

**Memorandum
Community Economic Development Department**



To: Thomas Thomas, City Manager
Subject: Transfer of City Properties to GROWTH
Date: August 4, 2015

The City received a \$525,000 award earlier this year from the Illinois Housing Development Authority (IHDA) through its Blight Reduction Program (BRP). This BRP funding will be used to demolish blighted/vacant residential units for the eventual reuse and redevelopment of those properties. In 2014, the City purchased six properties (listed below) through the annual County tax auction. These properties were listed as top priorities for demolition and redevelopment in our application to IHDA for BRP funding.

The BRP program requires the City collaborate with a not-for-profit developer to implement the program. The program also requires that the not-for-profit developer take ownership of the properties prior to any demolition. The City has selected GROWTH as its not-for-profit developer to implement this program. Given these requirements, the City would like to transfer ownership of the following properties to GROWTH to begin the demolition process:

- 1625 7th Street (tax auction)
- 1628 8th Street (tax auction)
- 715 12th Avenue (tax auction)
- 602 8th Street (tax auction)
- 720 13th Street (tax auction)
- 1625 12th Street (tax auction)
- 918-920 6th Avenue (former Hubert Clinton property)

Demolition of the above listed addresses will commence the initial phase of BRP implementation. Each property will be held for redevelopment, with the exception of 918-920 6th Avenue, which will be redeveloped by GROWTH to complete the 10th Street single family housing project.

In addition to the above addresses, and separate from the BRP program, the City would like to donate 1112 18th Avenue and 3337 7½ Avenue to GROWTH to be rehabilitated and sold. Both properties were acquired by the City in the 2014 tax sale. Transfer to GROWTH will accelerate the transition of these houses back into tax producing properties. The City requests Council approval to donate the above listed properties to GROWTH.

RECOMMENDATION:

Staff recommends that Council authorize the donation of the above listed properties to GROWTH, authorize the City Manager to execute the contract documents, and refer to the City Attorney to prepare an ordinance.

Submitted by: Jeff Eder, CED Director / Assistant City Manager
Brandy Howe, Urban Planner

Approved by: Thomas Thomas, City Manager