



REPORT TO TOWN BOARD

From: Andrew J. Quarnstrom, City of Champaign Township Supervisor

Date: December 1, 2015

Subject: Purchase of Real Estate

A. Introduction: The purpose of this report is to provide the Township Board with an update on Requests for Proposals to purchase property and to request approval to purchase property located at 51 and 53 E. Logan St. in Champaign, Illinois.

B. Action Requested: Staff requests the Township Board of Trustees approve the purchase of property for relocation of Township Offices.

C. Prior Town Board Action:

-The Electors of the City of Champaign Township approved the process of selling Township real estate and purchasing new real estate at the April 14, 2015 Annual Town Board Meeting

-The Township Board approved for the sale of the current Township property to Green Street Realty in the amount of \$460,00.

E. Background:

1. Request for Proposals: A request for proposals was posted in the News Gazette on October 14th, 15th, and 16th as well as sent to realtors and banks in the community. Specifications were noted with some given preferred status. Specifications included central location with preference given to properties bordered by Bradley, Prospect, Kirby, and 4th Street. The RFP also requested ADA accessibility, at least 12 parking spaces, and no less than 3750 square feet. Additionally, access to UC2B with preference given to current connection was requested. MTD access was requested and location on a bus route was preferred. Lastly, a property priced between \$200,000 and \$1,000,000 was specified with preference given to properties under \$825,000. Although the Township received informal interest and inquiries, only one proposal was received during the two week period proposals were open.

2. Proposed Real Estate: The proposal received was for an office building located at 51 and 53 E. Logan Street in Champaign. The proposal met all of the criteria the Township requested in the RFP process.

Situated at the corner of Logan and Locust in Midtown Champaign, 51 and 53 E. Logan makes up a 3,920 SF commercial building. The building underwent an extensive renovation in 2009 that includes all new plumbing, electric, HVAC, insulation, windows, drywall, interior and exterior doors, roof, gutters, skylights, flooring, window treatments, and repaved parking lot.

The property is conveniently located two (2) blocks from the Illinois Terminal and one hundred and fifty (150) feet from an MTD bus stop. Constituents may utilize public transportation, bicycle, walking, or personal vehicle to easily access the proposed offices. The proposed location provides numerous off-street parking spaces and 23 private parking spaces. Priced at \$850,000, the property is within the range requested by the Township.

The proposed property at 51 and 53 East Logan provides more square footage than our current location. Additionally, it provides for a separate entrance to the Supervisor and Assessor Offices as well as allows space for both offices to expand. A large community/conference room will allow the Township to provide more services.

The Township has the option to purchase the current A/V equipment in the conference room space. The equipment would allow for presentations, video conferencing, video play back, and remote meeting.

3. Purchase Process: Township real estate can only be purchased after approval by the electorate at a Town Meeting. The Town Board is not required to accept a proposal, and it can reject any and all proposals.

F. Alternatives:

1. Accept the proposal to purchase 51 and 53 East Logan for the purposes of relocating Township offices.
2. Reject the current proposal and provide further direction to staff.

G. Discussion of Alternatives:

Alternative 1.-Accept the proposal to purchase property at 51 and 53 E. Logan St. in Champaign.

a. Advantages

- Would reduce operating expenses for the Township and Assessor's offices by combining utilities and reducing maintenance expenses. This is accomplished by putting both offices under one roof.
- Would provide a safer and more comfortable environment for citizens and employees. Would ensure the ability to accommodate citizens with disabilities, which the current property is not designed to do.
- A larger building could accommodate additional services. The Logan Street property has a community room with state of the art audio visual equipment on site. The Township would

be able to enhance our youth programs, add senior programs, as well as provide better and more case management services.

-Relocating to a newer building would decrease the long-term projected maintenance costs. The Logan Street property was fully updated in 2009.

-A state of the art facility would allow the Township to sustain and grow for decades to come.

B. Disadvantages

-Although the Logan Street building could be used in its current state, some minor remodeling will likely need to be done for better overall use.

-The process of moving Township offices and equipment will be burdensome on Township operations.

Alternative 2- Reject the current proposal and provide further direction to staff.

a. Advantages

-Another RFP could be submitted, and additional proposals could be received.

b. Disadvantages

-The township would need to lease its current property back from its purchaser until a new property could be located and purchased. -, There is a possibility that no proposals would be submitted in another round of RFPs.

- Township operations may be disrupted.

- The current Township offices are not ADA accessible.

- The Township would continue to incur maintenance expenses related to upkeep of its current property.

H. Community Input:

The community will have the opportunity to provide input at the December 1 meeting.

I. Budget Impact:

The Township has accepted a bid to sell its current property at Green and Randolph for \$460,000. Additionally, the Township Board approved the issuance of bonds at the November 17th, 2015 Towns Board Meeting in the amount of \$300,000. The remainder of the purchase, \$90,000, will be from budgeted money in the Township's FY15/16 budget. Additional money was budgeted in the FY15/16 Capital Improvement fund should other funding be needed for improvements.

J. Staffing Impact

Although the process of moving operations would be a significant undertaking, the net gain for staff is expected to be significant and the overall impact minimal. The Supervisor and Assessor will be the project managers. No overtime costs are expected but some costs may be associated with legal review.

Prepared by: Andrew J. Quarnstrom, Supervisor

Reviewed by:

Attachments:

1. Proposal for sale of 51 and 53 E. Logan
2. Contract for Property Purchase-Substantially similar with approval of Township Legal
3. Disclosure Affidavit