



TO: Michael C. Van Milligen, City Manager

FROM: Gus Psihoyos, City Engineer

DATE: November 9, 2015

SUBJECT: Bee Branch Creek Restoration Project, Acquisition of 501 E. 15th Street
(CIP#7201654)

INTRODUCTION

The purpose of this memorandum is to request approval to amend the purchase agreement for the acquisition of 501 E. 15th Street to reflect that the City will make payment for the property in January of 2016. The City will still close on the property in December of 2015 as all other terms and conditions of the executed purchase agreement shall remain in full force and effect.

BACKGROUND

In February of 2013, the City Council passed Resolution 30-13 approving the acquisition of 501 E. 15th Street, legally described as the "North 35 feet of Lot 255, South 15 feet of Lot 255 and Lot 256 East Dubuque Addition, in the City of Dubuque, Dubuque County, Iowa."

The purchase agreement outlined that the closing date would be "no later than December 31, 2015." This was to allow Blum Properties, Inc. continued use of the property in order to liquidate the scrap metal and salvaged materials.

DISCUSSION

While discussing the City's pending acquisition of the property in December of 2015, the owner, Mr. Alvin Blum indicated that he would be in a position to comply with the executed purchase agreement and sell the property in December. However, he asked if the City could delay payment until January of 2016. Instead of delaying the closing date for a month, it would be prudent for the City to obtain possession of the property per the agreement. However, there is no budgetary or financial difference if the City makes payment in December of 2015 or January of 2016, both are in Fiscal Year 2016. Therefore, it makes sense to accommodate the owner's request and delay payment until January of 2016 while retaining all other terms and conditions of the executed purchase agreement.

RECOMMENDATION

I recommend that the City accommodate the property owner's request and delay payment for the property until January of 2016.

BUDGET IMPACT

The proposed amendment does not impact the budget.

REQUESTED ACTION

I respectfully request adoption of the attached resolution amending the purchase agreement for 501 E. 15th Street to reflect that the City will make payment for the property in January of 2016.

Attach.

Prepared by Deron Muehring

Cc: Barry Lindahl, City Attorney

Steve Brown, Project Manager

Deron Muehring, Civil Engineer II