



Rose, Vulich create plan to counter SSMID

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— CLINTON — The Clinton Downtown Partnership currently oversees how money generated from a special tax assessed on downtown businesses is spent but some business owners are looking to overhaul that system and lower the tax rate on downtown businesses. The Self Supporting Municipal Improvement District tax is one year away from reaching its 10-year sunset but efforts are already under way to extend it another decade.

The Clinton Area Chamber of Commerce has circulated petitions to downtown businesses and garnered some early support. But a couple downtown business owners said Friday that the old system doesn't produce enough bang for the buck and needs to be revamped. Dave Rose and Mark Vulich, downtown businesses owners, have drawn up a proposal that would create a board of directors, made up of property owners, to administer the SSMID fund. The seven-member board would replace the Downtown Partnership as the body overseeing the SSMID district, which accrues more than \$200,000 annually for downtown improvements.

They said the plan would look to reduce the SSMID tax 40 percent on downtown businesses and allocate more money towards capital improvements. The current capital fund is \$26,715, but Rose said his plan would boost it to \$50,000 per year. However, the proposal, which would need city council approval, is facing some opposition from the Clinton Area Chamber of Commerce and Steve Bamman, Director of the Downtown Partnership. Bamman said that a full-time person, rather than a volunteer-based board of directors, is needed to seek outside grants, which pump millions of dollars into the downtown area.

"It's kind of wishful thinking that an all-volunteer organization without some formal structure would be able to secure about \$14 million in private investment," Bamman said. Grants secured through the downtown partnership have gone toward renovations to the Van Allen Building apartments, the Howes Building and the Armstrong Building. Bamman added that it could take 10 years to equal the same money raised in the capital fund through the SSMID tax that his organization secures in grants.

Since the SSMID was implemented in 2000, it has generated \$1.8 million from the tax. That money helps pay salaries, plowing the snow off downtown sidewalks in the winter and other downtown improvements. Vulich, who along with Rose came up with the idea after visiting leaders in East Davenport, said the proposed board would still seek outside investments but said a lower rate charged to downtown businesses, along with tax abatements for businesses looking to remodel, would make Clinton more competitive in keeping and attracting businesses.

"We don't have any type of mechanism to give any type of aid to property owners," said Vulich, who added he was not speaking as a city council member but a business owner. "You're potentially subject to new taxation because you improved the value of your property." Both parties agreed that the 10-year-old downtown improvement plan is outdated and needs to be updated. Each party also said they plan to meet and iron out some differences.

But how much the Chamber would alter its current plan is unclear. “We are not receptive to that change as the Downtown Partnership or the Chamber of Commerce,” said Julie Allesee, Chamber president. “We feel that we have done a good job over the last eight years and that with minor changes and some major changes that we will continue to move forward.”

Editor’s note: The Clinton Herald will follow up this story with another about the benefits of the SSMID in a future edition of the Herald.

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