

SPECIAL CITY COUNCIL MEETING
January 13th, 2016

Pursuant to due call and notice thereof a special meeting was duly held at City Hall on the 13th day of January, 2016 at 7:00 p.m.

Council present: Mark Anderson, Gail Anderson, Barry Kurtz, Paul Kirtz, and Peter Schmitz.

Council absent: None.

Mayor Mark Anderson presided at the meeting.

Staff present: City Attorney Steve Hovey, City Clerk Jim Kiefer

Mayor Anderson explained the purpose of the special meeting was to discuss an offer to sell the Adams Health Care Center.

City Attorney Steve Hovey introduced himself to the public in attendance.

City Attorney Steve Hovey stated that the purpose of the special meeting was to inform the public that a letter of intent to purchase the Adams Health Care Center has been received by Empire Health Care Center from New Jersey. The buyer was originally found by Marcus & Millichap Investment Services, a real estate agency from Chicago. Steve Hovey stated that if the City Council agrees to the letter of intent the City would negotiate a purchase agreement. The agreement would set the purchase price at \$3,515,000.00 with a broker's fee due to Marcus & Millichap of \$175,000.00. A \$50,000.00 down payment would be due from Empire Health Care.

Mayor Mark Anderson asked for comments from the public in attendance.

Dianna Voigt presented an overview of what the Health Care Center provides to the City of Adams. The Center provides 46 resident beds, 9 two bedroom apartments, and 28 one bedroom apartments. The Center pays \$35,400.00 in cash in lieu of taxes to the City of Adams annually. The center has a payroll of 2.0 to 2.5 million dollars and is the City's largest employer. Dianna expressed concerns that some employees will lose a portion of their retirement because they have not been vested for 5 years. Dianna stated that in 40 years of operation only \$30,000.00 has been placed on City taxes. Dianna also expressed concerns that a new owner may close the Nursing Home and worried where senior residents would go.

Nancy Thalberg questioned City council members on their reasons for selling the Health Care Center. Paul Kirtz responded saying he is concerned that State funding could be decreased in the future and the Center would again struggle financially. Paul also stated that he is concerned about the future of the town.

Rose Schaefer and Pat Hinz both suggested that an advisory board could be established to assist in managing the Health Care Center.

Gerald Meier questioned if grants would be available to assist in operating the Health Care Center. Administrator Georgette Hinkle stated that she has applied for grants and will continue to do so.

Upon no further comments from the public, Mayor Anderson asked for comments from the City Council. Upon no comments from the City Council, Mayor Anderson called for a motion to sell it or not.

Motion made by Paul Kirtz to accept the letter of intent to Empire Health Care for purchase of the Adams Health Care Center. The motion failed to pass for lack of a second.

Meeting declared adjourned.

Jim Kiefer, City Clerk