



CITY COUNCIL ACTION REPORT

July 29, 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 *PAP*

SUBJECT: Request for Approval of Purchase Agreement
John R Road Improvements, Long Lake Road to Square Lake Road
Project No. 02.203.5 – Parcel #15 – Sidwell #88-20-11-226-037
Dynex Properties, Inc.

Background:

- In connection with the proposed improvements to John R Road, from Long Lake Road to Square Lake Road, the Real Estate & Development Department received a purchase agreement from Dynex Properties, Inc. This parcel is located on the west side of John R Road, between Abbotsford and Square Lake Road in the northeast ¼ of Section 11.

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 \$34,000, 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 2008-09 Major Road fund, account number 401479.7989.022035.

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. (Outcome Statements I, II and III)

Options:

- City Management recommends that City Council approve the attached purchase agreement from Dynex Properties, Inc. so that the City can proceed with the acquisition of this right-of-way.

CITY OF TROY
AGREEMENT TO PURCHASE REALTY
FOR PUBLIC PURPOSES

The CITY OF TROY (the "Buyer"), agrees to purchase from Dynex Properties, Inc., a Michigan Corporation (the "Seller"), 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 Thirty-Four Thousand and no/100 Dollars (\$34,000) 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 29TH day of July, 2000.

In presence of:

M. P. Baston
Patricia A. Pettit

CITY OF TROY (BUYER)

Patricia A. Pettit

SELLER:

Catherine Dillon

CATHERINE DILLON, President

Exhibit "A"

Section 11, John R Widening Project
Parcel: 88-20-11-226-037
Parcel #15

PARENT PARCEL #15 DESCRIPTION:

T2N, R11E, SECTION 11, CITY OF TROY, OAKLAND COUNTY, MICHIGAN, DESCRIBED AS PART OF NORTHEAST 1/4: BEGINNING AT A POINT DISTANT SOUTH 729.16 FT FROM NORTHEAST SECTION CORNER, THENCE SOUTH 280 FT, THENCE S 89°43'01" W 1328.53 FT, THENCE N 00°14'15" W 299.46 FT, THENCE N 89°41'38" E 669.79 FT, THENCE NORTH 93 FT, THENCE N 89°41'38" E 231.30 FT, THENCE SOUTH 108.42 FT, THENCE S 89°41'38" E 428.70 FT TO BEGINNING, THE EAST 33 FEET OF WHICH IS CURRENTLY BEING USED FOR ROADWAY PURPOSES. CONTAINING 9.47 ACRES.

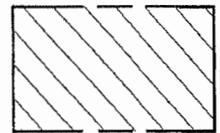
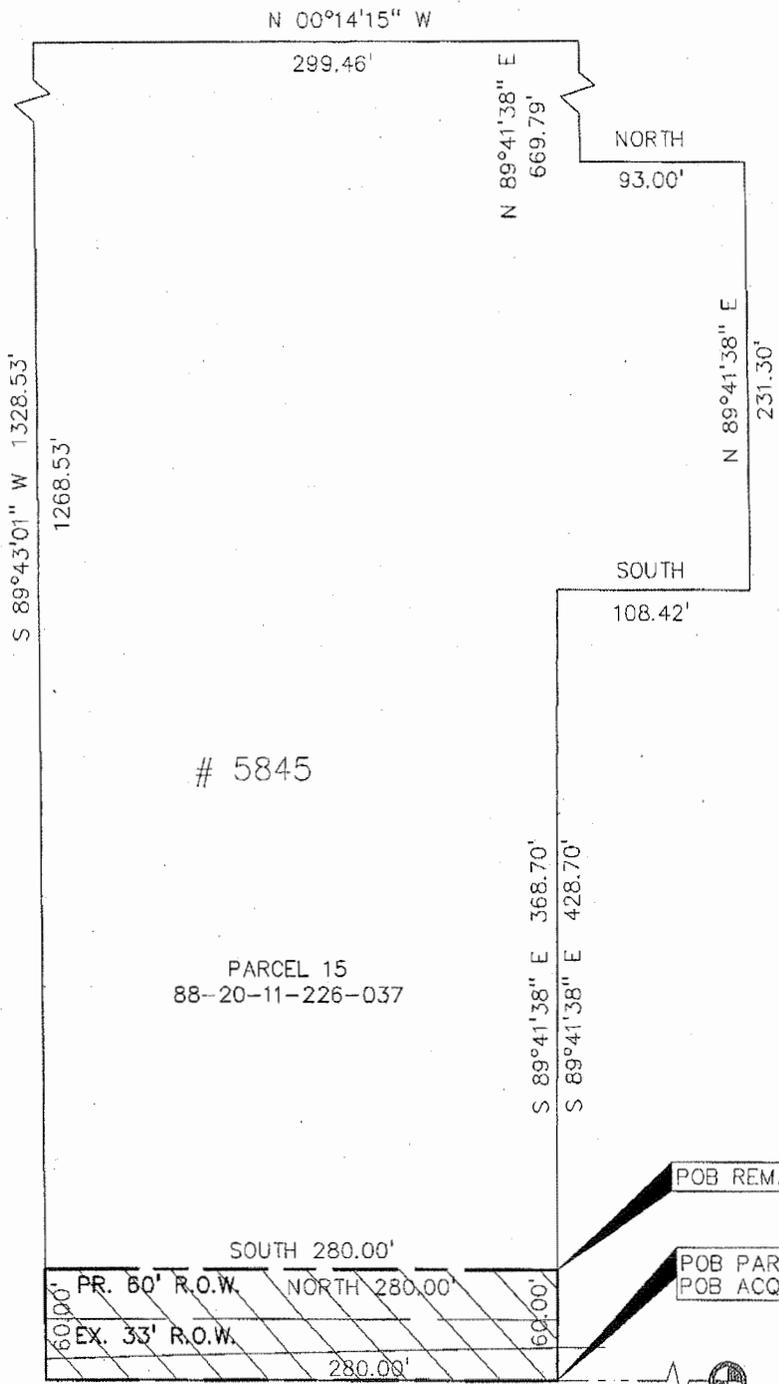
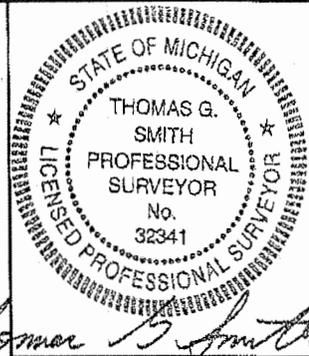
PARCEL #88-20-11-226-037

REMAINDER PARCEL DESCRIPTION:

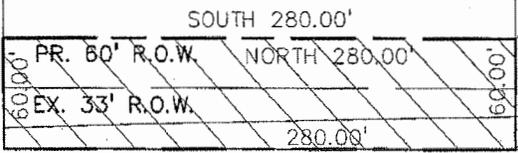
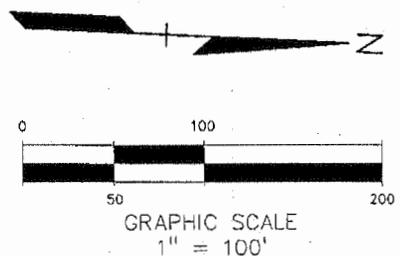
T2N, R11E, SECTION 11, CITY OF TROY, OAKLAND COUNTY, MICHIGAN, DESCRIBED AS PART OF NORTHEAST 1/4: BEGINNING AT A POINT DISTANT SOUTH 729.16 FT AND N 89°41'38" W 60.00 FT FROM NORTHEAST SECTION CORNER, THENCE SOUTH 280 FT, THENCE S 89°43'01" W 1268.53 FT, THENCE N 00°14'15" W 299.46 FT, THENCE N 89°41'38" E 669.79 FT, THENCE NORTH 93 FT, THENCE N 89°41'38" E 231.30 FT, THENCE SOUTH 108.42 FT, THENCE S 89°41'38" E 368.70 FT TO BEGINNING. CONTAINING 9.06 ACRES.

PROPOSED RIGHT OF WAY ACQUISITION:

2N, R11E, SECTION 11, CITY OF TROY, OAKLAND COUNTY, MICHIGAN, DESCRIBED AS PART OF NORTHEAST 1/4: BEGINNING AT A POINT DISTANT SOUTH 729.16 FT FROM NORTHEAST SECTION CORNER, THENCE SOUTH 280 FT, THENCE S 89°43'01" W 60.00 FT. THENCE NORTH 280.00 FT, THENCE S 89°41'38" E 60.00 FT TO THE POINT OF BEGINNING ALSO KNOWN AS R.O.W. PARCEL #15, THE EAST 33 FEET OF WHICH IS CURRENTLY BEING USED FOR ROADWAY PURPOSES. CONTAINING 16,800 SQUARE FEET; 0.39 ACRES (GROSS) OR 7,560 SQUARE FEET; 0.17 ACRES (NET).



Right-of-Way Acquisition
 Gross Area=16,800 sf; 0.39 AC
 Net Area= 7,560 sf; 0.17 AC



JOHN R ROAD
 (120' WIDE)

POB REMAINDER PARCEL

POB PARENT PARCEL
 POB ACQUISITION PARCEL

PARCEL 15

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



500 W. Big Beaver Rd.
 Troy, Michigan 48064
 (248) 524-3594
 www.ci.troy.mi.us

5845 John R
 Right-of-Way
 Acquisition Sketch

3-06 DATE	1 REV.	CONTRACT No.	SHEET No.	JOB No.
		STEVEN J. VANDETTIE CITY ENGINEER	1 of 2	2002-234

Document Prepared by
 Professional Engineering
 Associates, Inc.