



MEMORANDUM

TO: Douglas City Council

FROM: Lisa Nocerini, City Manager

DATE: December 1, 2025

RE: Sale of City-Owned Property at 86 W. Center Street David Isljamovski and Joseph J. Wise

The City has received a purchase offer for the City-owned property located at 86 W. Center Street, the former Douglas City Hall building. With City Hall successfully relocated to 415 Wiley Road and the property identified as surplus, staff has moved forward with negotiations to support its sale.

The buyers, David Isljamovski and Joseph J. Wise, have submitted an offer in the amount of \$515,000, all cash. Their buyer's agent has elected not to accept a commission, resulting in a savings of approximately \$15,450 to the City.

The proposed contract date is December 31, 2025, with an effective date of December 2, 2025, assuming approval following the City Council meeting.

Purchase Price: \$515,000 (cash purchase)

EMD: \$7,500 (held by Century 21)

Buyer Due Diligence & Responsibilities

- Buyer pays for all environmental assessments, with 10 days to review any reports following receipt.
- Buyer pays for all physical inspections, to be ordered promptly, with 20 days to report objections or defects.
- Buyer receives 20 days to review title work provided by the seller.
- Buyer receives 20 days to review the boundary survey after receipt.

Seller Responsibilities

- Seller pays for the boundary/stake survey.
 - Seller pays for all special assessments on the property.
 - Seller provides, within 7 days of offer acceptance:
 - copies of all easements
 - management contracts
 - service contracts
 - and any other documents relating to the operation of the property
- Buyer has 10 days to review these documents upon receipt.

Suggested Counteroffer / Required Conditions

Staff recommends that Council include the following mandatory conditions in the acceptance:

1. Deed Restrictions

The sale shall be subject to the attached deed restrictions, including the prohibition of demolition of the structure due to its recognized historic significance under State of Michigan designation.

The structure's exterior must be maintained in a manner that respects and preserves its historic appearance. Any modifications shall use materials and finish consistently with the building's existing visual character.

2. Ingress/Egress Easement

The sale shall be subject to the recording of an ingress and egress easement through the west parking lot to benefit 98 W. Center Street, as previously approved by City Council.

These conditions protect the historical integrity of the building and ensure continued access consistent with prior Council direction.

The applicants have submitted a fair and competitive offer for a surplus property, with minimal risk and favorable financial terms. Staff recommends approval subject to the deed restrictions and easement requirements outlined above.

Recommended Motion

Motion to adopt Resolution No. 27-2025, authorizing the sale of city-owned property located at 86 W. Center Street, Douglas, Michigan, to David Isljamovski and Joseph J. Wise for the purchase price of \$515,000, including a deed restriction prohibiting demolition of the historic structure and requiring that the exterior be maintained in a manner consistent with its historic appearance, and subject to the recording of an ingress/egress easement benefiting 98 W. Center Street. The Mayor and City Clerk, or their designee, are authorized to execute all necessary documents.