
Parking Agreement between BKC Properties, LLC and the City of Independence, Iowa

This "Parking Agreement" ("Agreement") is made and entered into this day _____ of _____, 20____, by and between the CITY OF INDEPENDENCE, IOWA ("City") and BKC Properties, LLC or Wise Block Hardware LLC DBA Hardware Hank ("Developer").

WHEREAS, the City submitted a grant application to the Iowa Economic Development Authority ("IEDA") for a Downtown Housing Grant for a proposed Project located at 312 1st Street East, Independence, IA 50644 to be completed at property owned by Developer; and

WHEREAS, the Grant application was approved for this project by IEDA and accepted by the City upon the terms and conditions set out by IEDA; and

WHEREAS, the Developer, as owner of the property, accepted the grant agreement and entered into a Development Agreement with the City; and

WHEREAS, as part of the City investment in the project, the City agreed to provide ten (10) parking spots located in a nearby City parking lot as in-kind contribution towards the project, at the estimated value of \$5,000.00 per parking stall¹, and consistent therewith, the Parties, City and Developer, do hereby agree to the following terms and conditions.

NOW, THEREFORE, in consideration of the mutual promises contained in this Agreement and other good and valuable consideration, the Parties agree as follows:

1. Development Agreement. The Parties entered into a Development Agreement related to the Project, as described within the IEDA Downtown Housing Grant 22-ARPDH-026, and later amended the Development Agreement. To the extent this Agreement is found to conflict with either the Development Agreement, or Amended Development Agreement, the terms of this "Parking Agreement" shall dictate and supersede the language of the other agreements.

2. Parking Spots Provided. The City agrees to provide ten (10) parking stalls in the City owned lot located along the North side of 2nd St. NE between 3rd Ave. NE and 4th Ave. NE with a Property Identification Number of 06.34.459.012 for use by tenants of Developer's Upper Story housing units.

- a. The stalls, ten in total, will be identified with signage by the City as reserved parking.
- b. The City agrees to repair and maintain the parking stalls throughout the term of this agreement, including snow removal, general repair and maintenance parking stall striping

¹ See Addendum A to this Agreement for valuation considerations.

and signage reserving the ten (10) stalls.

3. **Term.** The Term of this Agreement is ten (10) years. The Term shall commence on project completion and shall terminate ten (10) years thereafter. At the completion of the Term, the Developer and City may negotiate the continued reservation or use of the City parking lot.

4. **Termination of Agreement.** Should the Developer at any point during the Term of this Agreement cease to rent ten separate units in the Property for residential purposes, the City may choose, in the discretion of the City Council, to reduce the reserved parking stalls by one stall per each unit that is no longer being marketed or utilized as a stand-alone residential unit.

5. **Assignment of Agreement.** The Developer may not assign, transfer or convey in whole or in part this Agreement, without the consent of the City, said consent to not be unreasonably withheld.

6. **Writing Required.** No change, modification, or termination of any of the terms, provisions or conditions of this Agreement shall be effective unless made in writing and signed by the Parties.

7. **Miscellaneous.**

- a. The City may at such times and for such periods deemed necessary prohibit the use of the Parking Lot for purposes of maintenance and upkeep, snow removal, and similar circumstances.
- b. No junk or inoperable vehicles may be stored or maintained in the Parking lot.
- c. No mechanical work may be performed on any vehicles in the Parking lot.

8. **Entire Agreement.** This Agreement contains the entire understanding between the City and the Developer with respect to the Project contained herein.

IN WITNESS WHEREOF, the parties have executed this Agreement at City of Independence, Buchanan County, Iowa, the day and year first stated.

CITY OF INDEPENDENCE

BY: _____
Mayor

ATTEST: _____
City Administrator/Clerk

BKC Properties, LLC or Wise Block Hardware LLC DBA Hardware Hank

BY: _____
Kellie Cole

Addendum A

The valuation of the contribution by the City of ten parking stalls in a paved City parking lot in close proximity to the downtown upper story apartments at \$50,000.00 was based upon a series of factors including factors such as the following:

Analyzed Unit Cost Schedule (Iowa Dpt. of Revenue)

The following Iowa Dpt. of Revenue site identifies the estimated cost of construction per parking space.

<https://tax.iowa.gov/sites/default/files/2020-01/Analyzed%20Unit%20Cost.pdf>

	Per Square Foot		Per Parking Space*	
	Price Range	Typical	Price Range	Typical
Asphalt Parking Lots	\$2.00 - \$3.50	\$2.75	\$600 - \$1,050	\$ 825
Concrete Parking Lots	\$3.00 - 5.00	\$4.00	\$900 - \$1,500	\$1,200

10 Concrete Spots @ \$1,200 = \$12,000

The above calculations do not take into account the underlying value of the ground.

A nearby property used for parking, Parcel Number 06.34.488.001, totaled 20,925 sf is valued at \$48,890.00, or \$2.336 per square foot. The ten stalls, approximately 153 SF each or 1,530 SF total, suggests land value of approximately \$3,574.80.

Also generally considered is the value added to Developer's property by providing parking stalls for the tenants, value tied to maintenance and upkeep, etc., valued at \$50.00 per stall per month, or \$6,000.00 per year. (Ten years of value under this category totals \$60,000.00)

Summary of estimated value:

Cost to construct 10 stalls:	\$12,000.00
Taxable Value of Ground:	\$ 3,574.80
Value of Parking Stalls use and maintenance	\$60,000.00
Total Value	\$75,574.80