



CITY COUNCIL ACTION REPORT

July 18, 2007

TO: Phillip L. Nelson, City Manager

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

SUBJECT: Request for Approval of Purchase Agreement, John R Road Improvements, Square Lake Road to South Boulevard – Project No. 02.204.5 – Parcel #66 – Sidwell #88-20-01-151-002 – Russell W. Rush and Kimberly Jolley Rush

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 from Russell W. Rush and Kimberly Jolley Rush. This parcel is located on the east side of John R Road, between Lakeside and Alfred in the northwest $\frac{1}{4}$ of Section 1.

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 \$54,950, plus closing costs for the acquisition of the property described in the purchase agreement is a justifiable amount 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 is consistent with documents previously accepted by City Council.
- Section 30.10.05 of the Troy Zoning Ordinance requires a minimum lot size of 8,500 square feet for a single-family dwelling in the R-1D Zoning District. The portion of the parcel remaining after the acquisition of the John R Road right of way will be 8,100 square feet. This agreement was contingent upon the Troy Zoning Board of Appeals granting a variance for non-conforming lot area. Said variance was approved by the Board of Zoning Appeals on July 17, 2007.

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 from Russell W. Rush and Kimberly Jolley Rush so that the City can proceed with this acquisition.

PAP\G\MEMOS TO MAYOR & CC\Rush Purchase Agreement

CITY OF TROY
AGREEMENT TO PURCHASE REALTY
FOR PUBLIC PURPOSES

The CITY OF TROY (the "Buyer"), agrees to purchase from Russell W. Rush and Kimberly Jolley Rush, husband and wife, (the "Sellers"), the following described premises (the "Property"):

SEE LEGAL DESCRIPTION OF PROPOSED RIGHT OF WAY ACQUISITION
ON THE ATTACHED EXHIBIT "A"

for a public project within the City of Troy and to pay the sum of Fifty-Four Thousand, Nine Hundred, Fifty and no/100 Dollars (\$54,950.00) 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: This offer is also contingent upon the Troy Zoning Board of Appeals granting a variance for non-conforming lot area.

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

IN WITNESS WHEREOF, the undersigned hereunto affixed their signatures this 13TH day of JUNE, 2007.

In presence of:

Patti Holland
PATTI HOLLAND

Antonio Cicchetti
ANTONIO CICHETTI

CITY OF TROY (BUYER)

Patricia A. Pettit
PATRICIA A. PETITTO

SELLER:

Russell W. Rush
RUSSELL W. RUSH

Kimberly Joy Rush
KIMBERLY JOY RUSH

EXHIBIT "A"

Section 1, John R Widening Project
Parcel: 88-20-01-151-002
Parcel #66

PARENT PARCEL #66 DESCRIPTION:

T2N, R11E, SEC 1, CITY OF TROY, OAKLAND COUNTY, MICHIGAN, DESCRIBED AS PART OF WEST FRACTIONAL 1/2 OF THE NORTHWEST FRACTIONAL 1/4: BEGINNING AT POINT DISTANT SOUTH 2972.52 FT FROM NORTHWEST SECTION CORNER, THENCE S 89°56'00" E 150 FT, THENCE SOUTH 90 FT, THENCE N 89°56'00" W 150 FT, THENCE NORTH 90 FT TO BEGINNING, THE WEST 33 FEET OF WHICH IS CURRENTLY BEING USED FOR ROADWAY PURPOSES. CONTAINING 0.31 ACRES

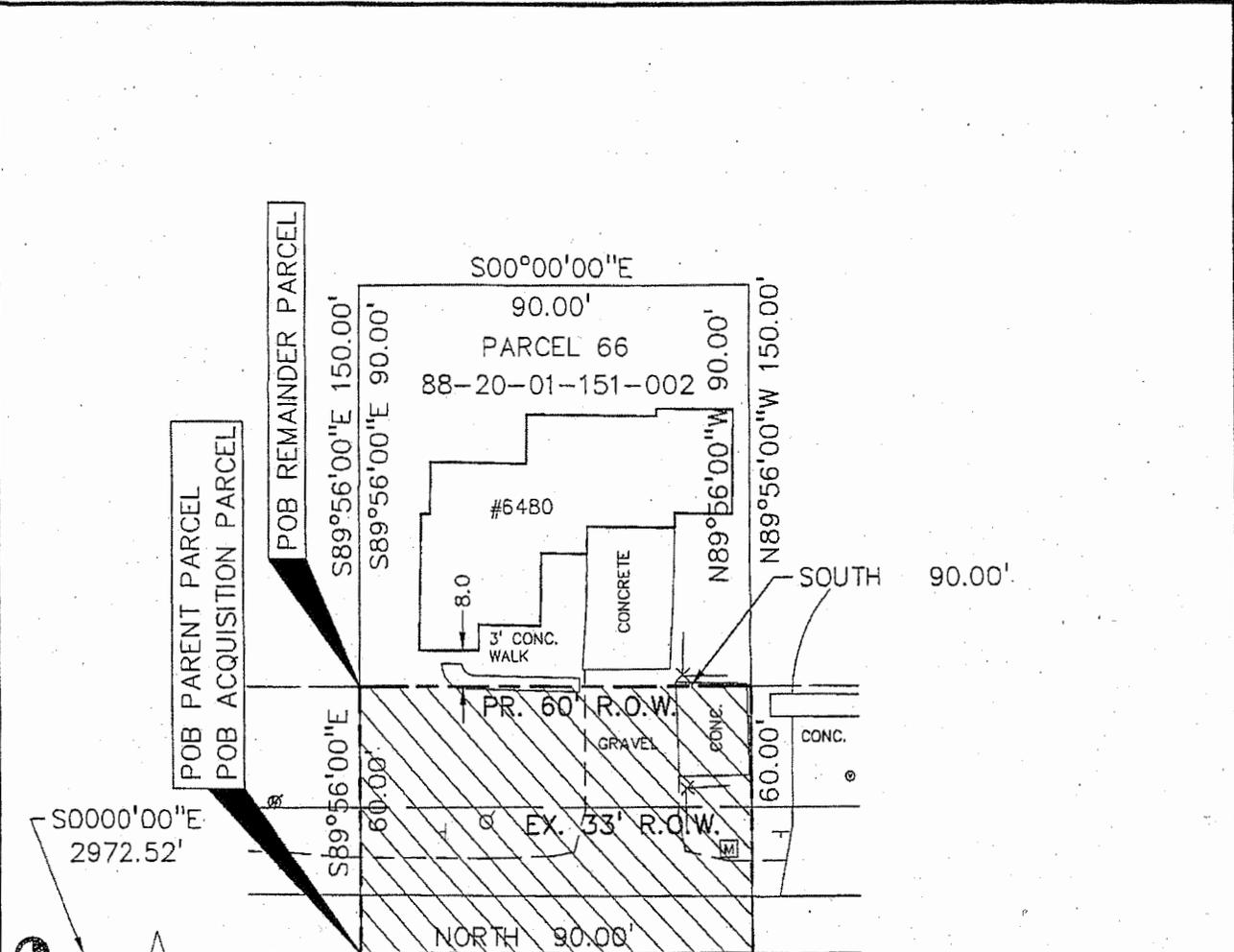
PARCEL #88-20-01-151-002

REMAINDER PARCEL DESCRIPTION:

T2N, R11E, SEC 1, CITY OF TROY, OAKLAND COUNTY, MICHIGAN, DESCRIBED AS PART OF WEST FRACTIONAL 1/2 OF THE NORTHWEST FRACTIONAL 1/4: BEGINNING AT POINT DISTANT SOUTH 2972.52 FT AND S 89°56'00" E 60.00 FT FROM NORTHWEST SECTION CORNER, THENCE S 89°56'00" E 90 FT, THENCE SOUTH 90 FT, THENCE N 89°56'00" W 90 FT, THENCE NORTH 90 FT TO THE POINT OF BEGINNING. CONTAINING 0.19 ACRES

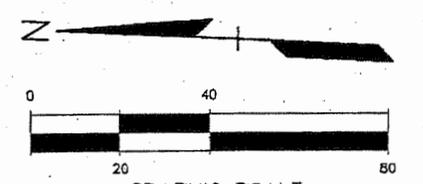
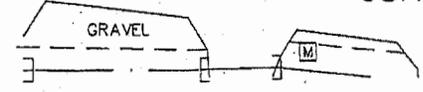
PROPOSED RIGHT OF WAY ACQUISITION:

T2N, R11E, SEC 1, CITY OF TROY, OAKLAND COUNTY, MICHIGAN, DESCRIBED AS PART OF WEST FRACTIONAL 1/2 OF THE NORTHWEST FRACTIONAL 1/4: BEGINNING AT POINT DISTANT SOUTH 2972.52 FT FROM NORTHWEST SECTION CORNER, THENCE S 89°56'00" E 60.00 FT, THENCE SOUTH 90.00 FT, THENCE N89°56'00"W 60.00 FT, THENCE NORTH 90.00 FT TO THE POINT OF BEGINNING, ALSO KNOWN AS R.O.W. PARCEL #66, THE WEST 33 FEET OF WHICH IS CURRENTLY BEING USED FOR ROADWAY PURPOSES. CONTAINING 5,399 SQUARE FEET; 0.12 ACRES (GROSS) OR 2,430 SQUARE FEET; 0.06 ACRES (NET).



NW CORNER SECTION 1 T2N-R11E

WEST LINE OF SEC 1 JOHN R ROAD (120' WIDE)



Thomas G. Smith



Right-of-Way Acquisition
 Gross Area=5,400 sf; 0.12 AC
 Net Area=2,430 sf; 0.06 AC



Document Prepared by Professional Engineering Associates, Inc.

3-06 DATE 1 REV.

CONTRACT No.

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



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

6480 John R
 Right-of-Way
 Acquisition Sketch

SCALE: 1" = 40'	DRAWN BY: JRV	CHECK BY: GWC	FILE P66-SECT_ROW
	1-27-06	2-17-06	
STEVEN J. VANDETTE CITY ENGINEER		SHEET No. 1 of 2	JOB No. 2002-234