



## DEPARTMENT OF COMMUNITY DEVELOPMENT SERVICES

*Administrative Division*

### **m e m o r a n d u m**

**TO:** Laurel Lunt Prussing, Mayor, City of Urbana  
Members, Urbana City Council

**FROM:** Elizabeth H. Tyler, FAICP, Director

**DATE:** July 7, 2011

**RE:** An Ordinance Authorizing the Purchase Certain Real Estate (310 W Main Street)  
An Ordinance Revising the Annual Budget Ordinance (Parking Lot at 310 W Main Street)

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### **Description**

Attached to this memorandum are two Ordinances allowing the purchase of real estate at 310 W. Main Street from Canaan Baptist Church for the purposes of a public parking lot. The subject parcel is a vacant lot in downtown Urbana located on the northeast corner of Main Street and Central Avenue. The City of Urbana would construct a parking lot with approximately 20 spaces. The City would lease these spaces during daytime hours while the lot would be free and open to the public in the evenings and on weekends.

### **Background**

These Ordinances will allow the City to purchase a vacant lot in downtown Urbana for the purposes of a public parking lot. This lot was formerly occupied by a warehouse (known as the Urbana Armory Building) owned and used by Canaan Baptist Church. The building was demolished in 2009, and the site has been properly cleared, including removal of the foundation and site grading. Despite the property being located within the B-4 (Central Business District) Zoning District, development options for the property are severely limited by the fact that nearly the entire lot is located within a flood zone. Boneyard Creek flows under Main Street diagonally at the southeast corner of the property. Consequently, construction of any building on this site is highly impracticable. The most viable use for this property is for surface parking, and this would be permissible under flood zone requirements. In fact, off-street parking at this location would be highly desirable for both the public generally and Canaan Baptist Church specifically. Over the past few years, the demand for more parking to serve Canaan functions has been made apparent and has been a topic of discussion between Canaan and the City. The Downtown Parking Study prepared on the City's behalf also supports additional public parking in this area. Consequently, this site presents an unexpected opportunity to solve an outstanding parking deficiency.

In preparation for a potential purchase, City staff retained a professional appraiser, Whitsitt & Associates of Champaign, Illinois. Their November 2010 appraisal report identified the market value of this property as \$44,000. This value is reflected in the attached purchase agreement. Second, to determine whether purchase of the property by the City would pose a potential liability in terms environmental cleanup, the City retained GEOCON, a local engineering and environmental firm, to conduct a Phase I environmental site assessment. Nothing was identified in this report as a potential liability. Third, Urbana Public Works staff prepared a potential parking lot layout and identified the property boundaries in the field. A preliminary layout following City of Urbana parking geometrics would allow 20 new spaces to be provided at this location.

Canaan Baptist Church has agreed to sell this property to the City and has signed the attached Contract for Sale of Real Estate. Canaan would prefer to close on the property within a few weeks of City Council approval, if at all possible, and additionally sell the adjacent Halberstadt House to a separate, private party about the same time.

The first Ordinance before you would authorize the Mayor to sign the Contract for Sale of Real Estate and make minor modifications as necessary. For instance, the Mayor would be authorized to extend the possession date of delivery past the July 15 date specified in the Contract. The second Ordinance would amend the City budget to allocate funding for purchase.

### **Fiscal Impacts**

Purchase of this property in the amount of \$44,000 would be paid for through Tax Increment Finance (TIF 2) funds. TIF 2 is a dedicated fund with dedicated revenues, and the City holds the necessary funds on hand for purchase. Construction of a public parking lot at this location is estimated to cost \$96,000. This will be paid for through Motor Vehicle Parking System Fund (MVPS) which is likewise a dedicated fund with dedicated revenues. To save costs, City staff would engineer and design the parking lot. This cost aspect of the project would be absorbed within the City's budgeted staffing.

### **Options**

1. Adopt the attached Ordinances; or
2. Adopt the attached Ordinances with changes; or
3. Do not adopt the attached Ordinances.

### **Recommendation**

City staff recommends that the Committee of the Whole forward the two attached ordinances to the City Council with a recommendation for APPROVAL.

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Robert Myers, AICP, Planning Manager

**Exhibits:**

Draft Ordinances

Contract for Sale of Real Estate

cc: Timothy S. Jefferson, Rawles O'Byrne Stanko Kepley & Jefferson, P.O. Box 800, Champaign, IL 61824-0800  
Rev. B.J. Tatum, Canaan Baptist Church, 402 W Main St, Urbana, IL 61801

**ORDINANCE 2011-07-079**

**AN ORDINANCE REVISING THE ANNUAL BUDGET ORDINANCE**

(PARKING LOT AT 310 W. MAIN)

WHEREAS, the Annual Budget Ordinance of and for the City of Urbana, Champaign County, Illinois, for the fiscal year beginning July 1, 2011, and ending June 30, 2012, (the "Annual Budget Ordinance") has been duly adopted according to sections 8-2-9.1 et seq. of the Illinois Municipal Code (the "Municipal Code") and Division 2, entitled "Budget", of Article VI, entitled "Finances and Purchases", of Chapter 2, entitled "Administration", of the Code of Ordinances, City of Urbana, Illinois (the "City Code"); and

WHEREAS, the City Council of the said City of Urbana finds it necessary to revise said Annual Budget Ordinance by deleting, adding to, changing or creating sub-classes within object classes and object classes themselves; and

WHEREAS, funds are available to effectuate the purpose of such revision; and

WHEREAS, such revision is not one that may be made by the Budget Director under the authority so delegated to the Budget Director pursuant to section 8-2-9.6 of the Municipal Code and section 2-133 of the City Code.

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

Section 1. That the Annual Budget be and the same is hereby revised to provide as follows:

FUND: Tax Increment Financing District 2  
ADD EXPENSE: Purchase Lot at 310 W. Main, \$44,000  
REDUCE: Fund Balance, \$44,000  
FUND: Motor Vehicle Parking System  
ADD EXPENSE: Construction of Lot at 310 W. Main, \$96,000  
REDUCE : Fund Balance, \$96,000

Section 2. This Ordinance shall be effective immediately upon passage and approval and shall not be published.

Section 3. This Ordinance is hereby passed by the affirmative vote of two-thirds of the members of the corporate authorities then holding office, the "ayes" and "nays" being called at a regular meeting of said Council.

PASSED by the City Council this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

AYES:  
NAYS:  
ABSTAINED:

\_\_\_\_\_  
Phyllis D. Clark, City Clerk

APPROVED by the Mayor this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

\_\_\_\_\_  
Laurel Lunt Prussing, Mayor

ORDINANCE NO. 2011-07-078

AN ORDINANCE AUTHORIZING THE PURCHASE OF CERTAIN REAL ESTATE

(310 W Main Street)

**WHEREAS**, Subsection (d), entitled "Purchase of real estate," of Section 2-118, entitled "Purchase, sale, lease, etc., of real estate," of the Code of Ordinances, City of Urbana, Illinois, provides that The City may purchase real estate for any corporate purposes found and declared by the City Council, and that the City Council may authorize the purchase thereof under any terms and any conditions by ordinance duly passed; and

**WHEREAS**, the requirements of said Subsection (a) of Section 2-118 for a public hearing and for the required notice for such public hearing do not apply to the purchase of property; and

**WHEREAS**, the City Council desires to purchase the real estate commonly known as 310 W Main Street for the purposes of constructing and operating a public parking lot at this location, which said property is now owned by Canaan Baptist Church; and

**WHEREAS**, the City Council expressly finds and declares that said real estate is needed for governmental purposes of the City of Urbana.

**NOW, THEREFORE, BE IT ORDAINED** by the City Council of the City of Urbana, Champaign County, Illinois, as follows:

**Section 1.** An Ordinance approving the Contract for Sale of Real Estate by and between the City of Urbana, Illinois and Canaan Baptist Church, in substantially the form of the copy of said Contract attached hereto and incorporated herein by reference, be and the same is hereby authorized and approved.

**Section 2.** The Mayor of the City of Urbana, Illinois, be and the same is hereby authorized to execute said Contract together with all necessary deeds

and documents required by said Contract for and on behalf of the City of Urbana, Illinois.

**Section 3.** The Mayor of the City of Urbana, Illinois, be and the same is hereby authorized to execute minor modifications and extensions of time set forth in the said Contract for and on behalf of the City of Urbana, Illinois.

**Section 4.** This Ordinance is hereby passed by the affirmative vote, the "ayes" and "nays" being called, of three quarters of the corporate authorities of the City of Urbana, Illinois (7 of 9 members of the Council), at a regular meeting of said Council.

**PASSED BY THE CITY COUNCIL** this \_\_\_\_ day of \_\_\_\_\_, 2011.

AYES:

NAYS:

ABSENT:

ABSTAINED:

\_\_\_\_\_  
Phyllis D. Clark, City Clerk

**APPROVED BY THE MAYOR** this \_\_\_\_ day of \_\_\_\_\_, 2011.

\_\_\_\_\_  
Laurel Lunt Prussing, Mayor