

MEMORANDUM

TO: Mayor Prussing, Council Members

FROM: City Comptroller

RE: Metro Zone Agreement with Champaign

DATE: September 15, 2008

Recently I was asked about the new I Hotel/Conference Center in Champaign and its relationship to the City Metro Zone agreement.

In May 2001, the cities of Champaign and Urbana in order to provide for orderly and planned growth and development in 2 areas, entered into a boundary development agreement called the "Metro Zone Agreement". (agreement is attached and I have also included the agreement in the City's "contracts" section of the financial section of the City's web page.) This agreement calls for the host city to share certain revenues (new property tax from the development, utility tax, hotel tax, and sales taxes) it receives and any development incentive costs it incurs from development in two areas (maps included in the agreement):

- a) the Northern Area is generally described as those properties on either side of the Illinois Central Railroad tracks north of City limits of Urbana and west of Lincoln Avenue extended, bounded on the north by Leverett Road, as well as properties in the northern limits of the City of Champaign, including Apollo Subdivision industrial park and properties fronting on Olympian Drive as shown in more detail on the attached map.
- b) The southern area is bounded by St. Mary's Road on the north, Race Street on the East, Curtis Road on the south, and railroad property just east of Neil Street, with Urbana being the host City on properties east of Wright Street extended.

The agreement also requires both cities to notify the other when a development that may incur costs is being contemplated.

Revenues and incentive costs in the northern area are split 70% to Champaign and 30% to Urbana and 50% to each City in the southern area. Over the 5 years of this agreement, Urbana has received the total of \$192,225 and reimbursed Champaign the amounts of \$74,969. In the most recent year of 2008, Urbana received \$80,726. (Note that due to enterprise zone and other development incentives, Champaign may not actually receive revenues from a development for a number of years).

The three largest developments in the northern area are the SuperValu at 3001 Apollo Drive, Hobbico at 3002 Apollo Drive, and Fed Ex Ground at 102 E. Mercury. The three largest developments in the southern area are an office building at 1816 S. Oak which is owned by the U/I, an office building at 1901 S. First which is owned by Peter Fox and the Motorola building at 1801 S. Oak. The new I Hotel/Conference Center is in the southern area and thus the City of Urbana will eventually receive 50% of the property, hotel, and other taxes generated by this development. However, the City of Champaign 's development agreement with the University concerning this project requires them to pay back to the University all property, hotel, and sales taxes generated for 15 years up to a maximum payment of \$3 million. Thus, neither Champaign or Urbana will receive any revenues from the new hotel and conference center for some years.

I have estimated that Urbana will receive \$97,000 in FY09. Revenues from the Metro Zone are reported in the General Fund (see page 40 in the FY08-09 budget document).

**AMENDED AND RESTATED
BOUNDARY DEVELOPMENT AREA AGREEMENT**

WHEREAS, the City of Champaign, Illinois, a municipal corporation (hereafter "Champaign") and the City of Urbana, Illinois, a municipal corporation (hereafter "Urbana") as home rule units of local government, are authorized by Article 7, Section 6, of the 1970 Constitution of the State of Illinois to exercise any power and perform any function pertaining to their government and affairs; and

WHEREAS, the attraction of commercial and industrial enterprises to the community by providing necessary facilities and inducements for them to locate in the Champaign-Urbana area is a matter pertaining to the government and affairs of Champaign and Urbana; and

WHEREAS, Champaign and Urbana are authorized by Article 7, Section 10, of the 1970 Constitution to contract or otherwise associate among themselves to exercise jointly any power or powers, privileges, or authority exercised or which may be exercised by said municipality individually in any manner not prohibited by law; and

WHEREAS, Champaign and Urbana have both previously passed resolutions which recognized the east right-of-way line of the original 200-foot Illinois Central Railroad right-of-way as an appropriate line for various purposes, Champaign in resolution No. 360, passed and approved on June 19, 1962; Urbana in a resolution dated March 19, 1962; and

WHEREAS, Champaign and Urbana have established a boundary beyond which each shall in the future not annex territory by agreement signed by Urbana on December 21, 1990, and signed by Champaign on January 4, 1991; and

WHEREAS, Champaign and Urbana desire to continue to contract and associate for the purpose of providing orderly and planned growth and development of an area designated as the Northern Boundary Development Area ("NEDA") and the Southern Boundary Development Area ("SEDA") which purpose includes, but is not limited to, providing for the following as needed:

1. Annexation of land;
2. Acquisition of land;
3. Construction and availability of infrastructure improvements as defined herein;
4. Delivery of general municipal services, including but not limited to police protection, fire protection, public infrastructure construction and maintenance, solid waste services, and other health and safety protections and services;
5. Payment for general municipal services and incentives;
6. Apportionment of revenue generated from taxes from development within the NBDA or SEDA as set forth herein; and

WHEREAS, implementation of the prior agreement has shown it to contain ambiguities and difficulty in administrating; and

WHEREAS, it is in the best interests of both municipalities to enter into this Intergovernmental Agreement.

NOW, THEREFORE, IT IS HEREBY AGREED by and between the City of Champaign and City of Urbana as follows:

Section 1. Definitions. As used in this Agreement, the following terms shall have the meanings given in this section:

(a) Northern Boundary Line. Beginning at a point where the north line of Carver Park Subdivision extended west intersects the center line of the original 200-foot wide right-of-way of the Canadian National (formerly Illinois Central Railroad); thence northeasterly along said line to the northerly right-of-way line of Township Road 2000 North (Ford Harris Road); thence West along said line to the west line of Section 20, Township 20 North, Range 9 East of the Third P.M. in Somer Township; thence North along said line to the south right-of-way line of Township Road 2200 North, then as the parties have agreed in Section 7(b) of this Agreement as shown in Exhibit A, which is attached hereto and incorporated by reference herein.

(b) Southern Boundary Line. That line south of the point where the Champaign and Urbana city limits meet on Wright Street extended and St. Mary's Road on the effective date of this Agreement, thence south along the center line of Wright Street extended, said line shown in Exhibit B.

(c) Northern Boundary Development Area ("NBDA"). That area north of the northern line of the right-of-way of Interstate 74, and within Somer Township as depicted on the map attached hereto and incorporated by reference herein as Exhibit A.

(1) Area 1 (South of TR 2000 Ford Harris Road): The West Half of Section 29 and all that part of the East Half of Section 30 lying west and north of the right-of-way line of Township Road 1350 East (Lincoln Avenue) and lying east of the easterly right-of-way line of the Canadian National (Illinois Central Railroad); also, the Northeast Quarter of the Northeast Quarter of Section 31 lying east of said railroad right-of-way line all in Township 20 North, Range 9 east of the Third P.M. and together with the following described property being on the west side of the Canadian National (Illinois Central Railroad): The South Half of the Southwest Quarter of Section 30, except the right-of-way of Township Road 1200 East, (Market Street) commonly known as Leverett Road. Also the Southeast Quarter of said section lying west of the west right-of-way line of the Canadian National (Illinois Central Railroad). Also that part of Section 31 lying north of the north line of Wilbur Heights Subdivision, east of the east right-of-way line of Township Road 1200 East, Market Street) West of the west right-of-way line of the Canadian National (Illinois Central Railroad), except that part of the Southeast Quarter of said section lying west of the west right-of-way line of said railroad, all in Township 20 North, Range 9 East of the Third P.M.; also

(2) Area 2 (North of TR 2000 –Ford Harris Road). That area bounded on the south by the north right-of-way line of Township Road 2000 North (Ford Harris Road); on the west by the east right-of-way line of Township Road 1300 East (Martin Road); on the north by

the north line of Section 20; and on the east by the west right-of-way of the original 200-foot right-of-way of the Canadian National (Illinois Central Railroad).

(d) Southern Boundary Development Area ("SBDA"). All that property south of the south right-of-way line of St. Mary's Road, east of the original 200-foot wide right-of-way for the Canadian National (Illinois Central Railroad), north of the south right-of-way line of Curtis Road and west of the east right-of-way line of Race Street (existing or extended), and as shown on Exhibit A, which is attached hereto and incorporated by reference herein.

(e) Infrastructure Improvements. Any and all publicly owned or controlled improvements to property, including but not limited to streets, sidewalks, sanitary sewers, storm sewers, water mains, drainage improvements or detention facilities, bridges, railroad crossings, utility poles, traffic signals, street lights, and other structures, fixtures or land appurtenances which are or are intended to be dedicated to Champaign or Urbana or to the public generally.

(f) Tax Revenue. The actual tax monies received by the taxing municipality from the following taxes, if imposed, by that municipality: general real property taxes, Hotel/Motel Taxes, Utility Taxes and Sales Taxes listed in Exhibit B. Taxes imposed by either municipality after the date of this agreement are not included in this definition without further express agreement; if a new tax is imposed by a party, the parties shall meet and confer concerning said taxes. All tax receipts are included regardless of any rate differential between the municipalities. An increase in rates shall not be considered a new tax.

(g) Incentive. An "incentive" for the purposes of this agreement is some form of financial assistance given to a person by either of the Cities by ordinance, resolution or written agreement in order to promote a development on property within the NBDA or SBDA.

(h) "Financial Assistance" for the purpose of this Agreement shall be one or any combination of the following:

- (1) money;

- (2) abatement of tax revenue as tax revenue is defined in Section 1(f);
- (3) the difference between the cost of real property purchased by the City and the cost at which it is conveyed for use of the development, if less than cost of purchase;
- (4) enterprise zone benefits;
- (5) tax increment benefits;
- (6) waiver of infrastructure improvements otherwise required to be constructed by a developer by the ordinance of the City in which it is located but only if the City incurs a cost constructing such infrastructure improvements;
- (7) that portion of the construction of local sanitary sewers, storm sewers, streets and traffic related improvements uniquely attributable to the development constructed or paid for by the City;
- (8) the waiver of costs, assessments or impact fees for infrastructure improvements constructed prior to or at the time of development, provided that such costs are uniquely attributable to the real property on which the development takes place; or
- (9) money paid pursuant to an adopted City economic development policy to a developer attributable to a project on a specified designated tract within the NBDA or SBDA.
- (10) In addition to any other items listed, anything of value agreed by both of the Cities to be offered to a developer.

(i) Foregone revenue are taxes which are either abated or rebated.

(j) "Agreement" means this Amended and Restated Boundary Development Area Agreement.

(k) "Subject Parcel" means the parcel which is within either the Northern Boundary Development Area or Southern Boundary Development Area as described in the Agreement which parcel is the subject of incentives offered by either City or on which development of the Agreement occurs.

(l) "Host City" means the city in which the subject parcel is located, or if not within the City limits of either City, the City to which the unincorporated area where the subject parcel is located is assigned under the Agreement.

(m) “Non-Host City” is the city that is party to the Agreement in which the subject parcel is not located, or if not within the City limits of either City, the City to which the unincorporated area where the subject parcel is not assigned under this Agreement.

(n) “Baseline Municipal Services” means the basic police, fire, and public work services that are provided to all parcels in the community as a whole.

(o) “Baseline Revenue” means that portion of the general real estate taxes which are levied pursuant to the Host City’s levy each year against the subject parcel on the assessed land value only without building improvements regardless of when constructed. For this purpose the official assessment of the township assessor are controlling.

(p) “Calculated Baseline Revenue” is a concept to calculate Baseline Revenue for tax exempt parcels. It means a calculation of how much in general real estate taxes would be generated each year if the real estate tax levy of the Host City were applied to the land value of the subject parcel based upon its value as determined by a professional appraiser, or by agreement of the parties.

(q) “Equalized Assessed Value” means equalized assessed valuation as determined and authorized by the Champaign County assessing officials in accordance with the procedures set forth in the Property Tax Code, as supplemented and amended.

(r) “Utility Tax Revenue” shall mean all taxes received for taxes imposed on electricity, water, gas or telecommunications by City ordinances under authority of the statutes listed in Appendix A, either as reflected in actual revenues attributable to the development or based upon estimated revenues as agreed to by the City’s Chief Financial Officers.

(s) “Development” shall mean the construction of structures designed for any use other than residential uses.

Section 2. Annexation and Development Review.

(a) Champaign and Urbana may continue to annex property as permitted by statute and pursuant to the Boundary Line Agreement in Section 6 hereof between Champaign and Urbana.

(b) The parties recognize that the decision of a Non-Host City of whether to participate in the costs of an incentive can be a major undertaking involving considerable analysis and budgetary planning. Therefore, the City Manager or Chief Administrative Officer shall notify the City Manager or Chief Administrative Officer of the Non-Host City of the substance of any initial meeting that the City Manager or Chief Administrative Officer reasonably believes may lead to the offer of incentives ("notice to Non-Host City"). Such notice shall be given within 14 days of such meeting. Notice need not be given if the only incentive reasonably anticipated is foregone revenue. In no event shall any action by the Host City Council be taken respecting a development covered by this agreement in less than 14 days following the notice to the Non-Host City. Notice of all zoning petitions including, but not limited to, petitions to change the zoning map, ordinances to permit new uses, or for special or conditional uses, all subdivisions or land development plat requests for property located within the NBDA or SBDA shall be sent to the Planning Department Director or Community Development Department Director through notification of Plan Commission agendas.

(c) Neither City shall provide police or fire services to any property that such City is not permitted to annex under Section 6 of this Agreement unless pursuant to further written agreement of the parties.

Section 3. Tax Revenue Sharing.

(a) Revenue Split. To the extent such exceeds the baseline revenue (or calculated baseline revenue), Municipal tax revenue, as defined in Section 1(f), actually collected from a Development, within the Northern or Southern Boundary Development Areas shall be shared between the parties as follows:

Northern Boundary Development Area

70% to Champaign; 30% to Urbana, for land to the west of the Northern Boundary line;

70% to Urbana; 30% to Champaign, for land to the east of the Northern Boundary line.

Southern Boundary Development Area

50% to Champaign; 50% to Urbana.

(b) Savoy Participation. If the Village of Savoy ("Savoy") and the Cities of Champaign and Urbana all agree to participate in the Southern Boundary Development Area, revenues and expenses shared with Savoy will come equally from the shares of Champaign and Urbana, if all three entities enter into joint agreement so providing.

(c) Deduction for Costs for Baseline Municipal Services. Baseline Municipal Services, if provided to the parcel, are assumed to be funded from Baseline Municipal Revenue or excused if tax exempt. Baseline Revenue shall not be subject to revenue sharing under this Agreement. In return, no payment shall be due from the Non-Host City for Baseline Municipal Services.

(d) Payment of Revenue Above Baseline.

(1) Revenue Above Baseline. Unless the Non-Host City declines to participate in sharing the cost of the incentive(s) as provided for in Section 4 hereof, municipal tax revenues as defined herein actually collected from a development which exceed the base line revenue (or calculated base line revenue) are to be shared as provided in Section 3 hereof. No revenue attributable to a development is due until a structure is occupied in a development within the NBDA or SEDA.

(2) Real Estate Payments. Payment by the Host City to the Non-Host City of real estate taxes shall be made on or before November 15 of each year that such payments are received.

(3) Other Taxes. Other municipal tax revenues which are received by the Host City and shared under this Agreement shall be calculated quarterly and paid within 60 days of such calculation.

(4) Enterprise Zone Payments. When a subject parcel is in an Enterprise Zone and a portion of the real estate taxes are thereby abated, then during the period of

abatement there shall be no sharing of real estate tax revenue generated from the subject parcel on that portion of EAV subject to abatement, regardless of whether development is complete. The amount abated is foregone revenue and not received by the Host City. Other tax revenues shall be shared according to this agreement.

(e) Post Development Municipal Costs. After issuance of any building permit required for the initial structure which was the subject of incentives, no actions which may otherwise be considered to be financial assistance shall be considered to be an incentive unless such is offered to induce or aid in an expansion of the initial structure or the addition of new structures and all of the procedures prescribed herein for offering initial incentives are followed ("subsequent incentives"), even if the Non-Host City did not previously participate in incentives. As to subsequent incentives, if the Non-Host City decides to participate in the costs thereof, all future revenues received after the incentive is given, which are attributable to the expansion or additions, shall be shared in the same ratio as the participation in the cost of subsequent incentives given. If the Non-Host City declines to participate in such subsequent incentive, all revenues attributable to the expansion or addition shall belong exclusively to the Host City and only those revenues attributable to the development prior to the expansion or addition are continued to be shared as before the subsequent incentives came into play. If no incentives are involved in an expansion or addition, revenues shall continue to be shared in the same percentage as they were prior to such expansion or addition.

Section 4. Incentive Cost Sharing.

(a) Incentives Shared.

Incentive Ratio. Unless otherwise agreed, the costs of such incentives in connection with a Development within the NBDA or SBDA shall be shared between the parties in the same ratio as revenues are provided to be shared under this Agreement. Incentive payments, if the Non-Host City agrees to participate, are required to the extent that financial

have been paid by the Host City. If the offset method has been selected, the Non-Host City shall pay, in any case, its share of incentives within a year of the last payment made by the Host City to or on behalf of a developer.

(e) Incentives Repaid. The repayment of an incentive by a developer or successor to a developer other than through payment of taxes shall be shared in the same ratio as the cost of the incentive was shared.

Section 5. Rail Crossing.

(a) The parties acknowledge that an improved or new road designated as Olympian Drive which crosses the Canadian National (Illinois Central Railroad) Railroad right-of-way somewhere between Wilbur Road and the northernmost portion of the NBDA would promote economic development of the area and represent good transportation planning.

(b) In accordance with the terms of the original Boundary Agreement, there has been progress locating and designing Olympian Drive. The parties recognize that such project is of such scope that it will require federal, state and/or county participation in funding. In anticipation of the eventuality of such federal, state and/or county funding, the parties agree to anticipate funding their portion of the Olympian Drive Project in their Capital Improvement Plans, and to include the railroad crossing section of Olympian Drive in the CUUATS priority process. Urbana agrees to proceed in a timely way with improvements to Lincoln Avenue in anticipation of the Olympian Drive Project. Champaign agrees to proceed in a timely way with planning and construction of the west section of Olympian Drive.

(c) Irrespective of the timetable for the construction of the rail crossing, both cities shall plan and promote development in the NBDA in accordance with the completed location studies for both Olympian Drive and Lincoln Avenue.

Section 6. Boundary Line Agreement.

Unless otherwise mutually agreed in the case of any individual parcel, Champaign and Urbana hereby agree that the boundary line of each community shall be the line depicted on Exhibit A to

the North of the present Champaign-Urbana corporate boundaries and the line depicted on Exhibit B to the south of the present Champaign-Urbana corporate limits. The line so established shall be the boundary for planning, subdivision or development approval, zoning and annexation purposes. Champaign and Urbana shall only annex or enter into annexation agreements for such property as is on the west side of the respective boundary line for Champaign and as is on the east side of the respective boundary line for Urbana. Neither City shall annex, enter into annexation agreements, attempt to annex or attempt to enter into an annexation agreement with any person in violation of this provision.

Section 7. Duration.

(a) This agreement shall be binding on the parties hereto for twenty (20) years from the last date set forth in Section 13; provided, however, that this Agreement shall be renewed and extended automatically for successive twenty-year periods unless there is mutual agreement to cancel or revise this Agreement by both Champaign and Urbana before the end of the initial and each successive term at least ninety (90) days prior to the date of termination.

(b) Notwithstanding the above, extension of the terminus of the Northern Boundary Line to the north of the intersection of T.R. 1300E (Martin Road) with the south right-of-way line of Interstate 57 shall be negotiated when either city annexes territory up to the south right-of-way line of Township Road 2100 North (Leverett Road). Neither City may annex north of Township Road 2200 North until it has notified the other City in writing and there is an opportunity to negotiate the extension of the line. In the event the Cities fail to agree on such extension within ninety (90) days of the notice, the boundary agreement and all elements of this agreement shall continue, except that, in absence of written agreement to the contrary:

- (1) In no event shall Urbana annex territory west of Interstate 57 north of the intersection of T.R. 1300E (Martin Road) with Interstate 57; and
- (2) In no event shall Champaign annex territory north of T.R. 2200N and east of Wright Street extended.

Section 8. Recording.

The Clerks of the respective Cities shall supply to the other city two (2) copies of this Agreement, executed and certified as to adoption. The Clerk of the City of Champaign shall file a copy of the executed Agreement, so certified as to adoption by both clerks, with the Champaign County Recorder's Office, and shall notify the Clerk of Urbana as to the date of recording and the recording number.

Section 9. Action Contrary to Law.

Nothing contained herein shall require either of the Cities to take any action which would be a violation of law or would cause a default on any obligation or debt instrument.

Section 10. Notices.

Notice hereunder shall be considered delivered with delivered personally or sent by certified mail, postage prepaid, to:

Champaign
City Manager
City of Champaign
102 North Neil Street
Champaign, IL 61820

Urbana
Mayor
City of Urbana
400 South Vine Street
Urbana, IL 61801

Section 11. Approvals.

When something in this agreement requires the agreement or approval of one or both Cities, such agreement or approval shall be evidenced in writing and signed by the City Manager for the City of Champaign and the Mayor of the City of Urbana.

Section 12. Prior Agreement Rescinded. Immediately upon signature of the second party to this agreement to sign, this Amended and Restated Boundary Development Area Agreement shall completely replace the previous agreement signed by Urbana on December 21, 1990, and by Champaign on January 4, 1991, provided that incentives incurred under the previous agreement and revenue to be shared from development under the previous agreement shall continue under the terms and conditions herein. The incentives previously incurred and parcels from which revenue is to be shared under the prior Agreement are listed in Exhibit C.

Section 13. Date of this Agreement. The effective date of this Agreement shall be the date of the last party to sign.

CITY OF CHAMPAIGN

By: Paula A. Bey
City Manager

ATTEST:

By: Marilyn L. Banks
City Clerk

Date: July 3, 2001

APPROVED AS TO FORM:

By: FC Lewis
City Attorney

CITY OF URBANA

By: Tal Sattalwhite
Mayor

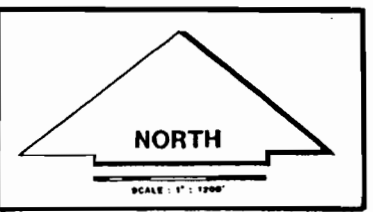
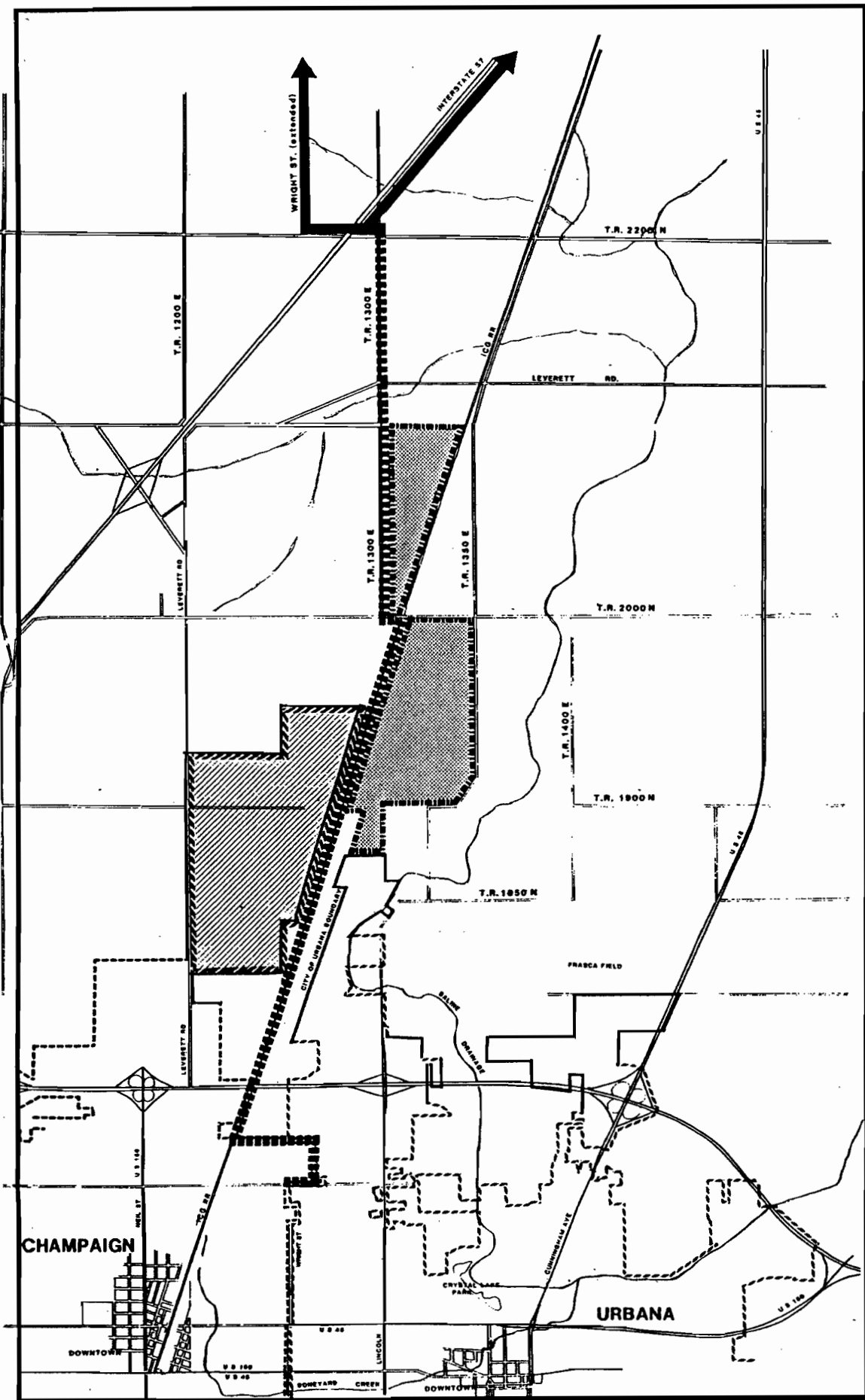
ATTEST:

By: Debra Robert
DEPUTY City Clerk

Date: May 1, 2001

APPROVED AS TO FORM:

By: Paul Waal
City Attorney
C.B. 2001-168



NORTHERN ETJ URBANA CHAMPAIGN

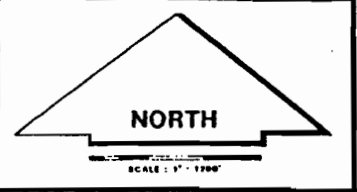
- LEGEND :**
- - - - - CITY OF URBANA BOUNDARY
 - - - - - CITY OF CHAMPAIGN BOUNDARY
 - RAILWAY LINE
 - NORTHERN BOUNDARY LINE
 - ▨ URBANA NORTHERN BOUNDARY DEVELOPMENT AREA
 - ▨ CHAMPAIGN NORTHERN BOUNDARY DEVELOPMENT AREA
 - ← AREAS OF FUTURE NEGOTIATION

BOUNDARY DEVELOPMENT AREA AGREEMENT EXHIBIT A

PREPARED BY :

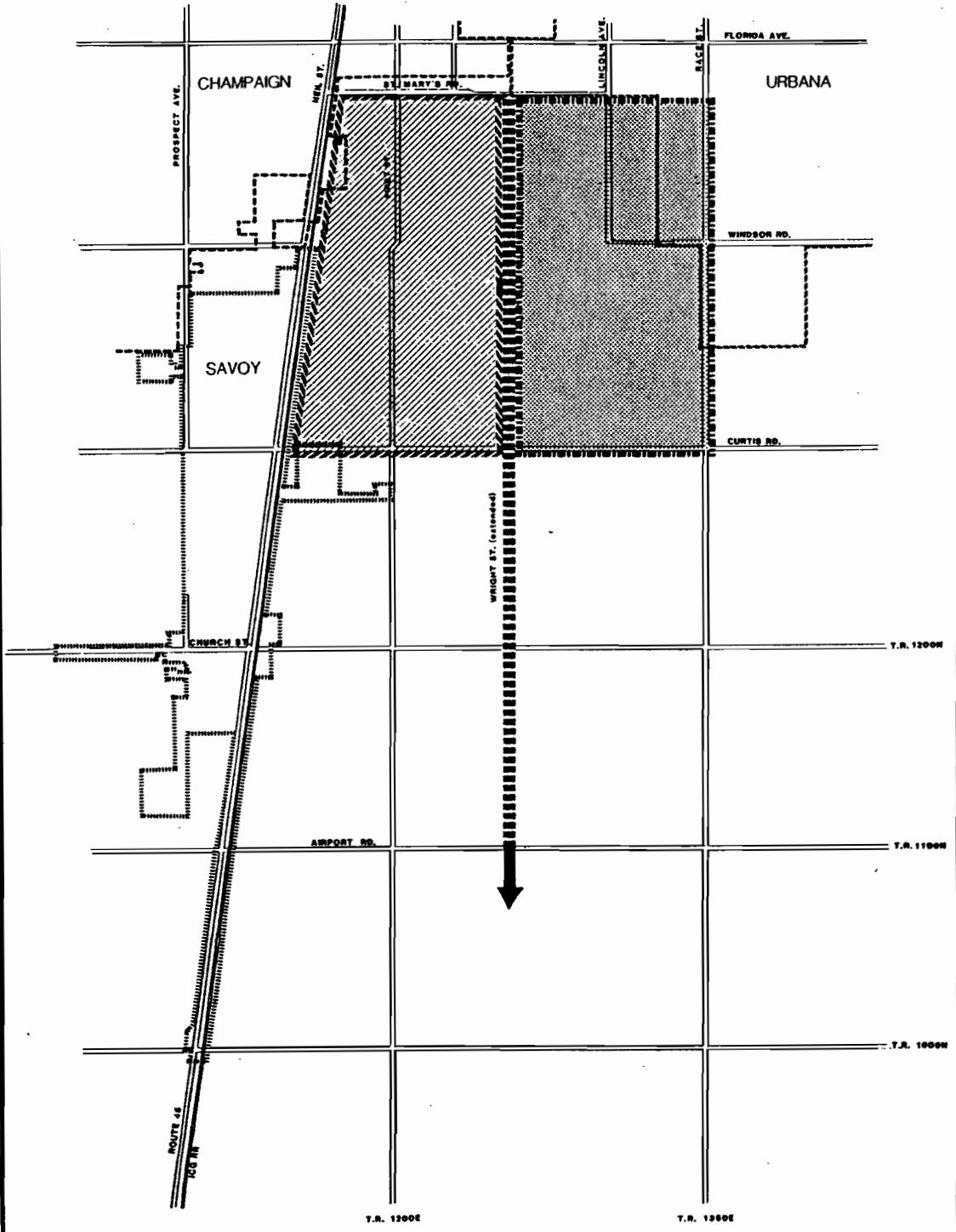
PLANNING DIVISION
DEPARTMENT OF COMMUNITY
DEVELOPMENT SERVICES
CITY OF URBANA

12/90



SOUTHERN ETJ URBANA CHAMPAIGN SAVOY

- LEGEND:**
- CITY OF URBANA BOUNDARY
 - CITY OF CHAMPAIGN BOUNDARY
 - VILLAGE OF SAVOY BOUNDARY
 - RAILWAY LINE
 - SOUTHERN BOUNDARY LINE
 - ▨ URBANA SOUTHERN BOUNDARY DEVELOPMENT AREA
 - ▨ CHAMPAIGN SOUTHERN BOUNDARY DEVELOPMENT AREA
 - ← AREAS OF FUTURE NEGOTIATION



BOUNDARY DEVELOPMENT AREA AGREEMENT EXHIBIT A

PREPARED BY: LINDA BIERE 12/9

PLANNING DIVISION
DEPARTMENT OF COMMUNITY
DEVELOPMENT SERVICES
CITY OF URBANA

EXHIBIT B

1. Utility Taxes. On the date hereof, taxes imposed by each City pursuant to any of the following state statutory authority:

- a) 35 ILCS 635 – Telecommunications Municipal Infrastructure Maintenance Fee Act
- b) 35 ILCS 640 – Electricity Excise Tax Law
- c) 35 ILCS 645 – Electricity Infrastructure Maintenance Fee Law
- d) 65 ILCS 5/8 – 11-2 – Municipal Utility Tax
- e) 65 ILCS 5/8 – 11-17 – Municipal Telecommunications Tax

2. Sales Taxes:

On the date hereof, such taxes are collected by the Department of Revenue pursuant to Sections 35 ILCS 115/1 (Service Occupation Tax) and 35 ILCS 120/1 (Retail Occupation Tax) and 65 ILCS 8-11-1 (Home Rule Municipal Retailers Occupation Tax Act) and 65 ILCS 5/8-11-5 (Home Rule Municipal Service Occupation Tax).

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EXHIBIT C

Incentives Previously incurred :

\$150,000 pursuant to the Atkins- Reifsteck Annexation Agreement

\$150,000 pursuant to the University of Illinois South Research Park Annexation Agreement

Urbana (the non-Host city) shall be asked if it wishes it share in these incentives within 30 days of the effective date of this agreement.

Parcels Previously Developed for which Revenue is to be shared:

All parcels within the Northern Boundary Development Area and the Southern Boundary Development Area for which building permits were issued between January 4, 1991 and the effective date of this agreement.

All Tax Revenue received after the effective date of this agreement shall be shared according to the terms of this agreement. No tax revenue received by the Host City prior to the effective date of this agreement shall be required to be shared , nor shall any payments be due from the non-Host City for municipal services provided prior to the date of this agreement,

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