

36-R-19

A RESOLUTION

Authorizing the City Manager to Execute a Deed in Lieu of Foreclosure Agreement for the Acquisition of a Vacant Lot Located at 1805 Church Street in Evanston, Illinois

WHEREAS, the City of Evanston wishes to acquire a vacant lot at 1805 Church Street, Evanston, Illinois, ("The Subject Property"), and legally described as:

The South 106.00 feet of lots 9 and 10 in block 3 in Merril Ladd's second addition to Evanston, said addition being a subdivision of the West 1/2 of the Southwest 1/4 of the Northeast 1/4 of section 13, Township 41 North, Range 13, East of the third Principal Meridian, in Cook County, Illinois; and

WHEREAS, the City seeks to utilize the Subject Property at a later date for affordable housing and other development opportunities; and

WHEREAS, the City Council hereby finds and determines that the best interests of the City of Evanston and its residents will be served by acquiring the aforesaid Subject Property, on terms consistent with the Deed in Lieu of Foreclosure Agreement, attached hereto as Exhibit A and incorporated herein by reference (hereinafter, the "Agreement"); and

NOW BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF EVANSTON, COOK COUNTY, ILLINOIS, THAT:

SECTION 1: The City Manager or his designee is hereby authorized to acquire the vacant lot located at 1805 Church Street, Evanston, Illinois based on the terms set forth in the Deed in Lieu of Foreclosure Agreement.


SECTION 2: The City Manager is hereby authorized and directed to negotiate any additional conditions of said agreement to close the purchase transaction as he may be determine to be in the best interests of the City.

SECTION 3: This resolution shall be in full force and effect from and after its passage and approval in the manner provided by law.




Stephen H. Hagerty, Mayor

Attest:



Devon Reid, City Clerk

Approved as to form:



Michelle L. Masoncup, Corporation
Counsel

Adopted: April 29th, 2019

EXHIBIT A

DEED IN LIEU OF FORECLOSURE AGREEMENT

AGREEMENT FOR DEED IN LIEU OF FORECLOSURE

This Agreement is made and entered into this ____ day of _____, 2019 (“Effective Date”), by and between the City of Evanston, a home rule Illinois municipality and body corporate and politic (hereinafter “*the City*”) and E-Town Community Ventures, LLC, a dissolved Illinois limited liability company (hereinafter “*Owner*”).

Recitals

WHEREAS, the City is a home rule municipality in Cook County, Illinois;

WHEREAS, Owner holds fee simple title to the property legally described in **Exhibit A** hereto and commonly known as 1805 Church Street, Evanston, Illinois 60201 (collectively, the “Property”):

WHEREAS, the City holds the following liens on the Property, securing the following judgment debts and costs owed by the Owner (collectively, “Liens”):

1. Judgment lien recorded May 24, 2006 as document 0614456136, in favor of the City of Evanston, against E-Town Community Ventures in the amount of \$150.00.
2. Judgment lien recorded November 17, 2008 as document 0614456136, in favor of the City of Evanston, against E-Town Community Ventures in the amount of \$150.00.
3. Judgment lien recorded June 6, 2012 as document 1215856014, in favor of the City of Evanston, against E-Town Community Ventures in the amount of \$300.00.
4. Judgment lien recorded November 8, 2012 as document 1301450014, in favor of the City of Evanston, against E-Town Community Ventures in the amount of \$800.00.

WHEREAS, City intended to foreclose on the Liens, but in order to avoid the time and expense of a foreclosure suit, to minimize further financial losses to the Parties, and to expedite the orderly transfer of ownership of the Property from the Owner to City, the Parties agree to a conveyance of the Property to City in lieu of foreclosure, subject to the terms and conditions set forth herein; and

WHEREAS, City intends to hold the property for future development that will advance the City’s goals for affordable housing, as set forth below;

NOW THEREFORE, the Parties agree as follows:

Agreement

1. *Recitals*. All above-stated recitals are incorporated by reference herein.

2. *Conveyance of Property.* Subject to the terms and conditions in this Agreement, the City will accept and record a Quit Claim Deed from the Owner (“Deed”), substantially in the form of **Exhibit B** to this Agreement, conveying the Property to the City in lieu of foreclosing the Liens, and in exchange for the full release and satisfaction of the Liens.

3. *City Obligations.* In consideration for Owner’s conveyance in lieu of foreclosure, the City will:

- a. Pay or otherwise resolve all recorded fees;
- b. Pay all City-approved closing costs, including but not limited to title policy premiums, surveys, Phase I environmental assessments, etc.;
- c. Make best efforts to redevelop the Property, along with the adjacent City-owned property, for affordable housing;
- d. Require the City-approved developer of the Property to utilize local labor in any construction and contracting work on the Property;

Use proceeds from the sale of the Property to pay a negotiated amount to Chevron Environmental Management Company in exchange for the release of its remediation lien recorded May 29, 2015 as Document No. 1514956032, and assigned to Chevron Environmental Management Company on June 29, 2014 as Document No. 1518044060;

4. *Owner Obligations.* In addition to other obligations set forth herein, Owner will execute and/or provide to the City any and all documents necessary to clear title encumbrances, as identified on the Chicago Title ALTA Commitment No. 19GSC006218LP, attached hereto as **Exhibit C**.

5. *Owner Acknowledgment and Representation.* Owner acknowledges that the fair market value of the Property may exceed the value of Liens, and nevertheless Owner believes and represents that the deed in lieu of foreclosure conveyance set forth herein is a reasonable, intended and voluntary act.

6. *Closing.* Closing shall take the following form:

- a. Owner shall mail an original, notarized copy of the following documents to Denzin Soltanzadeh LLC, 190 South LaSalle, Ste. 2160, Chicago Illinois 60603: 1) this Deed in Lieu of Foreclosure Agreement; 2) the attached Quit Claim Deed; and 3) title clearance documents provided to Owner by the City (collectively “Closing Documents”); and
- b. City provides Owner written acknowledgement that the City has: 1) received all necessary Closing Documents; and 2) accepted the Property conveyance.

7. *Time is of the Essence.* This Agreement shall become null and void and of no further force or effect in the event that the obligations of either Party set forth herein are not fully met and the conveyance closed within thirty (30) days of the date of this Agreement.

8. *Counterparts.* The Parties agree that this Agreement may be executed in multiple counterparts, which may be signed and delivered separately.

9. *Successors and Assigns.* This Agreement shall be binding on the heirs, administrators, executors, and assigns of the respective parties hereto.

10. *Hold Harmless.* Pursuant to 735 ILCS 5/15-1401, the City relieves and holds the Owner harmless from any and all personal liability with respect to said Liens, including but not limited to any liability on the part of the Owner to pay the costs incurred by the City which are described in, and secured by, the Liens recorded against the Property.

11. *Condition of Property.* THE CITY ACKNOWLEDGES AND AGREES TO ACCEPT THE PROPERTY IN "AS IS" CONDITION AT THE TIME OF CLOSING, INCLUDING, WITHOUT LIMITATION, ANY DEFECTS OR ENVIRONMENTAL CONDITIONS AFFECTING THE PROPERTY, WHETHER KNOWN OR UNKNOWN, WHETHER SUCH DEFECTS OR CONDITIONS WERE DISCOVERABLE THROUGH INSPECTION OR NOT. The City acknowledges that Owner, its agents and representatives have not made, and the Owner specifically negates and disclaims, any representations, warranties, promises, covenants, agreements or guarantees, implied or express, oral or written with respect to the Property condition or use.

12. *Termination.* Either Party may terminate this Agreement at any time prior to Closing.

13. *Remedies.* If either Party defaults in the performance of this Agreement, the non-defaulting Party's sole and exclusive remedy shall be to either: (i) terminate this Agreement; or (ii) pursue specific performance, at the non-breaching party's discretion.

14. *Attorney Review.* Purchaser's execution of this Agreement shall constitute acknowledgement by the Purchaser that Purchaser had the opportunity to retain and consult with legal counsel regarding the Agreement and the Exhibits attached hereto. Further, the terms of the Agreement are not to be construed against any party because that party drafted the Agreement or construed in favor of any Party because that Party failed to understand the legal effect of the provisions of the Agreement.

[Remainder Left Blank]

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the day and year set forth above (the "Effective Date").

CITY OF EVANSTON

E-TOWN COMMUNITY VENTURES

By: City Manager, Wally Bobkiewicz

By: Mr. Daniel Cheifetz

Prepared by and Return to:
Brent O. Denzin
Denzin Soltanzadeh LLC
190 S. LaSalle St., Suite 2160
Chicago, Illinois 60603
bdenzin@denzinlaw.com

Approved as to form:
Michelle L. Masoncup
Michelle L. Masoncup
Corporation Counsel

EXHIBIT A

LEGAL DESCRIPTION

THE SOUTH 106.00 FEET OF LOTS 9 AND 10 IN BLOCK 3 IN MERRIL LADD'S SECOND ADDITION TO EVANSTON, SAID ADDITION BEING A SUBDIVISION OF THE WEST 1/2 OF THE SOUTHWEST 1/4 OF THE NORTHEAST 1/4 OF SECTION 13, TOWNSHIP 41 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

1805 Church St., Evanston, IL
PIN: 10-13-220-035-0000

EXHIBIT B
FORM OF DEED

Quit Claim Deed

MAIL TO:

Brent O. Denzin
Denzin Soltanzadeh LLC
190 S. LaSalle St., Suite 2160
Chicago, Illinois 60603

MAIL TAX BILLS TO:

City of Evanston
2100 Ridge Avenue
Evanston, Illinois 60201

THE GRANTOR, **E-Town Community Ventures**, for and in consideration of the full satisfaction and release of, and in lieu of any foreclosure action taken with respect to, any and all lien(s) held by Grantee relating to the real property conveyed herein, **CONVEYS AND QUIT CLAIMS** to:

City of Evanston, of

2100 Ridge Ave., Evanston, Illinois 60201

a home rule municipality and body politic under the laws of the State of Illinois ("GRANTEE"), all interest in the following described Real Estate situated in the County of Cook, in the State of Illinois, to wit:

THE SOUTH 106.00 FEET OF LOTS 9 AND 10 IN BLOCK 3 IN MERRIL LADD'S SECOND ADDITION TO EVANSTON, SAID ADDITION BEING A SUBDIVISION OF THE WEST 1/2 OF THE SOUTHWEST 1/4 OF THE NORTHEAST 1/4 OF SECTION 13, TOWNSHIP 41 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

1805 Church St., Evanston, IL
PIN: 10-13-220-035-0000

SUBJECT TO: covenants, conditions, restrictions and easements of record, and all general real estate taxes and assessments.

[Remainder of page intentionally left blank]

In Witness Whereof, said Grantor has caused this instrument to be duly executed in its name and behalf this _____ day of _____, 2019.

GRANTOR:

By: _____

Its: _____

State of Illinois)
)ss
County of Cook)

I, the undersigned, a Notary Public in and for said County, in the State aforesaid, DO HEREBY CERTIFY that Daniel Cheifetz, personally known to me to be the same persons whose name is subscribed to the foregoing instrument, appeared before me this day in person, and acknowledged that they signed, sealed and delivered the said instrument as their free and voluntary act, for the uses and purposes therein set forth, including the release and waiver of the right of homestead

Given under my hand and official seal, this _____ day of _____, 2019

NOTARY PUBLIC

COOK COUNTY-ILLINOIS TRANSFER STAMP:

NAME and ADDRESS OF PREPARER

Brent O. Denzin
Denzin Soltanzadeh, LLC
190 S. LaSalle St., Ste. 2160
Chicago, Illinois 60603

**EXEMPT UNDER PROVISIONS OF 35 ILCS
200/31-45, PARAGRAPH (b), REAL ESTATE
TRANSFER ACT**

DATE:

Signature of Buyer, Seller or Representative

STATEMENT BY GRANTOR AND GRANTEE

The grantor or his agent affirms that, to the best of his knowledge, the name of the grantor shown on the deed or assignment of beneficial interest in a land trust is either a natural person, an Illinois corporation or foreign corporation authorized to do business or acquire and hold title to real estate in Illinois, a partnership authorized to do business or acquire and hold title to real estate in Illinois, or other entity recognized as a person and authorized to do business or acquire title to real estate under the laws of the State of Illinois.

Dated _____ Signature: _____
Grantor or Agent

SUBSCRIBED and SWORN to before me

this ____ day of _____, 2019.

NOTARY PUBLIC

The grantee or his agent affirms and verifies that the name of the grantee shown on the deed or assignment of beneficial interest in a land trust is either a natural person, an Illinois corporation or foreign corporation authorized to do business or acquire and hold title to real estate in Illinois, a partnership authorized to do business or acquire and hold title to real estate in Illinois, or other entity recognized as a person and authorized to do business or acquire title to real estate under the laws of the State of Illinois.

Dated _____ Signature: _____
Grantee or Agent

SUBSCRIBED and SWORN to before me

this ____ day of _____, 2019.

NOTARY PUBLIC

NOTE: Any person who knowingly submits a false statement concerning the identity of a grantee shall be guilty of a Class C misdemeanor for the first offense and of a Class A misdemeanor for subsequent offenses.

(Attach to deed or ABI to be recorded in Cook County, Illinois, if exempt under the provisions of Section 4 of the Illinois Real Estate Transfer Tax Act.)

EXHIBIT C
ALTA TITLE INSURANCE COMMITMENT