

OFFICE OF THE CITY MANAGER



June 2, 2004

Captain Alex Grieves
225 NE Adams St.
Peoria IL 61602

RE: *Katie Hooper*

Dear Captain Alex:

The City Council voted 9-1 on June 1, 2004, to authorize me to waive the City's Right of First Refusal to purchase the *Katie Hooper*, which Right of First Refusal is found in Article XXI of the Riverboat Landing Lease Agreement. Accordingly, you are hereby notified that the City does waive its Right of First Refusal and authorizes you to sell the *Katie Hooper* to the proposed purchasers, John A. Cunningham and William Hall, for \$200,000, all as per the "Purchaser and Sale Agreement" dated May 26, 2004 and signed by Mr. Cunningham.

The other terms of the Riverboat Landing Lease Agreement remain in effect, including but not limited to, the Continuous Operation Clause found in Section 3.1(b) of the Riverboat Landing Lease Agreement.

If you have questions or problems concerning either the Lease or other riverfront operational matters, please feel free to contact me.

Sincerely,

A handwritten signature in black ink, appearing to read 'R. Oliver'.

Randy Oliver
City Manager

/kes



City Hall Building
419 Fulton Street
Peoria, Illinois 61602-1297
309/494-8524
FAX 309/494-8559

PURCHASER and SALE AGREEMENT

AGREEMENT is hereby made this 26 day of MAY, 2004, by and between John A. Cunningham and William Hall (Purchaser) and Alex Grieves (Seller) for the purchase and sale of the Katie Hooper boat (the Boat),

The Boat: USCG Official Number 254430, 375 Ton Towboat (the Boat), and the equipment and fixtures per the attached specifications, which are attached hereto and incorporated by reference.

Purchase Price: \$200,000, payable as follows: \$50,000 upon satisfaction of the transit contingency of this Agreement; \$50,000 on July 31, 2004; \$100,000 on December 31, 2004.

Possession: on the first payment of \$50,000 upon satisfaction of the transit contingency of this Agreement.

Documentation. All certificates of documentation for the boat and a bill of sale for the equipment shall be signed over to Purchaser by Seller upon Possession. Seller will execute all documents reasonable or necessary to transfer title to the vessel and a bill of sale for all equipment conveyed hereby.

Risk of Loss: Risk of Loss shall pass to Purchaser when possession passes. Purchaser shall be responsible for all costs of transporting the boat from Peoria to Seneca.

Transit Contingency. This agreement is contingent upon arrangements satisfactory to Purchaser for the transit of the Boat from Peoria to Seneca. Purchaser shall have 10 days after execution of the contract to advise Seller if this contingency has been satisfied. If Purchaser does not notify Seller in writing within that period that the transit contingency has been satisfied, accompanied with Seller's funds of \$50,000, this Agreement shall terminate.

Dated at Seneca, Illinois on the day and date aforesaid.

Purchaser:

John A. Cunningham
John A. Cunningham

Seller

Alex Grieves

*No Agreement -
just this Letter
per K. King -
Legal atty.*



REQUEST FOR COUNCIL ACTION

To: Honorable Mayor and Members of the City Council

**From: Charles Randy Oliver
City Manager**

AGENDA DATE REQUESTED: June 1, 2004

ACTION REQUESTED: Waiver of City's Right of First Refusal to purchase the *Katie Hooper*.

BACKGROUND: Article XXI of the Riverboat Landing Redevelopment Agreement dated July 12, 1996 provides that the City of Peoria has a Right of First Refusal to purchase the *Katie Hooper*. This means the City has the right to match any bona fide offer for the purchase on the same terms and conditions as the third party offer. The owner of the *Katie Hooper* has received an offer from a buyer located in Seneca, Illinois for the sum of \$200,000. A condition of that offer is that the boat be able to be moved to Seneca by mid-June.

The same Article that grants the Right of First Refusal provides that the City has ninety days in which to exercise it. The owner is requesting not only that the City waive its Right of First Refusal, but also the ninety-day period.

IMPACT IF DENIED: The *Katie Hooper* would remain on the riverfront or, alternatively, the City would own the *Katie Hooper* if it were willing to pay \$200,000.

IMPACT IF APPROVED: The *Katie Hooper* would be removed from the riverfront by mid-June. The owner would be able to utilize the funds from the sale of the *Katie Hooper* to refurbish and maintain the *Spirit of Peoria*.

EEO CERTIFICATION NUMBER: N/A

FINANCIAL IMPACT: N/A

RECOMMENDATION: The Administration respectfully requests that the City Council waive its Right of First Refusal to purchase the *Katie Hooper* under the Riverboat Landing Agreement. The Council is further requested to authorize the City Manager to execute any documents which may be necessary to accomplish the waiver.

ALTERNATIVES: N/A

REQUIRED SIGNATURES

Department Director

Finance Director

(Certification of Availability of Funds)

Corporation Counsel

City Manager

TO: The Honorable Mayor and Members of Council

FROM: Charles Randy Oliver, City Manager *Charles R. Oliver/aop*

04-253

DATE: November 12, 2004

SUBJECT: Issues Update

The following are issues related to the City for the weekly Issues Update. If there are additional items you believe should be included, please let me know.

Q & A ON THE PEORIA CIVIC CENTER EXPANSION PLAN. For your review, attached as Exhibit 'A' is information from Peoria Civic Center General Manager Debbie Ritschel regarding the Peoria Civic Center expansion plan, with questions and comments from the City Council as well as from the public.

PEORIA CARES OCTOBER REPORT. For your review, attached as Exhibit 'B' is the Peoria Cares monthly report for October 2004.

BUDGET PRESENTATIONS: For your review, attached as Exhibit 'C' is the current budget schedule outlining dates, scheduled presentations, and actions. At the next budget session on November 23, 2004, the Public Works and Police Departments will make formal presentations. At the conclusion of these two presentations, all other City Departments will be available to answer questions and/or provide information to the City Council. In the interest of time, and due to the fact that there are no significant changes in these budgets from last year, these departments will not make formal presentations unless requested by the City Council. If you have specific questions on a particular department or would like additional information on any project or activity, please let either myself or Alan Pennington know by Wednesday, November 17, 2004, at 5:00 p.m., and the appropriate department will be prepared to address these items at the budget session on November 23, 2004.

INCUBATOR PROGRESS. We established a time frame for the demolition of the building on the incubator site. This included the time it would take to obtain an environmental clearance for the use of HUD funds on the project site. Phillips Swager Associates (PSA) prepared an Environmental Assessment (EA) and presented it to Planning and Growth Management on schedule. Planning Department's Grants Coordinator Mike Sims completed his review and sent the revised EA to HUD for comment three days ahead of schedule on November 5, 2004. The City anticipates a HUD response to the EA in December. If all proceeds as scheduled, the demolition should occur around January 31, 2005. A letter has been sent to the Heartland Partnership asking that they bid the demolition so a contract can be awarded and demolition can commence on or about February 1, 2005. Please note no work can start until the EA is approved by HUD.

SPRINGDALE CEMETERY BUDGET REQUEST. The Springdale Cemetery Intergovernmental Agreement provides that the first \$100,000 in operating deficit for a year shall be funded by the Springdale Historic Preservation Foundation; the next \$100,000 in operating deficit shall be funded by the Park District and County in the respective amounts of \$40,000 and \$60,000; and any additional amounts of operating deficits are to be funded by the City. The Cemetery Authority has requested that the City budget \$60,000 for 2005, based upon a projected operating deficit of \$260,000. The Springdale Cemetery Management Authority is required to have its annual operating and capital improvement budget approved by the City, County and Park District. We would note that the \$260,000 includes depreciation, which is a non-cash expenditure.

6TH ANNUAL GIS DAY. Peoria GIS Consortium will be hosting an open house located at the Gateway Building on Wednesday, November 17, 2004, from 1:00 p.m. to 4:00 p.m. The Peoria GIS Consortium will showcase the Peoria GIS program that day.

COMMUNITY NEWSLETTER. The Fall 2004 issue of our citizen newsletter will be delivered to households during the week of November 22, 2004. The newsletter will include information regarding City services, neighborhood programs, Upgrade 74, yardwaste and garbage collection, and the proposed Civic Center Expansion.

04-253
RIVERBOAT LANDING REDEVELOPMENT AGREEMENT. The Park District has reached an agreement with G&G Packet for the Park District to buy out G&G Packet's interest in The Landing lease. The other portions of the Riverboat Landing Redevelopment Agreement lease would remain in effect, including but not limited to the Spirit of Peoria and the Gazebo Barge. Under the terms of our lease, G&G Packet may not assign its lease without the written approval from the City. The effect of this assignment would probably be that, at some point, the leasehold on The Landing would become tax exempt because the Park District is a governmental entity. Currently, taxes on The Landing leasehold amount to approximately \$9,000 annually. This assignment makes it virtually certain that G&G will never meet the lease threshold of \$2 million in gross annual revenue. The City Council will be asked to approve this assignment on December 7, 2004.

ELLIOTT'S DINER LIQUOR LICENSE APPEAL. The appeal hearing on the denial of the liquor license by City Council of Elliott's Diner has been continued. The continuation was requested by Elliott's attorney. Mr. Gary Morris now represents the applicant/appellant. The appeal is scheduled for January 26, 2005; however, the time of the hearing has not been set.

UPGRADE 74. Joe Crowe will give a presentation to the City Council on the I-74 construction on December 21, 2004. This will be particularly important because the largest portion of the upgrade will take place from April 2, 2005 to October 1, 2005. This will result in the complete closure of I-74 during that time.

RIBBON CUTTING. A ribbon cutting to recognize the completion of Sterling Avenue will take place on December 1, 2004, at 10:00 a.m., at the corner of Sterling and James Baumann Way. The City Council, as well as State Legislators, will be invited to attend.

BID SPECIFICATIONS SEMINAR. Twenty-six City employees attended a seminar sponsored by Peoria County on November 10, 2004, regarding the writing of specifications for public bidding. The day long presentation called "Preserving the Public Trust (from the spec to the check)" was presented by Beau Grant, a retired procurement specialist, who is affiliated with the National Institute of Government Procurement (NIGP). All attendees are involved in writing specifications.

cc: Mary Haynes, City Clerk
Randy Ray, Corporation Counsel
Department Heads