



CITY COUNCIL MEMORANDUM

TO: City Council

FROM: Matthew R. Schmitz, MPA – City Manager

DATE OF MEETING: May 11, 2026

ITEM TITLE: Purchase Agreement for 306 2nd Street SE

BACKGROUND:

We are actively preparing for the upcoming Fire Station Expansion Project. As part of this comprehensive plan, the City requires additional land to accommodate the expanded footprint. This item presents a Real Estate Purchase Agreement for the property locally known as 306 2nd Street SE, Independence, IA 50644.

DISCUSSION:

This Real Estate Purchase Agreement is between Peak Property Solutions, LLC as the Seller and the City of Independence, Iowa as the Buyer. The property is being purchased in "as is" condition. The agreement is expressly contingent upon approval by the City Council for Independence, Iowa. Closing is scheduled to occur on or before July 1, 2026. All fixtures will remain with the property, though the Seller is permitted to remove appliances prior to the handover. The Seller is responsible for paying any delinquent taxes and all installments of special assessments that are a lien on the property at the time of closing. Securing this property is a necessary operational step that allows us to move forward with the expansion of our emergency services facilities.

RESULTS:

The City has established priorities during strategic planning sessions. This item supports the Vision from that session of **supporting high-quality City services** and **supporting and enhancing City infrastructure**. This item helps achieve that vision by ensuring our organization has the physical space required to build a facility that meets the long-term safety needs of our growing community.

FINANCIAL CONSIDERATION:

The agreed-upon purchase price is \$157,500.00. The City will be responsible for paying customary closing costs at the time of closing. Funding for both the purchase and the associated closing costs will be drawn from the bond issued in the Spring of 2025.

RECOMMENDATION:

Staff recommends approval and authorization of the City Manager to execute the Real Estate Purchase Agreement with Peak Property Solutions, LLC for the property located at 306 2nd Street SE.