

## CITY COUNCIL ACTION REPORT

October 24, 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  
 Rochester Road Improvements, Torpey to Barclay  
 Project No. 99.203.5 – Parcel #59 – Sidwell #88-20-22-401-044  
 ALIF Corporation

### Background:

- In connection with the proposed improvements to Rochester Road, from Torpey to Barclay, the Real Estate & Development Department received a Purchase Agreement from ALIF Corporation. This parcel is located on the west side of Rochester Road, between Vanderpool and Trombly in the southeast ¼ of Section 22.

### Financial Considerations:

- An appraisal was prepared by Raymond V. Bologna, CRE, MAI, State Certified Appraiser and reviewed by Kimberly Harper, Deputy Assessor and State Licensed Appraiser. Staff believes that \$1,400, 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 401479.7989.992035.

### 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 ALIF Corporation, so that the City can proceed with the acquisition of this right-of-way.

PAPG MEMOS TO MAYOR & CC\ALIF Corporation Purchase Agreement

CITY OF TROY  
AGREEMENT TO PURCHASE REALTY  
FOR PUBLIC PURPOSES

The CITY OF TROY (the "Buyer"), agrees to purchase from ALIF Corporation, a Michigan Corporation (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 One Thousand, Four Hundred and no/100 Dollars (\$1,400) 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:

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

IN WITNESS WHEREOF, the undersigned hereunto affixed their signatures this 24TH day of OCTOBER, 2008.

In presence of:

Scott Finley  
SCOTT FINLEY

Laurel Nottage  
LAUREL NOTTAGE

CITY OF TROY (BUYER)

Patricia A. Petitto  
PATRICIA A. PETITTO

SELLERS:

ALIF Corporation, a Michigan Corporation

Belal H. Ghazi  
Belal H. Ghazi, President

05-15-08  
19990476  
20-22-401-044  
rev. 07-14-08

**EXHIBIT 'A'**

**DESCRIPTION OF RIGHT OF WAY ACQUISITION**

Part of Lot 3 "Supervisor's Plat No. 17" of part of the Southeast 1/4 of Section 22, T2N, R11E, Troy Township (now City of Troy), Oakland County, Michigan, as recorded in Liber 28 of Plats, Page 36, Oakland County Records, described as follows: Commencing at the East ¼ corner of said section 22; thence S01°50'55"E 529.06 feet along the existing and proposed centerline of Rochester Road; thence S88°24'32"W 75.00 feet to the existing right of way line of said Rochester Road; thence along said right of way line S01°50'55"E 96.10 feet to the Point Of Beginning; thence continuing along said right of way line S01°50'55"E 15.00 feet to the South lot line of said Lot 3; thence along said lot line S88°24'32"W 15.00 feet; thence N43°16'48"E 21.17 feet to the Point Of Beginning.

Said acquisition contains 113 square feet, or 0.003 acres, more or less.

# RIGHT OF WAY ACQUISITION

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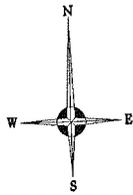
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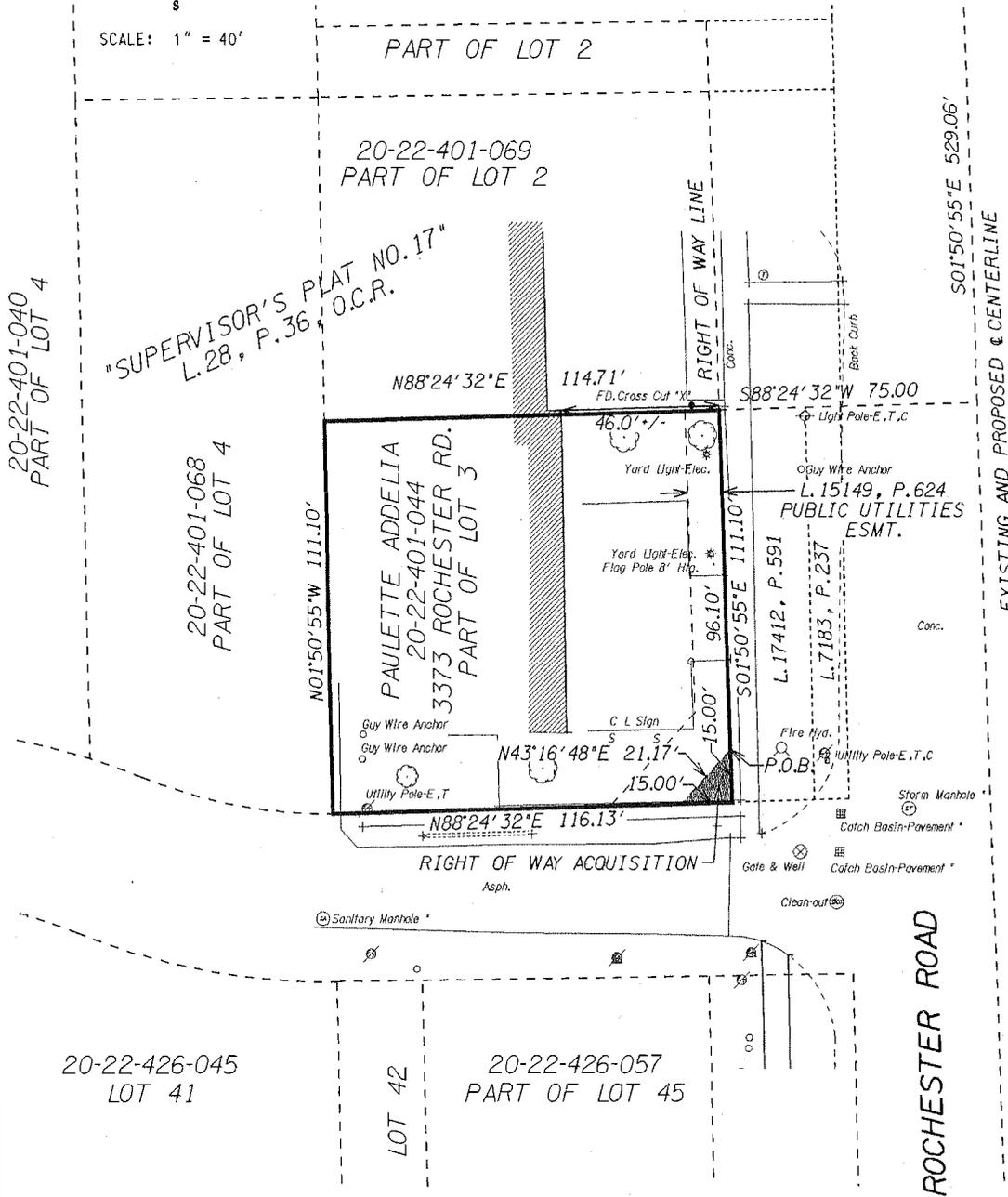
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SCALE: 1" = 40'

EXHIBIT 'B'  
PARCEL 59  
PART OF LOT 1

EAST 1/4 CORNER SECTION 22,  
T2N, R11E, CITY OF TROY,  
OAKLAND COUNTY, MICHIGAN.



20-22-401-044  
PAULETTE ADELIA  
TOTAL AREA • 12,823 S.F.  
R.O.W. ACQUISITION • 113 S.F.  
REMAINDER - 12,710 S.F.

R.O.W. ACQUISITION •

NOTE: DESCRIPTION TAKEN FROM RECORD.

REV. 07-04-08

JOB NO. 19990476	HUBBELL, ROTH & CLARK, INC. CONSULTING ENGINEERS 555 HULET DRIVE BLOOMFIELD HILLS, MICH.	SHEET NO.
DATE 05-15-08		2 OF 2