

April 27, 2006

TO: John M. Lamerato, Acting City Manager

FROM: Douglas J. Smith, Real Estate & Development Director 

SUBJECT: AGENDA ITEM – Request for Approval of Purchase Agreement, Kensington Community Church, 1825 East Square Lake Road – Sidwell #88-20-02-427-029, Project No. 02.204.5 – Parcel 27 – Square Lake/John R CMAQ Project

As part of the proposed John R/Square Lake CMAQ Project, the Real Estate & Development Department has reached an agreement with Kensington Community Church to purchase right-of-way. The property is zoned R-1D and the compensation is for 25,715 square feet of land.

An appraisal was prepared by Patricia A. Petitto, State Licensed Appraiser and reviewed by Kimberly Harper, Deputy Assessor and State Licensed Appraiser. Staff believes that \$77,500, the compensation agreed upon, is a justifiable value for this acquisition.

In order for the City to proceed with the acquisition of this right-of-way, staff requests that City Council approve the attached Purchase Agreement with Kensington Community Church in the amount of \$77,500, plus closing costs. Funds will come from the John R Improvements, Square Lake to South Boulevard project.

CITY OF TROY
AGREEMENT TO PURCHASE REALTY
FOR PUBLIC PURPOSES

The CITY OF TROY (the "Buyer"), agrees to purchase from Kensington Community Church, an Ecclesiastical Corporation (the "Seller"), the following described premises (the "Property"):

SEE ATTACHED EXHIBIT "A"

for a public project within the City of Troy and to pay the sum of Seventy-Seven Thousand, Five Hundred and no/100 Dollars (\$77,500) under the following terms and conditions:

1. Seller shall assist Buyer in obtaining all releases necessary to remove all encumbrances from the property so as to vest a marketable title in Buyer.
2. Seller shall pay all taxes, prorated to the date of closing, including all special assessments, now due or which may become a lien on the property prior to the conveyance.
3. Seller shall deliver the Warranty Deed upon payment of the purchase money by check drawn upon the account of the City of Troy.
4. Buyer shall, at its own expense, provide title insurance information, and the Seller shall disclose any encumbrances against the property.
5. This Agreement is binding upon the parties and closing shall occur within ninety (90) days of the date that all liens have been released and encumbrances have been extinguished to the satisfaction of the Buyer, unless extended by agreement of the parties in writing. It is further understood and agreed that this period of time is for the preparation and authorization of purchase money.
6. Buyer shall notify the Seller immediately of any deficiencies encumbering marketable title, and Seller shall then proceed to remove the deficiencies. If the Seller fails to remove the deficiencies in marketable title to Buyer's approval, the Buyer shall have the option of proceeding under the terms of this Agreement to take title in a deficient condition or to render the Agreement null and void, and any deposit tendered to the Seller shall be returned immediately to the Buyer upon demand.

7. The City of Troy's sum paid for the property being acquired represents the property being free of all environmental contamination. Although the City of Troy will not withhold or place in escrow any portion of this sum, the City reserves its rights to bring Federal and/or State and/or local cost recovery actions against the present owners and any other potentially responsible parties, arising out of a release of hazardous substances at the property.

8. Seller acknowledges that this offer to purchase is subject to final approval by Troy City Council.

9. Seller grants to Buyer temporary possession and use of the property commencing on this date and continuing to the date of closing in order that the Buyer may proceed with the public project.

10. Additional conditions, if any:

SELLER HEREBY ACKNOWLEDGES THAT NO PROMISES WERE MADE EXCEPT AS CONTAINED IN THIS AGREEMENT.

IN WITNESS WHEREOF, the undersigned hereunto affixed their signatures this 24TH day of APRIL, A.D. 2006 .

In presence of:

Patricia Holland
Shen Green

CITY OF TROY (BUYER)

Patricia A. Pettit

SELLER:

x Alfred J. Smith
CEO, SENIOR PASTOR
Arnell P. Nicholas
DIRECTOR OF OPERATIONS & FINANCE

EXHIBIT "A"

Section 2, John R Widening Project

Parcel: 88-20-02-427-029

Parcel #27

PARENT PARCEL #27 DESCRIPTION:

T2N, R11E, SEC 2, CITY OF TROY, OAKLAND COUNTY, MICHIGAN, DESCRIBED AS PART OF THE SOUTHEAST 1/4 BEGINNING AT THE SOUTHEAST SECTION CORNER, THENCE N 89°53'00" W 1770.20 FT, THENCE NORTH 735.30 FT, THENCE S 89°53'00" E 437.80 FT, THENCE NORTH 388.83 FT, THENCE N 88°50'00" E 668.32 FT, THENCE S 00°06'00" W 353.70 FT, THENCE S 89°53'00" E 664.84 FT, THENCE SOUTH 785.40 FT TO BEGINNING. CONTAINING 36.72 ACRES. THE SOUTH AND EAST 33.00 FEET OF WHICH IS CURRENTLY BEING USED FOR ROADWAY PURPOSES.

PARCEL #88-20-02-427-029

REMAINDER PARCEL DESCRIPTION:

T2N, R11E, SEC 2, CITY OF TROY, OAKLAND COUNTY, MICHIGAN, DESCRIBED AS PART OF THE SOUTHEAST 1/4 BEGINNING AT A POINT DISTANT NORTH 60 FT & N 89°53'00" W 60 FT FROM THE SOUTHEAST SECTION CORNER, THENCE N 89°53'00" W 200.00 FT, THENCE SOUTH 60.00 FEET, THENCE N 89°53'00" W 1510.20 FT THENCE NORTH 735.30 FT, THENCE S 89°53'00" E 437.80 FT, THENCE NORTH 388.83 FT, THENCE N 88°50'00" E 668.32 FT, THENCE S 00°06'00" W 353.70 FT, THENCE S 89°53'00" E 604.84 FT, THENCE SOUTH 725.40 FT TO BEGINNING. CONTAINING 35.36 ACRES.

PROPOSED RIGHT OF WAY ACQUISITION:

T2N, R11E, SEC 2, CITY OF TROY, OAKLAND COUNTY, MICHIGAN, DESCRIBED AS PART OF THE SOUTHEAST 1/4 BEGINNING AT THE SOUTHEAST SECTION CORNER, THENCE N 89°53'00" W 260.00 FT, THENCE NORTH 60.00 FT, THENCE S 89°53'00" E 200.00 FT, THENCE NORTH 725.40 FT, THENCE S 89°53'00" E 60.00 FT, THENCE SOUTH 785.40 FT TO THE POINT OF BEGINNING, ALSO KNOWN AS R.O.W. PARCEL #27. CONTAINING 59,122 SQUARE FEET, 1.36 ACRES (GROSS) OR 25,715 SQUARE FEET, 0.59 ACRES (NET). THE SOUTH AND EAST 33.00 FEET OF WHICH IS CURRENTLY BEING USED FOR ROADWAY PURPOSES.

