

**Evanston City Council
Closed Session Minutes
Aldermanic Library
Tuesday, April 8, 2008**

PRESENT: Aldermen Tisdahl, Rainey, Hansen, Wollin, Jean- Baptiste, Wynne, Bernstein, Holmes and Moran

ABSENT: None

STAFF: Judith Aiello, Doug Gaynor, Herb Hill, Elke Tober-Purze and Rolanda Russell

PRESIDING: Mayor Lorraine H. Morton

START: 9:55 p.m.

Minutes

Closed session minutes of March 24, 2008 were approved as submitted.

Purchase of Real Estate – 1601 Sherman

First Assistant Corporation Counsel Herb Hill said the first matter was about 1601 Sherman Avenue – the Fountain Square Office Building. Assistant City Manager Judith Aiello reported that there was a request for an appraisal at an earlier meeting for this six story office building. A copy of the appraisal for \$7.8 million was given to Council members. The owner, Mr. Mavakos had indicated he was offered \$10 million for the building and supplied an unexecuted contract. If Council is interested in pursuing the acquisition, they would tell Mr. Mavakos of this interest and proceed with negotiation if he has an appraisal. Currently the of 52,000 square feet building is 85% occupied. The building is not large enough for the Civic Center. Ms. Aiello said that the city manager wanted Council to see a copy of an appraisal of this building. Mr. Hill said this was done in conjunction with whether or not Council wanted to enlarge Fountain Square. Alderman Rainey suggested this be referred to the Civic Center Committee.

Sale of Real Estate – 425 Dempster

Mr. Hill noted they have a plat showing the existing footprint of the school and expanded footprint. Council requested an appraisal by Chiaravelli School in order to pursue a negotiated sale. The City and Chiaravelli appraisals were included. The City appraisal of \$2 million was done in April 2007 and theirs of \$1.8 million was done in June 2007, a difference of \$200,000. The purchase price is \$2.1 million which includes the enlarged footprint and relocation of the basketball court. He did not have information on waiver of construction fees requested by Alderman Hansen because it was not in the documents. There are restrictions on the use and sale of this property and some fine details to be worked out. In response to Alderman Bernstein, the appraisals are of the existing building. The outline for the additional land is not in the appraisal. Alderman Wynne thought that there was a way to appraise the additional square footage that Chiaravalle

wants. That is not known. Chiaravalle wants to tear down the old gym and build a new one that is slightly larger. The question is what is the price of extra land?

There was confusion about the square footage. Alderman Rainey asked for a better presentation. Mayor Morton suggested that Elke Purze be involved since Herb is leaving. Alderman Rainey read that the gross site area is estimated to be 23,916 square feet. Alderman Wynne suggested the appraisals be examined, to see if the added land is included. It is not clear but they need to know the price of the additional square footage that Chiaravalle wants to buy.

Litigation

Mr. Hill made an oral report on the two years of negotiations with the Northwest Water Commission for new water rates. 20 years is left on the contract. The commission has given the city a royal run around for the last 6-9 months asking for documentation. Cliff Weaver is not at the table. It is Barb Adams from Holland & Knight versus Owen McBride from Schiff representing the City. Last year the new rates did not kick in and the Commission owes the City about \$465,000 that is not in dispute plus an additional sum of money of which some factors are in dispute. They (Northwest Water Commission) has a proposal to give \$125,000 now and continue the negotiations. There is nothing else left to give them. The manager asks for authority to proceed with arbitration. Alderman Wynne moved that they proceed with arbitration. Seconded by Alderman Tisdahl.

There being no further business to come before Council, Mayor Morton declared the meeting adjourned at 10:17 p.m.

Mary P. Morris,
City Clerk