

ORDINANCE

AN ORDINANCE AMENDING CHAPTER 12 (“HOUSING”), ARTICLE 7 (“HOUSING TRUST FUND”), SECTION 12-7-8 (“SOURCE OF FUNDS”) AND CHAPTER 23A (“TAXES”), ARTICLE 4 (“HOTEL/MOTEL AND TRANSIENT OCCUPANCY RENTAL UNIT TAX”) OF THE OAK PARK VILLAGE CODE TO ADOPT A TRANSIENT OCCUPANCY RENTAL UNIT TAX SURCHARGE

WHEREAS, the Village of Oak Park (“Village”) is a home rule unit of government as provided by the provisions of Article VII, Section 6 of the Illinois Constitution of 1970; and

WHEREAS, pursuant to the Village’s home rule authority and Section 11-71-8 of the Illinois Municipal Code, 65 ILCS 5/11-71-8, the Village may charge a Hotel/Motel and Transient Occupancy Rental unit tax in the Village and determine the use thereof; and

WHEREAS, the President and Board of Trustees have determined to amend certain portions of Chapter 12 (“Housing”), Article 7 (“Housing Trust Fund”) and Chapter 23A (“Taxes”), Article 4 (“Hotel/Motel and Transient and Occupancy Rental Unit Tax”) as set forth in this Ordinance pursuant to the Village’s home rule authority and Section 11-71-8 of the Illinois Municipal Code to adopt a surcharge tax for the rental or lease of transient occupancy rental units and to designate the funds received from the surcharge to be deposited into the Village’s Housing Trust Fund.

NOW THEREFORE, BE IT ORDAINED by the President and Board of Trustees of the Village of Oak Park, Cook County, Illinois, in the exercise of their home rule powers, as follows:

Section 1. Recitals Incorporated. The above recitals are incorporated herein as though fully set forth.

Section 2. Village Code Amended. Chapter 12 (“Housing”), Article 7 (“Housing Trust Fund”), Section 12-7-8 (“Source of Funds”) of the Oak Park Village Code is amended by adding the underlined language and deleting the overstricken language as follows:

12-7-8: SOURCES OF FUNDS:

The Village Manager or the Village Manager's designee is authorized to accept funds, property, and other resources from all proper and lawful public and private sources including, without limitation, cash payments in lieu of constructing some or all of the on-site affordable units as required by chapter 12 ("Housing"), article 5 ("Inclusionary Housing") of this Code, as amended, for the benefit of the Housing Trust Fund. The Village’s Chief Financial Officer shall deposit all funds collected pursuant to the transient occupancy rental unit surcharge tax set forth in section 23A-4-2(B) of this Code into the Housing Trust Fund. The Village Board in its sole discretion may make additional funds available to the Housing Trust Fund from the Village's general fund as it may deem necessary and appropriate.

Section 3. Village Code Amended. Chapter 23A (“Taxes”), Article 4 “Hotel/Motel and Transient Occupancy Rental Unit Tax”) of the Oak Park Village Code is amended by adding the underlined language and deleting the overstricken language as follows:

23A-4-1: DEFINITIONS:

For the purpose of this article, whenever any of the following words, terms or definitions are used herein, they shall have the meanings ascribed to them in this section:

GROSS RENTAL OR LEASING CHARGE: The gross amount of consideration for the use or privilege of using hotel/motel accommodations and transient occupancy rental units in the Village, valued in money, whether received in money or otherwise, including cash, credits, property, and services determined without any deduction for costs or expenses whatsoever. The term “gross rental or leasing charge” includes any and all charges that the lessee or tenant pays incidental to obtaining the use or privilege of using hotel/motel accommodations and transient occupancy rental units, including but not limited to any and all related markups, service fees, convenience fees, facilitation fees, cancellation fees, late departure fees, and other such charges, regardless of terminology. The term “gross rental or leasing charge” does not include charges that are added to the charge or fee on account of the tax imposed by this article or on account of any other tax imposed on the charge or fee. The term “gross rental or leasing charge” shall exclude separately stated optional charges not for the use or privilege of using hotel accommodations. The fact that the lessee or tenant could have avoided the charge by obtaining the use or privilege from or through a different owner, manager, or operator, pursuant to different terms, or through a course of performance that would have avoided the obligation to pay the charge, does not make the charge “optional.”

HOTEL/MOTEL: Every building or structure within the Village kept, used, maintained as or advertised and held out to the public to be a place where lodging or lodging and food or other accommodations are offered for consideration to guests including "bed and breakfast" establishments. Accommodations within said buildings or structures which are leased to the same occupant for a period of more than thirty (30) consecutive days shall be exempt from the tax provisions of this article.

OWNER: Any person having an ownership interest in or conducting the operation of a hotel/motel room or transient occupancy rental unit or receiving consideration for the rental of such hotel/motel room or transient occupancy rental unit.

PERSON: Any natural person, receiver, administrator, executor, conservator, assignee, trust in perpetuity, trust, estate, firm, copartnership, joint venture, club, company, business trust, domestic or foreign corporation, association, syndicate, society or any group of individuals acting as a unit, whether mutual, cooperative, fraternal, nonprofit, or otherwise, whenever the term "person" is used in any clause prescribing and imposing a penalty, the term as applied to associations shall mean the owners or part owners thereof, and as applied to corporations, the officers thereof.

TRANSIENT OCCUPANCY RENTAL UNIT: A dwelling unit or a habitable unit that is offered for rent, lease or hire that is rented, leased or hired for which an owner receives consideration from a person for a period of thirty (30) days or less and that person has the right to use, occupy or possess the dwelling unit or habitable unit for said period.

23A-4-2: TAX IMPOSED:

A. A tax is hereby levied and imposed upon the use and privilege of renting, leasing or letting of a hotel/motel room or transient occupancy rental unit in the Village at a rate of four percent (4%) of the gross rental ~~receipts from such rental, or leasing or letting charge.~~ The ultimate incidence and/or liability for payment of said tax shall be in addition to any and all other taxes.

B. In addition to the tax imposed under subsection A of this section, a surcharge is imposed and shall immediately accrue and be collected upon the rental or lease of any transient occupancy rental unit in the Village at the rate of three and one-half percent (3.5%) of the gross rental or leasing charge. The purpose of this surcharge is to fund the activities of the Housing Trust Fund established pursuant to section 12-7-3 of this Code. The surcharge is a part of the tax imposed by this article, and all references to the tax shall be deemed to include the surcharge.

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23A-4-7: PROCEEDS TO BE PAID TO VILLAGE ~~FINANCE DIRECTOR~~ VILLAGE'S CHIEF FINANCIAL OFFICER:

~~All proceeds~~ Proceeds resulting from the imposition of the tax under this article, including penalties, shall be paid to the ~~Finance Director~~ Village's Chief Financial Officer of the Village of Oak Park and shall be credited to and deposited ~~in a separate fund of the Village and in the Village's Housing Trust Fund as set forth in chapter 12 ("Housing"), article 7 ("Housing Trust Fund") of this Code.~~ Proceeds shall also be used only for the purpose of promoting tourism, meetings, conventions or other events within the Village or otherwise attracting nonresidents to visit the Village and patronize Village businesses and in furtherance of that purpose, all proceeds from the tax necessary to fulfill the Village's financial obligation to the Visitors' Bureau shall be paid to Visit Oak Park or a successor entity in accordance with the Village's then existing agreement with the Visitors' Bureau will be transmitted to the Visitors' Bureau applicable entity. If the proceeds from the tax exceed the Village's financial obligation under its agreement with the Visitors' Bureau for the year in which the tax is collected, such surplus funds will be deposited in the special fund to be used for the promotion of tourism, meetings, conventions or other events within the Village or otherwise attracting nonresidents to visit the Village and patronize Village businesses. Any remaining proceeds from the tax shall be deposited into the Village's general fund.

~~23A-4-8: TERMINATION OF TAX:~~

~~Upon the dissolution of the Visitors' Bureau 501 C 6 not for profit corporation or the termination of the Visitors' Bureau annual agreement with the Village of Oak Park for the provision of tourism promotional services, the President and Board of Trustees of the Village of Oak Park, at its next regularly scheduled Village Board meeting subsequent to such dissolution or subsequent to the termination of the existing agreement, shall rescind the ordinance establishing the tax upon the privilege of renting, leasing or letting rooms in a hotel/motel or transient occupancy rental unit within the Village of Oak Park.~~

Section 4. Severability and Repeal of Inconsistent Ordinances. If any section, paragraph, clause or provision of this Ordinance shall be held invalid, the invalidity thereof shall not affect any of the other provisions of this Ordinance. All ordinances in conflict herewith are hereby repealed to the extent of such conflict.

Section 5. Effective Date. This Ordinance shall be in full force and effect On May 1, 2024 upon passage and publication, as provided by law.

ADOPTED this 20th day of February, 2024, pursuant to a roll call vote at follows:

Voting	Aye	Nay	Abstain	Absent
President Scaman				
Trustee Buchanan				
Trustee Enyia				
Trustee Parakkat				
Trustee Robinson				
Trustee Straw				
Trustee Wesley				

APPROVED this 20th day of February, 2024.

Vicki Scaman, Village President

ATTEST

Christina M. Waters, Village Clerk

Published in pamphlet form this 20th day of February, 2024.

Christina M. Waters, Village Clerk