

RESOLUTION NO. 2004-11-023R

**A RESOLUTION EXTENDING THE BUILD URBANA TAX REBATE PROGRAM
FOR TWO ADDITIONAL YEARS**

(TO DECEMBER 1, 2006 - Build Urbana)

WHEREAS, on March 5, 2001, the City Council of the City of Urbana adopted Resolution No. 2001-02-007R authorizing a single-family home construction incentive program as a means of promoting new single family home construction in the City; and

WHEREAS, on July 16, 2001, the City Council of the City of Urbana adopted Resolution No. 2001-07-022R extending the single-family home construction incentive program to owner occupied zero lot-line townhomes, condominiums, cooperatives, and duplexes; and

WHEREAS, on November 18, 2002, the City Council of the City of Urbana adopted Resolution No. 2002-10-028R extending the provisions the single-family home construction incentive program to permits issued for a period from December 1, 2002 to December 1, 2004; and

WHEREAS, the single-family home construction incentive program involves the payment of the difference between the property taxes incurred by new homes in the City of Urbana and the taxes those homes would incur in the City of Champaign for five years, on behalf of property owners who build new homes within the City; and

WHEREAS, the program has been successful in promoting new home starts in Urbana and has contributed to an increase in new housing starts from a previous average of 29 new single-family homes per year for the period from 1988 to 2001 to 176 new homes in 2002, 159 new homes in 2003 and over 140 new homes in 2004; and

WHEREAS, analysis of the costs of the program compared with the benefits of increased tax assessments is positive with an overall rate of return on investment of over seven times; and

WHEREAS, in order to promote home ownership rather than investment development with secondary rental objectives, it is desirable that the program extend its provisions only to those zero lot-line townhomes, condominiums, duplexes and cooperative housing units that are owner occupied and exclusively ground-lease domiciles; and

WHEREAS, extension of the Build Urbana home construction incentive program to continue for an additional two years so that it is applicable to building permits issued between December 1, 2004 and December 1, 2006 will assist in the build-out of currently active subdivisions in Urbana; and

WHEREAS, support for the extension of the program has been communicated from various local developers, the Urbana School District, and the Urbana Park District; and

WHEREAS, the Urbana City Council, having duly considered all matters pertaining thereto, finds and determines that the proposed time extension of the single-family home construction incentive program is in the best interest of the City of Urbana.

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

Section 1. The City Council finds and determines that the facts contained in the above recitations are true.

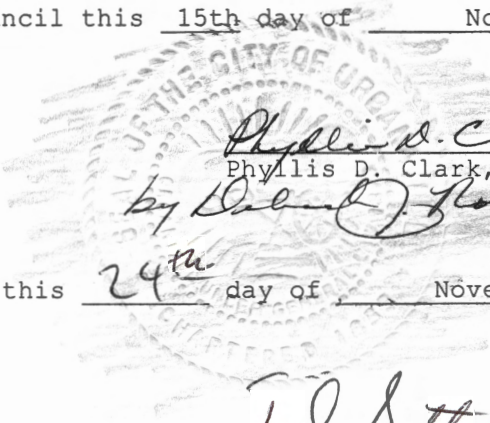
Section 2. The Urbana City Council hereby resolves that the City of Urbana does hereby amend Resolution No. 2001-02-007R, as amended by Resolution No. 2001-07-022R and Resolution No. 2002-10-028R, to extend the provisions of the Build Urbana tax rebate program only to those zero lot-line townhomes, condominiums, duplexes and cooperative housing units that are

owner occupied, exclusively ground-lease domiciles and to exclude rental or temporary residences.

Section 3. The Urbana City Council further resolves that the City of Urbana does hereby amend Resolution No. 2001-02-007R, as amended by Resolution No. 2001-07-022R and Resolution No. 2002-10-028R, to extend the provisions of that resolution to building permits issued between December 1, 2004 and December 1, 2006.

Section 4. All other provisions of Resolution No. 2001-02-007R, Resolution No. 2001-07-022R, and Resolution No. 2002-10-028R, shall apply and shall otherwise remain in force.

PASSED by the City Council this 15th day of November,
2004 .

 Phyllis D. Clark
Phyllis D. Clark, City Clerk

by Robert J. Holm Deputy Clerk

APPROVED by the Mayor this 24th day of November,
2004 .

Tod Satterthwaite
Tod Satterthwaite, Mayor