



# City of Chicago



O2016-7946

Office of the City Clerk

## Document Tracking Sheet

**Meeting Date:**

11/1/2016

**Sponsor(s):**

Emanuel (Mayor)

**Type:**

Ordinance

**Title:**

Budget, tax levy for Special Service Area No. 17, Central Lakeview (Year 2017) and amendment of establishment ordinance

**Committee(s) Assignment:**

Committee on Finance



OFFICE OF THE MAYOR  
CITY OF CHICAGO

RAHM EMANUEL  
MAYOR

November 1, 2016

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,

A handwritten signature in black ink that reads "Rahm Emanuel". The signature is written in a cursive, flowing style.

Mayor

## 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 28, 1997, the City Council (the "City Council") of the City of Chicago enacted an ordinance which established an area known and designated as City of Chicago Special Service Area Number 17 (the "Initial Area") and authorized the levy of an annual tax, for the period beginning in tax year 1997 through and including tax year 2003 (the "Initial Levy Period"), not to exceed an annual rate of one quarter of one percent (0.25%) of the equalized assessed value of the taxable property in the Initial Area to provide certain special services in and for the Initial Area in addition to the services provided by and to the City of Chicago (the "City") generally; and

**WHEREAS**, the Initial Levy Period has expired; and

**WHEREAS**, on December 8, 2004, the City Council enacted an ordinance which again established a special service area known and designated as City of Chicago Special Service Area Number 17 (the "Second Area"), as amended by an ordinance enacted by the City Council on November 1, 2006, to provide certain special services in the Second Area in addition to services provided generally by the City and authorizing a levy of an annual tax, for the period beginning in 2004 through and including 2013, not to exceed an annual rate of one quarter of one percent (0.25%) of the equalized assessed value of all property within the Second Area to provide such services for an additional period of 10 years (the "Second Services Tax"); and

**WHEREAS**, on November 16, 2011, the City Council enacted an ordinance (the "Establishment Ordinance") which reestablished an area known and designated as City of Chicago Special Service Area Number 17 (the "Area") with reconstituted boundaries, terminated the authorization to levy the Second Services Tax, and authorized the levy of an annual tax, for the period beginning in tax year 2011 through and including tax year 2025, not to exceed an annual rate of 0.25 percent 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 of Chicago generally (the "Special Services"); and

**WHEREAS**, the Establishment Ordinance established the Area as that territory consisting approximately of the area on Sheffield Avenue from Diversey Parkway to Irving Park Road, Diversey Parkway on the north side of the street from 916 West Diversey Parkway to 1012 West Diversey Parkway, Clark Street from Fletcher Avenue on the west side of the street to Byron Avenue and from Belmont on the east side of the street up to and including the parking lot north of 3801 N Clark, Belmont Avenue from Halsted Street on the north side of the street and Clark Street on the south side of the street to Racine Avenue, Addison Street from the parking lot west of 1111 West Addison Street to Wilton Avenue and Addison Street from Wilton Avenue to Reta Avenue on the south side of the street, the south side of Irving Park Road from 1017 West Irving Park Road up to and including the parking lot just east of Fremont Street, Waveland Avenue from Sheffield Avenue to Clark Street and Seminary Avenue from Clark Street to Waveland Avenue; 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, coordination of 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 Central Lakeview Special Service Area Commission (the "Commission") which was to consist of 11 members appointed by the Mayor and approved by the City Council 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; and

**WHEREAS**, it is anticipated that the Commission will recommend to the City Council a Service Provider and a Service Provider Agreement in the future for the provision of Special Services to and for the Area in fiscal year 2017; and

**WHEREAS**, the Department of Planning and Development hereby recommends to the City Council the Special Service Area Budget indicated in Section 2 below and further recommends that the Commission be expanded to consist of 13 members; 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:

**SPECIAL SERVICE AREA BUDGET**

For the fiscal year commencing January 1, 2017 and ending December 31, 2017.

**EXPENDITURES**

Service Provider Agreement for the provision of Special Services	\$716,421
<b>TOTAL BUDGET REQUEST</b>	<b>\$716,421</b>

**SOURCE OF FUNDING**  
Tax levy at an annual rate not to exceed

0.25% of the equalized assessed value, of the taxable property within Special Service Area Number 17	\$715,848
Carryover funds currently available from prior tax years	\$0
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	\$573

**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 \$715,848 as the amount of the Services Tax for the tax year 2016.

**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 27, 2016, and the County Clerk shall thereafter extend for collection together with all other taxes to be levied by the City of Chicago, the Services Tax herein provided for, said Services Tax to be extended for collection by the County Clerk for the tax year 2016 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. Amendment of Establishment Ordinance.** Section 8 of the Establishment Ordinance is hereby amended by adding the underlined language in bold and deleting the language indicated by strikeout as follows:

**"SECTION 8. Commission Authorized.** There is hereby established the Central Lakeview Special Service Area Commission (the "Commission") which shall consist of eleven **thirteen** members. The Mayor, with the approval of the City Council, shall appoint the initial Commission members. ~~Of the initial Commission members, five members shall be appointed to serve for two year terms, and six members shall be appointed to serve for three year terms.~~ Upon the expiration of the term of any Commission member, the Mayor, with the approval of City Council, shall appoint a successor Commission member. ~~Other than the initial Commissioners, e~~ **E**ach Commission member shall be appointed to serve for a term of three years and until a successor is appointed. In the event of a vacancy on the Commission due to resignation, death, inability to serve, removal by the Mayor, or other reason, the Mayor, with the approval of City Council, shall appoint a successor. Each successor so appointed shall serve for the remaining term for which he/she was appointed. The Commission shall designate one member as the Chairman of the Commission, and he/she shall serve not more than two successive two year terms. The Commission may establish bylaws for its procedural operation.

The Commission shall have the powers delegated to it in Section 9 hereof. The terms and powers of the Commission members shall cease upon the termination of

the time period for which the levy of the Services Tax is authorized. The members of the Commission shall serve without compensation."

**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

**Special Service Area # 17**

Service Provider Agency:

### 2017 BUDGET SUMMARY

Budget and Services Period: January 1, 2017 through December 31, 2017

		2016 Levy		Carry Over	TIF Rebate: Fund #	Estimated Late Collections and Interest	2017 Budget
CATEGORY		Collectable Levy	Estimated Loss Collection				
1.00 Customer Attraction		\$154,500	\$0	\$0	\$0	\$573	\$155,073
2.00 Public Way Aesthetics		\$223,700	\$37,009	\$0	\$0	\$0	\$260,709
3.00 Sustainability and Public Places		\$3,835	\$0	\$0	\$0	\$0	\$3,835
4.00 Economic/ Business Development		\$49,500	\$0	\$0	\$0	\$0	\$49,500
5.00 Safety Programs		\$34,000	\$0	\$0	\$0	\$0	\$34,000
6.00 SSA Management		\$77,750	\$0	\$0	\$0	\$0	\$77,750
7.00 Personnel		\$135,554	\$0		\$0	\$0	\$135,554
	Sub-total	\$678,839	\$37,009				
<b>GRAND TOTALS</b>	<b>Levy Total</b>	<b>\$715,848</b>		<b>\$0</b>	<b>\$0</b>	<b>\$573</b>	<b>\$716,421</b>

### LEVY ANALYSIS

Estimated 2016 EAV:	\$302,976,775
Authorized Tax Rate Cap:	0.250%
Maximum Potential Levy limited by Rate Cap:	\$757,442
Requested 2016 Levy Amount:	\$715,848
Estimated Tax Rate to Generate 2016 Levy:	0.24%