



City of Chicago



O2021-5255

Office of the City Clerk

Document Tracking Sheet

Meeting Date: 11/17/2021

Sponsor(s): Lightfoot (Mayor)

Type: Ordinance

Title: Extension of tax levy to Year 2035, increase of maximum taxable rate, and authorization of scope of services, budget and management agreement for Special Service Area No. 23, Clark St./Lincoln Park

Committee(s) Assignment: Committee on Economic, Capital and Technology Development



OFFICE OF THE MAYOR
CITY OF CHICAGO

LORI E. LIGHTFOOT
MAYOR

November 17, 2021

TO THE HONORABLE, THE CITY COUNCIL
OF THE CITY OF CHICAGO

Ladies and Gentlemen:

At the request of the Commissioner of Planning and Development, I transmit herewith ordinances authorizing the term, budget, services and service provider agreements for various Special Service Areas.

Your favorable consideration of these ordinances will be appreciated.

Very truly yours,

A handwritten signature in black ink that reads "Lori E. Lightfoot".

Mayor

ORDINANCE REGARDING SPECIAL SERVICE AREA #23

WHEREAS, special service areas may be established pursuant to (i) Article VII, Sections 6(l) and 7(6) of the Constitution of the State of Illinois; (ii) the provisions of the Special Service Area Tax Law, 35 ILCS 200/27-5 et seq., as amended from time to time (the "Act"); and (iii) the Property Tax Code, 35 ILCS 200/1-1 et seq., as amended from time to time; and

WHEREAS, the City Council (the "City Council") of the City of Chicago (the "City") has previously enacted a certain ordinance on the date specified on Exhibit A attached hereto and hereby made a part hereof and published in the Journal of Council Proceedings (the "Journal") for such date at the pages specified on Exhibit A hereto, and amended on the date(s) specified on Exhibit A hereto and published in the Journal for such date(s) as specified on Exhibit A hereto (as amended from time to time, the "Establishment Ordinance"), which established a certain special service area (the "Area") as indicated therein and authorized the levy of certain annual taxes beginning in 2008 through and including 2022 (the "Original Levy Period"), not to exceed the annual rate 0.309% (the "Levy Cap") indicated therein and as described on Exhibit A hereto, of the equalized assessed value of the taxable property therein to provide certain special services (the "Original Special Services"); in and for the Area in addition to the services provided by and to the City generally as specified in the Establishment Ordinance; and

WHEREAS, the City Council finds that it is in the best interests of the City to (i) authorize certain special services in the Area distinct from the Original Special Services (the "Special Services"), (ii) increase the maximum rate of the Levy Cap from an annual rate of 0.309% to 0.40% of the equalized assessed value of the taxable property within the Area (the "Services Tax"), and (iii) authorize the extension of the time period for which the levy of the Services Tax is authorized within the Area from the Original Levy Period to a period from tax year 2021 through and including tax year 2035 (the "Extended Levy Period"); and

WHEREAS, the Establishment Ordinance provided for the appointment of a certain special service area commission for the Area (the "Commission") to advise the City Council regarding the amount of the Services Tax for the Area to be levied and for the purpose of recommending to the City Council for the Area: (i) a yearly budget based upon the costs of providing the Special Services; (ii) an entity to serve as service provider (the "Service Provider"); (iii) an agreement between the City and the Service Provider for the provision of Special Services to the Area (the "Service Provider Agreement"); and (iv) a budget to be included in the Service Provider Agreement (the "Budget") (the aforementioned items (i) through (iv) shall be known collectively herein as the "Recommendations"); and

WHEREAS, the Commission identified on Exhibit A hereto has heretofore prepared and transmitted to the Commissioner of Planning and Development (the "Commissioner") their Recommendations to the City Council, including the Budget attached hereto as Exhibit A; now, therefore,

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CHICAGO AS FOLLOWS:

SECTION 1. Incorporation of Preambles The preambles of this ordinance are hereby incorporated into this text as if set out herein in full.

SECTION 2. Findings. The City Council finds and declares as follows:

(a) The City Council enacted an ordinance on October 14, 2021 authorizing a public hearing (the "Public Hearing") to consider whether to (i) authorize certain Special Services in the Area distinct from the Original Special Services, (ii) increase the maximum rate of the Levy Cap from an annual rate of 0.309% to 0.40% of the equalized assessed value of the taxable property within the Area, and (iii) authorize the extension of the time period for which the levy of the Services Tax is authorized within the Area from the Original Levy Period to a period from tax year 2021 through and including tax year 2035; and

(b) Notice of the Public Hearing was given by publication at least once not less than fifteen days prior to the hearing in the *Chicago Tribune*, a newspaper published in and of general circulation within the City, and notice of the Public Hearing was also given by depositing said notice in the United States mail addressed to the person or persons in whose name the general taxes for the last preceding year were paid on each property lying within the Area, not less than ten days prior to the time set for the Public Hearing. For any properties for which taxes for the last preceding year were not paid, the notice was sent to the person last listed on the tax rolls prior to that year as the owner of the property; and

(c) The notice complied with all of the applicable provisions of the Act; and

(d) The Public Hearing was held on November 4, 2021, by the Committee on Economic, Capital and Technology Development of the City Council. All interested persons, including all persons owning real property located within the Area, were given an opportunity to be heard at the Public Hearing regarding any issues embodied in the notice and have had an opportunity to file with the City Clerk of the City of Chicago (the "City Clerk") or with the County Clerk of Cook County, Illinois (the "County Clerk") written objections on such issues; and

(e) The Committee on Economic, Capital and Technology Development of the City Council has heard and considered all of the comments, objections, protests and statements made at the Public Hearing with regard to the issues embodied in the notice and has determined to recommend to the City Council that it is in the public interest and in the interest of the City to enlarge of the boundaries to the Area, authorize the Special Services, and authorize the Extended Levy Period in the Area, all as provided in this ordinance, and

(f) The Public Hearing was finally adjourned on November 4, 2021; and

(g) The sixty-day period as described in Section 27-55 of the Act, in which an objection petition to this ordinance may be filed, commenced on November 4, 2021; and

(h) The City Council hereby finds and determines that it is in the best interests of the City to (i) authorize the Special Services, (ii) increase the maximum rate of the Levy Cap to an annual rate of 0.40% of the equalized assessed value of the taxable property within the Area, and (iii) authorize the Extended Levy Period; and

SECTION 3 Special Services Authorized. The Special Services authorized hereby

include, but are not limited to customer attraction, public way aesthetics, sustainability and public place enhancements, economic/business development, public health and safety programs, and other activities to promote commercial and economic development. The Special Services may include new construction or maintenance. Some or all of the proceeds of the proposed Services Tax are anticipated to be used by an entity other than the City of Chicago to provide the Special Services to the Area, which such entity shall be a "service provider" pursuant to a "services contract," each as defined in the Act. The Special Services shall be in addition to services provided to and by the City of Chicago generally.

SECTION 4. Appropriations. There is hereby appropriated the sum in the amount and for the purposes necessary to provide the Special Services in and for the Area, the estimated amount of miscellaneous income and the amount required to be raised by the levy of the Services Tax indicated on Exhibit A hereto: Collectable Levy, Estimated Loss Collection, Carryover Funds, TIF Rebate Fund, and Estimated Late Collections and Interest.

SECTION 5. Levy of Taxes. There is hereby levied pursuant to the provisions of (i) Article VII, Sections 6(a) and 6(l)(2) of the Constitution of the State of Illinois; (ii) the Act; and (iii) the Establishment Ordinance, the sum of the "Total Requested Levy" indicated on Exhibit A hereto as the amount of the Services Tax for the Area for the tax year 2021.

SECTION 6. Filing. The City Clerk is hereby ordered and directed to file in the Office of the County Clerk a certified copy of this ordinance on or prior to December 28, 2021, and the County Clerk shall thereafter extend for collection together with all other taxes to be levied by the City, the Services Tax herein provided for, said Services Tax to be extended for collection by the County Clerk for the tax year 2021 against all the taxable property within the Area, the amount of the Services Tax herein levied to be in addition to and in excess of all other taxes to be levied and extended against all taxable property within the Area.

SECTION 7. Service Provider Agreement. The Commissioner, or a designee of the Commissioner (each, an "Authorized Officer"), are each hereby authorized, subject to approval by the Corporation Counsel as to form and legality, to enter into, execute and deliver a Service Provider Agreement as authorized herein with the entity indicated on Exhibit A hereto as the Service Provider, for a one-year term in form acceptable to such Authorized Officer, along with such other supporting documents, if any, as may be necessary to carry out and comply with the provisions of the Service Provider Agreement. The Budget shall be attached to the Service Provider Agreement as an exhibit. Upon the execution of the Service Provider Agreement and the receipt of proper documentation, the Authorized Officer and the City Comptroller are each hereby authorized to disburse the sum appropriated pursuant to Section 4 above to the Service Provider in consideration for the provision of the Special Services described in the Budget. The Department of Planning and Development shall promptly make a copy of the executed Service Provider Agreement (and any amendments thereto) readily available for public inspection. The Authorized Officer is also authorized to sign amendments to the Service Provider Agreement entered into pursuant to this Section 7 so long as such amendments do not alter the identity of the Service Provider and/or the amounts appropriated and/or levied pursuant to Sections 4 and 5 hereof.

SECTION 8. Enforceability. If any section, paragraph or provision of this ordinance shall

be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph or provision shall not affect any of the remaining provisions of this ordinance.

SECTION 9. Conflict. This ordinance shall control over any provision of any other ordinance, resolution, motion or order in conflict with this ordinance, to the extent of such conflict.

SECTION 10. Publication. This ordinance shall be published by the City Clerk, in special pamphlet form, and made available in her office for public inspection and distribution to members of the public who may wish to avail themselves of a copy of this ordinance.

SECTION 11. Effective Date. This ordinance shall take effect 10 days after its passage and publication.

EXHIBIT A

SPECIAL SERVICE AREA #23

Area	Levy Cap	Total Requested Levy	Commission	Service Provider
23	0.40%	\$489,069	Clark Street – Lincoln Park	Lincoln Park Chamber of Commerce, Inc.

Establishment Ordinance

Date: December 4, 2002

Journal pages: pages 100184 through 100274

Amendment(s) to Establishment Ordinance

Date: November 12, 2008

Journal pages: pages 45592 through 45684

See attached Budget.

Exhibit A Budget

Special Service Area # 23

SSA Name:	Clark Street
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2022 BUDGET SUMMARY

Budget and Services Period: January 1, 2022 through December 31, 2022

CATEGORY <small>(Funded Categories Comprise Scope of Services)</small>	2021 Levy		Carryover Funds	TIF Rebate Fund #903	Estimated Late Collections and Interest	Total All Sources
	Collectable Levy	Estimated Loss Collection				
1.00 Customer Attraction	\$104,500	\$0	\$35,000	\$0	\$0	\$139,500
2.00 Public Way Aesthetics	\$168,500	\$20,000	\$55,000	\$0	\$0	\$243,500
3.00 Sustainability and Public Places	\$6,500	\$0	\$10,000	\$0	\$0	\$16,500
4.00 Economic/ Business Development	\$45,000	\$0	\$0	\$0	\$0	\$45,000
5.00 Public Health and Safety Programs	\$1,500	\$0	\$0	\$0	\$0	\$1,500
6.00 SSA Management	\$28,069	\$0	\$0	\$0	\$0	\$28,069
7.00 Personnel	\$115,000	\$0	\$0	\$0	\$0	\$115,000
Sub-total	\$469,069	\$20,000	\$0	\$0	\$0	\$489,069
GRAND TOTALS	Levy Total	\$489,069	\$100,000	\$0	\$0	\$589,069

LEVY ANALYSIS

Estimated 2021 EAV:	\$210,428,565
Authorized Tax Rate Cap:	0.309%
Maximum Potential Levy limited by Rate Cap:	\$650,224
Requested 2021 Levy Amount:	\$489,069
Estimated Tax Rate to Generate 2020 Levy:	0.2324%