

Agenda Item: **Consideration – A Resolution Approving and Authorizing Execution of a Property Purchase and Sale Agreement with the Huntley Fire Protection District for 11808 Coral Street (former Fire Station One)**

Department: **Village Manager’s Office**

Introduction

The Village and the Huntley Fire Protection District have negotiated a Purchase Contract for the Village’s purchase of the property at 11808 Coral Street (former Fire Station One). The intent of the purchase is to acquire the property and then, subject to the terms and conditions of a separate purchase and sale agreement and redevelopment agreement, convey a portion of the property to a developer for mixed-use development.

Staff Analysis

Subject to the Village’s acquisition of fee title to the Fire District Property at 11808 Coral Street, the Village intends to re-sell a portion of the property for private development. The sale would be subject to a redevelopment agreement that provides for conversion of the existing fire station building into a mixed-use development containing a ground floor restaurant and 18 apartment units (two studio, nine one-bedroom, and seven two-bedroom units on three upper floors).

2022-2025 Strategic Plan Alignment

The Strategic Plan identifies “*Strong Local Economy*” as a strategic focus and the following goals: “*Location of Choice for Residents,*” “*Location of Choice for New and Expanding Businesses of all Sizes,*” and “*A Vibrant Downtown Gathering Place.*” The addition of housing units in the downtown would create diversity in available housing options, while the addition of a restaurant will offer new dining opportunities. Additional commercial development in the downtown would also enhance its location as a gathering place and reinforce the economic vitality of the area.

Financial Impact

Purchase price of the property is \$375,000. The Village will pay \$187,500 at closing and will make five annual payments of \$37,500 with the first payment to be made in 2023. A budget amendment will be required.

Legal Analysis

The Village Attorney has prepared the resolution for Village Board consideration.

Action Requested

A motion of the Village Board is requested for a Resolution Approving and Authorizing Execution of a Property Purchase and Sale Agreement with the Huntley Fire Protection District for 11808 Coral Street.

Exhibits

1. Draft Resolution

**A RESOLUTION APPROVING AND AUTHORIZING EXECUTION OF A
PROPERTY PURCHASE AND SALE AGREEMENT WITH THE
HUNTLEY FIRE PROTECTION DISTRICT FOR 11808 CORAL STREET, HUNTLEY**

Resolution (R)2022-02.xx

WHEREAS, the Village of Huntley, Illinois, is a home rule unit of local government pursuant to the provisions of Section 6, Article VII of the 1970 Constitution of the State of Illinois; and

WHEREAS, the Huntley Fire Protection District (“*Owner*”) is the current fee owner of real property located at 11808 Coral Street, Huntley, Illinois [P.I.N. 18-28-376-043] (the “*Property*”); and

WHEREAS, the Property is located in the Village’s Downtown TIF District, for which the Village has previously adopted tax increment financing, approved a TIF Redevelopment Plan, and established a special tax allocation fund; and

WHEREAS, the Mayor and Village Board of Trustees have determined that it is in the best interests of the Village and its residents to acquire the Property in order to facilitate its redevelopment with a mixed-use building containing a ground floor restaurant and rental apartments, consistent with the Downtown TIF Redevelopment Plan; and

WHEREAS, the Village and the Owner have negotiated a contract for the Village’s purchase of the Property in the amount of \$375,000, with \$187,500 at closing and five annual payments of \$37,500 starting in 2023 (“*Purchase Contract*”), which Purchase Contract has been presented to the Village Board for review in executive session consistent with Section 2(c)(5) of the Open Meetings Act, 5 ILCS 120/2(c)(5), but is not being publicly disseminated until the closing on the Property purchase is completed, consistent with Section 7(1)(r) of the Freedom of Information Act, 5 ILCS 140/7(1)(r); and

WHEREAS, the Mayor and Village Board of Trustees, having reviewed and considered the Purchase Contract, find and determine that approving and executing the Purchase Contract is in the best interests of the Village and its residents and will further the goals and objectives of the TIF Plan;

NOW, THEREFORE, BE IT RESOLVED BY THE PRESIDENT AND BOARD OF TRUSTEES OF THE VILLAGE OF HUNTLEY, MCHENRY AND KANE COUNTIES, ILLINOIS, AS FOLLOWS:

SECTION I: The Village Board hereby approves the Purchase Contract in substantially the form presented to the Village Board, and in a final form to be approved by the Village Manager in consultation with the Village Attorney. The Village President is hereby authorized and directed to sign the Purchase Contract in its final form on behalf of the Village.

SECTION II: Following execution in full of the Purchase Contract, the Village Manager, Village Attorney, and any other officers, employees, or consultants of the Village as the Village Manager determines to be necessary or appropriate, are hereby authorized and directed to do, or cause to be done, all things necessary to effect the closing of the Village's purchase of the Property pursuant to the Purchase Contract.

SECTION III: This Resolution shall be in full force and effect upon its passage and approval as provided by law.

	<u>Aye</u>	<u>Nay</u>	<u>Absent</u>	<u>Abstain</u>
Trustee Goldman	_____	_____	_____	_____
Trustee Holzkopf	_____	_____	_____	_____
Trustee Kanakaris	_____	_____	_____	_____
Trustee Kittel	_____	_____	_____	_____
Trustee Leopold	_____	_____	_____	_____
Trustee Westberg	_____	_____	_____	_____

PASSED and APPROVED this 10th day of February 2022.

APPROVED:

ATTEST:

Timothy J. Hoeft, Village President

Rita McMahon, Village Clerk