May 26, 2006

TO: John M. Lamerato, Acting City Manager

FROM: Brian P. Murphy, Assistant City Manager/Services
Doug Smith, Real Estate and Development Director

SUBJECT: **AGENDA ITEM - SALE OF ROCHESTER ROAD REMNANT PARCEL, PARCEL# 20-22-426-057, SECTION 22, ALL OF LOT 42, AND PART OF LOTS 43, AND 45 OF SUPERVISORS PLAT # 17**

The City of Troy presently owns a parcel of land located on the southwest corner of Vanderpool Street and Rochester Road, which is a remnant left from the Rochester Road re-construction project. This parcel contains 20,070 square feet and is an unbuildable remnant parcel as presently zoned, which is B-2 Community Business. A parcel description and sketch are attached as attachment A.

The City parcel cannot be developed as a stand-alone parcel as zoned, and a re-zoning would make it a buildable parcel, although it would be a small and undesirable commercial building site. It is in combination with a rezoned adjacent parcel that a much more desirable building site is achieved.

Troy-Rochester Properties, L.L.C. would like to purchase this parcel, combine it with the abutting parcel on the west and develop a commercial project. This would require the rezoning of the abutting parcel from R-1E to B-2. This would create a B-2 zoned parcel of 41,875 square feet in size.

The City owned parcel has been appraised to have a value of $200,000.00, by a State Certified Appraiser, and reviewed by a State Licensed Appraiser. Troy-Rochester Properties, L.L.C. has submitted an Offer to Purchase this parcel, at the appraised value with the conditions that the abutting parcel on the west is rezoned to B-2 and that the City will furnish the environmental report that was done at the time the City acquired the property for the Rochester Road project.

It is recommended by City management that City Council approve the sale to Troy-Rochester Properties, L.L.C. for the appraised value according to the attached Offer to Purchase.

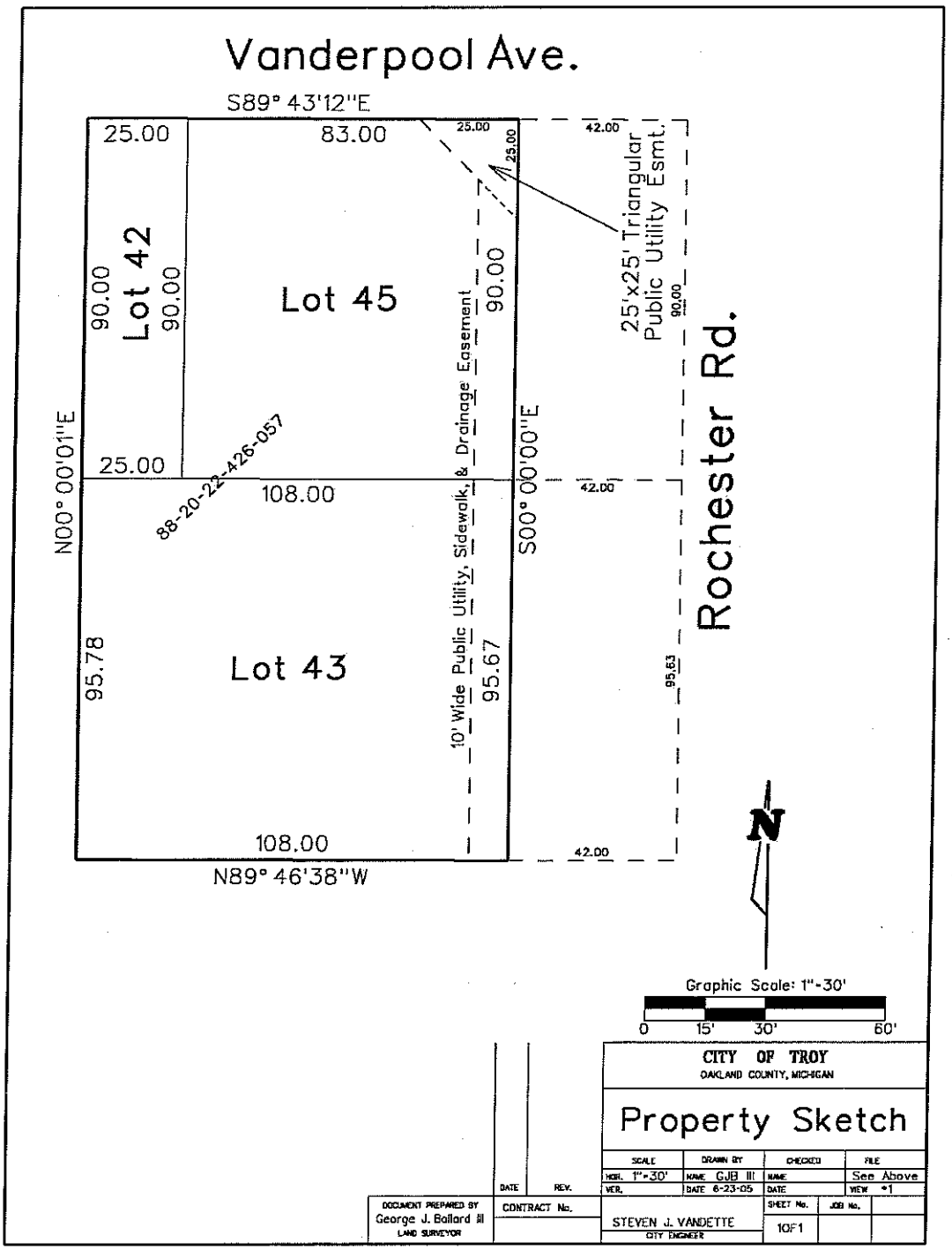
City Council Res. #85-254, which is attached, authorizes remnant parcel sales to abutting property owners, or to persons with a controlling interest in the abutting property, at appraised value when the development of the 2 combined results in a use that best serves the public interest.

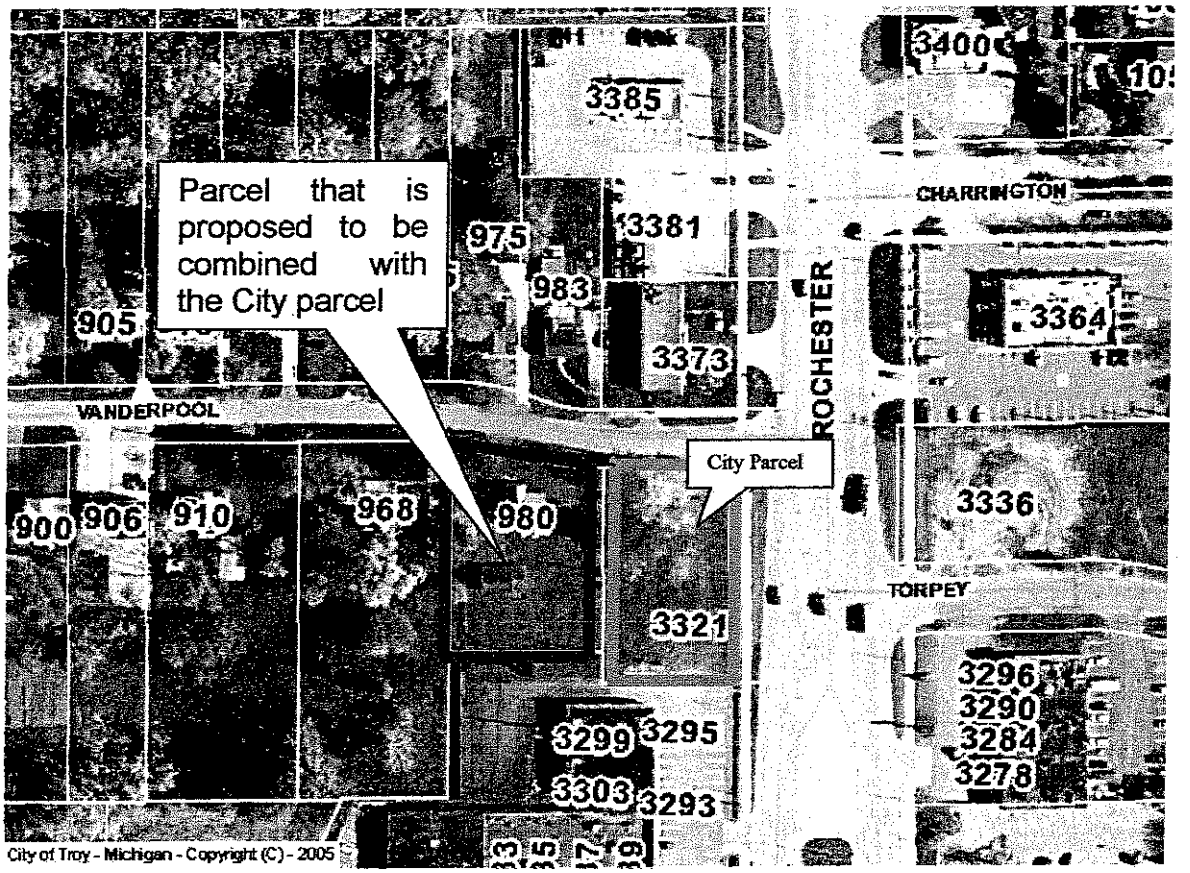
Attachments
Prepared by: Dennis C. Stephens, Right of Way Representative

ATTACHMENT "A"

Lots 42, 43 and 45 of "Supervisors Plat# 17, of part of the southeast ¼ of section 22, Township 2 North, Range 11 East, City of Troy, Oakland County, Michigan. As recorded in Liber 28, page 36, of plats, Oakland County Records. Except the east 42 feet of lots 43 and 45, also reserving an easement for sidewalk, drainage and public utilities over the west 10 feet of the east 52 feet of lots 43 and 45, including a 25 foot triangle at the northeast corner of the described parcel.
Sidwell# 88-20-22-426-057

ATTACHMENT "A"




Parcel that is proposed to be combined with the City parcel
City Parcel
3385
3381
975
983
905
3373
VANDERPOOL
900
906
910
968
980
3321
3299
3295
3303
3293
ROCHESTER
CHARRINGTON
3364
3336
TORPEY
3296
3290
3284
3278
City of Troy - Michigan - Copyright (C) - 2005

OFFER TO PURCHASE
CITY OF TROY
REAL ESTATE

1. THE UNDERSIGNED, Troy-Rochester Properties, LLC hereby offers and agrees to purchase from the City of Troy the following land situated in the City of Troy, Oakland County, Michigan, described as follows:

See Exhibit "A" Attached Hereto And By Reference Made A Part Hereof

Sidwell # 88-20-22-426-057

and to pay therefore the sum of ($200,000.00) Two Hundred ThousandDollars subject to the existing building and use restrictions, easements, zoning ordinances, and other deed restrictions and conditions as specified herein.

THE SALE TO BE CONSUMMATED BY:

The delivery of a Warranty Deed conveying a marketable title. Payment of purchase money is to be made in cash or certified check made payable to the City of Troy

2. As evidence of title, Seller agrees to furnish Purchaser as soon as possible a Commitment for Title Insurance for information purposes. Purchase of Title Insurance shall be the option of the Purchaser at Purchaser's expense.

3. When this offer is accepted by the Seller and if title can be conveyed in the condition required hereunder, the Purchaser agrees to complete the sale within 30 days after delivery of the commitment of title insurance.

4. If objection to the title is made in the Commitment for Title Insurance or based upon a written opinion of Purchaser's attorney after examination of the Abstract that the title is not in the condition required for performance hereunder, the Seller shall have 30 days from the date he is notified in writing of the particular defects claimed either (1) to fulfill the requirements in said commitment or to remedy the title defects set forth in said attorney's opinion or (2) to refund the deposit in full termination of this agreement or if unable to furnish satisfactory title. If the Seller is able to comply with such requirements or remedy such defects within the time specified as evidenced by written notification, revised commitment or endorsement to commitment, the Purchaser agrees to complete the sale within 10 days of receipt thereof. If the Seller is unable to furnish satisfactory title within the time specified, the deposit shall be refunded forthwith in full termination of this agreement.

5. Purchaser understands and agrees that although the property being conveyed may at the time of conveyance be tax exempt, and that upon acceptance of this offer to purchase the property will be placed on the tax assessor's roll.

6. The covenants herein shall bind and inure to the benefit of the heirs, executors, administrators, successors and assigns of the respective parties.

7. By the execution of this instrument the Purchaser acknowledges THAT HE HAS EXAMINED THE ABOVE DESCRIBED PREMISES and is satisfied with the physical condition of structures and/or land thereon.

8. The closing of this sale shall take place at the offices of the City of Troy unless otherwise agreed.

9. Purchaser agrees to comply with Troy City Council Resolution #85-254, a copy of which is attached, and understands that this sale is contingent upon City Council approval.

10. Deed Restrictions and Subsequent Conditions: The sale of this property is conditioned upon the following deed restrictions which shall be recorded at the time of sale and shall be binding upon the Purchaser, their heirs, executors, administrators, successors and assigns: See Attachment "A"

11 Additional Conditions:

1. Sale is contingent upon the rezoning of the adjacent property owned or controlled by purchaser to B-2, Parcel I.D. # 88-20-22-426-045, before closing.
2. City of Troy shall furnish purchaser with the Phase 1 environmental report dated 8/28/1993 prepared prior to the City's purchase of the property.

IN THE PRESENCE OF:

Purchaser
Troy-Rochester Properties, LLC, a
Michigan limited liability company

By: John Glasnak L.S.
John Glasnak
Its: Member

BURT A. KASSAB

Date 3-7-06 Phone 734-266-4101 Address 30375 Plymouth Road, #101
Livonia, Michigan 48151

IN THE PRESENCE OF:

Seller

By: L.S.

Its:

Date Phone Address 500 West Big Beaver Road
Troy, Michigan 48084

EXHIBIT "A"

Lot 42, 43,and 45 of "Supervisor's Plat No. 17", of part of the Southeast ¼ of Section 22, Township 2 North, Range 11 East, City of Troy, Oakland County, Michigan, as Recorded in Liber 28, Page 36, of Plats, Oakland County Records. Except the East 42 feet of lots 43 and 45; also reserving an Easement for Sidewalk, Drainage, and Public Utilities over the West 10 feet of the East 52 feet of Lots 43 and 45, including a 25-foot tri-angle at the Northeast corner of the described parcel.

ATTACHMENT "A"

CITY OF TROY PROPERTY SALE

DEED RESTRICTION

A. Construction shall take place only as indicated on the site plan including the number of Units, as submitted to and approved by the Building Department and Planning Department of the City of Troy and all construction shall conform to all codes of the City of Troy. Purchaser shall complete the fee purchase of other parcels, which comprise the full site, if any.

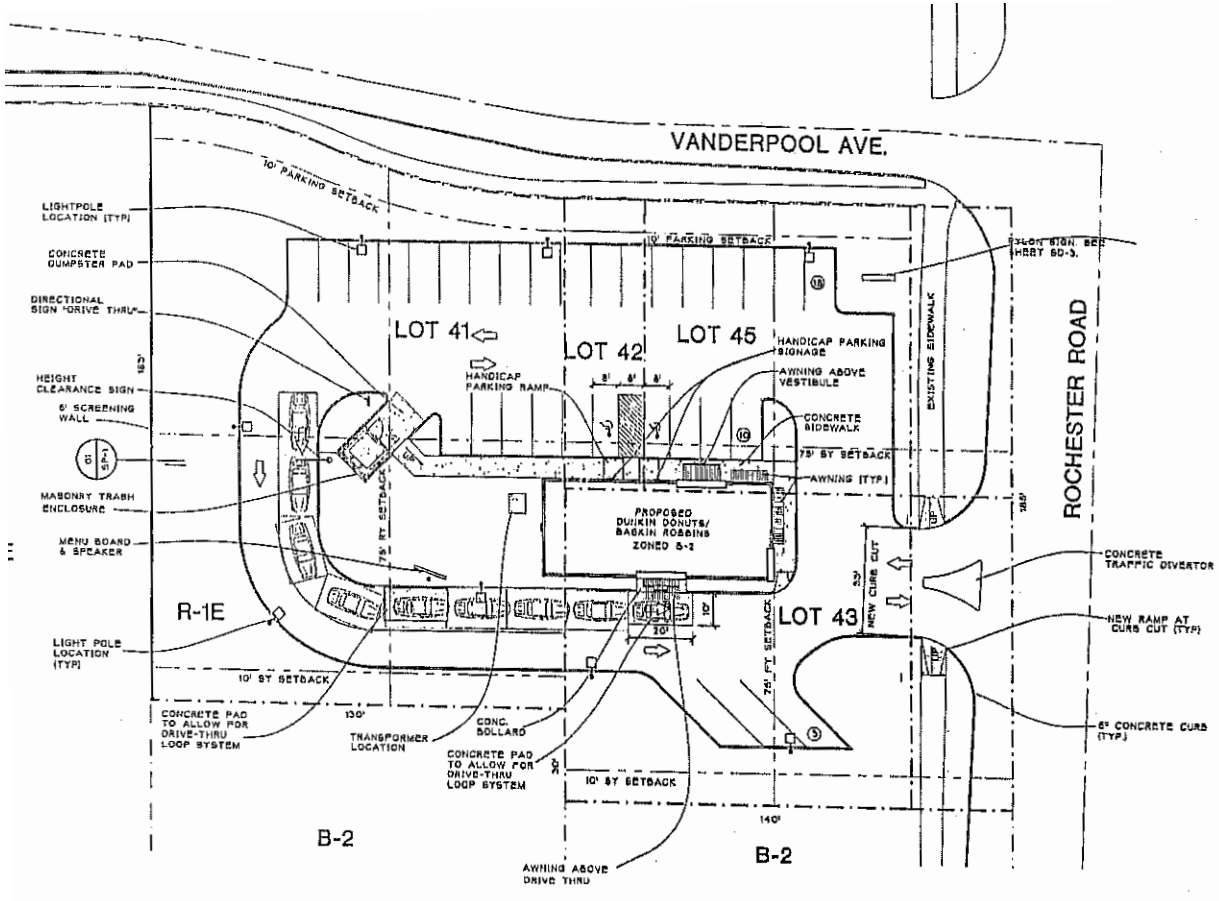
B. The purchaser shall construct or pay for the construction of any and all improvements to public facilities or private improvements as required by ordinances or design standards of the City of Troy

C. All buildings shall be constructed as indicated on the architectural rendering as submitted to and approved by the Troy Planning Department and Building Department; no other alteration, addition or deletion shall occur.

D. The Purchaser shall combine this parcel description with adjacent properties owned or controlled by Purchaser on City tax records.

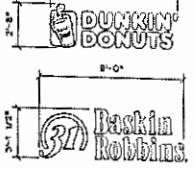
E. These deed restrictions and the full purchase agreement shall be recorded with and as part of the deed at the Oakland County Register of Deeds.

F. The Purchaser agrees upon closing this transaction that all restrictions and conditions shall bind and inure to Purchaser, heirs, executors, administrators, successors and assigns, and that they will reimburse to the City all costs incurred by the City in the future, including court and attorney fees, in order for the City to gain compliance with this agreement and the stated restrictions.



SITE PLAN

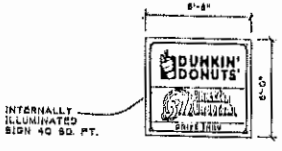
SCALE: 1"=20'-0"



BUILDING WALL SIGNAGE

SCALE: 1/4" = 1'-0"

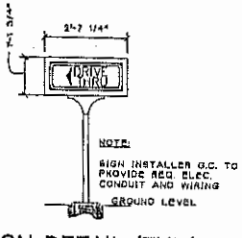
DUNKIN DONUTS SIGNAGE = 21 SQ. FT.
BASKIN ROBBINS SIGNAGE = 28 SQ. FT.
TOTAL WALL SIGNAGE = 49 SQ. FT.



BUILDING WALL SIGNAGE

SCALE: 1/4" = 1'-0"

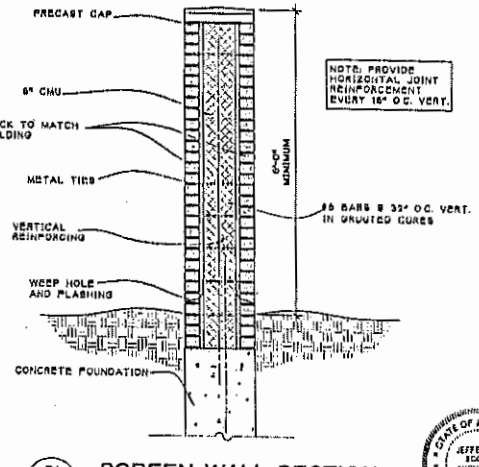
TOTAL WALL SIGNAGE= 40 SQ. FT.



SIGN DETAIL (TYP.)

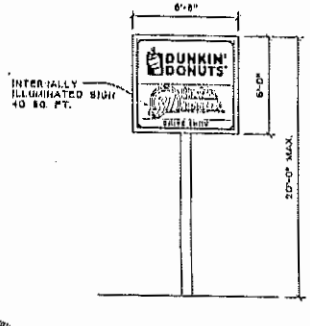
SCALE: 1/2" = 1'-0"

TOTAL SQUARE FOOTAGE = 2.98 SQ. FT.



01 SP-1 SCREEN WALL SECTION

SCALE: 3/4"=1'-0"



TYPICAL PYLON SIGN

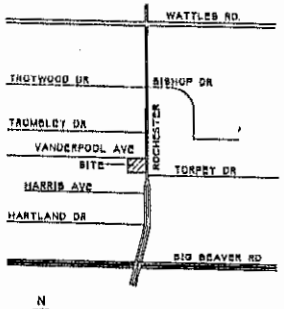
SCALE: 1/4" = 1'-0"

TOTAL SQUARE FOOTAGE = 60 SQ. FT.

AILS OF DEVELOPMENT		
	REQUIRED	PROVIDED
	B-2 COMMUNITY BUSINESS DISTRICT	
BR	75'	83'-0"
DL	75'	67'-0"
	30'	40'-0"
	75'	122'-0"
	43,560 SQ.FT.	43,093 SQ.FT
		2345 SQ.FT.
		1885 SQ.FT.
		5.75
	30'-0"	27'-4" 1 STORY
		30
FT.		300 SQ.FT.
		4
	5	9
FU	18	31
EA		
	2	2

LEGAL DESCRIPTION

LOT 42, ALSO LOT 43 AND 45 EXCEPT THE EAST 43 FEET TAKEN FOR ROAD, AND LOT 41 EXCEPT THE SOUTH 125 FEET, SUPERVISORS PLAT NO.17, CITY OF TROY, OAKLAND COUNTY, MICHIGAN.



LOCATION MAP

NO SCALE

STATE OF MICHIGAN
JEFFERY A. SCOTT
ARCHITECT
No. 30545
LICENSED ARCHITECT

RECEIVED
MAR 14 2006
PLANNING DEPT.

DUNKIN' DONUTS Baskin Robbins

jeffery a. scott architects p.c.

7		
6		
5	DATE	2/27/06
4	SCALE	VARIES
3	DRAWN	ME

SITE PLAN

ROCHESTER RD & VANDERPOOL AVE.

JSA JOB NO. 0505

SHEET NO. SP

#5

TABLED ITEMS

RESOLUTION TO ESTABLISH POLICY GOVERNING DISPOSAL (SALE) OF EXCESS RIGHT-OF-WAY

Resolution #85-254
Moved by Liebrecht
Supported by Stine

WHEREAS, the City Council of the City of Troy endeavors to attain the highest and best land use, effective growth control measures and to enhance the health, safety and welfare of the community; and

WHEREAS, Chapter 12 of the Troy City Charter requires that . . . "in all sales or purchases in excess of $3,000 (1) the sales or purchases shall be approved by the City Council, (b) sealed bids shall be obtained, except where the City Council shall determine that an emergency exists or that the public interest will be best served without obtaining sealed bids. . .";

NOW, THEREFORE, BE IT RESOLVED, That the City Council may from time to time determine that the sale of certain parcels of land will best serve the public interest; and

BE IT FURTHER RESOLVED, That the City Council of the City of Troy may determine that the public interest will best be served without obtaining sealed bids for the sale of remnant parcels which remain after required right-of-way is taken when a purchase agreement is offered to the City of Troy by a prospective buyer which:

1. Has submitted evidence of ownership or control of an assembly of adjoining land of sufficient size so as to achieve what is believed to be the best possible development as determined by the City Council after review and recommendation from the City Manager

2. Has submitted a site plan which has been drawn to sufficient detail to indicate any and all features which are governed by codes of the City of Troy, said site plan shall not include variances from any code of the City of Troy.

3. Is accompanied by a petition for rezoning, if necessary, in compliance with the Master Land Use Plan of the City of Troy or as may be determined by the City Council of the City of Troy as being the most appropriate land use; and

4. Commits the prospective buyer to a purchase price at a value established by an appraiser named by the Right-of-Way Division of the City of Troy

5. Commits the buyer to construct or pay for the construction of any and all improvements to public facilities or private improvements as required by ordinances or design standards of the City of Troy; and

6. Is accompanied by architectural renderings of all building indicated on the site plan along with a description of building materials and methods to permit evaluation of building quality;

7. Is accompanied by a draft of proposed deed restrictions which will be imposed upon the owner of the purchaser of the City-owned property, the adjoining land included in the site plan and their assigns and successors which embodies all of the aforementioned requirements and conditions; and

BE IT FINALLY RESOLVED, That the City Council retains discretionary authority to determine the applicability of this policy.

Yeas: All-7