



DEPARTMENT OF COMMUNITY DEVELOPMENT SERVICES
ADMINISTRATION AND PLANNING DIVISION
MEMORANDUM

TO: Bruce K. Walden, Chief Administrative Officer
FROM: Bruce K. Walden, Acting Community Development Director
DATE: August 1, 2001
RE: Champaign County Property Auction

Brief Description of the Issue(s)

Included on the August 6 Urbana City Council agenda is the proposed acquisition through the Community Development Block Grant/HOME programs of properties located at 1405 ½ West Beslin Avenue and 1209 West Beech Street. The property located at 1209 West Beech Street would be donated to the Illinois Center for Citizen Involvement pending final acquisition.

Identification of the Issue(s) and Any Approvals Required

The first issue before the Council is whether to purchase the properties. The second issue is whether to donate the property located at 1209 West Beech Street to the Illinois Center for Citizen Involvement. City Council authorization is necessary for the city to acquire and dispose of property. Both issues require the affirmative vote of a majority of seated councilpersons.

Background/Facts

In order to collect past due property taxes, the Champaign County Collector has taken possession of several parcels of real estate; several of which are within the City of Urbana. Champaign County will be auctioning off these parcels on August 14, 2001 in order to collect the overdue taxes. According to the Champaign County Delinquent Tax Agent managing the auction, the City may purchase parcels before the auction begins. Each parcel would be sold for the fair market value of the property as determined by the Champaign County Assessor; usually the County's assessed value. The Tax Agent has agreed to a price of \$8,196 for both parcels. The Champaign County Board would make final approval of the sale.

At a later date, the Council will discuss entering into an agreement with the Illinois Center for Citizen Involvement for the construction of five homes in Urbana through the HomeBuild4 Program. As with previous HomeBuild agreements, an integral part of the program is the city's donation of land to the program. The acquisition of 1209 West Beech Street would partially fulfill that requirement. If the city chooses not to enter into the HomeBuild4 agreement, the property may be donated either to Habitat for Humanity of Champaign County or the Urbana School District's Construction Trades Program. Attached to this memorandum is an ordinance authorizing the sale (donation) of the parcel located at 1209 West Beech Street to the Illinois Center for Citizen Involvement along with the associated sales contract. The execution of this agreement would be contingent upon the successful acquisition of the property.

Due to its small size (33'x132'), the parcel located at 1405 ½ West Beslin Street would not be able to be built upon at this time. The City of Urbana would need to acquire the adjacent parcel, which is

the same size. Combined, both lots would create one lot that would be large enough to be built upon. At that time, the City would donate both properties to a not-for-profit housing developer. Grants Management and Legal Division Staff are currently investigating the possible acquisition.

Fiscal Impact

The Champaign County Delinquent Tax Agent has agreed to sell both parcels to the City at a cost of \$8,196, which would include all administrative expenses and recording fees. Since both parcels are empty, no relocation benefits will need to be paid. The acquisitions will be financed with a combination of Community Development Block Grant and HOME funds, which have already been budgeted by Council. The transfer of 1209 West Beech Street would occur at no cost to ICfCI. The houses constructed on these sites would generate real estate taxes and are expected to have a positive effect on values of surrounding properties. Lawn care for 1405 ½ West Beech Street is estimated at \$10 per week and would be paid until the property is transferred.

Recommendation

At its July 24 meeting, the Community Development Commission recommended that City Council approve acquisition. Community Development Services staff also recommend City Council approval of the attached ordinance authorizing this purchase along with the ordinance authorizing the disposition of the 1207 West Beech Street to the Illinois Center for Citizen Involvement.

Prepared By: _____

Michael J. Loschen
Grants Coordinator II

- Attachments:
- (1) Site Map
 - (2) Purchase Contract between Champaign County and City of Urbana
 - (3) An Ordinance Authorizing the Purchase of Certain Real Estate (1405 ½ West Beslin Avenue and 1209 West Beech Street)
 - (4) An Ordinance Authorizing the Sale of Certain Real Estate (1209 West Beech Street)
 - (5) Contract for Sale of Real Estate between the City of Urbana and IcfCI

ORDINANCE NO. 2001-08-085

AN ORDINANCE AUTHORIZING THE PURCHASE OF CERTAIN REAL ESTATE
(1405 ½ West Beslin Avenue and 1209 West Beech Street)

WHEREAS, the City Council of the City of Urbana, Illinois, has found and determined that acquisition of the real estate specified in the attached agreement is desirable and necessary to carry out one of the corporate purposes of the City of Urbana, to wit: implementation of the *King Park Neighborhood Plan*, the *Urbana HOME Consortium* and the *City of Urbana Consolidated Plan for Program Years 1995-1999*, and the *Urbana HOME Consortium* and the *City of Urbana Consolidated Plan for Program Years 2000-2004*.

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

1. That the City of Urbana hereby approves the agreement attached hereto and authorizes the Mayor of the City of Urbana to execute the same on behalf of the City of Urbana. The attached agreement relates to the following described premises, located in Urbana, Illinois.

The West ½ Lot 3 Block 27, in Seminary Addition to the Town, now City of Urbana, situated in Champaign County, Illinois;

more commonly known as 1405 1/5 West

Beslin Street, Urbana, Illinois,

PIN: 91-21-07-401-004

and

The East 16 ½ feet of Lot 6 and the West

33 feet of Lot 5 in Block 13 in Seminary

Addition to Urbana, situated in Champaign
County, Illinois;
more commonly known as 1209 West Beech
Street, Urbana, Illinois,
PIN: 91-21-07-260-002

2. This Ordinance is hereby passed by the affirmative vote,
the "ayes"
and "nays" being called, or a majority of the members of
the Council of the City of Urbana, Illinois, at a regular
meeting of said Council on the _____ day of _____
__, 2001.

PASSED by the City Council this _____ day of
_____, 2001.

AYES:

NAYS:

ABSTAINS:

Phyllis D. Clark, City Clerk

APPROVED by the Mayor this _____ day of
_____, 2001.

Tod Satterthwaite, Mayor