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COMMITTEE CHAIRMAN
ECONOMIC, CAPITAL & TECHNOLOGY DEVELOPMENT
COMMITTEE MEMBERSHIPS
ZONING, LANDMARKS & BUILDING STANDARDS

BUDGET & GOVERNMENT OPERATIONS

CONTRACTING OVERSIGHT & EQUITY

LICENSE & CONSUMER PROTECTION

HOUSING & REAL ESTATE

COMMITTEES & RULES

FINANCE

November 15, 2023

To the President and Members of the City Council:

Your Committee on Economic, Capital, and Technology Development, for which a meeting was held on November 13, 2023, recommends passage of the following item:

Authorizes the enlargement of Special Service Area Number 44, the 2023 tax levy, the 2024 budget and related Service Provider Agreement

Direct Introduction Date: 11/13/2023

Sponsor: Mayor Johnson

A recommendation of **Do Pass** was concurred in a voice vote of all committee members present, with no dissenting votes.

Respectfully Submitted,

Gilbert Villegas, Chairman
Committee on Economic, Capital, and Technology Development

ORDINANCE REGARDING SPECIAL SERVICE AREA #44

WHEREAS, special service areas may be established pursuant to (i) Article VII, Sections 6(l) and 7(6) of the Constitution of the State of Illinois; (ii) 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 (iii) the Property Tax Code, 35 ILCS 200/1-1 et seq., as amended from time to time; and

WHEREAS, the City Council (the "City Council") of the City of Chicago (the "City") previously enacted a certain ordinance on the date specified on Exhibit A attached hereto and hereby made a part hereof and published in the Journal of the Proceedings of the City Council of the City of Chicago (the "Journal") for such date at the pages specified on Exhibit A hereto, and amended on the dates specified on Exhibit A hereto and published in the Journal for such dates as specified on Exhibit A hereto (as amended, the "Establishment Ordinance"), which established a certain special service area (as amended, the "Original Area") as indicated therein, and authorized the levy of certain annual taxes beginning in tax year 2007 through and including tax year 2029 (as amended, the "Original Levy Period") not to exceed the annual rate of 2.5% (the "Levy Cap") indicated therein and as described on Exhibit A hereto, of the equalized assessed value of the taxable property therein to provide certain special services (as amended, the "Original Special Services") in and for the Original Area in addition to the services provided by and to the City generally as specified in the Establishment Ordinance; and

WHEREAS, the City Council finds that it is in the best interests of the City to authorize (i) the enlargement of the boundaries of the Original Area (as enlarged, the "Area"); (ii) certain special services in the Area distinct from the Original Special Services (the "Special Services"); (iii) the Levy Cap at an annual rate of 2.5% of the equalized assessed value of the taxable property within the Area (the "Services Tax"); and (iv) the extension of the time period for which the levy of the Services Tax is authorized within the Area from the Original Levy Period to a period from tax year 2023 through and including tax year 2037 (the "Extended Levy Period"); and

WHEREAS, the Establishment Ordinance provided for the appointment of a certain special service area commission for the Area (the "Commission") to advise the City Council regarding the amount of the Services Tax for the Area to be levied and for the purpose of recommending to the City Council for the Area: (i) a yearly budget based upon the costs of providing the Special Services; (ii) an entity to serve as service provider (the "Service Provider"); (iii) an agreement between the City and the Service Provider for the provision of Special Services to the Area (the "Service Provider Agreement"); and (iv) a budget to be included in the Service Provider Agreement (the "Budget") (the aforementioned items (i) through (iv) shall be known collectively herein as the "Recommendations"); and

WHEREAS, the Commission identified on Exhibit A hereto has heretofore prepared and transmitted to the Commissioner of Planning and Development (the "Commissioner") their Recommendations to the City Council, including the Budget attached hereto as Exhibit A; 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. Findings. The City Council finds and declares as follows:

(a) The City Council enacted an ordinance on October 4, 2023 authorizing a public hearing (the "Public Hearing") to consider whether to (i) enlarge the boundaries of the Original Area to the boundaries of the Area, (ii) authorize certain Special Services in the Area distinct from the Original Special Services, (iii) authorize the Services Tax at an annual rate of 2.5% of the equalized assessed value of the taxable property within the Area, and (iv) authorize the extension of the time period for which the levy of the Services Tax is authorized within the Area from the Original Levy Period to a period from tax year 2023 through and including tax year 2037; and

(b) Notice of the Public Hearing was given by publication at least once not less than fifteen days prior to the hearing in the *Chicago Tribune*, a newspaper published in and of general circulation within the City, and notice of the Public Hearing was also given by depositing said notice in the United States mail addressed to the person or persons in whose name the general taxes for the last preceding year were paid on each property lying within the Area, not less than ten days prior to the time set for the Public Hearing. For any properties for which taxes for the last preceding year were not paid, the notice was sent to the person last listed on the tax rolls prior to that year as the owner of the property; and

(c) The notice complied with all the applicable provisions of the Act; and

(d) The Public Hearing was held on November 2, 2023, by the Committee on Economic, Capital and Technology Development of the City Council. All interested persons, including all persons owning real property located within the Area, were given an opportunity to be heard at the Public Hearing regarding any issues embodied in the notice and have had an opportunity to file with the City Clerk of the City of Chicago (the "City Clerk") or with the County Clerk of Cook County, Illinois (the "County Clerk") written objections on such issues; and

(e) The Committee on Economic, Capital and Technology Development of the City Council has heard and considered all of the comments, objections, protests and statements made at the Public Hearing with regard to the issues embodied in the notice and has determined to recommend to the City Council that it is in the public interest and in the interest of the City to enlarge of the boundaries to the Area, authorize the Special Services, and authorize the Extended Levy Period in the Area, all as provided in this ordinance; and

(f) The Public Hearing was finally adjourned on November 2, 2023; and

(g) The sixty-day period as described in Section 27-55 of the Act, in which an objection petition to this ordinance may be filed, commenced on November 2, 2023; and

(h) The City Council hereby finds and determines that it is in the best interests of the City to (i) enlarge the boundaries of the Original Area to the boundaries of the Area; (ii) authorize the Special Services; (iii) authorize the Levy Cap at an annual rate of 2.5% of the equalized assessed value of the taxable property within the Area; and (iv) authorize the Extended Levy Period.

SECTION 3. Area Enlarged. The special services area is hereby enlarged to the Area, which shall consist of the territory on Walden Parkway from 95th Street to 107th Street and west

to Longwood Drive and east to Wood Street at 103rd Street. A legal description of the Area is attached as Exhibit 1 hereto and hereby incorporated herein. A map of the Area is attached as Exhibit 2 hereto and hereby incorporated herein. A list of Permanent Index Numbers for the properties in the Area is attached hereto as Exhibit 3 and hereby incorporated herein.

SECTION 4. Special Services Authorized. The Special Services authorized hereby include, but are not limited to: customer attraction, public way aesthetics, sustainability and public place enhancements, economic/business development, public health and safety programs, and other activities to promote commercial and economic development. The Special Services may include new construction or maintenance. Some or all of the proceeds of the proposed Services Tax are anticipated to be used by an entity other than the City of Chicago to provide the Special Services to the Area, which such entity shall be a “service provider” pursuant to a “services contract,” each as defined in the Act. The Special Services shall be in addition to services provided to and by the City of Chicago generally.

SECTION 5. Appropriations. There is hereby appropriated the sum in the amount and for the purposes necessary to provide the Special Services in and for the Area, the estimated amount of miscellaneous income and the amount required to be raised by the levy of the Services Tax indicated on Exhibit A hereto: Collectable Levy, Estimated Loss Collection, Carryover Funds, TIF Rebate Fund, and Estimated Late Collections and Interest.

SECTION 6. Levy of Taxes. There is hereby levied pursuant to the provisions of (i) Article VII, Sections 6(a) and 6(l)(2) of the Constitution of the State of Illinois; (ii) the Act; and (iii) the Establishment Ordinance, the sum of the “Total Requested Levy” indicated on Exhibit A hereto as the amount of the Services Tax for the Area for the tax year 2023.

SECTION 7. Filing. The City Clerk is hereby ordered and directed to file in the Office of the County Clerk, in accordance with Section 27-75 of the Act, a certified copy of this ordinance containing an accurate map of the Area and a copy of the public hearing notice attached as Exhibit 4. The City Clerk is hereby further ordered and directed to file in the Office of the Recorder of Deeds of Cook County, in accordance with Section 27-40 of the Act, a certified copy of this ordinance containing a description of the Area within 60 days of the effective date of this ordinance. In addition, the City Clerk is hereby further ordered and directed to file in the Office of the County Clerk a certified copy of this ordinance on or prior to December 26, 2023, and the County Clerk shall thereafter extend for collection together with all other taxes to be levied by the City, the Services Tax herein provided for, said Services Tax to be extended for collection by the County Clerk for the tax year 2023 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 8. 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 the entity indicated on Exhibit A hereto as the Service Provider, for a one-year term in 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 sum appropriated pursuant to Section 5 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 (and any amendments thereto) readily available for public inspection. The Authorized Officer is also authorized to sign amendments to the Service Provider Agreement entered into pursuant to this Section 8 so long as such amendments do not alter the identity of the Service Provider and/or the amounts appropriated and/or levied pursuant to Sections 5 and 6 hereof.

SECTION 9. 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 10. 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 11. 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 12. Effective Date. This ordinance shall take effect 10 days after its passage and publication.