

SHERIDAN ROAD



SSA #54 Renewal

April 16, 2020 at 8:30am | Google Hangouts Virtual Meeting | Advisory Committee Meeting #2

Attendees:

SSA #54 Renewal Advisory Committee

Nick Andersen, Hampton Inn

Chris Bell, Flatts & Sharpe*

Jennifer Clark, Loyola University*

Karen Forte, SSA Liaison, City of Chicago

Torrence Gardener, 49th Ward Director of Community & Economic Development

Heather Hill, Resident*

Sara Lukens, ChiTown Magpie*

Cindy Plante, Economic Development Manager, RPBA

Sandi Price, Executive Director, RPBA

Cecilia Rodriguez, Loyola University

Mark Roschen, DPD, City of Chicago

*Current SSA 54 Commissioners

Public Attendees

Emily Cross, City Bureau

Teska Associates

Carol Brobeck, Associate

Erin Cigliano, Principal

Scott Goldstein, Principal

Francie Sallinger, Associate

Introduction + Commissioner Action Items

On April 16th, 2020 an SSA #54 Commission and SSA #54 Renewal Advisory Committee was held over Google Hangouts. A quorum of the SSA Commission was present online, consistent with Governor Pritzker's Executive Order 2020-07 which suspends the requirement of the Open Meetings Act that members of a public body be physically present at meetings of the public body, and the limitations of the Open Meetings Act as to when members of a public body may participate in meetings of the public body remotely. The meeting was noticed on the RPBA web site and open to the public through a Google Hangout meeting.

This was the second meeting of the Advisory Committee following the first meeting which was held in person on March 12th.

The meeting began with a welcome from Cindy Plante of RPBA and SSA #54. Cindy shared objectives for the meeting and provided an opportunity for public comment. As there were no public comments, Cindy moved to the next agenda item in which SSA Commissioners voted on the following action items:

1. Approval of last meeting's minutes: Sara Lukens moved, Chris Bell seconded;

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- (Approved 4-0)
- 2. Approval of 2019 Audit Report – as the 2019 Audit Report has been delayed due to the auditor, the agenda items was tabled to next SSA Commission meeting
- 3. Approval of emergency small business rebates in response to COVID-19
 - Cindy Plante provided a summary of the two programs:
 - A 50% rebate (up to \$400) for expenses associated with businesses that have needed to shift to e-commerce
 - Eligible expenses include online ads, hiring a marketing firm or consultant, getting on delivery platforms, setting up virtual store/gift cards
 - A 50% rebate (up to \$400) for expenses related to health and sanitation, PPE, takeout packaging, hand sanitizer, etc.
 - Chris Bell moved approval, Sara Lukens Seconded
 - (Approved 4-0)

SSA #54 Renewal

The next portion of the meeting focused on the renewal process for SSA #54. Scott Goldstein, Principal at Teska Associates, explained that the SSA would expire at the end of 2021 if no action is taken. Despite current challenging circumstances, initiating the renewal process now is important as it is the only way to seamlessly transition and have existing funds carry over into the following year's budget.

Scott briefly recapped the first Advisory Committee Meeting, including Sheridan Road's existing successes/challenges and current SSA services. He also followed up on a question from the previous meeting relating to Loyola University, noting that Loyola does in fact pay into the SSA due to the apartment buildings and commercial buildings they own —their contribution represents 9% of the overall budget. In addition, Loyola also provides a voluntary contribution to RPBA in support of work in this area, and coordinates its landscaping, events and programs with the SSA.

Needs Assessment Survey

Erin Cigliano, Principal at Teska Associates, then shared information on the Needs Assessment survey. A critical piece in the renewal process, this survey will be distributed to local businesses owners, property owners, employees, neighborhood residents, customers, and other stakeholders. It will be used to determine needs, budget, and areas for improvement for the renewed SSA #54. SSA Commissioners are encouraged to take the survey and share it among their networks. The Needs Assessment will close Friday, May 8th.

Outreach

An essential part of the renewal process is outreach and engagement with local businesses and property owners. Given the current shelter-in-place order, much of this will need to be conducted virtually. Erin provided an overview of virtual outreach techniques including digital communication, quick polls, remote meetings and virtual cafes, newsletters/social media/website, voice over videos, and comment feedback forms. The goal will be to gather as much support as possible for SSA renewal leading up to the two community meetings, scheduled to take place in summer. These will ideally be in-person events to maximize equitable engagement and attendance from the Sheridan Road community. These meetings can be scheduled in late summer to accommodate the current stay-at-home order. Mark Roschen, Assistant Commissioner of the City of Chicago Department of Planning and Development (DPD) explained that while there is some flexibility in the City's timeline, Cook County requires the submission for renewal by the end of the year and the City needs to first get through its legislative process, which can take a few months. The current goal is to submit everything for SSA #54 renewal by late summer.

Signatures

DPD has agreed to accept the required Support Signature Forms via email of signed forms or via regular mail of signed forms. To gather signatures, the forms will be posted to the website and emailed to taxpayers and

owners. There are 125 total PINs (parcels) in the SSA boundary, so 13 PINs will constitute 10% of signatures and 25 PINs will constitute the total 20% of signatures needed. Note: if a property owner has multiple PINs, each PIN counts for one signature. A cover memo will discuss the renewal process, the achievements of SSA #54 and the proposed maximum rate for the renewed SSA (which will stand for the next 15 years). The purpose of these signatures is to show that property owners support the renewal of SSA #54 and recognize the cost and benefit to them. Signatures must come from the taxpayer of record, property owner, or a certified agent of the property.

Budget and Rate Options

As part of the renewal process, the Advisory Committee needs to recommend a maximum tax rate that will be set for the next 15 years. While this one-time decision sets the maximum rate, the actual tax rate can change annually. Each year, the SSA Commission must determine a budget and recommended tax levy (the amount that would be raised through a tax rate that does not exceed the maximum rate). The County Clerk then determines the tax rate, which must be below the maximum rate set for the SSA.

The current established maximum tax rate for SSA #54 is 0.415%, though the SSA currently only taxes at a rate of 0.3798% and has been lower than the maximum rate over several years.

If using the existing maximum rate (0.415%), the cost to an individual business would be approximately \$400 annually for a property valued at \$100K EAV. This would increase to \$500 annually if the rate were increased to 0.5%.

The current rate (0.3798%) raised approximately \$91,000 last year. The Commission has set the rate lower than the maximum rate which would have raised approximately \$99,000. Increasing the rate to 0.5% would result in raising approximately \$120,000. The additional \$20,000 could be used for larger projects such as rebates to businesses, landscaping or increased marketing to bring more customers to local businesses.

To begin the discussion on budget and rate options, the following points were shared for consideration:

- When SSA #54 was first established, the goal was to do one large project each year (for 2020 that project is landscaping). Having a larger budget would allow the SSA to invest in other projects as well.
- SSA #54 has one of the lower rates of SSAs in Chicago, and the lowest of the Rogers Park SSAs
 - The West/Ridge Devon SSA maximum rate is 1.5%
 - The Howard Street SSA maximum rate is 0.83%
- The rate for SSA #26 in Edgewater (which is across Devon Avenue) is 0.55%
- RPBA administers four SSAs and is therefore able to negotiate contracts at a lower cost and allocate staff efficiently at less cost to each SSA than if they were operated independently.
- On Chicago's North Side, the rates range from .25 to 1.5%; it is higher in other areas of the City and can be as high as 3%.
- Examples of expenses from the 2020 Budget:
 - \$2,000 for the Live Love Shop program
 - \$15,000 for landscaping for 2 seasonal rotations of 27 planter beds including maintenance
 - \$19,000 snow removal
 - \$20,000 graffiti wrap
 - \$8,000 for Summer on the Plaza
- Having a higher budget can help leverage other government funding—for example, CDOT is more willing to commit to projects when they can see that an SSA can fund long-term maintenance

The Commissioners present on the call shared their thoughts on a proposed maximum tax rate. The key concepts of the discussion were:

- Keep the annual rate low during the COVID-19 crisis. Consider making a pledge to not raise the annual rate for two years.
- Recognize that the maximum rate cap will be set for 15 years and the Commission may want to do larger projects in the future, when the economic climate has improved.
- Be clear in communications about the difference between the annual rate that properties will be taxed at during this crisis, and the maximum rate which will allow flexibility in the future.

At the conclusion of the discussion, the Commissioners and Advisory Board members were in favor of raising the maximum rate beyond its current level of 0.415%. Suggested rates ranged from 0.6% to 0.75%. This would represent a total budget increase of approximately \$20,000 to \$30,000.

The group agreed to table the discussion and postpone a decision until other Advisory Committee members could weigh in. Overall, there was consensus that no matter what the group sets as the maximum rate, the actual rate should not increase for the next year or two given the challenges businesses are facing from COVID-19. It was emphasized that the cover memo attached to the signature support forms must explain this, describing the SSA's track record of financial stewardship and its commitment to helping strengthen the local business community.

Timeline & Next Steps

- Next meeting to vote on a maximum rate: April 30th
 - Teska will prepare more forecasts to show estimated tax levy amounts for 0.6% - 0.75%
- Ongoing -- Digital Communication
- Complete Needs Assessment
- Develop plan to gather signatures
- Plan for community meetings in summer once stay-at-home orders are lifted