

Very truly yours,

CHICAGO December 12,2018

To the President and Members of the City Council:

Your Committee on Finance having had under consideration a ordinance authorizing the imposition of a tax levy, the approval of the 2019 budget, and the approval of the Service Provider Agreement for Special Service Area Number 50.

Direct Introduction

Amount to be levied: \$513,600

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
of members of the committee with**

Respectfully submitted

Chairman

Document No.

**REPORT OF THE COMMITTEE ON FINANCE TO THE CITY COUNCIL
CITY OF CHICAGO
ORDINANCE**

WHEREAS, special service areas may be established pursuant to Article VII, Sections 6(1) 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 December 8, 2010, the City Council of the City of Chicago (the "City Council") enacted an ordinance (the "Establishment Ordinance") which established an area known and designated as City of Chicago Special Service Area Number 50 (the "Area") and authorized the levy of an annual tax, for the period beginning in 2010 through and including 2019, not to exceed an annual rate of one and five tenths percent (1.5%) 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, certain funds in Fund A97 ("Fund A97") in the amount of \$23,653 are available for use in connection with the Area; and

WHEREAS, the Establishment Ordinance established the Area as that territory consisting approximately of 79th Street from the east side of Greenwood Avenue to the west side of Paxton Avenue; Stony Island from the south side of 79th Street to the train viaduct immediately north of 95th Street; 87th Street from the Metra train viaduct immediately west of Dobson Street to the west side of Chappell Street, excluding the south side of the street west of Greenwood 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, 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 Calumet Heights/Avalon 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 heretofore prepared and transmitted to the Commissioner of the Department of Planning and Development (the "Commissioner") its

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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:

CALUMET HEIGHTS/AVALON SPECIAL SERVICE AREA COMMISSION SPECIAL SERVICE AREA BUDGET

For the fiscal year commencing January 1, 2019 and ending December 31, 2019.

EXPENDITURES

Service Provider Agreement for the provision of Special Services \$614,818

TOTAL BUDGET REQUEST \$614,818

SOURCE OF FUNDING

Tax levy at an annual rate not to exceed one and five tenths percent (1.5%) of the) equalized assessed value, of the taxable property within Special Service Area Number 50 \$513,600

Fund A97 ' \$23,653

Carryover funds currently available from prior tax years \$24,000

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 \$53,565

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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 \$513,600 as the amount of the Services Tax for the tax year 2018.

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 25, 2018, 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 2018 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 Southeast 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.

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Approved Approved

EXHIBIT A

Budget

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