

CITY OF STORY CITY

504 Broad Street
Story City, IA 50248
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www.cityofstorycity.org



1913 Herschell-Spillman Carousel

SPECIAL COUNCIL AGENDA MONDAY, JULY 12, 2021 – 8:30 A.M. CITY HALL COUNCIL CHAMBERS - SECOND FLOOR

- I. CALL TO ORDER AND ROLL CALL, 8:30 A.M.
- II. APPROVE/AMEND THE AGENDA
- III. DEFER APPROVAL OF THE JULY 6, 2021 REGULAR MEETING MINUTES
- IV. CITIZEN APPEARANCE:
 - A)
- V. LEGAL ITEMS;
 - A) Resolution No. 21-60 – Approving Participation in a Real Estate Contract with Story City Development Group, LLC as Seller and TNL Development, LLC as Buyer, and Authorizing Mayor and City Clerk to Execute Same
 - B)
- VII. ADJOURNMENT

Posted: July 9, 2021 at 8:30 a.m.

The following Resolution was offered by Councilperson _____,
who moved its adoption:

RESOLUTION NO. 21-60

A RESOLUTION APPROVING PARTICIPATION IN A REAL ESTATE CONTRACT WITH STORY CITY DEVELOPMENT GROUP, LLC AS SELLER AND TNL DEVELOPMENT, LLC AS BUYER, AND AUTHORIZING MAYOR AND CITY CLERK TO EXECUTE SAME

WHEREAS, the City of Story City (“the City”) and Story City Development Group, LLC (“EDC”) are in the process of selling certain real estate to TNL Development, LLC (“Eby”), for use in expansion of the Eby facility in the City’s Business Park;

AND WHEREAS, the City finds it necessary, time being of the essence, to be a signatory to a Real Estate Contract with the other parties to allow EDC to immediately convey the portion of the real estate that EDC currently owns, while memorializing the City’s obligation to convey other real estate currently owned by the City, pending the normal procedures, including a public hearing, required by law for the City to sell real estate.

AND WHEREAS, the City Attorney has prepared said Real Estate Contract, a copy of which is attached hereto, marked Exhibit “A”, and same should now be approved.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Story City, Iowa, that said proposed Real Estate Contract is hereby approved, and the Mayor and City Clerk are hereby authorized and directed to execute same on behalf of the City of Story City.

The foregoing Resolution was seconded by Councilperson _____, and, upon roll call, was carried by an aye and nay vote, as follows:

- AYE:
- NAY:
- ABSENT:

Whereupon, the Mayor declared Resolution 21-60 duly adopted this 12th day of July, 2021.

Mike Jensen, Mayor

ATTEST: Heather Slifka, City Clerk

Exhibit A



REAL ESTATE CONTRACT (SHORT FORM)

IT IS AGREED between Story City Economic Group, LLC ("Seller"); and TNL Development, LLC ("Buyer").

Seller agrees to sell and Buyer agrees to buy real estate in Story County, Iowa, described as: " Lot 4A, I-35 Business Park Subdivision Fourth Addition to Story City, Story County, Iowa, a/k/a Parcel "A" in Lot 4 of I-35 Business Park Subdivision Fourth Addition to Story City, Iowa, as shown on the "Plat of Survey" filed in the office of the Recorder of Story County, Iowa, on the 23rd day of July, 2014, and recorded as Inst. No. 14-06140, Slide 489, Page 3" with any easements and appurtenant servient estates, but subject to the following:

- a. any zoning and other ordinances;
- b. any covenants of record;
- c. any easements of record for public utilities, roads and highways; and
- d. farm lease in favor of the City of Story City.

(the "Real Estate"), upon the following terms:

1. **PRICE.** The total purchase price for the Real Estate is One Million and No /100 Dollars (\$1,000,000.00) of which Ten Thousand and No/100 Dollars (\$10,000.00) has been paid. Buyer shall pay the balance to Seller at 504 Broad Street, Story City, Iowa, or as directed by Seller, upon final closing and possession by Buyer.
2. **INTEREST.** Buyer shall pay interest at the rate of six percent per annum on all delinquent amounts and any sum reasonably advanced by Seller to protect Seller's interest in this contract, computed from the date of the delinquency or advance.
3. **REAL ESTATE TAXES.** Seller shall pay regular taxes pro-rated to the date of possession by Buyer and any unpaid real estate taxes payable in prior years. Buyer shall pay all subsequent real estate taxes. Any proration of real estate taxes on the Real Estate shall be based upon such taxes for the year currently payable unless the parties state otherwise.
4. **SPECIAL ASSESSMENTS.** Seller shall pay all special assessments which are a lien on the Real Estate as of the date of this contract. All other special assessments shall be paid by Buyer.
5. **POSSESSION AND CLOSING.** Seller shall give Buyer possession of the Real Estate on _____, provided Buyer is not in default under this contract. Closing shall be on _____.
6. **INSURANCE.** Seller shall maintain existing insurance upon the Real Estate until the date of possession. Buyer shall accept insurance proceeds instead of Seller replacing or repairing damaged improvements. After possession and until full payment of the purchase price, Buyer shall keep the improvements on the Real Estate insured against

loss by fire, tornado, and extended coverage for a sum not less than 80 percent of full insurable value payable to the Seller and Buyer as their interests may appear. Buyer shall provide Seller with evidence of such insurance.

7. **ABSTRACT AND TITLE.** Seller, at Seller's expense, shall promptly obtain an abstract of title to the Real Estate continued through the date of this contract and deliver it to Buyer for examination. It shall show merchantable title in Seller in conformity with this contract, Iowa law and the Title Standards of the Iowa State Bar Association. The abstract shall become the property of the Buyer when the purchase price is paid in full, however, Buyer reserves the right to occasionally use the abstract prior to full payment of the purchase price. Seller shall pay the costs of any additional abstracting and title work due to any act or omission of Seller, including transfers by or the death of Seller or their assignees.
8. **FIXTURES.** All property that integrally belongs to or is part of the Real Estate, whether attached or detached, such as light fixtures, shades, rods, blinds, awnings, windows, storm doors, screens, plumbing fixtures, water heaters, water softeners, automatic heating equipment, air conditioning equipment, wall to wall carpeting, built-in items and electrical service cable, outside television towers and antenna, fencing, gates and landscaping shall be considered a part of Real Estate and included in the sale.
9. **CARE OF PROPERTY.** Buyer shall take good care of the property; shall keep the buildings and other improvements now or later placed on the Real Estate in good and reasonable repair and shall not injure, destroy or remove the property during the term of this contract. Buyer shall not make any material alteration to the Real Estate without the written consent of the Seller.
10. **PROPERTY AS-IS.** Having been given an adequate opportunity to inspect the property, Buyer agrees to take the property as-is, with all faults, and with no warranties whatsoever, except as to title.
11. **DEED.** Upon payment of purchase price, Seller shall convey the Real Estate to Buyer or Buyer's assignees, by Warranty deed, free and clear of all liens, restrictions, and encumbrances except as provided herein. Any general warranties of title shall extend only to the date of this contract, with special warranties as to acts of Seller continuing up to time of delivery of the deed.
12. **REMEDIES OF THE PARTIES.**
 - a. If Buyer (a) fails to make the payments aforesaid, or any part thereof, as same become due; or (b) fails to pay the taxes or special assessments or charges, or any part thereof, levied upon said property, or assessed against it, by any taxing body before any of such items become delinquent; or (c) fails to keep the property insured; or (d) fails to keep it in reasonable repair as herein required; or (e) fails to perform any of the agreements as herein made or required; then Seller, in addition to any and all other legal and equitable remedies which Seller may have, at Seller's option, may proceed to forfeit and cancel this contract as provided by law

(Chapter 656 Code of Iowa). Upon completion of such forfeiture Buyer shall have no right of reclamation or compensation for money paid, or improvements made; but such payments and/or improvements if any shall be retained and kept by Sellers as compensation for the use of said property, and/or as liquidated damages for breach of this contract ; and upon completion of such forfeiture, if the Buyer, or any other person or persons shall be in possession of said real estate or any part thereof, such party or parties in possession shall at once peacefully remove therefrom, or failing to do so may be treated as tenants holding over, unlawfully after the expiration of lease, and may accordingly be ousted and removed as such as provided by law.

- b. If Seller fails to timely perform Seller's obligations under this contract, Buyer shall have the right to terminate this contract and have all payments made returned to Buyer.
- c. Buyer and Seller are also entitled to utilize any and all other remedies or actions at law or in equity available to them.
- d. In any action or proceeding relating to this contract the successful party shall be entitled to receive reasonable attorney's fees and costs as permitted by law.

13. TIME IS OF THE ESSENCE. Time is of the essence in this contract.

14. PERSONAL PROPERTY. If this contract includes the sale of any personal property, Buyer grant the Seller a security interest in the personal property and Buyer shall execute the necessary financing statements and deliver them to Seller.

15. CONSTRUCTION. Words and phrases in this contract shall be construed as in the singular or plural number, and as masculine, feminine or neuter gender, according to the context.

16. CERTIFICATION. Buyer and Seller each certify that they are not acting, directly or indirectly, for or on behalf of any person, group, entity or nation named by any Executive Order or the United States Treasury Department as a terrorist, "Specially Designated National and Blocked Person" or any other banned or blocked person, entity, nation or transaction pursuant to any law, order, rule or regulation that is enforced or administered by the Office of Foreign Assets Control; and are not engaged in this transaction, directly or indirectly on behalf of, any such person, group, entity or nation. Each party hereby agrees to defend, indemnify and hold harmless the other party from and against any and all claims, damages, losses, risks, liabilities and expenses (including attorney's fees and costs) arising from or related to my breach of the foregoing certification.

17. INSPECTION OF PRIVATE SEWAGE DISPOSAL SYSTEM. Seller represents and warrants to Buyer that the Property is not served by a private sewage disposal system, and there are no known private sewage disposal systems on the property.

18. ADDITIONAL PROVISIONS.

- a) Any income from growing crops on the property now and in the future shall be paid to the City of Story City, Iowa.
- b) The City of Story City, Iowa agrees to transfer and convey to Buyer the following-described real estate in the ordinary course of business, time being of the essence, without any additional consideration other than that described herein:

“The West 40 Feet of Lot 2 in I-35 Business Park Subdivision Fifth Addition to Story City, Story County, Iowa.”

AND ALSO

“Lot 1 in I-35 Business Park Subdivision Fifth Addition to Story City, Story County, Iowa, except Lot 4A, I-35 Business Park Subdivision Fourth Addition to Story City, Story County, Iowa, a/k/a Parcel “A” in Lot 4 of I-35 Business Park Subdivision Fourth Addition to Story City, Iowa, as shown on the “Plat of Survey” filed in the office of the Recorder of Story County, Iowa, on the 23rd day of July, 2014, and recorded as Inst. No. 14-06140, Slide 489, Page 3”

Dated: _____, 2021.

The City of Story City, Iowa (signing only to confirm and ratify the City's obligations under Paragraph 18(b) above).

By _____
Mike Jensen, Mayor

By _____
Heather Slifka, City Clerk

Story City Economic Group, LLC, Seller

By _____
Tyler Frederiksen, President

TNL Development, LLC, Buyer

By _____
Menno Travis Eby, Member