



City of Chicago



O2015-7812

Office of the City Clerk

Document Tracking Sheet

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|---------------------------------|--|
| Meeting Date: | 10/28/2015 |
| Sponsor(s): | Emanuel (Mayor) |
| Type: | Ordinance |
| Title: | Scope of services, budget and management agreement for Special Service Area No. 5 |
| Committee(s) Assignment: | Committee on Finance |

ORDINANCE

WHEREAS, special service areas may be established pursuant to Article VII, Sections 6(l) and 7(6) of the Constitution of the State of Illinois, and pursuant to 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 pursuant to the Property Tax Code, 35 ILCS 200/1-1 et seq., as amended from time to time; and

WHEREAS, on October 31, 1983, the City Council of the City of Chicago (the "City Council") enacted an ordinance, as amended by an ordinance enacted by the City Council on May 30, 1984, which established an area known and designated as City of Chicago Special Service Area Number 5 and authorized the levy of an annual tax not to exceed an annual rate of three percent (3%) of the equalized assessed value of the taxable property therein to provide certain special services in and for such area for a period of 10 years (the "Initial Levy Period") in addition to the services provided by and to the City of Chicago (the "City") generally; and

WHEREAS, the Initial Levy Period expired; and

WHEREAS, on November 5, 1993, the City Council enacted an ordinance which again established a special service area known and designated as City of Chicago Special Service Area Number 5 and authorized the levy of an annual tax not to exceed an annual rate of three percent (3%) of the equalized assessed value of the taxable property therein to provide certain special services in and for such area for an additional period of 10 years (the "Second Levy Period") in addition to the services provided by and to the City generally; and

WHEREAS, the Second Levy Period expired; and

WHEREAS, on November 5, 2003, the City Council enacted an ordinance which again established a special service area known and designated as City of Chicago Special Service Area Number 5 and authorized the levy of an annual tax not to exceed an annual rate of three percent (3%) of the equalized assessed value of the taxable property therein to provide certain special services in and for the Original Area such services for an additional period of 10 years (the "Third Levy Period") in addition to the services provided by and to the City generally; and

WHEREAS, the Third Levy Period has expired; and

WHEREAS, on December 11, 2013, the City Council enacted an ordinance (the "Establishment Ordinance") which established an area known and designated as City of Chicago Special Service Area Number 5 (the "Area") and authorized the levy of an annual tax for the period beginning in 2013 through and including 2027 not to exceed an annual rate of three percent (3%) of the equalized assessed value of the taxable property therein (the "Services Tax") to provide certain special services in and for the Area in addition to the services provided by and to the City generally (the "Special Services"); and

WHEREAS, certain funds in Fund 331 ("Fund 331") in the amount of \$10,000 are available for use in connection with the Area; and

WHEREAS, the Establishment Ordinance established the Area as that territory consisting approximately of East 87th Street on the north to East 93rd Street on the south along South Commercial Avenue; East 91st Street frontage from South Exchange Avenue on the west to South Houston Avenue on the east; South Exchange Avenue frontage between East 91st Street and East 92nd Street; East 92nd Street frontage from South Exchange Avenue on the west to South Harbor Avenue on the east; the east side of South Chicago Avenue between South Exchange Avenue and South Commercial Avenue; and South Burley Avenue frontage between East 92nd Street and East 93rd Street; and

WHEREAS, the Special Services authorized in the Establishment Ordinance include, but are not limited to: recruitment of new businesses to the Area, rehabilitation activities, maintenance and beautification activities, new construction, security, promotional and advertising activities, strategic planning for the Area, and other technical assistance activities to promote commercial and economic development (which may include, but are not limited to, streetscape improvements, strategic transit/parking improvement including parking management studies, and enhanced land use oversight and control initiatives); and

WHEREAS, the Establishment Ordinance provided for the appointment of the Commercial Avenue Special Service Area Commission (the "Commission") to advise the City Council regarding the amount of the Services Tax to be levied and for the purpose of recommending to the City Council: (1) a yearly budget based upon the cost of providing the Special Services; (2) an entity to serve as a service provider (the "Service Provider"); (3) an agreement between the City and the Service Provider for the provision of Special Services to the Area (the "Service Provider Agreement"); and (4) a budget to be included in the agreement between the City and the Service Provider (the "Budget") (the aforementioned items 1 through 4 shall be known collectively herein as the "Recommendations"); and

WHEREAS, the Commission has been duly appointed and qualified and has heretofore prepared and transmitted to the Commissioner of the Department of Planning and Development (the "Commissioner") its Recommendations to the City Council, including the Budget attached hereto as Exhibit A and hereby made a part hereof; now, therefore

Be It Ordained by the City Council of the City of Chicago:

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. Appropriations. There is hereby appropriated the following sums in the amounts and for the purposes necessary to provide the Special Services in and for the Area, the estimated amounts of miscellaneous income and the amounts required to be raised by the levy of the Services Tax indicated as follows:

COMMERCIAL AVENUE SPECIAL SERVICE AREA COMMISSION
SPECIAL SERVICE AREA BUDGET

For the fiscal year commencing January 1, 2016 and ending December 31, 2016.

EXPENDITURES

| | |
|--|-----------|
| Service Provider Agreement for the provision of Special Services | \$802,602 |
| TOTAL BUDGET REQUEST | \$802,602 |

SOURCE OF FUNDING

| | |
|---|-----------|
| Tax levy at an annual rate not to exceed three percent (3%) of the equalized assessed value of the taxable property within Special Service Area Number 5 | \$382,918 |
| Fund 331 | \$10,000 |
| Carryover funds currently available from prior tax years | \$392,068 |
| Late collections received by the City of Chicago attributable to the levy of the Services Tax in prior tax years, along with interest income thereon, if any. | \$17,616 |

SECTION 3. Levy of Taxes. There is hereby levied pursuant to the provisions of Article VII, Sections 6(a) and 6(l)(2) of the Constitution of the State of Illinois and pursuant to the provisions of the Act and pursuant to the provisions of the Establishment Ordinance, the sum of \$382,918 as the amount of the Services Tax for the tax year 2015.

SECTION 4. Filing. The City Clerk of the City (the "City Clerk") is hereby ordered and directed to file in the Office of the County Clerk of Cook County, Illinois (the "County Clerk") a certified copy of this ordinance on or prior to December 29, 2015, 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 2015 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 5. 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 South Chicago Chamber of Commerce, an Illinois not-for-profit corporation, as the Service Provider, for a one-year term in a 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 sums appropriated in Section 2 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 readily available for public inspection.

SECTION 6. 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 7. 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 8. 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 9. Effective Date. This ordinance shall take effect 10 days after its passage and publication.

EXHIBIT A
Budget

2016 Budget and Services Summary

Chicago Department of Planning and Development

| | | | | | |
|--------------------------|-----------------------------------|---------------|-----------------------|-----------------|-------------------------------|
| Name: | SSA #5 Commercial Avenue | Chairperson: | Bonnie Dineil-Diamond | Agency Contact: | Dan Lira |
| Service Provider Agency: | South Chicago Chamber of Commerce | Phone Number: | 773-768-4468 | Phone Number: | 773-768-1221 |
| SSA Tax Authority Term: | 2016 | Email: | bolough@sbogil | Email: | dlira@southchicagochamber.com |
| Date: | SSA #5 Commercial Avenue | | | | |

| 2016 BUDGET SUMMARY | Fund 331 | 2015 Levy | Carry Over | Late Collections and Interest Income:Therson | 2016 Budget |
|---------------------------------------|------------------|-------------------|------------------|--|-------------------|
| 1.00 Customer Attraction | \$ - | \$ 41,000 | \$ - | \$ 4,404 | \$ 45,404 |
| 2.00 Public Way Aesthetics | \$ 5,500 | \$ 99,050 | \$260,000 | \$ 4,404 | \$ 368,954 |
| 3.00 Sustainability and Public Places | \$ - | \$ 500 | \$ - | \$ 4,404 | \$ 4,904 |
| 4.00 Economic/Business Development | \$ - | \$ 19,800 | \$ 15,000 | \$ 4,404 | \$ 39,204 |
| 5.00 Safety Programs | \$ 4,500 | \$ 95,500 | \$117,068 | \$ - | \$ 217,068 |
| 6.00 SSA Management | \$ - | \$ 32,250 | \$ - | \$ - | \$ 32,250 |
| 7.00 Personnel | \$ - | \$ 70,945 | \$ - | \$ - | \$ 70,945 |
| 8.00 Loss Collection: 6.2% | \$ - | \$ 23,873 | \$ - | \$ - | \$ 23,873 |
| GRAND TOTAL | \$ 10,000 | \$ 382,918 | \$392,068 | \$ 17,616 | \$ 802,602 |

2016 Budget \$ **802,602**

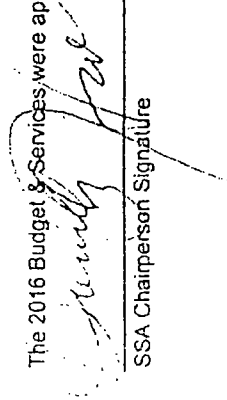
| LEVY ANALYSIS | |
|---|--------------|
| 1 Estimated 2015 EAV: | \$13,565,208 |
| 2 Authorized Tax Rate Cap: | 3.0000% |
| 3 Estimated 2015 Levy: | \$382,918 |
| 4 Estimated Tax Rate to Generate 2015 Levy (Estimated 2015 Levy ÷ Estimated 2015 EAV = | 2.823% |

2016 BUDGET & SERVICES - SIGNATURE PAGE

SSA #5 Commercial Avenue

Budget & Services Period: January 1, 2016 to December 31, 2016

The 2016 Budget & Services were approved by the SSA Commission.

 Dorothy J. Hudson SSA Chairperson Printed Name
9/21/15 Date
9/21/15 Date



FIN.

11B

OFFICE OF THE MAYOR
CITY OF CHICAGO

RAHM EMANUEL
MAYOR

October 28, 2015

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 a scope of services, budget and management agreement for various Special Service Areas.

Your favorable consideration of these ordinances will be appreciated.

Very truly yours,

Mayor

SSA # 5

1313

CHICAGO November 18, 2015

To the President and Members of the City Council:

Your Committee on Finance having had under consideration

One (1) ordinance authorizing the approval of the levy of taxes, to approve or amend Service Provider Agreements and to approve the 2016 budgets for various Special Service Areas.

- B. An ordinance authorizing the imposition of a tax levy, the approval of the 2016 budget, and the approval of the Service Provider Agreement for Special Service Area Number 5.

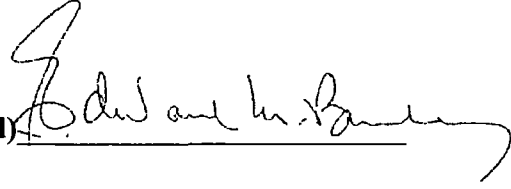
O2015-7812

Amount to be levied: \$382,918

Having had the same under advisement, begs leave to report and recommend that your Honorable Body pass the proposed Ordinance Transmitted Herewith

This recommendation was concurred in by _____ (a viva voce vote of members of the committee with _____ dissenting vote(s).

Respectfully submitted

(signed) 

Chairman

APPROVED
Robert E. Edwards Mayor
11/23/15

APPROVED
John P. Hill
CORPORATION COUNSEL