



City of Rochester Hills
AGENDA SUMMARY
NON-FINANCIAL ITEMS

1000 Rochester Hills Dr.
Rochester Hills, MI 48309
248.656.4630
www.rochesterhills.org

Legislative File No: 2016-0268

TO: Mayor and City Council Members
FROM: Ron Jewell, RARA Executive Director
DATE: July 7, 2016
SUBJECT: Request for Approval of Purchase and Property Development

REQUEST:

City Council is requested to review the attached documents pertaining to RARA's intent to purchase property located at 480 E. Second Street, Rochester, MI 48307

BACKGROUND:

In May of 2012, the Rochester Avon Recreation Authority requested City Council's approval to use part of RARA's fund balance to relocate its Administrative and service headquarters to a new venue. After City Council's concurrence, RARA was able to acquire a 36,000 square foot building and build out for recreational purposes. As of September 2015, RARA's 36,000 square foot headquarters is 100 percent built out.

In January of 2016, RARA was notified that the building located directly to the west at 480 E. Second Street is becoming available. The RARA Board & Administration has negotiated terms and conditions that have been agreed upon in a letter of intent with the property owner, who is the same owner that the Authority acquired its current headquarters through. The current land contract would be modified to include the neighboring building in cooperation with both City attorneys.

RECOMMENDATION:

That City Council approve RARA's utilization of a portion of their \$433,000.00 unrestricted fund balance (as of year-end FY 2015) for the purchase and/or development of the building and property located at 480 E. Second Street, Rochester, Michigan 48307.