

COUNCIL REPORT

July 19, 2011

TO: John Szerlag, City Manager

FROM: Mark Miller, Director of Economic and Community Development
Steven J. Vandette, City Engineer

SUBJECT: Transit Center Status Report

Since Birmingham's withdrawal from the Transit Center last April we have been working with the Federal Rail Administration (FRA) on revising the site plan and Environmental Assessment (EA) to encompass only the improvements on the Troy side. The revised site plan relocates the train platform from Birmingham to the Troy side and replaces the tunnel under the tracks with steps and an ADA compliant ramp to the platform from the transit center building. The layout of the balance of the site including the building location, parking, drop off and bus stop configurations were unchanged. All improvements on the Birmingham side were eliminated.

Relocation of the platform to the Troy side requires that we negotiate a commitment from Canadian National (CN) railroad to allow the necessary track improvements to switch the AMTRAK train from the west track to the east track. This commitment has been secured, thus allowing the FRA to proceed with their review of the revised EA.

FRA is currently finalizing their review of the EA and we expect their approval shortly. Once approved, a draft funding agreement, similar to those council has seen for federally funded road projects such as Rochester Road, will be provided by MDOT for city review. The funding agreement will set forth the estimated cost of the Transit Center and other terms of the federal grant. Grant funding continues to be sufficient to cover the estimated cost of the Transit Center, from final design through construction and completion of all improvements.

Concurrent with city review and approval of the grant funding agreement, Request for Proposal documents will be finalized and made ready for solicitation of proposals for Design Engineers to prepare final plans and specifications and a Construction Manager at Risk who will be responsible for the construction of the Transit Center.

In accordance with the council's site plan approval resolution, a one day design workshop with the Troy Planning Commission will be conducted to discuss and incorporate design enhancements into the plans for improved aesthetics and functionality of the project after the EA has been approved and funding agreements executed.

Finally, as previously communicated to Council by City Attorney Lori Bluhm (memo attached), Grand Sakwa's request for reversion of the transit center property was denied by Oakland County Circuit Court Judge Rae Lee Chabot. Grand Sakwa has appealed this decision.

Please let me know if you have any questions or need any additional information.



Memorandum

To: Members of the Troy City Council
From: Lori Grigg Bluhm *LGB*
Date: June 1, 2011
Subject: Grand Sakwa v. City of Troy

Enclosed please find a copy of the order of Oakland County Circuit Court Judge Rae Lee Chabot, denying Grand Sawka's request for a reversion of the transit center property. The transit center property, located behind the Midtown Shopping Center at Maple and Coolidge, was deeded to the City as part of a consent judgment, allowing for a highly intense commercial and residential development on a 77 acre parcel of property that was previously zoned industrial.

The consent judgment required the transportation center to be "funded" on or before June 2, 2010. If this condition was not satisfied, then the property would revert to Grand Sakwa. Shortly after the June 2, 2010 date, Grand Sakwa filed this action, seeking a Court ordered reversion of the property.

Grand Sakwa unsuccessfully argued that the transit center was not funded by June 2, 2010. The City countered by relying on the City's budgetary allocations since 2006, and also the federal funding, where 8.4 million dollars was awarded under the American Recovery Reinvestment Recovery Act of 2009-High Speed Intercity Passenger Rail Program (HSIPR) and 1.3 million dollars was appropriated in the December 16, 2009 Transportation, Housing and Urban Development Appropriations Act, Bus and Bus Facility Program. The City also argued that the language of the consent judgment did not require "full funding" or "irrevocable funding" or preclude the use of a reimbursable grant in satisfaction of the terms of the judgment.

Grand Sakwa has indicated that it plans to appeal Judge Chabot's decision. I will keep you advised of the status of this matter.

STATE OF MICHIGAN
IN THE CIRCUIT COURT FOR THE COUNTY OF OAKLAND

GRAND/SAKWA PROPERTIES, INC. a
Michigan corporation,

Plaintiff,

Case No. 99-012144-CH

vs.

Hon. Rae Lee Chabot

CITY OF TROY, a Michigan Municipal
corporation,

Defendant.

ALAN M. GREENE (P31984)
STEPHEN R. ESTEY (P53262)
Dykema Gossett PLLC
Attorneys for Plaintiff
39577 Woodward Ave., Suite 300
Bloomfield Hills, MI 48304
(248) 207-0700

LORI GRIGG BLUHM (P46908)
Attorney for Defendant
500 W. Big Beaver Road
Troy, MI 48084
(248) 524-3320

FINAL JUDGMENT AND ORDER
REGARDING CLAIM TO ENFORCE REVERSION OF DEED

At a session of said Court held at 1200 Telegraph Road, Pontiac,
MI, on : MAY 31 2011
PRESENT: RAE LEE CHABOT

This Court, having considered Plaintiff's Motion for Summary Disposition to Enforce Reversion of Deed Pursuant to First Amended and Restated Consent Judgment and for other Relief, and Defendant's response thereto; and being otherwise informed in the premises;

IT IS HEREBY ORDERED, DECLARED AND ADJUDGED that Plaintiff's Motion is denied for the reasons set forth by the Court on the record of the hearing held on May 25, 2011, and judgment is entered in favor of Defendant with respect to the property at issue in this case.

IT IS FURTHER ORDERED that this Final Judgment and Order resolves the last pending claim and closes the case.

Dated: MAY 31 2011

/s/ Rae Lee Chabot

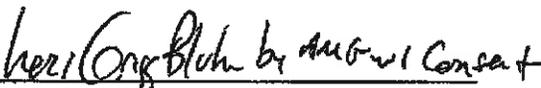
Hon. Rae Lee Chabot

JK

Stipulated and agreed for entry as to form only:

By: 

Alan M. Greene (P31984)
Dykema Gossett PLLC
Attorneys for Plaintiff
39577 Woodward Ave., Suite 300
Bloomfield Hills, MI 48304
(248) 203-700

By: 

Lori Grigg Bluhm (P46908)
Attorney for Defendant
500 W. Big Beaver Road
Troy, MI 48084
(248) 524-3320

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