



CITY OF
ST. CHARLES
ILLINOIS • 1834

AGENDA ITEM EXECUTIVE SUMMARY

Agenda Item number: 8a

Title:

Recommendation to approve the 2023 Property Tax Levies for Special Service Areas

Presenter:

Bill Hannah, Director of Finance

Meeting: Government Operations Committee

Date: November 20, 2023

Proposed Cost: \$-0-

Budgeted Amount: \$ N/A

Not Budgeted:

TIF District: None

Executive Summary (if not budgeted, please explain):

In addition to the City Corporate tax levy, the City levies property taxes on several of its Special Service Areas (SSA's). These SSA's are not applicable to all properties, but rather to small geographic areas within the City that receive the specific services provided or funded through the City. These services consist of the maintenance of common storm water detention areas and mowing, parking garage maintenance and improvements, economic revitalization and business assistance within the City's downtown, and electric substation maintenance and improvements. The recommended levies for the nine active SSA's are as follows:

<u>Special Service Area</u>	<u>2022 Levy Amount</u>	<u>2022 Tax Extension</u>	<u>2023 Proposed Levy</u>
SSA 1A (Downtown Parking Maintenance)	\$81,000	\$81,000	\$81,000
SSA 1B (Downtown Support and Revitalization)	\$272,000	\$272,000	\$272,000
SSA 5 (CMD Common Area Maint)	\$5,750	\$5,750	\$6,900
SSA 6 (Cambridge East Common Area Maint)	\$1,330	\$1,330	\$1,330
SSA 7 (CMD Tyler Area Common Area Maint)	\$8,900	\$8,900	\$8,900
SSA 10 (Royal Fox I Common Area Maint)	\$11,000	\$11,000	\$7,000
SSA 13 (Red Gate Common Area Maint)	\$10,000	\$10,000	\$13,000
SSA 21 (Foxfield Commercial Common Maint) (2)	\$267,856	\$265,128	\$168,612
SSA 57 (Legacy Bus Park, Electric Substation Maint)	\$35,000	\$35,000	\$35,000

Notes on Changes

- SSA 5 is increasing due to an increase in contracted mowing costs
- SSA 10 is decreasing due to a decrease in contracted mowing costs
- SSA 13 is increasing due to an increase in contracted mowing costs
- SSA 21's total levy is decreasing significantly as this is the last year of the bonded debt service due from SSA 21. Of the \$168,612, \$138,612 is debt service and \$30,000 is for reimbursement of prior work done by the City. It is anticipated at this time that the \$138,612 in final debt service can be abated as sufficient funds are on hand for final payment.

A public hearing on the adoption of a special service area tax levy is necessary when first adopting a tax levy for an SSA, or if the proposed levy is more than 5% of the preceding year's extension (35ILCS 200/27-32). Two SSA's listed above will require a separate public hearing prior to adoption, SSA 5 and SSA 13, as both levies are more than 5% of the previous year. These public hearings would be held on the same agenda for City Council on December 4th as the regular City tax levy public hearing.

Attachments (please list):

None

Recommendation/Suggested Action (briefly explain):

Seeking a Motion to Approve the Recommended 2023 Property Tax Levies for Special Services Areas with separate Approval of each at the December 4th City Council Meeting.