



CITY COUNCIL AGENDA ITEM

Date: May 20, 2013

To: Brian Kischnick, City Manager

From: Tom Darling, Director of Finance/Administration
Nino Licari, City Assessor

Subject: Regular Business item for Standard Resolutions 1, 2 and 3 for a Special Assessment District for the paving of the west 324 feet of Troywood Street in Section 22

Background:

Three residents of Troywood expressed an interest in having that portion of Troywood in front of their homes, paved.

On April 11, 2013 a Petition was submitted to the City Clerk's Office requesting this project move forward. A residential builder signed the petition for the prospective homeowner he is contracted with for the site currently occupied by 510 Troywood. He asked that his concurrence be withheld until he had a contract in place to be fully reimbursed for the cost of the SAD. That contract was presented on May 1, 2013, and staff then proceeded with the project.

Three of the four owners involved in the area signed in agreement, or 75%. More importantly 68.28% of the frontage ownership is in favor of the project. As the project is assessed on a front foot basis, this is the important number to realize.

Past Council Policy has been that more than 50% must be in agreement before Council will approve a Special Assessment District. (While that is past policy, Council may initiate and approve an SAD of their own volition, by Charter).

Council is asked at this point, to approve Standard Resolution 1 (preparation of plans and cost estimates – which has obviously already been done in order to apprise the owners of the estimated costs), Standard Resolution 2 (approval of the plans and cost estimates), and Standard resolution 3 (setting a Public Hearing for public input, and the approval/disapproval of the project).



CITY COUNCIL AGENDA ITEM

Financial Considerations:

The total cost of the project is \$60,100, of which the City share is \$39,600. This amount is budgeted in the Local roads Fund, and was mentioned in Mr. Houtari's presentation of the Capital Projects portion of the proposed budget.

The resident's share is therefore \$20,500. The breakdown of their individual costs and the amortization of the 10 year payment plan is attached to this memorandum.

There is no prepayment penalty on the SAD. However, there is a lien on the properties from the moment City Council approves Standard Resolution 4, after the Public Hearing. Any owner wishing to sell their property after the lien is placed would be required to pay the outstanding balance in full in order to have a clear title for their closing. This is the reason the developer wished to wait until he had a signed contract guaranteeing his repayment before he gave his approval for the project.

Recommendation:

As there is nearly 70% approval of the resident initiated project, and budgeted funds are already approved for it, staff recommends approving Standard Resolutions 1, 2 and 3, and moving forward to the Public Hearing of June 17, 2013 to consider Standard Resolution 4, the approval of the project.

REQUEST FOR PUBLIC IMPROVEMENTS
(TO BE USED ONLY FOR SPECIAL ASSESSMENT IMPROVEMENTS)

**To the Honorable
Mayor and City Council
City of Troy, Michigan**

We, the undersigned, owners of property in the City of Troy, to be benefitted by the proposed improvements, description of which property, and our addresses, are set forth opposite our respective names, hereto, do hereby request the following public improvements, to wit:

**Bituminous asphalt paving of Troywood Street, with Community Block Grant Funds
available to qualifying households, from address #480 to #540**

This request is not made for the purpose of initiating such improvement, but only for advising the City Council of our desire for such improvement and willingness to have our property assessed therefore if the Council, in the exercise of its discretion, orders such improvements to be made.

Signature	(print name)	Address	Date	Parcel ID #	Telephone #
<i>Mkochen</i>	MONIKA	480 TROY	12/11/12		248-250-
	OCHANI	WOOD, TROY		88-20-	9149
		48083		22-251-	
<i>Mohan</i>	KISHORE	- same	12/11/12	001	- same -
	OCHANT				
<i>Bryan M. Urban</i>	Bryan M. Urban	493 Troywood Dr. Troy MI 48063	12/12/12	88-20- 22-201	(588) 530-3531
<i>Patrizia Urban</i>	Patrizia Urban	- Same as above	12/12/12	-017	- same -
<i>Sushma Koritela</i>	Sushma Koritela	510 Troywood			new house
<i>Brahmaji Koritela</i>	Brahmaji Koritela	510 Troywood			owners
<i>Victor DeFlorio</i>	VICTOR DE FLORIO	510 TROYWOOD	4/11/13	20-22-251-000	(248) 231-1057

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APR 11 2013

CITY OF TROY
ASSESSING DEPT.

In case of joint ownership, husband and wife and/or all joint owners appearing on the deed must sign. ** The attached affidavit must be signed and notarized by any person circulating a petition (this may be done when presenting the petition to the City Clerk's office). **

Addendum to Purchase Agreement - #510-003 - A

This Addendum is between Brahmaji Rao Tarigopula & Sushma Koritala, ("Buyer") and DeFlorio Homes, Inc, ("Seller") regarding the Purchase Agreement for new construction at 510 Troywood. The two parties agree that Addendum #510-003 assigns the financial responsibility of the road improvement in front of 510 Troywood to the buyer.

The City of Troy Assessing Department has assessed an improvement cost to 510 Troywood in the amount of \$4,365.88. This amount is due to the City of Troy when the property is sold to the buyer at the completion of construction. Therefore, the buyers agree to compensate DeFlorio Homes, Inc this amount at the closing. In the event the City of Troy completes the road improvement prior to the completion of the new home construction, and assigns any interest charges to the property, the buyer will assume these costs as well at the closing.

DeFlorio Homes, Inc will not be responsible for any costs with the paving of Troywood.

All costs due to the City of Troy will be paid immediately by the Buyer and will not be included in the Purchase Agreement.

Buyer i. Brahmaji Rao date 04/30/2013

Buyer C. Sushma date 04/30/2013

Seller Victor DeFlorio date 4/30/13

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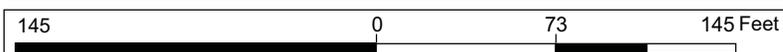
**CITY OF TROY
ASSESSING DEPT.**

City of Troy - Assessing Department
 SAD #06.202.1 Eckford Street Paving
 785 - 996 Eckford
 Petition Analysis

City of Troy - Assessing Department
 Troywood S.A.D. #12.201.1
 Spread of S.A.D. Costs per Front Foot
 Petition Analysis Included

Parcel ID	#	Street	Frontage	% Total	SAD Cost	Owners	Petition Yes/No
88-20-22-201-017	493	Troywood	121.50	25.88	5,304.55	2	Yes
88-20-22-251-001	480	Troywood	99.13	21.11	4,327.90	1	Yes
88-20-22-251-002	510	Troywood	100.00	21.30	4,365.88	1	Yes
88-20-22-251-003	540	Troywood	148.92	31.72	6,501.67	1	No
Total			469.55	100.00	20,500.00	5	68.28%
Total Check			469.55		20,500.00		

City of Troy
Engineering & Assessing Departments
Troywood Special Assessment District
S.A.D. # 12.201.1
Asphalt Paving



City of Troy Geographical Information Systems - Department of Information Technology

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.

Legend and Note section on the right side of the map.

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Note
Troy

Preliminary Cost Estimate

August 2, 2012

Project Location: Troywood Street (#480 to #540)

Project No.: 12.201.1

Proposed Improvement: 324 LF, 24' wide Bituminous Asphalt Pavement with Edgedrain

Item	Quantity		Description	Unit Cost	Total Cost
			SAD Share - Asphalt Section (324')		
1.	157	Tons	Bit. Mix No. 500, 20C - 3"	60.00	9,420.00
2.	79	Tons	Bit. Mix No. 1100T, 20AA - 1 1/2"	70.00	5,530.00
3.	9	Tons	Bit. Mix No. 1100T, 36B - 4" Driveway	100.00	900.00
4.	36	SY	6" Non-Reinforced Conc. Driveway	70.00	2,520.00
5.	24	Tons	21AA Aggregate for Shoulders	20.00	480.00
			Sub-Total		18,850.00
			Engineering, Admin. And Contingencies, 30%		5,655.00
			Sub-Total		24,505.00
			Maintenance Savings		(4,000.00)
			Total Special Assessment Share - Asphalt		20,500.00
			City Share		
6.	2	Each	Remove 12" CMP Culvert	150.00	300.00
7.	50	CY	Earth Excavation	10.00	500.00
8.	120	CY	Subgrade Undercut, w/ crush. Conc.	40.00	4,800.00
9.	864	SY	Grading	3.00	2,592.00
10.	260	Tons	Aggregate Base, 21AA (For Road)	20.00	5,200.00
11.	10	Tons	Agg. Base, 21AA (For Driveways)	20.00	200.00
12.	50	LF	12" RCP Storm Sewer	40.00	2,000.00
13.	400	LF	8" Edge Drain	20.00	8,000.00
14.	2	Each	2' Dia. Catch Basin	1,000.00	2,000.00
15.	1	Each	4' Dia. Manhole	1,500.00	1,500.00
16.	2	Each	Tap Manhole	500.00	1,000.00
17.	2	Each	Relocate Mailbox Post	100.00	200.00
18.	4	Each	Reconstruct/Adjust Structure	500.00	2,000.00
19.	648	LF	Ditching	5.00	3,240.00
20.	1	SY	Turf Restoration		Incidental
			Sub-Total		33,532.00
			Engineering, Admin. And Contingencies, 30%		10,059.60
			Sub-Total		43,591.60
			Maintenance Savings		(4,000.00)
			Total City Share		39,600.00
			TOTAL PROJECT COST		60,100.00

Prepared by: Antonio Cicchetti

G:\Projects\Projects - 2012\12.201.1 - Troywood Paving SAD\Preliminary Cost Estimate - 2012.xls

City of Troy Assessing Department

Project Name Troywood Bituminous Asphalt Paving

Project # 12.201.1

Amortization Table 10 Year

int. @.06

Assessment 5,304.55

Year	Principal	Interest	Payment	Balance
1	\$ 530.46		\$ 530.46	\$ 4,774.10
2	\$ 530.46	\$ 286.45	\$ 816.90	\$ 4,243.64
3	\$ 530.46	\$ 254.62	\$ 785.07	\$ 3,713.19
4	\$ 530.46	\$ 222.79	\$ 753.25	\$ 3,182.73
5	\$ 530.46	\$ 190.96	\$ 721.42	\$ 2,652.28
6	\$ 530.46	\$ 159.14	\$ 689.59	\$ 2,121.82
7	\$ 530.46	\$ 127.31	\$ 657.76	\$ 1,591.37
8	\$ 530.46	\$ 95.48	\$ 625.94	\$ 1,060.91
9	\$ 530.46	\$ 63.65	\$ 594.11	\$ 530.46
10	\$ 530.46		\$ 530.46	\$ -
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TOTAL	\$ 5,304.55	\$ 1,400.40	\$ 6,704.95	

88-20-22-201-017

493 Troywood

City of Troy Assessing Department

Project Name Troywood Bituminous Asphalt Paving

Project # 12.201.1

Amortization Table 10 Year

int. @.06

Assessment 4,327.90

Year	Principal	Interest	Payment	Balance
1	\$ 432.79		\$ 432.79	\$ 3,895.11
2	\$ 432.79	\$ 233.71	\$ 666.50	\$ 3,462.32
3	\$ 432.79	\$ 207.74	\$ 640.53	\$ 3,029.53
4	\$ 432.79	\$ 181.77	\$ 614.56	\$ 2,596.74
5	\$ 432.79	\$ 155.80	\$ 588.59	\$ 2,163.95
6	\$ 432.79	\$ 129.84	\$ 562.63	\$ 1,731.16
7	\$ 432.79	\$ 103.87	\$ 536.66	\$ 1,298.37
8	\$ 432.79	\$ 77.90	\$ 510.69	\$ 865.58
9	\$ 432.79	\$ 51.93	\$ 484.72	\$ 432.79
10	\$ 432.79		\$ 432.79	\$ -
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TOTAL	\$ 4,327.90	\$ 1,142.57	\$ 5,470.47	

88-20-22-251-001

480 Troywood

City of Troy Assessing Department

Project Name Troywood Bituminous Asphalt Paving

Project # 12.201.1

Amortization Table 10 Year

int. @.06

Assessment 4,365.88

Year	Principal	Interest	Payment	Balance
1	\$ 436.59		\$ 436.59	\$ 3,929.29
2	\$ 436.59	\$ 235.76	\$ 672.35	\$ 3,492.70
3	\$ 436.59	\$ 209.56	\$ 646.15	\$ 3,056.12
4	\$ 436.59	\$ 183.37	\$ 619.95	\$ 2,619.53
5	\$ 436.59	\$ 157.17	\$ 593.76	\$ 2,182.94
6	\$ 436.59	\$ 130.98	\$ 567.56	\$ 1,746.35
7	\$ 436.59	\$ 104.78	\$ 541.37	\$ 1,309.76
8	\$ 436.59	\$ 78.59	\$ 515.17	\$ 873.18
9	\$ 436.59	\$ 52.39	\$ 488.98	\$ 436.59
10	\$ 436.59		\$ 436.59	\$ (0.00)
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TOTAL	\$ 4,365.88	\$ 1,152.59	\$ 5,518.47	

88-20-22-251-002

510 Troywood

City of Troy Assessing Department

Project Name Troywood Bituminous Asphalt Paving

Project # 12.201.1

Amortization Table 10 Year

int. @.06

Assessment 6,501.67

Year	Principal	Interest	Payment	Balance
1	\$ 650.17		\$ 650.17	\$ 5,851.50
2	\$ 650.17	\$ 351.09	\$ 1,001.26	\$ 5,201.34
3	\$ 650.17	\$ 312.08	\$ 962.25	\$ 4,551.17
4	\$ 650.17	\$ 273.07	\$ 923.24	\$ 3,901.00
5	\$ 650.17	\$ 234.06	\$ 884.23	\$ 3,250.84
6	\$ 650.17	\$ 195.05	\$ 845.22	\$ 2,600.67
7	\$ 650.17	\$ 156.04	\$ 806.21	\$ 1,950.50
8	\$ 650.17	\$ 117.03	\$ 767.20	\$ 1,300.33
9	\$ 650.17	\$ 78.02	\$ 728.19	\$ 650.17
10	\$ 650.17		\$ 650.17	\$ -
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TOTAL	\$ 6,501.67	\$ 1,716.44	\$ 8,218.11	

88-20-22-251-003

540 Troywood

CITY OF TROY
PUBLIC HEARING

A Public Hearing will be held by and before the City Council of the City of Troy at City Hall, 500 W. Big Beaver, Troy, Michigan on Monday, June 17, 2013, at 7:30 P.M. to consider the approval of a Special Assessment District (SAD) for the paving of the westerly 324' of Troywood in Section 22, including the following properties:

88-20-22-201-017 493 Troywood, Troy, MI. 48083,
88-20-22-251-001 480 Troywood, Troy, MI. 48083,
88-20-22-251-002 510 Troywood, Troy, MI. 48083 and
88-20-22-251-003 540 Troywood, Troy, MI. 48083

You may express your comments regarding this matter by writing to this office, or by attending the Public Hearing.

M. Aileen Bittner, City Clerk

NOTICE: *People with disabilities needing accommodations for effective participation in this meeting should contact the City Clerk by e-mail at clerk@ci.troy.mi.us or by calling (248) 524-3317 at least two working days in advance of the meeting. An attempt will be made to make reasonable accommodations.*

88-20-22-201-017
BRYAN & PATRIZIA URBEN
493 TROYWOOD
TROY MI 48083-5142

88-20-22-251-001
KISHORE & MONIKA OCHANI
480 TROYWOOD
TROY MI 48083-5141

88-20-22-251-002
DEFLORIO HOMES INC
3609 CEDAR BROOK
ROCHESTER MI 48309

88-20-22-251-003
CONSTANCE R MANSOUR
540 TROYWOOD
TROY MI 48083-5197

**Standard Resolution #1, 2, and 3 for Paving of Troywood – Section 22 SAD
#12.201.1**

(a) Standard Resolution #1

Suggested Resolution

Resolution #2013-

Moved by:

Seconded by:

RESOLVED, That Troy City Council hereby **ADOPTS** Standard Resolution #1 to direct the preparation of plans and costs estimates for the Special Assessment to pay all or part of the cost of Asphalt Paving of Troywood in Section 22 Project No.12.201.1, all pursuant to Sections 1.1 and 1.2 of Chapter 5 of the Code of the City of Troy.

Yes:

No:

(b) Standard Resolution #2

Suggested Resolution

Resolution #2013-

Moved by:

Seconded by:

RESOLVED, That Troy City Council hereby **ADOPTS** Standard Resolution #2 to approve plans and cost estimates for a Special Assessment to pay all or part of the cost of Asphalt Paving of Troywood, in Section 22, Project No. 12.201.1, all pursuant to Sections 1.1 and 1.2 of Chapter 5 of the Code of the City of Troy

Total Estimated Cost	\$60,100.00
Assessment	20,500.00
City's Share	39,600.00

BE IT FURTHER RESOLVED, That the City Assessor is hereby **ORDERED** and **DIRECTED** to prepare a Special Assessment Roll in accordance with Chapter 5 of the Code of the City of Troy.

Yes:

No:

c) **Standard Resolution #3**

Suggested Resolution

Resolution #2013-

Moved by:

Seconded by:

RESOLVED, That Troy City Council hereby **ADOPTS** Standard Resolution #3 to set a Public Hearing date on the Special Assessment roll for Asphalt Paving of Troywood, in Section 22, Project No. 12.201.1, all pursuant to Chapter 5 of the Code of the City of Troy, with said Public Hearing to be established for June 17, 2013.

Yes:

No: