

RESOLUTION NO. _____

**A RESOLUTION APPROVING AN OFFER TO PURCHASE LAND OWNED BY
GREGORY A. JOHNSTON FOR USE IN THE STREET IMPROVEMENTS
INCLUDED IN THE MISSISSIPPI CORRIDOR PROJECT**

WHEREAS, Gregory A. Johnston has agreed to, and signed the City of Muscatine's offer to purchase, property located at 515 E. 2nd Street; and

WHEREAS, the real property to be acquired by purchase is as follows:

Described as the Easterly 20 feet of the Westerly 40 feet of Lot 3, in Block 29, of the City of Muscatine, Muscatine County, Iowa.

WHEREAS, Acquisition of said property is critical to the construction of the roundabout at Mulberry Ave and 2nd Street; and

WHEREAS, The City has been working to obtain this property for over two years and this agreement would give the City possession of said property on August 1, 2019;

NOW, THEREFORE, BE IT RESOLVED, by the City Council for the City of Muscatine, Iowa that the real estate contract attached hereto and identified as "Exhibit A" is hereby by accepted by the City of Muscatine and the Mayor and City Clerk are hereby authorized and directed to sign this Resolution.

PASSED, APPROVED AND ADOPTED this 20th day of June 2019.

**BY THE CITY COUNCIL OF THE
CITY OF MUSCATINE, IOWA**

Diana Broderson, Mayor

Attest:

Gregg Mandsager, City Clerk



1450 Washington St
Muscatine, IA 52761-5040
(563) 263-8933
Fax (563) 263-2127

Public Works

City Transit
263-8152

MEMORANDUM

Equipment Maintenance
Roadway Maintenance
Collection & Drainage
Building & Grounds
Engineering

To: Brian Stineman, Public Works Director

CC: Gregg Mandsager, City Administrator
Nancy Lueck, Finance Director

FROM: Jim Edgmond, City Engineer

DATE: June 14, 2019

RE: 2nd and Mulberry Ave. Roundabout Property Acquisition

INTRODUCTION:

The agreement offered to the property owner at 515 E. 2nd Street has been signed and returned to the city. As this acquisition is critical to the construction of the roundabout the acceptance and signature of this agreement needs to be expedited so the construction of the project can be started this year. The cost of this property is \$75,000 and the city will have to bear the cost of demolition. The city will get possession of the property on August 1, 2019.

BACKGROUND:

The city has been trying to obtain this property for over two years. Once the city signs the agreement the eminent domain proceedings will continue until the City Attorney is assured that the transaction will be finalized.

RECOMMENDATION/RATIONALE:

Staff recommends that the City Council approve this agreement and direct the Mayor to sign the agreement so that the Finance Department can issue the check as soon as possible and a copy of the fully executed agreement can be put in the owner's hands.

BACKUP INFORMATION:

1. None

CITY OF MUSCATINE, IOWA
OFFER TO PURCHASE

To Seller: Gregory A Johnston
 353 E 2nd St.
 Muscatine, IA 52761

1. **Property Description.** The City of Muscatine, Iowa, (The "City") intends to acquire approximately 0.06 acres of real estate owned by you and situated in Muscatine County, Iowa, and described on the attached Exhibit 1. Exhibit 1 is, by this reference, made a part of this Offer to Purchase.
2. **Price.** The City of Muscatine agrees to pay \$75,000.00, in cash for the transfer to The City of clean title to the real property described on Exhibit 1 valued at \$30,000.00 and \$25,000.00 by independent appraisers. Both of these valuations are based upon the fair market value of the real estate as determined by the appraisals provided to Seller prior to this Offer to Purchase.
3. **Purpose of the Acquisition.** The real estate is being acquired to provide additional land for a road improvement project.
4. **Real Estate Taxes.** The acquisition shall not affect the liability of the Sellers for payment of real estate taxes, when due.

The Sellers shall pay all real estate taxes against the described parcel of real estate assessed for the fiscal year in which the transfer is completed. Sellers shall pay any unpaid real estate taxes payable in prior years. Buyer shall pay all subsequent real estate taxes against the described parcel.
5. **Special Assessments.** This acquisition shall not relieve the Seller of Seller's liability for payment of any special assessments against the property, which are a lien on the real estate as of the date of acceptance of this offer.
6. **Expenses.** The City of Muscatine shall pay or fully reimburse Seller for all expenses set forth in Iowa Code Section 6B.54(10). No such additional expenses are expected to apply to this acquisition.
7. **Fencing.** Should any fencing be required to be relocated as a result of this acquisition, the City shall complete the relocation at its sole cost and expense.
8. **Possession.** Possession shall be upon receipt of funds. Possession and closing 8/1/2019.
9. **Release of Mortgages.** If requested to do so, Sellers shall obtain a release of all mortgages and liens against the described real estate on or before the closing date of this transaction. Sellers shall convey good and merchantable title to the City of Muscatine.
10. **Conveyance.** Upon payment of the purchase price, Sellers shall convey the real property described on Exhibit 1 to the City of Muscatine, Iowa, in accordance with the

form provided by the city. The City agrees to cooperate in any like kind exchange for the benefit of Seller.

11. Joinder by Seller's Spouse. Seller's spouse, if applicable, and if not a titleholder immediately preceding acceptance of this offer, executes this contract only for the purpose of relinquishing all rights of dower, homestead and distributive share, or in compliance with Section 561.13 of the Code of Iowa, and agrees to execute the warranty deed for this purpose only.
12. Time is of the Essence. Time is of the essence in this contract.
13. Approval of Court. If the sale of this real estate is subject to Court approval, the fiduciary shall promptly submit this contract for such approval. If this contract is not so approved, it shall be void.
14. Contract Binding on Successors-in-Interest. This contract shall apply to and bind the successors-in-interest of the Sellers, and Sellers agree to warrant good and sufficient title. Names and addresses of lienholders which liens shall be removed at Closing by paying the lien in full or by the filing of a release prior to closing are:

First National Bank of Muscatine, 300 E 2nd St., Muscatine, IA 52761.
15. Construction. Words and phrases shall be construed as in the singular or plural number, and as masculine, feminine, or neuter gender, according to the context.
16. Execution of Offer. This Offer is executed in behalf of the City of Muscatine, Iowa, and is subject to ratification by the City Council upon its acceptance by Sellers.

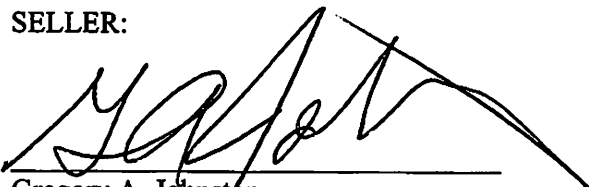
Dated at Muscatine, Iowa, this _____ day of _____, ~~2018~~ 2019

FOR THE CITY OF MUSCATINE, IOWA

By: _____
Print: _____
Title: _____

THIS OFFER IS ACCEPTED on this 13th day of June, ~~2018~~ 2019

SELLER:



Gregory A. Johnston

Approved by the City Council of the City of Muscatine on the _____ day of _____, ~~2018~~²⁰¹⁹ by Resolution No. _____.

CITY OF MUSCATINE, IOWA

By: _____
Diana L. Broderson
Mayor

Attest: _____
Print: Gregg Mandsager
Title: City Clerk

EXHIBIT 1

LAND DESCRIPTION – 515 E 2nd St

The Easterly 20 feet of the Westerly 40 feet of Lot 3, in Block 29, of the City of Muscatine, Muscatine County, Iowa.

Patrick Burk

Jun 13, 2019, 10:30 AM (6 days ago)

to me, Matt

Well... He signed it and appears to be asking for monetary assistance to move. I do not read this section as requiring assistance when we negotiate a price at all.

In any event, how does the timing look to you?

Patrick Burk
Brick Gentry P.C.
6701 Westown Pkwy, Suite 100
West Des Moines, IA 50266-7703
Phone: 515-274-1450 x 338
Fax: 515-274-1488

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Begin forwarded message:

From: Johnston Law Office <johnstonlaw@machlink.com>
Date: June 13, 2019 at 10:07:26 AM CDT
To: 'Patrick Burk' <Patrick.Burk@brickgentrylaw.com>
Subject: 515 E. 2nd Street

Pat, I have signed and attached the Offer. I included a possession and closing date in Paragraph #8 because I need time to close on my new building when I get back from vacation (which is now June 24th) and get my items moved out of 515.

As a side note, does Section 316 allow me to receive some minimal financial assistance to pay for "moving my junk"?

Thank you.

Greg

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2 Attachments

