

CITY COUNCIL ACTION REPORT

May 12, 2009

TO: John Szerlag, Acting 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 *pkf*

SUBJECT: 1. Request for Authorization to Make Unconditioned Offer to Purchase Easement for Rochester Road Improvements, Torpey to Barclay, Project No. 99.203.5 and Wattles Road Improvements, Bristol to Worthington, Project No. 01.106.5
 2. Request for Authorization to Institute Court Action

Background:

- In connection with the proposed improvements to Rochester Road, from Torpey to Barclay, the Real Estate & Development Department is seeking authorization to make an unconditioned offer for the acquisition of the property at 3990 Rochester Road. As part of our negotiations the property owners and tenants will be given written offers for the City of Troy to acquire both the real estate and fixtures, and the owners will have the option to retain the remnant parcel for new development. Additionally, they will be given copies of our appraisals and plans for the project. It should also be noted that relocation benefits will be offered to the owner and tenants and those claims will be forwarded to you in the future. This parcel is located at the southeast corner of Rochester and Wattles in Section 23.

<u>PARCEL</u>	<u>SIDWELL</u>	<u>OWNERS & TENANTS</u>	<u>ESTIMATED COMPENSATION</u>
19	23-100-044	Safeway Acquisition Company, LLC Safeway Oil Company, Inc. DHW, Inc. Alsaham, Inc., dba Fred's Auto Service Center	\$1,440,000 real estate \$ 21,825 fixtures

Financial Considerations:

- An appraisal was prepared by Raymond V. Bologna, CRE, MAI, Certified General Appraiser and reviewed by Kimberly Harper, Deputy Assessor and State Licensed Appraiser. Staff believes that \$1,440,000 for the acquisition of the real estate and \$121,765 for the acquisition of fixtures 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 numbers 401479.7989.992035 and 401479.7989.011065.

Legal Considerations:

- The format and content of the offer 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:

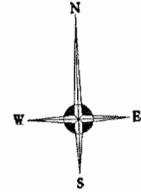
- City Management recommends that City Council authorize the unconditioned offer in the amount listed above. It is also requested that City Council authorize the City Attorney to take whatever action is necessary and to expend the needed funds to acquire this right-of-way.

Approved as to Form:

Lori Grigg Bluhm, City Attorney

RIGHT OF WAY ACQUISITION

EXHIBIT 'B'
PARCEL 19



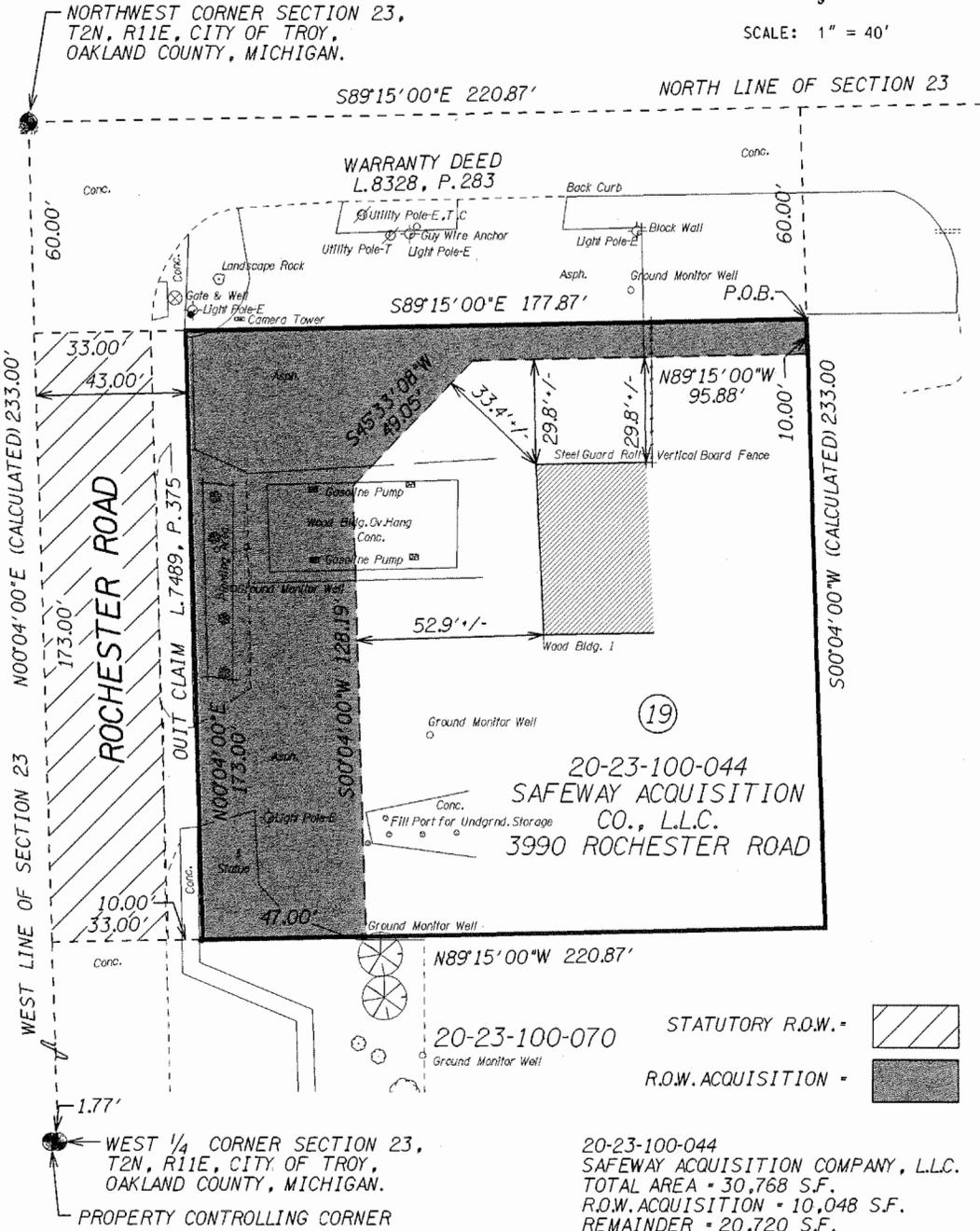
SCALE: 1" = 40'

TIME - 21 MAY 2008 15:37

QUEUE - N:\sw\CP\RW\TIF - CUR, TBL - I:\standards\Map\Editor\color\21\FEN TBL - I:\m\planning\W\p\block.gdb

DESIGN FILE - I:\1999-199904-19990476\cur\19990476.dwg

USER NAME - chbeert



NOTE: DESCRIPTION TAKEN FROM RECORD.

JOB NO. 19990476	HUBBELL, ROTH & CLARK, INC.	SHEET NO.
DATE 05-21-08	CONSULTING ENGINEERS 555 HULET DRIVE BLOOMFIELD HILLS, MICH.	2
	P.O. BOX 824 48303-0824	OF 2