

**URBANA CITY COUNCIL**  
400 S. Vine Street, Urbana, IL 61801  
**CLOSED SESSION**  
(Property Acquisition)

Monday, April 21, 2014

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[Minutes Approved, 9/18/2017](#)

[Approved for Release, RES. 2017-08-059R](#)

The Urbana City Council went into closed session at 7:05 PM on Monday, April 21, 2014. Members of the Council Present: Charlie Smyth, Eric Jakobsson, Carol Ammons, Bill Brown, Dennis Roberts, Michael Madigan, Diane Marlin and Mayor Prussing. Staff present: Tom Carrino, Pat Connolly, Mike Monson, Libby Tyler, Brian Nightlinger and Jim Simon. Special Counsel present: Mr. Ken Beth.

Mayor Prussing declared a quorum for this closed session and turned the meeting over to Tom Carrino. Mr. Carrino stated that the purpose of this closed session was to discuss the status of the Hanford Inn/Park Inn. The property is presently owned by a group called MRK Management; they have basically walked away from the property. The people who financed this property have changed over time and basically walked away from the property as well. Property taxes have not been paid since 2008 and this property closed its doors in late 2010.

In 2012 the City obtained a demolition order requesting MRK to demolish the property. The City could go in and demolish the property through the demo order but we have not and will not do that. It would be cost prohibitive and we don't want to take on the liability without having end-user in place.

In late 2013 a company named Dig It of Champaign Inc and Real Tax Advisors approached the City of Urbana asking if we would be willing to work with them to acquire this property and to demolish it. Their intent is to demolish, acquire, and market the property. They asked if the City would be interested in enter into a development agreement to help with the demolition of the property.

What they want is for the City to wipe out the \$450,000 of taxes that's on the property. Mr. Ken Beth has developed a Judicial Deed to achieve this. Mr. Beth described the process for acquiring a Judicial Deed as a part of the Illinois Statute that allows for property with delinquent taxes, unpaid water bills, and buildings that are unoccupied in a municipality to request the Judicial Deed through the courts to seize the property. This deed can be used as a remedy to the demolition order and a way to a clear title. The City of Urbana would have to petition the court to declare the property abandoned before the Judicial Deed could be addressed. The Judicial Deed will wipe out all taxes, interests, and liens on the property making it free of any liens or encumbrances.

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If the City could get a clear title we would work with Dig It and Real Tax Advisors to wipe out any liens as it stands today. Once this is done and the title is clear they would take ownership of the property and move forward with the demolition.

Following discussion, staff is seeking a consensus to continue with the filing for a Judicial Deed. Libby Tyler advised that the property is assessed, as it is right now, at \$250,000. There is \$450,000 in tax liability and this property is 9 to 10 times over what the assessed value is. As soon as the Judicial Deed is granted, the property would come down and the liability would be dissolved. Discussion ensued.

It is the consensus of the Council to have staff and Mr. Beth move forward with the Judicial Deed and work on the demolition project with Dig It and Real Tax Advisors to complete the process.

With no further business to come before this body, it was moved and seconded to return to open session at 7:55 PM.

Respectfully submitted,

Phyllis D. Clark  
City Clerk