

**AN ORDINANCE LEVYING A PROPERTY TAX FOR THE
HOLIDAY INN PROPERTY TAX SPECIAL SERVICE AREA**

WHEREAS, the City of Peoria is a home rule unit of government pursuant to Article 7, Section 6 of the Illinois Constitution of 1970 and has lawfully established the Holiday Inn Property Tax Special Service Area (the “Special Service Area”) as set forth in Ordinance No. _____; and

WHEREAS, said Ordinance establishing the Special Service Area approved the imposition of an additional ad valorem property tax within the boundaries of the Special Service Area for a maximum duration of thirty (30) years; and

WHEREAS, on April 22, 2014, prior to the establishment of said Special Service Area, the City of Peoria held a public hearing at which all interested persons were given an opportunity to be heard on the question of establishing the Special Service Area, the question of imposing the tax for the Special Service Area, and the question of issuing bonds to pay for qualifying improvements within the Special Service Area; and

WHEREAS, no petition was filed objecting to the creation of the Special Service Area within sixty (60) days of the adjournment of the public hearing; and

WHEREAS, the Special Service Area was established in accordance with the terms and conditions of a First Amendment to Annexation Agreement (Parcel 4), dated April 24, 2014, as amended by an Early Work Agreement, dated December 8, 2014, and a First Addendum to Early Work Agreement, dated on or about the date hereof, as further amended from time to time (“Amended Annexation Agreement”); and

WHEREAS, the Notice and the Amended Annexation Agreement contemplated the imposition of an ad valorem tax on all taxable properties within the Special Service Area to fund annual debt service payments of the City on the City’s \$2,000,000 Taxable General Obligation Bonds, Series 2015D, (the “Bonds”), with the proceeds of such Bonds used exclusively to pay for qualifying improvements within the Special Service Area as defined in and as provided for in the Notice and the Amended Annexation Agreement; and

WHEREAS, in the opinion of the City Council of the City of Peoria, Illinois it is in the best interests of the City, the property owners within the Special Service Area, and for the promotion of development within the Special Service Area for such tax to be levied; and

WHEREAS, consistent with the above, it has been determined appropriate to levy, for the initial year of 2015 and each subsequent year through 2035, with the taxes to be collected in the year following the year of each levy, a tax in the amounts provided for herein, which shall be allocated on an ad valorem basis among all of the taxable properties within said Special Service Area (which levy shall be in addition to any and

all other levies upon such taxable properties), to fund annual debt service payments of the City on the Bonds, provided that each such annual levy shall be subject to abatement on or before last day of February of the year following the year of the levy, if such levy is determined not to be needed to fund annual debt service payments of the City on the Bonds pursuant to the procedures described below; and

WHEREAS, the actual amount to be abated each year shall be determined by the City, after consultation with owners of taxable properties within the Special Service Area, based upon other revenue sources available to the Special Service Area (and the related Holiday Inn Sales Tax Special Service Area and Holiday Inn Hotel Tax Special Service Area) to fund annual debt service payments of the City on the Bonds, for the year following the year of the tax levy, all of which shall be in accordance with the provisions of the Amended Annexation Agreement.

NOW, THEREFORE, BE IT ORDAINED by the City Council of the City of Peoria, Illinois as follows:

Section 1. Pursuant to 35 ILCS 200/27-10, other applicable provisions of Illinois law, and the Amended Annexation Agreement, annual taxes are hereby levied upon all taxable properties within the Special Service Area for purposes of funding the annual debt service payments of the City on the Bonds with the proceeds of such Bonds used exclusively to pay for qualifying improvements within the Special Service Area as defined and provided in the Notice and the Amended Annexation Agreement. The annual taxes hereby levied shall commence with the initial tax year of 2015 and continue for each subsequent tax year through 2035 (each to be collected in years following the year of the levy) and shall be in the annual amounts set forth on **Exhibit A** attached hereto and incorporated herein. Each such levy shall be allocated and assessed on an ad valorem basis among all of the taxable properties within the Special Service Area, and shall be in addition to any and all other levies upon such taxable properties. Each such levy shall also be subject to abatement as determined by the City after consultation with the owners of taxable properties within the Special Service Area, based upon the availability of other revenue sources to this Special Service Area, and the related Holiday Inn Sales Tax Special Services Area and the Holiday Inn Hotel Tax Special Services Area, each enacted on or about the date hereof, to fund annual debt service payments of the City on the Bonds for the year following the year of each such levy, all in a manner consistent with the Amended Annexation Agreement. Each such abatement of a levy shall be made by ordinance duly adopted by the City Council no later than the last day of February of the year immediately following the year of the levy.

The special services to be funded by this Special Services Area include without limitation the development of a hotel facility to be built upon parcel number 13-10-201-012, including, but not limited to, the initial construction costs, and/or the maintenance, repair, or replacement of any capital improvement upon such parcel or any other

property within the Special Service Area, subject to the provisions of the Amended Annexation Agreement.

Section 2. The City Clerk of the City of Peoria, Illinois is hereby directed to file a certified copy of this Ordinance with the County Clerk of Peoria County, Illinois. The City Clerk of the City of Peoria is directed to extend said tax in the manner provided by law, beginning on November 1, 2015.

Section 3. This Ordinance shall be in full force and effect immediately after its passage.

BY THE CITY COUNCIL OF THE CITY OF PEORIA, ILLINOIS this _____ day of _____, 2015.

Approved:

Mayor

Attest:

City Clerk

Examined and Approved:

Corporation Counsel

815-0654.d2

EXHIBIT A
HOLIDAY INN PROPERTY TAX SPECIAL SERVICE AREA

YEAR OF LEVY*	AMOUNT OF LEVY
2015	\$ 17,361.47
2016	88,030.00
2017	88,030.00
2018	168,030.00
2019	165,390.00
2020	167,750.00
2021	164,945.00
2022	167,140.00
2023	164,170.00
2024	165,570.00
2025	166,770.00
2026	167,770.00
2027	168,150.00
2028	168,310.00
2029	168,250.00
2030	167,250.00
2031	166,000.00
2032	164,500.00
2033	167,750.00
2034	165,500.00
2035	168,000.00

*Taxes are collected in the year following the year of the levy