



City of Rochester Hills
AGENDA SUMMARY
FINANCIAL ITEMS

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www.rochesterhills.org

Legislative File No: 2023-0111

TO: Mayor and City Council Members

FROM: Ken Elwert, CPRE, Director Parks and Natural Resources

DATE: March 20, 2023

SUBJECT: Request for Support of Grant Application for 694 S. Rochester Road and Matching Funds

REQUEST:

We are requesting that the Rochester Hills City Council approve submission of a grant application to the State of Michigan Department of Natural Resources (MDNR) Trust Fund and \$1,425,000 as a match for acquisition of 694 S. Rochester Road. Note that submission of the grant requires a minimum 25% commitment of matching funds by the governing body prior to submission. We are proposing a 51% match in the amount of \$1,425,000 to achieve maximum possible score in the competitive grant process. Total estimated project cost is \$2,753,000. Appraisal was obtained July 22, 2022. Total requested grant from the LWCF is \$1,328,000. Application deadline is April 1, 2023.

REASON FOR PURCHASE:

This proposal is for the acquisition of 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.

Intent of the project is to be developed into a trailhead and parking lot, with the possibility of a small shelter for picnicking and supporting items such as trash barrels. Our partnership with Rochester University will allow us to create a trail connection to the Clinton River Trail through Lake Norcentra Park at the University. In addition, by creating a parking lot on Rochester Road this property will allow fishermen to access the Clinton River through the already owned Cloverport Green Space. Most development will occur near Rochester Road, to both be in a very high visibility area for the prevention of vandalism and also to minimize impact on the steep slopes and limit disturbance of natural drainage patterns.

PROCESS:

If our grant request is accepted, we will be notified by the MDNR in the winter of 2023/2024. A project agreement will then be prepared by the MDNR and will be presented to City Council for approval. Once the project agreement is signed by both parties the acquisition process can begin.

BUDGET:

Currently, there are no funds included in the Adopted FY 2023 or Projected FY 2024-2025 Budgets for this parcel purchase.

If (Step #1) the Grant Application is approved by City Council, and then if (Step #2) the Grant Application is approved by the MDNR in the winter of 2023-2024, and then if (Step #3) the City can successfully negotiate a final purchase price with the seller, and then if (Step #4) that final purchase price is approved by City Council; the Fiscal Division will bring forth the following approximate Budget Amendment (likely 2nd-3rd Quarter of 2024).

Fund Name	Department Account No	Account No. Description	Budget Amount	Cost	Remaining Budget
Facilities Fund	631.699420	Revenue: Transfer-In: CIF	\$0	\$1,425,000	+\$1,425,000
Facilities Fund	631.515000	Revenue: Grant Revenue	\$0	\$1,328,000	+\$1,328,000
Facilities Fund	631.971000	Expense: Land	\$0	(\$2,753,000)	(\$2,753,000)

It is proposed the City Share be drawn from the Capital Improvement Fund via a Transfer-In to the Facilities Fund for the parcel purchase.

RECOMMENDATION:

We are requesting that the Rochester Hills City Council approve submission of a grant application to the State of Michigan Department of Natural Resources Trust Fund for the acquisition of 694 S. Rochester Road. Submission of the grant requires a minimum 25% commitment of matching funds by the governing body prior to submission. We are proposing a 51% match in the amount of \$1,425,000 to achieve maximum possible score in the competitive grant process. The grant amount requested is \$1,328,000 of the total estimated cost of \$2,753,000. Appraisal was obtained July 22, 2022. Application deadline is April 1, 2023.

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