



## CITY COUNCIL AGENDA ITEM

Date: June 24, 2013

To: Brian Kischnick, City Manager

From: MaryBeth Murz, Purchasing Manager  
Steven J. Vandette, City Engineer  
Larysa Figol, Sr. Right of Way Representative

Subject: Standard Purchasing Resolution 8: Best Value Award – Sale of Real Estate –  
3545 Rochester Road and Colebrook

### History

- On April 8, 2013, City Council authorized the Engineering Department, in cooperation with the Purchasing Department, to advertise and bid the sale of surplus property identified as Parcel #30, Sidwell #20-22-277-027 (CC Resolution #2013-04-075-J-12). An appraisal prepared by Terzo & Bologna, Inc. established a market value of \$127,000. The minimum bid amount for the property was set at \$127,000.
- The property located at 3545 Rochester Road at Colebrook was acquired as part of the 2010 Rochester Road Improvement project. It was previously used as a commercial site zoned CB, Community Business District. The new property footprint greatly reduced the number of parking spaces limiting the function and use of the property.
- In 2012, the owner of 2 vacant parcels to the west of the City's parcel, Mr. Petrit Skenderaj appeared before the Planning Commission for approval of a site plan to build an office building and to ultimately rezone his properties from R1-C (Residential) to CB (Community Business). His request before the Planning Commission was denied. The Commission advised that if his parcels were combined with the City's property to the east, then his application for redevelopment would have more merit.
- Mr. Skenderaj submitted a formal request to the Engineering Department to purchase the property located at 3545 Rochester Road, initiating the approval from City Council to sell the City owned property.
- The bid proposal package was posted on the Michigan Inter-governmental Trade Network (MITN) website and notice of the property sale was published in the Troy-Somerset Gazette. Additionally, a sign was erected on the property advertising the sale and all parties who made previous personal inquiries to the Engineering department staff were contacted with sale details.

### Purchasing

On June 21, 2013, a bid opening was conducted as required by City Charter and Code for the sale of property at 3545 Rochester Road and Colebrook. Ninety (90) vendors were notified of the bid opportunity on the Michigan Inter-governmental Trade Network (MITN) website; [www.mitn.info](http://www.mitn.info). The bid was also sent to the Troy Chamber of Commerce. Three (3) bid responses were received. Below is a detailed vendor summary:

<b>Companies notified via MITN</b>	90
Troy Companies notified via MITN	2
Troy Companies notified - Active email Notification	2
Troy Companies notified - Active non-paying	0
<b>Companies that viewed the bid</b>	34
Troy Companies that viewed the bid	2

**MITN** provides a resourceful online platform to streamline the procurement process, reduce costs, and make it easier and more transparent for vendors to do business with the City of Troy. **Active MITN** members with a current membership and paying annual dues receive automatic electronic notification which allows instant access to Bids, RFPS and Quote opportunities with the City. **Active MITN non-paying** members are responsible to monitor and check the MITN website for opportunities to do business with the City. **Inactive MITN member** status can occur when a company does not renew their account upon expiration. Inactive members cannot be notified of solicitations or access any bid information.



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### **Purchasing - continued**

Also note that the City reserves the right to award the bid to the highest responsible purchaser meeting specifications, or in whatever manner is deemed to be in the City's best interest; to reject the highest bid that has major deviations from the specifications, to accept a lower bid that has only minor deviations.

### **Financial**

- The highest bid received was from Petrit Skenderaj for \$181,000. Coincidentally, Mr. Skenderaj is the owner of the abutting 2 vacant parcels to the west. The next two bids were in the amounts of \$151,000 and \$143,000. There were no exceptions included in the purchase of the property in any of the three bids.
- The Rochester Road Improvement project was funded primarily with federal funds and thus any monies received from the sale of the property must be used in accordance with federal guidelines.
- All net proceeds from this sale will be set aside to fund a federally funded transportation project in the City of Troy.
- All necessary funds for title work and recording fees will be taken from the proceeds of this sale.
- Sale of this City-owned surplus property will return the parcel to the tax roll and bring additional revenues, as well as encourage investment and business expansion.

### **Options**

- City Council has the option to award this sale to any of the three bidders.

### **Recommendation**

City management recommends awarding the sale of the property to the highest bidder, Petrit Skenderaj for the bid amount of \$181,000.

Opening Date -- 06/21/2013  
 Date Prepared -- 6/21/2013

CITY OF TROY  
 BID TABULATION  
 SALE of PROPERTY - 3545 ROCHESTER ROAD COLEBROOK

ITB-COT 13-16

PURCHASER'S NAME:		<b>Petrit Skenderaj</b>	John Kennedy	Mark C. Smith
<b>REAL ESTATE SALE</b>				
DESCRIPTION Tax ID# 20-26-429-045				
Property at Rochester Road and Colebrook Offer:		<b>\$181,000.00</b>	\$151,000.00	\$143,000.00
<b>Minimum Bid \$127,000.00</b>				
	Check #	9439507517	612193	21749466
Size: 98.16 x 88 ft.	(10% of offer)	\$18,100.00	\$15,100.00	\$14,300.00
SIGNATURE PAGE:	Attached	Yes	Yes	Yes
TERMS:		As Stated	As Stated	As Stated
EMAIL ADDRESS:		<u>emicassey@pire.com</u>	<u>ltk5099@comcast.net</u>	<u>markcsmith@allstate.com</u>
FORMS: (4)	Attached	Yes	Yes	Yes
EXCEPTIONS:		None	None	None
ACKNOWLEDGEMENT:	Yes or No	Yes	Yes	Yes

**BOLDFACE TYPE DENOTES HIGHEST TOTAL ACCEPTABLE OFFER.**

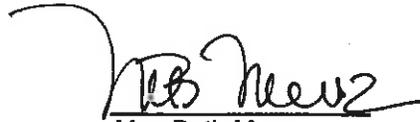
PROPOSAL: Sale of Real Estate located at 3545 Rochester Road and Colebrook

ATTEST:

Susan Riesterer

Larysa Figol

Janet Parsons



MaryBeth Murz  
 Purchasing Manager

WARRANTY DEED

Sidwell: Parts of 88-20-22-277-027  
Resolution # 2013-7-

The Grantor(s), CITY OF TROY, a Michigan Municipal corporation, whose address is 500 West Big Beaver Road, Troy, Michigan 48084 convey(s) and warrant(s) to Petrit Skenderaj, Grantee, whose address is 3841 Dawson Drive, Warren, MI 48092, the following described premises situated in the City of Troy, County of Oakland and State of Michigan:

Lot 1 through 5, both inclusive, including the adjoining one-half of the vacated public alley at the rear thereof, "Cloverdale Farms" a subdivision of part of the Northeast ¼ of Section 22, T2N, R11E, Troy Township (now City of Troy), Oakland County, Michigan, as recorded in Liber 33 of Plats, Page 13, Oakland County Records. Except the East 22.00 feet of Lot 1 through 5, both inclusive.

**The City of Troy reserves an easement for Public Utilities described as:**

The West 12.00 feet of the East 34.00 feet of the following described property:

Lot 1 through 5, both inclusive , including the adjoining one-half of the vacated public alley at the rear thereof, "Cloverdale Farms" a subdivision of part of the Northeast 1/4 of Section 22, T2N, R11E, Troy Township (now City of Troy), Oakland County, Michigan, as recorded in Liber 33 of Plats, Page 13, Oakland County Records.

Said easement contains 1,178 square feet, or 0.027 acres, more or less.

Commonly known as 3545 Rochester Road, Troy, MI 48083

For the sum of One Hundred and Eighty One Thousand and 00/100 Dollars (\$181,000.00)  
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 July, 2013.

City of Troy,  
a Michigan Municipal corporation

\_\_\_\_\_  
\*Dane M. Slater, Mayor

\_\_\_\_\_  
\*M. Aileen Bittner, City Clerk

STATE OF MICHIGAN )  
COUNTY OF OAKLAND)

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of July, 2013, by Dane M. Slater, Mayor, and M. Aileen Bittner, 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

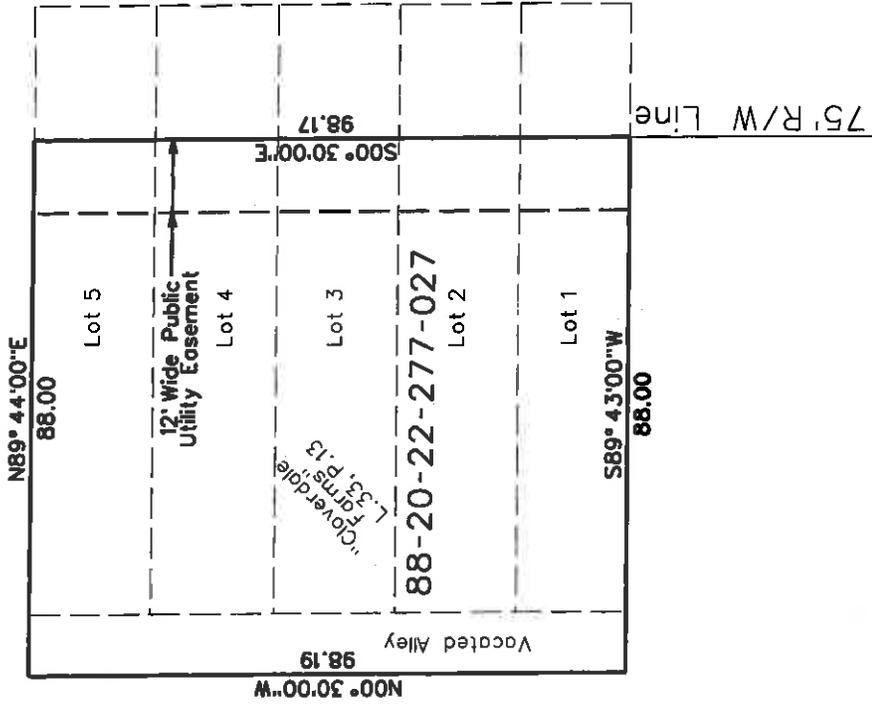
County Treasurer's Certificate		City Treasurer's Certificate	
When recorded return to: City Clerk City of Troy 500 West Big Beaver Troy, MI 48084	Send subsequent tax bills to: Grantee	Drafted by: Larysa Figol, SR/WA City of Troy 500 West Big Beaver Troy, MI 48084	

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

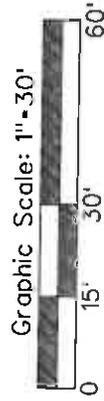
Tax Parcel # 88-20-22-277-027 Recording Fee \_\_\_\_\_ Transfer Tax \_\_\_\_\_

*\*TYPE OR PRINT NAMES UNDER SIGNATURES*

# Colebrook



Rochester Rd.



<b>CITY OF TROY</b> OAKLAND COUNTY, MICHIGAN	
Parcel Sketch 88-20-22-277-027	
FILE: 88-20-22-277-027.DGN	NAME GJBIII DATE 01-17-13
SCALE	DRAWN BY NAME
HOR. 1"=30'	CHECKED BY NAME
VER. 1"=X'	SHEET NO.
STEVEN J. VANDETTE, P.E.	JOB NO.
CITY ENGINEER	10F1
	N/A

Document Prepared By George J. Ballard III, P.S. Land Surveyor	DATE	REV.	CONTRACT NO.
			N/A

# LOCATION MAP

