

**April 7, 2015**

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



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**ACTION: For Vote Monday, April 13, 2015**

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**Brief History**

In November of 2010 the City sold the property at 1229 2<sup>nd</sup> 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 2<sup>nd</sup> extension until May 31, 2014. In June of 2014, the developer requested and the City Council approved a 3<sup>rd</sup> extension until July 31, 2014. In July of 2014, the developer requested and the City Council approved a 4<sup>th</sup> extension until December 30, 2014. In December of 2014, the developer requested and the City Council approved a 5<sup>th</sup> extension until March 6, 2015.

A roof leak caused Mr. Kraft to stop work on the inside to replace the roof, which is currently in progress. An inspection of the property revealed the 3 units upstairs are nearing completion. Once they are completed, Mr. Kraft will complete the remaining work in the downstairs unit. The developer is now requesting an extension until July 31, 2015.

**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 6<sup>th</sup> extension to the term until July 31, 2015 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 has visited the property and noted that progress has been made on the project since the last extension was approved.

**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;

**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 2<sup>nd</sup> 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 2<sup>nd</sup> extension until May 31, 2014; and,

WHEREAS, in June of 2014, the developer requested and the City Council approved a 3<sup>rd</sup> extension until July 31, 2014; and,

WHEREAS, in July of 2014, the developer requested and the City Council approved a 4<sup>th</sup> extension until December 30, 2014; and,

WHEREAS, in December of 2014, the developer requested and the City Council approved a 5<sup>th</sup> extension until March 6, 2015; and,

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

WHEREAS, the developer has requested a 6<sup>th</sup> 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, 2015 be granted to the developer on the terms of the above-referenced property.

PASSED AND APPROVED this \_\_\_\_\_ day of \_\_\_\_\_, 2015.

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 \_\_\_\_\_, 2015 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

