

CITY COUNCIL ACTION REPORT

September 2, 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 *paf*

SUBJECT: Request for Approval of Purchase Agreement
 Wattles Road Improvements, Bristol to Worthington
 Project No. 01.106.5 – Parcel #20 – Sidwell #88-20-23-100-072
 Russell F. Hadley and Jeanette Hadley

Background:

- In connection with the proposed improvements to Wattles Road, from Bristol to Worthington, the Real Estate & Development Department received a purchase agreement from Russell F. Hadley and Jeanette Hadley. This parcel is located on the south side of Wattles Road, between Rochester and Keats in the northwest ¼ of Section 23.

Financial Considerations:

- An appraisal was prepared by Raymond V. Bologna, CRE, MAI, and David J. Abraham, SRA, both State Certified Appraisers and reviewed by Kimberly Harper, Deputy Assessor and State Licensed Appraiser. Staff believes that \$63,000, 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 401479.7989.011065.

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 Russell F. Hadley and Jeanette Hadley 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 Russell F. Hadley and Jeanette Hadley, husband and wife (the "Sellers"), the following described premises (the "Property"):

SEE ATTACHED EXHIBIT "A"

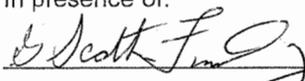
for a public project within the City of Troy and to pay the sum of Sixty-Three Thousand and no/100 Dollars (\$63,000) under the following terms and conditions:

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:

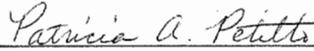
SELLER HEREBY ACKNOWLEDGES THAT NO PROMISES WERE MADE EXCEPT AS CONTAINED IN THIS AGREEMENT.

IN WITNESS WHEREOF, the undersigned hereunto affixed their signatures this 2ND day of SEPTEMBER, 2008.

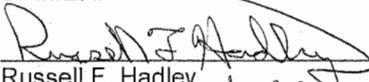
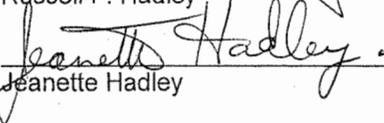
In presence of:




CITY OF TROY (BUYER)



SELLER:


Russell F. Hadley

Jeanette Hadley

04-14-08
20010397
20-23-100-072

EXHIBIT 'A'

DESCRIPTION OF RIGHT OF WAY ACQUISITION

The South 27.00 feet of the North 60.00 feet of the following described property: Beginning at a point distant S89°29'22"E 1,019.15 feet from the Northwest corner of Section 23, T2N, R11E, City of Troy, Oakland County, Michigan; thence S89°29'22"E 202.05 feet along the centerline of Wattles Road; thence S00°12'50"W 330.00 feet; thence S89°29'22"E 100.00 feet; thence S00°12'50"W 389.90 feet; thence S89°44'08"W 302.00 feet; thence N00°12'34"E 724.00 feet to Beginning, Except that part platted into "Buck Run". Said acquisition contains 5,454 square feet, or 0.125 acres, more or less.

