

## CITY COUNCIL ACTION REPORT

December 17, 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 *PAP*

SUBJECT: Request for Approval of Purchase Agreement  
 John R Road Improvements, Square Lake Road to South Boulevard  
 Project No. 02.204.5 – Parcel #52 – Sidwell #88-20-02-228-038 – Byung Ho Kim and  
 Soon Hee Kim

### 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 Byung Ho Kim and Soon Hee Kim. This parcel is located on the west side of John R Road, between Chancery and South Boulevard in the northeast ¼ of Section 2.

### 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 \$21,450, 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 401479.7989.022045.

### 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 Byung Ho Kim and Soon Hee Kim so that the City can proceed with the acquisition of this right-of-way.

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

CITY OF TROY  
AGREEMENT TO PURCHASE REALTY  
FOR PUBLIC PURPOSES

The CITY OF TROY (the "Buyer"), agrees to purchase from Byung Ho Kim and Soon Hee Kim, husband and wife (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-One Thousand, Four Hundred, Fifty and no/100 Dollars (\$21,450) 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 17<sup>TH</sup> day of DECEMBER, 2007.

In presence of:

Patricia Holland  
[Signature]

CITY OF TROY (BUYER)

Patricia A. Pettit  
\_\_\_\_\_

SELLER:

[Signature]  
Byung Ho Kim  
Soon Hee Kim  
Soon Hee Kim

**Exhibit "A"**

Section 2, John R Widening Project  
Parcel: 88-20-02-228-038  
Parcel #52

PARENT PARCEL #52 DESCRIPTION:

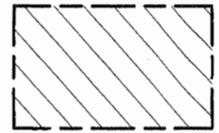
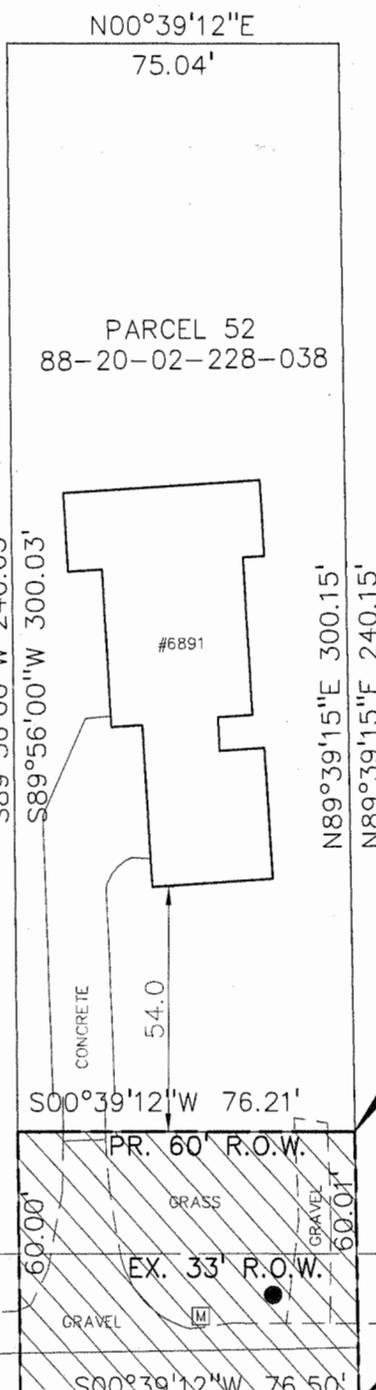
T2N, R11E, SEC 2, CITY OF TROY, OAKLAND COUNTY, MICHIGAN, DESCRIBED AS PART OF THE NORTHEAST 1/4: BEGINNING AT A POINT DISTANT S 00°39'12" W 573.45 FT FROM NORTHEAST SECTION CORNER, THENCE S 00°39'12" W 76.50 FT, THENCE S 89°56'00" W 300.03 FT, THENCE N 00°39'12" E 75.04 FT, THENCE N 89°39'15" E 300.15 FT TO BEGINNING, THE EAST 33 FEET OF WHICH IS CURRENTLY BEING USED FOR ROADWAY PURPOSES. CONTAINING 0.52 ACRES.

REMAINDER PARCEL DESCRIPTION:

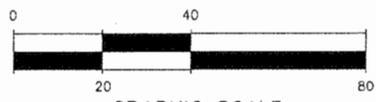
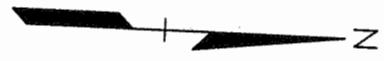
T2N, R11E, SEC 2, CITY OF TROY, OAKLAND COUNTY, MICHIGAN, DESCRIBED AS PART OF THE NORTHEAST 1/4: BEGINNING AT A POINT DISTANT S 00°39'12" W 573.45 FT & S 89°39'15" W 60 FT FROM THE NORTHEAST SECTION CORNER, THENCE S 00°39'12" W 76.21 FT, THENCE S 89°56'00" W 240.03 FT, THENCE N 00°39'12" E 75.04 FT, THENCE N 89°39'15" E 240.15 FT TO BEGINNING. CONTAINING 0.41 ACRES.

PROPOSED RIGHT OF WAY ACQUISITION:

T2N, R11E, SEC 2, CITY OF TROY, OAKLAND COUNTY, MICHIGAN, DESCRIBED AS PART OF THE NORTHEAST 1/4: BEGINNING AT A POINT DISTANT S 00°39'12" W 573.45 FT FROM NORTHEAST SECTION CORNER, THENCE S 00°39'12" W 76.50 FT, THENCE S 89°56'00" W 60.00 FT, THENCE N 00°39'12" E 76.21 FT, N89°39'15"E 60.00 FT TO THE POINT OF BEGINNING, ALSO KNOWN AS R.O.W. PARCEL #52, THE EAST 33 FEET OF WHICH IS CURRENTLY BEING USED FOR ROADWAY PURPOSES. CONTAINING 4,581 SQUARE FEET; 0.11 ACRES (GROSS) OR 2,061 SQUARE FEET; 0.05 ACRES (NET).



Right-of-Way Acquisition  
 Gross Area=4,581 sf; 0.11 AC  
 Net Area=2,061 sf; 0.05 AC



GRAPHIC SCALE  
 1" = 40'

POB REMAINDER PARCEL

POB PARENT PARCEL  
 POB ACQUISITION PARCEL

PARCEL 52

NE CORNER  
 SECTION 2  
 T2N-R11E

EAST LINE OF SEC 2  
 JOHN R ROAD (120' WIDE)

S 00°39'12" W 573.45'

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

6891 John R  
 Right-of-Way  
 Acquisition Sketch

4-06	2
3-06	1
DATE	REV.

SCALE:	DRAWN BY:	CHECK BY:	FILE
1" = 40'	JRV	GWC	P52-SEC2_ROW
	1-27-06	2-17-06	

**PEA**  
 Document Prepared by  
 Professional Engineering  
 Associates, Inc.

CONTRACT No.

STEVEN J. VANDETTE  
 CITY ENGINEER

SHEET No.	JOB No.
1 of 2	2002-234