



City of Rochester Hills
AGENDA SUMMARY
FINANCIAL ITEMS

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Legislative File No: 2024-0482

TO: Mayor and City Council Members

FROM: Ken Elwert, Director Parks & Natural Resources

DATE: October 21, 2024

SUBJECT: Cloverport Park - Clinton River Buffer Acquisition (694 S. Rochester Rd.) Michigan Natural Resources Trust Fund Acquisition Project Agreement Authority to Sign

REQUEST:

The Parks & Natural Resources Department requests that City Council accept the terms of the Michigan Natural Resources Trust Fund Acquisition Grant TF23-0003 between the City of Rochester Hills and the Michigan Department of Natural Resources (MDNR) for the acquisition of 694 S. Rochester Road with receipt of grant funds in the amount of \$1,328,000.00, as well as support for the requested City's 51% financial match in the amount of \$1,425,000.00 and further authorizes the Mayor to execute the agreement on behalf of the City.

REASON FOR PURCHASE:

On March 20, 2023, City Council gave support to the Parks & Natural Resources Department in the submittal of a grant application to the Michigan Department of Natural Resources (MDNR) through their Trust Fund Grant Program for the acquisition of 694 S. Rochester Road as well as support for the requested 51% financial match. The application was submitted and resulted in the MDNR offering Acquisition Project Agreement TF23-0003.

The Project Agreement has been reviewed by the City Attorney. One of the goals of the City of Rochester Hills Parks and Recreation Master Plan includes the acquisition of high-quality green space. Also, additional trail connections are one of Rochester Hills residents' high priority requests from the Parks and Recreation Master Plan.

This acquisition is for 9.38 acres by the City of Rochester Hills to expand public green space and provide a high visibility trail hub. The property of interest consists of forests and sensitive steep slopes that are located directly adjacent to an existing 12.7 acres of City Green Space bordering the Clinton River. The combination of mature trees, topography, and surrounding green space provides scenic views and valuable passive recreational opportunities. The parcel ultimately makes a crucial connection for the public between a high-traffic road in the region and an existing natural corridor that links to the Clinton River Trail. This property is one of few remaining undeveloped parcels with Rochester Road frontage and has pedestrian connections to both Rochester Hills and downtown Rochester. This would be a fee simple purchase that will buffer and secure steep slopes, wetlands, woodlands, greenway connectivity, and achieve goals identified in our Parks Master Plan. Note that this agreement requires the City to keep this property for the sole purpose of outdoor recreation in perpetuity.

If the Project Agreement is approved, the next step will be to bring the request in November to Council for purchasing the property.

PROCESS:

Vendor Name and Address:

Michigan Department of Natural Resources – Grants Management
Lansing, Michigan

Reason for Selection:

Granting Authority

Method of Purchase:

Project Agreement

BUDGET:

This project has been discussed and planned for by various departments of City staff, but currently neither this MDNR Grant nor the parcel purchase are included in the FY 2024 Adopted Budget.

If this MDNR Grant is approved by City Council, and the if parcel purchase is approved at the upcoming November 11, 2024 City Council meeting, the Fiscal Division will present a FY 2024 4th Quarter Budget Amendment to recognize the full +\$1,328,000 in MDNR Grant revenue, as well as the final negotiated purchase price of the 694 S. Rochester Road parcel currently estimated at (\$2,753,000). Funding for the City Share of the parcel purchase currently estimated at \$1,425,000 will be drawn from the (420) Capital Improvement Fund Balance and transferred-out to the (631) Facilities Fund for the purchase.

Fund Name	Department Account No	Account No. Description	Budget Amount	Revenue / (Cost)	Remaining Budget
Facilities Fund	631.515000	Revenue / Grant	\$0	+\$1,328,000	+\$1,328,000
Facilities Fund	631.971000	Expense / Land	\$0	(\$2,753,000)	(\$2,753,000)
		Total Net	\$0	(\$1,425,000)	(\$1,425,000)

RECOMMENDATION:

The Parks & Natural Resources Department recommends that City Council accept the terms of the Michigan Natural Resources Trust Fund Acquisition Grant TF23-0003 between the City of Rochester Hills and the Michigan Department of Natural Resources (MDNR) for the acquisition of 694 S. Rochester Road with receipt of grant funds in the amount of \$1,328,000.00, as well as support for the requested City's 51% financial match in the amount of \$1,425,000.00 and further authorizes the Mayor to execute the agreement on behalf of the City.

APPROVALS:	SIGNATURE	DATE
Department Review		
Department Director		
Budget Content: Chief Financial Officer		
Purchasing Process: Procurement Manager		
Mayor		
City Clerk		

Contract Reviewed by City Attorney Yes N/A

Document3