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PATRICK F GILL, AUDITOR AND RECORDER
WOODBURY COUNTY IOWA



Prepared By Patty Heagel and Return to: P.O. Box 447, Sioux City, Iowa 51102 Telephone No. (712) 279-6103.

PARKING LICENSE AGREEMENT FOR SALE OF LAND

FOR PRIVATE REDEVELOPMENT IN THE

CENTRAL SIOUX CITY URBAN RENEWAL AREA

BY AND BETWEEN

THE CITY OF SIOUX CITY, IOWA

PO BOX 447, SIOUX CITY, IOWA 51102

AND

WARFIELD BUILDING, L.L.C.

P.O. BOX 1268, DAKOTA DUNES, S.D. 57049

Legal Description:

Middle Sioux City E 100 Ft Lots 1-2-3 Block 22; and

The West 50 feet of Lots 1, 2, & 3, Block 22, Middle Sioux City Addition, Sioux City, Woodbury County, Iowa.

STATE OF IOWA

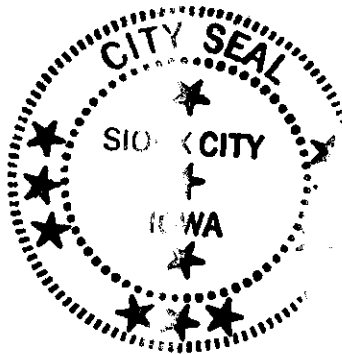
Woodbury County

CITY OF SIOUX CITY

Office of the City Clerk

I, Lisa L. McCardle, City Clerk of the City of Sioux City and City Clerk of the City Council thereof, and as such, having charge of and in my possession all the records and documents pertaining to said office now remaining therein, do hereby certify that it appears from such records that the foregoing is a true and correct copy of the Resolution 2007-0436 adopted by the City Council of the City on the 21st day of May, 2007, upon the call of yeas and nays thereof duly had and recorded.

Dated at Sioux City, Iowa this 22nd day of May, 2007



(SEAL)

LISA L. McCARDLE
CITY CLERK

Complete and Return to
MR. NOTH

(This Notice to be posted)

NOTICE AND CALL OF PUBLIC MEETING

Governmental Body: The City Council of Sioux City, Iowa.
Date of Meeting: May 21, 2007
Time of Meeting: 4:00 o'clock P.M.
Place of Meeting: Council Chambers, City Hall, Sioux City, Iowa.

PUBLIC NOTICE IS HEREBY GIVEN that the above mentioned governmental body will meet at the date, time and place above set out. The tentative agenda for said meeting is as follows:

- Resolution approving an Agreement for Parking Facility Development and related Parking License Agreement

Such additional matters as are set forth on the additional 6 page(s) attached hereto.
(number)

This notice is given at the direction of the Mayor pursuant to Chapter 21, Code of Iowa, and the local rules of said governmental body.



Lisa L. McCardle, City Clerk, Sioux City, Iowa

May 21, 2007

The City Council of Sioux City, Iowa, met in regular session, in the Council Chambers, City Hall, Sioux City, Iowa, at 4:00 o'clock P.M., on the above date. There were present Mayor Craig S. Berenstein, in the chair, and the following named Council Members:

Jason Geary, Brent Hoffman, David W. Ferris, and

James Rixner

Absent: None

* * * * *

Council Member Brent Hoffman then introduced the following Resolution entitled "RESOLUTION APPROVING AN AGREEMENT FOR PARKING FACILITY DEVELOPMENT, AND RELATED PARKING LICENSE AGREEMENT", and moved that the same be adopted. Council Member Jason Geary seconded the motion to adopt. The roll was called and the vote was,

AYES: Jason Geary, Brent Hoffman, and David W. Ferris

NAYS: James Rixner

ABSTAIN: Craig S. Berenstein

Whereupon, the Mayor declared the resolution duly adopted as follows:

RESOLUTION NO. 2007-0437

RESOLUTION APPROVING AN AGREEMENT FOR PARKING FACILITY DEVELOPMENT, AND RELATED PARKING LICENSE AGREEMENT

WHEREAS, this Council found and determined that certain areas located within the City are eligible and should be designated as urban renewal areas under Iowa law, and approved and adopted the Combined Central Sioux City CBD Urban Renewal Project Area (the "Project Area"), which area is described in the Amended and Restated Urban Renewal Plan (the "Urban Renewal Plan") approved for such area by Resolution No. 87/T-5714 on August 10, 1987; and

WHEREAS, pursuant to a Development Agreement for Sale of Land for Private Redevelopment dated November 27, 2006 (the "Development Agreement") between the City and Connelly, Tiehen & Sons, Inc., a South Dakota corporation, and an Assignment of Redevelopment Agreement dated February 23, 2007 from Connelly, Tiehen & Sons, Inc. to Warfield Building, L.L.C., an Iowa limited liability company (the Developer"), (together, the "Development Agreement"), the Developer has acquired certain real property located in the foregoing Project Area as more particularly described in Exhibit A annexed thereto and made a part hereof (which property as so described is hereinafter referred to as the "Development Property"); and

WHEREAS, under the Development Agreement, the Developer has agreed to cause certain "minimum improvements" to be made to the Pierce Building located on the Development Property, consisting generally of roof replacement, tuckpointing, structural repairs, first floor window replacement, site utilities and landscaping (the "Minimum Improvements"); and

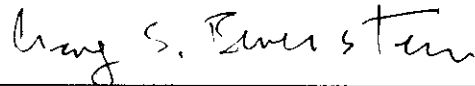
WHEREAS, it has been proposed that the City construct a parking ramp facility on real property adjoining the Development Property, a portion of which would then be licensed to the Developer, all in accordance with an Agreement for Parking Facility Development and an attached Parking License Agreement (together, the "Agreement"), the form of which is now before this Council; and

WHEREAS, the Council has determined that the Agreement is in the best interests of the City and the residents thereof and that the performance by the City of its obligations thereunder is a public undertaking and purpose and in furtherance of the Plan and the Urban Renewal Law and, further, that the Agreement and the City's performance thereunder is in furtherance of appropriate economic development activities and objectives of the City within the meaning of Chapters 403 and 15A of the Iowa Code, taking into account the factors set forth therein.

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

Section 1. That the form and content of the Agreement, the provisions of which are incorporated herein by reference, be and the same hereby are in all respects authorized, approved and confirmed, and the Mayor and the City Clerk be and they hereby are authorized, empowered and directed to execute, attest, seal and deliver the Agreement for and on behalf of the City in substantially the form and content now before this meeting, but with such changes, modifications, additions or deletions therein as may be approved by such officers with the advice of the City Attorney, and that from and after the execution and delivery of the Agreement, the Mayor and the City Clerk are hereby authorized, empowered and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of the Agreement as executed.

PASSED AND APPROVED this 21st day of May, 2007.



Craig S. Berenstein, Mayor

ATTEST:



Lisa L. McCardle, City Clerk

EXHIBIT A

DESCRIPTION OF DEVELOPMENT PROPERTY

The Development Property is described as consisting of all that certain parcel or parcels of land located in the City of Sioux City, County of Woodbury, State of Iowa, more particularly described as follows:

Middle Sioux City E 100 feet Lots 1-2-3, Block 22; and the West 50 feet of Lots 1, 2 and 3, Block 22, Middle Sioux City Addition, Sioux City, Woodbury County, Iowa.

PARKING LICENSE AGREEMENT

This Parking License Agreement ("Agreement") is entered into as of this 21st day of May, 2007 by and between the CITY OF SIOUX CITY, IOWA, a municipal corporation (the "City"), and WARFIELD BUILDING, L.L.C. ("Warfield"), an Iowa limited liability company.

WITNESSETH:

WHEREAS, the City will construct a structured parking ramp facility consisting of approximately 147 parking spaces (the "Parking Facility") on the City block located generally at the northeast corner of 3rd and Jones Streets in the City, with approximately 75 spaces being underground and 72 spaces being first level or surface parking, all as described with more particularity on Exhibit A attached hereto (the "Property"); and

WHEREAS, the City desires to grant to Warfield a license to use 75 parking spaces in the Parking Facility pursuant to the terms and conditions of this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants and conditions contained herein, the parties agree as follows:

1. Term. The City hereby grants to Warfield the exclusive right to use seventy-five parking spaces located on the basement or lower level of the Parking Facility (the "Licensed Spaces"), commencing on the first day of the month following issuance of a Certificate of Occupancy for the Parking Facility and continuing for a term of fifty (50) years, subject, however, to the limitations set forth in this Agreement, and to City's receipt of certifications acceptable to it to the effect that the Parking Facility has an expected useful life of at least fifty (50) years.

2. Right to Use Licensed Spaces. The City hereby grants to Warfield the right to use the Licensed Spaces for vehicle parking, subject to the reasonable rules and regulations established by the City and as such may be changed from time to time. The City may make, modify and enforce reasonable rules and regulations relating to the parking of vehicles in the Parking Facility, and Warfield shall abide by such reasonable rules and regulations. Warfield shall promptly pay any fees or charges due the City pursuant to such rules and regulations. The City will issue to Warfield the aforesaid number of parking stickers and/or access cards, each of which will authorize parking in the Parking Facility of a vehicle upon which the sticker is displayed, or the City will provide a reasonable alternative means of identifying and controlling vehicles authorized to be parked in the Parking Facility. The City may terminate this Agreement as to any

space, person, card, sticker or credential for violation of its rules or regulations, upon thirty (30) days written notice to Warfield.

3. Rent. (a) As rental for the Licensed Spaces provided under this Agreement, Warfield agrees to pay the City an annual base rental fee equal to 102% of the aggregate amount of debt service due in each fiscal year on the Bonds issued by the City to construct the Parking Facility, less all amounts collected by the City during that fiscal year as tax increment revenues under Section 403.19 of the Code of Iowa in respect of the first \$4 million of taxable valuation assessed against the Parking Facility and the adjoining Pierce Building.

(b) In addition, the City shall annually determine, in conjunction with its approval of the City's operating budget, the operating, maintenance and capital expenditures required for the Parking Facility during the next fiscal year, and shall allocate a portion of said expenditures to the Licensed Spaces, which amount shall then be added to the annual base rental fee due under subsection (a) above. All such operating, maintenance and capital expenditures shall be determined by the City in a reasonable manner consistent with cost-effective management. The allocation of expenditures between the public spaces and the Licensed Spaces shall generally be based on the number of public spaces and Licensed Spaces within the Parking Facility unless, in the reasonable judgment of the City, a particular expenditure is substantially attributable to the use of either the public spaces or the Licensed Spaces, in which case up to 100% thereof may be allocated by the City to either the public spaces or the Licensed Spaces, as the case may be. In each instance, the City's allocation of such expenditures shall be conclusive. The City shall notify Warfield in writing, on or before May 1 of each year, of the amount thus determined to be payable by Warfield during the next fiscal year.

(c) The total annual amount due under this Section 3 shall be payable by Warfield in twelve (12) equal monthly installments during the applicable fiscal year on the first day of each month. Payments received after the 5th day of the month in which they are due shall be considered delinquent and a delinquency charge equal to five percent (5%) of the payment amount shall be added to the payment otherwise due.

(d) At any time during the term hereof, Warfield may pay to the City an amount determined by the City to be sufficient to pay when due, or upon optional redemption, all remaining debt service due on the portion of the Bonds. In such event, Warfield shall thereafter be liable only for the annual share of operating, maintenance and capital expenditures which are allocated to the Licensed Spaces, as described above.

4. Real Estate Taxes. Warfield agrees to pay all real estate taxes that may be imposed upon any property subject to this Agreement by reason of Warfield's use of such property.

5. Improvements to Parking Facility. Warfield may make enhancements to the basement or lower level of the Parking Facility and may construct a doorway connection to the adjoining Pierce Building from the basement or lower level. Warfield also may erect signs indicating that the Licensed Spaces are devoted exclusively to the use of Warfield and any sub-licensees. Warfield agrees to obtain the City's prior written consent and approval of plans and specifications before removing any existing improvements or beginning construction of its doorway to the Pierce Building and any signage and other enhancements. City shall not unreasonably withhold its approval. All construction shall be pursuant to building permit and shall meet all applicable codes. Plans and specifications for all proposed improvements shall be delivered to the City Manager of the City. The City shall have twenty (20) business days in which to review and approve any plans and specifications submitted. If plans and specifications are not rejected by City within twenty (20) business days, they shall be deemed approved. At termination of this Agreement, all such improvements shall be removed by Warfield at Warfield's expense or shall become City's property.

6. Limitations. Warfield's rights under this Agreement are subject to limitations, as follows:

a) The City may interrupt Warfield's use of the Parking Facility in its discretion for repairs, maintenance, safety, casualty or any other reason it deems sufficient. In the event any Licensed Spaces are not available because of events or contingencies wholly within the control of the City, the rent shall abate pro rata during the time said spaces are unavailable and the City shall refund such amount to Warfield. The City shall provide reasonably close (as the City shall determine) replacement parking during any periods of such interrupted use.

b) At any time the City determines that the Parking Facility or a substantial portion thereof has been destroyed, damaged or rendered unsafe or otherwise inappropriate for use, and cannot be repaired and returned to a serviceable condition under the then-approved fiscal year's budget for the Parking Facility, the City may provide not less than 60 days written notice to Warfield of the City's intent to terminate this Agreement and the license granted hereby. During said 60 day period, Warfield shall have the right, but not the obligation, to tender to the City the full amount determined necessary by the City to repair and return the Parking Facility to a safe and serviceable condition. In the event Warfield tenders the necessary amount to the City during said 60 day period, the

notice of termination shall be suspended, and the City shall instead become obligated to utilize the amount so tendered for the sole purpose of making the necessary repairs to the Parking Facility. In the event Warfield does not tender the required amount to the City during the 60 day notice period, this Agreement shall terminate at the end of said 60 day period.

c) This Agreement provides for a mere license of use as described herein within the Parking Facility while the City uses the first level or surface area of the Parking Facility for public parking of vehicles. It does not obligate the City to continue such use of the first level or surface area of the Parking Facility or to provide any particular level of service therein; provided, however, that if the City materially reduces the level of service to the Parking Facility, Warfield may terminate this Agreement.

7. Damage or Destruction. If the Parking Facility, or any part thereof, shall be destroyed or rendered unusable, either in whole or in part, by fire or other casualty and the City does not exercise its rights to terminate this Agreement under Subparagraph 6(b), the City shall within 60 days of such fire or other casualty repair and restore the Parking Facility to its previous condition, unless prevented from doing so based upon causes or factors beyond the City's reasonable control. Until fully restored and repaired, any monthly rental obligation shall be abated in the same proportion as the unusable portion of the Licensed Spaces. This Agreement shall continue in full force and effect during said restoration.

8. Surrender of Possession. Upon expiration of the term of this Agreement, whether by lapse of time or otherwise, Warfield shall promptly and peacefully surrender use of the Licensed Spaces and return all parking access and/or identification cards to the City.

9. Renewal Option. Warfield shall have the option to renew this Agreement for two (2) additional five (5) year terms upon the same terms and conditions of this Agreement. Warfield shall provide written notice to the City of Warfield's intent to renew this Agreement at least ninety (90) days prior to the end of the applicable term.

10. Sub-license. During the term of this Agreement, Warfield may sub-license the use of the Licensed Spaces to other parties who are tenants (or employees of tenants) of Warfield in the adjoining Pierce Building. All such use shall remain subject to the City's rights under the law and this Agreement. Notwithstanding any such sub-license, Warfield shall remain liable for all payments due and performance of its obligations under this Agreement.

11. City Default - Warfield Remedies. The occurrence of one or more of the following events shall constitute a material default and breach of this Agreement by the City:

- (i) the failure of the City to comply with any of the terms and conditions of this Agreement within sixty (60) days after written notice of such failure has been given by Warfield to the City;
- (ii) the Parking Facility has not been completed and a Certificate of Occupancy has not been issued by June 30, 2008, subject to unavoidable delays for such things as natural disasters, war, civil unrest or labor disruptions.

In the event of a material default under subsection (ii) hereof, Warfield shall have the right to terminate this Agreement upon written notice to the City and each party shall have no further obligations to the other under this Agreement. In the event of a material default under subsection (i) hereof, Warfield shall have the right to terminate this Agreement upon written notice to the City and notwithstanding whether Warfield exercises such right to terminate, Warfield shall have available all legal and equitable remedies to enforce performance and observance of any obligation, agreement or covenant of the City under this Agreement.

12. Warfield Default - City Remedies. The occurrence of one or more of the following events shall constitute a material default and breach of this Agreement by Warfield:

- (i) the failure by Warfield to comply with any of the provisions set forth in Paragraph 3 related to the payment of rental fees for parking; or
- (ii) the failure of Warfield to comply with any of the other terms and conditions of this Agreement within sixty (60) days after written notice of such failure has been given by the City to Warfield.

In the event of any such material default by Warfield, the City shall have the right to terminate this Agreement upon written notice to Warfield and notwithstanding whether the City exercises such right to terminate, the City shall have available all legal and equitable remedies necessary to collect any payments due under this Agreement or to enforce performance and observance of any obligation, agreement or covenant of Warfield under this Agreement.

13. Non-Waiver. Waiver by either party of any breach of any term, covenant or condition herein contained shall not be deemed to be a waiver of any subsequent breach of the same or any other term, covenant or condition herein contained unless so provided in writing by the parties.

14. Indemnification. The parties to this Agreement shall bear all responsibility and liability for the negligence, fault and willful conduct of their own agents, employees, contractors and invitees. The parties hereby agree to indemnify and hold each other harmless against and from any and all claims for damages or injury arising from the fault, negligence or willful conduct of their own agents, employees, contractors or invitees. Notwithstanding the above, the City assumes no responsibility whatsoever for any loss, injuries or damages to persons utilizing the Licensed Spaces, or to any vehicles or their contents utilizing the Licensed Spaces pursuant to this Agreement.

15. Costs and Attorney=s Fees. If either party brings any legal action against the other party for claims, arising out of or relating to this Agreement, the prevailing party shall be entitled to a reasonable sum for attorney=s fees (including in the case of the City the value of any services rendered by the City Legal Department) and costs incurred in such suit.

16. Severability. If any term of this Agreement, or the application thereof to any person or circumstances shall, to any extent, be invalid or unenforceable, the remainder of this Agreement, or the application of such term to a person or circumstances other than those as to which it is invalid or unenforceable, shall not be affected thereby and each term of this Agreement shall be valid and enforceable to the full extent permitted by law.

17. No Partnership. Nothing herein shall be deemed or construed by the parties hereto, nor any third party, as creating the relationship of principal and agent or of any partnership or joint venture between the parties hereto.

18. Successors and Assigns. The City shall have the right to assign, mortgage or otherwise encumber all of its right, title and interest in the Property and the Parking Facility at any time without notice to Warfield, but subject to this Agreement. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors, heirs, administrators and assigns.

19. Entire Agreement. This Agreement contains the entire agreement between the parties hereto with respect to the subject matter hereof and may not be amended, modified or changed, nor shall any waiver of any provision hereof be effective, except

only by an instrument in writing and signed by the party against whom enforcement of any waiver, amendment, change, modification or discharge is sought.

20. Notices. All notices under this Agreement must be delivered in person or mailed by registered or certified mail, return receipt requested, postage prepaid, to the parties at their addresses set forth below:

City of Sioux City
Attn: City Manager
405 - 6th Street
Sioux City, Iowa 51102

Warfield Building, L.L.C.
Attn: Bart J. Connelly, Manager
P.O. Box 1268
Dakota Dunes, South Dakota 57049

21. Construction. This Agreement shall be construed and enforced in accordance with the laws of the State of Iowa.

22. Representation and Warranty. Both parties represent, warrant and acknowledge that they have full authority to comply with all provisions contained in this Agreement, that this Agreement is being executed with full corporate authority and that the persons whose signatures appear hereon are duly authorized to execute this Agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first above written.

THE CITY OF SIOUX CITY, IOWA

By: Craig S. Berenstein
Mayor Craig S. Berenstein

ATTEST:

Lisa M. Cardle
City Clerk Lisa M. Cardle

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WARFIELD BUILDING, L.L.C.

By:

Its: Bart J. Connelly, Manager

STATE OF IOWA)
) ss:
COUNTY OF WOODBURY)

On this 20th day of July, 2007, before me, the undersigned, a Notary Public, personally appeared CRAIG BERENSTEIN and LISA L. MCCARDLE, to me personally known, who, being by me duly sworn, did state that they are the Mayor and City Clerk, respectively, of the City of Sioux City, Iowa; that the seal affixed to the foregoing instrument is the seal of the corporation, and that the instrument was signed and sealed on behalf of the corporation, by authority of its City Council, as Resolution No. 2007-0437 on the 21st day of May, 2007, and that CRAIG BERENSTEIN and LISA L. MCCARDLE acknowledged the execution of the instrument to be the voluntary act and deed of the municipal corporation, by it voluntarily executed.



Sheri L. Young
Notary Public in and for the State of Iowa

STATE OF IOWA)
) ss:
COUNTY OF WOODBURY)

On this 19TH day of JULY, 2007, before me the undersigned, a Notary Public in and for said County, in said State, personally appeared Bart J. Connelly, by me personally known, who, being by me duly sworn, did say that he is the Manager of Warfield Building, L.L.C., an Iowa limited liability company, and that said instrument was signed on behalf of said limited liability company; and that the said Bart J. Connelly, as such officer acknowledged the execution of said instrument to be the voluntary act and deed of said limited liability company, by him voluntarily executed.



Dan A Moore
Notary Public in and for Woodbury County,
Iowa

EXHIBIT A

DESCRIPTION OF DEVELOPMENT PROPERTY

The Development Property is described as consisting of all that certain parcel or parcels of land located in the City of Sioux City, County of Woodbury, State of Iowa, more particularly described as follows:

Middle Sioux City E 100 feet Lots 1-2-3, Block 22; and the West 50 feet of Lots 1, 2 and 3, Block 22, Middle Sioux City Addition, Sioux City, Woodbury County, Iowa.