



---

## Agenda Memo

Crest Hill, IL

---

<b>Meeting Date:</b>	July 15, 2024
<b>Submitter:</b>	Ronald Mentzer, Interim Community and Economic Development Director
<b>Department:</b>	Community Development
<b>Agenda Item:</b>	Resolution Approving the Sale of the Old City Hall Property located at 1610 Plainfield Road

**Summary:** At its June 3, 2024, regular meeting, the City Council approved a Letter of Intent for QuikTrip's potential purchase of the former City Hall property located at 1610 Plainfield Road. For the past month, staff and the City Attorney's office have been negotiating a detailed Contract for Purchase with QuikTrip representatives. QuikTrip executed the attached Contract for Purchase on July 3.

The terms of the contract are substantially consistent with the terms of the Letter of Intent approved by the City Council and standard commercial real estate purchase contract provisions. City staff and the City Attorney's office recommend approval of the attached purchase contract. Key provisions of the contract include:

**Section 2. Purchase Price:** \$1.65 Million

**Section 9. Environmental Conditions:** Provides a more detailed explanation of the Seller's and Buyer's rights and responsibilities related to any underground storage tanks, petroleum products, or other environmental hazards or contamination (collectively "Environmental Conditions") identified on the property during the Buyer's due diligence period. These provisions further clarify the Buyer termination rights contained in Section 10. Specifically, if Environmental Conditions are identified on the property and the City is not willing to accept responsibility for all costs related to the removal and remediation of the Environmental Conditions, the Buyer has the right to either terminate the contract or elect to accept responsibility for these costs.

**Section 10. Inspection Period and Buyer's Right to Terminate and Section 11. Inspection Period Extension:** Provides the Buyer 180 days plus two potential 45-day extension periods to complete its due diligence activities and acquire all necessary governmental approvals required for its proposed project before it would be required to close on its acquisition of the property.

**Section 15. Special Conditions:** Requires the Buyer to (i) raze the existing building and structures on the property within 18 months of closing on its acquisition of the property

and (ii) complete IEPA required remediation activities on the property within 24 months of closing.

**Section 16. Surplus Land and Use Restriction:** Documents the Seller's land use expectations for the property and acknowledges that a restrictive covenant will be recorded against the property to prevent uses the City has deemed undesirable from operating on the property.

**Section 25. Assignment:** Prevents the purchase contract from being assigned to any entity that is not an affiliate of the Buyer.

**Section 35. City Monument Sign Easement:** Recognizes that an easement will be dedicated on the southeast corner of the property to accommodate the City's future construction of a new City of Crest Hill masonry monument sign.

**Section 36. Coordinated Site Redevelopment Plan:** Documents the Buyer's commitment to commence the coordinated redevelopment of the property within two years from its acquisition of the property.

**Section 37. Improvement and Maintenance of State-Owned Right-of-Way:** Documents the Buyer's commitment to maintain the unimproved section of State of Illinois right-of-way located at the northwest corner of Knapp Street and Theodore Street in a manner that would be consistent with how the landscape improvements on the adjacent proposed QuikTrip gas station are maintained.

**Recommended Council Action:** Request the approval of a resolution approving and authorizing a contract to sell the Old City Hall Property (1610 Plainfield Road, Crest Hill) to QuikTrip Corporation

**Financial Impact:** Finalizing the sale of this property will generate a substantial amount of one-time revenue for the City and new ongoing Tax Increment Financing District revenue for the remaining term of the City's Larkin and Route 30 TIF District. Additional ongoing sale tax related revenue will be generated once the property is redeveloped with new private sector commercial uses.

**Attachments:** Resolution Approving and Authorizing a Contract to Sell the Old City Hall Property (1610 Plainfield Road, Crest Hill) to QuikTrip Corporation