

CITY COUNCIL ACTION REPORT

December 3, 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 *ppp*

SUBJECT: Request for Approval of Purchase Agreement and Acceptance of Permanent Public Utility Easement and Grading and Temporary Construction Permit
 Rochester Road Improvements, Torpey to Barclay
 Project No. 99.203.5 – Parcel #42 – Sidwell #88-20-22-226-072
 Hi-Tech Investment Company

Background:

- In connection with the proposed improvements to Rochester Road, from Torpey to Barclay, the Real Estate & Development Department received a Purchase Agreement, Permanent Public Utility Easement, and Grading and Temporary Construction Permit from Hi-Tech Investment Company. This parcel is located on the west side of Rochester Road, between Troywood and Wattles in the northeast 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 \$67,718, plus closing costs for the acquisition of the property described in the purchase agreement; \$7,267 for the Permanent Public Utility Easement; and \$80 for the Grading and Temporary Construction Permit are justifiable amounts 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, easement and permit are 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 and accept the attached Permanent Public Utility Easement and Regrading and Temporary Construction Permit from Hi-Tech Investment Company so that the City can proceed with the acquisition of this right-of-way.

PAP\G\MEMOS TO MAYOR & CC\Hi-Tech Purchase Agreement, PUE & RGTCP

RIGHT OF WAY ACQUISITION

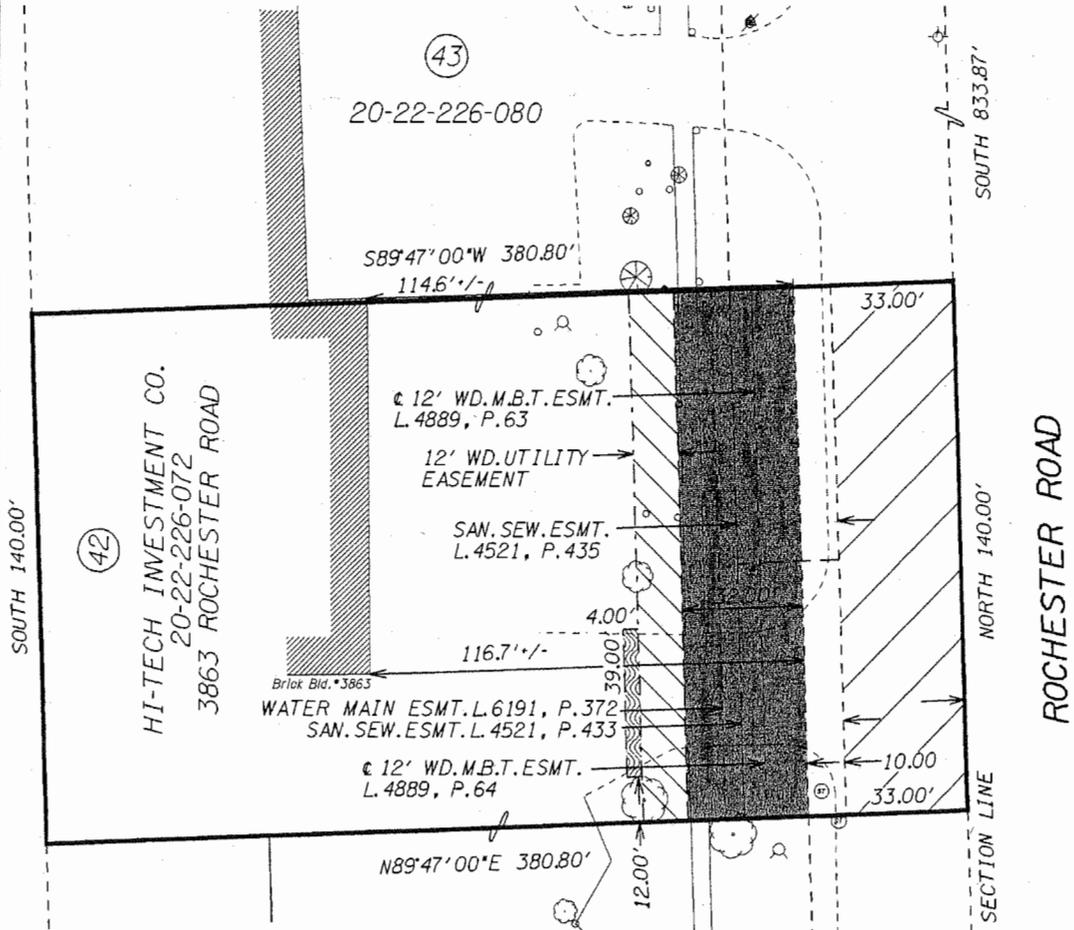
EXHIBIT 'B' PARCEL 42

NOTE: DESCRIPTION TAKEN FROM RECORD.



SCALE: 1" = 40'

NORTHWEST CORNER SECTION 23,
T2N. R11E, CITY OF TROY,
OAKLAND COUNTY, MICHIGAN.



(42)
HI-TECH INVESTMENT CO.
20-22-226-072
3863 ROCHESTER ROAD

20-22-226-072
HI-TECH INVESTMENT COMPANY
TOTAL AREA - 51,912 S.F.
R.O.W. ACQUISITION - 4,480 S.F.
EXISTING 33' R.O.W. - 4,620 S.F.
REMAINDER - 42,812 S.F.
UTILITY EASEMENT - 1,680 S.F.

- STATUTORY R.O.W. -
- R.O.W. ACQUISITION -
- UTILITY EASEMENT -
- REGRAVING AND TEMPORARY CONSTRUCTION PERMIT -

PROPERTY CONTROLLING CORNER 1.77'

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

USER NAME - dthebert
 DESIGN FILE - F:\1999\199904\19990476\cad\19990476.dwg
 DATE - 01-29-08
 DWEUE - Navajo\CPBMTIFF
 CUR_TBL - T:\standards\standards\table\tbl.tbl
 TIME - 28-FEB-2008 11:13

JOB NO. 19990476	HUBBELL, ROTH & CLARK, INC. CONSULTING ENGINEERS 555 HULET DRIVE BLOOMFIELD HILLS, MICH. P.O. BOX 824 48303-0824	SHEET NO. 2
DATE 01-29-08		OF 2

REV. 02-28-08

CITY OF TROY
AGREEMENT TO PURCHASE REALTY
FOR PUBLIC PURPOSES

The CITY OF TROY (the "Buyer"), agrees to purchase from Hi-Tech Investment Company, a Michigan Co-Partnership (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-Seven Thousand, Seven Hundred, Eighteen and no/100 Dollars (\$67,718) 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 1st day of DECEMBER, 2008.

In presence of:



LARISSA FLOOD
& Scott Family

G. SCOTT FINLEY

CITY OF TROY (BUYER)



PATRICIA A. PETITTO

SELLERS:

HI-TECH INVESTEMENT COMPANY,
A MICHIGAN CO-PARTNERSHIP



DONALD R. BERNIER

02-06-08
1999476
20-22-226-072

EXHIBIT 'A'

DESCRIPTION OF RIGHT OF WAY ACQUISITION

The West 32.00 feet of the East 75.00 feet of the following described property: Beginning at a point distant South along the East line of said Section 22, 833.87 feet from the Northeast corner of said Section 22; thence S89°47'00"W 380.80 feet; thence South 140.00 feet; thence N89°47'00"E 380.80 feet; thence North 140.00 feet along the East line of said Section to the Point Of Beginning
Said acquisition contains 4,480 square feet, or 0.103 acres, more or less.

PERMANENT UTILITY EASEMENT

Sidwell #88-20-22-226-072
Parcel #42

Hi-Tech Investment Company, a Michigan Co-Partnership, Grantors, whose address is: 3863 Rochester, Troy, MI 48083 for and in consideration of the sum of: Seven Thousand, Two Hundred, Sixty-Seven and no/100 Dollars (\$7,267) paid by the CITY OF TROY, a Michigan Municipal Corporation, Grantee, whose address is 500 West Big Beaver Road, Troy, Michigan 48084 grants to the Grantee a utility easement, said easement for land situated in the City of Troy, Oakland County, Michigan described as:

SEE ATTACHED EXHIBIT "A"

and to enter upon sufficient land adjacent to said improvement(s) for the purpose of the construction, operation, maintenance, repair and/or replacement thereof.

The premises so disturbed by the exercise of any of the foregoing powers shall be reasonably restored to its original condition by the Grantee. The Grantee agrees to reimburse the Grantors all costs related to the relocation of the current sign to an approved location outside of the easement area, based on the lowest of three bids from an approved sign company.

This instrument shall be binding upon and inure to the benefit of the parties hereto, their heirs, representatives, successors and assigns and the covenants contained herein shall run with the land.

IN WITNESS WHEREOF, the undersigned hereunto affixed HIS signature(s) this 1st day of DECEMBER, 2008.

HI-TECH INVESTMENT COMPANY, A
MICHIGAN CO-PARTNERSHIP

Donald R. Bernier (L.S.)
* DONALD R. BERNIER

* (L.S.)

STATE OF MICHIGAN)
COUNTY OF OAKLAND)

The foregoing instrument was acknowledged before me this 1st day of DECEMBER, 2008, by DONALD R. BERNIER, of Hi-Tech Investment Company, a Michigan Co-Partnership.

Patricia A. Petitto
* PATRICIA A. PETITTO
Notary Public, OAKLAND County, Michigan

Acting in OAKLAND County, Michigan

My Commission Expires 12-31-11

Prepared by: Patricia A. Petitto
City of Troy
500 W. Big Beaver Road
Troy, MI 48084

Return to: City Clerk
City of Troy
500 W. Big Beaver Road
Troy, MI 48084

PLEASE SIGN IN BLUE INK AND PRINT OR TYPE NAMES IN BLACK INK UNDER SIGNATURES

02-06-08
1999476
20-22-226-072

EXHIBIT 'A'

DESCRIPTION OF PUBLIC UTILITY EASEMENT

The West 12.00 feet of the East 87.00 feet of the following described property: Beginning at a point distant South along the East line of said Section 22, 833.87 feet from the Northeast corner of said Section 22; thence S89°47'00"W 380.80 feet; thence South 140.00 feet; thence N89°47'00"E 380.80 feet; thence North 140.00 feet along the East line of said Section to the Point Of Beginning
Said acquisition contains 1,680 square feet, or 0.039 acres, more or less.

REGRADING AND TEMPORARY CONSTRUCTION PERMIT

Sidwell # 88-20-22-226-072
Project # 99.203.5
Parcel #42

Hi-Tech Investment Company, a Michigan Co-Partnership, Grantor(s), whose address is 3863 Rochester Road, Troy, MI 48083, for and in consideration of the sum of Eighty and no/100 Dollars (\$80.00) paid by the CITY OF TROY, a Michigan Municipal Corporation, hereinafter called the CITY, whose address is 500 West Big Beaver Road, Troy, Michigan, hereby grants to the CITY, during the construction of and for a period of six (6) Months after completion of Rochester Road Improvements, Torpey to Barclay, the right to move men, equipment, and materials on and through, and to store equipment, materials, and excavated matter on the following described property, located in the City of Troy, to-wit:

SEE ATTACHED EXHIBIT "A"

IN FURTHER CONSIDERATION, the premises so disturbed by reason of the exercise of any of the foregoing powers, shall be reasonably restored to its original condition by the City.

This instrument shall be binding upon and inure to the benefit of the parties hereto, their heirs, representative, successors, and assigns and the covenants contained herein shall run with the land.

IN WITNESS WHEREOF, the undersigned hereunto affixed their signatures(s) this 15th day of DECEMBER, 2008.

HI-TECH INVESTMENT COMPANY, A
MICHIGAN CO-PARTNERSHIP

Donald R. Bernier (L.S.)
*DONALD R. BERNIER

* (L.S.)

STATE OF MICHIGAN
COUNTY OF OAKLAND

The foregoing instrument was acknowledged before me this 15th day of DECEMBER 2008, by DONALD R. BERNIER of Hi-Tech Investment Company, a Michigan Co-Partnership.

Patricia A. Petitto
PATRICIA A. PETITTO
Notary Public, OAKLAND, County, Michigan
Acting in OAKLAND County, Michigan

My Commission Expires 12-31-11

Prepared by: Patricia A. Petitto
500 West Big Beaver
Troy, MI 48084

Return to: City Clerk, City of Troy
500 West Big Beaver Road
Troy, Michigan 48084

02-06-08
1999476
20-22-226-072

EXHIBIT 'A'

DESCRIPTION OF REGRADING AND TEMPORARY CONSTRUCTION EASEMENT

The North 39.00 feet of the South 51.00 feet of the West 4.00 feet of the East 91.00 feet of the following described property: Beginning at a point distant South along the East line of said Section 22, 833.87 feet from the Northeast corner of said Section 22; thence S89°47'00"W 380.80 feet; thence South 140.00 feet; thence N89°47'00"E 380.80 feet; thence North 140.00 feet along the East line of said Section to the Point Of Beginning

Said permit contains 156 square feet, or 0.004 acres, more or less.