

MEMORANDUM

COMMUNITY & ECONOMIC DEVELOPMENT

TO: Thomas E. Thomas, City Manager

SUBJECT: Purchase and Sale of Property at 606 24th Street

DATE: 4/11/12

Staff has been working with Rock Island Economic Growth Corporation (GROWTH) to acquire the property at 606 24th Street. The property is one of six located on the west side of 24th Street just north of 7th Avenue. GROWTH is in the process of purchasing the six properties to support the development of the Arsenal Gateway initiative. Please reference the provided location map and note that the structure at 610 24th Street has been demolished.

The property at 606 24th Street is currently owned by Joseph Meyer & Associates, Rock Island County's Delinquent Tax Agent. Based on Mr. Meyer's disposition guidelines, he cannot sell the property directly to GROWTH. However, he has agreed to sell this property to the City as it will support a redevelopment project. The cost to purchase is based on the amount of outstanding delinquent taxes or \$4,750.00.

GROWTH President Brian Hollenback is asking the City to convey title to GROWTH who will reimburse the City for the cost to purchase this property including closing costs. Total for involved costs is estimated at \$5,500.00. GROWTH plans to demolish the existing structure and land bank the property for a future development project. Please reference the attached letter of request from Mr. Hollenback.

Staff recommends approval of this request as it will remove a blighting influence, will ultimately return the property to an active use, supports City Council goals, and also supports the development project currently underway by GROWTH.

RECOMMENDATION

City Council approve the purchase of the property at 606 24th Street from the Rock Island County Delinquent Tax Agent for \$4,750.00, authorize the City Manager to execute the contract documents and refer to the City Attorney for an ordinance.

Staff further recommends the sale of 606 24th Street to Rock Island Economic Growth Corporation (GROWTH) for \$4,750.00 plus closing costs, authorize the City Manager to execute the contract documents and refer to the City Attorney for an ordinance.

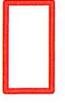
Vendor: Joseph Meyer & Associates
Payment Amount: \$5,500.00
Fund: 207 Community/Economic Development
Department: 312 Economic Development
Cost Center: 801 General Development
Object Code:
Requisition Number:

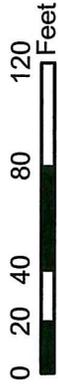
Submitted by: Mary Chappell, Land & Development Programs Coordinator
Robert Hawes, Interim Community and Economic Development Director

LOCATION MAP

LOCATION MAP Growth Arsenal Gateway

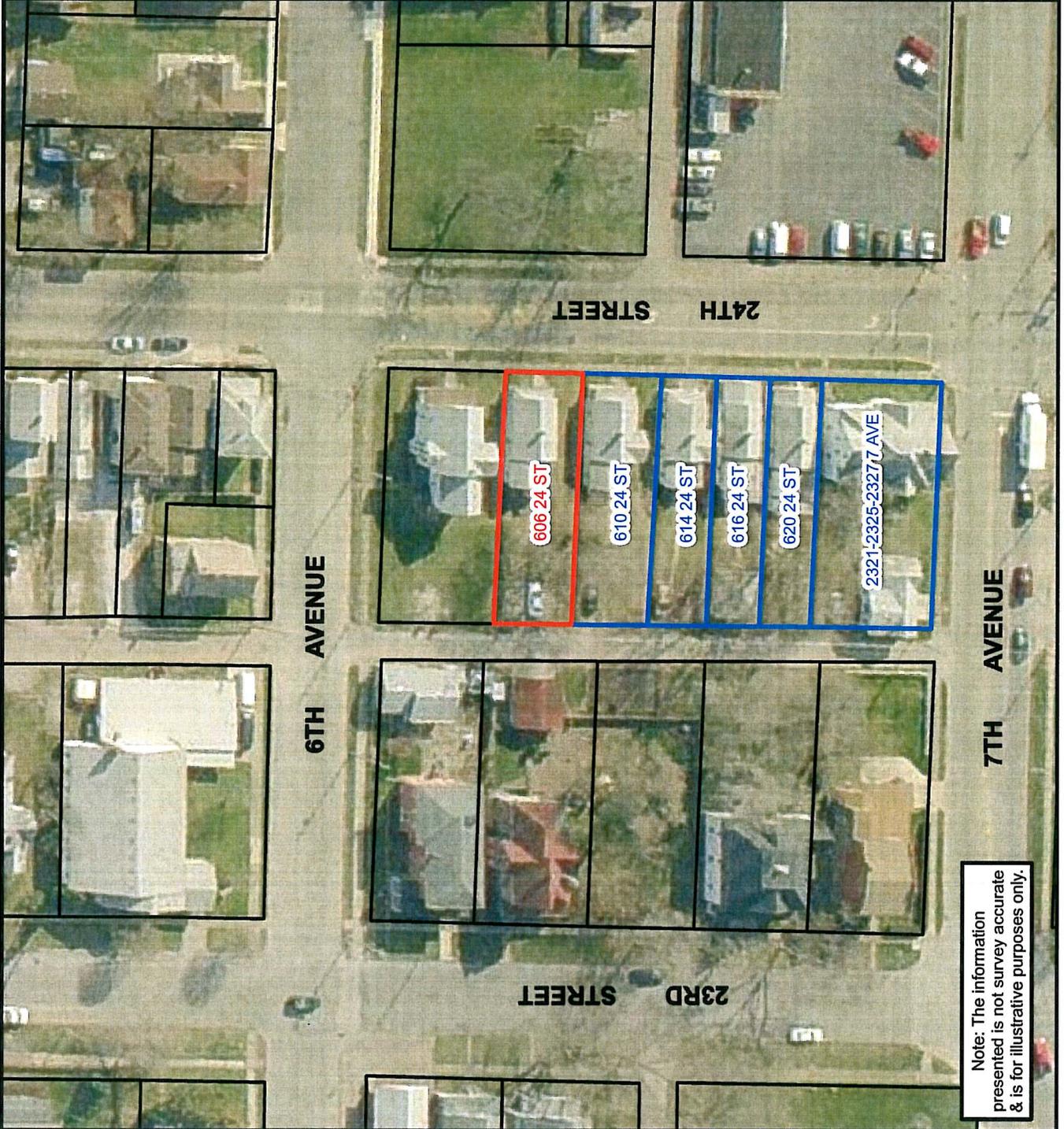
Legend

-  Subject Property
-  Growth Properties



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.



- Development Association of Rock Island
- Rock Island Economic Growth Corporation
- The Downtown Rock Island Arts & Entertainment District

March 12, 2012

Mary Chappell
City of Rock Island
Land & Development Programs Coordinator
1528 Third Avenue
Rock Island IL 61201

RE: 606 24th Street Rock Island, Illinois
Rock Island Economic Growth Corporation

Dear Ms. Chappell:

In accordance with telephone conversations which you have had with our attorney, William J. Snyder, concerning our efforts to acquire title to the property located at 606 24th Street Rock Island, Illinois, we are requesting that the City take all steps necessary to acquire title to this property from Joseph Meyer, the Trustee for Rock Island County who currently holds title to the property by virtue of a tax deed issued to said Trustee on October 14, 2011.

It is our understanding that this property can be acquired by the City for the approximate sum of \$4,750, which is the amount of the delinquent real estate taxes and costs incurred by the County in selling the property.

Upon the acquisition of the property by the City of Rock Island, Rock Island Economic Growth Corporation will immediately acquire the same from the City and reimburse the City for the purchase price and expenses. RIEGC will pay all closing costs, title insurance policies, etc. occasioned by the sale and purchase.

As you are aware, RIEGC is attempting to purchase several properties in the 24th Street corridor leading to the Arsenal bridge in furtherance of its "Gateway" project to improve the entrance to Arsenal Island. If you or any of the City Council members desire further information concerning this project we would be more than happy to supply the same.

We are requesting that you place this request on the agenda for an upcoming City Council meeting which will hopefully approve the purchase and resale as outlined above.

Thank you for your cooperation.

Very truly yours,

ROCK ISLAND ECONOMIC GROWTH CORPORATION

By: B. Holzak
Its President

cc: William J. Snyder