

**AGENDA ITEM EXECUTIVE SUMMARY**

Agenda Item number: 5.a

Title:

Consideration and Approval of Business Terms for an RFP to Sell the City Owned Building at 107-109 East Main Street (Former George's Sport)

Presenter:

Peter Suhr

Meeting: Government Services Committee

Date: March 27, 2017

Proposed Cost: N/A

Budgeted Amount: N/A

Not Budgeted: **Executive Summary** *(if not budgeted please explain):*

The City purchased the property at 107-109 Main Street otherwise known as the former George's Sport Building in 2012 with intent to utilize the building or land as a compliment to the adjacent Arcada Theatre. In 2012, the building was in fair condition, however has slowly continued to deteriorate over time. The Public Works Department is responsible for the care and maintenance of City owned buildings including George's Sport. Recognizing the continued deteriorating conditions of the building, Public Works recently retained Prairie Forge Architects to evaluate the structure and determine solutions including cost estimates for improvements. Public Works, with assistance from Prairie Forge, concluded its study and presented two options to the Government Services Committee in February. The first option was to renovate the exterior of the building to provide for a weather tight solution. Estimated costs for the first option were about \$1,100,000. The second option was to demolish the building in its entirety and construct a temporary City Plaza in its place until the property is redeveloped. Estimated costs for the second option were about \$900,000.

After consideration and discussion of the two options, the Government Services Committee directed staff to move forward with neither of the two options presented, instead to initiate a sale of the property.

Based on that discussion and feedback, staff has prepared Business Terms to be included in a Request for Proposal (RFP) for the sale of 107-109 Main Street. Staff will review the attached Business Terms with the Committee, explain the RFP process for this particular project and seek feedback and approval to list the property for sale.

**Attachments** *(please list):*

\* Conditions of Sale/Purchase Proposal

**Recommendation/Suggested Action** *(briefly explain):*

Recommendation to Approve Business Terms and Request for Proposal to Sell the Existing Building at 107-109 Main Street (Former George's Sport).

# CONDITIONS OF SALE/ PURCHASE PROPOSAL

The City of St. Charles ("City") is seeking party(ies) interested in acquiring the former George's Sport Building owned by the City and located at 107-109 East Main Street, St. Charles, IL, within the Central Historic District. In selecting a Purchaser, the City is not bound to make the award on the basis of the highest monetary offer. It is the City of St. Charles goal to strengthen the mission and stability of the downtown community.

The City reserves the right to accept or reject any and all Proposals, either in whole or in part, with or without cause, waive any informality of any proposals, cancel this request for proposals, and to make the award in the best interest of the City, subject to City Council approval. Earnest Money Deposit in the form of a certified or cashier's check equaling 3% of the proposed purchase price and a signed Real Estate Contract must accompany the Proposal. Failure to meet these criteria may result in the denial of the Proposal.

**To the extent that any information or provisions set forth in this Conditions of Sale/Purchase Proposal are inconsistent with provisions set forth in the Real Estate Contract, the provisions of this Conditions of Sale/Purchase Proposal shall prevail.**

**All inspections, due diligence and contract review must be completed prior to submitting a proposal to the City. The Real Estate Contract provides no contingencies for these matters.**

**1. Name of Purchaser(s):**

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List the following information for all parties who will hold title to the property after purchase.

Name	Address	Phone	Fax	Email
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(1) \_\_\_\_\_

(2) \_\_\_\_\_

List the following information for all parties authorized to represent the proposed purchaser, such as Real Estate Broker and Agent, Attorney, Mortgage Loan Officer and Lending Company, Title Company, etc.

Individual	Agency/Capacity	Address	Phone	Fax	Email
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- (1) \_\_\_\_\_
- (2) \_\_\_\_\_
- (3) \_\_\_\_\_
- (4) \_\_\_\_\_

**2. Basic Conditions of Sale/ Purchase:**

The following conditions will be required as part of the conveyance of the property:

- The City originally purchased the former George’s building in 2012 with intent to utilize the building or land as a complement to the adjacent Historic Arcada Theatre. Proposers shall consider this in their offer and describe how their plan will complement the Arcada Theatre and surrounding downtown district.
- Considering that the existing building is in the Central Historic District, any modifications to the building or new construction will be subject to review by the Historic Preservation Commission and Preservation Ordinance. Proposers shall consider a façade design which is complementary or matching to the existing Arcada Theatre, considerate of the existing George’s façade and/or representative of the historic architecture in the Central Historic District.
- The property has an existing access easement which extends from the back of the existing building; south to Walnut Ave. Proposers shall consider possible public access from Walnut Ave. through the property to Main St.
- Time is of the essence. Proposers shall include as part of their offer a proposed schedule for redevelopment. The City will look favorably at proposals which are ready and willing to redevelop the existing property quickly.

**3. Intent:**

Describe in detail your reasons for wanting to purchase this property and your intended use of the property if you obtain it. Include your future maintenance, restoration and/or reconstruction plans for both the interior and exterior, and how they relate to the Historic District and surrounding area.

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**6. Purchaser's Prior Involvement or Commitment to a Historic Preservation District or Neighborhood Association (attach additional pages if needed):**

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This building is located within the City of St. Charles Central Historic District. **YOU WILL BE PURCHASING THE PROPERTY “AS IS” WITHOUT WARRANTIES, AS FURTHER SET FORTH IN THE REAL ESTATE CONTRACT.**

By submitting the proposal you are indicating that you acknowledge that the property is located in a local historic district and you will abide by the St. Charles Historic Preservation Ordinance requirements. (For more information on the City’s Historic Preservation requirements, contact the City of St. Charles Planning Division at 630-377-4443 or at <http://www.stcharlesil.gov/HistoricPreservation>)

**7. Purchaser's Profile:**

Please indicate addresses of other properties that you currently own within the City of St. Charles and the use of said property.

1. \_\_\_\_\_
2. \_\_\_\_\_
3. \_\_\_\_\_

**8. Proposed Terms or Conditions of Purchase or additional needs:**

Please state any conditions of purchase other than those stated in this Proposal Form or in the Real Estate Contract.

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**9. References:**

Please provide names, addresses and phone numbers of references.

1. \_\_\_\_\_

2. \_\_\_\_\_

3. \_\_\_\_\_

**NO OFFER SHALL BE DEEMED ACCEPTED UNTIL THE CITY COUNCIL APPROVES THE REAL ESTATE CONTRACT BY ORDINANCE OR RESOLUTION AND THE AUTHORIZED OFFICIAL(S) EXECUTE THE REAL ESTATE CONTRACT.**