

EXECUTIVE SESSION

March 10, 2014

Reason for Executive Session: Property Acquisition

Motion by Kim, seconded by Sullivan to convene an Executive Session on March 10, 2014 at 1000 North Midlothian Road, Mundelein to discuss land acquisition pursuant to 5 ILCS 120, Section 2(C)(5). Upon roll call vote, the vote was as follows: Ayes: Kim, Sullivan, Abernathy, Meier, Semple and Voss; nays: none; absent and not voting: none. Motion carried.

Mayor Lentz called the Executive Session to order at 9:44PM.

Call to Order

Clerk Timmerman took the roll. It indicated these members present: Trustees Voss, Sullivan, Semple, Meier, Kim and Abernathy. Village attendance: Village Administrator Lobaito, Assistant Village Administrator Flynn, Director of Finance Haywood and Attorney Marino.

Attendance

Village Administrator Lobaito stated that two proposals were obtained for the appraisal of the McGrath Property (parking lot at corner of Park Street and Seymour Avenue). The lower-cost appraiser was selected and was instructed to value the property based on its current zoning designation with no consideration given to the development agreement, which is considered abandoned. The resulting appraisal was \$150,000. The current asking price is \$249,000 and the owner has previously indicated a willingness to sell for \$240,000.

Property at Southwest
Corner of Park Street and
Seymour Avenue

Trustee Meier is concerned that the village buying this property could artificially raise prices in the area and therefore feels the village should let development happen without getting involved. Trustee Semple feels the guarantee of parking for Park on Park would be a benefit of purchasing this property. Trustee Voss does not believe the owner will accept \$150,000. Attorney Marino advised sharing the appraisal with the owner and making an offer of \$150,000 if he is receptive. Mayor Lentz and Trustee Voss concurred.

Mr. Lobaito sought consensus on the following question: If the owner accepts an offer of \$150,000 should the village purchase the McGrath Property? Trustees Voss, Semple and Sullivan stated yes, while Trustees Kim, Abernathy and Meier stated no. Mayor Lentz stated yes.

Mr. Lobaito will follow up with the owner.

Village Administrator Lobaito presented an overview of a proposed KSN lease and master lease agreement amendment between Hawley Partners and the Village of Mundelein for the Anatol Building. He stated that Trustees Voss and Sullivan have been talking to Hawley Partners about an attempt to attract the KSN law firm to the Anatol Building. He explained

Anatol Building –
165 North Archer

Anatol Building –
165 North Archer
(continued)

the major points of the proposed lease and Trustee Sullivan provided a brief history of the original agreement.

A discussion followed with Mayor Lentz voicing strong opposition. As the owner and landlord, he feels the village should be receiving a better return on their investment. He would like to see a 4% ROI and Trustee Voss stated that that is not possible. She feels Hawley Partners are being reasonable as they have made major improvements to the building. She also feels this is a means of incentivizing a business. Trustee Sullivan concurred that improvements have been made but feels Hawley Partners are still asking for an unreasonable amount.

Trustee Sullivan left the meeting at 10:11 and returned at 10:12.

An initial survey showed Trustees Meier, Abernathy, Semple and Voss supporting consideration of the proposal, with Trustee Kim stating that there are still too many questions at this point. While all agree that attracting a firm such as KSN would be beneficial to the village there are numerous issues involved.

Village Administrator Lobaito then noted that a requirement of 50 additional parking spaces would be difficult to meet as those spaces would have to come from the Metra lot. Attorney Marino stated it may be pointless to proceed knowing how large of an obstacle the parking issue will be since any communication with Metra is a formidable undertaking. He also stated that it would not be simple to amend the current lease and questioned proceeding given the challenges ahead.

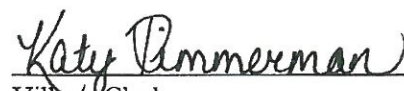
Attorney Marino advised “laying the cards on the table” by communicating with Hawley Partners that the village will attempt to schedule an appointment with Metra to inquire about the parking issue. When advised of the timeframe required, he feels that Hawley Partners will look for other options.

Village Administrator Lobaito and Attorney Marino concluded by stating that they will contact Metra.

Adjournment

Motion by Voss, seconded by Semple to adjourn the Executive Session. Upon unanimous voice vote, the motion was carried.

The Executive Session was adjourned at 10:58PM.



Village Clerk