

A RESOLUTION IN SUPPORT OF HOSPITALS PAYING THEIR FAIR SHARE

WHEREAS, Carle Hospital, based in Urbana, is a regional medical center serving 25 counties in East Central Illinois and western Indiana, with a population of 1.2 million people; and

WHEREAS, Urbana with 41,250 residents comprises only 3 percent of Carle's service region population; and

WHEREAS, the vast majority of Carle properties are now exempt from taxes payable in 2013, due to last year's passage of Senate Bill-2194; and

WHEREAS, 83 percent of Carle's exempt property is in the city of Urbana; and

WHEREAS, SB-2194 was passed in 2012 at the urging of the Illinois Hospital Association, one of the state's most powerful lobbying groups, without any input from local taxing bodies in Urbana that will be financially devastated by the legislation; and

WHEREAS, Urbana's largest taxing bodies - the city, Cunningham Township, the park district and Unit 116 school district - will lose \$4.58 million in property tax income from Carle this year due to the new state law; and

WHEREAS, the loss to Champaign County taxing bodies, including those in Urbana, will total \$6.3 million this year; and

WHEREAS, Carle Foundation properties in Urbana comprise nearly 11 percent of the city's assessed value; and

WHEREAS, the removal of Carle property from Urbana's tax base will lead to higher tax rates and shift Carle's fair share onto all Urbana homeowners and all other businesses in Urbana; and

WHEREAS, higher tax rates will make Urbana less competitive for businesses and residents; and

WHEREAS, Carle Hospital is highly profitable, earning \$107 million in revenues over expenses and holding \$763 million in unrestricted cash reserves in 2011.


NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Urbana, CHAMPAIGN COUNTY, ILLINOIS, that we support a legislative solution that would require Carle Foundation Hospital and its affiliates to pay their fair share in local property taxes. Specifically, the city council supports the passage of HB-3634, as introduced by our state representative, Naomi Jakobsson.

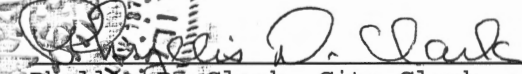
PASSED by the City Council this 3rd day of June,
2013.

AYES: Ammons, Brown, Jakobsson, Martin, Roberts, Smyth


NAYS:

ABSTAINS:




Phyllis D. Clark, City Clerk

APPROVED by the Mayor this 7th day of June,
2013.


Laurel Lunt Prussing, Mayor
By: Charles A. Smyth, Mayor Pro-tem