

ORDINANCE NO. 12-5-22 A

**ORDINANCE AUTHORIZING PURCHASE
OF REAL PROPERTY**

WHEREAS, the City of Mendota finds that it is in the best interest, health, welfare and safety of the residents of the City to acquire the following described real property:

The South Seventy (70) feet of Loat One (1), in the Subdivision of Lots One 1) and Two (2), in Block 48, in West's Addition to the Town, now City of Mendota, situated in the County of LaSalle and State of Illinois, commonly known as 807 Illinois Avenue, Mendota, Illinois.

WHEREAS, pursuant to the provisions of 65 ILCS 5/11-74.4-4 (TIF Act) of the Illinois Municipal Code the municipality is authorized to purchase real estate for public purposes; and

WHEREAS, pursuant to the provisions of 65 ILCS 5/11-74.4-1, et. seq. (Tax Increment Allocation Redevelopment Act) the municipality is given additional powers to purchase and sell real estate within the TIF District for public purposes.

WHEREAS, Everardo Orozco agreed to sell the above described real estate to the City of Mendota for the purchase price of no more than FORTY-FIVE THOUSAND DOLLARS (\$45,000.00) by payment of Seller's present mortgage with no additional money being paid to Seller in consideration of and contingent upon his purchase of the City of Mendota real estate at 1017 Main Street, Mendota, Illinois.

NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF MENDOTA, LASALLE COUNTY, ILLINOIS AS FOLLOWS:

SECTION ONE: It is hereby deemed advisable, necessary and in the interest of the public health, safety and welfare that the City purchase the above property and to provide for development and rehabilitation in the TIF District

SECTION TWO: The Mayor and City Council are hereby authorized to complete the purchase and to do all things necessary to carry out this Ordinance.

SECTION THREE: Said purchase is contingent upon the simultaneous sale of the City of Mendota real estate at 1017 Main Street, Mendota, Illinois

SECTION FOUR: This Ordinance shall be in full force and effect from and after its passage, approval and publication in the manner provided by law.

Passed this 5th day of December, 2022.

AYES: 7

NAYS: 0

ABSENT: 1

ABSTAIN: 0

APPROVED THIS 5TH DAY OF DECEMBER, 2022.



DAVID BOELK, Mayor

ATTEST:



EMILY MCCONVILLE, City Clerk

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CONTRACT TO PURCHASE REAL ESTATE

This Contract is dated this 5th day of December, 2022, by between the **EVERARDO OROZCO**, hereinafter referred to as "Seller" and the **CITY OF MENDOTA**, a municipal corporation, hereinafter referred to as "Purchaser". The Purchaser and Seller hereto agree as follows:

1. **ADDRESS and LEGAL DESCRIPTION:** 807 Illinois Avenue, Mendota, IL 61342

THE SOUTH 70 FEET OF LOT 1 IN THE SUBDIVISION OF LOTS 1 AND 2 IN BLOCK 48 IN WEST'S ADDITION TO THE CITY OF MENDOTA, LASALLE COUNTY, ILLINOIS (01-33-128-017)

2. **PURCHASE PRICE:** The purchase price shall be no more than the amount owed by Seller on the existing mortgage and no more than **FORTY- FIVE THOUSAND (\$45,000) DOLLARS** or whatever lesser amount is owed by Seller to his lender on the date of sale. The Purchaser may elect to pay said consideration directly to Seller's lender. Seller will continue to make his customary mortgage payments until closing.

3. **EARNEST MONEY:** Earnest money in the amount of \$1.00 is acknowledged as consideration which has been provided by Purchaser to Seller.

4. **DEED:** Seller shall convey or cause to be conveyed to Purchaser or its nominee, by a recordable, stamped warranty deed (or other appropriate deed if title to the property is in trust), good and merchantable title to the premises subject only to the following permitted exceptions, if any, and further provided that the exceptions do not interfere with the Purchaser's intended use of the property: (a) general real estate taxes for 2022 and subsequent years; (b) restrictions, covenants and conditions of record which are not breached; (c) zoning laws and ordinances; (d) visible public roads and highways and easements therefore; (e) acts of Grantees.

5. **CLOSING:** The date of closing shall be on or before February 1, 2023.

6. **POSSESSION:** Seller agrees to surrender possession at closing, subject to the existing lease.

7. **SURVEY:** No survey will be provided.

8. **COMMISSION:** The parties represent that no real estate agents were the procuring cause and no commissions are due and owing.

9. **TITLE INSURANCE:** Seller, at Seller's expense, will provide to Purchaser or Purchaser's attorney, evidence of merchantable title by delivering a commitment for title insurance from a title company licensed to do business in Illinois, in the amount of the purchase price. If evidence of title discloses defects other than those noted therein, Seller shall have five (5) additional days to cure such defects and notify Purchaser, but Purchaser may take title with other defects, (with the right to deduct from the purchase price any liens and encumbrances for a definite or ascertainable amount) by notifying Seller and tendering performance.

10. **PRORATIONS:** Seller shall pay the amount of any stamp tax imposed upon a transfer of title by state statute. Taxes for 2022 shall be paid by Seller in the form of a credit at closing. Seller shall also receive all rents and pay all taxes, insurance, repairs, maintenance and any other expenses on the real estate through June 30, 2023.

11. **CLOSING:** Closing shall take place at the office of Guilfoyle & Stevenson, LLP or at a mutually agreeable place. The cost of the escrow shall be equally paid by Seller and Purchaser hereto,

12. **AFFIDAVIT OF TITLE AND ALTA STATEMENT:** Seller shall furnish Purchaser at closing with an Affidavit of Title, covering the date of closing, subject only to those permitted exceptions, and other exceptions, if any, as to which the title insurer commits to extend insurance. Seller shall also furnish to Purchaser a properly executed ALTA Statement.

13. **PERFORMANCE:** Time is of the essence of this contract. In the event of default by Purchaser, earnest money shall be forfeited to Seller as liquidated damages. If Seller defaults, earnest money, at option of Purchaser, shall be refunded to Purchaser. Such refunding shall release Seller from any further obligation of this Contract. In the event Purchaser does not elect to cause said earnest money to be refunded, Purchaser may avail themselves with any and all remedies available at law or in equity. There shall be no disbursement of earnest money unless Escrowee has been provided written agreement thereto from Purchaser and Seller. Absent an agreement relative to the disbursement of earnest money within a reasonable period of time, Escrowee may file an action in the nature of interpleader in the Circuit Court of LaSalle County, Illinois, to resolve the issue. The parties agree that Escrowee may be reimbursed from the earnest money for all costs, including reasonable attorney's fees, related to the filing of the interpleader action, and do hereby agree to indemnify and hold Escrowee harmless from any and all claims and demands.

14. **NOTICES:** All notices herein required shall be in writing, and shall be served on the parties at the addresses following their signatures. The mailing of a notice by certified mail, return receipt requested, shall be sufficient service. Acceptance of the contract may be given in telegraphic or facsimile form to Purchaser or Seller. Date of receipt of telegraphic or facsimile acceptance shall become the date of acceptance of this contract.

15, **SELLER REPRESENTATION:** Seller represents that they have received no notice of any ordinance violations from any governmental body in connection with the premises that has not been cured prior to the date of acceptance thereof. If any such notice shall be received prior to closing, Seller shall give Purchaser notice thereof, and if not cured by Seller prior to closing, Purchaser may elect to rescind this contract.

16. **LANGUAGE:** If there is more than one Purchaser, Seller, or entity other than a natural person, the pronouns and grammatical structure shall be understood to conform.

17. **HEADINGS:** The Headings used herein are for purposes of illustration only.

18. **SEVERABILITY:** In the event any provision contained herein is deemed unenforceable, the unenforceability of said provision shall not negate any other terms and conditions herein set forth.

19. **CONTINGENCIES:** This contract is contingent upon the City of Mendota being conveyed the property of Purchaser at 807 Illinois Avenue at or before the time of closing on 1017 Main Street sale to Purchaser. The City will payoff the existing mortgage at no more than \$45,000 which Purchaser has on his building at 807 Illinois as the total purchase price for the real estate. Until both sales are completed Purchaser will continue to pay his existing mortgage payment and will not incur additional debt on the premises. No other consideration shall be paid for the purchase of 807 Illinois Avenue other than paying off the existing mortgage referred to above.

This contract is further contingent upon the City of Mendota being able to complete a Phase I ESA on 807 Illinois Avenue prior to closing. The Purchaser will allow the City to collect additional soil, groundwater, and soil vapor data from beneath 807 Illinois Avenue to provide evidence the building needs to be removed. Purchaser will also allow for an asbestos inspection on the premises at 807 Illinois Avenue. If the City is not permitted to conduct said tests and investigations satisfactory to City, this contract may be terminated by the City.

20. Seller shall be entitled to the rent on said building through June 30, 2023. After said period of time all rent from the present tenants shall be paid to the Purchaser.

Purchaser: **CITY OF MENDOTA**



By: DAVID BOELK, MAYOR



Attest: EMILY MCCONVILLE, CITY CLERK

THIS CONTRACT ACCEPTED THIS 5th day of December, 2022.



EVERARDO OROZCO, Seller