



DEPARTMENT OF COMMUNITY DEVELOPMENT SERVICES

Grants Management Division

m e m o r a n d u m

TO: Community Development Commission

FROM: Michael Loschen, Grants Coordinator II

DATE: July 16, 2003

SUBJECT: Acquisition of Property through Community Development Block Grant/HOME Program – 1310 West Dublin Street

Description

Included on the July 22 agenda of the Community Development Commission is a proposed acquisition through the Community Development Block Grant/HOME programs of property located at 1310 West Dublin Street. If the city were to purchase this property, it may be built upon at a later date by an affordable housing developer.

Issues

The issue before the CDC is whether to purchase the property located at 1310 West Dublin Street. A recommendation from CDC is needed before this issue to be brought before the city council.

Background

The subject property is located within the King Park Neighborhood (see accompanying map). The lot is approximately 66 feet by 132 feet and zoned R-2, single-family residential. The only structure on the property is a shed located on the property line with 1308 West Dublin Street. The current owner has agreed to remove the structure at their cost.

If this property were acquired, the City would own four parcels of land that may be developed with single-family homes. At a later date, the City of Urbana may create a Request for Proposals for the development of these properties similar to the Eads at Lincoln and HomeBuild Programs or donate the property to Habitat for Humanity for use in their construction program. An integral part of these programs is the city's donation of land to the program.

Options

1. Recommend the sales contract without amendments to City Council.
2. Recommend the sales contract with amendments to City Council.
3. Do not recommend the sales contract to City Council.

Fiscal Impacts

Acquisition of the subject property would cost \$12,000. Administrative costs are estimated at \$500. The project will be financed with a combination of Community Development Block Grant and/or HOME funds already budgeted by City Council in the FY0304 Annual Action Plan.

Recommendations

Community Development Services staff recommend CDC approval of the acquisition of 1310 West Dublin Street.

Memorandum Prepared By:

Michael J. Loschen
Grants Coordinator II

Attachments:

- (1) Photographs of 1310 West Dublin Street
- (2) Site Map
- (3) Contract for Sale of Real Estate



View from Dublin Street



View looking Northeast at corner of Dublin & Romine Streets

CONTRACT FOR SALE OF REAL ESTATE

This Contract is made and entered into this ____ day of _____, 2003, by and between the City of Urbana, Illinois, a municipal corporation of the State of Illinois, hereinafter referred to as "Buyer," and Patricia Darden, hereinafter referred to as "Seller."

WITNESSETH:

IT IS MUTUALLY UNDERSTOOD AND AGREED BETWEEN THE PARTIES HERETO as follows:

1. Sale. The Seller agrees to sell and convey, and Buyer agrees to buy, the following-described parcel of real estate:

Lot 6 in Block 14 of Seminary Addition to the City of Urbana, as per plat recorded in Deed Record "Y" at page 208, in Champaign County, Illinois; PIN: 91-21-07-256-007;

more commonly known as 1310 West Dublin Street, Urbana, Illinois (hereinafter referred to as "Subject Property").

2. Purchase Price. The agreed purchase price of Twelve Thousand and 00/100 Dollars (\$12,000.00) shall be paid in cash at closing but from such purchase price shall be first deducted the credits and other deductions allowed in this Contract.
3. Evidence of Title. Within a reasonable time, Seller shall deliver to Buyer as evidence of Seller's title a Commitment for Title Insurance issued by a title insurance company regularly doing business in Champaign County, committing the company to issue a policy in the usual form insuring title to the Subject Property in Buyer's name for the amount of the purchase price. Buyer shall be responsible for payment of the owner's premium and any and all search charges.

Permissible exceptions to title shall include only the lien of general taxes and special assessments; zoning laws and building ordinances; easements, apparent or of record, which do not underlie the improvements, if any; covenants and restrictions of record which are not violated by the existing improvements or the present use of the property and which do not restrict reasonable use of the property; and existing mortgages to be paid by Seller or assumed by Buyer at closing.

If title evidence discloses exceptions other than those permitted, Buyer shall give written notice of such exceptions to Seller within a reasonable time. Seller shall have a reasonable time to have such title exceptions removed, or, any such exceptions which may be removed by the payment of money may be cured by deductions from the purchase price at the time of closing. If Seller is unable to cure such exceptions, then Buyer shall have the option to terminate this contract.

4. Conveyance Conveyance shall be by a general warranty deed to the Buyer, with release of dower and homestead rights.
5. Taxes and Assessments. Real estate taxes apportioned up to the date of possession shall be Seller's expense. The proration thereof shall be calculated upon the basis of the most current tax information, including confirmed multipliers. Transfer tax and all special assessments which are a lien upon the Subject Property as of the date of this Contract shall be Seller's expense. All such taxes and special assessments shall constitute a credit to Buyer against the purchase price and shall release Seller from any further liability to Buyer in connection therewith.
6. Closing. Closing shall be at the office of the City of Urbana Grants Management Division, Urbana, Illinois, or at any other place mutually agreeable between the parties, on or before December 31, 2003. Possession of the premises shall be delivered to Buyer upon closing.
7. Leases. Seller affirms that the Subject Property is vacant as of the date of this Contract. Seller further affirms that it is not party to a lease or contract sale with respect to Subject Property as of the date of this Contract. Seller shall not permit or allow or create any leases or allow or permit the renewal or extension of any lease, with respect to the Subject Property. It is agreed that the non-leasing provisions of this Contract are material, and, if Seller violates this provision regarding the non-leasing of the Subject Property, Buyer may, at its option immediately declare this contract null and void.
8. Condition of Property. Buyer agrees to accept the Subject Property in its "as-is" condition, except that the Seller agrees to demolish and/or remove the shed from the subject property, and Seller disclaims all warranties express or implied as to the condition of the premises.

IN WITNESS WHEREOF, the parties have executed this Contract as of the day and year first above written.

SELLER:
Patricia Darden
729 Shirley Lane
Greensborough, NC 27401

BUYER:
City of Urbana
400 South Vine Street
Urbana, Illinois 61801

BY: _____
Patricia Darden

BY: _____
Tod Satterthwaite, Mayor

ATTEST: _____
Phyllis D. Clark, City Clerk