



Office of the City Clerk

City Hall
121 N. LaSalle St.
Room 107
Chicago, IL 60602
www.chicityclerk.com

Legislation Text

File #: SO2014-6679, Version: 1

SUBSTITUTE 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 and pursuant to the Property Tax Code, 35 ILCS 200/1-1 et seq., as amended from time to time; and

WHEREAS, on December 12, 2012, 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 55 (the "Area") and authorized the levy of an annual tax, for the period beginning in 2012 through and including 2021, not to exceed an annual rate of 0.85 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 fronting the north side of 111th Street starting from and including 3004 W. 111th Street to Drake Avenue; the south side of 111th Street from Sacramento Avenue up to and including 3551 W. 111th Street; the east side of Trumbull Avenue starting from and including 11107 S. Trumbull Avenue to 111th Street; the west side of Christiana Avenue starting from and including 11108 S. Christiana Avenue to 111th Street; the west side of Sawyer Avenue starting from and including 11040 S. Sawyer Avenue to 111th Street; the east side of Sawyer Avenue starting from and including 11043 S. Sawyer Avenue to 111th Street; the west side of Kedzie Avenue starting from and including 11020 S. Kedzie Avenue to 11118 S. Kedzie Avenue; the east side of Kedzie Avenue starting from 10953 S. Kedzie Avenue to 11125 S. Kedzie Avenue; the east side of Albany Avenue starting from and including 11033 S. Albany Avenue to 111th Street; and the west side of Whipple Street starting from and including 11028 S. Whipple Street to 111th 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 111th/Kedzie Special Service Area Commission (the "Commission") for the purpose of recommending to the Mayor and to the City Council a yearly budget based upon the cost of providing the Special Services and further to advise the Mayor and the City Council regarding the amount of the Services Tax to be levied; and

WHEREAS, on December 11, 2013, the City Council enacted an ordinance (the "2014 Appropriation, Levy, and Agreement Ordinance"), among other things, appropriating the sums necessary to provide the Special Services in and for the Area for 2014, levying the Services Tax for the tax year 2013, and authorizing an agreement with Mount Greenwood Community and Business Association, an Illinois not-for-profit corporation, as the service provider (the "2014 Service Provider"), for the provision of the Special Services in 2014; and

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WHEREAS, pursuant to the 2014 Appropriation, Levy, and Agreement Ordinance the City and the 2014 Service Provider entered into a service provider agreement (the "2014 Service Provider Agreement"); and

WHEREAS, certain funds in Fund 546 ("Fund 546") in the amount of \$31,250 are available for use in connection with portions of the Area; and

WHEREAS, the Provider failed to reimburse itself for SSA expenditures in 2013 and did not include such carryover funds in the amount of \$30,800 in the 2014 Appropriation, Levy, and Agreement Ordinance and the 2014 Service Provider Agreement; and

WHEREAS, the City desires to increase the budget for Special Services in the Area in 2014 by \$61,250; and

WHEREAS, the City therefore desires to amend both the 2014 Appropriation, Levy, and Agreement Ordinance, as set forth below, and the 2014 Service Provider Agreement; 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. Amendment of 2014 Appropriation, Levy, and Agreement Ordinance. Section 2 of the 2014 Appropriation, Levy, and Agreement Ordinance is hereby amended by deleting the language indicated by strikeout and adding the underlined language as follows:

"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:

111th/KEDZIE SPECIAL SERVICE AREA COMMISSION SPECIAL
SERVICE AREA BUDGET

For the fiscal year beginning January 1, 2014 and ending December 31, 2014.

EXPENDITURES

Service Provider Agreement for the provision of Special <u>Services</u>	<u>\$32,250</u> <u>\$94,300</u>
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<u>TOTAL BUDGET REQUEST</u>	<u>\$32,250</u> <u>\$94,300</u>
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SOURCE OF FUNDING Tax levy at an annual
rate not to exceed 0.85 percent of the equalized
assessed value, of taxable property within

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Special Service Area Number 55	\$31,250
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Carryover funds currently available <u>from prior tax years</u>	<u>\$0 \$30,800</u>
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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, in an amount not to exceed five percent (5%) of the Services Tax for tax year 2011 \$1,000

Fund 546 \$31.250

SECTION 3. Amendment to 2014 Service Provider Agreement. The Commissioner of the Department of Planning and Development (the, "Commissioner"), or a designee of the Commissioner, are each hereby authorized, subject to approval by the Corporation Counsel as to form and legality, to enter into, execute and deliver an amendment to the 2014 Service Provider Agreement (the "2014 Service Provider Agreement Amendment"), attached as Exhibit A, and such other supporting documents, if any, as may be necessary to carry out and comply with the provisions of the 2014 Service Provider Agreement Amendment.

SECTION 4. 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 "sacrT~reTrtran7~p^ragrap ordinance.

SECTION 5. 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 6. Effective Date. This ordinance shall take effect after its passage and publication.

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Exhibit A

2014 Service Provider Agreement Amendment

(See Attached)

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EXHIBIT A

AMENDMENT

Special Service Area 55

This Amendment ("Amendment") is made and entered into effective as of the _____ day of _____ 2014, by and between the CITY OF CHICAGO ("City"), a municipal corporation and home rule unit of local government existing under the Constitution of the State of Illinois, acting through the Special Service Area Commission at Chicago, Illinois, and Mount Greenwood Community and Business Association, an Illinois not-for-profit corporation ("Contractor").

BACKGROUND

The Contractor and the City have entered into an Agreement dated _____, 2014 ("Agreement"), in which the Contractor is to perform certain services for Special Service Area Number 55. The Contractor and the City desire to make certain changes to the Agreement. The Agreement requires that modifications to it must be made in writing and signed by both parties.

NOW THEREFORE, in consideration of the provisions and conditions set forth in the Agreement, the parties do mutually agree to amend the Agreement as set forth below.

It is further agreed by and between the parties that the sole modifications of, changes in, and amendments to the Agreement are as follows:

1. Exhibit 1, Amended Scope of Services and Budget for 2014, is attached to this Amendment as Attachment 1 and incorporated by reference.
2. Article II Definitions is hereby amended by including the following:

"Fund 546" means that fund administered by the Comptroller of the City which contains certain tax increment funds from the 111th Kedzie Redevelopment Area for the provision of Special Services only in the 111th/Kedzie Redevelopment Area.
3. **Sections 5.01 and 5.02, Basis of Payment and Budget for Services,** respectively, are hereby deleted and replaced with the following:

"5.01 Basis of Payment

The maximum compensation that the Contractor may be paid under this Agreement between January 1, 2014 and December 31, 2014 is the sum of (a) \$31,250 or the total amount of Service Tax Funds actually collected, plus interest earned on those funds, for tax year 2013, whichever is less; (b) the total amount of Surplus Funds in the amount of \$30,800 which are being carried over from previous program years and which contractor hereby acknowledges are in its possession; (c) Late Collections in an amount not to exceed \$1,000; and (d) \$31, 250 from Fund 546; the maximum compensation that the Contractor may be

paid under this Agreement between January 1, 2014 and December 31, 2014, therefore, shall not exceed \$94,300.

5.02 Budget for Services

The Contractor in conjunction with the SSAC has prepared a Budget through December 31, 2014, attached hereto as Exhibit 1(A) and incorporated by reference as if fully set forth here, covering all services described in the Scope of Services. Subject to the restrictions that the maximum amount that may be spent in calendar year 2014 may not exceed \$94,300 and that funds from Fund 546 be used only in the 111 "VKedzie Redevelopment Area, the SSAC reserves the right to transfer funds between line items or make Budget revisions that do not affect the maximum compensation set forth in Section 5.01. The SSAC shall revise the Budget if any part of the Contractor's Services is terminated."

Exhibit 2, Amended Economic Disclosure Statement, is attached to this Amendment as Attachment 2 and incorporated by reference.

[The remainder of this page is left blank intentionally]

All terms of the Agreement remain in full force and effect except as modified in this Amendment.

SIGNED:

CITY OF CHICAGO

By:

Commissioner, Department of Planning and Development

CONTRACTOR :

By:

(Signature)

Its:

(Print Name and Title)

Attest:

Its:

(Print Name and Title)

County of State of

Acknowledged on [date] before me by [title] of [firm] as [firm].

Notary Public Commission expires:

Attachment 1

Amended Scope of Services and Budget for 2014 (Attach at Closing)

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Attachment 2

Amended Economic Disclosure Statement and Affidavit (Attach at Closing)

CHICAGO September 10, 2014

To the President and Members of the City Council:

Your Committee on Finance having had under consideration

A communication recommending a proposed substitute ordinance concerning the authority to amend the 2014 Appropriation, Levy and Agreement Ordinance and the 2014 Service Provider Agreement for Special Service Area Number 55.

02014-6679

-Having-had-the-same-under-advisementy-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