



Rochester Hills

Minutes - Draft

City Council Special Meeting

1000 Rochester Hills Dr
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Home Page:
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*Susan M. Bowyer Ph.D., Kevin S. Brown, Dale A. Hetrick, James Kubicina,
Stephanie Morita, Mark A. Tisdell and Thomas W. Wiggins*

Vision Statement: The Community of Choice for Families and Business

*Mission Statement: "Our mission is to sustain the City of Rochester Hills as the premier
community of choice to live, work and raise a family by enhancing our vibrant residential
character complemented by an attractive business community."*

Wednesday, December 21, 2016

4:00 PM

1000 Rochester Hills Drive

In accordance with the provisions of Act 267 of the Public Acts of 1976, as amended, the Open Meetings Act, notice was given that a Special Rochester Hills City Council Meeting would commence at 4:00 p.m. on Wednesday, December 21, 2016, to consider approval of purchase agreement for 1380 Ruby Avenue, Rochester Hills, Michigan, Parcel No. 15-33-401-005.

CALL TO ORDER

President Tisdell called the Special Rochester Hills City Council Meeting to order at 4:00 p.m. Michigan Time.

ROLL CALL

Present 6 - Susan M. Bowyer, Kevin S. Brown, Dale Hetrick, James Kubicina, Stephanie Morita and Mark A. Tisdell
Absent 1 - Thomas W. Wiggins

Others Present:

*Tina Barton, City Clerk
John Staran, City Attorney
Joe Snyder, Chief Financial Officer*

PUBLIC COMMENT

None.

LEGISLATIVE & ADMINISTRATIVE COMMENTS

Mr. Tisdell announced that he became a new grandfather at 8:30 p.m. last night.

ATTORNEY MATTERS

2015-0168 Request for Approval of the Purchase Agreement for the purchase of the 9.48 acre parcel of land at 1380 Ruby Avenue, located north of South Blvd. and West of Livernois, Parcel #15-33-401-005

Attachments: [122116 Agenda Summary.pdf](#)
[Purchase Agreement.pdf](#)
[Ruby property maps 15-33-401-005.pdf](#)
[CC Minutes 081015.pdf](#)
[081015 Agenda Summary.pdf](#)
[Presentation.pdf](#)
[Ruby Property nomination.pdf](#)
[Ruby property score sheet.pdf](#)
[GSAB Ruby Vicinity map 4-15.pdf](#)
[Proposed GS Motion for 1380 Ruby Ave.pdf](#)
[GSAB Resolution 062315.pdf](#)
[081015 Resolution.pdf](#)
[Resolution \(Draft\).pdf](#)

John Staran, City Attorney, stated that Council is aware of the property at 1380 Ruby Avenue as it has been on at least one Council agenda and discussions have been held for the better part of a year in open sessions as well as closed sessions. He noted that the Administration was given direction by Council to proceed with the property owner. City Council is being asked to approve the acquisition of this property to add to the inventory of Green Space properties utilizing Green Space funds. He mentioned that Joan Trevaskis was in attendance representing the property owner. He stated that the Administration has had good discussions over time, and most recently tentatively negotiated terms of price to acquire the entire 9.48 acre parcel for the purchase price of \$385,000.

He explained that this would be a cash deal with the usual tax prorations, with the City responsible for the document preparation and any closing fees. He commented that it is his opinion that the agreement presented has no frills or anything out of the ordinary, and the price comes within the parameters that Council had set.

He mentioned that he shared information earlier today with Council concerning the environmental condition of the property. He noted that the City reviewed the property last year with ASTI Environmental, the City's Environmental Consultant; and he stated that the report came out relatively clean. He commented that environmental consultants typically never present a report that a property is entirely clean; however, the reports will note if something is wrong. He stated that nothing is out of the ordinary on the property.

He stated that an inspection of the house rendered minor asbestos issues which will take a little extra handling in the demolition process. An underground and an above-ground storage tank show no evidence of leakage or contamination. He noted that these tanks will be removed or filled; whatever is the appropriate method with the demolition contractor.

He pointed out that the owner's representative has stated that they are having their legal counsel review the agreement as well; and should Council find the agreement acceptable today, it is hoped that the deal could be closed next week before the end of the year yielding an advantage for the City.

Council Discussion:

Dr. Bowyer expressed her appreciation that the Administration was able to negotiate for the entire 9.48 acres. She stated that this is a great piece of Green Space property that has woodlands, wetlands, and habitat for animals. She noted that there is a savings to the City to complete the purchase before the end of the year.

Joe Snyder, Chief Financial Officer, stated that City Council adopted the 4th Quarter Budget Amendments at the last Regular meeting, and he noted that this item was not included in the budget. He commented that if the purchase is completed before the end of the year, the Green Space Fund will be over budget for the year. He noted that while the repercussions are not anything severe, it will be noted in the Auditor's report and reported to the State. The State will most likely send a communication requesting corrective action. He commented that Council should be aware that there is nothing that could be done to avoid this.

Mr. Staran concurred, noting that to amend the budget to include the transaction, another Public Hearing would have to be held with a 14-day advance notice, which is not possible.

President Tisdell commented that if funds are not spent this year, they would be spent next year.

Mr. Snyder stated that there are tax implications if the deal is completed in January of 2017 versus December of this year. He commented that while it causes the fund to be over budget, it is to the City's advantage. He stated that this is nothing that cannot be rectified to the State, as it can be explained.

Mr. Hetrick pointed out that the Green Space Fund contains \$1.4 million, more than enough to cover the purchase.

Mr. Snyder commented when the City purchases a parcel, the funding is not included in the budget prior to negotiations for that particular parcel of land. He stated that typically negotiations are undertaken and the funding is placed into the budget; however, due to the timing, this cannot be done for this parcel.

Mr. Hetrick expressed his thanks to Mr. Staran for providing an update to Council including information on the Environmental Assessment. He noted that having this information gives him comfort that not only the Green Space property, but the house that comes with it will be acceptable.

A motion was made by Bowyer, seconded by Kubicina, that this matter be Adopted by Resolution. The motion carried by the following vote:

Aye 5 - Bowyer, Brown, Hetrick, Kubicina and Tisdel

Nay 1 - Morita

Absent 1 - Wiggins

Enactment No: RES0333-2016

Resolved, that the Rochester Hills City Council approves the Purchase Agreement for the purchase of the 9.48 acre parcel of land at 1380 Ruby, located north of South Blvd. and west of Livernois, Parcel #15-33-401-005.

Be It Further Resolved, that the Mayor is authorized to undertake such actions and to execute and deliver, on the City's behalf, such additional documents that are necessary and appropriate to consummate this transaction.

ANY OTHER BUSINESS

None.

ADJOURNMENT

There being no further business before Council, President Tisdel adjourned the meeting at 4:12 p.m.

*MARK A. TISDEL, President
Rochester Hills City Council*

*TINA BARTON, MMC, Clerk
City of Rochester Hills*

*MARY JO PACHLA, CMMC
Administrative Secretary
City Clerk's Office*

Approved as presented at the (insert date, or dates) Regular City Council Meeting.