

Memorandum

Date: February 9, 2021
To: City Council Members
From: Joseph Helfenberger, City Manager
Re: New City Hall Options



At the last City Council meeting, you directed me to work with existing city property along with the new site gifted from the Lake Shore Hospital Authority to the City of Lake City. Soon afterwards, Millennium Bank offered to sell to the City of Lake City two of their buildings located downtown. The larger building is located next to the County Library building and it includes an extra lot. This building is in very good condition. The second building is located on Marion Street, about two blocks north of the present City Hall. This building would need some renovation. This second property also come with an extra vacant lot.

Chase Moses, with Hunt & Moses Realty, has brought the offer to me that asks \$1.1 million for the larger building and \$225,000 for the smaller building. The offer states that the cost would be \$1.2 million for a bulk purchase. After further negotiation, the bulk offer can be bought for \$1.1 million.

Should the City Council decide to purchase either or both of the two bank buildings, I would proceed with due diligence and have a structural inspection for the building(s). Standard building concerns, such as lead paint and asbestos, would also be examined prior to pursuing a purchase.

Passero Associates has provided four options for the City Council to consider. The first option is building a 17,500 square-foot new city hall building housing all the city departments that are in the existing city hall. The second option is building a 7,200 square-foot new city hall, renovating the two Girls Club buildings and purchasing the larger bank building. The third option is building a 10,000 square-foot new city hall and renovating the two Girls Club buildings. The fourth option is to build a 5,500 square-foot new city hall, renovate the two Girls Club buildings, use the larger bank building, and renovating the smaller bank building.

Option One keeps all city departments currently in city hall at one location. This option is also the most expensive.

Option Two provides room for future growth and adds parking for 80 cars. The room for future growth can saving a substantial amount of money by allowing expansion within existing facilities. It comes with an additional vacant city block bordering Main Street. It creates a campus setting.

Option Three is the least costly option. This option keeps city services to two locations. Future expansion may consist of new construction.

Option Four includes both bank buildings. This option adds the most parking space and vacant land for future development. With this option, there would be most of five contiguous city blocks under the ownership of the City of Lake City. This ownership, while expensive, is still cheaper than building everything new and provides for future growth.

\$200,000 was included in the Options Two, Three and Four for renovation of the Girls Club buildings. There was \$700,000 included in Option Four for renovating the Historic Downtown Bank. There are no funds in Option Two or Four for renovation of the larger bank as it is in useable condition.