

## **Self-Storage Surcharge Q&A**

The purpose of this document is to clarify the Village's actions to date and the Village's role in collecting the Self-Service Surcharge ("Surcharge"), which was approved by the Lincolnwood Village Board on March 15, 2022.

**Q. What is the issue?**

**A.** The Village has received concerns related to the Surcharge.

**Q. How many self-storage facilities are in Lincolnwood?**

**A.** There are three self-storage facilities in Lincolnwood located at 3850 W Devon Avenue, 6460 N Lincoln Avenue, 3501 W Touhy Avenue.

**Q. When did the Village Board discuss the Self-Storage Facility Surcharge?**

**A.** The Finance Committee discussed the establishment of a surcharge for self-storage at their public meetings on November 15, 2021 and December 9, 2021. It was the consensus of the Finance Committee to direct staff and the Village Attorney to draft an Ordinance establishing a surcharge on renters and/or lessors of self-storage facilities in the amount of 5% per month.

On March 15, 2022, the Board of Trustees of the Village of Lincolnwood adopted Ordinance No. 2022-3595, amending the Village Code to impose a surcharge on the use of self-storage facilities located in the Village.

**Q. Were the Self-Storage Facilities notified of this surcharge?**

**A.** Yes. All storage facilities were notified on March 7, 2022 that the Village Board was considering implementing a Self-Storage Surcharge at their March 15 Village Board meeting. A representative of each of the facilities was present at the March 15, 2022 Village meeting at which the Ordinance was adopted.

In addition, the Village sent a copy of the Ordinance and return form to all facilities via U.S. mail on May 2, 2022. All facilities received proper notification.

**Q. When did the surcharge become effective?**

**A.** The self-storage surcharge became effective May 1, 2022. The Ordinance requires that the owner of a self-storage facility collect the surcharge at the time of payment of the rental charge.

**Q. Why did the Village assess this surcharge?**

**A.** The facilities pay property taxes but do not generate sales tax revenue. The Village is looking for ways to generate further sales tax to lessen the reliance on property taxes.

**Q. What neighboring communities have instituted a Self-Storage Facility Surcharge?**

**A.** This surcharge has been instituted by the Village of Skokie, Village of Morton Grove and the City of Chicago.