



MEMORANDUM

TO: Mayor Diane Wolfe Marlin and Members of the City Council

FROM: William R. Gray, P. E., Public Works Director
Vince Gustafson, Public Facilities Manager
Brian Nightlinger, Fire Chief

DATE: May 11, 2017

RE: Ordinance Authorizing an Agreement to Purchase Property
Located at 2201 South Philo Road, Urbana, IL

Introduction

Staff is requesting authorization to purchase the vacant property located immediately south and adjacent to Fire Station #2 on South Philo Road. Staff expects this Fire Station to remain at the current location long term and anticipates a recommendation for expansion of the facility in future planning efforts.

Discussion

The Fire Station, located at 2103 South Philo Road and built in 1969, currently needs to be expanded and updated. The Station is in a good location to serve the southeast portion of Urbana; therefore, the purchase of the adjacent lot would allow the City to upgrade the Fire Station at its current site.

The City and the owner have agreed to a price of \$38,000 for this vacant lot.

Fiscal Impact

A budget amendment transferring \$41,000 from the General Fund to the Capital Improvement Fund for this purchase was approved by City Council at its April 10, 2017, meeting. The \$38,000 purchase price would be covered with these Capital Improvement Funds (A09 1 0400-0074).

Recommendations

It is recommended that **AN ORDINANCE AUTHORIZING AN AGREEMENT TO PURCHASE PROPERTY LOCATED AT 2201 SOUTH PHILO ROAD, URBANA, ILLINOIS** be approved.



2201 PHILO ROAD PROPERTY PURCHASE



ORDINANCE NO. 2017-05-023

AN ORDINANCE AUTHORIZING THE PURCHASE OF CERTAIN REAL ESTATE

(2201 Philo Road)

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, the City desires to purchase the real estate commonly known as 2201 Philo Road to accommodate future expansion of Urbana Fire Station 2; and

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

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 2201 Philo Road in Urbana, Illinois, and legally described below, substantially on such terms as contained in the Real Estate Sales Contract attached hereto and incorporated herein, is hereby approved:

Commencing at the Northeast corner of the Southwest Quarter of Section 21, Township 19 North, Range 9 East of the Third Principal Meridian, in Champaign County, Illinois, thence South along the East Line of the Southwest Quarter of said Section 21, 327.5 feet for a true place of beginning; thence West along the South Line of Lot 137A of Ennis Ridge Fourth Subdivision 170 feet; thence South parallel with the East Line of the Southwest Quarter of said Section 21, 94.5 feet; thence East 170 feet to the East Line of the Southwest Quarter of said Section 21; thence North along the East Line of the Southwest Quarter of said Section 21 to the place of beginning, in Champaign County, Illinois.

Permanent Index Number 93-21-21-332-023

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 Real Estate Sales Contract 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 ____ day of _____, _____.

AYES:

NAYS:

ABSTAINED:

Charles A. Smyth, City Clerk

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

Diane Wolfe Marlin, Mayor

REAL ESTATE SALES CONTRACT

THIS AGREEMENT, made and entered into this 8~~th~~ day of May, 2017, by and between ABBAS KAZEMI and ROGHAYEH KAZEMI (“Seller”) and the CITY OF URBANA, an Illinois Municipal Corporation (“Buyer”);

WITNESSETH:

WHEREAS, the Seller is the owner of the real estate commonly known as 2201 Philo Road, Urbana, Illinois, PIN 93-21-21-332-023 (the “Property”),

WHEREAS, Buyer has examined the Property and desires to purchase the same; and

WHEREAS, The parties have agreed upon the terms and conditions relating to the sale and purchase of the Property and now wish to reduce their agreement to writing.

NOW, THEREFORE, it is agreed between the parties as follows:

1. **Covenant of Sale and Purchase.** Seller agrees to sell and Buyer agreed to purchase the above described real estate, together with all improvements and appurtenances thereon, upon the terms set forth in this Contract.

2. **Purchase Price.** Buyer agrees to pay to Seller the total sum of THIRTY-EIGHT THOUSAND AND No/100 DOLLARS (\$38,000.00). The purchase price, adjusted by prorations and credits allowed the parties by this Contract, shall be paid to Seller at closing in cash, by check issued by a lending institution, or other form of payment acceptable to Seller.

3. **Closing.** The closing of this transaction shall be held within 30 days of the date of any resolution or ordinance by the Buyer's City Council approving this Contract and authorizing the purchase of the Property by the Buyer. All available surveys shall be delivered to Buyer at or before closing.

4. **Deed of Conveyance.** As soon as practicable, Seller shall execute a recordable Warranty Deed sufficient to convey the real estate to Buyer or Buyer’s nominee, in fee simple absolute, subject only to the lien of general taxes for 2017 and subsequent years, easements not underlying the improvements, if any, and covenants and restrictions of record and/or apparent on the premises and public highways and public rights of way and rights of tenants in possession, to be held by the Seller’s attorney, as escrow agent for both parties, with copies of the executed deed to be delivered to attorneys for both parties, and delivered to Buyer at the closing of this transaction upon Buyer’s compliance with the terms of this Contract.

5. **Personal Property.** Free and clear title to the following items of personal property shall pass at closing without the necessity of separate conveyance or additional consideration:
None.

6. **Condition of Premises.** Buyer acknowledges that Buyer has inspected the real estate

and the improvements thereon, and Buyer is acquainted with the condition thereof and Buyer accepts the same as of the time the Buyer executed this contract in as-is condition. Buyer shall have the right to inspect the property during the 48-hour period immediately prior to possession.

The Seller expressly warrants that Seller has received no notice from any city, village or other governmental authority of a current dwelling code violation or pending rezoning, reassessment or special assessment proceeding affecting the premises.

Seller warrants that no contracts for the furnishing of any labor or material to the land or the improvements thereon, and no security agreements or leases in respect to any goods or chattels that have been or are to become attached to the land or any improvements thereon as fixtures, will at the time of closing be outstanding and not fully performed and satisfied, and further warrant that there are not and will not at the time of closing be any unrecorded leases or contracts relating to the property, except as heretofore disclosed to Buyer.

7. **Taxes and Assessments.** Real estate taxes apportioned up to the date of possession shall be Seller's expense. The proration thereof shall be calculated upon the basis of the most current tax information, including confirmed multipliers. Transfer tax and all special assessments which are a lien upon the real estate as of the date of this Contract shall be Seller's expense. All such taxes and special assessments shall constitute a credit to Buyer against the purchase price, and shall release Seller from any further liability to Buyer in connection therewith.

8. **Contingency for Approval of Purchase.** This contract is contingent upon Buyer obtaining approval of this Contract and authorization for the purchase of the Property by the Buyer's City Council through a resolution or ordinance. If Buyer's City Council does not enact an ordinance or resolution approving this Contract and authorizing the purchase of the Property, this Contract shall be void.

9. **Insurance.** If requested by Buyer in writing, Seller shall obtain a Contract of Sale Endorsement to the existing hazard insurance upon the improvements insuring Buyer's interest; and Seller shall maintain such insurance until possession by Buyer. Seller shall provide evidence of such insurance to Buyer upon request.

If, prior to the earlier of delivery of possession or closing hereunder, any improvements on said Premises shall be destroyed or materially damaged by fire or other casualty then the Buyer shall have the option of (a) declaring this Contract null and void and receiving a refund of earnest money or (b) of accepting the Premises as damaged or destroyed, with the proceeds of any insurance payable as a result of the destruction or damage, which proceeds the Seller agrees to assign for payment to the Buyer. In no event shall the Seller be obligated to repair or replace the damaged improvements. The provisions of the Uniform Vendor and Purchaser Rick Act of the State of Illinois shall be applicable to this Contract except as specified in this paragraph.

10. **Evidence of Title.** Within a reasonable time, Seller shall deliver a Commitment for Title Insurance issued by a title insurance company regularly doing business in the county where the premises are located, committing the company to issue a policy in the usual form

insurance title to the real estate in Buyer's name for the amount of the purchase price. Seller shall be responsible for payment of the owner's premium and Seller's search charges.

11. **Default.** (a) If Buyer fails to make any payment or to perform any obligation imposed upon him by this Contract, Seller may serve written notice of default upon Buyer, and if such default is not corrected within ten (10) days thereafter, Buyer is deemed in default and Seller may take one or more of the following actions: re-sell the premises to another party; maintain a claim for monetary damages for breach of contract; maintain a specific performance action against Buyer; and maintain any other or different remedy allowed by law.

(b) In the event of the failure of Seller to perform the obligations imposed upon him by this Contract, Buyer may serve written notice of default upon Seller and if such default is not corrected within ten (10) days thereafter, Seller is deemed in default and Buyer may take one or more of the following actions: maintain a claim for monetary damages for breach of contract; maintain a specific performance action against Seller; and maintain any other or different remedy allowed by law.

(c) The foregoing remedies in the event of a default are not intended to be exclusive and the parties shall have the right to all other lawful remedies.

(d) In the event of such breach, the non-defaulting party shall be excused from further performance of the contract, unless he elects the remedy of Specific Performance.

(e) Default by any party to this Contract shall also entitle the non-defaulting party to reasonable costs, attorney's fees, and expenses incurred by reason of the default (breach) of this contract.

(f) In the event of a dispute over the disposition of earnest money, the earnest money shall continue to be held in the trust account of the escrow agent until: (i) the agent has a written release from all parties consenting to the disposition, or (ii) a civil action is filed, by either the broker or one of the parties, to determine the disposition of the earnest money, at which time payment may be made in court; or (iii) deposit is made with the Illinois Department of Financial Institutions in accordance with the law. Similarly, the executed warranty deed shall continue to be held by the escrow agent for such deed until the agent has been provided a written release from all parties consenting to its disposition, or until civil action is filed, by either the escrow agent or one of the parties, to determine its disposition, at which time the warranty deed may be filed with the court.

12. **Notices.** Any notice required under the Contract to be served upon Seller or Buyer shall be served at the following addresses:

Seller: Abbas and Roghayeh Kazemi
2202 Strand Drive
Champaign, Illinois 61822

Buyer: City of Urbana
C/O Curt Borman
400 South Vine Street
Urbana, Illinois 61801

Any notice required under the Contract shall be effective when actually received or when mailed

by certified mail to such parties; information copies of all such notices shall be sent by first class mail to the offices of the attorneys named herein. Notices to or from one of multiple buyers shall be effective as to all buyers; notice to or from one of multiple sellers shall be effective as to all sellers.

13. **RESPA/TRA.** Seller and Buyer hereby agree to make all disclosures and to sign all documents necessary to allow full compliance with the provisions of the Real Estate Settlement Procedures Act of 1974, as amended, and the Tax Reform Act of 1986.

14. **Illinois Responsible Property Transfer Act.** Seller represents that the real estate which is the subject of this Agreement is not property which is subject to the Illinois Responsible Property Transfer Act (Illinois Revised Statutes, Chapter 30, Paragraph 901 et seq.) In that it does not include facilities that must submit an annual Emergency and Hazardous Chemical Inventory Form under Section 312 of the Federal Emergency Planning and Community right to Know Act or facilities whose underground tanks are subject to the notification requirements under the Federal Resource Conservation and Recovery Act 942 U.S.C. 6991).

15. **Entirety of Agreement.** This Contract contains the entire agreement between the parties, and no oral representation, warranty or covenant exists other than those herein set forth. References to plural parties shall apply to singular parties as well.

16. **Time of the Essence.** The time for performance of the obligations of the parties is of the essence of this Contract.

BUYER(S)

City Of Urbana.


By:

Its:

SELLER(S)



Abbas Kazemi



Roghayeh Kazemi

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