



DRAFT

CITY COUNCIL EXECUTIVE SESSION

Monday, May 16, 2011

10:14 P.M.

Lorraine H. Morton Civic Center

Aldermanic Library

Members Present:

Alderman Holmes
Alderman Tendam
Alderman Grover
Alderman Wilson
Alderman Wynne

Alderman Rainey
Alderman Braithwaite
Alderman Fiske
Alderman Burrus

Staff Present:

City Manager Bobkiewicz, City Attorney Farrar,
Assistant City Manager Lyons, Economic
Development Planner Johanna Nyden, Director
Economic Development Division Griffin

Presiding Member:

Mayor Elizabeth B. Tisdahl

Mayor Tisdahl called the meeting to order at 10:14 P.M.

Real Estate:

City Manager Bobkiewicz then stated there was one item for discussion, concerning some possible properties on Howard Street. He asked Ms. Johanna Nyden to give an update and walk through the memorandum she submitted.

Ms. Nyden proceeded to relay the following facts:

- She and Alderman Rainey met with the owner of properties 623-627 ½ and 607-609 and viewed the sites
- Mr. Prassinos wanted \$ 500,000/property
- When refused he asked for an offer
- He wants to sell

City Manager suggested she talk about each of the properties separately, and these were the following facts:

1. 607-609
 - a) One-story
 - b) It has three store-fronts (two are occupied)
 - Irving Gear (sells men clothing)
 - Cosmetic Salon
 - Space reserved for a Bakery to come in
2. 623-627 ½
 - a) A one-story "C" type structured building
 - b) Has four to five store-fronts
 - c) Has 8 brick garages connected to the rear
 - d) Tenants are on a month-month lease
 - e) This property has caused him a lot of headaches.

Concerns/Questions from Aldermen:

1. What is the vision for the property after it is purchased?
 - i) To chase down possible business to come to Evanston
2. How much money needed to invest in the place?
 - i) There are paying tenants already occupying space
 - ii) About one year hopefully
3. Being the one to assume the financial risks from being the facilitator.
4. The 607-609 is the worst piece of property.
5. What is the potential purchase price, and where is funding coming from?
 - i) Purchase price \$77/sq ft = \$450,000.00
 - ii) TIF is \$150,433.00
 - iii) Economic Development Fund has 2.4 million dollars
6. How much would it take to make it marketable?
7. Who would manage the property after purchasing, and collecting rent, or suing?
 - i) Grant
8. Are the potential businesses possibilities or probabilities?
 - i) They are possibilities
9. What is the real estate property tax the property generates?
 - i) \$16,000.00
10. Renting or selling the property.

The final decision was to give Ms. Nyden direction to go forward with negotiations starting at \$380,000.00 and no higher than \$450,000.00. Direct staff to bring back information at the next meeting when further information has been acquired.

The meeting was moved and seconded to adjourn. A voice vote was taken and the motion was unanimously approved at 11:03 P.M.

Rodney Greene
City Clerk