Village of Hanover Park
Administration

Municipal Building
2121 West Lake Street, Hanover Park, IL 60133
630-823-5600 tel 630-823-5786 fax

hpil.org

Village President
Rodney S. Craig

Village Clerk
Kristy Merrill

Trustees
Troy Albuck
Yasmeen Bankole
Jenni Broccolino
Liza Gutierrez
Jon Kunkel
Herb Porter

Interim Village Manager
Courtney Sage

VILLAGE OF HANOVER PARK
PUBLIC NOTICE OF SPECIAL MEETING OF THE VILLAGE BOARD

Public Notice is hereby given pursuant to the Open Meetings Act - Illinois Compiled Statutes, Chapter 5, Act 120, Section 1.01 (5 ILCS 120/1.01 et seq.) that the

Village Board of the Village of Hanover Park__________
(Name of public body)

HAS SCHEDULED A SPECIAL MEETING FOR *March 5, 2026* AT *5:30 p.m.*

2121 W. Lake Street, Hanover Park, IL 60133, Room 214
(Location)

Agenda Attached

Posted on : ____________
(Date)

By____
Kristy Merrill, Village Clerk

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VILLAGE OF HANOVER PARK

VILLAGE BOARD
SPECIAL WORKSHOP MEETING

2121 Lake Street, Room 214, Hanover Park, IL 60133

Thursday, March 5, 2026
5:30 p.m.

AGENDA

1. **CALL TO ORDER – ROLL CALL**

2. **ACCEPTANCE OF AGENDA**

3. **DISCUSSION ITEMS**

    a. Streaming Tax
    b. TIF Assistance Request – Proposed Daycare

4. **ADJOURNMENT**

Go to Agenda

Hanover Park USA

AGENDA MEMORANDUM

TO: **Village President and Board of Trustees**

FROM: Courtney Sage, Interim Village Manager
Remy Navarrete, Finance Director

SUBJECT: Amendment to Chapter 94, Taxation, of the Municipal Code Adding a Streaming Amusement Tax

ACTION REQUESTED: ☐ Approval ☐ Concurrence ☒ Discussion ☐ Information

RECOMMENDED FOR CONSENT AGENDA: ☐ Yes ☐ No

MEETING DATE: **March 5, 2026**

Executive Summary

As part of the FY2026 budget discussions, staff discussed the need to diversify the Village's revenue sources in response to the continued decline in Cable Franchise Fee revenues. On January 15th, staff provided the Village Board information related to a potential streaming tax. A draft Ordinance was presented to the Village Board for consideration on February 5th. Additional information and discussion was requested.

Discussion

In recent years, Hanover Park has seen a decline in Cable Franchise Fee revenues, currently based on 5% of gross revenues received by cable companies. This decline is primarily attributed to the widespread shift from traditional cable television subscriptions to streaming-based services.

To address this revenue loss, staff has proposed amending Chapter 94, Taxation of the Municipal Code, adding an additional amusement-type tax for streaming services. All streaming services that provide taxable streaming amusements to residents with a billing address within the Village limits would be subject to the tax. This would apply to both one-time streaming video rentals and recurring monthly subscription fees. The streaming tax does not include cable services.

Without exact data, staff estimates that households pay an annual average of $720.00 for streaming services. Using 5%, each household would pay a streaming tax of $36.00 annually based on the average costs, generating $360,000 in revenue for the Village.

Recommended Action

Staff requests the Village Board review and provide staff direction related to the draft streaming tax Ordinance.

Agreement Name: ____________________

Executed By: ____________________

Attachments: Ordinance

Budgeted Item:	____ Yes X___ No
Budgeted Amount:	see attached ordinance
Actual Cost:	see attached ordinance
Account Number:	see attached ordinance

_____ Minority Owned Business
_____ Woman Owned Business
_____ Veteran Owned Business
_____ LGBTQ+ Owned Business
_____ Disability Owned Business
_X___ Not Applicable

ORDINANCE O-26-

ORDINANCE AMENDING CHAPTER 94 OF THE MUNICIPAL CODE OF THE VILLAGE OF HANOVER PARK BY ADDING A NEW ARTICLE XVII IMPOSING A TAX ON STREAMING AMUSEMENT

WHEREAS, the Village of Hanover Park is a home rule municipal corporation in accordance with Article VII, Section 6(a) of the Constitution of the State of Illinois of 1970; and

WHEREAS, the Village has the authority pursuant to its home rule status and under Section 11- 42-5 of the Illinois Municipal Code, 65 ILCS 5/11-42-5, to license, tax, and regulate theatricals, exhibitions, shows, amusements, and places for amusement, among other things; and

WHEREAS, the Village President and Board of Trustees desire to amend Chapter 94 of the Municipal Code of Hanover Park, Illinois, as amended, by adding a new Article XVII imposing a tax on electronically transmitted streaming amusements in the Village; and

WHEREAS, the President and Board of Trustees have determined that it will serve and be in the best interests of the Village and its residents to amend Chapter 94 by adding Article XVII to the Village of Hanover Park Municipal Code pursuant to this Ordinance, now therefore

BE IT ORDAINED by the President and Board of Trustees of the Village of Hanover Park, Cook and DuPage Counties, Illinois, as follows:

<u>SECTION 1.</u> RECITALS. The facts and statements contained in the preamble to this Ordinance are found to be true and correct and are hereby adopted as part of this Ordinance.

<u>SECTION 2.</u> That the Municipal Code of the Village of Hanover Park, as amended, is hereby amended to add a new Article XVII, titled "Streaming Amusement Tax," to read as follows:

"ARTICLE XVII. – STREAMING AMUSMENT TAX

Sec. 94-400. – Title.

This article and the taxes imposed shall be known and cited as the Village of Hanover Park Municipal Streaming Amusement Tax.

Sec. 94-401. – Definitions.

Unless otherwise expressly stated, the following words or terms, for purposes of this Article, will have the meaning indicated in this Section:

a. Fee. Any fee or charge made or received for the privilege to use, access, subscribe, right to participate, or otherwise right to access, any streaming amusement, whether or not represented by a ticket or admission stub, or receipt of any kind, exclusive of state or federal taxes.

b. Person. Any individual, firm, trust, estate, partnership, association, joint stock company, joint venture, corporation, limited liability company, municipal corporation, or any of its political subdivisions of this State, or a receiver, trustee, conservator or other representative appointed by order of any court.

c. Streaming Amusement. Any video streaming, audio streaming, or remotely-accessed online games made available to persons on a rental or subscription basis, but not transactions where the person pays for the rights of permanent use, where the right of access is purchased by any person with a billing address in the Village. For streaming amusements delivered electronically to mobile devices, the requirements of the Illinois Mobile Telecommunications Sourcing Conformity Act, 35 ILCS 638/1 et seq., as amended, will be utilized for purposes of determining which customers and charges are subject to the tax imposed by this Article. “Streaming amusement” does not include cable service or video service provided on a commercial basis offered by a holder subject to a service provider fee pursuant to Section 21-801 of the Illinois Public Utilities Act, 220 ILCS 5/21-801, or such service offered by an incumbent cable operator subject to a fee paid to the local unit of government as described in 47 U.S.C. § 542. As used in this Section, “cable service,” “holder,” “incumbent cable operator,” and “video service” have the meanings set forth in Section 21-201 of the Illinois Public Utilities Act, 220 ILCS 5/21-201.

Sec. 94-402. - Streaming Amusement Tax Imposed.

There is hereby levied and imposed a tax upon every person who pays a fee for a streaming amusement at the rate of 5% of each fee. The tax imposed in this Article is in addition to all other taxes imposed by the State of Illinois or any municipal corporation or political subdivision thereof.

Sec. 94-403 – Collection, Remittance, And Enforcement of Taxes.

a. The ultimate incidence of and liability for payment of the tax will be borne by the person who seeks the privilege to use, access, subscribe, right to participate, or otherwise right to access any streaming amusement. However, it is the duty of every person receiving a fee upon which a tax is levied under this Article, herein referred to as the “taxpayer,” to secure the tax from the consumer, at the time the fee or charge is collected, and remit the tax to the Village Finance Department once each month.

b. The Village Finance Director is hereby designated as the administrative and enforcement officer of the tax hereby imposed on behalf of the Village. It is the responsibility and duty of the Finance Director to collect all amounts due the Village from the taxpayer. Each taxpayer must file a sworn monthly streaming amusement tax return on a form prescribed by the Finance Director showing all receipts for all charges and fees attributable to streaming amusements sold during the preceding month. The returns are to be filed within 20 days of the end of each month accompanied by payment to the Village of all taxes herein due for the month most recently ended and covered by the return.

c. The Village Finance Director or their designee may inspect and audit the books and records of a taxpayer. The Village through the Finance Director shall have the right to recompute any amounts determined to be payable under this Article. Any additional amount found due as a result of the audit/and or recomputation shall be paid within 30 days following written notice to the taxpayer. The process and rules and regulations concerning the audit or any amount due pursuant to this Article, shall be subject to and the rights of the taxpayer shall be in accordance with Article IX of this Chapter 94. It is unlawful for any person to prevent, hinder, or interfere with the Finance Director or his or her duly authorized deputy or representative in the discharge of his or her duties hereunder.

d. It is the duty of every taxpayer to keep accurate and complete books and records and to keep same at the taxpayer's principle place of business, containing all information necessary for the collection of the tax hereby imposed, to which the Finance Director or the Director's designee may, at all times, have full access, in-person or remotely, which records must include a monthly sheet showing all fees or charges collected, and streaming amusement taxes collected, during the current and twelve preceding months.

e. In the event that the inspection, examination, and/or recomputation by the Village Finance Director or the Director's designee discloses a discrepancy of 5% or more of the tax owed based on the information furnished by the taxpayer, the cost of the Village's inspection, examination and/or recomputation will be borne by the taxpayer and the taxpayer shall pay interest at the rate of 1.5 percent per month on the amount of the discrepancy until paid in full plus a penalty of 25% of the amount of the discrepancy.

Sec. 94-404 – Exceptions.

The tax described in this Article does not apply to any streaming amusement shown, exhibited, or staged by:

a. A not-for-profit organization which is exempt from taxation pursuant to Section 501 of the Internal Revenue Code of 1986, as amended;

b. Any school district; or

c. Any governmental entity.

Sec. 94 -405– Penalties.

Penalties. It is unlawful for any person to show, exhibit, stage, or conduct any streaming amusement without collection and payment of the tax in accordance with the terms of this Article.

a. Upon request of the Village Manager, the Village Attorney will bring or cause to be brought an action against any taxpayer that fails to remit payment for any tax due to the Village under this Article to enforce the payment of the tax on behalf of the Village in the Village's Administrative Adjudication Division and/or a court of competent jurisdiction.

b. Any conviction resulting from an enforcement action will not relieve or discharge any civil liability for non-payment of the tax due.

c. Any taxpayer that fails to remit payment for any tax due to the Village under this Article within ten days after the payment is due, interest will accumulate and be due upon the tax at the rate of a 1.5 percent per month.

d. In addition to the provision of this Article, any taxpayer found guilty in the Village's Adjudication Division and/or a court of competent jurisdiction of violating, disobeying, omitting, neglecting, or refusing to comply with or resisting or opposing the enforcement of any provision of this Article, upon a finding of liability therefore, will be fined, in addition to any other penalty provided in this Article not more than $1500. Each day any violation of this Article shall be a separate offense."

SECTION 3: That each section, paragraph, sentence, clause and provision of this Ordinance is separable and if any provision is held unconstitutional or invalid for any reason, such decision shall not affect the remainder of this Ordinance nor any part thereof, other than the part affected by such decision.

SECTION 4: That except as to the amendments heretofore mentioned, all chapters and section of the Municipal Code of the Village of Hanover Park, as amended, shall remain in full force and effect.

SECTION 5: That this Ordinance shall, by authority of the Village Board of the Village of Hanover Park, be published in pamphlet form. From and after ten days after said publication, this Ordinance shall be in full force and effect, provided, however, that the tax provided for and imposed herein shall apply to fees due to a taxpayer and incurred on or after May 1, 2026 for the privilege to use, access, subscribe, right to participate, or otherwise right to access, any streaming amusement.

ADOPTED this ____ day of February, 2026, pursuant to a roll call vote as follows:

AYES:

NAYS:

ABSENT:

ABSTENTION:

Approved: ________________________________
Rodney S. Craig
Village President

ATTESTED, filed in my office
and published in pamphlet form
this ____ day of ____________,
2026.

____
Kristy Merrill, Village Clerk

AGENDA MEMORANDUM

TO: **Village President and Board of Trustees**

FROM: Courtney Sage, Interim Village Manager
Shubhra Govind, Director of Community & Economic Development

SUBJECT: TIF Assistance Request - Proposed Daycare at 2136 W Lake St.

ACTION REQUESTED: ☐ Approval ☐ Concurrence ☒ Discussion ☐ Information

MEETING DATE: **March 5, 2026 – Board Workshop**

Executive Summary

The Village Board is requested to review a request for financial assistance for the development of a daycare with a small artist studio/art gallery on the second floor at 2136 W Lake St. (northwest corner of Lake St. and Center Ave.).

Discussion

Background

The Village Board passed Ord. O-24-34, approving a 13,000 sq. ft. building for a modern daycare with an artist's studio/gallery on the 2nd Floor. The design meets the Village Center Code and will be an amenity to the community. The property is comprised of 5 lots, and 2 of the interior lots were owned by the Village and were sold to the daycare. The daycare operator has 26 years of experience operating a similar daycare in another community and is also collaborating with the adjacent Ontarioville Elementary School.

Both a daycare and an art gallery-type use were identified as a business and community need during outreach conducted for the Comprehensive Plan. Additionally, during business retention visits, staff has heard from several large employers that there is a strong need for daycares for their employees' families.

The daycare applied for an SBA loan last year, which has been approved but took longer than the applicant anticipated due to evolving federal government requirements. Physical site constraints impacted the design process to meet stormwater requirements. Both these issues contributed to delays, with costs rising to an extent that the applicant has requested additional financial assistance. The applicant has requested $885,000 to bridge the financial gap for TIF-eligible costs.

The Village engaged our TIF consultant, SB Friedman Development Advisors, LLC ("SB Friedman") to review the TIF assistance request, and to determine whether the Project would only proceed "but-for the TIF assistance". The analysis confirmed that Project construction

Agreement Name: ____________________

Executed By: ____________________

cost and financing assumptions align with market comparables and that the TIF Assistance is a requirement of the Developer's lender to close the remaining financing gap.

Development of the property will not only provide a community benefit, but also increase the EAV of this vacant land, generating additional property tax revenue.

SB Friedman estimates that the Project will produce $1.3 million in TIF revenue over the remaining life of the TIF District, which is sufficient to replenish the TIF fund for Project-related costs.

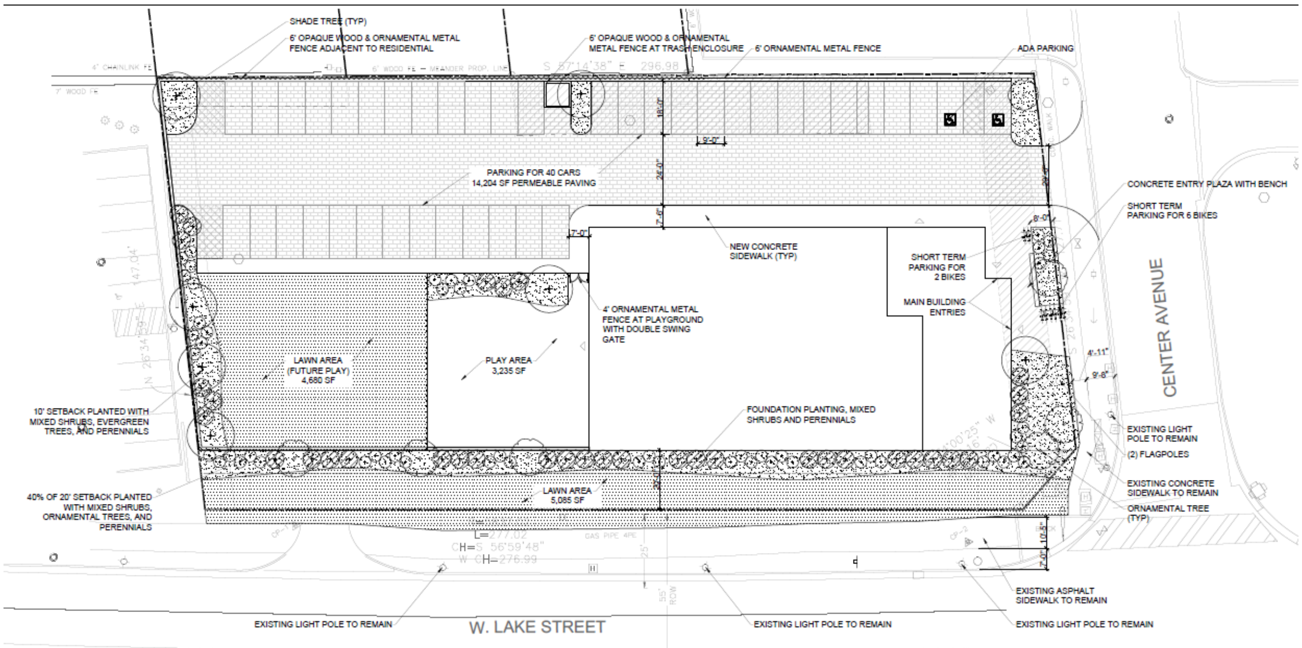
SB Friedman will present their analysis at the Workshop and answer any questions the Board may have. The developer team will also be in attendance.

Recommended Action

Staff is requesting feedback from the Board regarding the TIF assistance request. If the Board is supportive of the financial assistance requested, a draft Term Sheet will be brought to the Village Board for consideration. The Term Sheet will be used to prepare a detailed Redevelopment Agreement.

Attachments: Approved site plan and elevations (for reference)

Budgeted Item:	____ Yes __X__ No
Budgeted Amount:	$ N/A
Actual Cost:	$ N/A
Account Number:	N/A



APPROVED SITE PLAN

APPROVED RENDERINGS