

## CITY OF WASHINGTON, ILLINOIS Finance and Personnel Committee Agenda Communication

## Meeting Date: August 15, 2022

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- Agenda Item: W. Holland Street Surplus Property Sale Consideration
- Explanation: The City undertook a Special Assessment project in 1996 to reconstruct S. Wood Street. As part of that project, the City approved a real estate swap agreement with American Allied Railway Equipment Company (now Alliance Wheel Services—AWS) where the City received land on S. Wood and W. Holland in order to allow for right-of-way to be dedicated and for the construction to occur. In exchange, American Allied received the western 25' of width of a 50'x107' property the City owned at the intersection of S. Wood and W. Holland Street. The City retained ownership of the eastern 25' of width of that parcel. ROW was dedicated on the American Allied piece but it does not appear to have been dedicated on the City's parcel, though GIS does show ROW on it. Two maps showing this area are attached. Also attached are the two plats included in the 1996 agreement.

Staff received a complaint in 2020 about the need to mow the property at the corner of S. Wood and W. Holland. It appears that the prior owner/tenant of the neighboring property at 209 W. Holland had been maintaining the property for many years and as a result, our staff was not aware of the ownership situation. There are no utilities within the property and there does not appear to be a public need to retain ownership. Neither of the 25' wide lots are buildable. There was some question as to the ownership of the eastern 25' in width. However, a title search completed recently does show that the City has continued to retain ownership.

The property likely holds little value to other citizens besides those adjacent owners. The 209 W. Holland owner has indicated interest in purchasing it in order to expand a single-car garage. Should there be interest in selling the property, an appraisal would need to be obtained but bids would not need to be solicited. The Council would have to approve a resolution that declares the property as surplus and authorizes its sale. Per state statute, the property would need to sell for at least 80% of its appraised value. The Council would also be required to approve a purchase agreement. While AWS understands that its lot is not buildable, it has indicated an interest in retaining ownership.

Fiscal Impact: There is some time and cost involved in the occasional maintenance of the property.

Action Requested: Direction on the possible sale of this property. The Public Works Committee previously favored selling it in September 2020 prior to the prolonged investigation on its ownership.







