

**ORDINANCE NO. \_\_\_\_\_**

**CITY OF PEORIA, PEORIA COUNTY, ILLINOIS**

**DESIGNATING AND APPROVING THE  
PEORIA - KELLER STATION  
BUSINESS DEVELOPMENT DISTRICT**

**and**

**IMPOSING A RETAILERS' OCCUPATION TAX,  
AND A SERVICE OCCUPATION TAX**

**in the**

**PEORIA - KELLER STATION  
BUSINESS DEVELOPMENT DISTRICT**

**APPROVED BY THE MAYOR AND CITY COUNCIL OF THE  
CITY OF PEORIA, PEORIA COUNTY, ILLINOIS  
ON THE 8<sup>TH</sup> DAY OF MARCH, 2022.**

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CITY OF PEORIA, PEORIA COUNTY, ILLINOIS

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PEORIA - KELLER STATION  
BUSINESS DEVELOPMENT DISTRICT  
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BUSINESS DEVELOPMENT DISTRICT

PREAMBLE

**WHEREAS**, the City of Peoria, Peoria County, Illinois, (the "City"), an Illinois Home-Rule Municipal Corporation, desires to approve a Redevelopment Plan and designate a Business Development District Redevelopment Area (the "BDD Area") pursuant to the Business District Development and Redevelopment Act (65 ILCS 5/11-74.3 *et. seq.*, and hereinafter referred to as the "Act"), for the proposed **Peoria - Keller Station Business Development District** (the "Business Development District" or "BDD") within the municipal boundaries of the City of Peoria and within the BDD Area as described in *Section 1(a)* of this Ordinance, which area is both blighted and contiguous and includes only those parcels of real property that will directly and substantially benefit from the proposed Business Development District Plan (the "BDD Plan"), pursuant to the Act; and

**WHEREAS**, pursuant to *Section 11-74.3-2(a)* of the Act, on January 25, 2022, the City approved Ordinance No. 17,930 to propose the approval of a BDD Redevelopment Plan and establish a date for a Public Hearing for the proposed Peoria - Keller Station Business Development District; and

**WHEREAS**, pursuant to *Section 11-74.3-2(b)* of the Act, due notice in respect to a Public Hearing was given by publication in the *Peoria Journal Star* on February 8, 2022 and February 10, 2022; and

**WHEREAS**, pursuant to *Section 11-74.3-2(c)* of the Act, on February 22, 2022 the City Council caused a Public Hearing to be held relative to the approval of the BDD Plan and the designation of the BDD Area at the Peoria City Hall, 419 Fulton Street – Room 401, Peoria, Illinois. At said Public Hearing, all interested persons were given an opportunity to be heard on the question of the designation of the Business Development District, the approval of the BDD Plan, the imposition of a Business Development District Tax and the issuance of obligations by the City to provide for the payment of eligible business district project costs; and

**WHEREAS**, the BDD Plan sets forth the factors constituting the need for the redevelopment of blighted areas within the proposed BDD Area and the City Council has reviewed comments concerning such needs presented at the Public Hearing and has reviewed other studies and is generally informed of the conditions in the proposed Area; and

**WHEREAS**, the City Council has reviewed the conditions pertaining to lack of private investment within the proposed Area to determine whether contiguous parcels of real property and improvements thereon in the proposed Area would be substantially benefitted by the proposed public and private redevelopment project improvements; and

**WHEREAS**, the City Council finds that the Area on the whole has not been subject to growth and development through investment by private enterprise and would not reasonably be anticipated to be developed or redeveloped without the adoption of the BDD Plan; and

**WHEREAS**, the City Council has further determined that the implementation of the Redevelopment Plan will help to: further reduce unemployment by increasing employment opportunities in the local commercial and light industrial sectors; increase retail business activity; improve public infrastructure; revitalize and repurpose underutilized buildings; increase the overall value, public safety and quality of life of the community for its residents; address blighting conditions that impede the provision of housing accommodations; and by completing the Redevelopment Projects, enhance the tax base of the taxing districts that extend into the Area; and

**WHEREAS**, the City Council has reviewed the proposed BDD Plan, Land Use and Zoning Map, Comprehensive Plan and Subdivision Ordinances for the development of the municipality as a whole to determine whether the proposed BDD Plan conforms to the Ordinances of the municipality; and

**WHEREAS**, upon adoption of the BDD Plan, Projects and Area, the City Council shall impose a retailers' occupation tax and a service occupation tax in the Business Development District for the planning, execution, and implementation of the BDD Plan and to pay for business district project costs as set forth in the BDD Plan; and

**NOW, THEREFORE, BE IT ORDAINED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF PEORIA, PEORIA COUNTY, ILLINOIS, THAT:**

1. The Mayor and City Council of the City of Peoria, Illinois hereby make the following findings:
  - a. The Area described in *Exhibit A* (Boundary Description) and *Exhibit B* (Boundary Map) attached hereto and made a part hereof is designated as the **“Peoria - Keller Station Business Development District.”**
  - b. The Business District Area is contiguous and includes only parcels of real property that are directly and substantially benefitted by the Business District Plan as required by the Act.
  - c. There exist conditions set forth herein and in the Qualifying Factors described in the BDD Plan which cause the Area to qualify as a “Blighted Area”, as defined by *Section 11-74.3-5* the Act, and such conditions are widely present throughout the Business District Area.

- d. The proposed BDD Area on-the-whole has not been subject to growth and development through investment by private enterprise and would not be reasonably anticipated to be developed or redeveloped without the adoption of the BDD Plan.
  - e. The BDD Plan conforms to the Land Use and Zoning Map, Comprehensive Plan and Subdivision Ordinances for the development of the municipality as-a-whole.
2. The Business District shall be completed upon payment of all business district project costs and retirement of all obligations paying or reimbursing business district project costs, but not later than 23 years after the date of adoption of this Ordinance.
  3. Pursuant to the authority granted to the City under Section 11-74.3-3 (10) of the Act, a **Retailers' Occupation Tax** is hereby imposed upon:
    - a. All persons engaged in the BDD in the business of selling tangible personal property, other than an item titled or registered with an agency of the government of the State of Illinois, at retail in the Business District, at a rate of **One Percent (1.0%)** of the gross receipts of the sales made in the course of such business.
    - b. This tax shall not be imposed on food for human consumption that is to be consumed off the premises where it is sold (other than alcoholic beverages, soft drinks, and food that has been prepared for immediate consumption), prescription and nonprescription medicines, drugs, medical appliances, modifications to a motor vehicle for the purpose of rendering it usable by a person with a disability, and insulin, urine testing materials, syringes, and needles used by diabetics, for human use.
    - c. The Business District Retailers' Occupation Tax imposed hereunder and all civil penalties that may be assessed as an incident thereof shall be collected and enforced by the Illinois Department of Revenue in the same manner as all retailers' occupation taxes imposed in the City.
    - d. Persons subject to any tax imposed under *Subsection 11-74-74.3-6 (b)* of the Act may reimburse themselves for their seller's tax liability under this subsection by separately stating the tax as an additional charge, which charge may be stated in combination, in a single amount, with State taxes that sellers are required to collect under the Use Tax Act, in accordance with such bracket schedules as the Illinois Department of Revenue may prescribe.
  4. Pursuant to the authority granted to the City under Section 11-74.3-3 (10) of the Act, a **Service Occupation Tax** is hereby imposed upon:
    - a. All persons engaged in the BDD in the business of making sales of service, who, as an incident to making those sales of service, transfer tangible personal property within the Business District, either in the form of tangible personal property or in the form

of real estate as an incident to a sale of service, at a rate of **One Percent (1.0%)** of the selling price of the tangible personal property so transferred within the Business District (the “Business District Service Occupation Tax”).

- b. This tax shall not be imposed on food for human consumption that is to be consumed off the premises where it is sold (other than alcoholic beverages, soft drinks, and food that has been prepared for immediate consumption), prescription and nonprescription medicines, drugs, medical appliances, modifications to a motor vehicle for the purpose of rendering it usable by a person with a disability, and insulin, urine testing materials, syringes, and needles used by diabetics, for human use.
  - c. The Business District Service Occupation Tax imposed hereunder and all civil penalties that may be assessed as an incident thereof shall be collected and enforced by the Illinois Department of Revenue in the same manner as all service occupation taxes imposed in the City.
  - d. Persons subject to any tax imposed under the authority granted in *Subsection 11-74-74.3-6 (c)* of the Act may reimburse themselves for their serviceman's tax liability hereunder by separately stating the tax as an additional charge, which charge may be stated in combination, in a single amount, with State tax that servicemen are authorized to collect under the Service Use Tax Act, in accordance with such bracket schedules as the Illinois Department of Revenue may prescribe.
5. All revenues received by the City from the Business District Retailers' Occupation Tax and Business District Service Occupation imposed hereunder shall be deposited into a special fund of the City designated as the ***“Peoria - Keller Station Business Development District Tax Allocation Fund (a/k/a, the Keller Station BDD Fund).”*** Any revenues in the Business District Tax Allocation Fund will be used for paying or reimbursing business district project costs and obligations incurred in the payment of those costs, with a portion of such revenues being dedicated to capital expenditures or public infrastructure costs as determined by the City Council.
  6. A certified copy of this Ordinance, together with a description of the boundaries of the Business Development District, shall be filed with the Illinois Department Revenue on or before the 1<sup>st</sup> day of April, 2022 in accordance with *Section 11-74.3-6* of the Act and the BDD tax shall commence on July 1, 2022.
  7. The Peoria - Keller Station Business Development District Tax Allocation Fund shall be dissolved no later than 270 days following payment to the municipality of the last distribution of taxes as provided in *Section 11-74.3-5* of the Act.
  8. The estimated date for retirement of obligations, if any, incurred to finance the BDD Redevelopment Projects costs shall be no later than twenty (20) years from the effective date of the Ordinance related to such obligations, or the end of the District, whichever occurs first.

9. The Peoria Business Development District Redevelopment Plan is hereby adopted and approved. A copy of the BDD Plan is attached hereto as ***Exhibit C*** and made a part of this Ordinance.
10. Upon approval of this Ordinance and pursuant to *Section 11-74.3-2(f)*, the Peoria BDD Plan, the boundaries of the BDD Area, and the taxes herein imposed may be amended or altered.
  - a. Changes which: (i) alter the exterior boundaries of the business district, (ii) substantially affect the general land uses described in the business district plan, (iii) substantially change the nature of any business district project, (iv) change the description of any developer, user, or tenant of any property to be located or improved within the proposed business district, (v) increase the total estimated business district project costs set out in the business district plan by more than Five Percent (5.0%) after adjustment for inflation from the date the BDD Plan was approved, (vi) add additional business district costs to the itemized list of estimated business district costs as approved in the BDD Plan, or (vii) impose or change the rate of any tax to be imposed pursuant to subsection (10) or (11) of Section 11-74.3-3 may be made by the City only after the City by ordinance fixes a time and place for, gives notice by publication of, and conducts a public hearing pursuant to the procedures set forth in *Section 11-74.3-2* of the Act.
11. All ordinances and parts of ordinances in conflict herewith are hereby repealed.
12. This Ordinance shall be in full force and effect from and after its passage and approval as provided by law; provided, however that the taxes imposed under *Sections 3 and 4* shall take effect on July 1, 2022.

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**PASSED, APPROVED AND ADOPTED** by the Corporate Authorities of the City of Peoria, Peoria County, Illinois, a home-rule municipality, on the 8<sup>th</sup> day of March, A.D., 2022, and deposited and filed in the Office of the City Clerk of said City on that date.

<b>CORPORATE AUTHORITIES</b>	<b>AYES</b>	<b>NAYS</b>	<b>ABSTAIN</b>	<b>ABSENT</b>
Denise Jackson				
Chuck Grayeb				
Tim Riggerbach				
Andre W. Allen				
Denis Cyr				
Dr. Kiran Velpula				
Elizabeth Jensen				
John L. Kelly				
Zachary Oyler				
Sid P. Ruckriegel				
Rita Ali, Mayor				
<b>TOTALS:</b>				

**APPROVED:**

\_\_\_\_\_  
Rita Ali, Mayor, City of Peoria

\_\_\_\_\_  
Date

**ATTEST:**

\_\_\_\_\_  
Stefanie Tarr, City Clerk, City of Peoria

\_\_\_\_\_  
Date

**EXHIBITS:**

- Exhibit (A) Peoria - Keller Station Business Development District Boundary Description
- Exhibit (B) Peoria - Keller Station Business Development District Boundary Map
- Exhibit (C) Peoria - Keller Station Business Development District Redevelopment Plan

**EXHIBIT A**

**PEORIA - KELLER STATION  
BUSINESS DEVELOPMENT DISTRICT BOUNDARY DESCRIPTION**

BEGINNING AT THE INTERSECTION OF THE NORTH RIGHT-OF-WAY LINE OF N OAK POINT CT AND THE EAST RIGHT-OF-WAY LINE OF N KNOXVILLE AVE; THENCE SOUTHEASTERLY ALONG EAST RIGHT-OF-WAY LINE OF N KNOXVILLE AVE TO THE INTERSECTION OF THE EAST RIGHT-OF-WAY LINE OF N PROSPECT RD AND THE EAST RIGHT-OF-WAY LINE OF N KNOXVILLE AVE; THENCE SOUTH ALONG THE EAST RIGHT-OF-WAY-LINE OF N KNOXVILLE AVE EXTENDED TO A POINT INTERSECTING WITH THE WEST RIGHT-OF-WAY LINE OF THE PEORIA PARK DISTRICT ROCK ISLAND GREENWAY TRAIL; THENCE NORTHWESTERLY ALONG THE WEST RIGHT RIGHT-OF-WAY LINE OF THE PEORIA PARK DISTRICT ROCK ISLAND GREENWAY TRAIL TO A POINT ON THE NORTH RIGHT-OF-WAY LINE OF W NORTHMORE RD; THENCE NORTHEASTERLY ON A LINE EXTENDED FROM SAID POINT ON THE NORTH RIGHT-OF-WAY LINE OF W NORTHMORE RD TO THE POINT OF BEGINNING, ALL SITUATED IN THE CITY OF PEORIA, COUNTY OF PEORIA, AND STATE OF ILLINOIS.

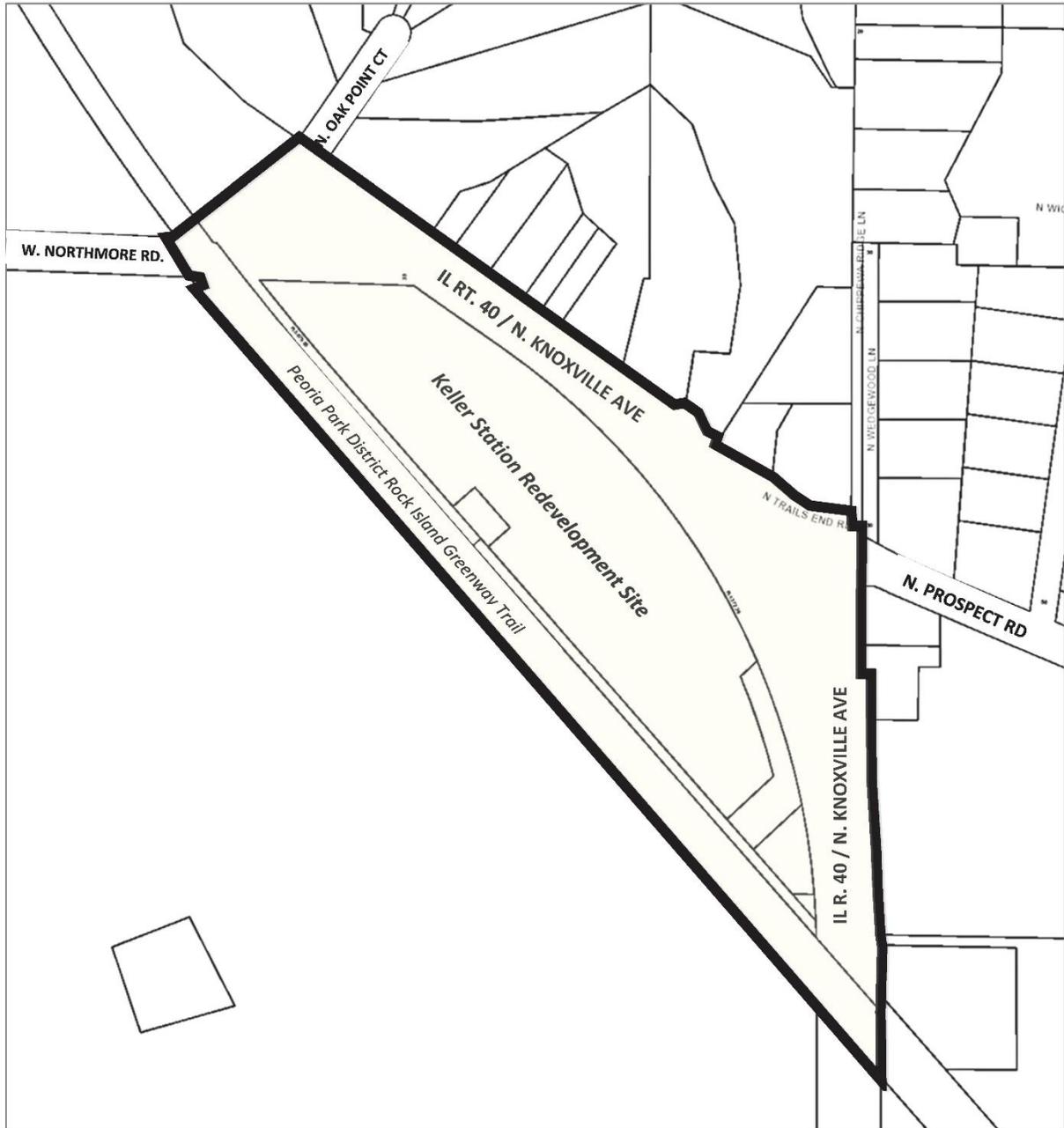
**EXHIBIT B**

**PEORIA - KELLER STATION  
BUSINESS DEVELOPMENT DISTRICT BOUNDARY MAP**

City of Peoria, Illinois

**Proposed Keller Station Business Development District Boundary Map**

(not to scale – for discussion purposes only – January 26, 2022)



**EXHIBIT C**

**PEORIA - KELLER STATION  
BUSINESS DEVELOPMENT DISTRICT REDEVELOPMENT PLAN**

*(See copy of Redevelopment Plan as attached hereto.)*