

STATE OF ILLINOIS

Diane Wolfe Marlin, Mayor

CITY OF URBANA

Charles A. Smyth, City Clerk



URBANA CITY COUNCIL – CLOSED SESSION MINUTES

400 S. Vine St., Urbana, IL 61801

Property Sale 5ILCS120/2(c)

Tuesday January 16, 2018

The City Council of the City of Urbana, Illinois, met in regular session Tuesday, January 16, 2018 at 7 p.m. in the Council Chambers at the Urbana City Building.

During the course of the City Council meeting, a closed session was held. Closed Session: A corrected motion to go into closed session regarding the sale of city property pursuant to 5 ILCS 120/2(c)(6) was made by City Council Member Miller and seconded by CM Brown. The motion passed by roll call, Voting Aye: Ammons, Brown, Hazen, Jakobsson, Miller, Roberts, Wu, Marlin; Opposed: none. The City Council, mayor, and selected staff moved to the 2nd floor executive conference room.

The closed session was called to order by Mayor Marlin at 9:15 p.m.

ELECTED OFFICIALS PHYSICALLY PRESENT: Maryalice Wu, Alderwoman Ward 1; Eric Jakobsson, Alderman Ward 2; Aaron Ammons, Alderman Ward 3; Bill Brown, Alderman Ward 4; Dennis Roberts, Alderman Ward 5; Jared Miller, Alderman Ward 7; Diane Wolfe Marlin, Mayor; Charles A. Smyth, City Clerk

ELECTED OFFICIALS PRESENT VIA TELECONFERENCE: None

ELECTED OFFICIALS ABSENT: Dean Hazen, Alderman Ward 6

STAFF PRESENT: Brandon Boys; John Schneider

OTHERS PRESENT: Michael Hosier (entered at 9:34 pm)

Mayor Marlin stated the purpose of the closed session for property acquisition (5 ILCS 120/2(c)(5)) and noted the presence of those listed and yielded the floor to Brandon Boys. Several minutes into the meeting (9:23 p.m.), CM Brown noted that we were in discussion about the sale of city property so council briefly returned to open session in the Council Chambers, and voted on a properly stated motion for the sale of property. The closed session reconvened with Mayor Marlin noting the corrected criteria and the continued presence of those listed.

Mr. Boys discussed the potential sale of 1301 E. Washington, reviewing the history of the property since it's donation to the city in 2009. He used a Powerpoint presentation to review the price history for the sale from \$270,000 originally to \$160,000 last year (7/10/2017) when a potential sale to Overland Development, a developer for Dollar General was negotiated. Subsequently, the buyers used their due diligence option and did not follow through with purchase as Dollar General rejected the location.

Negotiations reopened among three parties: M. Armstrong (Aladdin Electric), Baker's Bikes, and Mike Hosier. In November 2017, Mr. Armstrong was at \$75K, and partial demolition. In December

2017, Mr. Armstrong raised his offer to \$100K, Mr. Baker made an offer of \$100K for use of the building as storage, and Mr. Hosier made an offer of \$75K with demolition and new construction. Final offers in January 2018 had Mr. Armstrong remaining at \$100K, Mr. Baker at \$125K with a provision to bring the building up to code within 2 years or demo the building, and Mr. Hosier at \$100K, demolition in 90 days, and new construction to follow.

Mayor Marlin is recommending pursuing further negotiations with Mr. Hosier based on this initial proposal for new construction with an agreement much like was done for Overland Development. Discussion followed with Mr. Boys indicating that we would need to see the actual building proposal to determine property tax potential as well as potential tenants for sales taxes generated. Several council members were concerned about liquor sales.

Mr. Hosier was invited into the meeting at 9:34 p.m. He provided an overview of his proposed project with 2 sketches of a potential layout for a building of 10,000-12,000 square feet that maximizes green space and preserves the trees towards the corner intersection of Philo and Washington. The final configuration needs to be determined and may also include a drive thru option for a local business tenant.

Questions and discussion followed between Mr. Hosier, staff, and council members. CM Brown noted the outdoor aspect of the “back” of the building for outdoor seating. Mr. Hosier indicated that he was aiming at a neighborhood center type shopping experience similar to Old Farm Shoppes reflecting the smaller retail neighborhood nearby. He also added that he would expect liquor sales only in a restaurant environment. There was additional discussion of facing issues with respect to main thorough fares, 2nd floor loft apartments, and thermal energy heating. Mr. Ammons asked about diversity in construction crews used to which Mr. Hosier replied that he left that in the hands of his General Contractor, something he wasn’t willing to do himself. He did ask for recommendations from CM Ammons for demolition companies. Mayor Marlin thanked Mr. Hosier for his presentation and he left at 10:00pm.

CM Ammons noted the need to set parameters for minority participation to meet city goals. CM Brown noted that Mr. Hosier’s frankness gives us some direction. Discussion of potential covenants concluded with realization that any liquor or gambling licenses would have to come to council for approval.

The City Council and Mayor returned to council chambers at 10:06 p.m. Council returned to open session following a motion to do so by CM Ammons, seconded by CM Miller and passed by unanimous voice vote.

Respectfully submitted,

Charles A. Smyth
City Clerk

*This meeting was taped.

Minutes Approved, 1/22/2018
Approved for Release, 8/5/2019, RES. 2019-08-030R