



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: September 4, 2008

RE: An Ordinance Authorizing the Lease of Certain Real Estate (911 North Lincoln Avenue)

Description

Attached to this memorandum is an Ordinance authorizing the lease of City-owned real estate at 911 North Lincoln Avenue to the Urbana Park District for purposes of public park and recreational use. The subject parcel is contiguous to King Park and may be used as an expansion of that neighborhood park.

Issues

This Ordinance will allow the City to lease 911 North Lincoln Avenue to the Urbana Park District for park and recreational purposes. The lease is structured to allow five-year renewal terms, with automatic renewal provisions up to 20 years. The lease limits the use of the property to public park and recreational purposes and allows the Park District to install improvements compatible with these purposes upon City review and granting of necessary permits. For traffic safety purposes, use of the site for automobile parking or access to/from Lincoln Avenue is prohibited. The Park District will be responsible for all maintenance and upkeep of the property and shall indemnify and hold the City harmless for any damages incurred by use of the site. The City retains access privileges for the purposes of maintaining any public utilities or services at the site. The lease is not transferable.

A public hearing on the lease agreement has been set for September 8, 2008 at 7:00 p.m. and has been advertized with proper notice in the News-Gazette. The draft lease agreement has been forwarded to Urbana Park District staff and legal counsel for review. It will be reviewed by the Urbana Park District Board at their regular meeting on September 9, 2008.

Background

The City of Urbana adopted a Resolution on October 1, 2007 (Resolution No. 2007-09-019R) authorizing the purchase of the subject property at 911 North Lincoln Avenue with a contribution of tax increment financing funds. The property was purchased at the request of the Urbana Park District in anticipation of the subject lease to the District for the expansion of King Park as part of the park's master plan. Because it is adjacent to King Park and fronts along the west side of Lincoln Avenue, this was a logical property to acquire in order to expand the frontage and visibility of the park.

Since its acquisition by the City, the property has been cleared and is ready for reuse by the Urbana Park District. On September 2, 2008, the City Council passed an Ordinance authorizing the Mayor to sign a road right-of-way dedication for the easternmost seven feet of the property, to allow for future improvements to Lincoln Avenue. This area is excluded from the Lease Agreement.

Options

1. Adopt the attached Ordinance Authorizing the Lease of Certain Real Estate.
2. Adopt the attached Ordinance Authorizing the Lease of Certain Real Estate, with changes.
3. Do not adopt the attached Ordinance Authorizing the Lease of Certain Real Estate.

Fiscal Impacts

The subject property has been previously paid for using tax increment finance district funds. Because it requires Park District maintenance of the property, the lease agreement will eliminate any future City costs associated with upkeep of the property during the term of the lease. Under the terms of the lease, the City will receive an annual nominal rent of one dollar per year.

Recommendation

City staff recommends that the City Council approve the Ordinance, as attached.

Exhibits:

Draft Ordinance

Lease Between the City of Urbana and the Urbana Park District for a Real Estate Parcel Located at 911 North Lincoln Avenue, Urbana, Illinois

Site Location Map & Aerial Photograph

Public Hearing Certificate of Publication

cc: Vicki Mayes, UPD Executive Director
Betsy Wong, UPD Legal Counsel

ORDINANCE NO. 2008-09-106

**AN ORDINANCE AUTHORIZING THE LEASE OF CERTAIN REAL ESTATE
(911 North Lincoln Avenue)**

WHEREAS, pursuant to Subsection (b) of Section 2-118 of the Urbana City Code, any real estate now owned by the City may be leased in any manner prescribed by the City Council in an ordinance authorizing such lease; and

WHEREAS, the City is desirous of leasing certain real property (the "parcel"), commonly known as 911 North Lincoln Avenue, Urbana, Illinois, and legally described on Exhibit "A" attached hereto, which the City is temporarily not utilizing, but of which the City desires to retain ownership; and

WHEREAS, the City Council expressly finds and declares that said parcel is not needed for governmental purposes or proprietary activity of the City of Urbana during the term of the proposed lease; and

WHEREAS, the Urbana Park District is desirous of leasing said parcel for public park and recreational purposes; and

WHEREAS, after due publication of notice in accordance with Subsection (a) of Section 2-118 of the Urbana City Code, a regular standing committee of the City Council held a public hearing to consider the proposed lease on September 8, 2008; and

WHEREAS, the City of Urbana and the Urbana Park District have agreed upon the terms of a lease regarding the parcel; and

WHEREAS, the Mayor and City Council find that the best interests of the City are served by entering into such a lease.

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

Section 1.

A Lease between the City of Urbana and the Urbana Park District for a Real Estate Parcel Located at 911 North Lincoln Avenue, Urbana, Illinois, in substantially the form of the copy of said Lease attached hereto as Exhibit "A" and hereby incorporated by reference, be and the same is hereby authorized and approved.

Section 2.

That 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 authorized to attest to said execution of said Lease as so authorized and approved for and on behalf of the City of Urbana, Illinois.

Section 3.

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

PASSED BY THE CITY COUNCIL this ____ day of _____, _____.

AYES:

NAYS:

ABSENT:

ABSTAINED:

Phyllis D. Clark, City Clerk

APPROVED BY THE MAYOR this ____ day of _____, _____.

Laurel Lunt Prussing, Mayor

EXHIBIT A

Lease between the City of Urbana and the Urbana Park District for a Real Estate Parcel Located at 911 North Lincoln Avenue, Urbana, Illinois

THIS LEASE IS MADE AND ENTERED INTO between the City of Urbana, a municipal corporation (the "City") and the Urbana Park District, a district organized and existing under the Park District Code of the State of Illinois (the "Park District"). The City and the Park District are sometimes referred to as the "Parties."

In consideration of the premises and of the covenants, conditions and agreements herein contained, the parties agree as follows:

1. The City does hereby lease to the Park District the following parcel of land (the "premises") commonly known as 911 North Lincoln Avenue, Urbana, Illinois, containing no improvements thereon, and further described as follows:

A part of the Northeast Quarter of Section 7, Township 19 North, Range 9 East of the Third Principal Meridian, Champaign County, Illinois, being more particularly described as follows:

Beginning 33 feet West and 685 feet South of the Northeast corner of the Southeast Quarter (SE ¼) of the Northeast Quarter (NE ¼) of Section 7, Township 19 North, Range 9 East of the Third Principal Meridian, thence West 217.8 feet; thence South 60 feet; thence East 217.8 feet; thence North 60 feet to the Point of Beginning.

Except;

The easterly 7.00 feet of even width of the above described parcel.

All being situated in the City of Urbana, Champaign County, Illinois

Being a part of PIN: 91-21-07-282-019

To have and to hold the leased premises for a term of five (5) years, commencing the 1st day of October 2008, and ending on the 30th day of September 2013 (the "initial term"). The Park District agrees to pay the City, at the office of the comptroller of the City, or its successor, as rent for the premises the annual rental of one dollar (\$1.00), payable in advance on the 1st day of October of each year during the term of this lease.

2. At the expiration of the initial term, the lease shall automatically renew and extend itself for additional five (5) year periods (the "renewal terms"), unless sooner terminated as provided herein; provided, however, that the initial term and any renewal terms shall not exceed a total period of twenty (20) years from the date of this lease.

3. The parties agree that the premises are to be used by the Park District exclusively for public park and recreational purposes. The parties agree that no automobile parking shall

be permitted on the premises, nor shall the premises be used for vehicular access to or from Lincoln Avenue without the approval of the Urbana City Council.

4. The Park District, upon the written approval of the City's community development services department director and issuance of any applicable permits by the City, shall have the right, at its sole cost and expense during the term of this lease, to construct new buildings, structures, sculptures, or equipment and to attach fixtures and use and install underground facilities and utilities in or upon the premises. All buildings, structures, sculptures, and equipment shall be in harmony with the general park development in the area or with the recreational purpose desired to be served. Those buildings, structures, sculptures, equipment, fixtures, facilities, and utilities so placed in, upon, or attached to the premises by the Park District shall remain the property of Park District, except as otherwise provided below.

5. The parties agree that the Park District shall maintain the premises and buildings, if any, in first-class condition and shall at its own cost and expense make all repairs to the premises and shall perform and maintain all landscaping required by the Urbana City Code; and upon the termination of this lease shall yield the premises to the City in good condition and repair.

6. The Park District covenants to indemnify and hold the City harmless for any and all loss, expense, damage, reasonable attorneys' fees, claims, and demands arising out of the Park District's improvement, maintenance, equipment, or operation of the premises.

7. The City reserves to itself the right at any time to enter upon the premises for the purpose of excavation, for repairing, laying or relaying sewers, drains, water, gas, sidewalks, or other public service purposes and connections now installed or subsequently installed and for the purpose of making any necessary excavations or erection of structures in connection with public utilities and services.

8. The Park District shall not assign this lease, nor any interest in this lease, nor sublet any portion of the premises but may grant permission and authority to any person to occupy and use space within the premises for any service necessary, incidental, or desirable to the operation for park purposes upon such terms and conditions as may be prescribed by the Park District.

9. The parties further agree that either of the parties shall have the right and privilege of terminating this lease at any time upon giving six (6) months notice, in writing, to the other party of its intention so to do, and in the event this lease is terminated, then all rights and interests of the parties shall cease, and any permanent building erected by the Park District shall then be, and become the property of the City. At the option of the City, any and all structures placed on the premises by the Park District shall be removed or demolished at the expense of the Park District and the premises restored to the same condition as when initially leased.

10. This lease may be executed in two counterparts, each of which shall constitute one and the same instrument.

FOR THE CITY OF URBANA, a municipal corporation created under and by virtue of the laws of the State of Illinois.

The following legally authorized representative certifies that this Lease between the City of Urbana and the Urbana Park District for a Real Estate Parcel Located at 911 North Lincoln Avenue, Urbana, Illinois, has been adopted and approved by ordinance or resolution, a copy of which document is attached hereto, or by other manner approved by law.

Signed this _____ day of _____, 2008.

By: _____

Title: _____

ATTEST:

_____, Clerk of the City of Urbana

APPROVAL AS TO FORM:

_____, attorney for the City of Urbana

FOR THE URBANA PARK DISTRICT, a district organized and existing under the Park District Code of the State of Illinois.

The following legally authorized representative certifies that this Lease between the City of Urbana and the Urbana Park District for a Real Estate Parcel Located at 911 North Lincoln Avenue, Urbana, Illinois, has been adopted and approved by ordinance or resolution, a copy of which document is attached hereto, or by other manner approved by law.

Signed this _____ day of _____, 2008.

By: _____

Title: _____

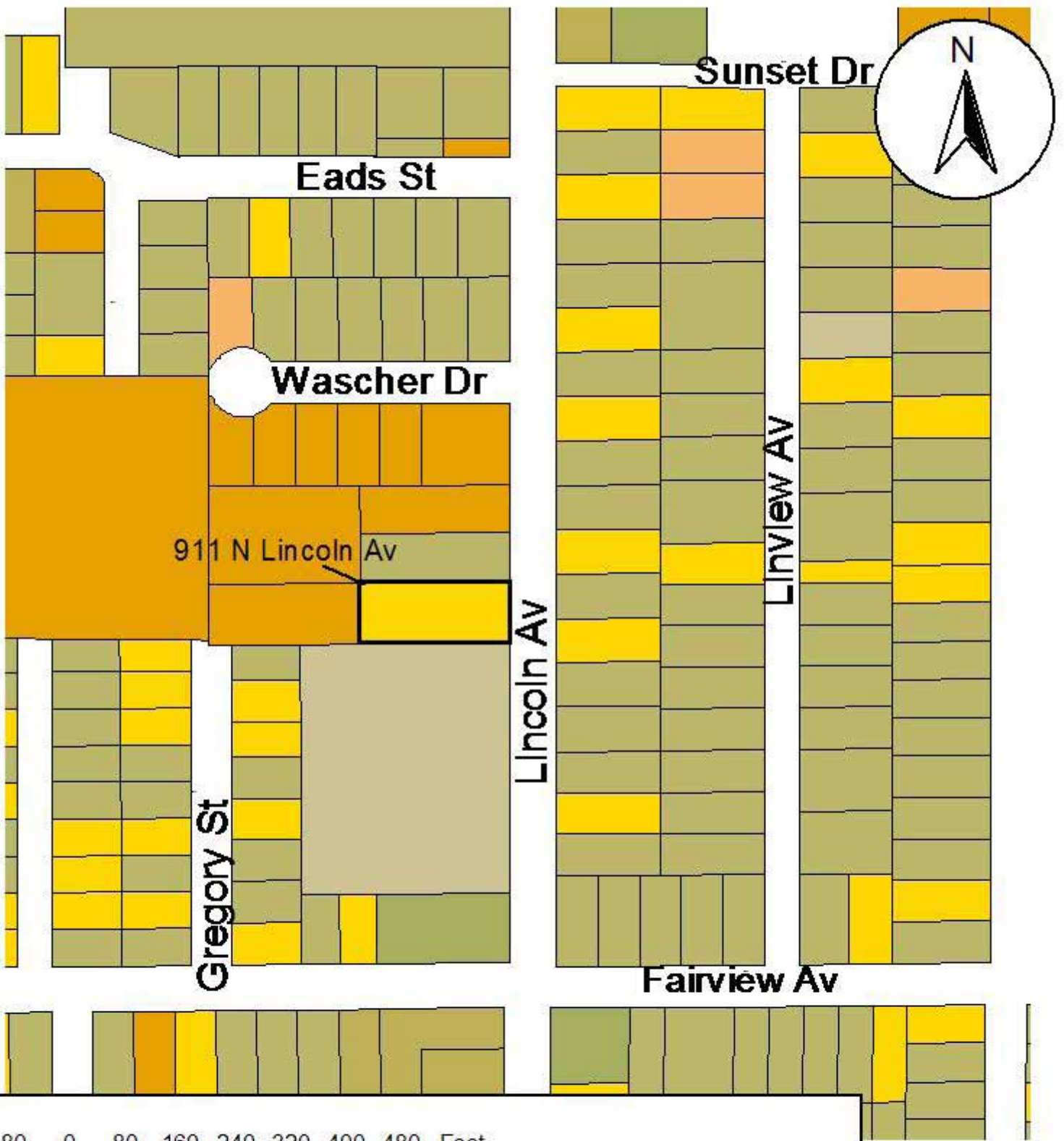
ATTEST:

_____, Secretary for the Urbana Park District Board

APPROVAL AS TO FORM:

_____, attorney for the Urbana Park District

Exhibit B: Location Map



911 N Lincoln Avenue

Exhibit C: Aerial Map



911 N Lincoln Ave

COPY

CERTIFICATE OF PUBLICATION IN

The News-Gazette

NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN THAT the Committee of the Whole of the Urbana City Council will conduct a public hearing at 7:00 P.M. on **MONDAY, SEPTEMBER 8, 2008**, or as soon thereafter as the matter can be heard, in the City Council Chambers, located at 400 S. Vine Street, Urbana, Illinois, on the question of whether to approve a proposed agreement authorizing the Urbana Park District to lease from the City of Urbana a parcel of real estate located at 911 North Lincoln Avenue, Urbana, Illinois, and further described as follows:

A part of the Northeast Quarter of Section 7, Township 19 North, Range 9 East of the Third Principal Meridian, Champaign County, Illinois, being more particularly described as follows:

Beginning 33 feet West and 685 feet South of the Northeast corner of the Southeast Quarter (SE 1/4) of the Northeast Quarter (NE 1/4) of Section 7, Township 19 North, Range 9 East of the Third Principal Meridian, thence West 217.8 feet; thence South 60 feet; thence East 217.8 feet; thence North 60 feet to the Point of Beginning.

Except:

The easterly 7.00 feet of even width of the above described parcel.

All being situated in the City of Urbana, Champaign County, Illinois

Being a part of PIN: 91-21-07-282-019

The parcel will be used exclusively for public park and recreational purposes. The proposed lease is available for inspection Monday through Friday during regular business hours at the Office of the City Clerk, located at 400 S. Vine Street, Urbana, Illinois.

All interested persons are invited to attend the hearing and to express their opinions. Persons unable to attend may send written comments to Elizabeth H. Tyler, Director, Community Development Services Department, City of Urbana, 400 S. Vine Street, Urbana, Illinois 61801. Questions may be directed to 217-384-2439.

Persons with disabilities needing services or accommodations for this hearing should contact the Community Development Services Department at 217-384-2439 or the City of Urbana's Americans with Disabilities Act Coordinator at 217-384-2466 or TDY at 217-384-2447.

Dated: August 22, 2008 at Urbana, Illinois

Phyllis Clark
Urbana City Clerk

#898895-August 22, 2008

The undersigned, THE NEWS-GAZETTE, INC. by its authorized agent, does hereby certify that said corporation is the publisher of The News-Gazette and that the same is the daily secular newspaper of general circulation published in Champaign, Champaign County, Illinois, and said newspaper is a newspaper as defined by 715 ILCS 5/5 (1992) and 715 ILCS 10/1 (1992); said publisher further certifies that the annexed notice was published once each week for one consecutive week(s) in said newspaper, on the following date(s):

08/22/2008

911 N LINCOLN/PUB HEARING

Said publisher further certifies that the date of the first paper containing the said notice was on the first date hereinabove set forth and that the date of the last paper continuing the said notice was on the last date hereinabove set forth.

The News-Gazette, Inc.

Publisher of The News-Gazette

By:

Lucretia Lykins
Authorized Agent

Publisher's fee \$95.55

Ad # 898895

AUG 27 2008

*Orig. to City Clerk's ofc
T.W.*