



LEGAL DIVISION
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City Attorney

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Special Counsel

Memorandum

DATE: August 1, 2003
TO: Bruce Walden
FROM: Jack Waaler
RE: Extension Agreement/University of Illinois

In October of 2001, the City and the University entered into an agreement relating principally to an orderly procedure to vacate certain streets and alleys to accommodate University expansions and the payment of compensation to the City for such. (There were other matters addressed in the agreement also which are not relevant to the extension agreement.) Part of the agreement provided that if any of the listed streets and alleys were not vacated by August 1, 2003, the agreed compensation to the City would be reduced pro rata.

Although both parties anticipate that all the listed streets and alleys would be vacated by August 1, 2003, due to financial pressures, the University did not complete its plans to acquire all private parcels abutting the streets and alleys proposed to be vacated and, thus, as of this date, Main Street and Stoughton Avenue between Harvey and Goodwin and two alleys between Harvey and Goodwin have not been vacated. The University has indicated that it will likely have an agreement with the sole private property owner of the Main Street segment soon, so the extension agreement provides that if that happens before October 1, 2003, the City will vacate that segment of Main Street and will be paid \$377,665.00.

However, the University feels acquisition of the remaining private properties abutting the streets and alleys that remain to be vacated is unlikely in the near future, so the parties have agreed to extend that deadline to August 1, 2009, with the compensation to the City to be adjusted as per the Consumer Price Index until then.

If any of the remaining streets and alleys are not vacated by then, the parties would have to negotiate a new agreement.

It is anticipated that all will be in order and the ordinance vacating Main Street between Harvey and Goodwin will be presented to the council at its August 18th meeting.

The agreement and ordinance approving the agreement were provided to you for your July 14, 2003 Committee Meeting, but were not acted upon because it turned out the University was not ready. The only differences are a correction of a typographical error in Section 1(c) of the agreement. In the penultimate sentence, the word "Landlord" was deleted and "City" inserted (line 4, page 3) and also, in paragraph 1(a) the date of payment for the third installment had to be changed from August 1, 2003 to "within thirty (30) days of the City sending an invoice for such".

ORDINANCE NO. 2003-08-078

AN ORDINANCE APPROVING AN AMENDMENT TO "AN AGREEMENT
CONCERNING THE VACATION OF CERTAIN RIGHTS OF WAY", DATED
OCTOBER 1, 2001

(North Campus University of Illinois)

WHEREAS, the Urbana City Council approved an agreement with the Board of Trustees of the University of Illinois entitled "An Agreement Concerning the Vacation of Certain Rights of Way" (Ordinance No. 2001-08-083), hereafter "The Agreement". The Agreement provided for the orderly vacation of certain streets and alleys to accommodate University expansion plans; and

WHEREAS, because the University has not been able to reach its goal of acquiring all private properties abutting on the streets and alleys mentioned in The Agreement, not all of said rights of way have been vacated; and

WHEREAS, The Agreement provides that if any of the rights of way described in The Agreement are not vacated by August 1, 2003, the agreed compensation that the University would pay to the City would be reduced prorata; and

WHEREAS, the parties desire to provide for an extension of the time by which the rights of way not yet vacated may yet be vacated after August 1, 2003, with some adjustment of the compensation to be paid; and

WHEREAS, the City and the University have reached an agreement to provide for such vacation which the parties desire to reduce in writing.

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

Section 1. That an Amendment to An Agreement Concerning the Vacation of Certain Rights of Way, dated October 1, 2002, in substantially the form of the copy of said Agreement attached hereto and hereby incorporated by reference, be and the same is hereby authorized and approved.

Section 2. That the Mayor of the City of Urbana, Illinois, be and the same is hereby authorized to execute and deliver and the City Clerk of the City of Urbana, Illinois, be and the same is authorized to attest to said execution of said Agreement as so authorized and approved for and on behalf of the City of Urbana, Illinois.

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

AYES:

NAYS:

ABSTAINS:

Phyllis D. Clark, City Clerk

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

Tod Satterthwaite, Mayor

**AN AGREEMENT PROVIDING FOR ADMINISTRATIVE IMPLEMENTATION OF CERTAIN
DETAILS REGARDING A PRIOR AGREEMENT**

WHEREAS, the University of Illinois (hereafter "University") and the City of Urbana, Illinois (hereafter "City") previously entered into an agreement regarding an orderly procedure providing for the vacation of certain public rights of way to accommodate University plans (hereafter "City/University Agreement"), dated the 15th day of October 2001, and approved in Ordinance No. 2001-08-083; and

WHEREAS, although most of the streets and alleys involved in the agreement have been vacated, segments of Main Street and Stoughton Street and two alleys have not been vacated as of the date of this agreement (hereinafter sometimes collectively referred to as "Subject Rights of Way"); and

WHEREAS, the University has paid to the City the first two installments owed pursuant to section 7 of the City/University Agreement;

WHEREAS, the University and City would like to complete the vacation of Main Street as contemplated in the City/University Agreement while yet accommodating the interests for access of the private property owner who owns a lot on Main Street abutting upon said street not yet vacated; and

WHEREAS, the University and the City still plan and intend that Stoughton Avenue, and the two alleys between Goodwin Avenue and Harvey Street which have not been vacated, will be vacated in the future when the University acquires the remaining contiguous property which is currently privately owned; and that the compensation formula contained in the City/University agreement will be increased, based on the cost of living increases which occur after August 1, 2004.

WHEREAS, with the administrative arrangements provided for herein, the parties agree that all interests can be accommodated and it is therefore agreed as follows:

1. The University and City agree that the third and fourth installments described in Section 7 of the City/University Agreement will be modified as follows:

a) the University will pay to the City the sum of \$504,839.35 ~~by August 1, 2003,~~ within thirty (30) days of the City sending an invoice for such, which will constitute the third installment;

b) the University shall attempt to secure an agreement that the owner of the private property on Main Street consents to vacation of main Street if entry and egress to his/her property is provided, and such owner agrees to convey any portion of Rights of Way abutting his/her property to the University at no further cost. If such agreement is made and the City vacates Main Street as described in the City/University Agreement by September 30, 2003, the University agrees to pay \$377,665 to the City within thirty (30) days of final City Council action vacating Main Street. If, by October 1, 2003, the University does not confirm in writing that such an Agreement has been executed, then the vacation of main Street, shall no longer be subject to the City/University agreement nor this agreement, and the City may condition vacation of such upon whatever future determination is made by the City Council as to the value to the abutting owners thereon; and

c) the University will pay the balance of \$567,496 within 30 days after the University acquires all remaining privately owned property on the north side of Stoughton Avenue between Goodwin and Harvey. Because such acquisition by the University is not expected to be completed by August 1, 2004, the amount which the University will pay to the City when the vacation of the street and alleys finally occur will be increased to reflect increases to the CPI. "CPI" shall mean the Consumer Price Index for Urban Wage Earners and Clerical Workers published by the United States Department of Labor, Bureau of Labor Statistics, for the Chicago, Illinois

area, subgroup All Items (1982-1984=100). If the manner in which the Consumer Price Index is determined by the Bureau of Labor Statistics shall be substantially revised, including without limitation, a change in the base index year, an adjustment shall be made by City ~~Landlord~~ in such revised index which would produce results equivalent, as nearly as possible, to those which have been obtained if such Consumer Price Index had not been so revised. Provided, however, any of the subject Rights of Way not vacated by final City Council action as of August 1, 2009, are no longer subject to the City/University Agreement nor this agreement, and the City may condition vacation of such upon whatever future determination is made by the City Council as to the value to the abutting owners thereon.

2. The University and City agree that despite the actions of the City vacating the Subject Rights of way, that the City shall continue to maintain the Subject Rights of way in the same manner as other City public streets and alleys for the benefit of the University and those owners of property abutting the Subject Rights of way until such time as the University or University of Illinois Foundation become owners of all property abutting on the Subject Rights of way ("Termination Date").
3. Maintain as used herein shall be understood to be those actions necessary to keep the pavement, storm drains, sidewalks and other appurtenances of the Subject Rights of way in good usable order.
4. City shall also keep the Subject Rights of way open for public use and travel until the termination date.
5. Until the termination date, the City shall have the right to continue to control parking on the Subject Rights of Way by meters or other means. All revenues relating from parking enforcement (meter and

