



# City of Grand Island

Tuesday, July 12, 2005

Council Session

## Item G15

**#2005-202 - Approving Acquisition of Long Term Lease  
Agreement with Robert Ramold for Property Located at 1212  
West Second Street**

Staff Contact: Doug Walker

# **Council Agenda Memo**

**From:** Douglas R. Walker, City Attorney

**Meeting:** July 12, 2005

**Subject:** Approving the Acquisition of a Long Term Lease Agreement and Settlement of Relocation Expenses with Robert Ramold for Property Leased at 1212 West Second Street in Grand Island, Nebraska

**Item #'s:** G-15

**Presenter(s):** Douglas R. Walker, City Attorney

## **Background**

At the June 14, 2005, City Council meeting, the Council approved the acquisition of the leasehold interest of Robert Ramold in the property at 1212 West Second Street, which is currently being used as a Domino's Pizza business. Since the June 14<sup>th</sup> meeting, the city has been able to negotiate a settlement of the relocation expenses and the acquisition of the long term leasehold interest that Robert Ramold has on Suite A of the city's building at 1212 West Second Street.

## **Discussion**

Enclosed with the City Council packet is an agreement settling the relocation expenses and the acquisition of the long term leasehold agreement that Robert Ramold, d/b/a Domino's Pizza, has on the property that the city acquired from the Grand Island Library Foundation. It was necessary to reach a settlement with Mr. Ramold because pursuant to the Nebraska statutes, when a business with a long term leasehold agreement is displaced from its property, it is entitled to relocation expenses. The city retained the services of Midwest Relocation Service to analyze the amount of expenses that would be necessary to relocate this business. The estimate of the relocation firm was that it would take approximately \$61,500 to relocate this business. Mr. Ramold also had a long term lease agreement which could have run for as many as thirteen more years which created an interest in real estate in him. It was therefore necessary for the city to acquire Mr. Ramold's leasehold interest as well as reach an agreement on the relocation expenses so that Mr. Ramold could relocate and the city could then be in a position to proceed with demolition of the building which he is currently occupying.

## **Alternatives**

It appears that the Council has the following alternatives concerning the issue at hand. The Council may:

1. Move to approve the acquisition of the long term lease agreement with Robert Ramold and the settlement of the relocation expenses.
2. Do not approve the settlement agreement and acquisition of leasehold interest.
3. Postpone the issue to future date.
4. Take no action on the issue.

## **Recommendation**

City Administration recommends that the Council approve the acquisition of the long term lease agreement with Robert Ramold for property located at 1212 West Second Street and settling all relocation expenses.

## **Sample Motion**

Motion to approve the acquisition of the long term lease and settlement agreement with Robert Ramold.

## **AGREEMENT**

THIS AGREEMENT is made and entered into by and between the CITY OF GRAND ISLAND, NEBRASKA, A Municipal Corporation, hereinafter referred to as "Buyer", and ROBERT RAMOLD, individually and doing business as Heartland Pizza and/or Domino's Pizza, hereinafter referred to as "Seller".

## **RECITALS**

WHEREAS, Buyer is interested in purchasing all of Seller's right, title and interest in and to the long term lease agreement that Seller has for Suite A of the office building at 1212 West Second Street and adjacent parking on the east and north sides of said building.

WHEREAS, Seller is the owner of the Domino's Pizza business located at 1212 West Second Street in Grand Island, Nebraska; and

WHEREAS, Seller has a long term lease agreement dated May 28, 2003, for the premises at 1212 West Second Street in Unit A and further described as Lot Seven (7), Block Two (2), Spaulding and Gregg's Addition to the City of Grand Island, Nebraska and said lease agreement is for the term of five years and is renewable for two additional five year terms at the option of the Seller; and

WHEREAS, said lease agreement also contains a rider to this lease dated May 28, 2003; and

WHEREAS, the Buyer has retained Midwest Right-of-Way Services to place a value on the relocation expenses for said Domino's business located at 1212 West Second Street and the Buyer and Seller agree that said estimate is reasonable and acceptable to both parties hereto; and

WHEREAS, the Buyer and Seller wish to enter into an agreement wherein the Buyer acquires all of Seller's interest in the lease dated May 28, 2003, for the above described premises and said agreement shall also compensate Seller for his relocation expenses.

NOW, THEREFORE, in consideration of the covenants herein contained, the parties do hereby agree as follows:

1. **PURCHASE PRICE.** The Buyer agrees to pay the Seller Eighty-Four Thousand Five Hundred Dollars (\$84,500.00) for all of Seller's interest in and to the lease agreement and rider dated May 28, 2003, and for all relocation expenses from Domino's Pizza current location to its new location. The purchase price shall be allocated to the leasehold interest in the amount of \$23,000.00 and to relocation expenses in the amount of \$61,500.00.

2. **RELOCATION RIGHTS AND EXPENSES.** The Seller acknowledges that the purchase price set forth above includes compensation for relocation expenses and assistance and the Seller waives any further rights, claims or causes of action arising from any state or federal statutes, including but not limited to the Nebraska Relocation Assistance Act, Neb. Rev. Stat., §76-1214 through §76-1242.

3. TITLE AND JUDGMENT SEARCH. The Buyer shall have a title search done on these premises to ascertain whether there are any liens on the premises as a result of Seller's tenancy on the property and said cost of title examination shall be paid by the Buyer.

4. LIENS ON THE PREMISES. The Seller hereby agrees to obtain the release of all security agreements, financing statements and any other liens and encumbrances on this real estate revealed by the Buyer's title report that are attributable to Seller, resulting from any security taken by any lenders during Seller's tenancy on the premises.

5. FIXTURES. Seller may take all fixtures from the premises, including the heating and air conditioning units on the buildings located on, Lots Six (6) and Seven (7), Block Two (2), Spaulding and Gregg's Addition to the Buyer of Grand Island, Hall County, Nebraska.

6. TERMINATION DATE. The Buyer and Seller agree that all of Seller's right, title and interest in and to these premises shall terminate effective September 1, 2005, and that tenant shall no longer have any right, title or interest to this property and shall vacate possession of the premises and remove any and all items of personal property and fixtures prior to September 1, 2005.

7. EMINENT DOMAIN. The Buyer, City of Grand Island, is authorized to use eminent domain to condemn property for a city library facility pursuant to Neb. Rev. Stat., §51-210, and the Grand Island City Council and the Grand Island Library Board have both passed resolutions authorizing the use of eminent domain. This agreement was negotiated with knowledge that the Buyer could use its authority to acquire the property through condemnation if negotiations were not successful.

8. RENT FOR REMAINDER OF LEASE. Buyer agrees not to charge Seller rent on the premises for the months of July and August and through the termination date set forth in paragraph number 6 of this document.

9. NOTICES. All notices envisioned under the terms and conditions of this agreement may be sent to the other party by first class mail, postage prepaid and addressed as follows or delivered in hand to said addresses:

Buyer of Grand Island  
Attn: Mayor  
P.O. Box 1968  
100 East First Street  
Grand Island, NE 68801

Robert Ramold  
d/b/a Domino's Pizza  
129 Ponderosa Drive  
Grand Island, NE 68801

10. CHOICE OF LAWS. This agreement shall be construed in accordance with the laws of the State of Nebraska and the United States of America and venue shall be in Hall County, Nebraska.

11. ENTIRE AGREEMENT. This agreement shall constitute the entire agreement between the Buyer and Seller notwithstanding any written or oral agreements to the contrary.

This agreement may be amended only in writing, duly reviewed, approved and executed by the respective parties.

12. **BINDING EFFECTS.** All covenants and conditions herein contained shall extend to and be binding upon the successors, heirs, assigns and legal representatives of the parties hereto.

**BUYER:**

Attest:

BUYER OF GRAND ISLAND, NEBRASKA,  
A Municipal Corporation, Buyer

\_\_\_\_\_  
RaNae Edwards, Buyer Clerk

By: \_\_\_\_\_  
Jay Vavricek, Mayor

Approved as to form by Buyer Attorney \_\_\_\_\_  
Approved by Resolution 2005- \_\_\_\_\_

STATE OF NEBRASKA )  
                                  ) SS.  
COUNTY OF HALL     )

The foregoing instrument was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_, 2005, by Jay Vavricek, Mayor on behalf of the Buyer of Grand Island, Nebraska, a municipal corporation.

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

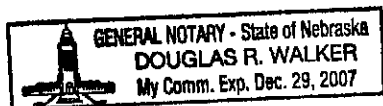
**SELLER:**

\_\_\_\_\_

Robert Ramold, d/b/a Heartland Pizza  
and/or Domino's Pizza

STATE OF NEBRASKA )  
                                  ) SS.  
COUNTY OF HALL     )

The foregoing instrument was acknowledged before me this 6<sup>th</sup> day of July, 2005, by Robert Ramold d/b/a Heartland Pizza and/or Domino's Pizza.



\_\_\_\_\_  
Douglas R. Walker  
Notary Public

RESOLUTION 2005-202

WHEREAS, on June 14, 2005, by Resolution 2005-162, the City Council of the City of Grand Island approved the acquisition of the long term lease interest of Robert C. Ramold, doing business as Domino's Pizza, for Unit A at 1212 West Second Street and adjacent parking on the east and north sides of such building for the Edith Abbott Memorial Library expansion; and

WHEREAS, the City will pay \$23,000 for the purchase price of the leasehold interest, and \$61,500 for relocation expenses for a total price of \$84,500; and

WHEREAS, an Agreement has been prepared by the City Attorney setting out the terms and conditions of such conveyance.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA, that the Agreement between the City and Robert C. Ramold, doing business as Domino's Pizza, is hereby approved to allow the City to acquire the lease interest for Unit A of the building located at 1212 West 2<sup>nd</sup> Street and adjacent parking on the east and north sides of such building and in settlement of all relocation expenses for a total cost of \$84,500, in accordance with such agreement.

BE IT FURTHER RESOLVED, that the Mayor is hereby authorized and directed to execute such agreement on behalf of the City of Grand Island.

- - -

Adopted by the City Council of the City of Grand Island, Nebraska, July 12, 2005.

---

RaNae Edwards, City Clerk