



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

1000 Rochester Hills Dr.
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Legislative File No: 2021-0213

TO: Mayor and City Council Members

FROM: Sara Roediger, Planning & Economic Development Director

DATE: June 7, 2021

SUBJECT: Purchase Agreement for 2971 and 2975 Eastern Ave., Parcel Nos. 15-36-226-006 and -049, located south of Auburn Rd.

REQUEST:

City Council is asked to consider for approval a proposed purchase agreement to purchase 0.45 acre parcels of land, 2971 and 2975 Eastern Ave., parcel #15-36-226-006 and -049, located on the east side of Eastern Ave. south of Auburn Rd.

BACKGROUND:

As part of the Auburn Road project City staff is recommending the purchase of the 0.45 acre parcels located immediately south of the alley that runs along the southern side of Auburn Road to serve as additional public parking for the corridor. The City Administration's offer of \$150,000 has been accepted and a purchase agreement has been entered into, contingent on City Council's approval – to purchase the 0.45 acre parcels. The purchase price is supported by the City Assessor's market analysis. Terms of sale will be standard terms, cash deal, proration of property taxes, environmental due diligence, and City will be responsible for closing costs and document preparation.

BUDGET AND STAFF IMPACT:

The purchase price of \$150,000 plus the share of taxes and closing costs for both parcels (estimated at \$20,000) will be paid from the Facilities Fund (631).

If approved by City Council, funding will be contributed from the Capital Improvement Fund (420) to the Facilities Fund (631) to offset the purchase price of the parcels as well all taxes and closing costs. Fiscal shall prepare the necessary 2nd Quarter Budget Amendments.

Fund Name	Department Account No	Account No. Description	Budget Amount	Cost	Remaining Budget
Facilities Fund	631.971000	Land	\$0	\$170,000	(\$170,000)
TOTAL			\$0	\$170,000	(\$170,000)

RECOMMENDATION:

We recommend that if City Council is satisfied with the purchase agreement, that the Council approve the agreement and authorize the Mayor to undertake such actions and to execute and deliver any necessary and appropriate documents to consummate this transaction.

APPROVALS:	SIGNATURE	DATE
Department Review		
Department Director		
Budget Content: Chief Financial Officer		
Purchasing Process: Supervisor of Procurement		
Mayor		
Deputy Clerk		

Contract Reviewed by City Attorney Yes N/A