



State of Illinois

Minutes



City of Urbana

URBANA CITY COUNCIL – CLOSED SESSION

(Property Acquisition Issues; Pending Litigation Issues, Closed Session Minutes Review)

November 15, 2010 – during regular City Council meeting

Minutes Approved, 9/18/2017; Approved for Release, RES. 2017-08-059R

The Urbana City Council met in closed session for the purpose of discussing property acquisition issues, pursuant 5 ILCS 120/2(c)(5); pending litigation issues, pursuant 5 ILCS 120/2(c)(11); and to review closed session minutes.

Elected Officials present: Brandon Bowersox, Robert Lewis, Diane Marlin, Dennis Roberts, Charlie Smyth, Heather Stevenson, Mayor Prussing.

Staff present: Mike Monson, Ronald O'Neal, Jr., Gale Jamison, Thomas Carrino, Elizabeth Tyler

Mayor Prussing called the closed session to order at 8:49 p.m.

Thomas Carrino (Economic Development Manager) gave an update regarding the acquisition of the Goodyear property. Environmental investigation was done and found some small areas of concern on the property. The environmental consultant felt the City could control this for approximately \$100,000.00, but could expand in a worst case scenario to \$240,000.00 range. Request was for \$125,000.00 for credit toward purchase price which is \$400,000.00 or same amount to be put in escrow to be used for environmental remediation. The sellers have countered to put \$100,000.00 in an escrow account with conditions that the account being an interest bearing account with interest accruing to the sellers; escrow should be good for one year following the expiration of the Goodyear lease; and there be a \$100,000.00 cap on the seller's liability. Staff feels this is reasonable. City has countered, based on environmental consults, that the escrow to be at least a two year escrow following the expiration of the Goodyear lease. Goodyear is currently paying \$3,200.00 a month in rental fees and this will be paid to the City after closing. Staff recommended hiring a management company to manage the lease and property after acquisition. Staff also mentioned the property would be advertised in regional real estate journals in due time to help spur interest outside local development companies as well. Following discussion, sense of the Council was to move forward with Staff recommendations.

Council was updated regarding the Denny's Cleaners property by Ronald O'Neal, Jr. (City Attorney). Discussions have been held with the attorney representing the family and estate. They will cooperate with the City's intent to file a complaint for demolition. The property was condemned some time ago and they were given the opportunity to remediate the property or tear it down. The family reviewed different options, and they decided they did not have the resources to pay for demolition of the property and would cooperate with any action the City took regarding the property. Staff feels the property should be torn down. All lien holders will have to be served prior to this action. Demolition should begin in a couple of weeks and the City will have a lien on the property. Discussion followed. The consensus of Council was to have Staff proceed with a stipulated order to put a lien on the property after demolition.

Mayor Prussing asked for Council input on which minutes could be released and which needed to be held. After discussion, Phyllis Clark (City Clerk) was instructed to release those minutes approved as such.

With no more business to come before this closed session, it was moved by Heather Stevenson and seconded by Charlie Smyth to adjourn and return to open session at 9:40 p.m. The motion carried by a voice vote.

Respectfully submitted,

Phyllis D. Clark
City Clerk