



# City of Chicago



O2017-7032

Office of the City Clerk

## Document Tracking Sheet

<b>Meeting Date:</b>	10/11/2017
<b>Sponsor(s):</b>	Emanuel (Mayor)
<b>Type:</b>	Ordinance
<b>Title:</b>	Scope of services, budget and management agreement for Special Service Area No. 3
<b>Committee(s) Assignment:</b>	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, as further amended by an ordinance enacted by the City Council on July 13, 1988, as further amended by an ordinance enacted by the City Council on September 14, 1988 (collectively, the "Establishment Ordinance"), which established an area known and designated as City of Chicago Special Service Area Number 3 (the "Area") and authorized the levy of an annual tax (the "Services Tax") not to exceed an annual rate of one and twenty-five hundredths of one percent (1.25%) of the equalized assessed value of the taxable property therein to provide certain special services in and for the Area in addition to the services provided by and to the City of Chicago generally; and

WHEREAS, certain funds in Fund 328 ("Fund 328") in the amount of \$95,829 are available for use in connection with the Area; and

WHEREAS, the special services authorized in the Establishment Ordinance included recruitment of new businesses to the Area, loan packaging services, rehabilitation activities, coordinated promotional and advertising activities for the Area, and other technical assistance activities to promote commercial and economic development (the "Special Services"); and

WHEREAS, on December 2, 1998, the City Council enacted an ordinance acknowledging that within the scope of "rehabilitation activities" (as such term is used in the Establishment Ordinance) are included certain activities relating to the identification and assessment of properties for redevelopment in the Area, and payment or advancement of funds for, and performance of certain predevelopment activities relating to such suitable properties, including the advancing of Services Tax funds as earnest money or option costs incurred in furtherance of the possible acquisition for redevelopment of such properties; and

WHEREAS, on December 2, 2009 the City Council enacted an ordinance which amended Section 4 of the Establishment Ordinance as enacted on July 13, 1988 with respect to the Commission (as hereinafter defined) and powers granted and enlarged the Area to encompass the territory consisting of West 63rd Street frontage between South Bell Avenue and South Cicero Avenue; South Western Avenue frontage between West 61st Street and West 64th Street; South Kedzie Avenue frontage between West 62nd Street and West 64th Street; South Pulaski Road frontage between West 56th Place and West 71st Street; and the eastern frontage of South Cicero Avenue between West 71st Street and the alley north of West 63rd Street; and

WHEREAS, the Establishment Ordinance provided for the appointment of the Chicago Southwest Business Growth 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:

CHICAGO SOUTHWEST BUSINESS GROWTH AREA COMMISSION  
SPECIAL SERVICE AREA BUDGET

For the fiscal year beginning January 1, 2018 and ending December 31, 2018.

EXPENDITURES

Service Provider Agreement for the provision of Special Services	\$1,278,660
TOTAL BUDGET REQUEST	\$1,278,660

SOURCE OF FUNDING

Tax levy not to exceed an annual rate of one and twenty-five hundredths of one percent (1.25%) of the equalized assessed value, of taxable property within Special Service Area Number 3	\$1,109,256
Fund 328	\$95,829
Carryover funds currently available from prior tax years	\$22,666

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.

\$50,909

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 this ordinance, the sum of \$1,109,256 as the amount of the Services Tax for the tax year 2017.

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 26, 2017, 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 2017 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 Greater Southwest Development Corporation, 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

# Exhibit A Budget

## Special Service Area # 3

Service Provider Agency: Greater Southwest Development Corporation

### 2018 BUDGET SUMMARY

Budget and Services Period: January 1, 2018 through December 31, 2018

		2017 Levy				
CATEGORY		Collectable Levy	Estimated Loss Collection	Carry Over	TIF Rebate Fund #328	Estimated Late Collections and Interest
1.00 Customer Attraction		\$340,219	\$4,000	\$0	\$6,500	\$5,781
2.00 Public Way Aesthetics		\$115,799	\$7,982	\$10,666	\$50,200	\$3,983
3.00 Sustainability and Public Places		\$0	\$0	\$0	\$0	\$0
4.00 Economic/ Business Development		\$1,000	\$3,500	\$11,000	\$1,000	\$3,500
5.00 Safety Programs		\$341,943	\$13,410	\$1,000	\$32,516	\$1,131
6.00 SSA Management		\$119,940	\$2,380	\$0	\$1,613	\$2,880
7.00 Personnel		\$139,446	\$19,637		\$4,000	\$33,634
	Sub-total	\$1,058,347	\$50,909			
GRAND TOTALS	Levy Total	\$1,109,256		\$22,666	\$95,829	\$50,909
						\$1,278,660

### LEVY ANALYSIS

Estimated 2017 EAV:	\$99,414,556
Authorized Tax Rate Cap:	1.250%
Maximum Potential Levy limited by Rate Cap:	\$1,242,682
Requested 2017 Levy Amount:	\$1,109,256
Estimated Tax Rate to Generate 2017 Levy:	1.12%



OFFICE OF THE MAYOR  
CITY OF CHICAGO

RAHM EMANUEL  
MAYOR

October 11, 2017

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 cursive script that reads "Rahm Emanuel".

Mayor

27B

CHICAGO November 8, 2017

**To the President and Members of the City Council:**

**Your Committee on Finance having had under consideration**

An ordinance authorizing the imposition of a tax levy, the approval of the 2018 budget, and the approval of the Service Provider Agreement for Special Service Area Number 3.

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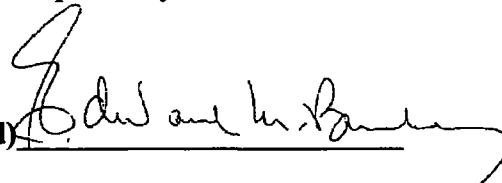
Amount to be levied: \$1,109,256

**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)).**

Alderman Burke abstained from voting under the provisions of Rule 14.

**Respectfully submitted**

(signed) 

**Chairman**



APPROVED

CORPORATION COUNSEL

APPROVED

Renard ES

11/15/17 Mayor