City of Carroll

112 E. 5th Street Carroll, Iowa 51401-2799 (712) 792-1000 FAX: (712) 792-0139

MEMO TO: Honorable Mayor and City Council Members

FROM: Mike Pogge-Weaver, City Manager MPW

DATE: July 18, 2019

SUBJECT: Consideration of a Resolution amending a Purchase Agreement of real estate at 224 N Main St from Thomas Daniel (City Apartments Property)

On March 11, 2019 the City Council approved a Purchase Agreement of real estate at 224 N Main St from Thomas Daniel locally known as City Apartments. The purchase agreement set closing for July 31, 2019 at which time the City would take possession of the property. Both the City and Mr. Daniel would like to delay closing to September 25, 2019.

The City has sought and received a grant from the Iowa DNR in the amount of $8,630.00 to complete a Phase I Environmental Site Assessment (ESA) and an Asbestos Containing Materials (ACM) Survey for the property. Staff has engaged Impact7G to complete this work at a cost of $8,630.00. By completing this work prior to closing on the property the City would be eligible for future funds to cover 50% of the cost to remove asbestos from the property up to a cap of $25,000. If the City does not complete this work prior to taking possession then it would be ineligible for future brownfield funding for the property. Knowing that the property contains asbestos, it makes sense to complete this work prior to taking possession of the property.

Additionally, staff is working to extend the downtown Urban Renewal District to include this property. By doing this the City can use Tax Increment Financial funds to cover the cost of acquiring the property as well as demolition costs including any environmental clean up that would need to be completed on the property.

Finally, Mr. Daniel continues to remove personal property from the site and this extension gives him more time to complete that work.

Working with Mr. Daniel, September 25, 2019 was a mutually agreed to date to complete the above work.

RECOMMENDATION: Mayor and City Council adopt a resolution approving an amended Purchase Agreement for real estate at 224 N Main St. owned by Mr. Thomas Daniel, known locally as City Apartments.

RESOLUTION NO. _____

A RESOLUTION APPROVING AN AMENDED PURCHASE AGREEMENT FOR REAL ESATE LEGALLY DESCRIBED AS LOT 9 AND THE SOUTH 11 FEET OF THE WEST 68 FEET OF LOT 10, BLOCK 37, SECOND ADDITION TO THE CITY OF CARROLL, CARROLL COUNTY, IOWA AND LOCATED AT 224 N MAIN ST, CARROLL, IA 51401

WHEREAS, Chapter 17, of the Code of Ordinances of the City of Carroll, Iowa, provides that all contracts made by the City be approved by the City Council by resolution; and

WHEREAS, the amended purchase agreement is attached hereto as Exhibit "A"; and

WHEREAS, it is determined that the approval of the attached amended agreement is in the best interest of the City of Carroll, Iowa;

NOW, THEREFORE, BE IT RESOLVED that the amended purchase agreement attached as Exhibit "A", be authorized and approved, and that the Mayor is authorized to execute the amended agreement on behalf of the City of Carroll.

PASSED AND APPROVED by the City Council of the City of Carroll, Iowa, this 22nd day of July, 2019.

CITY COUNCIL OF THE
CITY OF CARROLL, IOWA

BY:_____
Eric P. Jensen, Mayor

ATTEST:

By:_____
Laura A. Schaefer, City Clerk

AMENDMENT TO PURCHASE AGREEMENT

1. Purchase Agreement was entered into by the City of Carroll and Thomas L. Daniel aka Thomas Lowell Daniel (accepted February 25, 2019) for the purchase of real estate in the City of Carroll, legally described as:

> Lot 9 and the South 11 feet of the West 68 feet of Lot 10, Block 37, Second Addition to the City of Carroll, Carroll County, Iowa

2. The Purchase Agreement provided for closing and transfer of possession to the City of Carroll on July 31, 2019. Reference to the July 31, 2019 date, appears in paragraphs 2, 5, and 6 of the Purchase Agreement.

WHEREFORE, the City of Carroll, as buyer and Thomas L. Daniel aka Thomas Lowell Daniel, as Seller, agree to amend the above stated Purchase Agreement by changing the closing and transfer of possession date, from July 31, 2019, to September 25, 2019.

By the execution of this Amendment, the parties further agree that any reference in the above Purchase Agreement to July 31, 2019, as the closing date and/or transfer of possession date, is amended as stated above.

Further, the parties agree that all of the other terms of the above stated Purchase Agreement shall remain the same, except as above amended.

Dated: July 15, 2019

Thomas L. Daniel aka
Thomas Lowell Daniel

Dated: July _____, 2019

CITY OF CARROLL, IOWA

By:_____
Eric P. Jensen, Mayor

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