

RESOLUTION NO. -16

A RESOLUTION AMENDING THE PURCHASE AGREEMENT FOR THE ACQUISITION OF REAL ESTATE OWNED BY BLUM PROPERTIES, INC. IN THE CITY OF DUBUQUE AND AUTHORIZING APPLICATION FOR U.S. EPA BROWNFIELDS CLEANUP GRANT FUNDING FOR THE REAL ESTATE

Whereas, the City of Dubuque intends to acquire certain properties located in the area of the Bee Branch Creek Restoration Project for stormwater mitigation activities as recommended in the "Drainage Basin Master Plan;"

Whereas, it was determined that property owned by Blum Properties, Inc. (Blum) at 411 E. 15th Street (the Property) would provide the needed space to construct the Bee Branch Watershed Flood Mitigation Maintenance Facility;

Whereas, an environmental assessment was performed at the Property finding contamination by oil and lead on the Property that provided an indication of the areas of concern that, due to the City's proposed use of the property, would require environmental cleanup;

Whereas, a purchase agreement was finalized with the Blum Properties, Inc., owner of the Property described as Lots 182, 182A, 183, 184, 185, 186, West 65' of Lots 217, 218, 219, 220, & 221, and East 35' of Lots 217, 218, 219, 220, & 221 all in East Dubuque Addition, in the City of Dubuque, Dubuque County, Iowa;

Whereas, the City Council passed Resolution 172-14 approving the acquisition of the Property for the Bee Branch Creek Restoration Project;

Whereas, per the terms of the Total Acquisition Agreement (Purchase Agreement) the City will pay \$500,000 for the Property;

Whereas, a subsequent environmental assessment performed in 2016 confirmed the presence of petroleum/waste oil and metal related pollutants, it also reported the presence of Polychlorinated Biphenyl (PCBs) and health risks to anyone who routinely enters the property;

Whereas, the additional environmental issues will require additional environmental cleanup costs;

Whereas, Blum Properties, Inc. has agreed to amending the terms of the Total Acquisition Agreement (Purchase Agreement) reducing the purchase price to \$100,000 with \$400,000 to be held by the City in a designated account to be drawn by the City to pay for 50% of the environmental cleanup costs after any and all state or federal grant funds secured by the City specifically for environmental cleanup activities are exhausted and the City;

Whereas, per the amended terms the City would agree to apply for U.S. EPA Brownfields Cleanup Grant funding in 2016 and again in 2017 in an attempt to secure funding assistance for performance of the environmental cleanup required for the City's intended use of the property;

Whereas, the City must own the property by December 22, 2016 in order to apply for U.S. EPA Brownfields Cleanup Grants in 2016; and

Whereas, it is in the best interest of the City to purchase the property per the terms of the First Amendment to the Purchase Agreement.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DUBUQUE, IOWA:

Section 1. That the First Amendment to the Purchase Agreement for 411 E. 15th Street is hereby approved.

Section 2. That the Mayor is authorized to sign and submit documents as required for the City's application for U. S. EPA Brownfields Cleanup Grant funding in 2016 and 2017.

Passed, approved and adopted this _____ day of _____, 2016.

Roy D. Buol, Mayor

Kevin S. Firnthal, CMC, City Clerk