

ORDINANCE NO. 1999-11-120

AN ORDINANCE PROVIDING FOR THE LOAN OF \$18,000 FROM THE ECONOMIC DEVELOPMENT FUND OF THE CITY OF URBANA, ILLINOIS, TO THE URBANA TAX INCREMENT FINANCING DISTRICT FOUR FUND AND PROVIDING FOR THE DETAILS OF THE REPAYMENT OF SAID LOAN PRINCIPLE AND INTEREST.

WHEREAS, the City of Urbana, Champaign County, Illinois, is a home-rule unit pursuant to the provisions of the Constitution of Illinois and accordingly may exercise any power and perform any function pertaining to its government and affairs, including the power to incur debt, and;

WHEREAS, it is the intention of the City Council of the City of Urbana, Illinois, to create a Tax Increment Finance District Four, pursuant to the Tax Increment Finance Allocation Redevelopment Act, and;

WHEREAS, the City Council of the City of Urbana, Illinois, determines that it is necessary to contract with a consultant to assist in the creation of the Tax Increment Finance District Four, and;

WHEREAS, the City Council of the City of Urbana, Illinois, determines that the costs of the consultant fees are eligible for payment from the future revenues of the Tax Increment Finance District Four; and;

WHEREAS, the City Council of the City of Urbana, Illinois, did on the 6th day of December, 1999, pass an ordinance, which amended the annual budget for the City of Urbana, Illinois, for the fiscal year beginning July 1, 1999, and ending June 30, 2000, and;

WHEREAS, said budget amendment authorized the expenditure of \$18,000 in the Urbana Tax Increment Finance District Four Fund, for expenditures related to the hiring of a consultant to assist in the creation of the Tax Increment Finance District Four, and;

WHEREAS, the City Council at that time determined and hereby confirms that said expenditure of \$18,000 would enhance the property taxes of the Urbana Tax Increment Finance District Four Fund and is

consistent with the goals and purpose of the Tax Increment Finance Allocation Redevelopment Act, and;

WHEREAS, the City Council at that time determined and hereby confirms that the Urbana Tax Increment Finance District Four Fund does not have sufficient monies available to pay for said \$18,000 expenditure, and;

WHEREAS, the City Council of the City of Urbana determine that the City of Urbana has sufficient monies available in the City of Urbana Economic Development Fund to loan \$18,000 to the Urbana Tax Increment Finance District Four Fund, and;

WHEREAS, the City Council of the City of Urbana in order to save external issuance costs and staff time, hereby, determines that it is in the best interest of the City of Urbana for the Urbana Tax Increment Finance District Four Fund to borrow said \$18,000 from the City of Urbana Economic Development Fund, and;

WHEREAS, the City Council hereby affirms that said amount of borrowing of \$18,000 shall be a legally constituted debt of the Urbana Tax Increment Finance District Four Fund in all aspects and purposes and said \$18,000 loan plus interest shall be repaid immediately when property taxes deposited into the Urbana Tax Increment Finance District Four Fund have accumulated to be sufficient to make said repayment. Interest shall be at an annual rate of 6.0%, which approximates the interest earnings that will be foregone by the City of Urbana Economic Development Fund, and shall be calculated on the principle amount of loan outstanding.

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

Section 1. The sum of \$18,000 shall be transferred from the City of Urbana Economic Development Fund to the Urbana Tax Increment Finance District Four Fund, as needed to pay consultant fees in connection with creation of the Urbana Tax Increment District Four Fund. The amount so transferred shall constitute a loan from the

City of Urbana Economic Development Fund to the Urbana Tax Increment Finance District Four Fund and shall bear interest at the rate of six percent (6%) per annum until paid.

If any provisions of this ordinance or the application of such provisions to any circumstances is held invalid for any reason whatsoever, the remainder of this ordinance or the application of the provisions to other circumstances shall not be affected hereby.

Section 2. This ordinance shall take effect and be in full force and effect immediately on and after its passage and approval.


Section 3. This ordinance is hereby passed by the affirmative vote of two-thirds of the members of the corporate authorities then holding office, the "ayes" and "nays" being called at a regular meeting of said Council.

PASSED by the City Council this 5th day of December,
1999.

AYES: Hayes, Huth, Kearns, Patt, Taylor, Whelan, Wyman

NAYS:

ABSTAINS:

 Phyllis D. Clark
Phyllis D. Clark, City Clerk

APPROVED by the Mayor this 8th day of December,

1999.

James H. Hayes Jr.
~~Ted Satterthwaite, Mayor~~
James H. Hayes, Jr., Mayor Pro-tem