

**WEST TOWN SPECIAL SERVICES AREA
DISTRICT PLAN**

EXECUTIVE SUMMARY

The West Town SSA was established in 2004 “to maintain and improve the shopping district along the SSA boundary by providing a cleaner, safer and more attractive commercial environment both for shoppers and business owners.”

Originally, the SSA boundary centered along Chicago Avenue from Halsted to California. Today, 8 years later, one can see a visible improvement in the district. Where once the sidewalks were dirty and garbage strewn, today they are clean and neat, with brightly colored trash receptacles lining the avenue. Three to five days a week, crews of workers sweep and empty the trash cans, pull weeds, and take down posters. In the winter, they also shovel snow and salt the sidewalks.

Colorful banners help define the area. Festive holiday decorations brighten dark winter days. A permanent artist-created mural enlivens an underpass. Restaurants, stores, even homes within the SSA, have become more beautiful as a result of the SSA’s Façade Rebate program. SSA-sponsored street festivals bring excitement and publicity to the area.

As a result, the business environment is improving. Attracted to its urban charm, the ethnicity of residents is becoming more diverse and trending younger than before, attracting new shops, bars and entertainment venues that appeal to younger tastes. Some intriguing new restaurants have opened, capturing the attention of both patrons and food critics alike. West Town, once unknown, is now on the map.

The progress on Chicago Avenue will not continue without continued SSA funding. The surrounding streets can benefit by following Chicago Avenue’s success, but these streets would need SSA funding, as well. West Town Chicago Chamber of Commerce has the track record, the history and the motivation to make this happen.

This is West Town SSA’s new vision:

To improve West Town SSA business districts by providing services that support businesses and bring visitors to West Town so that it becomes a destination for shopping, dining, professional services, nightlife and culture.

How will it achieve this vision? By continuing current SSA services and extending these to a larger area and by developing new programs to meet the changing needs of the community.

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These are West Town SSA's new boundaries:

Western Avenue, along the west side of street from Hadden to Cortez and along the east side of street from Hadden to Chicago Avenue; Damen Avenue, from the south side of Augusta to north side of Huron; Ashland Avenue from the south side of Division to the south side of Grand Avenue; Grand Avenue from the east side of Ashland Avenue to the east side of Damen Avenue; Milwaukee Avenue, from 1142 N Milwaukee to north side of Erie; Ogden Avenue, from 1030 N Ogden to the Kennedy Expressway; Chicago Avenue from the west side of Halsted Street to the east side of Western Avenue.

Year One Budget Summary

Year One Budget: \$661,768

Tax Rate: 0.3102%

Tax Cap: 0.4000%

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IMPROVEMENT AND ACTIVITY PLAN

SSA Stakeholders

West Town Chamber of Commerce

Kara Salgado, Executive Director
Katharine Wakem, SSA Program Manager
Leslie Jacobs, Previous SSA Program Manager
PLACE Consulting: Kimberly Bares, Dan Butt

West Town SSA Advisory Committee

Christy Agee, Leopold Restaurant & Homeowner (Chicago Ave. & Milwaukee/Halsted/Grand)
Eileen Alcala, Alcala's Western Wear (Chicago Ave.)
Charlie Barone, Frontier (Milwaukee--North of Chicago, West of Expressway)
Angelo Karras, Windy City Café (Chicago/Milwaukee/Ogden)
Phil McFarland, Property Owner (Damen--North of Chicago)
Darci O'Connell, The Architrouve Gallery/ BODT Fine Art (Chicago Ave.)
Pete Toalson, Empty Bottle (Western -North of Chicago)
Greg Whipple, American Eagle Bank of Chicago (Ashland -South of Chicago)
Bill Zigmond, CSS Digital (Milwaukee -North of Chicago, East of Expressway)

Current SSA29 Commission

Patrick Poncher, Five Star Bar
Kitt Swan, The Beetle
Darci O'Connell, The Architrouve Gallery/ BODT Fine Art
Carrie Mehgie, Mr. Brown's Lounge
Lawrence Wahls, Fox Wahls Interior Design
Chris Ongkiko, Old Oak Tap
Bohdan Watral, Self Reliance
Cheryl Jones, Chicago Avenue Salon

West Town Chamber of Commerce Board of Directors

Tara Heibel, Sprout Home -- President
Josh Rutherford, The Smoke Daddy -- Treasurer

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Julie Ghatan, Dovetail -- Vice President
Brian Hofmeister, d/vision -- Secretary
Michelle Gomez, MGo Salon
Chad Johnson, Elevenzees & Temple Beautiful
Charlie Barone, The Frontier
Angela Finney-Hoffman. Post 27

Government Officials

Ward 1 - Alderman Proco Joe Moreno
Ward 27 - Alderman Walter Burnett, Jr.
Ward 32 - Alderman Scott Waguespack

Other Government Entities

Department of Housing and Economic Development

Project Plan

2010:	Received support from Aldermen to consider expansion of SSA Application submitted to DHED Decision made to wait until following year to apply
Summer 2011:	Door-to-Door Survey of Current SSA
Fall 2011:	Email Survey of Current SSA
September 2011:	PLACE Consultants hired for SSA Recertification/Expansion
October 2011:	Submitted SSA Feasibility to DHED
November 2011:	Met with DHED and other City Representatives
December 2011:	Received approval from DHED to proceed Formed SSA Advisory Committee
January 2012:	SSA Advisory Committee Orientation held Line of Credit secured
February 2012:	SSA Advisory Committee Trolley Tour of proposed boundaries SSA Advisory Committee tentative revision of proposed boundaries
March 2012:	Online and Facebook Survey of individuals within proposed boundaries

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Door-to-Door Survey of River West area (Grand, Milwaukee, Halsted)
PIN list prepared for mailing

- April 2012: SSA Advisory Committee approval of proposed boundaries, budget, work plan, tax cap and vision statement
Two Community Meetings held
- May 2012: Attended meeting of Grand Avenue Neighborhood Association
Received final boundary directives from Aldermen
Final map, PIN list and Legal prepared
SSA Commissioners selected
- June 15, 2012: Application, District Plan, Commissioner Applications due to DHED
- Summer 2012: Presentation to DHED and other City agencies
Revisions, as needed
- Fall 2012: Public Hearing and City Council approval
- Nov/Dec 2012: Prepare new SSA Bylaws, Policies and Procedures
- January 2013: SSA Commissioner training
Phase-in of programs and services
- October 2013: First SSA tax levy distribution

Needs Assessment Survey Summary

The Special Service Area 29 Expansion Survey was created to understand and address the business owners' needs in West Town during the process of expanding the Special Service Area 29 and applicable services.

On March 29, 2012, the survey was distributed via email to 339 individuals and/or businesses; the survey was also posted on West Town Chicago Chamber of Commerce's Facebook page to encourage participation. An email reminder was sent to the same email list on March 26, 2012 to invite more responses.

The survey was in English and yielded an 11% response rate, including 30 completed responses and 8 partially completed responses.

This report summarizes the responses to each question and the recommendations were generated based on the results.

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1. How satisfied are you that the environment around your business is encouraging to the success of business?

24% of the participants were satisfied, 39% were neutral and 37% were dissatisfied.

2. How satisfied are you with the following factors in your area?

On average, all participants were slightly dissatisfied with all factors, including cleanliness, safety, foot traffic, building facades, and neighborhood branding.

3. Is your property located within the current Special Service Area 29 district?

(Chicago Avenue from California Avenue to Halsted Street; Damen Avenue from Chicago Avenue to Grand Avenue; Milwaukee Avenue from Racine Street to Erie Street; Ogden Avenue one block north and south of Chicago Avenue)

82% of the participants are in the current SSA29 District, 16% were outside of the current district and 3% did not respond to the question.

4. Since your property is located in the current Special Service Area 29 (SSA29) district, how satisfied are you with the SSA29 services?

Overall, all participants were neutral about most factors (sidewalk cleaning, trash cans, sidewalk snow removal, graffiti removal, banners, façade rebates, holiday decorations) but were dissatisfied with graffiti prevention and marketing activities. (Graffiti prevention has yet to start, so that response was neither surprising nor caused concern.)

5. Please indicate what services are most important to you and your business in West Town by rating each service from 1 to 9 (1 as the most important and 9 as the least important).

1. Overall, TENANT RETENTION & ATTRACTION (e.g. active recruitment of new businesses, assistance programs for existing companies))
2. PUBLIC WAY MAINTENANCE (e.g. sidewalk cleaning and snow plowing),
3. PUBLIC WAY AESTHETICS (e.g. banners, signage, public art),
4. SAFETY PROGRAM (e.g. cameras, security services),
5. FACADE IMPROVEMENTS (e.g. facade enhancement, awning, signage removal),
6. ADVERTISING & PROMOTION (e.g. website, social media, public relations),
7. PARKING (e.g. facility, fee subsidy, valet),

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8. TRANSIT (e.g. bike transit and public transit enhancement) and
9. DISTRICT PLANNING (e.g. local market studies, economic growth plans)

Comments

- Would like more information on the facade rebates.
 - As property owners, we are AGAINST the SSA and the additional cost to property owners via tax increases.
 - District Planning is paramount. As I understand, the SSA spent about \$24,000 on comprehensive research and recommendations. They spent an additional \$2400 to have an architect summarize and recommend to the alderman. What ever became of that? Did it die on the Chamber table?
 - Chicago Avenue needs far more environmental improvement and greenery such as trees and plants.
 - I realize I am in a unique situation since I am between 2 empty buildings, one of which is bank owned. Very unhappy with the upkeep for both buildings. Lots of trash plus I have a dozen 6x4 foam core sheets taking up parking space behind my shop that blew off the building to the West of us. Filed a report with the city but no response from the building owner. Don't want to pay to have them hauled away. Thanks for the snow plowing. Before that, I shoveled most of the block.
 - We have a problem with local "drunks & drug addicts" hanging out and causing problems such as littering, aggressive panhandling, graffiti, etc. The biggest problem areas are around Chicago and Ashland. Rothchild liquor and Loop Tavern are the places to buy liquor and hang out. . There is also a building at 1953 W. Chicago Ave that is empty and they are always hanging out in front on the stoop. We contact the police and nothing ever really seems to be done about it.
 - Without a safe environment, no one will come into our area!
 - Grand Avenue in particular has been sorely neglected.
6. Please provide your address: [Redacted]
 7. What is your relationship to the property? Please select all that apply to you.

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88% of the participants were business owners, 25% were property owners, 13% were residents at the location, 9% were managers of the business, 6% were others (rent and non-profit organization- could be 'business owner').

8. Do you have any suggestions or comments for the West Town Chamber of Commerce?
- Put more decorations around the streets and have something done about all the graffiti... I called over 2 months ago to have the graffiti removed from my building and it still has not been removed.
 - We need to attract more viable businesses and get rid of the vacant lots and storefronts. We need to remove the bums between Noble and Ashland.
 - We are not in favor of any tax increases.
 - Keep up the good work. Keep pushing to expand the SSA and promoting all the small businesses in the area. Without businesses, the neighborhood declines, so the Chamber's role is vital to keeping the neighborhood a great place to live and work.
 - Follow Roberts Rules of Order. Disclose P & L and Balance sheets to the board monthly, not a watered down digest. Memberships by paying entities only. Solicit new businesses for membership. The architectural firm in my building has never been solicited for membership in 6 years of residence. How does one rejoin the Chamber? Never contacted.
 - Perhaps a sliding scale for dues. I think it is limiting participation by some of the small business owners.
 - The Chamber does a great job of promoting the neighborhood; however, gang violence is likely to happen with this great weather. There is no plan in place to circumvent this activity that I know of. Need to get the alderman more involved in cleaning up the neighborhood.
 - Get rid of parking fees.
 - The trash that accumulates on Chicago Avenue, especially close to Ashland (between Greenview and Ashland) is terrible and gives the neighborhood a trashy feel.
 - This year's DESIGN HARVEST tents should not cover any local design businesses. If there is to be only one HUGE TENT then it should be positioned between Damen & Wolcott, in

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front of Albany steel & the auto parts store. Encourage the retailers to showcase merchandise in the streets in front of their own stores.

- Develop programs to promote business to business relationships in the neighborhood.
- Marketing initiatives to bring new consumers to the area. Create an atmosphere through urban planning that provides for more outdoor aesthetics to better promote foot traffic throughout our community. I could go on and on. But I know you already know this.

Plan Approval

In 2010, the Executive Director of the West Town Chicago Chamber of Commerce was approached by business owners within the Grand Ave. Design District requesting to become part of West Town's SSA. The Executive Director then approached the four SSA Aldermen and local community groups. All expressed support for an SSA expansion.

An application was submitted to the City for a 2012 expansion, but it was decided to wait another year. A Feasibility Study was then completed and, with the approval of the current SSA Commission and Chamber Board of Directors, submitted to the City in October, 2011. In December, 2011, the Department of Housing and Economic Development authorized the Chamber to proceed.

An SSA Advisory Committee was formed of property owners, business owners and residents representing distinct areas throughout the proposed SSA boundary. This body of 10 advisors was given the authority to make final decisions regarding the SSA boundaries, budget, programs and services, first year tax rate and tax rate cap after reviewing data, touring the area and receiving input from the community via surveys, meetings, and from the local Aldermen.

SSA Boundaries

The Aldermen were most influential in establishing the final boundaries.

All current SSA areas in Alderman Maldonado's ward were eliminated, and no new SSA areas were created within Alderman Maldonado's ward, per his request. (This was done based on his current ward boundaries as well as his future ward boundaries.)

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After holding a separate meeting with constituents in the River West area, Alderman Burnett asked to have this area removed from the plan, which was done.

Alderman Waguespack was contacted when the SSA Advisory Committee could not reach a conclusion regarding Damen Avenue from Augusta to Chicago. Despite some possible negative push back from property owners, Alderman Waguespack made the final call to keep this section of Damen in the SSA.

The boundaries approved by the SSA Advisory Committee are as follows:

Western Avenue, along the west side of street from Hadden to Cortez and along the east side of street from Hadden to Chicago Avenue; Damen Avenue, from the south side of Augusta to north side of Huron; Ashland Avenue from the south side of Division to the north side of Erie; Milwaukee Avenue, from 1142 N Ashland to north side of Erie; Ogden Avenue, from 1030 N Ogden to the Kennedy Expressway; Chicago Avenue from the west side of Halsted Street to the east side of Western Avenue.

After submission of this application to HED, Alderman Moreno met with Alderman Maldonado and it was agreed between them that Grand Avenue from Damen to Ashland – which is currently in Ald. Maldonado’s ward but will become part of Ald. Moreno’s ward when the remap is implemented -- be included in the West Town SSA. The application package was revised to include this area. The final boundaries are now:

Western Avenue, along the west side of street from Hadden to Cortez and along the east side of street from Hadden to Chicago Avenue; Damen Avenue, from the south side of Augusta to north side of Huron; Ashland Avenue from the south side of Division to the south side of Grand Avenue; Grand Avenue from the east side of Ashland Avenue to the east side of Damen Avenue; Milwaukee Avenue, from 1142 N Milwaukee to north side of Erie; Ogden Avenue, from 1030 N Ogden to the Kennedy Expressway; Chicago Avenue from the west side of Halsted Street to the east side of Western Avenue.

These boundaries represent 9.45 miles of sidewalk. It is larger than the current SSA (which is 7.5 miles) despite the fact that some portions of the current SSA were eliminated. (See attached map.)

Services/Improvements

The plan is to continue the current SSA programs and services throughout the SSA, and create and implement a new “Safety” program, which was not allowed under the original SSA

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establishment ordinance. Aldermen and businesses have asked the SSA for help after an outbreak of gun crime during this past year.

Going forward, the SSA Commission and West Town Chamber staff will engage in a consultant-led Strategic Planning process to chart out the next three years by examining community need and developing services and improvements to address those needs. In addition, it is likely that the Strategic Plan will address other issues, like management, governance and program evaluation; and offer recommendations for improvement in these areas.

2013 SSA PROGRAMS AND SERVICES/5 YEAR PROJECTION

ADVERTISING & PROMOTION	2013	5-Year Projection
Website and/or Social Media	Maintain, update and improve SSA web site, social media, and app for iPhone and Android.	Keep up with changing technology and products
Public and/or Media Relations	Hire public relations firm to promote SSA businesses and activities through press releases, advertising, and other marketing activities.	Continue as long as it remains effective
Special Events	Sponsor special events along SSA boundaries, including West Fest, Grand Ave. Design Harvest, Art Walk, Dine Around, Shop Local, and other local events.	Sponsor special events on Western, Ashland, Damen, as appropriate
Display Advertising	Print and place posters, signs and QR codes in store windows promoting neighborhood events and businesses.	Continue some kind of display advertising
Print Materials	Print and mail surveys and informational materials to SSA property owners.	Continue print materials until electronic mail becomes better established

PUBLIC WAY MAINTENANCE	2013	5-Year Projection

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Sidewalk Cleaning	Contract to have sidewalks swept and trash cans emptied along SSA streets.	Continue
Sidewalk Snow Plowing	Contract to have sidewalks shoveled of snow if over 1" and salted to keep relatively free of ice.	Continue
Sidewalk Power Washing	Contract to have SSA sidewalks power washed on a rotating basis, with up to 5 linear miles of sidewalks washed each year.	Continue
Acid Etching Removal and/or Prevention	Contract to have graffiti removed throughout SSA as needed. Rebates of up to \$500 to property and business owners to remove acid etching and/or apply window film to façade windows and doors.	Continue

PUBLIC WAY AESTHETICS	2013	5-Year Projection
Decorative Banners and/or Holiday Decorations	Purchase and install hardware, banners and decorations for approximately 100 street poles. Install holiday decorations and banners on 271 street poles, replacing banners, hardware, and decorations, as needed.	Maintain banners and decorations, replacing as needed.
Landscaping (plants, watering, etc.)	Create new Tree Maintenance Plan adjusted for new SSA boundaries.	Contract with Weed Abatement contractor for Spring 2014 and yearly thereafter. Follow Tree Maintenance Plan.

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TENANT RETENTION/ ATTRACTION	2013	5-Year Projection
Data Collection	Hire contractor to collect data along SSA and help with surveys.	Continue, unless brought in-house.
Site Marketing (Materials, Services, etc.)	Not planned in 2013.	Develop materials to help realtors market the area. Identify independent businesses looking to open second location, possibly in conjunction with Shop Local Initiative.

FAÇADE IMPROVEMENTS	2013	5-Year Projection
Façade Enhancement Program	Provide rebates of up to \$15,000 to approximately 5 businesses.	Continue and expand

PARKING/ TRANSIT/ ACCESSIBILITY	2013	5-Year Projection
Bicycle Transit Enhance	Hire subcontractor to survey location of bicycle racks and recommend additional locations where needed.	Install bicycle racks where needed.
	Not planned in 2013.	Consider creating Task Force to examine parking issues.

SAFETY PROGRAMS	2013	5-Year Projection

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Safety Improvement Program	Design safety rebate program and provide rebates to businesses for cameras and lighting to improve security along the public way.	Continue
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DISTRICT PLANNING	2013	5-Year Projection
Strategic Planning	Hire consultant to work with Commission to develop a 3-year strategic plan.	Follow plan. Re-do in 2016

ADMINISTRATION	2013	5-Year Projection
Best Practices	Contribute to SSA Best Practices Library. Update, as needed, Request for Proposals (RFP) and written Policy/Procedures. Implement RFP process.	Continue
2013 SSA Mid-Year and 2012 Annual Reports	Prepare and distribute SSA Reports	Improve format and content of Annual Report each year.

First Year Budget

2013 BUDGET SUMMARY

2013 BUDGET SUMMARY		2012 Levy	+	Carry Over	=	2013 Budget
CATEGORY						
1.00 Advertising & Promotion		\$ 132,000	+	\$ -	=	\$ 132,000
2.00 Public Way Maintenance		\$ 196,250	+	\$ -	=	\$ 196,250
3.00 Public Way Aesthetics		\$ 80,000	+	\$ -	=	\$ 80,000
4.00 Tenant Retention/Attraction		\$ 30,000	+	\$ -	=	\$ 30,000

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5.00 Façade Improvements		\$ 60,000	+	\$ -	=	\$ 60,000
6.00 Parking/Transit/Accessibility		\$ 3,000	+	\$ -	=	\$ 3,000
7.00 Safety Programs		\$ 20,000	+	\$ -	=	\$ 20,000
8.00 District Planning		\$ 20,000	+	\$ -	=	\$ 20,000
9.00 Other Technical Assistance		\$ -	+	\$ -	=	\$ -
10.00 Personnel		\$ 67,123	+	\$ -		\$ 67,123
11.00 Admin Non-Personnel		\$ 33,395	+	\$ -	=	\$ 33,395
12.00 Loss Collection:	3.2%	\$ 20,000	+	\$ -	=	\$ 20,000
GRAND TOTAL		\$ 661,768	+	\$ -	=	\$ 661,768
				2013 Budget		\$ 661,768

Five Year Budget Projection

The advisory committee determined the following priorities for the next five years:

- Continue to provide basic services: Maintenance, Beautification and Promotion
- Adjust programs over time based on community needs as determined regular surveys and planning activities
- Programs and services will continue to make West Town a better place to open a business, more comfortable to live here and more attractive to visit

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A sample budget for the next five years, with the projected SSA tax rate, is shown in the table below.

Program Category	2013	2014	2015	2016	2017
Advertising and Promotion	\$132,000	\$135,960	\$140,039	\$144,240	\$148,567
Public Way Maintenance	\$196,250	\$202,138	\$208,202	\$214,448	\$220,881
Public Way Aesthetics	\$80,000	\$82,400	\$84,872	\$87,418	\$90,041
Tenant Retention/Attraction	\$30,000	\$30,900	\$31,827	\$32,782	\$33,765
Façade Improvements	\$60,000	\$61,800	\$63,654	\$65,564	\$67,531
Parking/Transit/Accessibility	\$3,000	\$3,090	\$3,183	\$3,278	\$3,377
Safety Programs	\$20,000	\$20,600	\$21,218	\$21,855	\$22,510
District Planning	\$20,000	\$20,600	\$21,218	\$21,855	\$22,510
Other Technical Assistance	\$0	\$0	\$0	\$0	\$0
Personnel	\$67,123	\$69,137	\$71,211	\$73,347	\$75,548
Admin Non-Personnel	\$33,395	\$34,397	\$35,429	\$36,492	\$37,586
Loss Collection (unpaid taxes)	\$20,000	\$20,600	\$21,218	\$21,855	\$22,510
TOTAL	\$661,768	\$681,621	\$702,070	\$723,132	\$744,826
EAV (@ 3% growth on non-Frozen EAV)	\$213,354,775	\$219,559,676	\$225,950,724	\$232,533,503	\$239,313,766
SSA Tax Rate (@ 3% EAV Growth)	0.3102%	0.3104%	0.3107%	0.3110%	0.3112%

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Note about the Five-Year Budget calculations:

To estimate a five-year budget a typical 3% annual rate of inflation was applied to the typical program budget from 2014 onwards. The annual EAV estimates are a function of an estimated 3% annual rate of growth applied to the non-frozen EAV added to the frozen EAV. Because of the effect of the overlapping TIF districts, the EAV of properties within the TIFs are frozen at their initial value when the TIFs were established. This has the effect of keeping the total rate of EAV growth less than the estimated 3% amount. The SSA tax rate is a function of the annual total budget divided by the total EAV.

Tax Rate Cap / Typical Tax Rate

The SSA levy will be listed on a property tax bill like any other taxing district, such as the Board of Education or Park District. The SSA levy for an individual property is determined by three factors: the property's assessed value (determined by the Cook County Assessor's office), the current year state equalization factor (set by the State) and the current year SSA tax levy rate (determined by a commission of property and business owners from the SSA district). Each year, the SSA Commissioners must approve a budget for the following year. This budget determines what tax rate is needed, based on the sum total of the Equalized Assessed Value of all properties within the district.

West Town SSA 2013 Tax Rate Summary		
1	Estimated 2010 EAV:	\$213,354,775
2	Authorized Tax Rate Cap:	0.400%
3	Estimated 2012 Levy (payable in 2013):	\$661,768
4	Estimated Tax Rate to Generate 2012 Levy (Est. 2012 Levy / EAV = Est. Tax Rate):	0.3102%

How Equalized Assessed Value (EAV) is Calculated

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The Cook County Assessor's Office determines the assessment value for each property in Cook County. One third of Cook County properties are assessed each year, so that all properties are reassessed every three years. Properties in the City of Chicago are being reassessed in 2012. An explanation of how the Assessor's Office assesses the value of a property and a search tool to look up the assessed value of a specific property can be found on the Cook County Assessor's website: <http://www.cookcountyassessor.com/>

Property taxes are calculated based on a property's Equalized Assessed Value, which is the Assessor's Assessed Value multiplied by the Cook County State Equalization Factor. The Illinois Department of Revenue calculates a new equalization factor each year. The equalization factor is meant to equally distribute the tax burden among taxpayers. A detailed explanation can be found from the Illinois Department of Revenue's website: <http://tax.illinois.gov/>

Example:

Assessed Value (determined by Cook County Assessor) X State Equalizer for Cook County

Ex. EAV = \$10,000 in Assessed Value X 3.3 (Cook County Equalizer for 2010) = \$33,000

Any property tax exemptions are subtracted from the EAV before taxes are calculated.

How the SSA Annual Tax Levy is Calculated

The SSA tax rate is calculated each year based on a budget recommended by the SSA Commissioners. The budget is determined by the cost of needed programs and services, which are outlined in the annual work plan.

Example:

Annual SSA Budget / Total EAV for All Properties in the District = SSA Tax Levy Rate

Ex. Annual SSA Budget = \$628,082 / \$201,761,067 (EAV) = 0.3113%

If there are TIF districts that overlap an SSA, then the SSA, like any other taxing body, can only levy against the value of the property when the TIF district was created (also known as the frozen or base value). This is explained in greater detail below.

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How an Individual Tax Levy is Calculated

In the State of Illinois, SSA levies are determined based on the specific Equalized Assessed Value of a property multiplied by the same tax rate for all properties within the district. Once the Equalized Assessed Value of a property is known and the SSA tax levy rate is known, one can calculate the impact on a specific property. As a taxing district, an SSA tax levy will be listed on one's tax bill as a line item, similar to the School District or Park District.

Example:

Equalized Assessed Value x Annual SSA Tax Levy Rate

Ex. Equalized Assessed Value = \$33,000 X 0.3113% = \$102.72

West Town SSA YEAR ONE AND TYPICAL TAX RATE

The West Town SSA estimates the SSA tax rate in 2013 to be 0.3102%. This would be listed on a property tax bill as a taxing district (a new item for properties in the expansion area and would continue to appear to properties already in the SSA district). A summary analysis of all of the Property Index Numbers (PINs) within the SSA boundaries is shown in the table below. The analysis shows the breakdown of PINs by property class and the average payment given the 0.3102% tax rate.

West Town SSA First Year Tax Levy Impact							
Property Class	PINs	% of Total	EAV (upon which SSA levies)	% of Total	Total EAV (upon which taxes are paid)	Tax Levy (@ 0.3102%)*	Avg Actual Payment
Tax-Exempt							\$ -
Vacant							\$ 115.10
Residential (except 2-12)							\$ 263.28
							\$ 520.71
Mixed-Use							\$ 774.14
Non-Profit							\$ 1,633.59
Commercial							\$ 637.32
Industrial							\$ 241.42
TOTAL							\$ 401.64

Source: Cook County Assessor 2011
*Reflects TIF, exemptions and 2010 Board Certified requirements

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It is estimated that the average SSA tax levy will be \$402. The advisory committee indicated that the commissioners should review the community needs and adjust the budget accordingly every year. It is estimated that the 2013 SSA tax rate would be fairly typical for the future years.

How TIF Districts Impact the SSA Levy

One hundred and twenty-two of the 1751 total PINs within the West Town SSA district are also within a TIF district. The presence of both a TIF district and an SSA district on a property does not impact how a taxpayer would calculate their property taxes; the approach outlined above applies to all properties. The presence of a TIF district does impact how much of an SSA tax levy the SSA can collect, which is explained in greater detail below. On average for the entire SSA district, for every \$1 that is paid as an SSA tax, \$0.06 is paid into overlapping TIFs and \$0.94 is retained by the SSA.

Tax Increment Finance Districts are governed by separate state statutes and function differently than Special Service Areas. An SSA is a new taxing district, where the amount collected is only spent within the district on programs that are determined by local taxpayers. A TIF district is not a new taxing district. Where TIFs are established, property owners continue to pay their taxes as they normally would, but the taxing bodies (including the School District and SSAs) can only levy against the frozen or base equalized assessed value of the properties within the district. If the assessed value of a property has increased over time then any taxes levied against that increased value are kept in the TIF fund.

Taxpayers continue to pay their taxes based upon their Equalized Assessed Value and the total tax levy rate of all of the different tax paying bodies that overlay their property. If an SSA is created, then the SSA tax rate is added to the total property tax rate.

The SSA can only levy against the value of a property when it was first added to the TIF district (also known as the frozen or base value).

Example:

A TIF district is created in 2000. A property named "My Business" is located in the TIF district and had an Equalized Assessed Value of \$50,000 in the year 2000.

In 2012, a new Special Service Area is created and includes My Business within its boundaries. The Equalized Assessed Value of My Business is now \$75,000. As a

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taxpayer, the owner of My Business would pay an additional property tax amount based on the current value of the property multiplied by the new SSA tax rate.

$$\text{SSA Taxes for My Business in 2012} = \$75,000 \text{ (EAV)} \times 0.3113\% \text{ (SSA tax rate)} = \$233.48$$

Of the total new taxes created by the SSA district, the SSA can only levy (or collect) against the value of the property when the TIF was first created, which in this example is \$50,000.

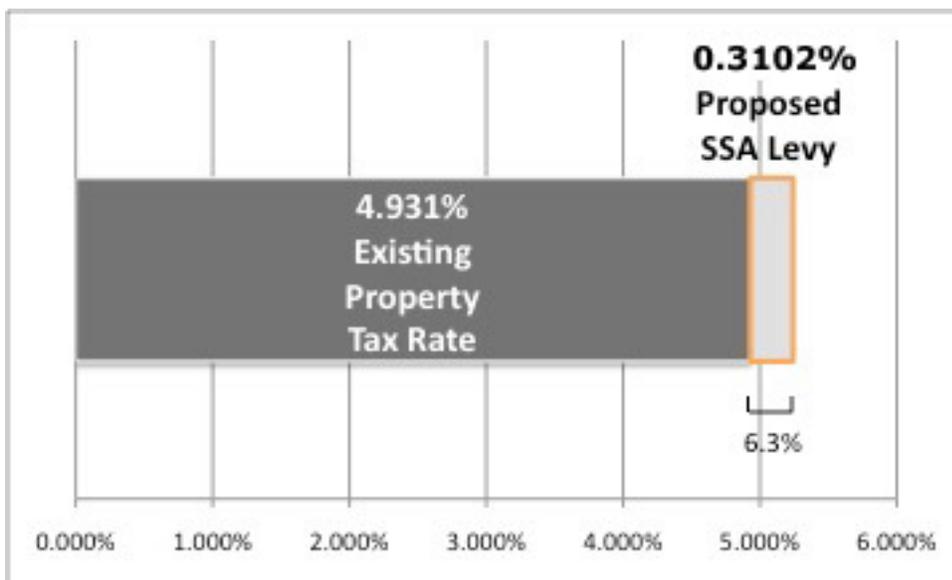
$$\text{SSA tax levy collected from My Business} = \$50,000 \text{ (Base EAV in 2000)} \times 0.3113\% \text{ (SSA tax rate)} = \$155.65$$

The remaining amount of the SSA tax payment is paid into the TIF district.

$$\text{SSA Levy amount paid into the TIF} = (\text{Current EAV} - \text{Base EAV}) \times \text{SSA tax rate} = (\$75,000 - \$50,000) \times 0.3113\% = \$77.83$$

Difference Between Tax Rate and Increase in Taxes

It is important to make the distinction between the annual SSA tax levy rate, which for the West Town SSA a typical year rate is expected to be 0.3102%, and the share of property taxes the SSA tax represents.



The adjacent figure shows how in West Town the most recent property tax rate for 2010 was 4.931% for properties not within the SSA district in 2012. This represents all the different taxing bodies. A new SSA tax rate of

0.3102% would be added to the existing 4.931% for properties in the expansion area, which represents a 6.3% increase of a total property tax bill.

Properties already in the existing Edgewater SSA district would experience a decrease in their SSA tax levy rate from the 2012 rate of 0.3790%.

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SSA Tax Rate Cap

While the SSA Tax Rate could change each year depending on local needs, it can never exceed the Tax Rate Cap. The Tax Rate Cap is set when an SSA is created or reconstituted and cannot change for the life of the SSA. The Advisory Committee sought to identify an appropriate rate that would allow a typical SSA budget to grow at least at the usual rate of inflation (3%) a year, while accounting for the limits of Equalized Assessed Value appreciation due to the presence of overlapping TIF districts (see above). The table below summarizes how this analysis was evaluated.

West Town SSA Tax Cap Scenarios						
0.400	\$ 853,419	8.11%	\$ 339	\$ 998	\$ 822	\$ 1,315,037

Source: Cook County Assessor 2010; PLACE Consulting

The typical year budget of \$661,768 at an annual 3% growth in the cost of services would be \$1,031,104 in 15 years.

The Advisory Committee evaluated several different scenarios that accounted for local factors to identify the tax cap rate that would allow the SSA to continue providing the same level of services with some small room for flexibility, while balancing the need to minimize the impact on local taxpayers. A tax cap rate of 0.400% was determined to be the appropriate rate.

GOVERNANCE, MANAGEMENT AND ASSESSMENT

SSA Commission

OVERVIEW:

The City creates local SSA Commissions to advise the City on appropriate SSA programs and costs. The Commission’s role, as defined by ordinance, is to recommend annually to the City a work plan, budget, and a Service Provider Agency. The Service Provider Agency is responsible

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for carrying out the approved SSA work plan and budget. Each Service Provider Agency has a staff person (a SSA Program Manager) who serves as a liaison between the SSA Commission, the Service Provider Agency, and the City.

An SSA Commissioner represents the City of Chicago on the Commission as a public official. An SSA Commissioner's role includes the recommendation of the annual SSA services, budget and Service Provider to the local Aldermen and the City's Department of Housing and Economic Development (DHED). An SSA Commissioner also approves budget revisions and advises DHED on such revisions.

The term of office for an SSA Commissioner is set in the SSA , and in the West Town SSA is two years. The number of Commissioners that may serve on the Commission is also set by the establishment ordinance. For West Town SSA, that number is nine. Because the SSA Commission is a public body, it is subject to the IL Open Meetings Act. All meetings are open to the public, with dates and times posted in advance.

QUALIFICATIONS:

SSA Commissioners are typically property and/or business owners in the SSA boundaries.

SSA Commissioners must be free of any debt to the city, such as money owed for water bills, parking tickets, or property taxes. SSA Commissioners also must be current in child support payments, if applicable.

SSA Commissioners are required to file annual City and County ethics statements. Conflicts of interest must be disclosed and may complicate a candidate's appointment.

PROCESS:

An individual interested in serving as an SSA Commissioner completes the SSA Commissioner Application, as posted on the City of Chicago website, and gets the sections notarized, as required.

The application is sent to the West Town Chicago Chamber of Commerce for processing. WTCCC then contacts the local Aldermen to approve the applicant and sends the completed application to DHED.

DHED works with other City departments to determine if the applicant has outstanding debt. If so, DHED contacts the applicant directly to arrange payment of this debt.

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Once cleared, the applicant becomes an SSA Commissioner candidate, and DHED forwards the candidate's name to the Mayor and then City Council for approval. The candidate will receive a letter from the Mayor when approved by City Council.

Service Provider Agency

The West Town Chicago Chamber of Commerce consists of three full-time staff people, one part-time staff person and one to two part-time interns. Of the three full-time staff, the SSA Program Manager works exclusively on the SSA. She is responsible for preparing annual work plans and budgets for SSA Commission approval, drafting and circulating RFP's for SSA-funded programs, preparing and presenting vendor recommendations and contracts to the Commission, and overseeing the work of the selected vendors. This includes sidewalk plowing, litter abatement, and power washing; and banner and holiday decorations installation and removal.

The SSA Commission has formed two Committees that meet regularly – Façade Rebate/District Planning Committee and Beautification/Marketing Committee. The SSA Program Manager attends these meetings and is responsible for all meeting preparation and follow-through. Programs that are Committee-driven include Façade Rebate, Graffiti Prevention Rebate, street art projects, special event sponsorships, as well as branding, advertising and planning projects.

The Executive Director of WTCCC is responsible for ensuring that the SSA program is well-managed and meets all contractual and legal obligations, including compliance with FOIA requests and IL Open Meetings Act. The Executive Director attends SSA Commission meetings, provides reports to the Commissioners about Chamber activities, and similarly reports to the WTCC Board of Directors about SSA programs and services. The Executive Director reviews proposed budgets, work plans and mid-year and end-of-year assessments. She attends all mandated trainings and assists with aldermanic outreach. She supervises the Program Manager and all other staff in the WTCC office.

Other staff members involved in SSA activities include a part-time accountant -- who keeps the books, produces financial reports and assists in the annual audit – and interns who help in data entry and door-to-door surveying.

Program Assessment

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SSA programs and services are assessed through the annual Work Plan's Mid-Year and Year-End Report. Variables used to make these assessments differ, depending upon the specific program or service being measured.

For example, measuring sidewalk "tidiness" or "cleanliness" is done by comparing these sidewalks to those adjacent sidewalks that do not receive SSA services. Assessments of this type tell us that the job of cleaning the sidewalks is, or is not, being done correctly. This information is used to oversee the quality of work and as a way to monitor the vendor hired to do the work.

On the other hand, cleaning the sidewalks is just one means to accomplish the much bigger goal of beautifying the community in order to attract more visitors to the area who will frequent the SSA businesses, spend money and help the businesses prosper so they stay in business and not leave the neighborhood. In fact, almost all SSA programs and services are designed, in the aggregate, to result in one major outcome: retain and attract business.

Beginning in 2013, new baseline data will be collected to measure the "output" of each program and service. Each year following, that output data will be compared against baseline and used to make decisions about vendor quality and future programming.

The retention and attraction of business will be measured separately using vacancy data, as well as business satisfaction surveys. Ideally, these surveys will be sent out once a year after an email data base is established.

Annual Report / Communications

Currently, the SSA's Annual Report is the Year-End Assessment Report. At some point in the future, WTCCC may produce its own Annual Report and the SSA will be a part of that report.

SSA issues are communicated through its own website, the quarterly WTCCC newsletter, Facebook and Twitter. The SSA also subcontracts with a PR firm to place print ads and news releases through traditional media. A new West Town smartphone proprietary application is under development ; it will provide another means of communication about SSA activities as well as incentive customers to shop and patronize businesses within the district.

EXHIBITS

**WEST TOWN SPECIAL SERVICES AREA
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- a. **SSA Feasibility**
- b. **List of SSA Advisory Committee Members, West Town Board of Directors and SSA Staff**
- c. **SSA Designation Timeline**
- d. **SSA Taxpayer List (highlight which have letter of support on file)**
- e. **Map with parcel, ward and TIF detail**
- f. **Copy of materials from informational mailings**
- g. **Minutes of SSA Advisory Committee Meetings and Community Meetings**
- h. **Letters of aldermen support**
- i. **Copy of media articles about SSA Designation**
- j. **List of 2013 slate of SSA Commissioners, SSA Commissioner Qualifications, Recruitment/Renewal Procedures**
- k. **SSA Operations Plan**
- l. **2013 SSA Work Plan and Budget**
- m. **Market Assessment**