

**AN ORDINANCE LEVYING A SALES TAX FOR THE
HOLIDAY INN SALES 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 Sales Tax Special Service Area as set forth in Ordinance No. _____; and

WHEREAS, said Ordinance establishing the Holiday Inn Sales Tax Special Service Area (“Special Service Area”) approved the imposition of an additional sales 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 additional sales tax within 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 Holiday Inn Sales Tax 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 on 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 additional sales tax within the Special Service Area used first 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 additional sales tax to be imposed;

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 provisions of Illinois law, and the Amended Annexation Agreement, there is hereby imposed within the boundaries of the Holiday Inn Sales Tax Special Service Area an additional sales tax of one percent (1%), which shall be in addition (but otherwise identical) to such sales tax as is currently imposed under Articles II and III of Chapter 27 of the Code of Ordinances of the City of Peoria. Such additional sales taxes shall be used first to fund annual debt service payments of the City on the Bonds (and any refinancing thereof). Any remaining such additional sales taxes (in excess of those needed to repay the Bonds or any refinancing thereof), may be used, to the extent permitted by law and the Amended Annexation Agreement, to pay for additional qualifying improvements within the Special Service Area.

The special services to be funded within the Special Service 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 impose said additional sales 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.

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

Approved:

Mayor

Attest:

City Clerk

Examined and Approved:

Corporation Counsel

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