

Memorandum

Community and Economic Development Department

To: Rock Island City Council
Subject: Sale of City-Owned Real Estate
Date: July 1, 2021



Kenneth Clark of 717 14th Street has applied to purchase 721 14th Street (Parcel 097454, PIN 0735309006) from the City for \$1,000 plus closing costs. The City acquired the subject property in 2020 following the demolition of a substandard house. There is no future municipal use planned for the property. Mr. Clark would like to use the property to expand his side yard. The subject property is approximately 5,209 square feet and zoned R-2 (one and two unit residential). A map of the parcel is attached.

The following things are true or will be achieved by this sale.

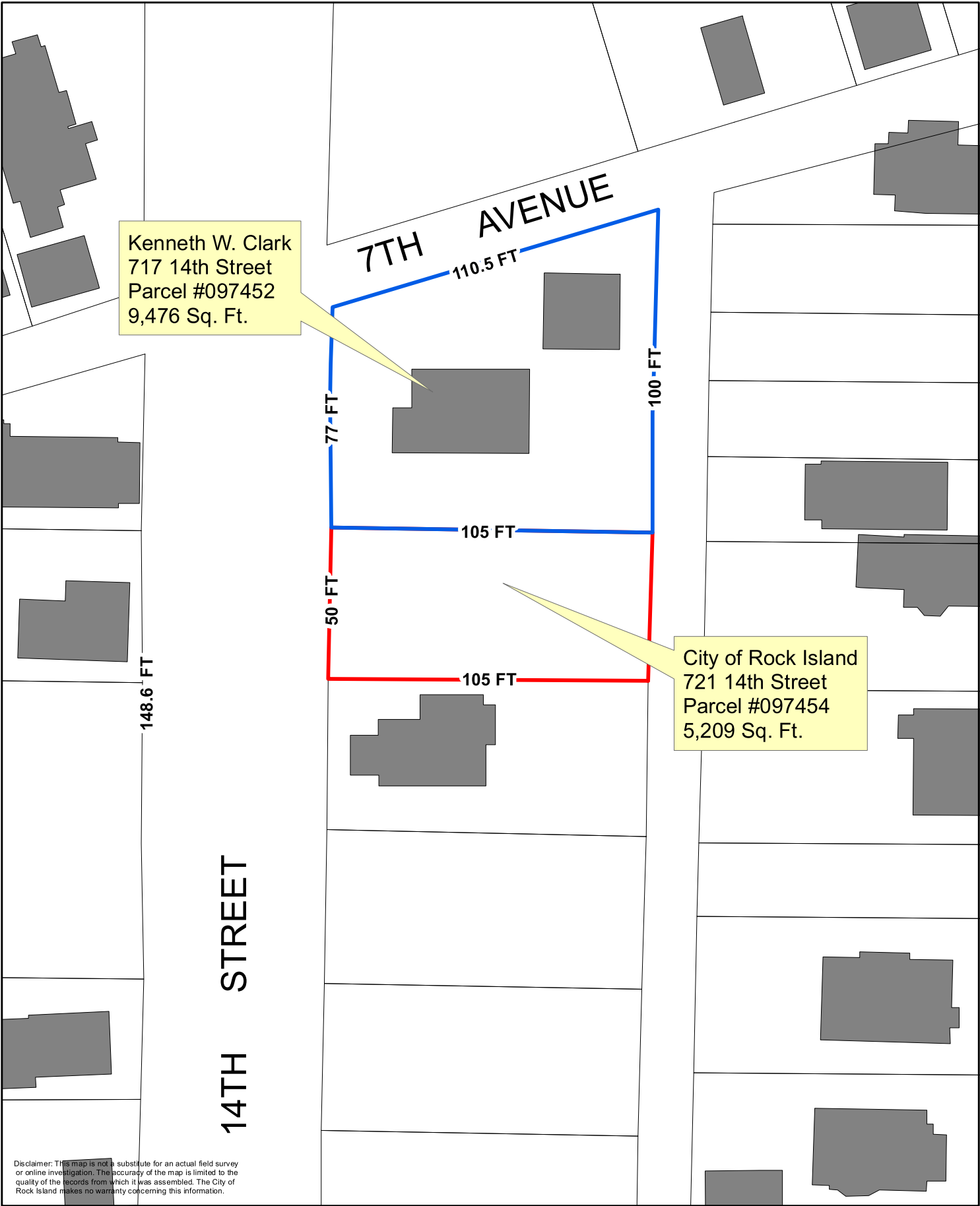
1. The property is not currently used by a City department and/or does not have a municipal function.
2. The property is vacant and/or has no foreseeable use by the City.
3. The property is a non-performing or under-performing asset and value can be generated by its sale.
4. Economic development opportunities can be generated by selling the property.
5. The City will be relieved of potential liabilities and/or costs associated with maintaining a non-income generating property or one that does not provide a public benefit.
6. The proposed use of the property complies with the Comprehensive Plan and other relevant City plans.
7. The sale of the property will result in returning the property to the tax rolls.

Recommendation:

The Community and Economic Development Department recommends that the City Council approve the sale of 721 14th Street to Kenneth Clark for \$1,000 plus closing costs; authorize the City Manager to execute the sale agreement; and consider the ordinance.

Submitted by: Miles Brainard, Planning & Redevelopment Administrator
Nathan Parch, Community & Economic Development Director

Approved by: Randall Tweet, City Manager



Disclaimer: This map is not a substitute for an actual field survey or online investigation. The accuracy of the map is limited to the quality of the records from which it was assembled. The City of Rock Island makes no warranty concerning this information.

Location Map
City Owned Lot 097454

- Potential Buyer
- City Owned Lot
- Parcels



City of Rock Island, Community and Economic Development Department
Drawn By: K. Douglass
Date Created: June 2021
0 10 20 40 60 feet

AGREEMENT FOR THE SALE OF CITY-OWNED REAL ESTATE AT 721 14TH STREET

A. Date of Agreement	6-21-2021
B. Seller(s) Address	City of Rock Island 1528 3 rd Avenue Rock Island, IL 61201
C. Purchaser(s) Address	Kenneth Clark 717 14 th Street Rock Island, IL 61201
D. Address of Property Legal Description	721 14 th Street PIN 0735309005 Parcel 097452 Lot Number Forty (40) in Ira Weatherhead's Addition to the City of Rock Island, situated in the County of Rock Island and State of Illinois.
E. Purchase Price Earnest Money	\$1,000.00 Purchaser also pays full closing costs.
F. Amount of % of Financing Type of Loan Days to Obtain Commitment	N/A
G. Closing Date	ASAP
H. Possession After Closing Days After Closing Per Diem Liquidated Damages	At Closing
I. Personal Property to Stay	N/A
J. Condition of Premises	As-Is
K. Wood Infestation Report	N/A
L. Riders Attached	N/A
M. Acceptance On or Before Counter Offer	At Presentation

Purchase Agreement for Commercial Real Estate ("Agreement") is entered into on 6-21-2021, between Kenneth Clark, ("Purchaser"), and THE CITY OF ROCK ISLAND, ILLINOIS, ("Seller"). In consideration of the mutual covenants set forth in this Agreement and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Seller and Purchaser agree as detailed on the following pages.

AGREEMENT FOR THE SALE OF CITY-OWNED REAL ESTATE AT 721 14TH STREET

4. Special assessments, if any.

EXPENSES OF TRANSFER:

Purchaser shall pay:

1. Broker's commission, if any;
2. Cost of owner's title insurance policy;
3. Revenue stamps and recording of any releases; and
4. Seller's Closing Protection Letter, as required.
5. Recording fee for deed;
6. Assumption fee if mortgage assumed;
7. Cost of Purchaser's mortgage title insurance policy as required by mortgagee; and
8. Purchaser's and Lender's Closing Protection Letters, as required.

Each party shall be responsible for their own attorney fees, if any.

DEFAULT: If Purchaser fails to make any payment or to perform any obligation imposed upon Purchaser by this Agreement, Seller may serve written notice of default upon Purchaser and if such specified default is not corrected within ten (10) days thereafter, Seller may accept the earnest money and any additional down payment as damages or may pursue any available legal remedy including specific performance. In the event Seller fails to perform any obligation imposed upon Seller by this Agreement, Purchaser may serve written notice of default upon Seller and if such default is not corrected within ten (10) days thereafter, earnest money and any additional down payment deposit shall be refunded to Purchaser without prejudicing the Purchaser's right to any available legal remedy including specific performance. In the event of default, the defaulting party shall be liable to the other party for reasonable attorney fees and expenses incurred by reason of the default.

CASUALTY CLAUSE: Seller shall cause to be kept in force the existing insurance, including fire and other extended coverage, on improvements, if any, on the subject property until title has passed to Purchaser or possession is delivered to Purchaser, whichever first occurs. Purchaser shall be responsible for insurance coverage upon taking title or possession of the subject property, whichever first occurs.

ESCROW: This Agreement will be closed through an escrow with Meridian Title Company, in accordance with the general custom of the community and in conformity with this Agreement. The funds held in escrow shall be paid out upon recording of the necessary documents and the vesting of merchantable title in the Purchaser.

ASSESSMENTS: Seller shall pay all special assessments which are a lien on the subject property as of the date of closing. Seller acknowledges that prior to the execution of this Agreement, Seller has no knowledge of or no notice has been received from any municipal authority

AGREEMENT FOR THE SALE OF CITY-OWNED REAL ESTATE AT 721 14TH STREET

concerning improvements which could result in a special assessment on the subject property. Tap on fees, if any, which exist for municipal services to the property shall be paid by Purchaser.

GENERAL CONDITIONS: This Agreement shall be binding upon the parties and their successors and assigns. Time is of the essence of this Agreement. This Agreement shall be governed by the enforced in accordance with the laws of the state in which the subject property is located. This Agreement contains the entire Agreement of the parties and no representations, warranties, or Agreements have been made by either party as set forth herein. No modification, waiver, or amendment of the Agreement shall be effective unless made in writing and signed by the parties. All representations, warranties and covenants made by the parties shall survive closing. Paragraph headings are for the convenience of reference and shall not limit or affect the meaning of the Agreement.

NOTICES: All notices required hereunder shall be in writing and shall be served upon the parties at the addresses designated herein by personal service, certified mail (return receipt requested), or Federal Express or other overnight mail.

Seller

City of Rock Island
Randy Tweet, City Manager
1528 3rd Avenue
Rock Island, IL 61201

Copy To

Dave Morrison, City Attorney
1515 4th Avenue, Suite 301
Rock Island, IL 61201

Purchaser

Kenneth Clark
717 14th Street
Rock Island, IL 61201

Copy To

LEGAL ASSISTANCE: The Seller and Purchaser are aware that when fully signed, this is a legally binding Agreement for the sale and purchase of real estate and that in order to protect their respective interests, Seller and Purchaser are advised to consult legal counsel before this Agreement is signed.

APPROVAL: This Offer to Purchase shall be subject to and not binding upon Purchaser pending submission and approval by the City Council of The City of Rock Island, Illinois.

ACCEPTANCE BY SELLER: Until accepted by Seller this document constitutes an offer by Purchaser on the terms stated above. This Agreement must be accepted by Seller within two (2) business days from date shown next to Purchaser's signatures below. If not so accepted, the offer shall be void and the earnest money returned to Purchaser. This Agreement has been read and executed on the dates beside our signatures.

AGREEMENT FOR THE SALE OF CITY-OWNED REAL ESTATE AT 721 14TH STREET

Executed by Purchaser:

Executed by Seller:

Name

Kenneth Clark

City of Rock Island

Signature



Date

21 June 2021

**A SPECIAL ORDINANCE PROVIDING FOR THE SALE OF CERTAIN REAL ESTATE OWNED BY
THE CITY OF ROCK ISLAND, ILLINOIS**

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF ROCK ISLAND, ILLINOIS:

Section One: Kenneth Clark of 717 14th Street has applied to purchase 721 14th Street from the City for \$1,000 plus closing costs. The City acquired the subject property in 2020 following the demolition of a substandard house. There is no future municipal use planned for the property. Mr. Clark would like to use the property to expand his side yard.

Section Two: It is hereby determined that the retention of the title to the following real estate owned by the City of Rock Island, Illinois is no longer necessary, appropriate, required for the use of, profitable to, or for the best interests of the City of Rock Island, Illinois:

Legal Description:

Lot Number Forty (40) in Ira Weatherhead's Addition to the City of Rock Island,
situated in the County of Rock Island and State of Illinois.

Parcel: 097454

PIN: 0735309006

Commonly known as: 721 14th Street

Section Three: The City of Rock Island, Illinois has received an offer to purchase the aforementioned described real estate and it is hereby determined that the purchase price is fair and equitable between the parties and it is in the best interest that said real estate be sold for that purchase price.

Section Four: The Mayor and City Clerk are hereby authorized and directed to execute on behalf of the City of Rock Island, Illinois a Quit Claim Deed conveying the above-described real estate to Kenneth Clark, for the sum of \$1,000 plus closing costs.

Section Five: All ordinances and part of ordinances in conflict herewith are hereby repealed insofar as they do so conflict.

Section Six: This ordinance shall be in full force and effect 10 days after its passage and approval, as required by law.

Mayor of the City of Rock Island

Passed: _____

Approved:

Attest:

City Clerk