



Office of the City Clerk

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Room 107
Chicago, IL 60602
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Legislation Text

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OFFICE OF THE MAYOR
CITY OF CHICAGO

RAHM EMANUEL
MAYOR

November 14, 2018

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 a scope of services, budget and management agreement for various special service areas.

Your favorable consideration of these ordinances will be appreciated.

Mayor

Very truly yours,

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CHICAGO December 12, 2018

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 2019 budget, and the approval of the Service Provider Agreement for Special Service Area Number 42.

02018-9104

Amount to be levied: \$615,721

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 M\ a voce vote")
of members of the committee with _____ dissenting vote(s):**

Respectfully submitted
(signed/ ' ^ ^ ^

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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 November 15, 2006, the City Council of the City of Chicago (the "City Council") enacted an ordinance (the "First Ordinance"), as further amended by an ordinance enacted by the City Council on November 1, 2016, (the "Amendment Ordinance") (the First Ordinance and the Amendment Ordinance are collectively referred to herein as the "Original Ordinance") which established an area known and designated as City of Chicago Special Service Area Number 42 (the "Area") and authorized the levy of an annual tax, for the period beginning in tax year 2006 through and including tax year 2015 (the "Original Period"), not to exceed an annual rate of two percent (2%) 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 (the "City") generally (the "Original Special Services"); and

WHEREAS, on December 9, 2015, the City Council enacted an ordinance (the "Levy Extension Ordinance") which (i) authorized certain special services in the Area distinct from the Original Special Services (the "Special Services"), and (ii) authorized the extension of the Original Period and of the levy of the Services Tax for the provision of the Special Services in the Area in addition to services provided generally by the City for a period beginning in tax year 2015 through and including tax year 2024; and

WHEREAS, the Original Ordinance and the Levy Extension Ordinance are herein collectively referred to as the "Establishment Ordinance"; and

WHEREAS, the Establishment Ordinance established the Area consisting of Stony Island Avenue from 67th Street to 73rd Street and the west side only of Stony Island Avenue from 73rd Street to 79th Street, and 71st Street from South Shore Drive to Kimbark Street; and

WHEREAS the Special Services authorized in the Establishment Ordinance included but are not limited to: customer attraction, public way aesthetics, ' sustains bility and public place enhancements, economic/business development, safety programs, and other activities to promote commercial and economic development; and

WHEREAS, the Establishment Ordinance provided for the appointment of the 71st -Stony 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

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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 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:

71ST- STONY 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 \$663,227

TOTAL BUDGET REQUEST \$663,227

SOURCE OF FUNDING Tax levy at an annual rate not to exceed two percent (2%) of the equalized assessed value of the taxable property within Special Service Area Number 42

\$615,721

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 \$47,506

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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 \$615,721 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 South Shore Chamber Economic Development, Inc., 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

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EXHIBIT A

BUDGET

Exhibit A Budget

Special Service Area

South Shore Chamber Economic Development, Inc.

2019 BUDGET SUMMARY

Budget and Services Period: January 1, 2019 through December 31, 2019

2018 Levy

CATEGORY

1.00 Customer Attraction

Collectable Levy

\$124,250

Estimated
Loss Collection

\$0

Carryover Funds

\$0

TIF Rebate Fund#A19

\$0

Estimated
Late Collections and Interest

\$0

Total All Sources

\$124,250

2.00 Public Way Aesthetics

3.00 Sustainability and Public Places

4.00 Economic/ Business Development

5.00 Safety Programs

6.00 SSA Management

7.00 Personnel

GRAND TOTALS

Sub-total;

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Levy Total|

\$0

\$0

\$155,000 \$23,350

\$103,015 \$568,215

\$615,721

\$0

\$0 \$0 \$0 \$0

\$47,506

\$0

\$0 \$0 \$0

\$0

\$0

\$0

\$0 \$0 \$0

\$0

\$0

\$23,753 \$0 \$0 \$0

\$47,506

\$0

\$23,753

\$155,000

\$23,350 \$103,015

\$663,227

LEVY ANALYSIS

Estimated 2018 EAV:

Authorized Tax Rate Cap:

Maximum Potential Levy

I limited by Rate Cap:

| Requested 2018 Levy Amount:

j Estimated fax Rate to Generate

|2017 Levy:

\$37,316,831

2.000% \$746,337 \$615,7211 1.6500%