



ENVIRONMENTAL MANAGEMENT DIVISION

MEMORANDUM

TO: Bruce Walden, Chief Administrative Officer
FROM: Bill Gray, Public Works Director
Rod Fletcher, Environmental Manager
DATE: April 4, 2002
RE: Recycling Tax Adjustments

Action Requested

Approval of the attached Ordinance amending amounts of the residential and multifamily recycling tax.

Background

In 1995 the mandatory residential recycling tax was adopted at \$2.00 per month and levied on single family through sixplex dwelling units. The receipts from this tax fund the residential U-CYCLE program. The initial period for collection contract was 5 years and would have expired April 1, 2002. Council recently extended this contract for another two-year period.

The mandatory recycling tax for the multifamily program was adopted in 1999. However, two different taxing rates were created for this program. First, a "dormitory rate" equal to \$1.45 per month, is multiplied by the number of occupants authorized to reside in a given location (rooming house, fraternal chapter, etc.) to determine its monthly fee. Second, a "multifamily rate" equal to \$2.75 per month, is multiplied by each dwelling unit in a typical apartment building, of seven or more units, to determine its monthly fee.

The multifamily collection contract was also recently extended for a 2-year period by Council. Both contracts will expire March 31, 2004. It is envisioned that both programs will be combined into a single collection contract to become operational April 2004.

Financial Impact

The residential program has over the last 5 years, experienced inflationary costs in all line items, except contractual collection. Collection costs have and will remain at \$1.80 per eligible dwelling unit for the remainder of the extension period. Staff recommends that the monthly fee be increased to \$2.25 effective as of March 1, 2002, the start of the current billing period. This would result in an annual cost of \$27.00 per dwelling for the program. This tax is collected in arrears and would be billed in March 2003.

It is also being recommended that the monthly multifamily rate of \$2.75 be reduced to \$2.25, and that the monthly dormitory rate be increased from \$1.45 to \$1.75. Both adjustments would become effective on

August 1, 2002 the first quarterly billing period in next fiscal year. In effect, the fee for multifamily and residential recycling will be equal on a dwelling unit basis.

The total expenditures for both programs combined are estimated to be \$399,400 in FY 0203 and \$389,900 in FY 0304. This action would generate revenues of \$399,200 in FY 0203 and \$403,500 in FY 0304.

Recommendations

It is recommended the attached ordinance be adopted.

ORDINANCE NO. _____

AN ORDINANCE AMENDING CHAPTERS FOURTEEN AND TWENTY-TWO OF THE
CODE OF ORDINANCES, CITY OF URBANA, ILLINIOS REGULATING
RECYCLING TAXES

(Residential, Dormitory, and Multifamily Dwellings)

WHEREAS, the City Council adopted Ordinance 9495-96 which established a recycling tax upon residential dwellings on May 1, 1995; and

WHEREAS, the City Council adopted Ordinance 1999-05-029 which established a recycling tax upon dormitories on May 17, 1999; and

WHEREAS, the City Council adopted Ordinance 1999-05-029 which established a recycling tax upon multifamily dwellings on May 17, 1999; and

WHEREAS, the City Council desires to amend the amount of the monthly recycling tax for residential, dormitory and multifamily dwellings.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF URBANA, ILLINOIS, as follows:

Section 1. That Section 22-101 of Chapter 22, "Taxation", of the Code Of Ordinances, City of Urbana, Illinois, is hereby amended to read as follows:

Section 22-101. Definitions.

"(b) *Dwelling* means any building, but not a travel trailer ~~or mobile home~~, which is used for one (1) or more dwelling units."

Section 2. That Section 22-103 of Chapter 22, "Taxation", of the Code Of Ordinances, City of Urbana, Illinois, is hereby amended to read as follows:

Section 22-103. Collection of tax.

"(c) The owner shall remit the tax and file the returns on an annual basis. The tax and returns for the twelve-month period ending February 28th shall be due on or before April 1st of each year. ~~However, the tax and returns due on or before April 1, 1996 shall be for the eight-month period beginning July 1, 1995 and ending February 28, 1996.~~"

Section 3. That Section 22-112 of Chapter 22, "Taxation", of the Code Of Ordinances, City of Urbana, Illinois, is hereby amended to read as follows:

Section 22-112. Fee imposed.

A dormitory recycling fee is hereby imposed on the owner of dormitory in the city. The fee shall be based on the residential capacity of the dormitory and shall be calculated by multiplying the residential capacity of the dormitory by ~~one dollar and forty five cents (\$1.45) per month.~~ the amount as prescribed in section 14-7 of this Code.

Section 4. That Section 22-122 of Chapter 22, "Taxation", of the Code Of Ordinances, City of Urbana, Illinois, is hereby amended to read as follows:

Section 22-122. Fee imposed.

A multifamily dwelling recycling fee is hereby imposed on the owner of each multifamily dwelling in the city. The fee shall be ~~two dollars and seventy five cents (\$2.75) per month for each dwelling unit in a multifamily dwelling.~~ the amount as prescribed in section 14-7 of this Code.

Section 5. That Section 14-7 of Chapter 14, "Licenses and Permits", of the Code Of Ordinances, City of Urbana, Illinois, is hereby amended to read as follows:

SCHEDULE OF FEES: "(I) SOLID WASTE MANAGEMENT"

1. Regional Pollution Control Facility, annually.. \$2300.00
2. Hauler Business License..... \$ 235.00
3. Vehicle Sticker..... \$ 115.00
4. Residential Recycling Tax: The monthly Recycling Tax for a Dwelling Unit in a Residential Dwelling shall be Two dollars and Twenty-Five Cents (\$2.25).~~(\$2.00) per month.~~
5. Dormitory Recycling Tax: The monthly Recycling Tax for a Dormitory shall be One Dollar and Seventy-Five Cents (\$1.75) ~~Forty-Five Cents per month (\$1.45)~~ times the residential capacity of the dormitory.
6. Multifamily Dwelling Recycling Tax: The monthly Recycling Tax for a Multifamily Dwelling shall be Two Dollars and Twenty-Five Cents (\$2.25)~~Seventy-Five Cents (\$2.75)~~ per Dwelling Unit in a Multifamily Dwelling."

Section 6. The following shall be the effective dates for the respective tax amendments:

Residential Tax	March 1, 2002
Dormitory Recycling Tax	August 1, 2002
Multifamily Dwelling Recycling Tax	August 1, 2002

PASSED by the City Council this _____ day of _____, _____.

AYES:

NAYS:

ABSTAINS:

Phyllis D. Clark, City Clerk

APPROVED by the Mayor this _____ day of _____,
_____.

Tod Satterthwaite, Mayor