

**VILLAGE OF ROUND LAKE HEIGHTS
619 W. PONTIAC COURT – BOARD ROOM
SPECIAL BOARD MEETING – MARCH 31, 2009**

CALL TO ORDER

The Village of Round Lake Heights Special Board Meeting was called to order by Mayor Lumpkins at 7:00 p.m.

PLEDGE OF ALLEGIANCE

The Board said the Pledge of Allegiance to the flag.

ROLL CALL

Trustee Meeks = Present	Trustee Mahoney = Present
Trustee Walker = Present	Trustee Katzel = Present
Trustee Faught = Present	Trustee Germann = Present
Mayor Lumpkins = Present	Village Clerk Mahoney = Present
Also Present = Two residents	

AUDIENCE COMMENTS

Snow Plowing A resident stated that the village did a fantastic job with the snow plowing.

Police Department A resident stated that the police department responded to his call within two minutes and he was very happy with that.

ADMINISTRATIVE

Purchase of Real Estate Property Located at 909 Warrior Drive in Round Lake Heights, IL

Mayor Lumpkins stated that this special meeting was called because we are able to purchase a home for one dollar in Round Lake Heights. We put in a bid for one dollar for the property at 909 Warrior Street and the bid has been awarded to us. Besides the one dollar purchase price, the other costs that would be incurred by the village would be closing cost of approximately \$1,500.00, attorney fees since our attorney would be there to represent us and the realtors fee. The realtor representing the village is New Century Real Estate and they are looking to receive a fee of \$2,000.00. We have not seen the title yet but we are told that it is a clean title with no tax liens and nothing outstanding owed. When we receive the title our attorney will review it. Mayor Lumpkins stated that the house was left in great shape besides a hole in the ceiling. New carpet and paint on the walls would be great for the house. Trustee Meeks stated that the prior resident must have had a pet because there are some stains on the carpet. Mayor Lumpkins stated that the funds raised from the sale of this home would benefit the village. Trustee Katzel asked who we are purchasing the home from and Mayor Lumpkins stated that it is from HUD. The home was offered for sale for \$67,000.00 as is but did not sell. Mayor Lumpkins stated that the Board was issued conditions reports for this property for their review. We will have a home inspector inspect the home so we can get an idea of what needs to be done to get the house in a sellable condition. Mayor Lumpkins stated that it is unbelievable that a house can sell for only one

dollar. Mayor Lumpkins asked the Board to see the house itself if they have not already. Mayor Lumpkins stated that the purpose of tonight's meeting is to approve signing the contract for the purchase of this house for one dollar. Trustee Faught questioned if the results of the lead paint inspection would be taken care of and Mayor Lumpkins stated that we would. Mayor Lumpkins stated that he questioned the realtor about those results and was told that it means if any paint chips are lying around the property that they must be picked up and if there is any chipping on the paint itself that we need to paint the facility in order to eliminate that report. Trustee Faught questioned if we need to remove stuff and Mayor Lumpkins stated no and that painting it seals it. Trustee Faught asked if we know the cost for all repairs that will need to be made. Mayor Lumpkins stated that he saw a soffit in the back that would need repairing and a hole in the ceiling. There is no evidence of water in the house or broken lines. The shelving is old. Mayor Lumpkins stated that the roof looks almost brand new, there is an A/C unit that looks pretty new and a heater in the house that looks like a newer unit. The porch looks good. We won't know everything until the inspector gets in but for one dollar we really can't go wrong. Trustee Faught stated that there is certain criteria to follow when reselling and Mayor Lumpkins stated that we want to sell the home to someone who fits the HUD program and would benefit by purchasing this house. Trustee Mahoney asked if after the house is sold if someone punched a hole in the wall and a child gets paint in their mouth would there be a liability on our part because of the lead paint. Mayor Lumpkins stated that we would need to ask our attorney and Trustee Walker stated that we would have to disclose this issue. Mayor Lumpkins stated that by painting it you are sealing it. Trustee Mahoney stated that he wants to make sure that we do not have any problems. Mayor Lumpkins stated that the report is very thorough and they spent approximately ten thousand dollars on the report. Trustee Mahoney stated that he doesn't understand why this house didn't sell for \$67,000.00. Mayor Lumpkins stated that this is a program through HUD. Trustee Meeks stated that since it did not sell within HUD's allotted time frame that it is offered to non-profit organizations with the municipality having first choice. Trustee Meeks stated that usually these are found in Chicago. Mayor Lumpkins stated that the realtor stated that this was the first one in Lake County to be sold for one dollar. Trustee Faught stated that if this was a HUD house that an investor would not have been able to purchase the house at the \$67,000.00 price. Trustee Mahoney stated that it seems like a really good deal. Mayor Lumpkins stated that the property is worth more than one dollar and the Board agreed. Mayor Lumpkins stated that he feels this is a great thing for the village and an opportunity that doesn't come around too often. Hopefully we will be able to put a resident in this home that would not be able to afford a home otherwise. Mayor Lumpkins stated that a person living in the village, who is a carpenter, already contacted the realtor about purchasing this house to live in it. Mayor Lumpkins stated that if we were asking \$92,000 with putting approximately \$10,000 in for improvements and this person offered

\$75,000 to \$80,000 that he feels this Board would accept this offer and the village would receive a substantial profit from the sale. Mayor Lumpkins stated that he feels this house would go for about ninety thousand dollars and probably not higher with how the market is now. Mayor Lumpkins asked for a motion to grant permission for him to enter into a contract with HUD to purchase the real estate property located at 909 Warrior Street in Round Lake Heights, IL for one dollar plus attorney fees, closing costs and realtor costs.

MOTION A motion was made by Trustee Walker, Seconded by Trustee Germann and unanimously passed to grant permission to Mayor Lumpkins to enter into a contract with HUD to purchase the real estate property located at 909 Warrior Street in Round Lake Heights, IL for one dollar plus attorney fees, closing costs and realtor costs.

CORRESPONDENCE

There was nothing to report.

COMMITTEE REPORTS

Public Safety There was nothing to report.

Public Works There was nothing to report.

Building & Zoning There was nothing to report.

Sewer & Water There was nothing to report.

Administration There was nothing to report.

Ordinances There was nothing to report.

OLD BUSINESS There was nothing to report.

NEW BUSINESS There was nothing to report.

MOTION A motion was made by Trustee Meeks, Seconded by Trustee Germann and unanimously passed to adjourn.

ADJOURNMENT: 7:14 P.M.

Respectfully Submitted,

Susan A. Mahoney
Village Clerk