

May 7, 2012

Rochester City Council
400 6th Street
Rochester, MI 48307

Rochester Hills City Council
1000 Rochester Hills Drive
Rochester Hills, MI 48309

Re: Request for purchase & property development

Dear Rochester City Council and Rochester Hills City Council,

On January 9th & January 23rd, 2012 RARA presented to the City Councils its plan to relocate its administrative and service headquarters to a new venue. One that would allow RARA the opportunity to grow its programs in both size and scope. For over a decade the RARA Board has had this idea in mind. As part of this process, RARA has been diligently allocating funds to a specific building fund within its budget for when the time arises. The RARA Board feels the time is now and the location has been defined.

Over the last 4 months RARA has looked at multiple properties, within the Cities it provides services to, which will provide RARA the space needed to meet our long term programming goals and a place to expand an already impressive list of recreational opportunities for the citizens that RARA proudly serves.

The RARA Board has met at its regularly scheduled meetings along with multiple special meetings to narrow down to a specific building. After careful thought and consideration the RARA Board has a building in mind to serve as its future home and be a community center to our residents.

An appraisal has been performed for the property and the building supports the purchase price. The RARA Board has negotiated terms and conditions that have been agreed upon in a letter of intent with the property owner. The letter of intent has been developed in cooperation with both City Attorneys. Within the attached packet is a Facility Planning Report that shows how the facility meets RARA's program and administrative needs, along with a proposed timeline and budget for the renovation.

RARA's new headquarters would give its program staff an opportunity the RARA Board has been planning for over 10 years, a place to grow. A recreational facility that will allow for current programs to thrive along with adequate space for new program offerings and a venue that allows for safe and adequate parking. This venue is an opportunity for RARA to invest in its future, by eliminating rent and tax payments of approximately \$130,000 per year. The residents we serve will have a recreational center they can finally call their own.

The RARA Board respectfully asks this Council for a Resolution to approve an allocation of the RARA fund balance for the purchase of and development of the building and property located at 500 E. Second Street, Rochester MI 48307.

The requested allocation is for \$500,000 in the form of down a payment on a 10 year land contract with the remaining balance to be used in the future for development of the building.

Your favorable consideration of this request is greatly appreciated.

Respectfully submitted,



Ronald Jewell
Executive Director
Rochester Avon Recreation Authority