

June 2, 2014

To: Mayor Bemrich and City Council
From: David Fierke, City Manager
Subject: Extension of Terms of SWD
Monte Kraft
1229 2nd Avenue North



ACTION: For Vote Monday, June 9, 2014

Brief History

In November of 2010 the City sold the property at 1229 2nd Avenue North to Monte L. Kraft through developmental bid. Terms of the special warranty deed required that the house be redeveloped and brought into conformance with all currently adopted City Codes within one year of transfer. In July of 2013, the developer requested an extension until July 1, 2014 to complete the work. The City Council granted an extension until January 8, 2014. In January of 2014, the developer requested and the City Council approved a 2nd extension until May 31, 2014. Although significant progress has been made, the project is not yet complete. The developer is now requesting a 3rd extension until July 31, 2014 to complete the work.

Analysis of Issue

The Special Warranty Deed states the property can revert back to the City if the terms are not met within the required timeframe. Mr. Kraft has requested a 3rd extension to the term until July 31, 2014 to allow him to complete the work.

Budget Impact

There is no budget impact.

Strategic Plan Impact

Policy D.6.6: Incentives may be provided for infill development and the rehabilitation of existing housing already provided with urban services to acknowledge the lower service and infrastructure costs to the taxpayer. However, development requiring the expansion of services and infrastructure may be required to assist in the cost of such service expansions.

Existing Plan Impact

Consistent with Envision 2030 Plan.

Subcommittee or Commission Review / Recommendation

None

Staff Conclusions / Recommendations

Staff recommends the approval of an extension to the terms of the Special Warranty Deed.

Alternatives

The alternatives are:

- To make the extension period shorter; or
- Not to allow an extension and have the property revert back to the City, which is not recommended.

Implementation and Accountability

If approved, staff of the Department of Business Affairs and Community Growth will oversee the project to ensure completion by the extended date.

Signed



Vickie L. Reeck,
Community Development Manager

Approved

David R. Fierke, City Manager

RESOLUTION NO. _____

**RESOLUTION APPROVING AN EXTENSION TO THE TERMS OF
A SPECIAL WARRANTY DEED**

WHEREAS, the following property was sold in November of 2010 by developmental bid to Monte L. Kraft:

- Lot Two (2) of Hodge's Subdivision of the North ½ of Block Twenty-one (21), in Morrison and Duncombe's Addition to Fort Dodge, Iowa (1229 2nd Avenue North);

WHEREAS, terms of the Special Warranty Deed required that the property be redeveloped and brought into conformance with all City Codes within one year of transfer; and,

WHEREAS, in July of 2013, the developer requested an extension until July 1, 2014 to complete the work; and,

WHEREAS, the City Council granted an extension until January 8, 2014; and,

WHEREAS, in January of 2014, the developer requested and the City Council approved a 2nd extension until May 31, 2014; and

WHEREAS, the developer has made significant progress since that time, but the project is not yet complete; and,

WHEREAS, the developer has requested a 3rd extension in order to complete the work.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF FORT DODGE, IOWA, that an extension until July 31, 2014 be granted to the developer on the terms of the above-referenced property.

PASSED AND APPROVED this _____ day of _____, 2014.

AYES: _____
NAYS: _____
OTHER: _____

CITY OF FORT DODGE, IOWA

By: _____
Matt Bemrich, Mayor

ATTEST:

Jeff Nemmers, City Clerk

STATE OF IOWA, WEBSTER COUNTY, ss:

On this ____ day of _____, 2014 before me, the undersigned, a Notary Public in and for said State, personally appeared Matt Bemrich and Jeff Nemmers to me personally known, who being by me duly sworn, did say that they are the Mayor and City Clerk respectively, of said corporation; that the seal affixed thereto is the seal of said corporation; that said instrument was signed and sealed on behalf of said corporation by authority of its City Council; and that the said Mayor and City Clerk as such officers, acknowledged the execution of said instrument to be the voluntary act and deed of said corporation, by it and by them voluntarily executed.

Notary Public



8/7/2008

