



500 West Big Beaver
Troy, MI 48084
troymi.gov



CITY COUNCIL AGENDA ITEM

Date: August 5, 2024

To: Troy City Council

From: Robert Bruner, Acting City Manager
Lori Grigg Bluhm, City Attorney
Megan E. Schubert, Assistant City Manager
Robert Maleszyk, Chief Financial Officer
Dee Anne Irby, Controller
G. Scott Finlay, City Engineer
Larysa Figol, Sr. Right-of-Way Representative

Subject: Request for Authorization to make Unconditioned Offer to Purchase Property, Rochester Road, Barclay to Trinway, Project No. 02.206.5, Parcel #111, KJ Property Group, LLC, Sidwell #88-20-10-477-049, and a Request to Institute Court Action if Necessary

History

The plans for the federally funded Rochester Road (Barclay to Trinway) project require the acquisition of some right of way of private property owned by KJ Property Group, LLC., parcel #88-20-10-477-049. The Engineering department hired an independent appraiser, who has valued the right of way and site improvements at \$324,324.00. The property owner was given a written purchase offer for this amount.

As with any federally funded road project, there are tight time frames. As a result, although there have been discussions with the property owner, this may be a situation where condemnation proceedings are necessary to acquire the right of way needed for the Rochester Road improvement.

Financial

An appraisal report was prepared by Michael Kurschat, ASA, M.S.F., MAI, a State of Michigan Certified General Real Estate Appraiser. The report was reviewed by Andrew Boettcher, MBA, a State of Michigan Certified General Real Estate Appraiser. Eighty percent of this cost will be reimbursed from federal funds. The City of Troy share is available in the 2024 Capital Projects Fund, Project Code 2022CG0002, Account #401.449.202.989.022065-Public Works Construction Rochester from Barclay to Trinway.

Recommendation

City staff recommends that City Council authorize an unconditioned offer in the amount of \$324,324.00, plus closing costs not to exceed \$10,000.

Staff also requests that City Council authorize the City Attorney to institute a condemnation lawsuit if necessary and to expend any needed funds to acquire the right of way. In order to proceed with the process of condemnation, City Council will need to pass a resolution that declares that the eminent domain or condemnation action is for the Rochester Road Improvement project (Barclay to Trinway), which is a public purpose, and within the scope of the City's powers.

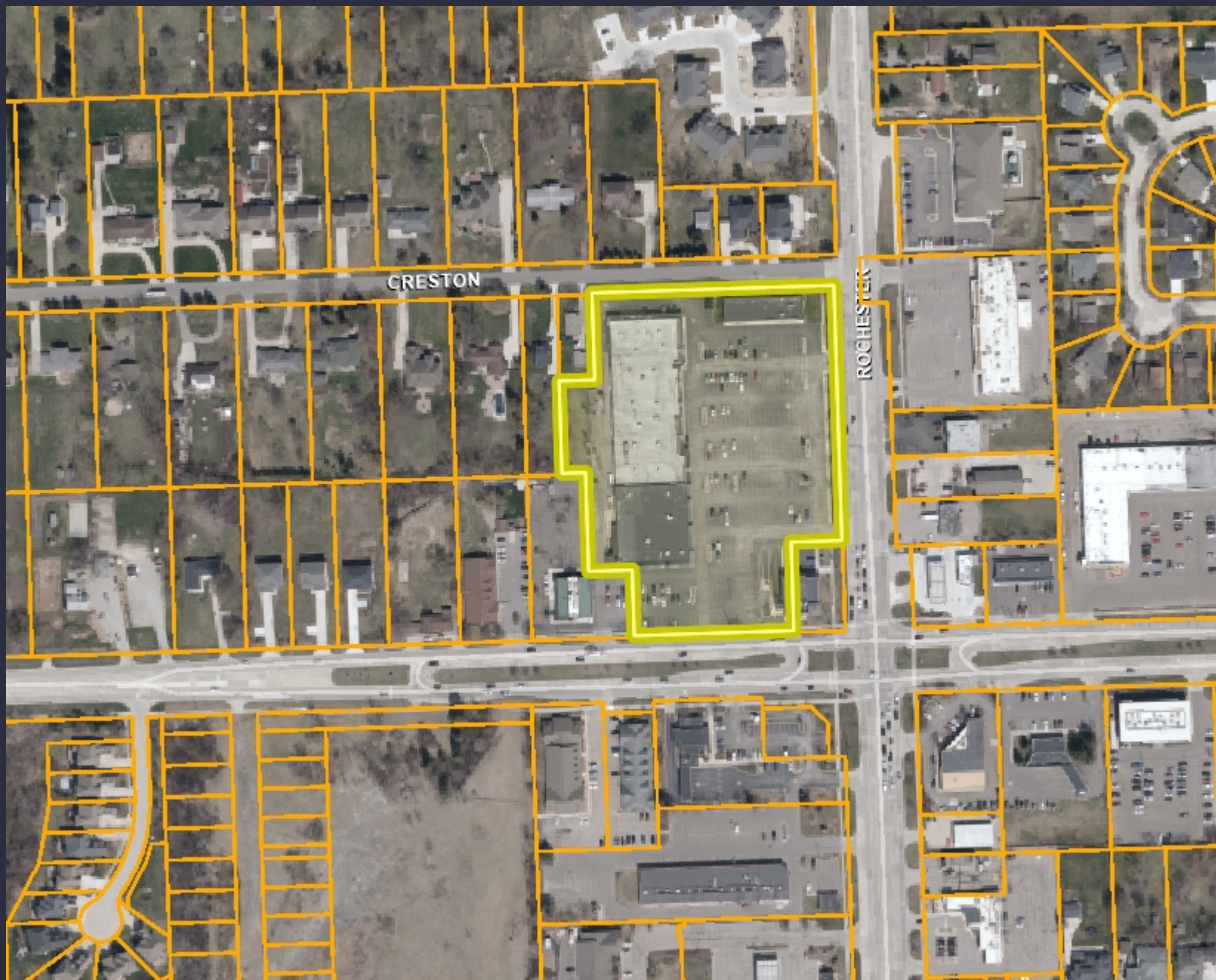
Proposed resolutions are attached for your consideration.



GIS Online

Legend:

 Tax Parcel



Notes:

Rochester Road, Barclay to
Trinway #02.206.5
Parcel #111
KJ Property Group, LLC
#88-20-10-477-049

Map Scale: 1=356
Created: August 5, 2024



Note: The information provided by this application has been compiled from recorded deeds, plats, tax maps, surveys, and other public records and data. It is not a legally recorded map survey. Users of this data are hereby notified that the source information represented should be consulted for verification.

CITY OF TROY
AGREEMENT TO PURCHASE REALTY
FOR PUBLIC PURPOSES

The CITY OF TROY, a Michigan municipal corporation (the "Buyer"), agrees to purchase from KJ Property Group, LLC, a Michigan Limited Liability Company (the "Sellers"), the following described premises (the "Property"):

SEE DESCRIPTIONS OF RIGHT OF WAY ACQUISITION ON ATTACHED
EXHIBITS "A" AND "B"

for a public project within the City of Troy and to pay the sum of Three Hundred Twenty-Four Thousand, Three Hundred, Twenty-Four and 00/100 dollars (\$324,324) 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 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.
9. 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 _____ day of _____, A.D. 2024.

In presence of:

CITY OF TROY, a Michigan municipal corporation (BUYER)

*Patricia A. Petitto
Right of Way Consultant

SELLERS:

KJ Property Group, LLC, a Michigan Limited Liability Company

*Hank Goswami

*Jamana Goswami

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Piggott, Robert

RIGHT OF WAY ACQUISITION AND TEMPORARY EASEMENT

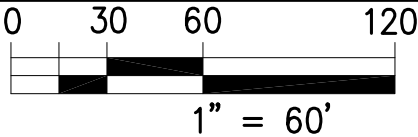
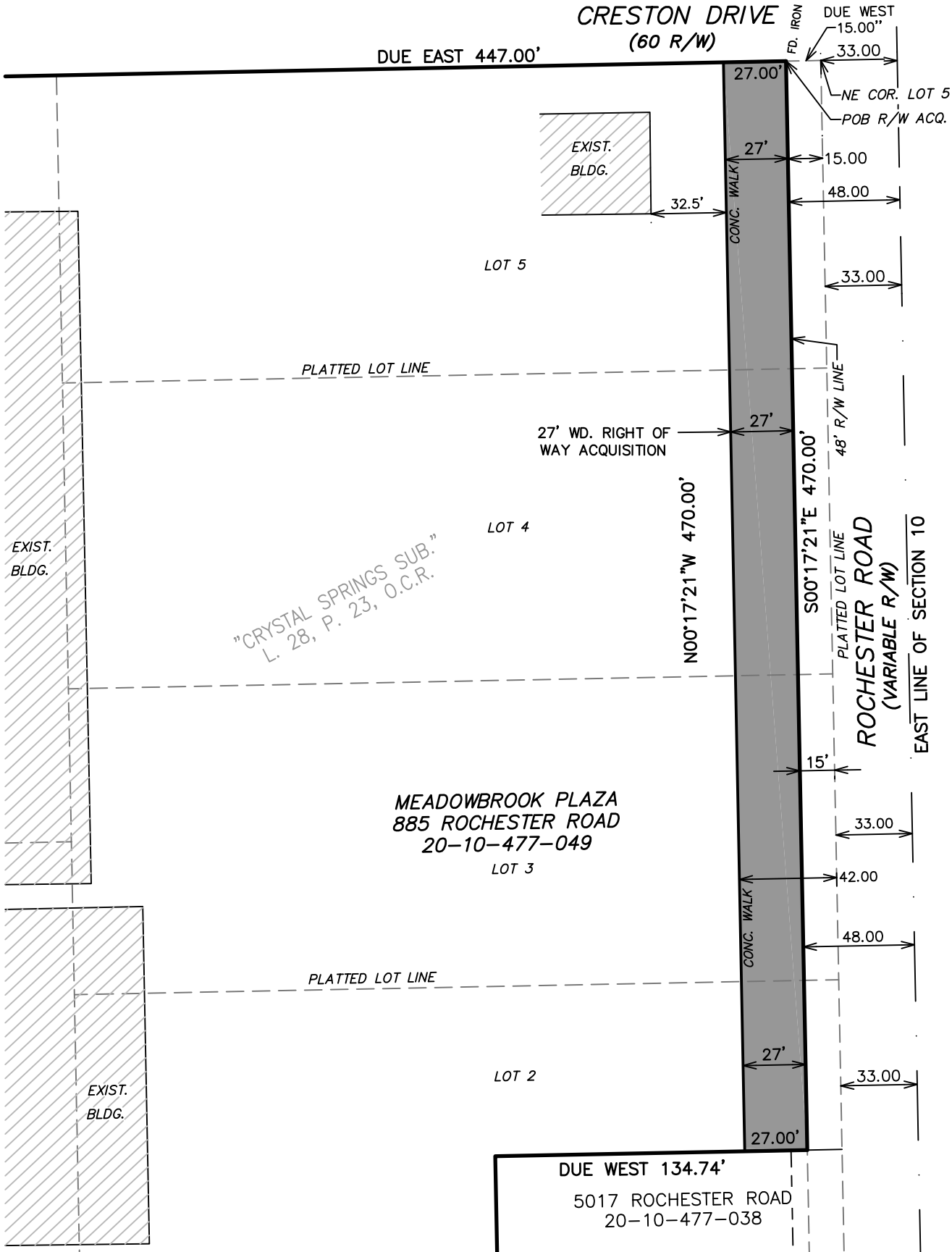


EXHIBIT "B"
PARCEL 111



NOTE:
ENTIRE PROPERTY IS NOT SHOWN.



TOTAL PROPERTY = 269,077+- SQ. FT.
RIGHT OF WAY ACQUISITION = 12,690 SQ. FT.
REMAINDER = 256,387 FT.

LEGEND:
RIGHT OF WAY ACQUISITION

JOB NO. 20160715	 HUBBELL, ROTH & CLARK, INC CONSULTING ENGINEERS SINCE 1915	555 HULET DRIVE BLOOMFIELD HILLS, MICH.	P.O. BOX 824 48303 - 0824	SHEET NO.
DATE 04/28/23		PHONE: (248) 454-6300 FAX (1st. Floor): (248) 454-6312 FAX (2nd. Floor): (248) 454-6359 WEB SITE: www.hrcengr.com		3 OF 3

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Piggott, Robert

RIGHT OF WAY ACQUISITION AND UTILITY EASEMENT

EXHIBIT "A"

PARCEL 111

DESCRIPTION TAKEN SUPPLIED TITLE WORK, PREPARED BY FIRST AMERICAN TITLE INSURANCE COMPANY, COMMITMENT NUMBER 2208648 AND DATED JUNE 24, 2022.

PARENT PROPERTY DESCRIPTION

PARCEL ID: 20-10-477-049

PROPERTY LOCATED IN THE CITY OF TROY, COUNTY OF OAKLAND, STATE OF MICHIGAN

LOT 1, CRYSTAL SPRINGS SUBDIVISION, AS RECORDED IN LIBER 28, PAGE 23 OF PLATS, OAKLAND COUNTY RECORDS, EXCEPT EAST 124 FEET, ALSO LOT 2, EXCEPT EAST 124 FEET OF SOUTH 58 FEET, ALSO EXCEPT THAT PART TAKEN FOR HIGHWAY, ALSO ALL OF LOTS 3, 4 AND 5, EXCEPT THAT PART TAKEN FOR HIGHWAY, ALSO EAST 1/2 OF LOT 33, EXCEPT NORTH 160 FEET, ALSO ALL OF LOT 34, ALSO LOT 35 EXCEPT WEST 58 FEET OF SOUTH 148 FEET, ALSO EAST 22.23 FEET OF NORTH 182.57 FEET OF LOT 36, EXCLUDING FROM THE ABOVE LAND, THE FOLLOWING EXCEPTED PARCELS:

EXCEPTION NO. 1: THE SOUTH 7 FEET OF LOTS 1 AND 35 TAKEN FOR ROAD PURPOSES AS EVIDENCED BY INSTRUMENT RECORDED IN LIBER 7471, PAGE 254, OAKLAND COUNTY RECORDS.

EXCEPTION NO. 2: THE EAST 15 FEET OF THE LAND TAKEN FOR ROAD PURPOSES AS EVIDENCED BY INSTRUMENT RECORDED IN LIBER 5003, PAGE 300, OAKLAND COUNTY RECORDS.

EXCEPTION NO. 3: THE NORTH 20 FEET OF THE SOUTH 27 FEET TAKEN FOR LONG LAKE PHASE II IMPROVEMENT-PROJECT, AS EVIDENCED BY DECLARATION OF TAKING RECORDED IN LIBER 23839, PAGE 128. OAKLAND COUNTY RECORDS.

EXCEPTION NO. 4: PART OF LOTS 1 AND 3, "CRYSTAL SPRINGS SUBDIVISION", A PART OF THE SOUTHEAST OF SECTION 10, TOWN 2 NORTH, RANGE II EAST, CITY OF TROY, OAKLAND COUNTY, MICHIGAN. AS RECORDED IN LIBER 28, PAGE 23 OF THE OAKLAND COUNTY RECORDS, IS DESCRIBED AS: COMMENCING AT THE SOUTHEAST CORNER OF LOT 1 AS PLATTED; THENCE DUE WEST, 124.00 FEET ALONG THE SOUTH LINE OF LAT I TO THE POINT OF BEGINNING; THENCE DUE NORTH, 190.00 FEET; THENCE NORTH 89 DEGREES 43 MINUTES 11 SECONDS WEST, MEASURED (DUE WEST, RECORD), 25.74 FEET; THENCE SOUTH 00 DEGREES 27 MINUTES 12 SECONDS EAST, 190.01 FEET; THENCE SOUTH 89 DEGREES 43 MINUTES I 1 SECONDS EAST, MEASURED (DUE EAST, RECORD), 24.24 FEET TO THE POINT OF BEGINNING, EXCEPT A CITY OF TROY ACQUISITION OF 7 FEET ALONG THE. SOUTH LINE OF THE PROPERTY AS RECORDED IN LIBER 7512, PAGE 423, OAKLAND COUNTY RECORDS. -ABOVE

PARCELS CAN ALSO BE DESCRIBED AS:

A PARCEL OF LAND CONSISTING OF PART OF LOTS .1 THROUGH 5 AND PART OF LOTS 30 THROUGH 36 OF "CRYSTAL SPRINGS SUBDIVISION", PART OF THE SOUTHEAST 1/4 OF SECTION 10, TOWN 2 NORTH, RANGE 11 EAST, TROY TOWNSHIP (NOW THE CITY OF TROY), OAKLAND COUNTY, MICHIGAN IS DESCRIBED AS: COMMENCING AT THE NORTHEAST CORNER OF LOT 5, CRYSTAL SPRINGS SUBDIVISION; THENCE DUE WEST, 15.00 FEET TO A POINT ON THE FORTY-EIGHT FOOT (48') RIGHT OF WAY LINE OF ROCHESTER ROAD AND THE POINT OF BEGINNING; THENCE ALONG SAID RIGHT OF WAY LINE SOUTH 00 DEGREES 17 MINUTES 21 EAST 470.00 FEET; THENCE DUE WEST, 134.74 FEET; THENCE SOUTH 00 DEGREES 44 MINUTES 33 SECONDS EAST. 163.01 FEET TO A POINT ON THE NORTHERLY SIXTY FOOT (60') RIGHT OF WAY LINE OF LONG LAKE ROAD; THENCE ALONG SAID RIGHT OF WAY LINE DUE WEST, 255.55 FEET; THENCE NORTH 00 DEGREES 17 MINUTES 21 SECONDS WEST, 121.00 FEET THENCE SOUTH 89 DEGREES 35 MINUTES 34 SECONDS WEST, 80.23 FEET; THENCE NORTH 00 DEGREES 17 MINUTES 21 SECONDS WEST, 182.57 FEET TO A POINT ON THE NORTH LINE OF LOT 36; THENCE ALONG SAID LINE DUE WEST, 43.77 FEET; THENCE NORTH 00 DEGREES 17 MINUTES 21 SECONDS WEST, 170.00 FEET; THENCE DUE EAST, 66.00 FEET TO A POINT ON THE EAST LINE OF LOT 33; THENCE ALONG SAID LINE NORTH 00 DEGREES 17 MINUTES 21 SECONDS WEST, 160.00 FEET TO A POINT ON THE SOUTH LINE OF CRESTON AVENUE; THENCE ALONG SAID LINE DUE EAST 447.00 FEET TO THE POINT OF BEGINNING.

SUBJECT TO RESERVATIONS, RESTRICTIONS AND EASEMENTS OF RECORD, IF ANY.

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DATE 04/28/23		PHONE: (248) 454-6300 FAX (1st. Floor): (248) 454-6312 FAX (2nd. Floor): (248) 454-6359 WEB SITE: www.hrcengr.com		1 OF 3

RIGHT OF WAY ACQUISITION AND UTILITY EASEMENT

EXHIBIT "B"
PARCEL 111

DESCRIPTION OF RIGHT OF WAY ACQUISITION

PART OF SOUTHEAST 1/4 OF SECTION 10, T.2N., R.11E., CITY OF TROY, OAKLAND COUNTY, MICHIGAN:
A PARCEL OF LAND CONSISTING OF PART OF LOTS 2 THROUGH 5 OF "CRYSTAL SPRINGS SUBDIVISION", DESCRIBED AS:
COMMENCING AT THE NORTHEAST CORNER OF LOT 5, CRYSTAL SPRINGS SUBDIVISION; THENCE DUE WEST, 15.00 FEET TO A POINT ON THE FORTY-EIGHT FOOT (48') RIGHT OF WAY LINE OF ROCHESTER ROAD AND THE POINT OF BEGINNING; THENCE ALONG SAID 48' RIGHT OF WAY LINE SOUTH 00 DEGREES 17 MINUTES 21 EAST 470.00 FEET; THENCE DUE WEST, 27.00 FEET; THENCE NORTH 00 DEGREES 17 MINUTES 21 SECONDS EAST 470.00 FEET ALONG A LINE WHICH IS PARALLEL TO THE SAID 48' RIGHT OF WAY LINE; THENCE DUE EAST 27.00 FEET TO THE POINT OF BEGINNING.

SAID ACQUISITION CONTAINS 12,690 SQUARE FEET, OR 0.29 ACRES, MORE OR LESS.

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