

MEMORANDUM

COMMUNITY & ECONOMIC DEVELOPMENT

TO: Thomas E. Thomas, City Manager

SUBJECT: Sale of Property to Stetson Building Products

DATE: 9/5/12

Staff has been working with Stetson Building Products regarding the purchase of two lots to the east of their property at 1100 Second Ave. A location map has been provided as a reference to these properties.

The provided letter from Stetson Manager Greg Ward outlines the company's desire to purchase the two properties. Over the past 17 years, Stetson has purchased surrounding properties and demolished structures to remove blight and to bank the land to support future expansion plans.

The property at 1138 Second Ave. was purchased by the City at the County Tax Agent's 2011 Auction of Surplus Properties. The cost to purchase the property was \$642.00. Due to condition issues, the house on the property was demolished in 2011 with TIF funds at a cost of \$14,500.

The property at 1134-36 Second Ave. is owned by Robert Connell. Due to condition issues, the large home on the property was demolished with TIF funds in 2010 at a cost of \$19,500. A lien was filed on the property to recover the costs. Mr. Connell is willing to donate the property to Stetson to support their expansion plans. He is asking for the City to release the demolition lien and cover closing costs to convey the property to Stetson.

Staffs recommends approval of the Stetson request as it will return the city property to the tax rolls, support the future expansion plans of an existing business, and supports the goals of the New/Old Chicago Plan. Please reference the page from the plan document that describes the long term use of the Stetson property.

Staff further suggests the city property be conveyed with a Quit Claim Deed and that the City cover the closing costs involved with conveying both properties estimated at \$1,500.00

RECOMMENDATION

Staff recommends that City Council approve the sale of the city owned property at 1138 Second Ave. to Stetson Building Products for \$1.00, release the demolition lien on the Connell property at 1134-36 Second Ave., cover the involved closing costs, authorize the City Manager to execute the contract documents, and refer to the City Attorney for an ordinance.

Submitted by: Mary Chappell, Development Programs Manager
Jeff Eder, Community and Economic Development Director

LOCATION MAP



LOCATION MAP

**1134-1136
2nd Avenue**

Legend

 Subject Property



0 50 100 200 300 Feet

City of Rock Island

COMMUNITY AND ECONOMIC
DEVELOPMENT DEPARTMENT
Planning and Redevelopment



Note: The information presented is not survey accurate & is for illustrative purposes only.



June 4, 2012

To the Rock Island City Council,

My name is Greg Ward and I am the General Manager of Stetson Building Products located at 1100 2nd Avenue in Rock Island, Illinois. Over the past 17 years since relocating to our current location, we have cooperated monetarily with the City in the demolition of 6 properties that were connected to our property. We have received the deeds to these properties and pay taxes as required. We take pride in maintaining the area by planting grass, spraying for weeds, mowing and the maintenance of trees.

It has been brought to our attention that the corner property at 11th Street and 2nd Avenue (Owned by the City of Rock Island) and a connecting property on 2nd Avenue (Owned by Robert Connell to be acquired by the City) have become available for purchase. We are interested in purchasing these properties for the following reasons;

1. This would give Stetson Building Products one full City Block between 10th and 11th Streets, and 2nd and 3rd Avenues.
2. The City would then be able to negotiate with one entity when it comes to future planning. (Benefiting both Stetson and the City.)
3. Stetson would assume the tax responsibility as we have with other properties.

Of course, we will also assume the responsibility of proper lawn maintenance, and give the City a Tax Paying Retailer they can be proud of.

Respectfully Submitted,

Greg Ward – General Manager-Stetson Building Products

N4. Residential Redevelopment

Timing: long term

Responsible party: private developer

If the current occupant of the property should choose to relocate their operations, the site could make for a major redevelopment opportunity. Its position at the western end of the historic district coupled with relative proximity to Downtown and the Expressway could give the property some locational advantages. The site would also allow for a significant sized residential development that could offer an internal amenity, such as a residential green courtyard, increasing the marketability of the project. The project should contain condominium units with a minimal number or no rental units, in order to build home ownership levels in the neighborhood. In a discussion between the planning consultants and local real estate and development professionals, it was noted that such a project was large enough to create a sense of a “neighborhood within a neighborhood.” It would be important that a project like this, while having an internal focus, not become a walled-off enclave: any amenity space should be open to the public and the property should be accessible via city streets or lanes. For example, in the concept shown on Figure 4.26, 2nd Avenue is turned south and brought through the site as an internal lane. A public green space is proposed for the center of the block to be maintained by the homeowners' association.

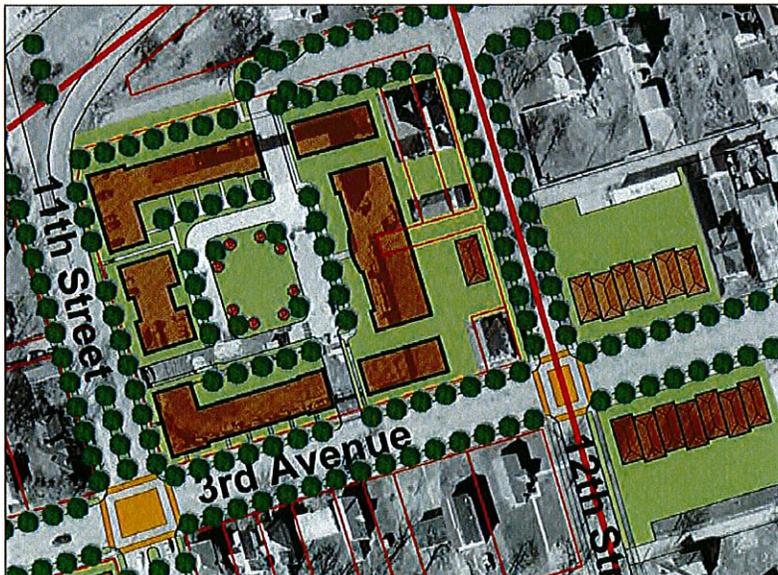


Figure 4.26: Courtyard residential development on 3rd Avenue and 11th Street and adjacent new townhouses.