



DEPARTMENT OF COMMUNITY DEVELOPMENT SERVICES

m e m o r a n d u m

TO: Mayor Diane Wolfe Marlin and City Council Members

FROM: Lorrie Pearson, AICP, Community Development Services Director

DATE: October 29, 2020

SUBJECT: AN ORDINANCE AUTHORIZING THE PURCHASE OF CERTAIN REAL ESTATE (1411 North Lincoln Avenue)

City Council is asked to approve an Ordinance authorizing the purchase of 1411 North Lincoln Avenue for \$220,000.

The property is a vacant site immediately north and adjacent to Fire Station 3. The recent Facilities Study identified a need to build a new Fire Station 3. While plans have not yet been drawn for a new Fire Station 3, the acquisition of this land now would provide flexibility for the new station's design and make construction of a new fire station at the same location more feasible, potentially more efficient in terms of both cost and time, and minimize the impact on fire operations during construction.

Options

1. Approve the Ordinance Authorizing the Purchase of Certain Real Estate (1411 North Lincoln Avenue).
2. Do not approve the Ordinance.

Fiscal Impacts

Due to the property's location and potential use as a fire station, Community Development Block Grant (CDBG) funding may be used for the purchase price, up to the appraised value. The appraised value is \$200,000. The \$20,000 balance would be paid from capital funds allocated for City facility improvements.

Recommendations

Staff recommends that the Urbana City Council approve the Ordinance authorizing the purchase of the property for future development.

Attachment: Site Map



Bradley Ave

URBANA CIRCLE IL LLC

KISER BURCH PROPERTIES INC

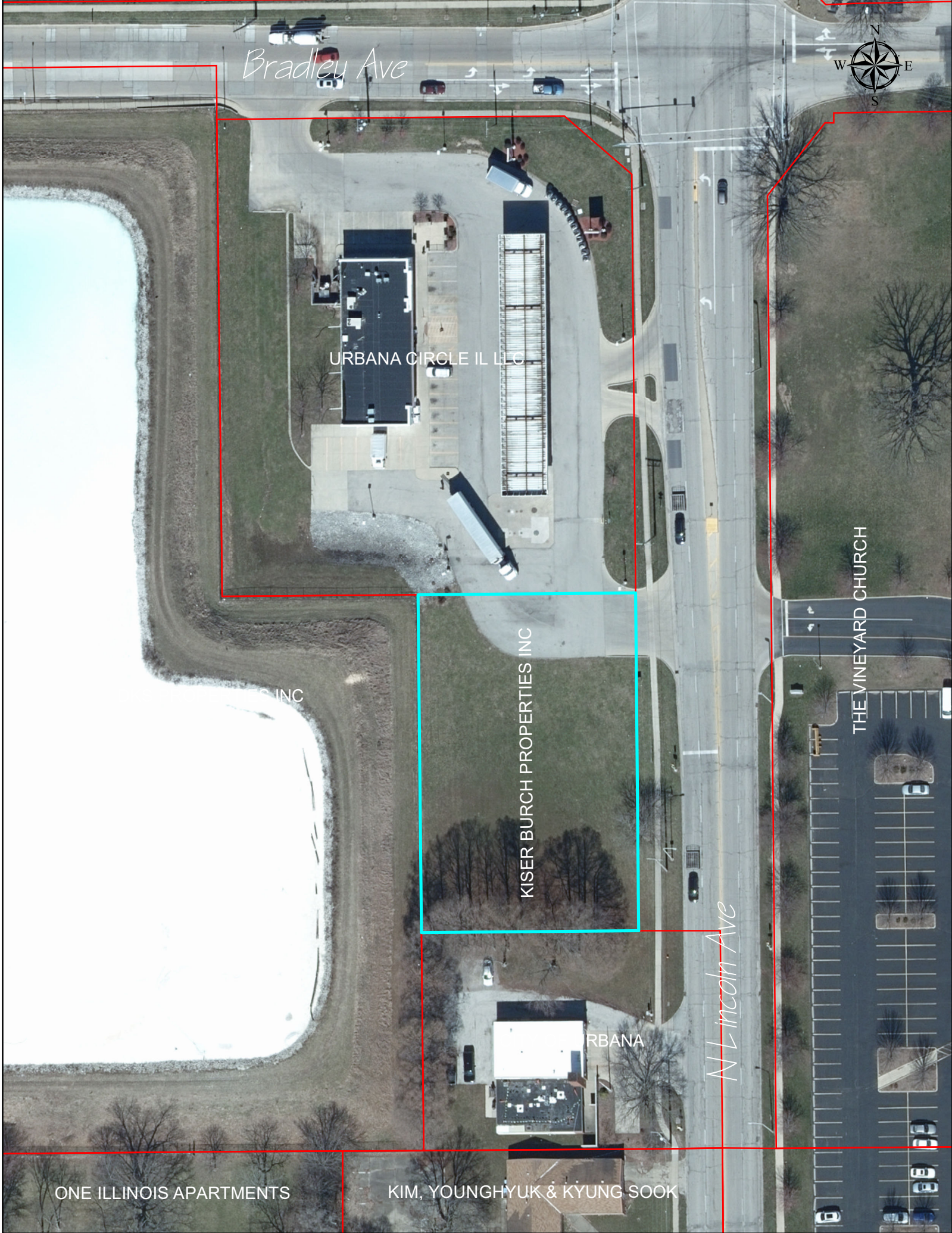
THE VINEYARD CHURCH

W Lincoln Ave

URBANA

ONE ILLINOIS APARTMENTS

KIM, YOUNGHYUK & KYUNG SOOK



ORDINANCE NO. 2020-11-058

AN ORDINANCE AUTHORIZING THE PURCHASE OF CERTAIN REAL ESTATE

(1411 N. Lincoln Avenue)

WHEREAS, the City of Urbana (“City”) is a home rule unit of local government pursuant to Article VII, Section 6, of the Illinois Constitution, 1970, and may exercise any power and perform any function pertaining to its government and affairs, and the passage of this Ordinance constitutes an exercise of the City’s home rule powers and functions as granted in the Illinois Constitution, 1970; and

WHEREAS, Urbana City Code Section 2-118, Subsection (d), 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, Kiser-Burch Properties, Inc. desires to sell, and the City desires to purchase, the real estate commonly known as 1411 N. Lincoln Avenue for the purchase price of \$220,000 and other valuable consideration; and

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

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

Section 1.

The purchase of the real estate commonly known as 1411 N. Lincoln Avenue in Urbana, Illinois, and legally described below, substantially on such terms as contained in the Contract for Sale of Real Estate attached hereto and incorporated herein, is hereby approved:

Lot 1 of Bushman’s Subdivision, City of Urbana, Champaign County, Illinois.

Permanent Index Number 91-21-07-226-021

Section 2.

The Mayor of the City of Urbana, Illinois, be and the same is hereby authorized to execute and deliver and the City Clerk of the City of Urbana, Illinois, be and the same is hereby authorized to

attest to the execution of the Contract for Sale of Real Estate as so authorized and approved for and on behalf of the City of Urbana, Illinois.

Section 3.

The Mayor of the City of Urbana, Illinois, or her designee, be and hereby is authorized to perform all acts necessary on behalf of the City of Urbana to effectuate the acquisition of the real estate.

Section 4.

This Ordinance shall not be construed to affect any suit or proceeding pending in any court, or any rights acquired, or a liability incurred, or any cause or causes of action acquired or existing prior to the effective date of this Ordinance; nor shall any right or remedy of any character be lost, impaired, or affected by this Ordinance.

Section 5.

This Ordinance shall be in full force and effect from and after its passage.

This Ordinance is hereby passed by the affirmative vote, the “ayes” and “nays” being called, of a majority of the members of the Council of the City of Urbana, Illinois, at a meeting of said Council.

PASSED BY THE CITY COUNCIL this date day of Month, Year.

AYES:

NAYS:

ABSTENTIONS:

Phyllis D. Clark, City Clerk

APPROVED BY THE MAYOR this date day of Month, Year.

Diane Wolfe Marlin, Mayor

CONTRACT FOR SALE OF REAL ESTATE

THIS CONTRACT ("Contract") is made and entered into by and between KISER-BURCH PROPERTIES, INC. , an Illinois corporation, hereinafter referred to as "Seller", and THE CITY OF URBANA, ILLINOIS, an Illinois municipal corporation, hereinafter referred to as "Buyer"

1. COVENANT OF SALE AND PURCHASE. Seller agrees to sell and Buyer agrees to purchase a certain parcel of real estate located at 1411 N. Lincoln Avenue, Urbana, Illinois, identified with Parcel ID number 91-21-07-226-021 (the "Real Estate") and to convey the Real Estate to the Buyer by recordable Warranty Deed upon the terms set forth in this Contract.

2. PURCHASE PRICE AND EARNEST MONEY. Buyer agrees to pay to Seller the total sum of TWO HUNDRED TWENTY THOUSAND DOLLARS (\$220,000.00) (the "Purchase Price"), minus credits and prorations, to be paid at closing by wire, bank draft or other form of payment acceptable to Seller.

3. CLOSING. Closing (the "Closing") will occur on or before November 25, 2020 and Buyer shall take possession of same upon Closing and payment in full of the Purchase Price associated with such lot, less credits as set forth herein.

4. TRANSFER TAX AND REAL ESTATE TRANSFER DECLARATION. Seller shall pay any transfer tax imposed by law on the transfer of title and shall furnish a completed Real Estate Transfer Declaration signed by Seller or Seller's agent in the form required pursuant to the Real Estate Transfer Tax Act of the State of Illinois.

5. REAL ESTATE TAXES. Seller shall pay all real estate taxes and special assessments for 2019 and earlier years, prior to or at closing. Real estate taxes that are not a lien as of the date of Closing shall be prorated to date of closing, based on the estimated amount calculated in consideration of the most recently available assessment.

6. EVIDENCE OF TITLE. Seller shall deliver or cause to be delivered to Buyer a title commitment for an Owner's Title Insurance Policy issued by Allied Capital Title, in the amount of the Purchase Price, covering title to the Real Estate, within 10 days prior to Closing, showing title in the Seller subject only to (a) the standard conditions, stipulations, or general exceptions contained in the owners policy issued by that company; (b) real estate taxes that are not yet due and payable; (c) zoning; (d) covenants and restrictions of record; and, (e) title exceptions which may be removed by the payment of money at the time of Closing and which the Seller may so remove at that time by using the funds to be paid upon the delivery of a deed.

7. DEFAULT. In the event Buyer shall fail to make any of the payments required

under this Contract and the default in payment continues for a period of 15 days after Buyer's receipt of written notice of default from the Seller, the rights of the Buyer hereunder shall be terminated and Seller shall retain any earnest money payments made by Buyer and Seller may pursue any and all of its lawful and/or equitable remedies.

8. RESPA. The parties hereto shall comply with the Real Estate Settlement Procedures Act of 1974 (RESPA) if applicable and shall promptly furnish all information and execute all documents required for such compliance.

9. CONSTRUCTION. The language used in this Contract shall be deemed to be the language approved by all parties to the Contract to express their mutual intent and no rule of strict construction shall be applied against any party.

10. GOVERNING LAW. This Contract shall be construed and interpreted in accordance with the laws of the State of Illinois.

11. MERGER. All offers, acceptances, oral representations, agreements and writings between the parties heretofore made are merged herein and shall be of no force or effect unless contained in the Contract.

12. ATTORNEY'S FEES. Default by any party to this Contract shall entitle the non-defaulting party to claim as damage all reasonable costs, attorneys' fees and expenses incurred in connection with either the enforcement of this Contract or suit to recover damages for any breach of this Contract.

13. NOTICES. Any notice required under the Contract to be served on either Seller or Buyer shall be personally delivered or shall be mailed by certified mail to Seller at 400 S. Vine Street, Urbana IL 61801 Attn: Legal Division, and to Buyer at 511 N. Neil Street, Champaign IL 61820 with a copy to Mary Ann Royse, Webber & Thies, P. C., 202 Lincoln Square, Urbana IL 61801.

14. COUNTERPARTS. This Contract may be executed in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Signatures provided by facsimile, electronic mail and other electronic means shall be accepted in lieu of original signatures.

15. TIME IS ESSENCE AND EXTENSION OF LIABILITIES. Time is the essence of the Contract, and all the agreements contained herein shall be binding upon the heirs, executors, administrators, successors and assigns of the respective parties hereto.

16. BROKERAGE. No brokerage fees will be incurred in connection with this

transaction. Seller represents that John Kiser, its President, is a licensed Illinois real estate broker.

17. BUYER CONTINGENCIES. Buyer's obligation to close will be contingent upon the purchase being approved by the Buyer's City Council, and upon Buyer being satisfied with the results of any environmental investigations, inspections or screenings that Buyer may choose to have performed, all of which shall be at Buyer's expense. Buyer will notify Seller as soon as reasonably possible if Buyer becomes aware that either of such contingencies will not be satisfied.

18. SELLER REPRESENTATIONS. Seller warrants to Buyer that no materials, labor or services have been provided to Seller with respect to the Real Estate within four months prior hereto and that no such materials, labor or services shall be provided with respect to said real estate prior to closing other than materials, labor and services for which payment-in-full has been made to the proper party therefor and for which no lien may reasonably be asserted against the Real Estate.

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

SELLER:

Kiser-Burch Properties, Inc.

BY: _____

John Kiser, its President

Date:

BUYER:

City of Urbana, Illinois

By: _____

Diane Wolfe Marlin
Mayor

Date:

ATTEST:

Phyllis D. Clark, City Clerk
City Clerk

Ordinance No. 2020-