



CITY COUNCIL AGENDA ITEM

Date: February 12, 2016

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 to Sell a City Owned Remnant Parcel Located in
Section 22, Sidwell # 88-20-22-358-028

History

City staff received the attached Offer to Purchase for a City owned remnant parcel fronting on Big Beaver at Frankton, east of Livernois Road from Kevin Baird. Mr. Baird is the owner of a residential parcel immediately to the north.

The City owned parcel was acquired as a part of the 2001 Big Beaver Road widening project. The remaining remnant parcel has 122 feet fronting on Big Beaver, a depth of 74 feet along Frankton and is an undesirable parcel for Big Beaver development. The property is zoned BB-Big Beaver Form Based District.

Staff had the parcel appraised as a part of the remnant parcels sales initiative previously approved by City Council (CC Resolution #2014-04-045). The suggested value of \$36,000 is the same amount Mr. Baird has offered.

Mr. Baird first approached the City to purchase this remnant in late 2014, however another party claimed an interest in the property Mr. Baird now owns. Since the issue of legal title was not resolved, we would not accept an offer to purchase for the City owned parcel until such time as the matter between the parties was resolved. Mr. Baird has now provided Staff with a copy of an order entered by the 6th Judicial Circuit Court of Oakland County vesting title to Kevin Baird for the parcel immediately to the north of the City owned remnant parcel. A title commitment confirms Mr. Baird as the owner in fee of this property.

As part of the remnant sale process all adjoining property owners are notified and encouraged to submit an offer to purchase a City owned property abutting their own. A letter was sent to the property owner to the east informing them of their right to submit an offer to purchase as allowed under the Remnant Sale Policy adopted by City Council (Resolution #2007-01-028). We received no communication back from this owner.

As City Council retains the discretionary authority to determine the applicability of the sale of excess City property, staff encourages City Council to waive the requirement in the remnant parcel policy for a conceptual site plan submission at this time. Mr. Baird will not be developing the property until such time as: 1) a rezoning application is submitted and approved for either one, both or more parcels; 2) all parcels are combined; and 3) the potential of the ultimate building site is maximized in consultation with various City departments and with his own engineering consultants. The submission of a conceptual plan at this time would be premature.

Mr. Baird's property is currently zoned *R-1E - One Family Residential District* and the City owned parcel is zoned *BB-Big Beaver Form District*. An application to rezone one, both or more parcels will be submitted to the Planning Department after fully reviewing the best potential of any future building site, how to maximize the potential of the property and what the City will ultimately approve in its site plan review.

Past practice by City Council has allowed for the sale of City owned surplus parcels without a conceptual site plan when no immediate and specific plans are in place for the development of a property due to divergent zoning of parcels and when there are no specific plans in place for a parcel's development.

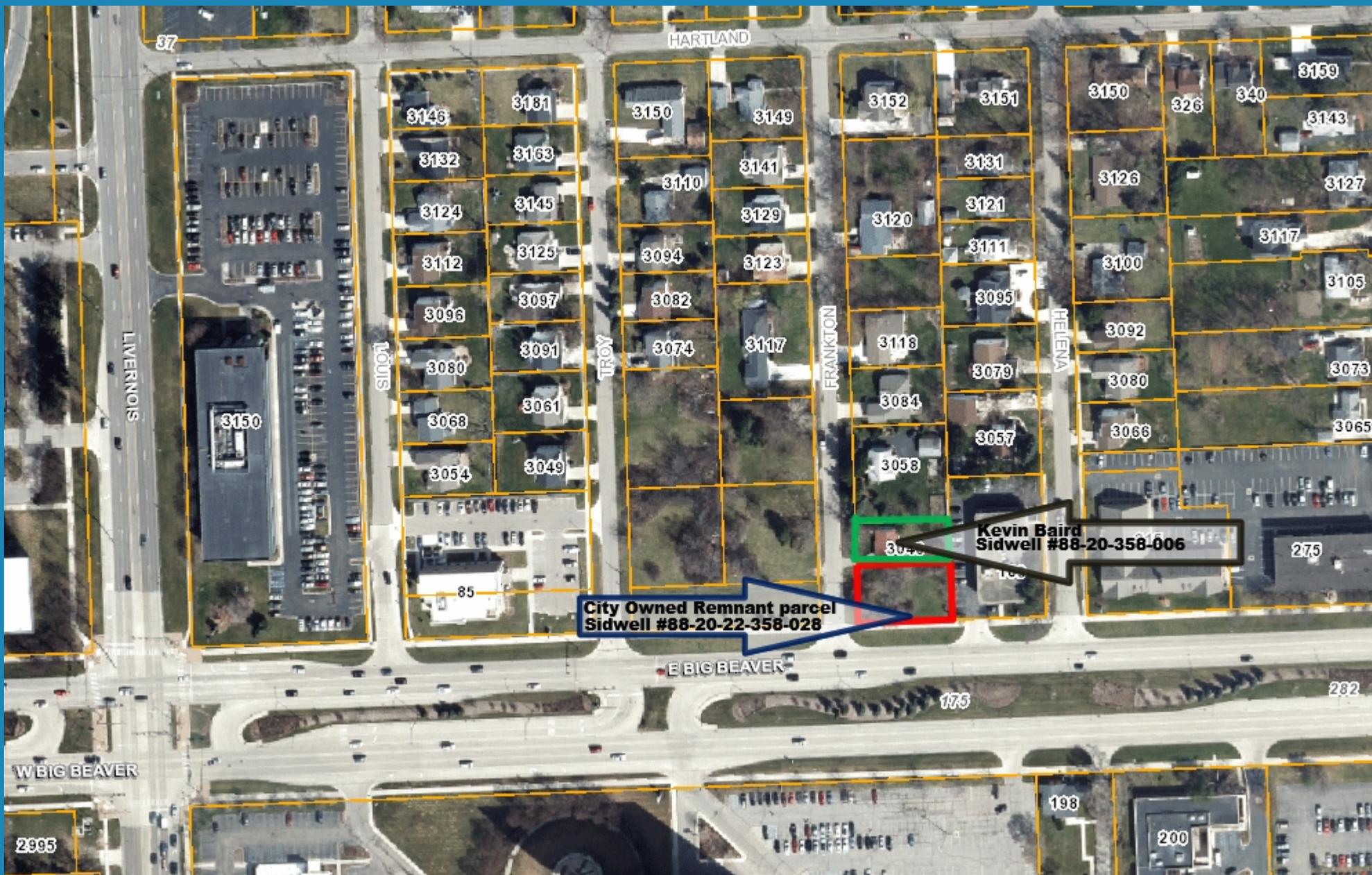
Staff believes it would be in the City's best interest that this unbuildable surplus remnant parcel be assembled to create a larger parcel for future development in the Big Beaver corridor.

Management recommends that City Council approve the sale of this remnant parcel to Kevin Baird in the amount of \$36,000, subject to terms and conditions of the purchase agreement. We also request that the Mayor and City Clerk be authorized to sign the purchase agreement and a warranty deed to complete the transaction.

City Attorney's Review as to Form and Legality

Lori Grigg Bluhm, City Attorney

Date

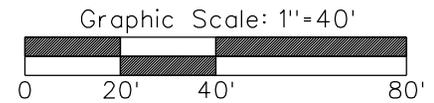
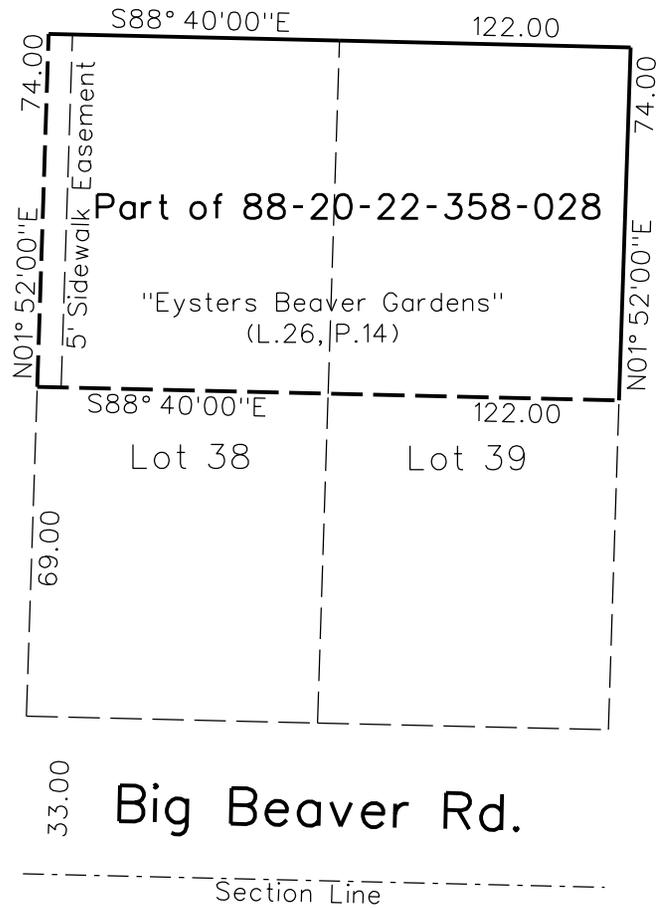


467 0 233 467 Feet



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.

Frankton Ave.
(50' Wide)



CITY OF TROY OAKLAND COUNTY, MICHIGAN			
Exhibit of Remnant Parcel F Part of 88-20-22-358-028			
FILE: 88-20-22-358-028_Parcel F.DGN			
SCALE	DRAWN BY	NAME	GJBIII
HOR. 1"=40'	CHECKED BY	NAME	DATE 07-30-14
VER. 1"=X'		SHEET NO.	JOB NO.
	STEVEN J. VANDETTE, P.E.	10F2	N/A
	CITY ENGINEER		

Document Prepared By
George J. Ballard III, P.S.
Land Surveyor

DATE REV.
CONTRACT NO.

N/A

Vote on Resolution to Amend Disposal/Sale of Excess Property as Amended

Resolution #2007-01-028

Moved by Stine

Seconded by Lambert

WHEREAS, The City Council of the City of Troy endeavors to attain the highest and best land use, effective growth control measures and to enhance the health, safety and welfare of the community; and

WHEREAS, Chapter 12 of the Troy City Charter requires that..."in all sales or purchases in excess of \$10,000, (a) the sales or purchases shall be approved by the City Council, (b) sealed bids shall be obtained, except where the City Council shall determine that an emergency exists or that the public interest will be best served without obtaining sealed bids...";

THEREFORE, BE IT RESOLVED, That the City Council of the City of Troy **MAY DETERMINE** that the public interest will best be served without obtaining sealed bids for the sale of remnant parcels which remain after required right-of-way or excess property is taken when a purchase agreement is offered to the City of Troy by a prospective buyer which:

1. Has submitted evidence of ownership or control of an assembly of adjoining land of sufficient size so as to achieve what is believed to be the best possible development as determined by the City Council after review and recommendation from the City Manager.
2. Has submitted a conceptual site plan, which has been drawn to sufficient detail to indicate any and all features such as setbacks, parking and access, storm water detention and building height, which are governed by codes of the City of Troy.
3. Is accompanied by a petition for rezoning, if necessary, in compliance with the Master Land Use Plan of the City of Troy as being the most appropriate land use.
4. Commits the prospective buyer to a purchase price of at least a value established by an appraiser named by the Real Estate and Development Department of the City of Troy.
5. During the site plan review, site plan is accompanied by architectural renderings of all buildings along with a description of building materials to permit evaluation by building quality.
6. Is accompanied by a draft of proposed deed restrictions prepared by the City of Troy which will be imposed upon the purchaser of the City-owned property.
7. Nothing in this resolution relieves the Purchaser/Developer of their obligation to adhere to any and all City Ordinances and development standards.

BE IT FURTHER RESOLVED, That staff will **PROVIDE** an analysis of the zoning and **PRESENT** the remnant parcel(s) to the Parks and Recreation Advisory Committee to review for possible use as parks prior to Council action on the offer to purchase; and

BE IT FURTHER RESOLVED, That if it is most probable that a rezoning will be requested, that an appraisal based on that subsequent rezoning also be submitted; and

BE IT FINALLY RESOLVED, That the City Council **RETAINS** discretionary authority to determine the applicability of this policy.

Yes: All-7

OFFER TO PURCHASE
CITY OF TROY
REAL ESTATE

1. THE UNDERSIGNED, Kevin G. Baird, whose address is 720 Kimberly Dr Troy, MI 48098, hereby offers and agrees to purchase from the City of Troy the following land situated in the City of Troy, Oakland County, Michigan, described as follows:

Lot 38 and 39 except the South 69 feet taken for road, Eysters Beaver Gardens, as recorded in Liber 26 of Plats, Page 14, Oakland County Records.

The City of Troy retains an easement for Sidewalk described as:

The West 5.00 feet of the North 74.00 feet of Lot 38, of Eysters Beaver Gardens, as recorded in Liber 26 of Plats, Page 14, Oakland County Records, being part of the Southwest 1/4 of Section 122, Town 2 North, Range 11 East, City of Troy, Michigan. Containing 0.01 Acres, more or less and being subject to all easements and matters of record.

Parcel Number: 20-22-358-028
vacant Big Beaver Road & Frankton, Troy, MI

and to pay therefore the sum of Thirty Six Thousand Dollars (\$ 36,000.00) subject to the existing building and use restrictions, easements, zoning ordinances, and other deed restrictions and conditions as specified herein.

THE SALE TO BE CONSUMMATED BY:

- Delivery of the usual warranty deed conveying a marketable title. Payment of purchase money is to be made in cash or certified check made payable to the City of Troy.
2. As evidence of title, Seller agrees to furnish Purchaser as soon as possible a Commitment for Title Insurance for information purposes. Purchase of Title Insurance shall be the option of the Purchaser at Purchaser's expense.
3. If this offer is accepted by the Seller and if title can be conveyed in the condition required hereunder, the Purchaser agrees to complete the sale within 30 days after delivery of the commitment of title insurance.
4. If objection to the title is made in the Commitment for Title Insurance or based upon a written opinion of Purchaser's attorney after examination of the Abstract that the title is not in the condition required for performance hereunder, the Seller shall have 30 days from the date he is notified in writing of the

for performance hereunder, the Seller shall have 30 days from the date he is notified in writing of the particular defects claimed either (1) to fulfill the requirements in said commitment or to remedy the title defects set forth in said attorney's opinion or (2) to refund the deposit in full termination of this agreement or if unable to furnish satisfactory title. If the Seller is able to comply with such requirements or remedy such defects within the time specified as evidenced by written notification, revised commitment or endorsement to commitment, the Purchaser agrees to complete the sale within 10 days of receipt thereof. If the Seller is unable to furnish satisfactory title within the time specified, the deposit shall be refunded forthwith in full termination of this agreement.

5. The grantee, for himself, his heirs, personal representative, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree, as a covenant running with the land to comply with all requirements imposed pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federally-assisted programs of the Department of Transportation- Effectuation of Title VI of the Civil Rights Act of 1964, and as said Regulations and any amendments.

That in the event of breach of any of the above nondiscrimination covenants, the City of Troy shall have all right afforded under law, including the right to re-enter and repossess said land.

6. Purchaser understands and agrees that although the property being conveyed may at the time of conveyance be tax exempt, that upon acceptance of this offer to purchase the property will be placed on the tax assessor's roll.
7. The covenants herein shall bind and inure to the benefit of the heirs, executors, administrators, successors and assigns of the respective parties.
8. By the execution of this instrument the Purchaser acknowledges THAT HE HAS EXAMINED THE ABOVE DESCRIBED PREMISES and is satisfied with the physical condition of structures and/or land thereon.
9. The closing of this sale shall take place at the offices of the City of Troy unless otherwise agreed.
10. Purchaser agrees to comply with Troy City Council Resolution #2007-01-028, a copy of which is attached, and understands that this sale is contingent upon City Council approval.
11. Deed Restrictions, if any, and Subsequent Conditions:
 - A. Construction shall take place only as indicated on any site plan submitted to and approved by the Building Department and Planning Department of the City of Troy and all construction shall conform to all codes of the City of Troy.
 - B. The property being conveyed herein is currently zoned BB – Big Beaver Form Based District and will be used only as it is defined in the Troy Zoning Ordinance.
 - C. The purchaser shall construct or pay for the construction of any and all improvements to public facilities or private improvements as required by ordinances or design standards of the City of Troy.

D. The covenants herein shall bind and inure to the benefit of the heirs, executors, administrators, successors and assigns of the respective parties.

12. Additional Conditions:

IN THE PRESENCE OF:

Tara Baird
Tara Baird

Purchaser

Kevin G. Baird L.S.
Kevin G. Baird

Date February 2nd, 2016

Phone 248.709.2792

Address 720 Kimberly Dr Troy, MI 48098

IN THE PRESENCE OF:

Seller- City of Troy

_____ L.S.

Date _____

PURCHASER'S RECEIPT OF ACCEPTED OFFER

The Purchaser hereby acknowledges the receipt of the Seller's signed acceptance of the foregoing offer to purchase.

Date

Purchaser

L.S.

WARRANTY DEED

Sidwell: Parts of 88-20-22-358-028
Resolution # 2016-02-

The Grantor(s), **CITY OF TROY**, a Michigan municipal corporation, whose address is 500 West Big Beaver Road, Troy, MI 48084 convey(s) and warrant(s) to **KEVIN BAIRD**, a married man, Grantee, whose address is 720 Kimberly, Troy, MI 48098, the following described premises situated in the City of Troy, County of Oakland and State of Michigan:

Lot 38 and 39 except the South 69 feet taken for road, Eysters Beaver Gardens, as recorded in Liber 26 of Plats, Page 14, Oakland County Records.

The City of Troy retains an easement for Sidewalk described as:

The West 5.00 feet of the North 74.00 feet of Lot 38, of Eysters Beaver Gardens, as recorded in Liber 26 of Plats, Page 14, Oakland County Records, being part of the Southwest 1/4 of Section 122, Town 2 North, Range 11 East, City of Troy, Michigan. Containing 0.01 Acres, more or less and being subject to all easements and matters of record.

Parcel Number: 20-22-358-028
Commonly known as vacant Big Beaver Road & Frankton, Troy, MI

For the sum of Thirty Six Thousand and 00/100 Dollars (\$36,000.00)
Exempt under MCL.207.505(h)(i) and MCL 207.526 (h)(i)

subject to building and use restrictions and easements of record.

Dated this _____ day of _____, 2016

CITY OF TROY
a Michigan municipal corporation

*Dane M. Slater, Mayor

*M. Aileen Dickson, City Clerk

STATE OF MICHIGAN)
COUNTY OF OAKLAND)

The foregoing instrument was acknowledged before me this _____ day of _____, 2016,
by Dane M. Slater, Mayor, and M. Aileen Dickson, City Clerk, of the City of Troy, a Michigan Municipal corporation,
on behalf of the corporation.

*
Notary Public, _____ County, MI
My commission expires: _____
Acting in _____ County, MI

County Treasurer's Certificate		City Treasurer's Certificate	
When recorded return to: City Clerk City of Troy 500 West Big Beaver Troy, MI 48084	Send subsequent tax bills to: Grantee	Drafted by: Larysa Figol, SRWA City of Troy 500 West Big Beaver Troy, MI 48084	

Exempt under MCL 207.505(h)(i) & MCL 207.526 (h)(i)

Tax Parcel # 88-20-22-358-028 Recording Fee _____ Transfer Tax _____