunities for residents to provide initial feedback on the proposal, the Village invested in an extended outreach effort over the past several months. The Fire Department hosted three open houses with tours of the current fire station, supported by FAQs information online, social media outreach and mailed informational materials. Residents also participated in a survey, which offered affirmation of the recognized need for a new fire station and its advantages to the Fire Department and to the community, while being respectful and prudent with taxpayer resources.

Recommendation: To finance the construction and equipping of a new fire station 1, staff recommend placing the following referendum question on the November 3, 2026 election ballot, giving voters the opportunity to directly decide whether to proceed with this proposal:

Shall bonds in the amount of \$20,300,000 be issued by the Village of Lake Zurich, Lake County, Illinois, for the purpose of building and equipping a new fire station and improving the site thereof to replace Station 1, bearing interest at the rate of not to exceed 7.0%?

Please contact me with any questions or requests for additional information.