

MEMORANDUM



TO: MAYOR AND CITY COUNCIL
FROM: VICTOR CARDENAS, INTERIM CITY MANAGER
SUBJECT: PROPERTY ACQUISITIONS
DATE: JUNE 21, 2023

The purpose of this correspondence is to provide an update on the properties previously presented to Council back in May; the updated language is in Blue:

The first is a group of parcels located on Lee BeGole Dr., directly across the street from the Department of Public Works. These parcels were brought before Council previously. The owner is looking for \$4 million for all four parcels. Per Council direction, City Administration obtained an appraisal which came to a value of \$2.6 million. If Council is still interested in pursuing staff recommends submitting an offer of a little more than \$3 million to begin the negotiations.



As directed, negotiations were started at \$ 3 million, and the seller responded/countered with the following:

- \$3,500,000 Purchase Price
- 90 Day Due Diligence
- \$10,000 non-refundable for each thirty (30) days extension for the remaining 90 days
- \$100,000 EMD
- Closing shall occur on or before December 15, 2023

The second parcel I'd like to offer for Council's consideration is 50-22-24-301-013, 4.51 acres on Meadowbrook Rd., directly across the street from Meadowbrook Commons. Our realtor has contacted the owner's representative and received a price of \$295,000. As you can see, the property is heavily wooded and comprised mainly of wetlands. The goal for acquiring this parcel would be for woodland preservation.



A draft offer was presented to the owner. Conversations have been ongoing with the owner of this parcel and their legal counsel. If Council is amenable to the terms, we can move forward.

The third property of interest is 50-22-11-107-002, which is comprised of 2.54 acres on Novi Road, just north of the Saratoga Circle subdivision. A previous development proposal was denied by Council on December 8, 2014, as nearby residents strongly opposed it, would have significant impact on the environmental features of the property, and would have required a text amendment to the Sandstone Associates Limited Partnership v. City of Novi Consent Judgment as the zoning intends it as a church and/or cemetery. The property is also heavily woodland and has a significant amount of identified wetland area. The goal for acquiring this parcel would be for environmental woodland/wetland preservation. City Administration is currently inquiring about a sales price.



The property owner has agreed to the initial offer amount.

Finally, following up on the other parcel (next to ITC Community Sports Park) the City Council was interested in, staff has been unable to make contact with the owner to date. Both an email and a phone call have been placed.