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**Evanston City Council
Closed Session Minutes
Aldermanic Library
Monday, May 12, 2008**

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

ABSENT: Alderman Hansen

STAFF: Elke Tober-Purze and Rolanda Russell

PRESIDING: Mayor Lorraine H. Morton

START: 10:15 p.m.

Minutes

Closed Session Minutes of February 2, 2008 and April 28, 2008 were approved without change.

Real Estate – Sale of 425 Dempster (Chiaravalle School)

Interim First Assistant Corporation Counsel Elke Tober-Purze noted the last time they met Council requested copies of the lease currently in force. She brought several copies. An explanation of the appraisal by MaRous was in the packet and today she received a response from Chiaravalle's appraiser that basically agreed with the City's appraiser. Using the income approach, with a low value long-term lease, they reached a valuation for sale of \$2 million. Mayor Morton asked for a copy of the lease.

Alderman Wynne said the idea that the City could let them improve it, then it is ours, but only at the end of the lease. She thought many uses could be found for the \$2 million. At the end of the lease, it is not likely that the City would want this property for a school. Chiaravalle is willing to buy it without significant change to the building now. They need to buy it in order to raise funds. It does not impact the community and puts money into the City's pockets. They made significant repairs to the building.

Alderman Holmes asked if they should be selling this property. She understood that when leasing a building, improvements are made by the tenant. The lease began in 1997 and has many years left on it.

Alderman Wynne said Chiaravalle has taken good care of the building and the school is an economic engine for the Dempster shopping area. They don't plan to increase the student population. She has not discussed this with anyone in the 3rd Ward. A few people in the Chiaravalle know they are talking about buying the building.

Alderman Rainey asked how this rent is recorded in the budget and is it targeted for any purpose. Alderman Wynne thought there were offsets during the first few years when Chiaravalle made improvements. Interim City Manager Rolanda Russell found \$65,000 annually in the budget.

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The annual lease payments are years 1-5 - \$45,000, years 6-10 - \$55,000, years 11-16 - \$65,000, years 16-20 - \$75,000 and years 21-25 - \$85,000. Rentals/property sales in the proposed budget total \$70,000. It is line item 56010.

Mayor Morton preferred to sell the school. She asked what advantage is there to keep this building. The City is not making much money.

Alderman Tisdahl advised to sell it because the City cannot keep it up. By selling they have money for other things.

In response to Alderman Rainey, Ms. Purze indicated that there are covenants on this property. It is to be used as a school in perpetuity.

Chiaravalle will pay cash for the property and raise funds for the addition. Targeting funds from the sale is not proper for closed session discussion. Alderman Wynne pointed out Chiaravalle will buy with the understanding that there is no guarantee on zoning. She noted that the Chiaravalle families live directly across the street from the school and the Dewey families live on Judson. Nothing changes with the sale.

Mayor Morton asked the Interim City Manager to go into negotiation with Chiaravalle. Ms. Purze said the property would sell for \$2.1 million. In response to an alderman, Ms. Purze said that City property is conveyed by bid or negotiation and would be approved by ordinance. A public notice would be posted according to time requirements.

Personnel

Interim City Manager Russell reported on the status of vacant positions at the City outlined on a paper. An Assistant City Manager to take Judy Aiello's position has been selected for a second interview. Dwight Johnson has been a city manager; out of work since October. His wife is in education and they want to live in Evanston. Mayor Morton asked if housing loans are part of contracts for senior positions. Ms. Russell explained that the City assists with moving expenses to a maximum of \$7,500. They are not negotiating housing loans.

Ms. Russell recommends that Dennis Marino be appointed the Interim Community Development Director. After a new city manager is named, that person can appoint a permanent director. On Stan Janusz, the position is open and it would be either several weeks or months, which is determined by the Department Director working with Human Resources.

Alderman Rainey was concerned about vacancies in the Zoning Division, noting they are severe. She had made a zoning request three weeks ago and is still waiting for a response. This should not be happening but it is in several departments. Alderman Bernstein commented that Martin Travis is not competent and gives out misinformation. Frank Aguado carried the heavy water in zoning and is leaving. Alderman Wynne asked about the process to replace Arlova Jackson. Ms. Russell stated they are still conducting interviews.

There are three external candidates and one internal candidate for Director of Finance. They are looking for someone with Illinois experience.

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Alderman Rainey wants to have updates on the status of staff. Ms. Russell stated they can meet every Monday starting May 19 until June 30th. Alderman Rainey commented that they no longer get a report on vacancies of sworn officers at the EPD and that there will be overtime costs for the summer plan with serious vacancies.

On filling the City Clerk position, Mayor Morton could not recommend David Johnson, as suggested by Alderman Rainey. She still believes that Emily Guthrie is the best qualified. The Mayor had not met with Mr. Johnson. His resume was passed around. Mayor Morton had gone through applicants for the position and had received written work from Rodney Greene. Mayor Morton suggested that Council meet with the candidates with the highest scores: Rodney Greene, Emily Guthrie and Carolyn Murray. It was decided to meet and interview Rodney Greene, David Johnson and Nancy-Ann Zarach on Monday, May 19. Resumes on each would be circulated among Council members.

Interim City Manager Rolanda Russell's acceptance letter and employment agreement was distributed for Council review.

Litigation

Ms. Purze reported and called attention to the trial schedule; noted there is no trial for Nadulek vs. COE and they have a year to file. She believes the plaintiff caused the accident. Iain Johnson now has his own firm and is litigating this case.

Alderman Wynne suggested they put off going through the closed session minutes for release. Ms. Purze suggested that closed session minutes be reviewed by Council and released every April and October.

There being no further business to come before the committee, the meeting was adjourned at 11:25 p.m. by Mayor Morton.

Mary P. Morris,
City Clerk

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