COUNCIL ACTION FORM

<u>SUBJECT</u>: REQUEST FOR SIX-MONTH EXTENSION TO COMPLETE DEMOLITION OF SHARED WALL FOR THE MCFARLAND FINAL PLAT AT 3600 LINCOLN WAY

BACKGROUND:

On June 23, 2015, the City Council conditionally approved a Minor Subdivision Final Plat for the properties located at 3600-3800 Lincoln Way (Attachment A Location Map). The plat was approved dividing the original parcel into two lots, commonly known as the McFarland and Hy-Vee lots. Dividing the lot through the existing building required part of the building to be demolished to meet zoning, building, and property-owner interests for separation of the building from the new property line.

To accomplish recording of the plat prior to demolition of a portion of the building, the City Council entered into a development agreement and received financial security for the required work (Attachment B Letter and Agreement). The agreement required final completion of the project by December 25, but allowed for Council to grant one sixmonth extension at the property owner's request. At this time the property owner is asking for the allowed six-month extension to June 25, 2016.

The property owner has been issued a building permit for the purpose of constructing required demising walls, demolition of building walls, and changes to utilities. However, the work is not done at this time. The property owner believes they will have the majority of work completed by the end of March and everything finished well before the proposed June 25 deadline. The City will continue to hold the \$190,000 financial security for completing this work until it has been completed to the satisfaction of the City.

ALTERNATIVES:

- 1) The City Council can approve a six-month extension to complete the building demolition requirements by June 25, 2016.
- The City Council can decline to approve the extension and direct staff to enforce the agreement if there is non-performance by the property owner of the terms of the agreement.

MANAGER'S RECOMMENDED ACTION:

The property owner seeks an extension for six months to complete the required building work in accordance with the current development agreement. The Planning Division and Inspections Division have reviewed the request and believe the property owner is working diligently to complete their obligations.

Therefore, it is the recommendation of the City Manager that the City Council approve Alternative #1, thereby granting an extension until June 25, 2016.





December 10, 2015

Kelly Diekmann Director of Planning & Housing City of Ames 515 Clark Avenue Ames, Iowa 50010

RE: Request for an Extension for the McFarland Subdivision FOX Ref. No. 5107-15a.600

Dear Mr. Diekmann:

On the behalf of Ames Associates in accordance with "AN AGREEMENT PERTAINING TO THE SUBDIVISION PLATTING AND DEVELOPMENT OF LAND IN THE CITY OF AMES CALLED MCFARLAND SUBDIVISION" (attached) we are requesting a 6 month extension in accordance of II.A. Demolition Work of the agreement.

II.A of the agreement discusses the timing for splitting of the building to create a gap between the buildings to create building separation in accordance with the City's setback requirements. The work was to be completed with 6 months of the date of recording of the agreement. The agreement was recorded on June 25, 2015. The work was to be completed by December 25, 2015. We are requesting an extension to June 25, 2016.

Ames Associates has a general contractor, Jensen Builders, under contract and working on the project. However, there has been numerous unforeseen issues with separating the building that have delayed and slowed the work. Jensen will continue to work on the site throughout the winter. The contract substantial completion date for Jensen was December 15, 2015. The substantial completion date has been moved to March 12, 2016 to reflect the time necessary to deal with the unforeseen issues. Substantial completion, as defined in the contract, will meet the City's requirements for splitting the building.

Final completion has moved from February 28, 2016 to May 27, 2016. There is some exterior work (painting, pavement, etc.) that will not be able to be completed until warm weather returns in the spring.

Thank you for your time and consideration.

Sincerely, FOX Engineering Associates, Inc.

Scott Renaud, PS. Project Manager

cc: Judi Haines, Ames Associates Jeff Harris, RMH Architects

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Instrument:2015-00005750 Date:Jun 25:2015 10:17:19A Rec Fee: 35.00 E-Com Fee: T ĥ Rec Fee: Aud Fee: G R 1.00 .00 Trans Tax: Rec Manasement Fee: .00 Rec manosement ree: 1.00 Non-Standard Page Fae: .00 Filed for record in Story County, Iowa Stacie L. Herridge, County Recorder

DO NOT WRITE IN THE SPACE ABOVE THIS LINE, RESERVED FOR RECORDER Prepared by: Mark O. Lambert, City of Ames Lagal Department, 515 Clark Avenue, Ames, Iowa 50010 (Phone: 515-239-5146) Return to Ames City Clark, Box 811, Ames, IA 50010

AN AGREEMENT PERTAINING TO THE SUBDIVISION PLATTING AND DEVELOPMENT OF LAND IN THE CITY OF AMES CALLED McFARLAND SUBDIVISION

THIS AGREEMENT, made and entered into this $\frac{12}{10 \text{ mm}}$, 2015, by and between the CITY OF AMES, IOWA (hereinafter called "City"), and Ames Associates, an Illinois Limited Partnership, (hereinafter called "Owner"), their successors and assigns,

WITNESSETH THAT:

WHEREAS, the parties hereto desire the improvement and development of an area legally described as set out on Appendix A, hereinafter called the Site; and,

WHEREAS, Owner has applied to the City for platting of subdivisions of the Site (which creates Lot 1 and Lot 2 of McFarland Subdivision to become an Official Plat located in the City); and,

WHEREAS, an agreement between the Owner and the City with respect to improvements is required by the City as a condition to approval of subdivision plats pursuant to Section 354.8 of the Code of Iowa, and Section 23.304 of the Ames Municipal Code.

NOW, THEREFORE, the parties hereto have agreed and do agree as follows:

I PURPOSE

A. It is the purpose of this Agreement to:

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1. Document, record, and give notice of a certain plan of development, and the public and private measures and undertakings essential to the implementation of that plan of development, for the Site.

2. Provide remedies to the City in the event the Owner does not complete the demolition of building space of approximately 15 feet in width between Lot 1 and Lot 2 to comply with the lot line setback standards in the Ames Municipal Code in a manner consistent with an approved site plan or does not restore the buildings to comply with fire rating requirements of the Ames Building Code (collectively the "Demolition Work").

3. Document and record the City's agreement that it shall not enforce the lot line setback standards in the Ames Municipal Code unless and until the Owner has completed the Demolition Work as required in this Agreement.

B. This Agreement does not create or vest in any person or organization, other than the City, any rights or cause of action with respect to any performance, obligation, plan, schedule, or undertaking stated in this Agreement, with respect to the Owner. This Agreement does not prevent the City from amending, modifying, or releasing the Owner from some or all of the provisions of this Agreement. No amendment, modification, or release from some or all of the provisions of this Agreement shall affect the City's obligation, as described herein, to not enforce the lot line setback standards in the Ames Municipal Code. No person shall have any cause of action or recourse against the City or Owner by reason of any such amendment, modification, or release.

> II IMPROVEMENTS

A. Demolition Work.

The Owner shall complete the Demolition Work to standards in the Ames Municipal Code in a manner not later than six (6) months from the recording date of the final plat. If, due to circumstances beyond the control of the Owner, the Demolition Work cannot be completed in a timely fashion, the Owner may request and the City may grant extension of the six (6) month time period. The City agrees that that it shall not enforce the lot line setback standards in the Ames Municipal Code unless and until the Owner has completed the Demolition Work as required in this Agreement.

B. Occupancy Permits for New Structures on the Site.

Until the Demolition Work is completed and consistent with an approved site plan, the Owner shall not apply for any occupancy permits except for permits that are attributable to internal renovations and tenant changes in existing structures on Lots 1 or 2 of the Site that do not require increased parking under the provisions of the Ames Municipal Code, as long as parking spaces as currently configured and available on Lots 1 and 2 remain available for customer use in sufficient number and type to meet the minimum parking requirements of the Ames Municipal Code for Lots 1 and 2 combined.

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C. Limitations on Openings of Exterior Walls Located Adjacent to Property Lines.

All structures are subject to the fire resistance rating requirements. For existing structures on the Site, any noncompliance resulting from platting must be eliminated within six (6) months from the recording date of the final plat. Owner shall construct or renovate buildings with openings with fire separation distances that comply with rating requirements of the City Building Code.

III CITY'S REMEDIES

A. The City shall not approve any final plat of any phase of development on the Site unless said plat is in accordance with and meets the provisions and conditions of this Agreement.

B. The parties agree that all work done by or on behalf of the Owner with respect to the Site, sidewalks, building design and construction, and utilities, if any, shall be made in compliance with the Approved Site Development Plan, the Iowa Code, the Ames Municipal Code, SUDAS, and other federal, state, and Iowa laws and policies of general application, whether or not such requirements are specifically stated in this Agreement, or as may hereafter be enacted. All ordinances, regulations, and policies of the City now existing, or as may hereafter be enacted, shall apply to activity on the Site.

IV SECURITY

The Owner shall install all improvements required for approval of any or each plat of subdivision of the Site prior to approval of such final plat; or, execute an improvement agreement to guarantee the completion of all such required improvements, and provide to the City as security for the completion of that work, an "improvement guaranty" as stated in Section 23.409 of the Ames Municipal Code. In addition to the improvement guarantee for on-site public utilities improvements, the Owner shall file a bond, certified check, or letter of credit with the City Clerk in an amount not less than the certified estimate of the Director of Public Works for the cost of reconfiguring, constructing, or completing in an acceptable manner the Demolition Work including those necessary to meet applicable fire resistance rating requirements, required by this Agreement that have not been installed and accepted by the City prior to final plat approval. In the event Owners fail to complete the Demolition Work within six (6) months from the recording of the final plat, the City reserves the right to construct or complete said improvements and other conditions and to cover the costs thereof with the surety bond, certified check, or letter of credit, as the case may be. In the event that the City exercises such right, Owners hereby grant a temporary access and construction easement to the City as necessary for constructing or completing the Demolition Work and other conditions.

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JUN-12-2015 10:28 From:HMB

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v COVENANT WITH THE LAND

This Agreement shall run with the Site and shall be binding upon the Owner, its successors and assigns until such time as the Owner has completed in an acceptable manner the Demolition Work, at which time this Agreement and all associated Security shall terminate.

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be excouted effective as of the date first above written.

CITY OF AMES, IOWA Ann H. Campbell, Mayor By:

Attest by: ane R Diane R. Voss, City Clerk Jill L. Ripperger Commission Number 146549 My Commission Expires 3-12-18

STATE OF IOWA, STORY COUNTY SE

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Owner Ames Associates

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STATE OF IOWA, STORY COUNTY ES:

On this ______ day of ______ 2013, believe me, a Notary Public in and for the State of Force, personally represent _______ to me personally known, who heling by use duty events or soft-mod did my these har personal is ________ of and I limited Partnership por authority of and I limited Partnership by authority of its unangers and the sold _______ esknowledged the execution of sold instrument to be the unitarity not not deal of sold Limited Partnership by it voluntarily excented.

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McFarland Clinic West Ames

3/25/2015

Item	Qty	Qty Price		Sub-Total		Tot	al
Demolition						\$	22,660.00
Roofing	48	3\$	50.00	Ş	2,400.00		
Steel	48	3\$	75.00	\$	•		
Welding Truck	8	3\$	150.00	\$	1,200.00		
Slab on Grade	2200)\$	3.00	\$	6,600.00		
End Walls	96	5\$	50.00	\$	4,800.00		
Storefront	8	\$	80.00	\$	640.00		
Mechanical Demo	16	; \$	60.00	\$	960.00		
Electrical Demo	16	; \$	60.00	Ś	960.00		
Utility Disconnects	1	\$	1,500.00	\$	1,500.00		
Temporary Protection		<u> </u>		<u> </u>		\$	5,400.00
Labor	72	\$	50.00	\$	3,600.00		57100100
Material	1		1,800.00	Ś	1,800.00		
Concrete Foundations		<u> </u>		-		\$	14,200.00
Excavation	8	\$	125.00	\$	1,000.00	Ŧ	1,100.00
Footing	33	-	400.00		13,200.00		
Masonry Walls						\$	51,480.00
Labor	3960	\$	9.00	\$	35,640.00	•	,
Material	3960	\$	4.00	\$	15,840.00		
Roofing Repairs						Ś	13,200.00
EPDM	11.00	\$	10.00	Ś	11,000.00	Ŧ	20,200,00
Misc. Flashings	220	\$	10.00	ŝ	2,200.00		
Re-Build End Walls				<u> </u>		Ś	21,200.00
Metal Studs / Drywall	2	\$	4,000.00	Ś	8,000,00	Ŧ	==,======
EIFS	360	\$	20.00	Ś	7,200.00		
Storefront	2	\$ 3	3,000.00	ŝ	6,000.00		
Site Work				- <u>-</u>		Ś	23,500.00
Concrete Sidewalks	4000	\$	4.00	Ś	16,000.00	Ŧ	20,000.00
Landscaping	1	\$!	5,000.00	ŝ	5,000.00		
Cleanup	1		2,500.00	\$	2,500.00		
Sub-Total		-				\$	151,640.00
Contingency	10%					\$	•
Design-Build Fee	15%					\$ \$	15,164.00
Projected Total	-576						22,746.00
						\$	189,550.00

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