

RESOLUTION REQUESTING THE UNIVERSITY OF ILLINOIS TO OPEN A PUBLIC DISCUSSION OF THE IMPACT OF CARLE TAXATION AND BILLING PRACTICES ON THE LOCAL COMMUNITY AND THE UNIVERSITY

WHEREAS, the state law allowing a property tax break for “charity care” provided by hospitals has caused severe financial hardship on the residents and businesses in cities which host large regional hospitals; and

WHEREAS, the devastating effects of such legislation on Urbana, a city of 41,250 people who now pay for “charity care” for a region of 1.2 million people, was not foreseen by some local legislators who voted for the bill; and

WHEREAS, the cost of health insurance in Champaign County is higher than the cost of health insurance in Chicago, according to Health Alliance, a subsidiary of Carle; and

WHEREAS, it is important for Champaign County residents, businesses, the University of Illinois and local governments to understand the economic impact of such higher health insurance costs; and

WHEREAS, the University of Illinois at Urbana-Champaign has proposed a partnership with Carle to create a new medical school for which Carle has pledged financing of \$10 million per year for 10 years; and

WHEREAS, the \$10 million annually that Carle has pledged to the University of Illinois at Urbana-Champaign is equal to the \$10 million per year that Carle is no longer paying in property taxes to all Champaign County taxing bodies; and

WHEREAS, almost 90% of the \$10 million in property taxes that Carle has shifted to all other businesses and residents of Champaign County is being paid by residents and businesses in Urbana because almost 90% of Carle property is located in Urbana; and

WHEREAS, the land grant mission of the University of Illinois at Urbana-Champaign requires studying, understanding and promoting good public policy; and

WHEREAS, it is in the long-term interest of the University of Illinois at Urbana-Champaign to promote healthy and sustainable local communities in order to attract students, faculty and staff,

NOW, THEREFORE, BE IT RESOLVED, that the Urbana City Council requests the University of Illinois to open a public discussion on the impact of Carle taxation and billing practices on the finances of the University of Illinois and on the entire community of Champaign County to determine what the impacts are, whether the practices should be revised and how that might best be accomplished.

PASSED BY THE CITY COUNCIL this ____ day of _____, 2014.

AYES:

NAYS:

ABSENT:

ABSTAINS:

Phyllis D. Clark, City Clerk

APPROVED BY THE MAYOR this _____ day of _____, _____.

Laurel Lunt Prussing, Mayor