

Introduced by \_\_\_\_\_

First Reading \_\_\_\_\_

Second Reading \_\_\_\_\_

Ordinance No. \_\_\_\_\_

Council Bill No. B 383-13

**AN ORDINANCE**

authorizing an amendment to the agreement for conveyance of building and lease of land with Heibel-March, LLC for city-owned property located at 900-902 Rangeline Street; directing the City Clerk to have the amended agreement recorded; and fixing the time when this ordinance shall become effective.

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF COLUMBIA, MISSOURI, AS FOLLOWS:

SECTION 1. The City Manager is hereby authorized to execute an amendment to the agreement for conveyance of building and lease of land with Heibel-March, LLC for city-owned property located at 900-902 Rangeline Street. The form and content of the amended agreement shall be substantially as set forth in "Exhibit A" attached hereto.

SECTION 2. The City Clerk is authorized and directed to have the amended agreement recorded in the office of the Boone County Recorder of Deeds.

SECTION 3. This ordinance shall be in full force and effect from and after its passage.

PASSED this \_\_\_\_\_ day of \_\_\_\_\_, 2014.

ATTEST:

\_\_\_\_\_  
City Clerk

\_\_\_\_\_  
Mayor and Presiding Officer

APPROVED AS TO FORM:

\_\_\_\_\_  
City Counselor

**AMENDMENT TO AGREEMENT FOR  
CONVEYANCE OF BUILDING AND LEASE OF LAND**

This Amendment to the Conveyance of Building and Lease of Land (hereinafter called "Amendment") is entered into on this 9<sup>th</sup> day of December, 2013 by and between the CITY OF COLUMBIA, MISSOURI, a municipal corporation, hereinafter called "City" and HEIBEL-MARCH, LLC, a Missouri limited liability company, hereinafter called "March."

WHEREAS, the Parties previously entered into an Agreement for Conveyance of Building and Lease of Land (hereinafter "Original Agreement") on July 15, 2013 whereby March agreed to lease from City a leasehold estate; and

WHEREAS, City agreed in the Original Agreement to permit March to mortgage the aforesaid leasehold estate for the benefit of the holder of a promissory note secured by a deed of trust to provide funds to restore and preserve the building on said real estate for March; and

WHEREAS, March has selected Mid-America Mortgage Services, Inc. (hereinafter "Lender") and its successors or assigns to procure a loan; and

WHEREAS, March has requested additional assurances that City will grant Lender and Lender's successors or assigns an opportunity to cure the default and, in the event of a foreclosure, the Lender will have the same rights and responsibilities as March under the lease; and

WHEREAS, City and March hereby desire to amend paragraph 18 of the Original Agreement as it relates to default and termination of the lease pursuant to the terms of this Amendment, and City and March desire that all other terms of the Original Agreement not expressly amended by this Amendment shall remain in full force and effect.

NOW, THEREFORE, in consideration of the foregoing recitals, which are incorporated into this Amendment by reference, and for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the

Parties agree paragraph 18 will be amended as follows:

1. Paragraph 18 is amended to read as follows:

“18. DEFAULT AND TERMINATION: The following shall be deemed events of default by March under this Lease:

a) If March defaults in the performance or observation of any of the covenants, agreements or conditions set forth in this Lease, City may give a written notice of default to March. If March remains in default sixty (60) days after receiving notice of default, or if March is dispossessed or abandons or vacates the leased premises for a period of ninety (90) days at any time after the period of renovation, or if March becomes bankrupt or makes a general assignment for the benefit of creditors at any time during the term of this Lease, City shall have the right to terminate this Lease.

b) March's failure to begin renovation of the Building within one (1) year of the date of this Lease, or March's failure to complete renovation within eighteen (18) months after beginning renovation, shall constitute an act of default and City shall then have the right to terminate this Lease by giving written notice of default to March. March shall not be given sixty (60) days to cure a default under this subsection.

If City gives any written notice of default or a notice of termination under the Lease to March, City shall concurrently give notice to holder of a deed of trust on the leasehold interest that is in effect and the lender shall be allowed one hundred twenty (120) days from notice to cure the defect. In the event of a foreclosure or other transfer to lender, the lender will have the same rights and responsibilities as March under the Lease.”

2. Miscellaneous. Except as expressly provided in this Amendment, the terms of the Original Agreement shall remain in full force and effect and defined capitalized terms within the Original Agreement shall have the same meaning as in the Amendment. The Parties hereby adopt, ratify, and confirm the Original Agreement as it is amended by this Amendment. This Amendment shall be binding on, and inure to the benefit of, City and March hereto and their successors and assigns.

[SIGNATURES ON FOLLOWING PAGES]

**CITY OF COLUMBIA, MISSOURI**

By: \_\_\_\_\_  
Mike Matthes, City Manager

ATTEST:

\_\_\_\_\_  
Sheela Amin, City Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
Nancy Thompson, City Counselor

STATE OF MISSOURI     )  
  ) SS.  
COUNTY OF BOONE     )

On this \_\_\_\_\_ day of \_\_\_\_\_, 2013, before me appeared Mike Matthes, to me personally known, who, being by me duly sworn, did say that he is the City Manager of the City of Columbia, Missouri, and that the seal affixed to the foregoing instrument is the corporate seal of the City and that this instrument was signed and sealed on behalf of the City by authority of its City Council and the City Manager acknowledged this instrument to be the free act and deed of the City.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal, at my office in Columbia, Missouri, the day and year first above written.

\_\_\_\_\_  
Notary Public

My commission expires: \_\_\_\_\_

HEIBEL-MARCH, LLC

By: [Signature]  
Frederick Grove, Member

By: [Signature]  
Robert Grover, Member

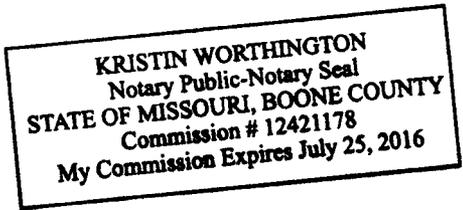
STATE OF MISSOURI     )  
  ) SS.  
COUNTY OF BOONE     )

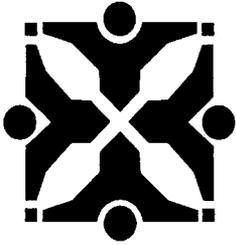
On this 04th day of December, 2013, before me personally appeared Frederick Grove and Robert Grove, being all of the Members of HEIBEL-MARCH, LLC, a Missouri limited liability company, known to me to be the persons described in and who executed the foregoing instrument, and acknowledged that they executed the same as their free act and deed as said Members

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal, at my office in Columbia, Missouri, the day and year first above written.

[Signature]  
Notary Public

My commission expires: July 25, 2016





Source: Law *CM*

Agenda Item No:

To: City Council  
From: City Manager and Staff *MM*

Council Meeting Date: Dec 16, 2013

Re: Heibel-March Lease Amendment

**EXECUTIVE SUMMARY:**

The City of Columbia entered into an agreement for conveyance of building and lease of land with Heibel-March, LLC for City-owned property located at 900-902 Rangeline Street (hereinafter "Heibel-March Building"). In this agreement, the City agreed to permit Heibel-March, LLC to obtain a promissory note secured by a deed of trust to provide funds to restore and preserve the Heibel-March Building. Heibel-March, LLC has selected lender, Mid-America Mortgage Services, Inc., who has requested additional assurances related to these funds.

**DISCUSSION:**

Heibel-March, LLC has requested an amendment to their original agreement with the City to allow their lender, Mid-America Mortgage Services, Inc., an opportunity to cure all defaults and, in the event of a foreclosure or other transfer to lender, Mid-America Mortgage Services will have the same rights and responsibilities as Heibel-March under the lease.

**FISCAL IMPACT:**

No fiscal impact.

**VISION IMPACT:**

<http://www.gocolumbiamo.com/Council/Meetings/visionimpact.php>

Not applicable.

**SUGGESTED COUNCIL ACTIONS:**

Passage of the ordinance authorizing the amended agreement.

<b>FISCAL and VISION NOTES:</b>					
<b>City Fiscal Impact</b> Enter all that apply		<b>Program Impact</b>		<b>Mandates</b>	
City's current net FY cost	\$0.00	New Program/ Agency?	No	Federal or State mandated?	No
Amount of funds already appropriated	\$0.00	Duplicates/Expands an existing program?	No	<b>Vision Implementation impact</b>	
Amount of budget amendment needed	\$0.00	Fiscal Impact on any local political subdivision?	No	Enter all that apply: Refer to Web site	
Estimated 2 year net costs:		<b>Resources Required</b>		Vision Impact?	No
One Time	\$0.00	Requires add'l FTE Personnel?	No	Primary Vision, Strategy and/or Goal Item #	
Operating/ Ongoing	\$0.00	Requires add'l facilities?	No	Secondary Vision, Strategy and/or Goal Item #	
		Requires add'l capital equipment?	No	Fiscal year implementation Task #	