



**City of Rochester Hills  
AGENDA SUMMARY  
NON-FINANCIAL ITEMS**

**1000 Rochester Hills Dr.  
Rochester Hills, MI 48309  
248.656.4630  
[www.rochesterhills.org](http://www.rochesterhills.org)**

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**Legislative File No: 2006-0776**

**TO:** Mayor and City Council Members  
**FROM:** Ed Anzek, Planning & Development Department, ext. 2572  
**DATE:** October 23, 2006  
**SUBJECT:** Approval of Project Plan for Oakland Steiner School

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**REQUEST:**

To approve the Project Plan for Oakland Steiner School as prepared by the Economic Development Corporation of the County of Oakland for the issuance of a tax-exempt variable rate bond.

**BACKGROUND:**

Oakland Steiner School purchased the Stiles School from the Avondale School District on August 31, 2006 for \$1,800,000. Supporters of the school provided the down payment of \$360,000 and the remainder was financed through a \$1,440,000 bridge loan from Fifth Third Bank. The bank has since issued a letter of credit for \$1,500,000, which also is the amount of the bond.

Oakland Steiner School chose to proceed with an application for bonds through Oakland County's EDC rather than through the Rochester Hills Economic Development Corp. The Economic Development Corporations Act, Public Act 338 of 1974, as amended, requires that the local municipality approve the project plan, which was prepared by Oakland County's EDC. A representative of Oakland County will appear at the Council meeting to answer questions.

The project is an existing building and property known as the Stiles School, located on the northwest corner of Livernois and South Boulevard. The overall site is 7.15 acres. The school was originally constructed in 1929 and has been expanded as recently as 1967. The building contains 34,222 square feet and also has a partial basement. The school is surrounded by residential development constructed in the 1970's and 1980's. The property consists of three parcels, identified as 15-33-476-014, 15-33-476-026 and 15-33-476-027.

Prior to acquiring the property, Oakland Steiner School was leasing the facility and grounds. It employs 38 people and intends to continue its use of the property as a school. The property is zoned R-4 Residential and is currently identified as "Other Public" in the existing Master Plan. Residential zoning does allow private schools as a principal permitted use.

In addition to the Resolution approving the project plan, Council must also approve a resolution that waives the jurisdiction of the Rochester Hills Economic Development Corp. Act 338 of the Michigan Public Acts of 1974, as amended ("EDC Act"), requires a waiver of jurisdiction by the governing body of any municipality in which a project to be financed under the EDC Act is located if that municipality has an economic development corporation and the financing is to be undertaken by a different economic development corporation.

**RECOMMENDATION:**

Approve the Project Plan for the following reasons:

1. It is consistent with the purposes of Public Act 338 of 1974, as amended
2. The project retains an existing private school and retains 38 jobs
3. The Project Plan is reasonable and the financing sufficient to fund the project
4. The Oakland County's EDC has prepared and approved its Project Plan

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**RESOLUTION**

**NEXT AGENDA ITEM**

**RETURN TO AGENDA**

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<b>APPROVALS:</b>	<b>SIGNATURE</b>	<b>DATE</b>
<b>Department Review</b>		
<b>Department Director</b>		
<b>Mayor</b>		
<b>City Council Liaison</b>		