



## CITY COUNCIL AGENDA ITEM

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Date: August 18, 2014

To: Brian Kischnick, City Manager

From: Mark F. Miller, Director of Economic and Community Development  
Steven J. Vandette, City Engineer  
Larysa Figol, Sr. Right of Way Representative

Subject: Request for Approval of Agreement to Purchase Realty for Public Purposes for John R Road Improvements, Long Lake to Square Lake – Project No. 02.203.5, Parcel #16 Sidwell #88-20-11-226-038

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### **History**

In connection with the proposed improvements to John R Road, from Long Lake to Square Lake, the Engineering Department made a *Conditioned Offer to Purchase Real Estate* to KC PROPCO HOLDING I, LLC, owners of the property having Sidwell # 88-20-11-226-038 located at 5877 John R. The property owners have accepted our offer in the total amount of \$26,600.

The parcel is located on the west side of John R Road, south of Square Lake Road in the northeast ¼ of Section 11. The City will purchase 27 feet of necessary right-of-way for this project.

### **Financial**

An appraisal was prepared by Andrew Reed, State Certified Appraiser and reviewed by Kimberly Harper, Deputy Assessor and State Licensed Appraiser. Staff believes that the offer of \$22,600.00 is a justifiable amount for this acquisition. In addition to the amount listed above, the City will also be responsible for all closing costs.

Eighty percent of these costs will be reimbursed from Federal funds. Funds for the City of Troy's share are included in the 2014-15 Major Road fund.

### **Recommendation**

City Management recommends that City Council approve the attached purchase agreement with KC PROPCO HOLDING I, LLC, in the amount \$26,600.00, plus closing costs.



354 0 177 354 Feet



Note: The information provided by this application has been compiled from recorded deeds, plats, tax maps, surveys, and other public records and data. It is not a legally recorded map survey. Users of this data are hereby notified that the source information represented should be consulted for verification.

CITY OF TROY  
AGREEMENT TO PURCHASE REALTY  
FOR PUBLIC PURPOSES

The CITY OF TROY (the "Buyer"), agrees to purchase from KC PROPCO HOLDING I LLC, a Delaware limited liability company (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 Twenty-Six Thousand, Six Hundred and no/100 Dollars (\$26,600) under the following terms and conditions:

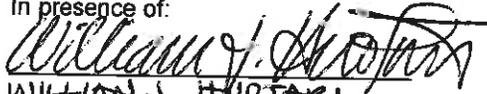
1. Seller shall assist Buyer in obtaining all releases necessary to remove all encumbrances from the property so as to vest a marketable title in Buyer.
2. Seller shall pay all taxes, prorated to the date of closing, including all special assessments, now due or which may become a lien on the property 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. The City of Troy may, at its own expense, conduct environmental studies prior to closing and may terminate the agreement if contamination is found.
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: BUYER SPECIFICALLY ACKNOWLEDGES AND AGREES THAT SELLER IS SELLING AND BUYER IS PURCHASING THE PROPERTY ON AN "AS IS WITH ALL FAULTS" BASIS AND THAT BUYER IS NOT RELYING ON ANY REPRESENTATIONS OR WARRANTIES OF ANY KIND WHATSOEVER, EXPRESS OR

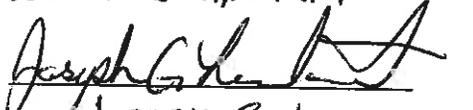
IMPLIED, FROM SELLER, ANY SELLER RELATED PARTIES, OR THEIR AGENTS OR BROKERS, OR ANY OTHER PERSON ACTING OR PURPORTING TO ACT ON BEHALF OF SELLER, AS TO ANY MATTERS CONCERNING THE PROPERTY, INCLUDING, WITHOUT LIMITATION: (i) the presence of Hazardous Materials on, under or about the Property or the adjoining or neighboring property, or (ii) any other fact or condition which may affect the Property.

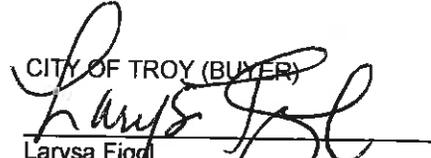
SELLER HEREBY ACKNOWLEDGES THAT NO PROMISES WERE MADE EXCEPT AS CONTAINED IN THIS AGREEMENT.

IN WITNESS WHEREOF, the undersigned hereunto affixed their signatures this 11th day of August, 2014.

In presence of:

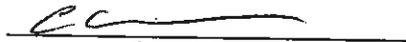
  
WILLIAM J. HOOTARI

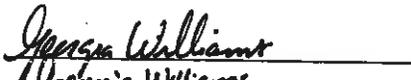
  
JOSEPH G. LIERTHERT

CITY OF TROY (BUYER)  
  
Larysa Figg  
Sr. Right of Way Representative

IN WITNESS WHEREOF, the undersigned hereunto affixed their signatures this 5th day of August, 2014.

In presence of:

  
Cavell E. Waellen

  
Georgia Williams

KC PROPCO HOLDING LLC, a  
Delaware limited liability company  
(SELLER)

  
\*  
Its: Jeffrey A. Safarik

\*  
Its: President

**Exhibit "A"**

Section 11, John R Widening Project  
Parcel: 88-20-11-226-038  
Parcel #16

PARENT PARCEL #16 DESCRIPTION:

T2N, R11E, SEC 11, CITY OF TROY, OAKLAND COUNTY, MICHIGAN, DESCRIBED AS PART OF NORTHEAST 1/4: BEGINNING AT POINT DISTANT SOUTH 616.16 FT FROM NORTHEAST SECTION CORNER, THENCE SOUTH 113 FT, THENCE N 89°41'38" W 428.70 FT, THENCE NORTH 108.42 FT, THENCE N 89°41'38" E 428.70 FT TO BEGINNING, THE EAST 33 FEET OF WHICH IS CURRENTLY BEING USED FOR ROADWAY PURPOSES. CONTAINING 1.09 ACRES.

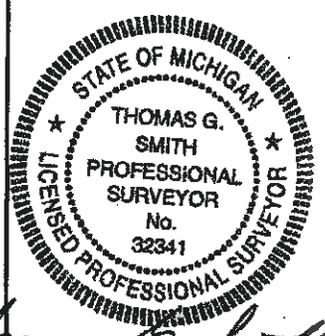
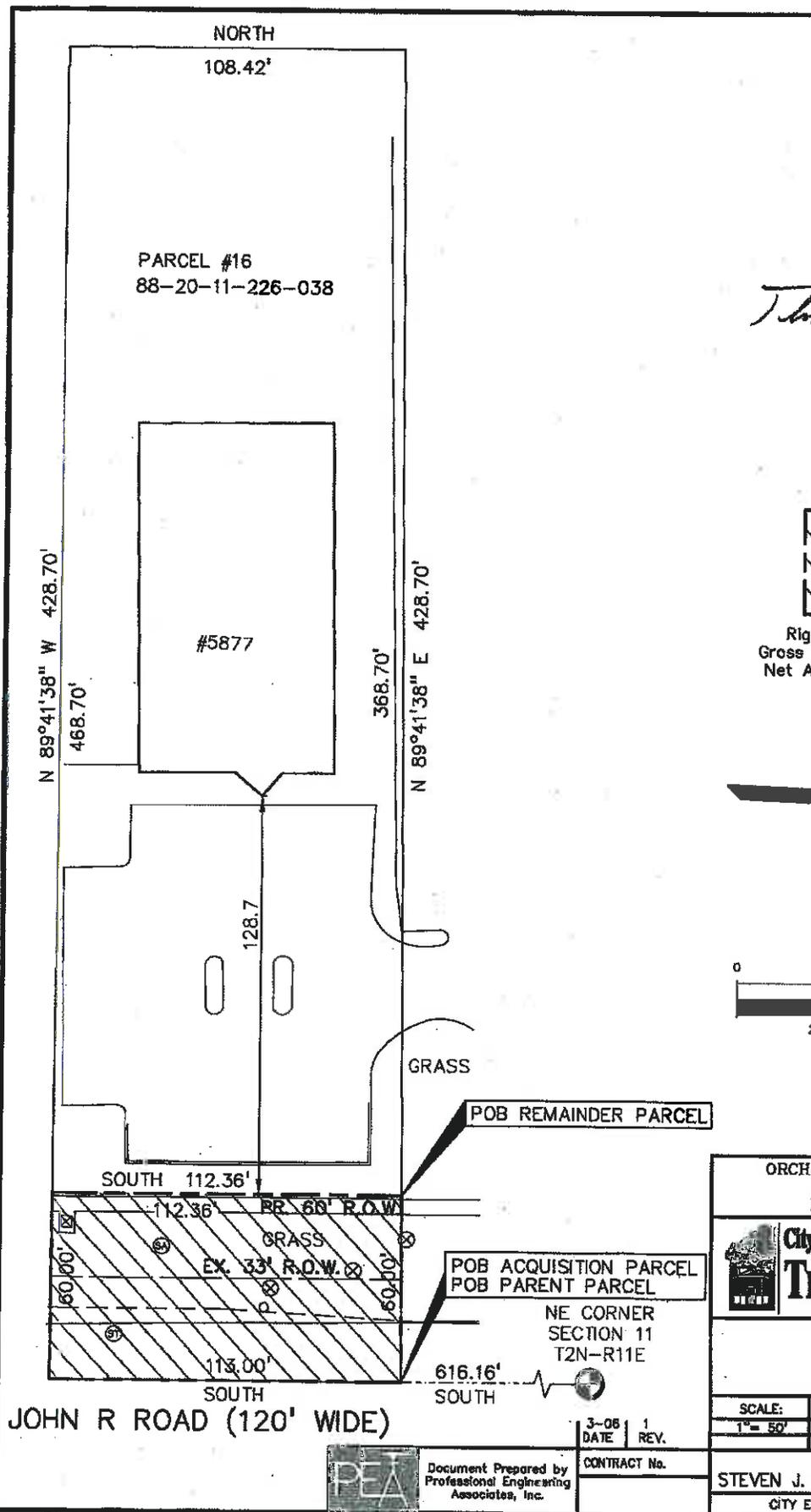
PARCEL #88-20-11-226-038

REMAINDER PARCEL DESCRIPTION:

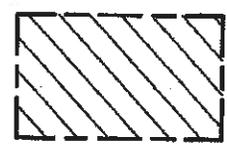
T2N, R11E, SEC 11, CITY OF TROY, OAKLAND COUNTY, MICHIGAN, DESCRIBED AS PART OF NORTHEAST 1/4: BEGINNING AT POINT DISTANT SOUTH 616.16 FT AND N 89°41'38" W 60.00 FT FROM NORTHEAST SECTION CORNER, THENCE SOUTH 112.36 FT, THENCE N 89°41'38" W 368.70 FT, THENCE NORTH 108.42 FT, THENCE N 89°41'38" E 368.70 FT TO BEGINNING. CONTAINING 0.93 ACRES.

PROPOSED RIGHT OF WAY ACQUISITION:

T2N, R11E, SEC 11, CITY OF TROY, OAKLAND COUNTY, MICHIGAN, DESCRIBED AS PART OF NORTHEAST 1/4: BEGINNING AT POINT DISTANT SOUTH 616.16 FT FROM NORTHEAST SECTION CORNER, THENCE SOUTH 113 FT, THENCE N 89°41'38" W 60.00 FT, THENCE NORTH 112.36 FT, THENCE N 89°41'38" E 60.00 FT, ALSO KNOWN AS R.O.W. PARCEL #16, THE EAST 33 FEET OF WHICH IS CURRENTLY BEING USED FOR ROADWAY PURPOSES. CONTAINING 6,761 SQUARE FEET; 0.16 ACRES (GROSS) OR 3,042 SQUARE FEET; 0.07 ACRES (NET).



*Thomas G. Smith*



Right-of-Way Acquisition  
 Gross Area= 6,761 sf; 0.16 AC  
 Net Area= 3,042 sf; 0.07 AC



GRAPHIC SCALE  
 1" = 50'

PARCEL #16

ORCHARD, HILTZ & McCLIMENT, INC.  
 34000 Plymouth Road  
 Livonia, MI 48150 (734) 522-6711

**City of Troy**

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

**5877 John R**  
 Right-of-Way  
 Acquisition Sketch

SCALE: 1" = 50'	DRAWN BY: JRV	CHECK BY: GWC	FILE 226-038 ROW
	1-27-06	2-3-08	

CONTRACT No.	SHEET No.	JOB No.
STEVEN J. VANDETTE CITY ENGINEER	1 of 2	2002-234

3-06	1
DATE	REV.

Document Prepared by  
 Professional Engineering  
 Associates, Inc.