



CITY COUNCIL ACTION REPORT

November 26, 2007

TO: Phillip L. Nelson, City Manager

FROM: Brian P. Murphy, Assistant City Manager/Economic Development Services
 John M. Lamerato, Assistant City Manager/Finance and Administration
 Carol K. Anderson, Parks and Recreation Director *CKA*
 Steven J. Vandette, City Engineer *SV*
 Larysa Figol, Right of Way Representative *RF*

SUBJECT: Request for Approval of Purchase Agreement – 1660 East Square Lake Road
 Sidwell #88-20-11-201-022 – Kensington Community Church

Background:

- In August of 2007, a representative of Kensington Community Church, the owner of 1660 East Square Lake Road, approached City staff regarding the acquisition of said property by the City.
- The property is a 1.19 acres parcel of land with an existing house on the site. It is located in Section 11, on the south side of Square Lake road, west of John R.
- Kensington Community Church acquired the property in November 2005 for \$225,200 plus outstanding taxes, as part of a mortgage foreclosure sale.
- The Real Estate & Development Department has reached an agreement to purchase the property from Kensington Community Church for \$230,000, plus closing cost.
- The 13.1 acres of land surrounding this parcel is presently owned by the City and acquisition of this parcel will complete the square for future park development.

Financial Considerations:

- The funds to acquire this property will be taken from the Park Development Account Number 401770.7974.130.
- The Real Estate & Development Department received a Purchase Agreement from Kensington Community Church.

Legal Considerations:

- The format and content of the purchase agreement is 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)

Options:

- City Management recommends that City Council approve the attached Purchase Agreement from Kensington Community Church so that the City can proceed with the acquisition of this parkland.

CITY OF TROY
AGREEMENT TO PURCHASE REALTY
FOR PUBLIC PURPOSES

The CITY OF TROY, a Michigan municipal corporation (The "Buyer"), agrees to purchase from KENSINGTON COMMUNITY CHURCH, a domestic nonprofit corporation (The "Seller"), the following described premises (the Property):

PART OF THE NORTHEAST 1/4 OF SECTION 11, TOWN 2 NORTH, RANGE 11 EAST, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS: BEGINNING AT A POINT WHICH IS SOUTH 89°43'24" EAST 880.24 FEET FROM NORTH 1/4 CORNER, THENCE S 89°43'24" EAST 220.06 FEET, THENCE SOUTH 00°18'47" EAST 296.93 FEET, THENCE NORTH 89°43'24" WEST 220.06 FEET, THENCE NORTH 00°18'47" WEST 296.93 FEET TO THE POINT OF BEGINNING.

for a public project within the City of Troy and to pay the sum of Two Hundred and Thirty Thousand Dollars and no/100 Dollars (\$230,000.00) 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.

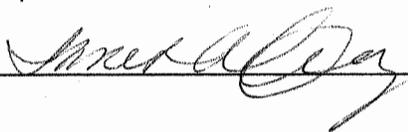
9. Seller grants to Buyer temporary possession and use of the property commencing on this date and continuing to the date of closing in order that the Buyer may proceed with the public project.

10. Additional conditions, if any:

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

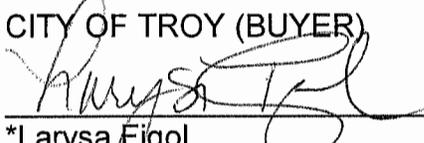
IN WITNESS WHEREOF, the undersigned hereunto affixed their signatures this 19th day of November, A.D. 2007.

In presence of:

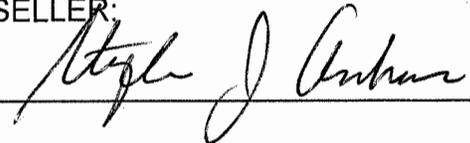


Janet A. Culling

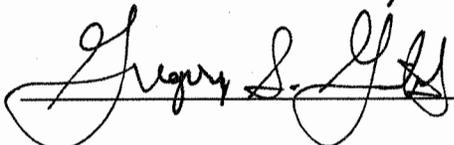
CITY OF TROY (BUYER)


*Larysa Figol
Sr. Right of Way Representative

SELLER:



STEVE ANDREWS, LEAD PASTOR



GREG GIBBS, DIRECTOR

OF FINANCE



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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.