



# **CITY OF PALOS HEIGHTS**

## **PUBLIC HEARING AGENDA**

7607 W. College Drive  
Palos Heights, IL 60463  
www.palosheights.org

**MAYOR Robert S. Straz**

**CITY CLERK**

**CITY TREASURER James Daemicke**

**CITY ATTORNEY Tom Brown**

**ALDERMEN**

**WARD 1**

**Jeffrey Key**

**Donald Bylut**

**WARD 2**

**Jack Clifford**

**Robert Basso**

**WARD 3**

**Brent Lewandowski**

**Heather Begley**

**WARD 4**

**Michael McGrogan**

**Jerry McGovern**

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**Tuesday, August 15, 2023**

**6:30 PM**

**City Hall**

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1. CALL TO ORDER
2. ROLL CALL
3. PUBLIC HEARING MATTER

Consideration of the proposed Business District No.2 Harlem Avenue Corridor Plan and the designation of the Business District No.2 Harlem Avenue Corridor.

4. PUBLIC COMMENT
5. ADJOURNMENT

*\* Procedure for addressing the Council: be recognized by the Mayor, rise, and give your name and address. Discussion is limited to ten minutes, unless an extension is granted by a majority vote of the Council.*

Americans with Disabilities Act Notice: Disabled persons requiring certain accommodations allowing them to follow and/or participate in a City Council meeting should contact City Hall as early as possible so reasonable accommodations can be arranged.



# Proposed City of Palos Heights Harlem Avenue Business District

City of Palos Heights

August 15, 2023

# QUICK FACTS

## What is a Business District (“BD”)?

- Contiguous area in which an additional sales tax can be applied to fund redevelopment if that area is found to be qualified

## Sales Tax Details

- Cannot exceed 1% and may only be imposed in 0.25% increments

## What Does BD Sales Tax Apply To?

- Same as Home Rule Sales Tax
- Does not apply to food or drug sales or titled items
- Does apply to restaurants and food for consumption
- Does not impact residential property and does not impact property taxes at all

## What Factors May Exist in a Qualified Business District Area?

- One or more of the following factors which constitute an economic or social liability or an economic underutilization of the area or is a menace to the public health, safety, morals or welfare:
  - Inadequate Street Layout
  - Deterioration of Site Improvements
  - Obsolete Platting
  - Unsanitary or Unsafe conditions
  - Conditions which endanger life or property by fire or other causes

# WHY SHOULD A MUNICIPALITY CONSIDER A BUSINESS DISTRICT?

1. Certain underutilized business and commercial areas could become more viable
2. The municipality can direct the specific land uses for the benefit of all within the municipality by diversifying and increasing the tax base and providing public amenities
3. Certain public and private improvements can be funded from future BD sales taxes
4. Façade and rehabilitation expenses for existing business can be funded from future BD sales taxes
5. To remain competitive in increasing the tax base and creating or maintaining jobs
6. The creation of a BD will not negatively impact any other taxing districts

# Sample Communities That Have Considered and/or Implemented BDs

- Addison
- Antioch
- Aurora
- Blue Island
- Bourbonnais
- Carpentersville
- Edwardsville
- Elgin
- Elmwood Park
  - North & Harlem
- Harwood Heights
- Huntley
- Lincolnwood
- Lindenhurst
- Lombard
- Mount Prospect
- New Lenox
- Niles
- Norridge
- Palos Heights Jewel/Osco
- River Forest
- Riverside
- Romeoville
- Round Lake Beach
- Skokie
- Volo
- West Dundee
- Westmont
- Willowbrook
- Yorkville

# ELIGIBLE PROJECT COSTS

- Studies, surveys, plans, including BD Plan and administration
- Property assembly including acquisition
- Site preparation including clearance, demolition or removal of existing structures, fixtures, utilities or improvements
- Construction/reconstruction of public streets, utilities or other site improvements
- Renovation of any existing improvements and fixtures, including façade improvements
- Demolition, repositioning of key private assets
- Construction of buildings, structures, streets, improvements, equipment, utilities or fixtures
- Financing costs including all necessary and incidental expenses related to the issuance of obligations
- Relocation costs as determined by the municipality or as required by law

PROPOSED  
BUSINESS  
DISTRICT  
BOUNDARY  
MAP



Proposed Harlem Avenue Corridor Business District

Harlem Ave Corridor Business District Boundary

## Steps Required:

- Notice was published in the local newspaper twice
- City Council adopted an ordinance providing for a Public Hearing
- The City holds a Public Hearing for establishment of the Business District
- The Business District Ordinances are considered for adoption by the City Council
- The sales tax ordinance is filed with the State of Illinois Department of Revenue
- Business District Sales Tax takes effect January 1, 2024
- City Council must still approve any utilization of Business District funds in accordance with normal procedures
- Annual audit is required





August, 2023

**City of Palos Heights  
Proposed Harlem Avenue Business District**

Attn: Palos Heights Business Owner

The City of Palos Heights is working with Ryan, LLC to consider the establishment of a Business District along Harlem Avenue. Your business would fall within the boundary of this proposed Business District. Attached is a boundary map of the proposed Business District area. Below are some quick general facts regarding Business Districts:

- What is a Business District?
  - A contiguous area in which an additional sales tax can be applied to fund economic development.
- How is it funded?
  - An additional tax of up to 1% may be imposed, in .25% increments.
  - For every \$10.00 spent, up to an additional \$0.10 would be added as tax.
- What does the Business District sales tax apply to?
  - Same as Home Rule sales tax
  - Does **not** apply to grocery food or drug sales
  - **Does** apply to prepared foods (restaurants, coffee shops, etc.)
- Why is the City considering a Business District?
  - Funds can be used for infrastructure improvements, creating additional parking, façade, streetscape, sidewalk improvements, and rehabilitation costs.
- What other communities have used Business Districts?
  - Examples include Palo Heights (Jewel/Osco) River Forest, Riverside, Norridge, and Harwood Heights

For additional information, please contact:

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