

CITY COUNCIL ACTION REPORT

March 26, 2007

TO: Phillip L. Nelson, City Manager

FROM: Brian P. Murphy, Assistant City Manager/Economic Development Services
 Steven J. Vandette, City Engineer *SJV ugr*
 Patricia A. Petitto, Real Estate Consultant, Greenstar & Associates, LLC *PA*

SUBJECT: Request for Approval of Purchase Agreement and Acceptance of Regrading and Temporary Construction Permit, John R Road Improvements, Square Lake Road to South Boulevard – Project No. 02.204.5 – Parcel #54 – Sidwell #88-20-02-228-025 – Harjinder Bhatia

Background:

- In connection with the proposed improvements to John R Road, from Square Lake Road to South Boulevard, the Real Estate & Development Department received a Purchase Agreement and Regrading and Temporary Construction Permit from Harjinder Bhatia. This parcel is located on the west side of John R Road, between Chancery and South Boulevard in the northeast ¼ of Section 2.

Financial Considerations:

- An appraisal was prepared by Andrew Reed, State Certified Appraiser and reviewed by Kimberly Harper, Deputy Assessor and State Licensed Appraiser, and Larysa Figol, Limited Real Estate Appraiser. Staff believes that \$10,900, plus closing costs for the acquisition of the property described in the purchase agreement and \$100 for the Regrading and Temporary Construction Permit are justifiable amounts for this acquisition.
- Eighty percent of these costs will be reimbursed from Federal funds. Funds for the City of Troy's share are included in the 2006-07 Major Road fund, account number 401479.7989.022045.

Legal Considerations:

- The format and content of the purchase agreement and permit are consistent with documents previously accepted by City Council.

Policy Considerations:

- The purpose of this project is to relieve congestion, improve safety and improve the flow of traffic. (Goals I and V)

Options:

- City Management recommends that City Council approve the attached Purchase Agreement and accept the attached Regrading and Temporary Construction Permit from Harjinder Bhatia so that the City can proceed with the acquisition of this right-of-way.

PAP\MEMOS TO MAYOR & CC\Bhatia Purchase Agreement & RTCE

CITY OF TROY
AGREEMENT TO PURCHASE REALTY
FOR PUBLIC PURPOSES

The CITY OF TROY (the "Buyer"), agrees to purchase from Harjinder Bhatia (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 Ten Thousand, Nine Hundred and no/100 Dollars (\$10,900.00) 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.

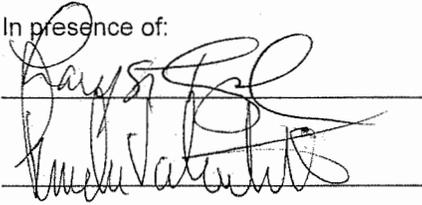
10. Additional conditions, if any: City will provide the sanitary

(HB) sewer lead in front of said property to the
60' proposed R.O.W. line.

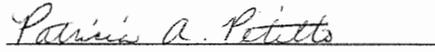
SELLER HEREBY ACKNOWLEDGES THAT NO PROMISES WERE MADE EXCEPT AS CONTAINED IN THIS AGREEMENT.

IN WITNESS WHEREOF, the undersigned hereunto affixed their signatures this 8TH day of MARCH, 2007.

In presence of:



CITY OF TROY (BUYER)



SELLER:



EXHIBIT "A"

Section 2, John R Widening Project
Parcel: 88-20-02-228-025
Parcel #54

PARENT PARCEL #54 DESCRIPTION:

T2N, R11E, SEC 2, CITY OF TROY, OAKLAND COUNTY, MICHIGAN, DESCRIBED AS PART OF EAST 1/2 OF NORTHEAST 1/4: BEGINNING AT POINT ON EAST SECTION LINE DISTANT S 01°20'40" W 367.30 FT FROM NORTHEAST SECTION CORNER, THENCE S 01°20'40" W 81 FT, THENCE S 88°39'20" W 300 FT, THENCE N 01°20'40" E 81 FT, THENCE N 88°39'20" E 300 FT TO BEGINNING, THE EAST 33 FEET OF WHICH IS CURRENTLY BEING USED FOR ROADWAY PURPOSES. CONTAINING 0.56 ACRES.

REMAINDER PARCEL DESCRIPTION:

T2N, R11E, SEC 2, CITY OF TROY, OAKLAND COUNTY, MICHIGAN, DESCRIBED AS PART OF EAST 1/2 OF NORTHEAST 1/4: BEGINNING AT POINT ON EAST SECTION LINE DISTANT S 01°20'40" W 367.30 FT & S 88°39'20" W 60 FT FROM THE NORTHEAST SECTION CORNER, THENCE S 01°20'40" W 81 FT, THENCE S 88°39'20" W 240 FT, THENCE N 01°20'40" E 81 FT, THENCE N 88°39'20" E 240 FT TO BEGINNING. CONTAINING 0.45 ACRES.

PROPOSED FEE RIGHT OF WAY ACQUISITION:

T2N, R11E, SEC 2, CITY OF TROY, OAKLAND COUNTY, MICHIGAN, DESCRIBED AS PART OF EAST 1/2 OF NORTHEAST 1/4: BEGINNING AT POINT ON EAST SECTION LINE DISTANT S 01°20'40" W 367.30 FT FROM NORTHEAST SECTION CORNER, THENCE S 01°20'40" W 81 FT, THENCE S 88°39'20" W 60.00 FT, THENCE N 01°20'40" E 81.00 FT, THENCE N 88°39'20" E 60.00 FT TO THE POINT OF BEGINNING, ALSO KNOWN AS R.O.W. PARCEL #54, THE EAST 33 FEET OF WHICH IS CURRENTLY BEING USED FOR ROADWAY PURPOSES. CONTAINING 4,860 SQUARE FEET; 0.11 ACRES (GROSS) OR 2,187 SQUARE FEET; 0.05 ACRES (NET).

REGRADING AND TEMPORARY CONSTRUCTION PERMIT

Sidwell # 88-20-02-228-025
Parcel # 54

Harjinder Bhatia, Grantor(s), whose address is 1840 Hallmark, Troy, MI 48085, for and in consideration of One Hundred and no/100 Dollars (\$100.00) paid by the CITY OF TROY, a Michigan Municipal Corporation, hereinafter called the CITY, whose address is 500 West Big Beaver Road, Troy, Michigan, hereby grants to the CITY, during the construction of and for a period of six (6) Months after completion of John R Road Improvements, from Square Lake Road to South Boulevard (City of Troy Project No. 02.204.5)*, the right to move men, equipment, and materials on and through, and to store equipment, materials, and excavated matter on the following described property, located in the City of Troy, to-wit:

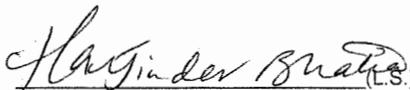
SEE ATTACHED EXHIBIT "A" FOR PARENT PARCEL LEGAL DESCRIPTION AND DESCRIPTION OF PERMIT AREA

IN FURTHER CONSIDERATION, the premises so disturbed by reason of the exercise of any of the foregoing powers, shall be reasonably restored to its original condition by the City.

*It is anticipated that construction funding will be available in the 2010 calendar year. However, if construction is delayed this document will be effective during the actual construction year(s) and for a period of six (6) Months after completion of this project.

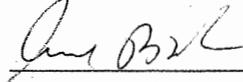
This instrument shall be binding upon and inure to the benefit of the parties hereto, their heirs, representative, successors, and assigns and the covenants contained herein shall run with the land.

IN WITNESS WHEREOF, the undersigned hereunto affixed her signatures(s) this 8th day of March, 2007.


*Harjinder Bhatia

STATE OF MICHIGAN
COUNTY OF OAKLAND

The foregoing instrument was acknowledged before me this 8th day of March 2007, by Harjinder Bhatia to me known to be the same person(s) described in and who executed the within instrument, and who then acknowledged the same to be her free act and deed.



Notary Public, Wayne County, Michigan
Acting in Macomb County, Michigan
My Commission Expires 12-02-2011

Prepared by: Patricia A. Petitto
500 West Big Beaver
Troy, MI 48084

Return to: City Clerk, City of Troy
500 West Big Beaver Road
Troy, Michigan 48084

ANNE M MELISE
Notary Public - Michigan
Wayne County
My Commission Expires Dec 2, 2011
Acting in the County of Macomb

EXHIBIT "A"

Section 2, John R Widening Project
Parcel: 88-20-02-228-025
Parcel #54

PARENT PARCEL #54 DESCRIPTION:

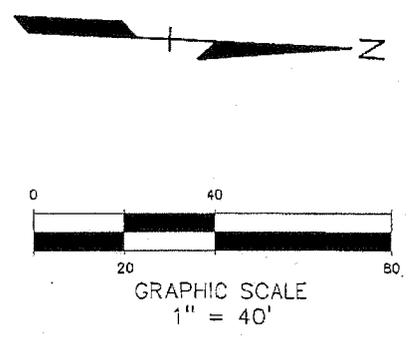
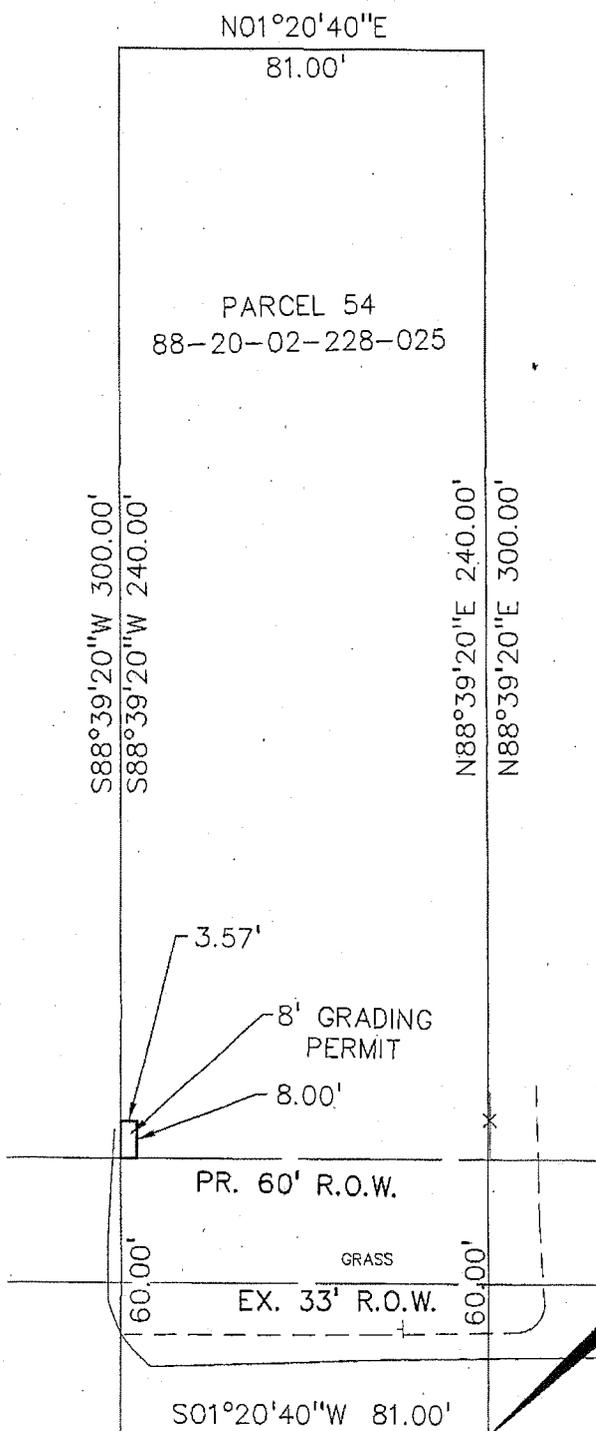
T2N, R11E, SEC 2, CITY OF TROY, OAKLAND COUNTY, MICHIGAN, DESCRIBED AS PART OF EAST 1/2 OF NORTHEAST 1/4: BEGINNING AT POINT ON EAST SECTION LINE DISTANT S 01°20'40" W 367.30 FT FROM NORTHEAST SECTION CORNER, THENCE S 01°20'40" W 81 FT, THENCE S 88°39'20" W 300 FT, THENCE N 01°20'40" E 81 FT, THENCE N 88°39'20" E 300 FT TO BEGINNING, THE EAST 33 FEET OF WHICH IS CURRENTLY BEING USED FOR ROADWAY PURPOSES. CONTAINING 0.56 ACRES.

8' GRADING PERMIT:

AN 8 FOOT GRADING PERMIT IN T2N, R11E, SEC 2, CITY OF TROY, OAKLAND COUNTY, MICHIGAN, DESCRIBED AS BEING THE SOUTH 3.57 FEET OF THE WEST 8.00 FEET OF THE EAST 68.00 FEET OF THE FOLLOWING DESCRIBED PARCEL: T2N, R11E, SEC 2, CITY OF TROY, OAKLAND COUNTY, MICHIGAN, DESCRIBED AS PART OF EAST 1/2 OF NORTHEAST 1/4: BEGINNING AT POINT ON EAST SECTION LINE DISTANT S 01°20'40" W 367.30 FT FROM NORTHEAST SECTION CORNER, THENCE S 01°20'40" W 81 FT, THENCE S 88°39'20" W 300 FT, THENCE N 01°20'40" E 81 FT, THENCE N 88°39'20" E 300 FT TO BEGINNING, THE EAST 33 FEET OF WHICH IS CURRENTLY BEING USED FOR ROADWAY PURPOSES.



Thomas G. Smith

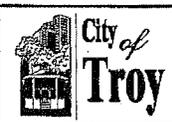


EAST LINE OF SEC 2
 JOHN R ROAD (120' WIDE)
 S 01°20'40" W 367.30'

NE CORNER
 SECTION 1
 T2N-R11E

POB PARENT PARCEL
 PARCEL 54

ORCHARD, HILTZ & McCLIMENT, INC.
 34000 Plymouth Road
 Livonia, MI, 48150 (734)522-8711



500 W. Big Beaver Rd.
 Troy, Michigan 48084
 (248) 524-3594
 www.ci.troy.mi.us

88-20-02-228-025
 Grading Permit
 Sketch

SCALE:	DRAWN BY:	CHECK BY:	FILE
1" = 40'	JRV	GWG	228-025 GRD
	2-10-06	3-17-06	
CONTRACT No.		SHEET No.	JOB No.
STEVEN J. VANDETTE		1 of 2	2002-234
CITY ENGINEER			

 Document Prepared by
 Professional Engineering
 Associates, Inc.