City of Troy

CITY COUNCIL ACTION REPORT

January 30, 2008

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 and Acceptance of Regrading and Temporary Construction Permit, John R Road Improvements, Square Lake Road to South Boulevard – Project No. 02.204.5 – Parcel #28 – Sidwell #88-20-02-427-012 Marguerite Kokanovich

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 and Regrading and Temporary Construction Permit from Marguerite Kokanovich. This parcel is located on the west side of John R Road, between Square Lake Road and Atkins in the southeast 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 $52,800, plus closing costs for the acquisition of the property described in the purchase agreement and $1,100 for the Regrading and Temporary Construction Permit are justifiable amounts 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 and permit are 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 and accept the attached Regrading and Temporary Construction Permit from Marguerite Kokanovich so that the City can proceed with the acquisition of this right-of-way.

PAP\G\MEMOS TO MAYOR & CC\Kokanovich Purchase Agreement & RTCE

CITY OF TROY
AGREEMENT TO PURCHASE REALTY
FOR PUBLIC PURPOSES

The CITY OF TROY (the "Buyer"), agrees to purchase from Marguerite Kokanovich, survivor of herself and her deceased husband, Constantine Kokanovich, whose death certificate is attached (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 Fifty-Two Thousand, Eight Hundred and no/100 Dollars ($52,800) 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 30TH day of JANUARY, 2008.

In presence of:

Patty Holland

CITY OF TROY (BUYER)

Patricia A. Petitto

SELLER:

Marguerite Kokarovich

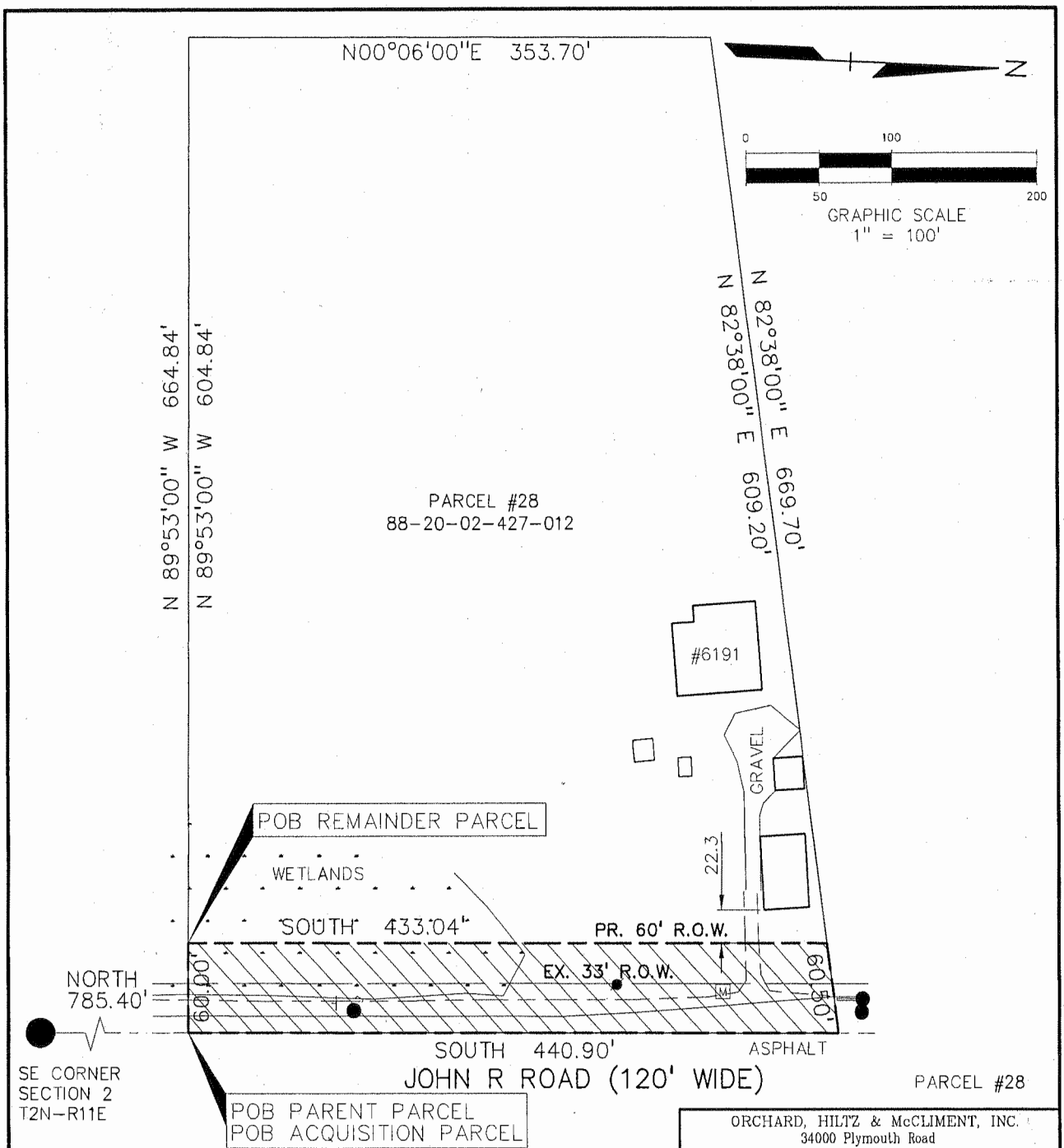
Exhibit "A"

Section 2, John R Widening Project
Parcel: 88-20-02-427-012
Parcel #28

PARENT PARCEL #28 DESCRIPTION:
T2N, R11E, SEC 2, CITY OF TROY, OAKLAND COUNTY, MICHIGAN, DESCRIBED AS PART OF THE EAST 1/2 OF THE SOUTHEAST 1/4 BEGINNING AT A POINT DISTANT NORTH 785.40 FT FROM SOUTHEAST SECTION CORNER, THENCE N 89°53'00" W 664.84 FT, THENCE N 00°06'00" E 353.70 FT, THENCE N 82°38'00" E 669.70 FT, THENCE SOUTH 440.90 FT TO BEGINNNING, THE EAST 33 FEET OF WHICH IS CURRENTLY BEING USED FOR ROADWAY PURPOSES. CONTAINING 6.06 ACRES.

REMAINDER PARCEL DESCRIPTION:
T2N, R11E, SEC 2, CITY OF TROY, OAKLAND COUNTY, MICHIGAN, DESCRIBED AS PART OF THE EAST 1/2 OF THE SOUTHEAST 1/4 BEGINNING AT A POINT DISTANT NORTH 785.40 FT & N 89°53'00" W 60 FT FROM SOUTHEAST SECTION CORNER, THENCE N 89°53'00" W 604.84 FT, THENCE N 00°06'00" E 353.70 FT, THENCE N 82°38'00" E 609.20 FT, THENCE SOUTH 433.04 FT TO BEGINNNING. CONTAINING 5.46 ACRES.

PROPOSED RIGHT OF WAY ACQUISITION:
T2N, R11E, SEC 2, CITY OF TROY, OAKLAND COUNTY, MICHIGAN, DESCRIBED AS PART OF THE EAST 1/2 OF THE SOUTHEAST 1/4 BEGINNING AT A POINT DISTANCE NORTH 785.40 FT FROM SOUTHEAST SECTION CORNER, THENCE N 89°53'00" W 60.00 FT, THENCE NORTH 433.04 FT, THENCE N 82°38'00" E 60.50 FT, THENCE SOUTH 440.90 FT, ALSO KNOWN AS R.O.W. PARCEL #28, THE EAST 33 FEET OF WHICH IS CURRENTLY BEING USED FOR ROADWAY PURPOSES. CONTAINING 26,218 SQUARE FEET; 0.60 ACRES (GROSS) OR 11,740 SQUARE FEET; 0.27 ACRES (NET).



Right-of-Way Acquisition
Gross Area=26,218 sf; 0.60 AC
Net Area=11,740 sf; 0.27 AC

ORCHARD, HILTZ & McCLIMENT, INC.
34000 Plymouth Road
Livonia, MI.,48150 (734)522-6711

City of Troy
500 W. Big Beaver Rd.
Troy, Michigan 48084
(248) 524-3594
www.ci.troy.mi.us

6191 John R
Right-of-Way
Acquisition Sketch

SCALE:	DRAWN BY:	CHECK BY:	FILE
1"= 100'	JRV	GWC	P28-SEC2_ROW
	1-27-06	2-17-06	

DATE	REV.
4-06	2
3-06	1

Document Prepared by Professional Engineering Associates, Inc.

CONTRACT No.

STEVEN J. VANDETTE
CITY ENGINEER

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

REGRADING AND TEMPORARY CONSTRUCTION PERMIT

Sidwell # 88-20-02-427-012
Parcel # 28

Marguerite Kokanovich, survivor of herself and her deceased husband, Constantine Kokanovich, whose death certificate is attached, Grantor(s), whose address is 25950 Little Mack, Saint Clair Shores, MI 48081, for and in consideration of One Thousand, One Hundred and no/100 Dollars ($1,100.00) paid by the CITY OF TROY, a Michigan Municipal Corporation, hereinafter called the CITY, whose address is 500 West Big Beaver Road, Troy, Michigan, hereby grants to the CITY, during the construction of and for a period of six (6) Months after completion of John R Road Improvements, from Square Lake Road to South Boulevard (City of Troy Project No. 02.204.5)*, the right to move men, equipment, and materials on and through, and to store equipment, materials, and excavated matter on the following described property, located in the City of Troy, to-wit:

SEE ATTACHED EXHIBIT "A" FOR PARENT PARCEL LEGAL DESCRIPTION AND DESCRIPTION OF PERMIT AREA

IN FURTHER CONSIDERATION, the premises so disturbed by reason of the exercise of any of the foregoing powers, shall be reasonably restored to its original condition by the City.

*It is anticipated that construction funding will be available in the 2010 calendar year. However, if construction is delayed this document will be effective during the actual construction year(s) and for a period of six (6) Months after completion of this project.

This instrument shall be binding upon and inure to the benefit of the parties hereto, their heirs, representative, successors, and assigns and the covenants contained herein shall run with the land.

IN WITNESS WHEREOF, the undersigned hereunto affixed her signatures(s) this 30TH day of JANUARY, 2008.

Marguerite Kokanovich (L.S.)
*Marguerite Kokanovich

STATE OF MICHIGAN
COUNTY OF OAKLAND

The foregoing instrument was acknowledged before me this 30TH day of JANUARY 2008, by Marguerite Kokanovich, survivor of herself and her deceased husband, Constantine Kokanovich, whose death certificate is attached, to me known to be the same person(s) described in and who executed the within instrument, and who then acknowledged the same to be her free act and deed.

Patricia A. Petitto

Notary Public, OAKLAND, County, Michigan

Acting in OAKLAND County, Michigan

My Commission Expires 12-31-11

Prepared by: Patricia A. Petitto
500 West Big Beaver
Troy, MI 48084

Return to: City Clerk, City of Troy
500 West Big Beaver Road
Troy, Michigan 48084

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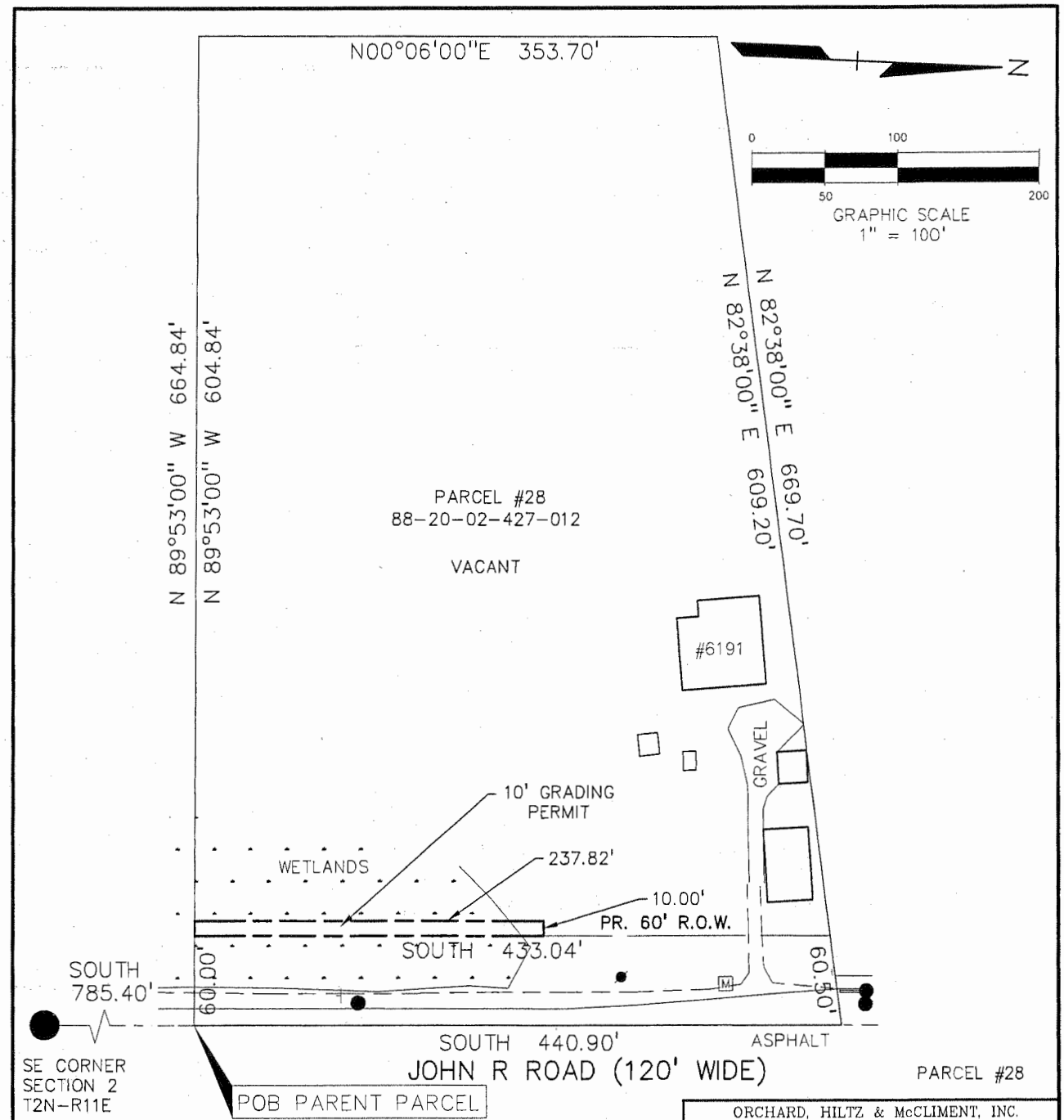
PARCEL #88-20-02-427-012

10' GRADING PERMIT:
A 10 FOOT GRADING PERMIT IN T2N, R11E, SEC 2, CITY OF TROY, OAKLAND COUNTY, MICHIGAN, DESCRIBED AS BEING THE SOUTH 237.82 FEET OF THE WEST 10.00 FEET OF THE FOLLOWING DESCRIBED PARCEL: T2N, R11E, SEC 2, CITY OF TROY, OAKLAND COUNTY, MICHIGAN, DESCRIBED AS PART OF THE EAST 1/2 OF THE SOUTHEAST 1/4 BEGINNING AT A POINT DISTANCE NORTH 785.40 FT FROM SOUTHEAST SECTION CORNER, THENCE N 89°53'00" W 664.84 FT, THENCE N 00°06'00" E 353.70 FT, THENCE N 82°38'00" E 669.70 FT, THENCE SOUTH 440.90 FT TO BEGINNNING.



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6191 John R
Grading Permit
Sketch

SCALE:	DRAWN BY:	CHECK BY:	FILE
1"= 100'	JRV	GWC	427-012_GRD
	2-10-06	3-17-06	

DATE	REV.
4-06	1

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