



City of Champaign
Infill Redevelopment Incentive Policy
(adopted in Council Bill No. 2005-185)

Goal: To encourage redevelopment that: 1) results in a major improvement in a property of City-wide significance, and 2) is not likely to occur without City assistance.

Incentive: Reimbursement of new or increased city revenues generated by a project, only if those revenues materialize. The incentive could include property, hotel-motel, sales, and/or food & beverage taxes for a specific number of years.

Process: Projects seeking assistance under this program must be presented to Council in Study Session. Council will determine the level of assistance to make available and has the flexibility to reject any request for assistance. If Council supports an incentive on a specific project, staff will draft an agreement with the developer and bring it to Council for approval. Projects need to be approved as Planned Developments to ensure that they are completed in conformance with the design approved by Council.

Proposed Site Guidelines. The project site should meet the following four site guidelines to be eligible for an incentive:

- a. Strategic Location (site must meet one of the following):
 - Highly visible entry point into the City, university, downtown or Campustown
 - Located in downtown or Campustown as defined by adopted City plans
 - Other heavily traveled corridor
- b. Significant Size: Site is at least 1.5 acres
- c. Development Opportunity (site must meet one of the following):
 - Opportunity to reuse a previously developed property
 - Opportunity to reverse a negative impact on neighboring properties
 - Opportunity to assemble multiple properties into one project
- d. Site Development Challenges (site must meet one of the following):
 - Environmental Concerns
 - Economic Obsolescence (external factors detract from a property's value)
 - Functional Obsolescence (defects in a structure detract from its value)

Examples of sites that may meet these guidelines include the Chancellor Hotel property, Country Fair Shopping Center, the former Plastipak facility in Downtown Champaign, or several properties along Neil Street just South of I-74.

Proposed Project Guidelines. The project should also meet the following five guidelines to be eligible for an incentive:

- a. Commercial Project: not primarily residential or industrial
- b. Project consists of demolition and new construction or substantial improvements to the public portion of an existing building:
 - Private investment must be at least \$500,000
 - Façade improvements alone do not qualify
- c. Substantial aesthetic improvements to the property: development must be high quality, subject to Council review
- d. New or increased City revenues created: property, hotel-motel, food & beverage and/or sales taxes
- e. Meets the “But-For” Test: redevelopment is not likely to occur without City assistance

Questions: Contact the Planning and Development Department at 217-403-8800.