# **CITY of NOVI CITY COUNCIL**



# Agenda Item N October 20, 2014

SUBJECT: Approval of a Resolution Concerning Acquisition and Approving Declaration of Necessity and Taking, and authorization of Offer to Purchase in the amount of \$1,810 for a permanent easement and temporary grading permit on the Suppliers Investment Co. L.L.C. property (parcel 50-22-23-376-014) for the purpose of constructing a pedestrian safety path on the north side of Ten Mile Road between Catherine Industrial Road and the CSX Railroad.

SUBMITTING DEPARTMENT: Department of Public Services, Engineering Division

# CITY MANAGER APPROVAL:

EXPENDITURE REQUIRED	\$1,810	
AMOUNT BUDGETED	\$6,620	Ξ
LINE ITEM NUMBER	204-204.00-974.417	

#### BACKGROUND INFORMATION:

This project will include a six-foot wide pathway segment along the frontage of two parcels on the north side of Ten Mile between Catherine Industrial Road and the CSX Railroad to complete the last remaining gap in this area. This segment of pathway was previously planned to be constructed with the 2011 pathway program, but was eliminated from the program because an agreement could not be reached with the property owner after a lengthy process attempting to acquire the easements needed. Due to the prior issues encountered, staff now plans to acquire the easements through eminent domain, with the intent to include this segment's construction with the 2015 Pathway Gap Program.

Staff is requesting an 8-foot wide pathway easement and temporary grading permits on either side of the path to allow for its construction. An appraisal for this property was completed by Stout Risius Ross, Inc. for the City in February 2014. The property owner is entitled to compensation for the permanent easement and temporary grading permits in the amount of \$1,800 (\$1,116 for the pathway easment and \$694 for the grading permit) based on the appraisal.

**RECOMMENDED ACTION:** Approval of a Resolution Concerning Acquisition and Approving Declaration of Necessity and Taking, and authorization of Offer to Purchase in the amount of \$1,810 for a permanent easement and temporary grading permit on the Suppliers Investment Co. L.L.C. property (parcel 50-22-23-376-014) for the purpose of constructing a pedestrian safety path on the north side of Ten Mile Road between Catherine Industrial Road and the CSX Railroad.

	1 2	2 Y N		1	2	Y	Ν
Mayor Gatt	N. C.		Council Member Markham				
Mayor Pro Tem Staudt		11 - 1911 - 2014 -	Council Member Mutch				
Council Member Casey			Council Member Wrobel				
Council Member Fischer							



### RESOLUTION CONCERNING THE ACQUISITION OF PROPERTY AND APPROVING DECLARATION OF NECESSITY AND TAKING

# City of Novi County of Oakland, Michigan

Minutes of a \_\_\_\_\_\_ Meeting of the City Council of the City of Novi, County of Oakland, Michigan, held in the City Hall in said City on October \_\_\_, 2014, at 7:00 o'clock P.M. Prevailing Eastern Time.

PRESENT: Councilmembers

ABSENT: Councilmembers

The following preamble and Resolution were offered by Councilmember

\_\_\_\_\_ and supported by Councilmember \_\_\_\_\_\_.

WHEREAS, present conditions in the City of Novi, Oakland County, Michigan, necessitate the construction of a non-motorized pathway/sidewalk on Ten Mile Road in, over, upon and through a portion of the following described premises situated in the City of Novi, Oakland County, State of Michigan, to-wit:

#### **PARCEL DESCRIPTION (50-22-23-376-014):**

T1N, R8E, SEC 23 PART OF SW 1/4 BEG AT PT DIST S 86 27'28" W 813.84 FT FROM S 1/4 COR, TH S 86 27'28" W 160.49 FT, TH N 02 54'52" W 288.82 FT, TH N 87 05'08" E 154.78 FT, TH S 04 03'05" E 287.11 FT TO BEG 1.04 ACRES

WHEREAS, proposed plans showing said improvements have been prepared and are on file with the City Clerk's Office; and

WHEREAS, it has been determined that said improvements are necessary for the use and

benefit of the public; and

WHEREAS, in order to construct said improvements, it is necessary that the City acquire

a permanent easement and other interests in that portion of the above-described real estate

described as follows:

#### A permanent Sidewalk Easement in certain real estate described as follows:

PATHWAY EASEMENT LEGAL DESCRIPTION: THE NORTHERLY 7 FEET OF THE SOUTHERLY 54 FEET OF THE ABOVE DESCRIBED PARENT PARCEL.

CONTAINS 1116.3 SFT (0.026 ACRES), MORE OR LESS.

#### A Temporary Grading permit described as follows:

NORTHERLY GRADING EASEMENT LEGAL DESCRIPTION: THE NORTHERLY 10 FEET OF THE SOUTHERLY 64 FEET OF THE WESTERLY 70 FEET AND THE NORTHERLY 6 FEET OF THE SOUTHERLY 60 FEET OF THE EASTERLY 90.49 FEET OF THE ABOVE DESCRIBED PARENT PARCEL. CONTAINS 1236.1 SFT (0.028 ACRES), MORE OR LESS.

SOUTHERLY GRADING EASEMENT LEGAL DESCRIPTION: THE NORTHERLY 14 FEET OF THE SOUTHERLY 47 FEET OF THE ABOVE DESCRIBED PARENT PARCEL. CONTAINS 2235.5 SFT (0.051 ACRES), MORE OR LESS.

WHEREAS, the City has caused an appraisal of the subject property to be prepared by its

City Assessor or the basis of assessment records and related information;

WHEREAS, the City has determined that it is in the best interests of the City to offer to

purchase the subject property from the owners of such property, and to take such other actions as

are deemed necessary to acquire the subject property for the purposes of constructing the

improvements;

NOW, THEREFORE, BE IT RESOLVED, by the authority vested in the City of Novi by law, that it is hereby declared and determined that it is necessary to construct a non-motorized pathway/sidewalk along Ten Mile Road in, over, upon, and through the above-described property within the City of Novi in accordance with the plans prepared by the City Consulting Engineers, and that said improvements are necessary for the use and benefit of the public; and

BE IT FURTHER RESOLVED, that the Mayor of the City is hereby authorized to execute, on behalf of the City, a good faith Offer to Purchase, a copy of which is attached hereto as Exhibit A, calling for the payment of One Thousand Eight Hundred (\$1,800.00) Dollars for the permanent Sidewalk Easement and Temporary Grading Permit acquisition, The above amounts have been established as just compensation for the acquisition of the property, based upon an appraisal of the property.

BE IT FURTHER RESOLVED, that after the execution of the good faith Offer to Purchase by the Mayor, the good faith Offer to Purchase shall be submitted to the owners of the property;

BE IT FURTHER RESOLVED, that in the event the Sellers fail to accept the good faith Offer to Purchase within fourteen (14) days of the date of delivery, the City Manager is hereby authorized to execute the Declaration of Taking, which is attached hereto;

BE IT FURTHER RESOLVED, that in the event the offer is not accepted as set forth above, the Mayor, City Clerk, and City Attorney are authorized to take all actions required to obtain a permanent Sidewalk Easement and Temporary Grading Permit in the subject property by eminent domain.

BE IT FURTHER RESOLVED, that in the event the offer is not accepted as set forth above, and the Declaration is executed, the City finance officer is authorized and directed to

place an amount equal to the amount contained in the good faith offer that was made to the property owners One Thousand Eight Hundred (\$1,800.00) Dollars into a separate account and to hold such money on deposit as the estimated amount of just compensation to be paid in connection with the eminent domain proceedings.

BE IT FURTHER RESOLVED, that all resolutions and part of resolutions insofar as they conflict with the provisions of this Resolution be and the same hereby are rescinded.

AYES:	Councilmembers	 	
NAYES:	Councilmembers		

RESOLUTION DECLARED ADOPTED.

# MARYANNE CORNELIUS, CITY CLERK

## **CERTIFICATION**

I hereby certify that the foregoing is a true and complete copy of a Resolution adopted by the City Council of the City of Novi at \_\_\_\_\_\_ meeting held this \_\_\_\_\_\_ day of \_\_\_\_\_\_, 2014.

MARYANNE CORNELIUS, CITY CLERK

#### **DECLARATION OF TAKING**

A Resolution of Necessity having been adopted by the City of Novi setting forth that present conditions necessitate the construction of a non-motorized pathway/sidewalk on Ten Mile Road (the "Improvements") in the City of Novi, Oakland County, Michigan, in the interest of the public health, safety, and welfare, and that it is necessary to acquire easements over certain property within the City of Novi for said Improvements, and that a good faith written offer to purchase said property has heretofore been made.

NOW, THEREFORE, by virtue of the authority vested in the City of Novi, by Act 279 of the Public Acts of 1909, as amended, and/or Act 149 of the Public Acts of 1911, as amended, or other applicable statutes, and in accordance with the provisions of Act 87 of Public Acts of 1980, as amended, it is now declared and determined that the real property hereinafter described shall be taken for the purpose of constructing a non-motorized pathway/sidewalk on Ten Mile Road, in accordance with prepared plans showing said Improvements which are on file with the City Clerk's Office.

A statement of the estate of interest in the property being taken; a description of the property to be acquired, sufficient for its identification; the name of each known owner of said property; the name of each known person, other than the owner, having an interest in said property; a statement of the sum of money estimated by the City of Novi as just compensation for the property being acquired; and a statement whether the City of Novi reserves or waives its rights to bring federal or state cost recovery actions against the present owner of the property are as follows:

1. Statement of the Estate of Interest Being Taken and Description of the Property.

PARCEL DESCRIPTION (50-22-23-376-014):

T1N, R8E, SEC 23 PART OF SW 1/4 BEG AT PT DIST S 86 27'28" W 813.84 FT FROM S 1/4 COR, TH S 86 27'28" W 160.49 FT, TH N 02 54'52" W 288.82 FT, TH N 87 05'08" E 154.78 FT, TH S 04 03'05" E 287.11 FT TO BEG 1.04 ACRES

#### A) A permanent Sidewalk Easement in certain real estate described as

follows:

PATHWAY EASEMENT LEGAL DESCRIPTION: THE NORTHERLY 7 FEET OF THE SOUTHERLY 54 FEET OF THE ABOVE DESCRIBED PARENT PARCEL.

CONTAINS 1116.3 SFT (0.026 ACRES), MORE OR LESS.

#### A Temporary Grading permit described as follows:

NORTHERLY GRADING EASEMENT LEGAL DESCRIPTION: THE NORTHERLY 10 FEET OF THE SOUTHERLY 64 FEET OF THE WESTERLY 70 FEET AND THE NORTHERLY 6 FEET OF THE SOUTHERLY 60 FEET OF THE EASTERLY 90.49 FEET OF THE ABOVE

DESCRIBED PARENT PARCEL. CONTAINS 1236.1 SFT (0.028 ACRES), MORE OR LESS.

SOUTHERLY GRADING EASEMENT LEGAL DESCRIPTION: THE NORTHERLY 14 FEET OF THE SOUTHERLY 47 FEET OF THE ABOVE DESCRIBED PARENT PARCEL. CONTAINS 2235.5 SFT (0.051 ACRES), MORE OR LESS.

- 2. Names of Property Owner: Suppliers Investment Co., LLC
- 3. Names of each person, other than the Owners, having a potential interest in the property:

James B. Willer and Evelyn Willer, X-Mation Tool Company, a Michigan Corporation

- 4. Estimated Just Compensation: \$1,800.00
- 5. The City of Novi reserves it rights to bring Federal or State cost recovery actions against the present owner of the property.

#### CITY OF NOVI

BY:

City Manager

Dated: , 2014

The foregoing Declaration of Taking was acknowledged before me this \_\_\_\_\_ day of

, 2014, by\_\_\_\_\_, as the City Manager, on behalf of the City of Novi.

Notary Public \_\_\_\_\_County, Michigan My Commission Expires: \_\_\_\_\_ Prepared by and when recorded return to: Elizabeth K. Saarela (P 60265) 27555 Executive Drive Suite 250 Farmington Hills, Michigan 48331 Phone: (248) 489-4100

Tax Identification No. 50-22-23-376-014

#### AGREEMENT OF SALE OFFER TO PURCHASE EASEMENTS OVER REAL PROPERTY

1. The City of Novi, a Michigan municipal corporation (hereinafter "City"), hereby

offers and agrees to purchase easements in, over, upon, and through real property within the

City of Novi, described as:

#### PARCEL DESCRIPTION (50-22-23-376-014):

T1N, R8E, SEC 23 PART OF SW 1/4 BEG AT PT DIST S 86 27'28" W 813.84 FT FROM S 1/4 COR, TH S 86 27'28" W 160.49 FT, TH N 02 54'52" W 288.82 FT, TH N 87 05'08" E 154.78 FT, TH S 04 03'05" E 287.11 FT TO BEG 1.04 ACRES

## A) A permanent Sidewalk Easement in certain real estate described as

follows:

PATHWAY EASEMENT LEGAL DESCRIPTION:

THE NORTHERLY 7 FEET OF THE SOUTHERLY 54 FEET OF THE ABOVE DESCRIBED PARENT PARCEL. CONTAINS 1116.3 SFT (0.026 ACRES), MORE OR LESS.

## B) A Temporary Grading permit described as follows:

NORTHERLY GRADING EASEMENT LEGAL DESCRIPTION:

THE NORTHERLY 10 FEET OF THE SOUTHERLY 64 FEET OF THE WESTERLY 70 FEET AND THE NORTHERLY 6 FEET OF THE SOUTHERLY 60 FEET OF THE EASTERLY 90.49 FEET OF THE ABOVE DESCRIBED PARENT PARCEL. CONTAINS 1236.1 SFT (0.028 ACRES), MORE OR LESS.

#### SOUTHERLY GRADING EASEMENT LEGAL DESCRIPTION:

THE NORTHERLY 14 FEET OF THE SOUTHERLY 47 FEET OF THE ABOVE DESCRIBED PARENT PARCEL. CONTAINS 2235.5 SFT (0.051 ACRES), MORE OR LESS.

and to pay therefore the sum One Thousand Eight Hundred (\$1,800.00) Dollars, subject to the existing building and use restrictions, easements, and zoning ordinances, if any, upon the following conditions:

- (i) Delivery of the permanent Sidewalk Easement to the City as described above.
- (ii) Delivery of the Temporary Grading Permit to the City as described above.

2. Upon Seller's acceptance of this Offer to Purchase, as evidence of title, the City agrees to obtain a commitment for the title insurance with policy pursuant thereto to be issued insuring the City. The City will pay the cost of the title insurance policy premium.

3. If this offer is accepted by the Seller and if title can be conveyed in the condition required hereunder, the City agrees to complete the sale within fifteen (15) days after the receipt of the commitment for title insurance.

4. If objection to the title is made, based on a written opinion of the City Attorney that the title is not in the condition required for the performance hereunder, the Sellers shall have thirty (30) days from the date they are notified in writing of the particular defects claimed, to fulfill the requirements in the commitment for title insurance or to remedy the title defects set forth in the City Attorney's opinion. If the Seller is able to comply with such requirements or remedy such defects within the time specified, as evidenced by written notification, revised commitment or endorsement to commitment, the City agrees to complete the sale within twenty

(20) days of receipt thereof. If the Seller is unable to furnish satisfactory title within the time specified, the City will commence condemnation proceedings to acquire the Property.

5. The Seller shall deliver and the City shall accept possession of said Property upon the date of closing.

6. It is understood that the Property is being acquired in connection with the Ten Mile Pathway Program to construct a non-motorized pathway system along Ten Mile Road over, across, upon and through the above-described premises in the City of Novi, Michigan.

7. The City shall pay the cost of recording the easement and the cost of all Michigan Real Estate Transfer Tax.

8. The City reserves its right to bring Federal or State cost recovery actions against the present owners of the Property arising out of a release of hazardous substances at the Property.

9. The covenants herein shall bind and inure to the benefit of the executors, administrators, successors, and assigns of the respective parties.

10. If this Offer to Purchase is not accepted by Seller within Fourteen (14) days from the date of its mailing to Seller, this Offer to Purchase shall be considered withdrawn and of no further force and effect.

11. This Offer to Purchase may be executed in one or more counterparts as one Agreement and shall be binding upon the City and the hereafter named Seller when executed by the City of Novi and all of the hereafter named Seller.

The closing of this sale shall take place at the City of Novi offices located at 45175 West Ten Mile Road, Novi, Michigan.

WITNESSES:	PURCHASER:			
		OF NOVI, a Michigan pal corporation		
	By: Its:	ROBERT J. GATT Mayor		
	By: Its:	MARYANNE CORNELIUS City Clerk		
Dated:, 2014				

To the Above Named Purchaser:

The foregoing offer is hereby accepted and the Seller agrees to sell the Property upon the terms stated:

By the execution of this instrument, the Seller acknowledges the receipt of a copy of this Agreement.

IN THE PRESENCE OF:

\_\_\_\_\_

SELLER:

SUPPLIERS INVESTMENT CO., LLC, a Michigan limited liability company

By:\_\_\_\_\_

By:\_\_\_\_\_

By:\_\_\_\_\_

# **PURCHASER'S RECEIPT OF ACCEPTED OFFER**

The Purchaser hereby acknowledges receipt of the Seller's signed acceptance of the foregoing Offer to Purchase.

CITY OF NOVI, a Michigan municipal corporation, Purchaser

BY: \_\_\_\_\_

Its: \_\_\_\_\_

Dated: \_\_\_\_\_, 2014

# PATHWAY EASEMENT

**KNOW ALL PERSONS** THAT <u>SUPPLIER INVESTMENT CO., L.L.C., A MICHIGAN LIMITED</u> <u>LIABILITY COMPANY</u> ("GRANTOR"), WHOSE ADDRESS IS <u>42780 TEN MILE, NOVI, MI</u>, for and in consideration of \$1,116.00, receipt and sufficiency of which is hereby acknowledged, hereby grant and convey to the City of Novi, a Michigan Municipal Corporation, whose address is 45175 West Ten Mile Road, Novi, Michigan 48375, being exempt pursuant to MCLA 207.505(a), and MCLA 207.526 (a) a permanent easement for a public walkway over across and through property located in Section 17, T.1N., R.8E., City of Novi, Oakland County, State of Michigan, more particularly described as follows:

Parcel No. 50-22-23-376-014

{See attached and incorporated Exhibit A}

The permanent easement for the public walkway is more particularly described as follows:

{See attached and incorporated Exhibit A}

Grantee may enter upon sufficient land adjacent to said easement for the purpose of exercising the rights and privileges granted herein.

Grantee may install, repair, replace, improve, modify and maintain the easement area as shown in the attached and incorporated Exhibit A.

Grantor agrees not to build or to convey to others permission to build any structures or improvements on, over, across, in, through, or under the above-described easement.

This instrument shall run with the land first described above and shall be binding upon and inure to the benefit of the Grantor, Grantee, and their respective heirs, representatives, successors and assigns.

This easement shall allow public pedestrian and non-motorized traffic and shall permit maintenance, repair and replacement of the paving in the easement area.

Exempt pursuant to MCLA 207.505(a) And MCLA 207.526(a)

This instrument shall be binding and inure to the benefit of the parties hereto, their heirs, representatives, successors and assigns.

Dated this \_\_\_\_\_\_ day of \_\_\_\_\_\_, 20\_\_\_.

#### GRANTOR

# SUPPLIER INVESTMENT CO., L.L.C., A MICHIGAN LIMITED LIABILITY COMPANY

BY:\_\_\_\_\_

STATE OF MICHIGAN ) ) SS. COUNTY OF \_\_\_\_\_ )

The foregoing consent to easement was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_, by \_\_\_\_\_, the \_\_\_\_\_, of Supplier Investment Co., L.L.C., a Michigan limited liability company .

Notary Public \_\_\_\_\_ County, \_\_\_\_ My Commission Expires: \_\_\_\_\_

#### GRANTOR

# SUPPLIER INVESTMENT CO., L.L.C., A MICHIGAN LIMITED LIABILITY COMPANY

Notary Public	
	County,
My Commission Expires:	

# GRANTOR

# SUPPLIER INVESTMENT CO., L.L.C., A MICHIGAN LIMITED LIABILITY COMPANY

BY:

STATE OF MICHIGAN ) ) SS. COUNTY OF \_\_\_\_\_ )

The foregoing consent to easement was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_, by \_\_\_\_\_, the \_\_\_\_\_, of Supplier Investment Co., L.L.C., a Michigan limited liability company .

Notary Public

County, \_\_\_\_\_\_
My Commission Expires: \_\_\_\_\_\_

#### **CONSENT TO EASEMENT**

As the holder of a mortgagee interest in and to the property referenced in the Pathway Easement, dated \_\_\_\_\_, attached hereto, whereby Supplier Investment Company, LLC grants and conveys said easement to the City of Novi, the undersigned hereby evidences its consent to the grant, conveyance, existence and recordation of said easement, which easement is hereby acknowledged and agreed to be superior to the interest of the undersigned and shall bind the undersigned and the heirs, successors and assigns of the undersigned.

IN WITNESS WHEREOF the undersigned has caused its signature to be placed on the \_\_\_\_\_ day of \_\_\_\_\_ \_\_\_\_\_, 20\_\_\_\_.

By:\_\_\_\_\_

STATE OF MICHIGAN	)
	) SS.
COUNTY OF OAKLAND	)

	The foregoing Consent to	Easement was acknow	wledged before me this _	day of
	, 20 , by		, the	
of		, a Michigan		

Notary Public

County, MI
My commission expires:

Parcel No.

Drafted by: Elizabeth M. Kudla, Esq. 30903 Northwestern Highway Farmington Hills, MI 48334

When recorded return to:

Maryanne Cornelius, Clerk City of Novi 45175 W. Ten Mile Rd. Novi, MI 48375

RECORDING FEE \_\_\_\_\_ REVENUE STAMPS \_\_\_\_\_

