



## Legislation Text

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File #: 23-1356, Version: 1

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### **CITY COUNCIL AGENDA ITEM**

#### **ACTION REQUESTED:**

Pass the ordinance for the levy and assessment of taxes for the fiscal year beginning January 1, 2024 and ending December 31, 2024, adopting a total levy of \$125,000 for Special Service Area No. 35 (Downtown Streetscape - Washington Street)

**DEPARTMENT:** Finance Department

**SUBMITTED BY:** Rachel Mayer, Finance Director

#### **BOARD/COMMISSION REVIEW:**

N/A

#### **BACKGROUND:**

Special Service Area No. 35 (SSA #35) was created per Ordinance 23-074 in June 2023. The purpose of SSA #35 is to levy a special ad valorem tax against the properties included in SSA #35 for a period not to exceed 15 years and not to exceed the rate or amount necessary to produce total revenues of \$4.50 million. These funds will be used to reimburse design, engineering, construction, and other project-related expenses related to the Downtown Streetscape that encompasses Washington Street from Benton Avenue to Chicago Avenue.

#### **DISCUSSION:**

The City Council received the estimated 2023 property tax levy for SSA #35 at the November 7, 2023, City Council meeting in the amount of \$125,000.

Per state statute, a public hearing is required if the proposed 2023 property tax levy for a special service area is greater than 105% of the final 2022 property tax extension. Because this will be the initial collection year for SSA #35 the City will not be required to hold a public hearing regarding the proposed 2023 property tax levy for SSA #35.

The requested levy amount represents a projected tax rate of 0.7500, which is below the maximum rate of 4.0000 set by the originating ordinance.

#### **FISCAL IMPACT:**

The tax levy of \$125,000 for SSA #35 will support the reimbursement of costs associated with the Downtown Streetscape project within this special service area as included in the 2024 annual operating budget.