



State of Illinois

Minutes



City of Urbana

URBANA CITY COUNCIL – CLOSED SESSION

400 S. Vine St, Urbana, IL 61801

(Property Acquisition Issues)

January 18, 2011

7:00 p.m. – during City Council Meeting

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

The Urbana City Council met in closed session at 7:19 p.m. (during the course of the regularly scheduled City Council meeting) for the purpose of discussing property acquisition issues pursuant 5 ILCS 120/2 (c)(5).

Elected Officials present: Brandon Bowersox, Eric Jakobsson, Robert Lewis, Diane Marlin, Dennis Roberts.

Charlie Smyth was present via teleconference.

Staff present: Mike Monson, Thomas Carrino, William Gray, Elizabeth Tyler, Gale Jamison

Dennis Roberts called the closed session to order.

Thomas Carrino (Economic Development Manager) gave updated report regarding the Goodyear property. Staff is ready to exercise the options and move forward with the purchase. An ordinance is being presented this evening to authorize Mayor Prussing to execute an addendum to the real estate option and contract and then to exercise the option. The purchase price is \$400,000 which is appraised value from 2008 and has been already budgeted. The owners have agreed to put \$100,000 in an escrow account for environmental remediation. The details of the escrow are as follows: valid for two years following the expiration of the Goodyear lease, but no later than 5/1/15; current property owners are released from any liability related to environmental contamination; release business owner of liability related to contamination identified in environmental report (any new contamination since study would be liability of business of owner); charge of bank for holding escrow is \$1500 and will be split with current property owners. Lease will be assigned to the City and Goodyear currently pays \$3764.66 per month with lease through 5/1/13. The City would collect just over \$97,000 from the lease which is revenue. Staff recommends that the monies collected from lease go into an account for possible future remediation above the escrow amount or demolition costs or site preparation for future development. The remediation estimates at this time is \$100,000 with no soil removal. Full remediation is estimated at \$240,000 but a full study has not been done. Discussion followed. Staff reviewed possible site uses and developer interest.

Maintenance responsibility of the leaser of the building, as stated in the current lease, is only for the roof; all other repairs are the responsibility of the tenet. Goodyear would like to relocate to another location in the City after the current lease expires. Any developer who is interested in the property would have a redevelopment agreement with the City and this property is covered under TIF II. Charlie Smyth suggested they discuss at a future Committee meeting the monies available in the TIF district.

With no more business to come before this closed session, it was moved by Diane Marlin and seconded by Charlie Smyth to adjourn at 7:45 p.m. and go back into open session. The motion passed by a voice vote.

Respectfully submitted,

Phyllis D. Clark
City Clerk