



Agenda Summary

File #: MOT 16-047

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Submitted By

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Reviewed By

LKS

Agenda Item Title

Discussion of Staff's Recommendation to Proceed with a Proposal to Establish a Business Improvement District Tax for the Roosevelt Road Corridor at the rate of 1% and Direct Staff to Proceed with Preparing the Necessary Documents

Overview

Business District, as defined in Illinois law at 65 ILCS5/11-74.3-5, allow communities to pledge a new tax in the form of a retailers' occupation tax and service occupation tax (i.e. sales tax) toward redevelopment in a designated area. The revenue generated could be used to improve outmoded commercial areas and upgrade and improve infrastructure. The additional tax amount is in addition to the Village's Home Rule sales tax.

Staff Recommendation

Approve the Staff Recommendation.

Fiscal Impact

NA.

Background

In response to a request from the Roosevelt Road Business Association and the Berwyn Development Corporation, the Village entered into a contractual agreement with Ehlers, Inc., in May of 2014 to conduct a Financial Resources Analysis for the Roosevelt Road Business Corridor. The projects' objectives were to identify all appropriate funding sources available to the Village of Oak Park and to determine the eligibility of the project area for each funding source including, but not limited to, the creation of a Special Service Area (SSA), a Business Improvement District (BID), or a Tax Increment Financing District (TIF).

Staff is recommending the Village establish a Business Improvement District Tax along Roosevelt Road from Austin to Harlem Ave at the rate of 1%, and to instruct staff to prepare the necessary ordinance and hearing dates to approve said District.

Alternatives

The Village Board could seek additional information prior to making a decision.

Previous Board Action

The results of this analysis, presented to the Village Board at the September 8, 2014 Board Study Session, showed that the subject area could qualify under the law as any one of these three economic development/revenue generation tools (SSA, BD, or TIF).

On October 20, 2014, the Board received the report and instructed staff to meet with the Roosevelt Road Business District to review the Report and then present a final recommendation. On July 8, 2015, staff met with the Roosevelt Road Business District to review all funding options and to seek a recommendation from the Roosevelt Road Business District. Since that time, the Roosevelt Road Business District has stopped meeting on a regular basis and is not currently active.

Citizen Advisory Commission Action

NA.

Anticipated Future Actions/Commitments

In order to implement the additional Business Improvement District sales tax, a formal finding by the Village Board of an “area of blight”, as well as the establishment of a “but for” status (i.e. without the use of this tool) must be approved. Additionally, a District Redevelopment Plan is required detailing the project plan for the area.

Business Plan Development	July 18, 2016
Public Hearing	September 8, 2016
Board Adoption	October 10, 2016
BID Tax Assessment	January 1, 2017

Intergovernmental Cooperation Opportunities

NA.

Performance Management (MAP) Alignment

A governance priority of the Development Customer Services Department is economic development.