



CITY COUNCIL ACTION REPORT

November 13, 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, Long Lake Road to Square Lake Road – Project No. 02.203.5 – Parcel #11 – Sidwell #88-20-11-226-007 – Wattles Square, Inc.

Background:

- In connection with the proposed improvements to John R Road, from Long Lake Road to Square Lake Road, the Real Estate & Development Department received a Purchase Agreement from Wattles Square, Inc. This parcel is located on the west side of John R Road, between Abbotsford and Square Lake Road in the northeast ¼ of Section 11.

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 \$20,150, 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 2007-08 Major Road fund, account number 401479.7989.022035.

Legal Considerations:

- The format and content of the purchase agreement is 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 from Wattles Square, Inc. so that the City can proceed with the acquisition of this right-of-way.

PAP\G\MEMOS TO MAYOR & CC\Wattles Square Purchase Agreement

CITY OF TROY
AGREEMENT TO PURCHASE REALTY
FOR PUBLIC PURPOSES

The CITY OF TROY (the "Buyer"), agrees to purchase from Wattles Square Inc., a Michigan Corporation (the "Sellers"), 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 Thousand, One Hundred, Fifty and no/100 Dollars (\$20,150) 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:

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

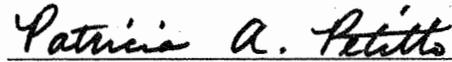
IN WITNESS WHEREOF, the undersigned hereunto affixed their signatures this 19th day of OCT, 2007.

In presence of:



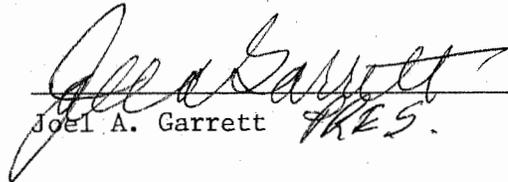
Patti Howard

CITY OF TROY (BUYER)



SELLER:

WATTLES SQUARE, INC.



Joel A. Garrett RES.

Exhibit "A"

Section 11, John R Widening Project
Parcel: 88-20-11-226-007
Parcel #11

PARENT PARCEL #11 DESCRIPTION:

T2N, R11E, SEC 11, CITY OF TROY, OAKLAND COUNTY, MICHIGAN, DESCRIBED AS THE SOUTH 5 ACRES OF THE NORTH 55.51 ACRES OF THE EAST 1/2 OF THE NORTHEAST 1/4, THE EAST 33 FEET OF WHICH IS CURRENTLY BEING USED FOR ROADWAY PURPOSES. CONTAINING 5.00 ACRES.

PARCEL #88-20-11-226-007

REMAINDER PARCEL DESCRIPTION:

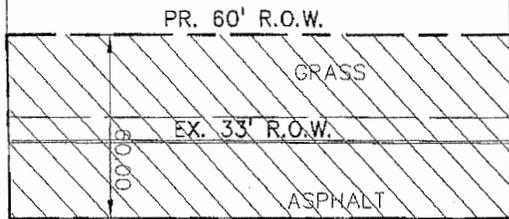
T2N, R11E, SEC 11, CITY OF TROY, OAKLAND COUNTY, MICHIGAN, DESCRIBED AS THE SOUTH 5 ACRES OF THE NORTH 55.51 ACRES OF THE EAST 1/2 OF THE NORTHEAST 1/4, EXCEPT THE EAST 60.00 FEET FOR ROAD TAKING. CONTAINING APPROXIMATELY 4.77

PROPOSED RIGHT OF WAY ACQUISITION:

SITUATED IN THE CITY OF TROY, OAKLAND COUNTY, MICHIGAN, DESCRIBED AS: THE EAST 60.00 FEET OF THE SOUTH 5 ACRES OF THE NORTH 55.51 ACRES OF THE EAST 1/2 OF THE NORTHEAST 1/4, KNOWN AS PARCEL 88-20-11-226-007, ALSO KNOWN AS R.O.W. PARCEL #11, THE EAST 33 FEET OF WHICH IS CURRENTLY BEING USED FOR ROADWAY PURPOSES. CONTAINING APPROXIMATELY 9,955 SQUARE FEET; 0.23 ACRES (GROSS) OR 4,479 SQUARE FEET; 0.11 ACRES (NET).

30' EASEMENT
FOR FUTURE STREET

PARCEL 11
88-20-11-226-007

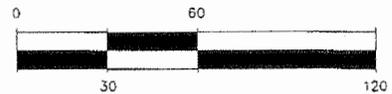


JOHN R ROAD (120' WIDE)



NE CORNER
SECTION 11
T2N-R11E

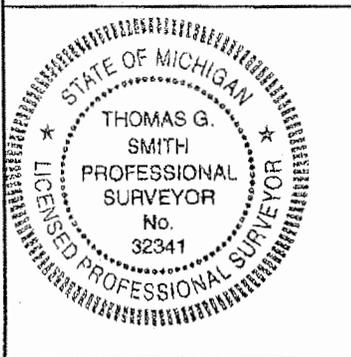
1651.69' (CALCULATED)
EAST LINE OF SEC 11



GRAPHIC SCALE
1" = 60'

PARCEL 11

Thomas G. Smith



Right-of-Way Acquisition
Gross Area=9,955 sf; 0.23 AC
Net Area=4,479 sf; 0.11 AC



Document Prepared by
Professional Engineering
Associates, Inc.

3-08 DATE
1 REV.

CONTRACT No.

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	
88-20-11-226-007 Right-of-Way Acquisition Sketch			
SCALE: 1" = 60'	DRAWN BY: JRV	CHECK BY: GWC	FILE P11-SEC11_ROW
	1-27-06	2-17-06	
STEVEN J. VANDETTTE CITY ENGINEER		SHEET No. 1 of 2	JOB No. 2002-234