



# MEMORANDUM

City Council

August 7, 2023, at 7:00 PM

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**TO: City Council**

**FROM: Rich LaBombard, City Manager**

**SUBJECT: Resolution to purchase 415 Wiley Road– Resolution 29-2023**

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The City of Douglas has negotiated a purchase agreement for \$1,500,000 for property located at 415 Wiley Road. The present value of the property is approximately \$2,000,000. The nearly 8-acre parcel and 18,000 square foot facility is proposed to be purchased for the future consolidation of all Douglas municipal services at one location.

The City currently operates at four key locations (not including parks):

- City Hall – 86 West Center Street
- Police Department – 47 West Center Street
- Department of Public Works – 486 Water Street
- 17 acres – 6825 W. Wiley Road (west of Northern Lights)

The Douglas City Council spent several years discussing the consolidation of services and facilities to improve the delivery of municipal services and government efficiency. After a search of available properties, the 415 Wiley location is the best available location within the City boundaries to accommodate the future needs of the City. The site is situated on commercial property and has a facility that could be retrofitted to suit municipal government needs. Approximately four acres of the land are needed for the consolidation of the Department of Public Works (DPW) activities and equipment.

The facility at 415 Wiley is currently occupied by the Douglas Family Clinic. The clinic recently announced the construction of a new facility on Blue Star Highway in Saugatuck Township. The clinic anticipates moving in the summer of 2024 to its new location. Rent payments currently paid by the clinic will be made to the City of Douglas if the purchase is approved. The monthly income from the rental payment is currently \$3,000 per month.

Funds for the purchase will be made with an amendment to the budget by a transfer from the general fund balance. The City has approximately \$2.1 million of investments maturing by the end of 2023 and will be able to cash flow the purchase of the property.

**Sample Motion: I motion to approve Resolution 29-2023 and approve the purchase agreement between the City of the Village of Douglas and Galivan Corporation of Illinois to purchase the property located at 415 Wiley Road for a sum of \$1,500,000 plus closing costs with a transfer from the general fund balance.**