



Legislation Text

File #: 17-275, **Version:** 1

ACTION REQUESTED:

Communication from the City Manager with a Request to ADOPT an ORDINANCE Proposing the Increase in the Sales Tax Levy of the WESTLAKE SPECIAL SERVICE AREA in the City of Peoria, Illinois and Providing for a Public Hearing and Other Procedures in Connection Therewith. (Council District 4)

BACKGROUND: The City of Peoria has received a request from Les Cohen of Cohen Development to increase the sales tax in the Westlake Special Service Area (SSA) by 0.25%. The increase would raise the SSA sales tax from 0.75% to 1.0% on the sale of retail goods within the Westlake Shopping Center. A map of the Westlake SSA is attached.

In 2014, the City Council approved the creation of an SSA sales tax for Westlake. The proceeds of the 0.75% sale tax were used to finance debt associated with significant and publicly-facing upgrades (including façade and parking lot improvements) and largely replaced an SSA real estate tax levy. The revenue generated by the proposed sales tax increase will be used to address security issues (i.e. lighting, cameras, security patrol, etc.), continue beautification efforts (i.e. landscaping, installation of sidewalks) and reduce the need for any further SSA real estate tax levies. Staff estimates that the increased tax will generate \$50,000 to pay for additional security measures. The developer will be required to annually provide a budget for use of SSA proceeds as well as proof of incurring costs.

The attached ordinance is the first step in increasing the SSA tax. By law, Council must adopt an ordinance setting a public hearing to be held no sooner than 60 days after the passage of the ordinance. The ordinance sets the public hearing for the Council meeting scheduled for November 14, 2017. At that meeting, in addition to conducting the public hearing, the Council will be asked to approve the increase in the Westlake SSA sales tax rate and approve the amended agreement that governs the SSA. The increase in sales taxes will go into effect on January 1, 2018.

FINANCIAL IMPACT: The ordinance merely sets the public hearing for the proposed SSA. If the SSA is created, it would increase the sales tax rate within Westlake to 1.0%.

NEIGHBORHOOD CONCERNS: The November 14, 2017 public hearing will provide an opportunity for any concerns to be heard.

IMPACT IF APPROVED: The public hearing will be held on November 14, 2017 and the Council will be asked to consider the increase of the SSA sales tax rate and approve an amended agreement governing the SSA.

IMPACT IF DENIED: The public hearing will not be scheduled. The increase in SSA taxes cannot proceed without this step.

ALTERNATIVES: A different date for the public hearing could be set provided it was after November 11, 2017 (60 days from September 12, 2017).

EEO CERTIFICATION NUMBER: Not applicable.

WHICH OF THE GOALS IDENTIFIED IN THE COUNCIL'S 2014 - 2029 STRATEGIC PLAN DOES THIS

RECOMMENDATION ADVANCE?

1. Grow Peoria: Businesses, Jobs, and Population

WHICH CRITICAL SUCCESS FACTOR(S) FROM THE COMPREHENSIVE PLAN DOES THIS RECOMMENDATION IMPLEMENT?

1. Grow employers and jobs.

DEPARTMENT: City Manager's Office