



**CITY COUNCIL AGENDA ITEM**

**To:** Mayor Graham and City Council

**From:** Jeff Stehman, Building and Zoning Supervisor

**Thru:** Walter Denton, City Administrator  
Ted Shekell, Planning Director

**Date:** January 27, 2010

**Subject:** Resolution No. \_\_\_\_: A Resolution Authorizing the City of O'Fallon to Purchase Real Estate and Execute Sales Contract on Former Clark Station Site – 102 E. State

**List of committees that have reviewed:** None.

**Background:** We have been dealing with the old Clark Station site at the intersection of N. Lincoln and E. State for several years now in an attempt to clean the property up, maintain its appearance and ensure the site remains safe to the general public after the owner abandoned the station, along with others in the metro-east area. The actions we have taken to date are as follows:

- Maintained the exterior property by cutting the grass and weeds
- Contracted to have doors and windows secured on the building
- Petioned the courts for a demolition order to demo the building and canopy
- Contracted with an environmental cleanup firm to test barrels of material on site and have them legally disposed of
- Contracted to have the building and canopy demolished
- Contracted to have fuel supply lines capped and sealed from tanks
- Contracted to have holes in parking lot created by demolition and pipe capping concreted over
- Attached a lien on the property to cover all abatement fees, demolition fees and legal fees
- Contracted with Tetra Tech to do a "Phase I Environmental Site Assessment" to determine the condition of the site and the environmental risks and hazards. This also included conducting an "All Appropriate Inquiry" to ensure that if we take possession of the property at any time in the future we are not held liable for any previous environmental cleanup
- Through a Resolution by the City Council, requested the assistance of the Illinois Environmental Protection Agency to do preliminary testing for contamination levels, at no cost to the City
- Contracted with Tetra Tech to put together an estimate for tank removal and site remediation

The above mentioned testing by IEPA has indicated minimal contamination on site and beyond the property lines. Based on their testing, they believe the clean-up will not be extensive. The property is covered under the LUST program, which would provide for re-imbusement after the tanks are removed and the site goes through the required clean-up. The property owner would be responsible for a \$10,000 deductible, but the total project would have to be paid for and reimbursement would take 12 to 18 months. Tetra Tech has estimated that total cost to be approximately \$150,000.

We had requested that the IEPA look into other funding options and they have recently advised us that they believe this site will be eligible for ARRA LUST Funding that would pay for the whole project up front. This funding is to assist government entities in cleaning up abandoned properties in their communities. As a condition of that funding, the City would have to have deed to the property.

St. Clair County currently holds the deed to the property, due to non-payment of delinquent property taxes. The City Attorney has had discussions with St. Clair County regarding the city's plans to abate and clean-up the property and the County has agreed to sell the property to the City. Before you tonight is a resolution authorizing the purchase and a contract for that purchase from St. Clair County for the amount of \$1030.

**Legal Considerations, if any:** Contract for purchase

**Budget Impact:** \$1030

**Staff recommendation:** We are requesting that this resolution be passed and the sales contract be executed by the City Council.