



MEMORANDUM

To: Mayor Laurel Lunt Prussing and Members of the City Council
From: William R. Gray, Public Works Director
John Collins, Operations Manager
Vince Gustafson, Facilities Supervisor
Date: July 19, 2012
Re: Approval of Lease Agreement – 212 West Green Street

BACKGROUND

The City of Urbana acquired this property in 2004. Mr. Carl Reisman, an attorney, has been the only tenant since. The current lease agreement with Carl Reisman, Reisman Law Office, at the city owned property of 212 W. Green Street, expires in February 2013. The current agreement is a five year lease, and Mr. Reisman has requested renewal with a one year lease.

DISCUSSION

Mr. Reisman wishes to secure his occupancy at the location, but is not comfortable with another five year commitment. Therefore, he requested to renew with a one year lease starting at the expiration of the current agreement. As there are no immediate plans for new development on this site, it is in the city's best interest to maintain occupancy of the building. City staff is supportive of a one year lease.

FISCAL IMPACT

The new lease will increase the rent from \$1050 to \$1100 monthly. This rent change was based upon a 4.86% increase in the CPI (Consumer Pricing Index) since the inception of the original agreement.

OPTIONS

1. The City Council may approve the lease as presented.
2. The City Council may approve the lease with changes, understanding that any changes must be agreed upon by Mr. Reismann.
3. The City Council may deny the lease.

RECOMMENDATION

It is recommended AN ORDINANCE AUTHORIZING THE LEASE OF CERTAIN REAL ESTATE (One-Year Lease Commencing March 1, 2013 212 West Green Street – Marro Building) be approved.

ORDINANCE NO. 2012-07-076

AN ORDINANCE AUTHORIZING THE LEASE OF CERTAIN REAL ESTATE

**(One-Year Term Commencing March 1, 2013
212 West Green Street - Marro Building)**

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 "property"), commonly known as 212 West Green Street, Urbana, Illinois, 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 property is not needed for governmental purposes or proprietary activity of the City of Urbana during the term of the proposed lease; and

WHEREAS, Carl Reisman is desirous of leasing said property for business 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 July 23, 2012; and

WHEREAS, the City of Urbana and Carl Reisman have agreed upon the terms of a lease regarding the property; and

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

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

Section 1.

A Lease between the City of Urbana and Carl Reisman for property located at 212 West Green Street, Urbana, Illinois, in substantially the form of the copy of said Lease attached hereto and hereby incorporated 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 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 corporate authorities (6 of 8 votes) of the City of Urbana, Illinois, at a meeting of said corporate authorities.

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