

## CITY COUNCIL ACTION REPORT

August 22, 2007

TO: Phillip L. Nelson, City Manager

FROM: John M. Lamerato, Assistant City Manager/Finance and Administration  
 Brian P. Murphy, Assistant City Manager/Economic Development Services  
 Carol K. Anderson, Parks and Recreation Director  
 Steven J. Vandette, City Engineer  
 Patricia A. Petitto, Real Estate Consultant, Greenstar & Associates, LLC

SUBJECT: Request for Approval of Purchase Agreement – 4265 and 4305 Rochester Road  
 Sidwell #88-20-15-426-053 & -054 - Aurelia A. Kwitt Revocable Living Trust

### Background:

- In August of 2006 the owner of 4265 and 4305 Rochester Road approached staff regarding the acquisition of said property by the City for the purpose of developing it as parkland.
- In December of 2006 City Council directed staff to pursue this acquisition.
- These two parcels total 6.35 acres and are located on the west side of Rochester Road, in the southeast ¼ of Section 15 and within the proposed improvement area of our Rochester Road project, from Torpey north to Barclay.

### 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 \$1,500,000, plus closing costs for the acquisition of the property described in the purchase agreement is a justifiable amount for this acquisition.
- \$1,192,480 of the total purchase price is attributed to the parkland acquisition. Funds would be taken from the Park Development Account Number 440770.7974.130.
- \$307,520 of the total purchase price is attributed to the right of way and easement needed for the Rochester Road Project. Eighty percent of this cost will be reimbursed from Federal funds. Funds for the City of Troy's share are included in the 2007-08 Major Road fund, Account Number 401479.7989.992035.
- The Real Estate & Development Department received a Purchase Agreement from The Aurelia A. Kwitt Revocable Living Trust.

### Legal Considerations:

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

Policy Considerations:

- This property and its use are consistent with the Parks and Recreation Master Plan. (Goals I and III)
- The purpose of the Rochester Road 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 The Aurelia A. Kwitt Revocable Living Trust so that the City can proceed with the acquisition of this parkland and right-of-way.

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

CITY OF TROY  
AGREEMENT TO PURCHASE REALTY  
FOR PUBLIC PURPOSES

The CITY OF TROY (the "Buyer"), agrees to purchase from Aurelia A. Kwitt Revocable Living Trust dated August 25, 1999 (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 One Million, Five Hundred Thousand, and no/100 Dollars (\$1,500,000.00) 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. Additional conditions, if any: CLOSING SHALL OCCUR DURING

THE MONTH OF NOVEMBER 2007.

PAP



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

IN WITNESS WHEREOF, the undersigned hereunto affixed their signatures this 22ND day of AUGUST, 2007.

In presence of:

Patricia Holland  
Royce J. L.

CITY OF TROY (BUYER)

Patricia A. Pettit  
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SELLER:

~~Judith M. Kirt~~  
Catherine Olga Goodman

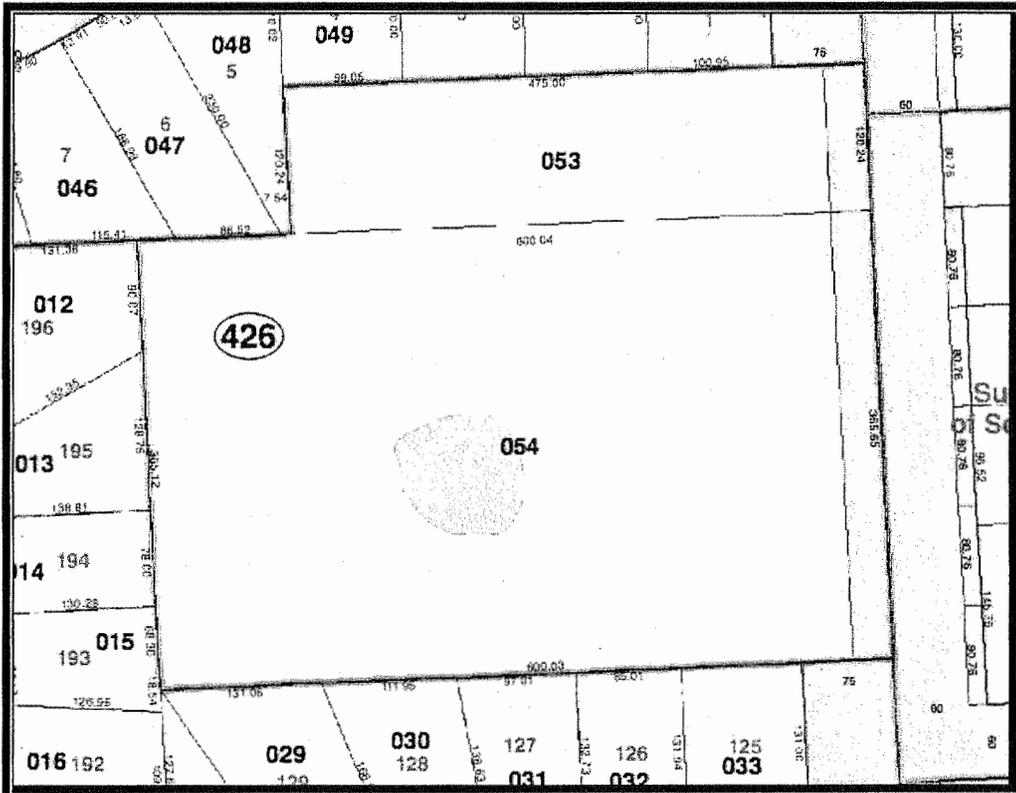
## EXHIBIT "A"

### **4265 ROCHESTER ROAD (88-20-15-426-054)**

T2N, R11E, SEC 15, PART OF SE ¼ BEG AT PT DIST N 00-16-21 W 1415.35 FT FROM SE SEC CORNER; TH N 89-44-09 W 600.03 FT; TH N 00-16-21 W 365.12 FT; TH S 89-35-43 E 600.04 FT; TH S 00-16-21 E 365.65 FT TO BEG, EXCEPT THE W 10.00 FT OF THE E 43.00 FT PREVIOUSLY GRANTED TO THE CITY OF TROY BY WARRANTY DEED RECORDED IN LIBER 7091, PAGE 792, OF OAKLAND COUNTY RECORDS AND CONTAINING 5.02 ACRES.

### **4305 ROCHESTER ROAD (88-20-15-426-053)**

T2N, R11E, SEC 15 PART OF SE ¼ BEG AT PT DIST S 00-16-21 E 536.25 FT FROM E ¼ CORNER; TH S 00-16-21 W 120.24 FT; TH N 89-35-43 W 475.00 FT; TH N 00-16-21 W 120.24 FT; TH S 89-35-43 E 475.00 FT TO BEG AND CONTAINING 1.31 ACRES.



Plat Map of Subject Property (-053 and -054)