



CITY COUNCIL AGENDA ITEM

Date: April 1, 2013

To: Brian Kischnick, City Manager

From: Mark F. Miller, Director of Economic and Community Development
Steven J. Vandette, City Engineer
Susan Leirstein, Purchasing Director
MaryBeth Murz, Purchasing Manager
Larysa Figol, Sr. Right-of-Way Representative

Subject: Request to Publish and Solicit for Public Sealed Bid – Sale of Excess Parcel
3545 Rochester Road, Sidwell #88-20-22-277-027

History

City Council previously authorized the Engineering Department to engage the services of an independent fee appraiser licensed in the State of Michigan for the purpose of establishing market value for the City owned property located at 3545 Rochester Road in Section 22 at the southwest corner of Rochester Road and Colebrook. (Resolution #2012-05-114)

An appraisal was prepared by the appraisal firm Terzo & Bologna, Inc. Their opinion of value of the property in fee simple is \$127,000.

This parcel was acquired as part of the 2010 Rochester Road Improvement project. The property was previously used as a commercial site zoned CB, Community Business District. The parcel footprint is 8,840 square feet, or 0.198 net acres, with a single-tenant retail/office commercial building of approximately 1,280 gross square feet in size.

The City acquired this property in 2010 by Consent Judgment with a final compensation amount of \$346,000. The current opinion of value offered by the appraisal reflects the lack of the site's utility due to the lack of parking as the remaining footprint of the property is too small to accommodate some uses under current zoning requirements. Assemblage of surrounding parcels would be beneficial for any future development.

Purchasing

The property will be offered for sale by sealed bid. The City reserves the right to award the bids to the highest responsible bidder meeting specifications. The property and structures will be purchased in "as is" and "where is" condition. The disposal of City owned excess property will follow the guidelines set forth by City Council Resolution #2007-01-028, a copy of which is attached.

Financial

The Rochester Road Improvement project was funded primarily with federal funds and thus any monies received from the sale of this property must be used in accordance with federal guidelines. 23 CFR 701.403 states that "The Federal share of net income from the sale or lease of excess real property shall be used by the STD (State Transportation Department) for activities eligible for funding under title 23 of the United States Code." Therefore, any funds received from the sale of this property will be redirected to a Title 23 transportation project or any project that meets the criteria set forth in 23 CFR 710.403.

Recommendation

City staff recommends that the property located at 3545 Rochester Road be advertised for sealed bid at the minimum acceptable appraised value of \$127,000.

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

The screenshot displays the City of Troy GIS Online interface. At the top, the header includes the City of Troy logo, the text "GIS Online", and "Oakland County · Michigan". A search bar is located on the right side of the header. Below the header is a navigation menu with categories: "Getting Around", "Maps & Data Sources", "Tasks", "Analysis", and "Workflows". Under "Tasks", there are several icons and labels: "Show Layers", "Layer Drawing Order", "Map Layers", "Map Tool", "Simple Query", "Advanced Query", "Advanced Filter", "Add Map Layer", "Add Shapefile", "Add CSV File", "Add Data", "Bird™ Maps", and "Google Maps™".

The main area of the interface is an aerial map showing a residential neighborhood. Yellow lines delineate individual parcels, each with a white address label. The addresses visible on the map include 895, 925, 3615, 3601, 898, 914, 930, 3545, 2, 3529, 3527, 3525, 09, 925, 965, 973, and 3515. A red line points to a specific parcel labeled "City Owned Parcel" with "Source #08-20-22-271-027". In the bottom left corner, there is a scale bar showing 100 feet and 25 meters. The map is titled "Aerial Base Map" in the top right corner.

**Request to Publish and Solicit for Public Sealed Bid – Sale of Excess Property
3545 Rochester Road, Sidwell #88-20-22-277-027**

Resolution # 2013-4-

RESOLVED, that the TCC hereby authorizes the Engineering Department, in conjunction with the Purchasing Department to advertise and sell by sealed bid to the highest bidder meeting specifications, the City owned property located at 3545 Rochester Road and having Sidwell #88-20-22-277-027 for or above the minimum bid value established at the appraised value of \$127,000.