



**DEPARTMENT OF COMMUNITY DEVELOPMENT SERVICES**

*Economic Development Division*

m e m o r a n d u m

**TO:** Bruce K. Walden, Chief Administrative Officer

**FROM:** Elizabeth H. Tyler, Community Development Director

**DATE:** March 20, 2003

**SUBJECT:** **Addition of Territory to the Urbana Enterprise Zone  
20 ± Parcels Located to the Northeast of the Intersection of Cunningham  
Avenue and University Avenue**

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**Introduction**

City staff has submitted the attached draft application to amend the Enterprise Zone boundary to add 20± properties located to the northeast of the intersection of Cunningham Avenue and University Avenue to the south of the Saline Drainage Ditch and to the west of the National Guard Armory Property. The area is currently zoned for B-3 General Business use. A map is attached showing the location of the site.

**Background**

The subject properties consist of a variety of declining commercial uses, including a restaurant, hotel, carwash, and other vacant or underused properties. Over the past several months, changes to the Cunningham and University Avenue frontages required by the Illinois Department of Transportation (IDOT) have seriously limited vehicle access to the individual properties. Due to the declining and underutilized condition of the properties and the access limitations, these properties are in serious need of redevelopment opportunities, ideally as a consolidated redevelopment site.

The subject properties do hold significant potential for redevelopment. The intersection of Cunningham and University Avenues is one of the most highly traveled in the area and IDOT has agreed to install a traffic signal at the intersection of Cunningham Avenue and Crystal Lake Drive at such time as redevelopment occurs. In addition, redevelopment plans have been promoted for the northwest corner of the intersection in anticipation of the University Auto Park facility relocation to a new site at the Interstate 74/Cunningham Avenue interchange to the north and the Carter's Furniture Store at the southeast corner has recently announced plans to expand their showroom.

All three other corners of this major commercial area are located within the City's Enterprise

Zone. Addition of the proposed area to the City's Enterprise Zone will help to promote its redevelopment consistent with other commercial locations in central Urbana. The properties are also located within the City's Tax Increment Financing District No. 2, funds for which may be utilized for redevelopment of the site. The Enterprise Zone designation would provide an added incentive of sales tax exemptions for building materials.

A public hearing to review this proposal was conducted on Tuesday, March 18, 2003 at 3:10 p.m. in the Urbana Civic Center. Minutes of that public hearing are attached.

### **Economic Impact**

It is hoped that the pending redevelopment of the University Auto Park site to the west and the installation of a traffic signal at the intersection of Crystal Lake Drive and Cunningham Avenue will help to serve as a catalyst for renewed private investment in the surrounding area. It is the intent of the City that adding territory in the area to the Enterprise Zone will further enhance the appeal of these properties and ultimately the viability of North Cunningham Avenue as a commercial area, consistent with the Downtown Strategic Plan and Cunningham Avenue Corridor Redevelopment Plan.

### **Staff Recommendation**

Staff recommends the Council approve the attached ordinance to add territory to the Urbana Enterprise Zone at its regular meeting scheduled for Monday, April 7, 2003. If the ordinance is approved, staff will complete the application for amendment to the Enterprise Zone for signature of the Mayor and will forward it to the State of Illinois Department of Commerce and Economic Opportunity (formerly the Department of Commerce and Community Affairs) for certification.

### **Attachments:**

Draft Ordinance  
Location Map  
Public Hearing Minutes  
Enterprise Zone Application

**Ordinance No. 2003-03-030**

**AN ORDINANCE APPROVING THE ADDITION OF TERRITORY  
TO THE URBANA ENTERPRISE ZONE**

**(An Area to the Northeast of the Intersection of Cunningham Avenue and  
University Avenue)**

WHEREAS, on December 3, 1984 the City Council of the City of Urbana, Champaign County, Illinois (the "City") duly passed Ordinance No. 8485-38 entitled, "An Ordinance Designating An Area As An Enterprise Zone", which such ordinance was duly approved by the Mayor on December 10, 1984 (the "Ordinance"); and

WHEREAS, in connection with a review of the Ordinance and the written application made in connection therewith to the Department of Commerce and Community Affairs (the "Department", now entitled the Department of Commerce and Economic Opportunity) in accordance with the Illinois Enterprise Zone Act (the "Act"), the City Council, on March 18, 1985, duly passed Ordinance No. 8485-65 entitled, "An Ordinance Amending Ordinance No. 8485-38 entitled, 'An Ordinance Designating An Area As An Enterprise Zone'", which such ordinance was duly approved by the Mayor on March 25, 1985 (the "First Amending Ordinance"); and

WHEREAS, approval of the Enterprise Zone, as designated by the Ordinance and the First Amending Ordinance, was made by the Department by certification of the Ordinance and the First Amending Ordinance effective July 1, 1985; and

WHEREAS, the City Council of the City of Urbana, from time to time, has amended said Ordinance and the Department has so approved by certification of the Amending Ordinance; and

WHEREAS, the City Council now finds it necessary and desirable to further amend the terms of the Ordinance as amended, pursuant to Section 5.4 of the Act; and

WHEREAS, on Sunday, March 9, 2003 the City duly caused public notice to be published in The News-Gazette, a newspaper of general circulation within the certified Enterprise Zone, as amended, and Champaign County, Illinois, of a public hearing to be held within the certified Enterprise Zone, as amended, on the question of whether to alter the boundaries of the certified Enterprise Zone, as amended, by adding certain parcels thereto. Such public notice was published not more than twenty (20) days nor less than five (5) days before the public hearing scheduled for Tuesday, March 18, 2003 at 3:10 p.m.; and

WHEREAS, on Tuesday, March 18, 2003 the City duly conducted a public hearing at 3:10 p.m. at the Urbana Civic Center, 108 E. Water Street, Urbana, Illinois, a location within the certified Enterprise Zone, as amended, at which such public hearing information was presented and public comment was elicited on the questions as specified in the notice as published.

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

Section 1: That Section 2 of the Ordinance, as amended, entitled "Designation and Description of Zone Area", be and the same is hereby further amended to alter the boundaries of the Zone area by adding to such Zone area, as amended, the tract of real estate more particularly described in Exhibit A attached hereto and hereby incorporated by reference, such additional tract being contiguous to the certified Enterprise Zone as amended.

Section 2: This Amending Ordinance shall not become effective unless and until the proposed amendments contained herein are approved by the Department, and the Department issues an amended certificate for the Enterprise Zone established by the Ordinance, as amended, pursuant to the Act, in which such event this Amending Ordinance shall become effective on the first day of the calendar month following the date in which the amended certificate, together with the Ordinance as heretofore and hereby amended, shall be filed, recorded and transmitted as provided in Section 5.3 of the Act.

This Ordinance is hereby passed by the affirmative vote, the "ayes" and "nays" being called, of a majority of the members of the Council of the City of Urbana, Illinois, at a regular meeting of said Council on the \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, A.D.

PASSED by the City Council this \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

AYES:

NAYS:

ABSTAINS:

\_\_\_\_\_  
Phyllis D. Clark, City Clerk

APPROVED by the Mayor this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

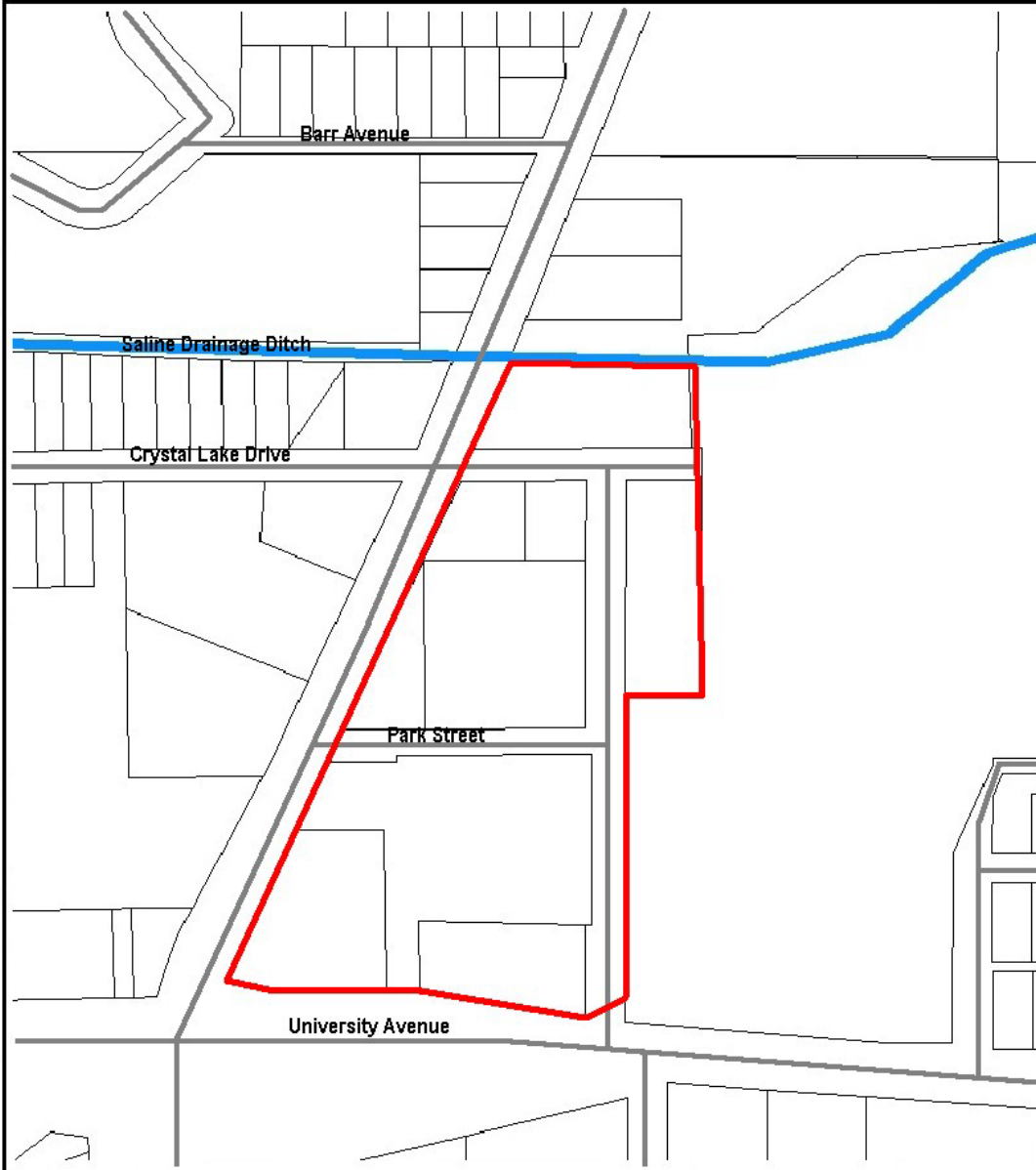
\_\_\_\_\_  
Tod Satterthwaite, Mayor

**"EXHIBIT A"**

A part of the East one-half of the Southeast Quarter of Section 8, Township 19 North, Range 9 East of the Third Principal Meridian, Champaign County, Illinois, being more particularly described as follows:

Beginning at the intersection of the westerly Right-of-Way line of Maple Street, with the northerly Right-of-Way line of University Avenue (U.S. Route 150); thence, westerly, along said northerly Right-of-Way line, 263.33 feet; thence, continuing westerly, along said northerly Right-of-Way line, 212.8 feet; thence, northwesterly, continuing along said northerly Right-of-Way line, 65.03 feet, to the easterly Right-of-Way line of Cunningham Avenue (U.S. Route 45); thence, northeasterly, along said easterly Right-of-Way line, to the centerline of the Saline Branch Drainage Ditch; thence, easterly, along said centerline, to the westerly line of the Urbana Armory, as shown on a plat prepared by John Goodell, Illinois Professional Land Surveyor Number 1462, dated May 31, 1979, and recorded August 26, 1980 in Plat Book "Z" at page 139 in the office of the Recorder of Deeds, Champaign County, Illinois; thence, southerly, along said westerly line, 548.6 feet; thence, westerly, along a north line of said Urbana Armory, 116.29 feet, to the easterly Right-of-Way line of Maple Street; thence, southerly, along said easterly Right-of-Way line, 448.60 feet, to its intersection with said northerly Right-of-Way line of University Avenue; thence, southwestwardly, along said northerly Right-of-Way line of University Avenue, to the Point of Beginning, all situated in the City of Urbana, Champaign County, Illinois.

# Exhibit A: Location Map



University and Cunningham  
Northeast Corner of "Five Points"

Prepared March 19, 2003 by Community Development Services - RLB

 Subject Area  
 Roads

**ENTERPRISE ZONE PUBLIC HEARING MINUTES**  
**An Area to the Northeast of the Intersection of Cunningham Avenue & University Avenue**  
**Urbana Civic Center**  
**Tuesday, March 18, 2003**  
**3:10 p.m.**

**Attendees:**

**Mayor Tod Satterthwaite, Hearing Officer**  
**Elizabeth H. Tyler, Community Development Director**  
**Kathy Larson, Enterprise Zone Administrator**  
**Ryan Brault, Redevelopment Specialist**

Mayor Satterthwaite opened the public hearing 3:10 p.m. by reading the notice of public hearing and asking for public input (copy attached).

There was no public input.

Seeing no comment, Mayor Satterthwaite closed the public hearing.

## **Legal Notice**

### **NOTICE OF PUBLIC HEARING**

PUBLIC NOTICE IS HEREBY GIVEN THAT the City of Urbana will conduct a public hearing on Tuesday, March 18, 2003 at 3:10 p.m. in the Urbana Civic Center, 108 E. Water Street, Urbana, Illinois, on the question of whether to alter the boundaries of the certified Enterprise Zone as originally designated by Ordinance No. 8485-38, and as subsequently amended from time to time, by adding certain other territory thereto.

The area proposed to be added to the certified Enterprise Zone includes 20 +/- parcels of land, which are contiguous to the Enterprise Zone and located generally to the northeast of the intersection of Cunningham Avenue and University Avenue to the south of the Saline Drainage Ditch and to the west of the National Guard Armory property, being more particularly described as follows:

A part of the East one-half of the Southeast Quarter of Section 8, Township 19 North, Range 9 East of the Third Principal Meridian, Champaign County, Illinois, being more particularly described as follows:

Beginning at the intersection of the westerly Right-of-Way line of Maple Street, with the northerly Right-of-Way line of University Avenue (U.S. Route 150); thence, westerly, along said northerly Right-of-Way line, 263.33 feet; thence, continuing westerly, along said northerly Right-of-Way line, 212.8 feet; thence, northwesterly, continuing along said northerly Right-of-Way line, 65.03 feet, to the easterly Right-of-Way line of Cunningham Avenue (U.S. Route 45); thence, northeasterly, along said easterly Right-of-Way line, to the centerline of the Saline Branch Drainage Ditch; thence, easterly, along said centerline, to the westerly line of the Urbana Armory, as shown on a plat prepared by John Goodell, Illinois Professional Land Surveyor Number 1462, dated May 31, 1979, and recorded August 26, 1980 in Plat Book "Z" at page 139 in the office of the Recorder of Deeds, Champaign County, Illinois; thence, southerly, along said westerly line, 548.6 feet; thence, westerly, along a north line of said Urbana Armory, 116.29 feet, to the easterly Right-of-Way line of Maple Street; thence, southerly, along said easterly Right-of-Way line, 448.60 feet, to its intersection with said northerly Right-of-Way line of University Avenue; thence, southwestwardly, along said northerly Right-of-Way line of University Avenue, to the Point of Beginning, all situated in the City of Urbana, Champaign County, Illinois.

This proposed amendment to the Enterprise Zone boundary has been initiated by the City of Urbana in connection with potential commercial redevelopment of this area.

All interested citizens are invited to attend and to express their opinions, especially those persons owning property or residing in the certified Enterprise Zone and those parcels proposed to be added thereto. Persons unable to attend the hearing



and wishing to comment may send written comments to:

Elizabeth H. Tyler, Director  
Community Development Services Department  
City of Urbana  
400 S. Vine Street  
P.O. Box 946  
Urbana, IL 61801-0946  
Ph 384-2439

Persons with disabilities needing services or accommodations for this hearing should contact the Community Development Services Department at 384-2439 or the City of Urbana's Americans with Disabilities Act Coordinator at 384-2466 or TDY at 384-2447.

**ILLINOIS ENTERPRISE ZONE PROGRAM  
APPLICATION TO ADD TERRITORY**

**OPTION 1**

Complete "APPLICATION TO ADD TERRITORY - OPTION 1" if you intend to qualify the proposed addition as an area that provides an immediate (2 years or less) substantial utility or benefit to the established zone and/or its residents or businesses by: creating or retaining specific jobs; or removing or correcting an impediment to economic development which exists in the established zone, or, stimulating neighborhood residential or commercial revitalization.

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| <b>PART A. LEGAL APPLICANT</b> |
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Type of Application: Single  Joint \_\_\_\_\_  
(If joint application, provide information for each applicant.)

Name of Jurisdiction City of Urbana

Street/P.O. Box 400 S. Vine St. Zip Code 61801

City Urbana County Champaign

Chief Elected Official Mayor Tod Satterthwaite

Zone Administrator Kathy Larson Phone (217) 384-2319

Type of Applicant: City  County \_\_\_\_\_

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Name of Jurisdiction \_\_\_\_\_

Street/P.O. Box \_\_\_\_\_ Zip Code \_\_\_\_\_

City \_\_\_\_\_ County \_\_\_\_\_

Chief Elected Official \_\_\_\_\_

Zone Administrator \_\_\_\_\_ Phone ( ) \_\_\_\_\_

Type of Applicant: City \_\_\_\_\_ County \_\_\_\_\_

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Name of Jurisdiction \_\_\_\_\_

Street/P.O. Box \_\_\_\_\_ Zip Code \_\_\_\_\_

City \_\_\_\_\_ County \_\_\_\_\_

Chief Elected Official \_\_\_\_\_

Zone Administrator \_\_\_\_\_ Phone ( ) \_\_\_\_\_

Type of Applicant: City \_\_\_\_\_ County \_\_\_\_\_

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NOTE: Submit original plus two (2) copies. All attachments must be 8-1/2" x 11", excluding maps. The format of this application may be reproduced and completed in an expanded form provided the final application is presented in bound form or loose leaf notebook. All pages must be numbered in sequence and attachments labeled.

**PART B. DESCRIPTIVE INFORMATION**

1. Total area of the existing enterprise zone: 2.425 square miles
- 2 Area of the proposed addition: Acres 11.97 Square Miles 0.019
- 3 Population of the proposed addition: 0
- 4 Is the proposed addition contiguous with the enterprise zone:  
Yes X No

**PART C. PURPOSE OF AMENDMENT**

Explain why the amendment is being requested.

*The subject properties consist of a variety of declining commercial uses, including a restaurant, hotel, carwash, and other vacant or underused properties. Over the past several months, State-required changes to the Cunningham and University frontages have seriously limited vehicle access to the individual properties. Due to the declining and underutilized condition of the properties and the access limitations, these properties are in serious need of redevelopment opportunities, ideally as a consolidated redevelopment site. All three other corners of this major commercial area are located within the City's Enterprise Zone. Addition of the proposed area to the City's Enterprise Zone will help to promote its redevelopment consistent with other commercial locations in central Urbana and with the goals of the Downtown Strategic Plan and Cunningham Avenue Corridor Redevelopment Plan.*

## **PART D. ELIGIBILITY CRITERION**

1. Describe and document the specific development commitment(s) that will occur within the two year period following the proposed boundary change. Such information must include: project scope; estimated cost of the project; timeline for completing project milestones; project start and completion dates; construction plans or schematics; construction permit data; and, evidence of financial commitment from financial institutions and/or local, state or federal government. Indicate the name of the business, the product or service provided and current employment. Project documentation is to be provided or certified by the business(es) involved.

*While there are no specific redevelopment plans proposed for the property at this time, we are speculating that inclusion into the Enterprise Zone will make this property a more desirable investment for businesses looking to locate in this area.*

2. Describe how, and the extent to which, the above described project impacts at least one of the following:
  - a. job creation or retention;
  - b. removal or correction of an impediment to economic development that exists in the established zone (describe the obstacle to economic activity and indicate the cause, nature, extent and how the obstacle is impacting economic development); or,
  - c. stimulation of neighborhood residential or commercial revitalization.

### **Correction of Impediment to Economic Development & Commercial Revitalization**

*Although the site is located at a highly traveled intersection and is nearby downtown Urbana, in recent years this older commercial area has experienced a significant decline. The site was developed several decades ago and includes vacant, underutilized, and distressed properties. The site is in need of redevelopment with more modern improvements, site layout and code compliant structures. The decline of this commercial area has been exacerbated in the last year by access restrictions imposed by Illinois Department of Transportation changes to the adjacent roadways which has resulted in severely restricted limited access to much of the site. If the site can be consolidated as a redevelopment area, these access restrictions can be overcome through anticipated signalization of the Crystal Lake Drive/Cunningham Avenue intersection.*

*It is hoped that economic growth in the area will be stimulated with the future redevelopment of the northwest corner of this intersection and improvements to a business on the southeast corner of the intersection. These other properties are located within Urbana's Enterprise Zone and it is hoped that redevelopment of the proposed area can also occur through its inclusion in the Enterprise Zone.*

## **PART E. DEVELOPMENT GOALS AND OBJECTIVES**

Describe how the proposed boundary change meets specific objectives of the local enterprise zone program and plan.

*The proposed Enterprise Zone boundary expansion would assist the City in meeting the following development goals as identified in the Urbana Enterprise Zone Plan submitted to the Illinois Department of Commerce and Community Affairs in December 1984:*

- 1. To attract and retain private sector investment in the Urbana Enterprise Zone that directly benefits the residents therein in a manner which will increase and diversify the economic base of the City of Urbana.*
- 2. To create employment opportunities and develop ways and means to retain jobs within the Urbana Enterprise Zone.*
- 3. To achieve a pro-active stance towards economic development within the Enterprise Zone that will be viewed in a positive manner by investment decision makers.*

*By approving this application to add territory to the Urbana Enterprise Zone, DCEO would enable the City to meet the three above stated objectives. These objectives when achieved, create the necessary economic opportunities that its citizens desire and, in turn, makes Urbana a more viable and livable city.*

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## **PART F. COMMUNITY SUPPORT**

Describe the input, assistance, resources and commitments which public and private sector entities provided in the development of this application or will provide in the implementation of the plan. Letters from individuals, business, labor, community or other groups in support of this application may be attached. However, letters of commitment in support of activities (e.g., technical assistance, financial assistance, business management information, jobs, job training and other appropriate types of assistance or actions) which will help to accomplish the objectives of the proposed addition are of greater significance.

*The City of Urbana is dedicated to helping the area in which the subject is located improve through continued actions that the City believes will make the area more desirable for businesses and investors. The City established a TIF District in the area as part of its second Downtown TIF (TIF No. 2) in 1986. In 2001, the City also adopted a Downtown Strategic Plan that promotes improvement of the Cunningham Avenue and University Avenue corridors as commercial gateways to the downtown. Also in 2001, the City adopted the Cunningham Area Corridor Redevelopment Plan (TIF No. 4) for properties immediately to the north of the site. The City worked hard along with its State Representative to protect the access and business interests of the site in response to the IDOT improvements that have severely limited access to the existing businesses. By adding this site to the Enterprise Zone, the potential for redevelopment and controlled, functional access to the site can be realized. Local investors have expressed interest in redeveloping the site subject to provision of appropriate Enterprise Zone and TIF incentives and installation of a signal at the Crystal Lake Drive/Cunningham Avenue intersection.*

**PART G. APPLICANT CERTIFICATION**

THE APPLICANT CERTIFIES THAT:

To the best of my knowledge and belief, data and other information in this application are true and correct, and this document has been authorized by the governing body of the applicant.

CERTIFYING REPRESENTATIVE:

(To be signed by the Chief Elected Official or Designee)

|                                |                                    |
|--------------------------------|------------------------------------|
| <u>City of Urbana</u>          | _____                              |
| Designating Unit of Government | Chief Elected Official or Designee |
| _____                          | <u>Mayor</u>                       |
| Date                           | Title                              |
| _____                          | _____                              |

CERTIFYING REPRESENTATIVE:

(To be signed by the Chief Elected Official or Designee)

|                                |                                    |
|--------------------------------|------------------------------------|
| _____                          | _____                              |
| Designating Unit of Government | Chief Elected Official or Designee |
| _____                          | _____                              |
| Date                           | Title                              |
| _____                          | _____                              |

CERTIFYING REPRESENTATIVE:

(To be signed by the Chief Elected Official or Designee)

|                                |                                    |
|--------------------------------|------------------------------------|
| _____                          | _____                              |
| Designating Unit of Government | Chief Elected Official or Designee |
| _____                          | _____                              |
| Date                           | Title                              |
| _____                          | _____                              |