

VILLAGE OF DOWNERS GROVE
Report for the Village

SUBJECT:	6/3/2025	SUBMITTED BY:
Chapter 14 Amendments re: Parking Provisions; Agreement re: Collection of Parking Citations; and Intergovernmental Agreement with the Illinois Comptroller's Office for Enrollment into the Local Debt Recovery Program		Enza Petrarca Village Attorney

SYNOPSIS

The following items have been prepared:

- An ordinance amending Chapter 14 of the Downers Grove Municipal Code regarding parking provisions;
- A motion approving an agreement with Municipal Collections of America for collection of unpaid parking citations; and
- A resolution authorizing the execution of an Intergovernmental Agreement with the Illinois Office of the Comptroller Regarding Access to the Comptroller's Debt Recovery Program.

STRATEGIC PLAN ALIGNMENT

The goals for 2023-2025 include *Excellent Municipal Service*.

FISCAL IMPACT

N/A

RECOMMENDATION

Approval on the June 10, 2025 active agenda.

BACKGROUND

In an effort to increase the Village's ability to encourage compliance and better facilitate the collection of unpaid parking tickets, staff recommends the following:

- Amending Chapter 14 of the Village Code to expand its parking enforcement remedies;
- Retaining the services of a debt collection agency to collect unpaid parking citations; and
- Enrolling in the Illinois Office of the Comptroller's local debt recovery program to use the services of the Illinois Office of the Comptroller to recover unpaid debt.

A summary of the foregoing items can be found below.

Updates to Chapter 14 of the Downers Grove Municipal Code

The proposed amendments to Chapter 14 of the Downers Grove Municipal Code would address three key features:

- Authorize the towing of a frequent parking violator's vehicle;
- Update the fine amounts for parking violations; and
- General clean-up of Chapter 14 provisions primarily related to Village parking lots.

Authorize the Police Department to Initiate the towing a Frequent Parking Violator's Vehicle

Currently, Section 14.97.5 of the Village Code authorizes the suspension of a person's driver's license for unpaid parking fines and penalties. However, with the passage of the License to Work Act in 2020, such a procedure is no longer authorized in Illinois, and therefore, there is no mechanism in the Village Code to address the issue of repeat offenders who disregard parking citations without penalty.

In an effort to address this issue, staff recommends the implementation of a procedure whereby police officers may authorize the towing of a "chronic parking violator's" vehicle. A person will only be deemed to be a "chronic parking violator" when they have received five (5) or more parking citations in a 365 day period and the parking tickets remain unpaid. Prior to towing a vehicle, the police department must send notice to the person indicating that they have been deemed a chronic parking violator. A towed vehicle will not be released to a chronic parking violator until they have paid all unpaid parking tickets, a \$500 administrative penalty and all towing and storage fees charged by the towing operator. A person whose vehicle has been towed under this procedure may request a hearing to contest the towing.

Update fine mechanism for parking violations

Staff recommends updating certain provisions of Chapter 14 relative to the fines imposed for parking violations as shown in the table below. The payments related to parking violations were last updated in 2010. The increased fees are in line with parking fees assessed by neighboring communities. Staff recommends that parking citations that remain unpaid after the 104 days, may be referred to collection and that the Village's collection costs be charged to the debtor. The collection fee will only be imposed upon those debts actually collected by the debt collector in order to offset the Village's costs in recouping the unpaid debt. Payments for violations in the Downtown Districts have an escalated penalty. If the person disputes the violation, they may request the citation be referred to circuit court for prosecution.

The table below illustrates provides both the current fine schedule and the updated fine schedule:

	Paid in 0 to 14 Days	Paid in 15 to 104 Days	Paid in 105 Days or More (includes collection costs)
Violations Outside of Downtown and First Two Violations in the Downtown	Existing = \$25 Proposed = \$30	Existing = \$50 Proposed = \$75	Existing = \$50 Proposed = \$93.75
Third or More Violations within 60 Days in Downtown	Existing = \$100 Proposed = \$100	Existing = \$125 Proposed = \$145	Existing = \$125 Proposed = \$181.25

General clean-up of Chapter 14

Staff recommends further modifications to Chapter 14 to address minor issues, most of which concern updates to Village parking lots.

Intergovernmental Agreement with the Office of the Comptroller -Local Debt Recovery Program

The Illinois Office of the Comptroller (IOC) offers local governments an opportunity to utilize its resources to collect unpaid debt such as parking tickets, water bills, traffic fines, ordinance violations, and fees imposed by the courts by way of its Local Debt Recovery Program (LDRP). LDRP does not charge local government any fees for participation.

Once enrolled in the LDRP, The Village will be responsible for identifying qualifying debt then uploading the files into the Illinois Debt Recovery Offset Portal (IDROP). Unpaid parking tickets are considered qualifying debt. IOC will withhold the unpaid debt from State-issued checks – this is known as an “offset”. IOC will also access a \$15-20 fee from the debtor. The Village is not responsible for imposing the fee. Offsets may come from:

- Income tax refunds, which includes both individual & business refunds.
- State employee paycheck (up to 25% of the net amount is withheld from each check).
- State vendor contracts.
- Lottery winnings (over \$599.00).

When an offset occurs, the debtor has 60 days to file a protest with LDRP. The Village will be notified through IDROP and will be provided with the debtor’s protest and supporting documentation to review. The Village must then review the protest and make a recommendation to either approve or deny the protest within 60 days.

Staff recommends enrolling in the LDRP to use the ICO’s services to collect unpaid parking tickets. Further, the proposed modification to Section 14.97.4 of Chapter 14 of the Downers Grove Municipal Code authorizes the Village to send unpaid parking tickets to collection by way of the LDRP.

Agreement with Municipal Collections of America for Collection of Unpaid Parking Tickets

On December 30, 2024, the Village published an RFP for municipal collection services. This effort was prompted by the accumulation of a significant volume of unpaid parking citations within the Village, as well as the lack of an established mechanism to recover these outstanding fees, due to the passage of the License to Work Act in 2020.

Since 2020, the Village has recorded nearly 4,000 unpaid parking citations, amounting to over \$300,000 in uncollected debt. Through the RFP process, Municipal Collections of America, Inc. (MCOA) was the sole responder. Following a thorough evaluation, MCOA demonstrated its ability to provide the necessary resources and expertise to recover unpaid fees effectively. Additionally, MCOA presented a strong compatibility with Data Ticket, the Village’s third-party parking ticket management vendor, offering seamless integration and enhanced operational efficiency. Moreover, MCOA has familiarity with the LDRP program and IDROP, and will be able to help the Village prepare citations to be sent to the IOC for collection in the event their collection efforts do not result in payment to the Village.

MCOA charges a service fee of 25%. This collection fee is only charged to tickets that are actually collected by the debt collector. The Village may pass on the collection fee to its debtors by charging an additional fee for tickets that are referred to a collection agency, which is contemplated by the proposed amendments to Chapter 14 of the Village Code. MCOA also offers services relative to forwarding delinquent debt to the IDROP program for a 15% commission fee.

ATTACHMENTS

Ordinance
Agreement
Resolution
Intergovernmental Agreement

RESOLUTION NO. _____

**A RESOLUTION AUTHORIZING EXECUTION
OF AN INTERGOVERNMENTAL AGREEMENT BY AND BETWEEN THE
ILLINOIS OFFICE OF THE COMPTROLLER AND THE VILLAGE OF DOWNERS GROVE
REGARDING ACCESS TO THE COMPTROLLER'S LOCAL DEBT RECOVERY PROGRAM**

BE IT RESOLVED by the Village Council of the Village of Downers Grove, DuPage County, Illinois, as follows:

1. That the form and substance of a certain Intergovernmental Agreement (the "Agreement"), between the Village of Downers Grove (the "local unit") and the Illinois Office of the Comptroller (the "IOC"), for collecting both tax and nontax debts owed to the Village as set forth in the form of the Agreement submitted to this meeting with the recommendation of the Village Manager, is hereby approved.

2. That the Village Manager and Village Clerk are hereby respectively authorized and directed for and on behalf of the Village to execute, attest, seal and deliver the Agreement, substantially in the form approved in the foregoing paragraph of this Resolution, together with such changes as the Manager shall deem necessary.

3. That the proper officials, agents and employees of the Village are hereby authorized and directed to take such further action as they may deem necessary or appropriate to perform all obligations and commitments of the Village in accordance with the provisions of the Agreement.

4. That all resolutions or parts of resolutions in conflict with the provisions of this Resolution are hereby repealed.

5. That this Resolution shall be in full force and effect from and after its passage as provided by law.

Mayor

Passed:

Attest: _____

Village Clerk

**INTERGOVERNMENTAL AGREEMENT
BY AND BETWEEN
THE ILLINOIS OFFICE OF THE COMPTROLLER
AND
THE VILLAGE OF DOWNERS GROVE
REGARDING ACCESS TO THE COMPTROLLER’S LOCAL DEBT RECOVERY
PROGRAM**

This Intergovernmental Agreement (“the Agreement”) is hereby made and entered into as of the date of execution by and between the Illinois Office of the Comptroller (hereinafter “IOC”) and the Village of Downers Grove (hereinafter “the local unit”), in order to provide the named local unit access to the Local Debt Recovery Program for purposes of collecting both tax and nontax debts owed to the named local unit. Each of the parties hereto is a “public agency” as defined in Section 2 of the Intergovernmental Cooperation Act [5 ILCS 220/2].

WHEREAS, both the State of Illinois and the local unit have a responsibility to collect debts owed to its respective public bodies;

WHEREAS, IOC operates a system, known as the Comptroller’s Offset System (hereinafter, “the System”), for collection of debt owed the State by persons receiving payments from the State;

WHEREAS, the Illinois General Assembly specifically provided for the ability of the local unit to utilize the System when it amended Section 10.05 and added Section 10.05d to the State Comptroller Act [P.A. 97-632; 15 ILCS 405/10.05 and 10.05d];

WHEREAS, IOC and the local unit are empowered under the Illinois Constitution [Ill. Const., Art. VII, Sec. 10], Section 3 of the Intergovernmental Cooperation Act [5 ILCS 220/3], and Section 10.05d of the State Comptroller Act (hereinafter, “the Act”) [15 ILCS 405/10.05d] to contract with each other in any manner not prohibited by law;

NOW THEREFORE, in consideration of the foregoing recitals and the mutual covenants and promises contained herein, the sufficiency of which is hereby acknowledged, the parties do hereby agree as follows:

Article I – Purpose

The purpose of the Agreement between the IOC and the local unit is to establish the terms and conditions for the offset of the State’s tax and nontax payments in order to collect tax and nontax debts owed to the local unit.

Article II – Authority

The authority for State payment offset is granted under Section 10.05 of the Act [15 ILCS 405/10.05] and the authority for entering into this Agreement is granted under Section 10.05d of the Act [15 ILCS 405/10.05d], Section 3 of the Intergovernmental Cooperation Act [5 ILCS 220/3], and Article VII of the Illinois Constitution [Ill. Const., Art. VII, Sec. 10].

Article III – State Payment Offset Requirements and Operations

A. Legal Requirements. The offset of State payments shall be conducted pursuant to the authority granted in Section 10.05 and 10.05d of the Act [15 ILCS 405/10.05 and 10.05d] and the requirements set forth in this Agreement.

1. Definition of “Debt”

- (a) For purposes of this Agreement, debt shall mean any monies owed to the local unit which is less than 7 years past the date of final determination, as confirmed by the local unit in Article III(A)(2)(a)(viii) of this Agreement.
- (b) No debt which is more than 7 years past the date of final determination may be placed or may remain on the System.
- (c) No debt which has resulted in the issuance of a warrant for the arrest of the debtor may be placed or remain on the System so long as that warrant for arrest is active.
- (d) No debt which has resulted in the attachment of a lien on any personal property or other personal interest of the debtor shall be placed or remain on the System so long as that lien is attached to that property or interest.

2. Due Process & Notification

- (a) Before submitting a debt to IOC for State payment offset, the local unit must comply with all of the notification requirements of this Agreement. For purposes of this Agreement, notification of an account or claim eligible to be offset shall occur when the local unit submits to IOC the following information:
 - (i) the name and address and/or another unique identifier of the person against whom the claim exists;
 - (ii) the amount of the claim then due and payable to the local unit;
 - (iii) the reason why there is an amount due to the local unit (i.e., tax liability, overpayment, etc.);
 - (iv) the time period to which the claim is attributable;
 - (v) the local entity to which the debt is owed;
 - (vi) a description of the type of notification has been given to the person against whom the claim exists and the type of opportunity to be heard afforded to such a person;

- (vii) a statement as to the outcome of any hearings or other proceedings held to establish the debt, or a statement that no hearing was requested; and,
 - (viii) the date of final determination of the debt.
- (b) IOC will not process a claim under the Agreement until notification has been received from the local unit that the debt has been established through notice and opportunity to be heard.
 - (c) The local unit is required to provide the debtor with information about a procedure to challenge the existence, amount, and current collectability of the debt prior to the submission of a claim to IOC for entry into the System. The decision resulting from the utilization of this procedure must be reviewable.

3. Certification

- (a) The chief officer of the local unit shall, at the time the debt is referred, certify that the debt is past due and legally enforceable in the amount stated, and that there is no legal bar to collection by State payment offset.
- (b) Only debts finally determined as currently due and payable to the local unit may be certified to IOC as a claim for offset.
- (c) The chief officer of the local unit may delegate to a responsible person or persons the authority to execute the statement of the claim required by the Agreement.
- (d) This delegation of authority shall be made on either electronic or paper based forms provided by the Comptroller.
- (e) For purposes of this Agreement, “chief officer of the local unit” means the Village Attorney.
- (f) The chief officer hereby acknowledges and agrees that he/she will ensure that the login information into any electronic system provided by the Office of the Comptroller will remain confidential, that only active employees of the local unit may be granted the delegation of authority provided for in Part (c) of this Subsection, and that under no circumstances is a vendor, agent, consultant, collector or any other third-party representative of the local unit authorized to submit or certify debt to IOC on behalf of the local unit.

4. Notification of Change in Status

- (a) The chief officer must notify IOC as soon as possible, but in no case later than 30 days, after receiving notice of a change in the status of an offset claim.
- (b) A change in status may include, but is not limited to, payments received other than through a successful offset, the filing of a bankruptcy petition, the death of the debtor, or the expiration of the ability for the debt to remain on the System, as provided for in Article III(A)(1)(b) of this Agreement.

5. Notification of Change in the Chief Officer

- (a) The local unit shall be responsible for notifying IOC as soon as is practicable in the event the chief officer named in the Agreement is no longer an officer or employee of the local unit or is otherwise unable to perform the certification process provided for in Subsection 3 of this Section.
- (b) Upon obtaining knowledge that the chief officer is no longer an officer or employee of the local unit or is otherwise unable to perform the certification process provided for in Subsection 3 of this Section, whether through notification by the local unit or by any other means, IOC shall suspend the authority for the chief officer and any of his or her designees to certify debt to IOC.
- (c) The local unit shall be responsible for updating records with IOC in the event of a change in the chief officer in order to reestablish certification authority and resume collection by State payment offset.

B. Operational Requirements

- 1. Technical Requirements. IOC agrees to work with the local unit to facilitate information and data procedures as provided for in this Agreement. The local unit agrees to adhere to the standards and practices of IOC when transmitting and receiving data. The chief officer shall assume the responsibility of providing updates to the debtor records on file with IOC in order to ensure an equitable resolution of the debts owed to the local unit.
- 2. Fee. A fee may be charged to the debtor and shall be no more than \$20 per payment transaction. The fee will be deducted from the payment to be offset prior to issuance to the local unit.
- 3. Offset Notices. IOC will send offset notices to the debtor upon processing a claim under the Act and this Agreement. The notice will state that a request has been made to make an offset against a payment due to the debtor, identify the local unit as the entity submitting the request, provide the debtor with a phone number made available pursuant to Article III

(B)(6) of this Agreement, and inform the debtor that they may formally protest the offset within sixty (60) days of the written notice.

4. IOC Protest Process. If a protest is received, IOC will determine the amount due and payable to the local unit. This determination will be made by a Hearing Officer and will be made in light of all information relating to the transaction in the possession of IOC and any other information IOC may request and obtain from the local unit and the debtor subject to the offset. If IOC requests information from the local unit relating to the offset, the local unit will respond within sixty (60) days of IOC's request. IOC may grant the local unit an additional sixty (60) day extension for time to respond. The local unit shall complete an adjudication review with IOC in order to evaluate the local unit and the protest process prior to the offset of any State payments.
5. IOC Hearing Officer. The local unit hereby agrees to provide the Hearing Officer with any information requested in an efficient and timely manner in order to facilitate the prompt resolution to protests filed as a result of this Agreement. For purposes of this Agreement, any decision rendered by the Hearing Officer shall be binding on the local unit and shall be the final determination on the matter. The Hearing Officer may continue the review of a protest at his/her discretion in order to assure an equitable resolution.
6. Local Unit Call Center. The local unit hereby agrees to provide a working phone number which IOC will furnish to persons offset under this Agreement. The local unit shall ensure that the phone number is properly staffed in order to provide information about the debt the local unit is offsetting under this Agreement. The phone number for purposes of this Section and the Agreement is: 630.434.5541.
7. Debt Priorities. If a debtor has more than one local unit debt, the debt with the oldest date of entry on the System shall be offset first.
8. Transfer of Payment. Transfer of payment by IOC to the local unit shall be made in the form of electronic funds transfer (EFT). Nothing in this section or this Agreement shall limit the ability of either party to modify this Agreement at a later date in order to provide for an alternative method(s) of payment transfer.
9. IOC Refunds. If IOC determines that a payment is erroneous or otherwise not due to the local unit, IOC will process a refund of the offset, and refund the amount offset to the debtor. In the event the refund results in only a partial refund to the debtor, IOC will retain the fee referenced in Article III, Paragraph B, Section 2 above. The fee will only be refunded to the debtor in the event of a full refund of the offset amount.
10. Local Unit Refunds. The local unit is responsible for refunding monies to the debtor, including any and all administrative fees collected by IOC, if

an offset occurred due to inaccurate debt information or over collection, and the local unit has already received payment from IOC. IOC will only refund monies in the event that a payment has not yet been made to the local unit.

11. Third-Party Matching Services. IOC may utilize the services of a third-party vendor to assist in the identification of individual debtors. The local unit shall review and add any valid matches which result from the assistance of the third-party vendor within 30 days of receipt of the updated records. If the local unit is unable to add the valid matches within 30 days of receipt of the updated records, the chief officer must notify IOC as to the reason the local unit is not able to add the records in addition to a time frame for adding the records in the future.

Article IV – Permissible Use of Information

IOC acknowledges that the local unit is providing sensitive information about local debts for the purpose of conducting offsets under the Agreement. As such, IOC will use the information solely in connection with the Local Debt Recovery Program. IOC shall safeguard the local information in the same manner as it protects State debt information.

The local unit acknowledges that IOC is providing sensitive information about State payments for the purpose of conducting offsets under the Agreement. As such, the local unit will use the information solely in connection with the Local Debt Recovery Program. The local unit shall safeguard State information in the same manner as it protects local debt information.

The parties may use information in any litigation involving the parties, when such information is relevant to the litigation.

Article V – Term of the Agreement and Modifications

The Agreement becomes effective as of the Effective Date and shall remain in effect until it is terminated by one of the parties. Either party may terminate this Agreement by giving the other party written notice at least thirty (30) days prior to the effective date of the termination. Any modifications to the Agreement shall be in writing and signed by both parties.

Article VI – No Liability to Other Parties

Except for the fees described in Article III, paragraph B, Section 2 above, each party shall be responsible for its own costs incurred in connection with the Agreement. Each party shall be responsible for resolving and reconciling its own errors, but shall not be liable to any other parties for damages of any kind as a result of errors. Each party shall be liable for the acts and omissions of its own employees and agents. The Agreement does not confer any rights or benefits on any third party.

Article VII – Issue Resolution

The parties acknowledge that IOC is ultimately responsible for the development, design and operation of the System. Subject to that understanding, the parties agree to work cooperatively to resolve any matters that arise during the development, design and implementation of the program. If an issue cannot be resolved informally by mutual agreement of staff personnel, then the parties agree to elevate the issue to a senior level manager for resolution of the issue. For purposes of the Agreement, the “senior level managers” are:

1. IOC: George Alonistiotis, Director – Department of Government and Community Affairs
2. Local Unit: Enza Petrarca, Village Attorney

Article VIII – Contacts

The points of contacts for this Agreement are:

IOC: Adam Alstott, General Counsel
 Illinois Office of the Comptroller
 325 West Adams Street
 Springfield, Illinois 62704
 Phone: 217-558-5157
 E-mail: Adam.Alstott@illinoiscomptroller.gov

Local Unit: Enza Petrarca, Village Attorney
 Downers Grove Civic Center
 850 Curtiss St.
 Downers Grove, Illinois 60515
 Phone: 630-434-5541
 Email: epetrarca@downers.us

Article IX – Acceptance of Terms and Commitment

The signing of this document by authorized officials forms a binding commitment between IOC and the Village of Downers Grove. The parties are obligated to perform in accordance with the terms and conditions of this document, any properly executed modification, addition, or amendment thereto, any attachment, appendix, addendum, or supplemental thereto, and any documents and requirements incorporated by reference.

By their signing, the signatories represent and certify that they possess the authority to bind their respective organizations to the terms of this document, and hereby do so.

[Signature Page Follows]

IN WITNESS WHEREOF, the Illinois Office of the Comptroller and the Village of Downers Grove by the following officials sign their names to enter into this agreement.

ILLINOIS OFFICE OF THE COMPTROLLER

By: _____

Date: _____

Name: Susana A. Mendoza

Title: Comptroller

VILLAGE OF DOWNERS GROVE

By: _____

Date: _____

Name: Robert T. Barnett

Title: Mayor