

ORDINANCE NO. 2004-08-109

AN ORDINANCE AUTHORIZING THE CHIEF ADMINISTRATIVE OFFICER TO EXECUTE THE TENTATIVE AGREEMENT REGARDING THE STRATFORD PROJECT

WHEREAS, the City owns a vacant parcel, commonly known as the "Stratford Tract"; and

WHEREAS, the City is desirous of encouraging a mixed residential/ commercial redevelopment of the parcel to further its general economic development plans; and

WHEREAS, Raymond Timpone, Sr. and Raymond Timpone, Jr., together with Joseph Petry, have submitted the attached proposal to set forth mutual assurances as a step to developing a final development agreement along the guidelines set forth therein; and

WHEREAS, the Urbana City Council finds that the general guidelines set forth therein do tend in the direction desired by the Council to redevelop the property.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF URBANA, ILLINOIS, that the Chief Administrative Officer is authorized to execute the attached Tentative Agreement and to work with the parties indicated therein to attempt to arrive at a final development agreement.

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 regular meeting of said Council.

PASSED by the City Council this _____ day of _____, _____.

AYES:

NAYS:

ABSTAINS:

Phyllis D. Clark, City Clerk

APPROVED by the Mayor this _____ day of _____, _____.

Tod Satterthwaite, Mayor

TENTATIVE AGREEMENT UPON CITY AND DEVELOPER
OBLIGATIONS FOR THE STRATFORD PROJECT

In order to avoid any miscommunication and provide for mutual assurances in the selection of the Stratford Developer prior to the execution of a formal development agreement, the parties agree in principle to the following:

Developer Obligations:

1. Enter into a development agreement with the City of Urbana within thirty days.
2. Obtain final cost estimates and financing commitments within thirty days.
3. Enter construction contract by October 31, 2004
4. Complete construction by September 30, 2005
5. Construct facility substantially in conformance with plan submittal (copy attached), including but not limited to:
 - A. 4-story building
 - B. Brick and limestone exterior, built substantially in accordance with Developer's Schematic Elevation
 - C. 41 luxury one and two bedroom apartment units, with potential for condominiums
 - D. 53,000± total square feet
 - E. 3,700± of retail or office on first floor
 - F. 68 parking spaces
 - G. 8,000± square feet of storage in basement
 - H. Construction cost of approximately \$4,600,000
6. Timpone agrees to deed of 8,280± square feet of land to the project.
7. Timpone to grant necessary easement to allow for relocation of overhead power lines.
8. Developer to coordinate the planning and further development of Phases II and III with the City's project review team with consideration of the Downtown Strategic Plan and other objectives.

City Obligations:

1. Prepare draft of Development Agreement for developer review and acceptance within 30 days.
2. Deed and transfer of Stratford lot and Lot 8 upon irrevocable commitment to construct facilities as set forth in Development Agreement.
3. Provide TIF interest subsidy benefit equal to 80% of incremented taxes paid for 10-year period upon project completion.
4. In coordination with completion of project, extend Urbana streetscape improvements, including lighting and sidewalk improvements along Race and Water Streets.
5. Pay costs for relocation of Illinois Power overhead line with provisions to be set forth in the Development Agreement.
6. City will assist developer in expediting Illinois Power relocation work.
7. City agrees to fast-track building permits and inspections for the project, including providing partial floor inspections within 24-hours notice to do so and review of building plans within one week of complete submittals.
8. City will temporarily close sidewalks and streets as needed for construction
9. City agrees to accept clay fill at landfill site or other locations to the extent it can be utilized.
10. City to confirm that all taps for sewer, water, and storm sewer are present at the site and, if not, to address any necessary extensions as a part of the Development Agreement.
11. City agrees to consider approval of the development agreement within 30 days

Please note in conformance with pre-established City policy, no permit fees may be waived. The City is also unable to waive sanitary sewer fees as these are levied by the Urbana-Champaign Sanitary District, which is an independent entity.

The developers/owners (Ray Timpone, Sr., Ray Timpone, Jr. and Joe Petry) agree that there are no other contingencies or interest that would prevent the immediate construction of the proposed project other than final cost estimates, financing approval and execution of the City/Developer development agreement and that failure to proceed for any reason other than those three contingencies constitute a default in the agreement.

It is understood that the developer will undertake “best efforts” to implement Phases II and III upon reaching satisfactory occupancy on Phase I and that separate agreements will follow outlining City and Developer obligations.

Developer/Owners

City

Joe Petry
Date

Bruce Walden, CAO
Date

Ray Timpone, Senior
Date

Ray Timpone, Junior
Date