



## Legislation Text

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**File #:** 17-345, **Version:** 1

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### **ACTION REQUESTED:**

Communication from the City Manager with a Request to ADOPT an ORDINANCE LEVYING an Addition to Sales Tax within the WESTLAKE SPECIAL SERVICE AREA. (Council District 4)

**BACKGROUND:** In June 2014, the City Council approved an ordinance that levied a 0.75% Special Service Area (SSA) sales tax within the Westlake Shopping Center. The sales tax levy largely replaced a 2010 SSA property tax levy that had been the financing mechanism to begin the renovation of the complex. The new sales tax levy assisted the developer in financing additional improvements to the complex's parking lot, facades and landscaping.

The developer has requested to increase the SSA sales tax levy from 0.75% to 1.0%. The new funds generated will be used for further improvements to the area, including additional security patrols within the complex and in the surrounding neighborhood; improved lighting in the parking lot and in the rear loading areas; new perimeter sidewalks; and better security cameras.

The attached ordinance does two things: (1) it increases the sales tax levy from 0.75% to 1.0% and (2) approves the 2<sup>nd</sup> Amendment to the Special Service Agreement. The amended agreement outlines how funds are to be collected and spent. It requires, among other things, that the owner annually submit to the City a budget for use of funds. It also provides for an audit of current year expenses to ensure they are consistent with the budget.

**FINANCIAL IMPACT:** There is no financial impact to the City. Like the current SSA tax levy, the funds collected are in addition to general sales taxes. The agreement with Westlake allows the City to retain 2% of the SSA funds collected as a processing fee. Staff estimates this fee will yield between \$6,000 and \$8,000 annually.

**NEIGHBORHOOD CONCERNS:** A public hearing is being held as an earlier item on this Council meeting's agenda. The request for the increase is coming from the owner itself. Their waiver to any objection period, as outlined in SSA law, is attached as Exhibit 2 of the ordinance.

**IMPACT IF APPROVED:** The additional tax will be levied beginning January 1, 2018 and the additional improvements will commence.

**IMPACT IF DENIED:** The tax rate will remain the same and these new improvements will not likely be accomplished.

**ALTERNATIVES:** None. Sales taxes can only be increased in ¼ cent increments.

**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

2. Attractive Neighborhoods with Character: Safe and Livable

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

1. Grow employers and jobs.

**DEPARTMENT:** City Manager's Office