



Department Source: Community Development - BSD

To: City Council

From: City Manager & Staff

Council Meeting Date: July 18, 2016

Re: 119 S. Seventh Street – Authorization to execute Declaration of Covenants

## Executive Summary

The execution of the attached “Declaration of Covenants Running with the Land” will allow the issuance of a building permit for a rear addition to the building at 119 South Seventh Street. As designed the building addition, including an uncovered patio, stairway, and building exit, crosses a property line and requires the cooperation of the adjacent property owner. The property and business owner (Seventh Street Properties LLC & Rader Hospitality Company LLC) has entered into an agreement with the adjacent property owner (Hulett Descendants LLC) and the City to allow the expansion notwithstanding the different ownership of the two parcels involved.

## Discussion

In October of 2015 an application for a building permit was sought to extend the existing structure at 119 South Seventh St. across the adjacent property line to the west. A required means of egress from the building at 119 South Seventh St was depicted on the adjacent property, to the west, which is under separate ownership. Because the applicant for permit could not demonstrate this egress would be maintained on the adjacent property, the application for the building permit could not be approved.

The attached “Declaration of Covenants Running with the Land” (“Declaration”) provides a method to ensure compliance with the 2012 International Building Code as it related to required means of egress from 119 South Seventh St. The Declaration accomplishes this through covenants that run with both parcels of land (119 South Seventh St and the adjacent property to the west, currently improved with only a parking lot (the “Hulett property”) which provide a guarantee that the owner and tenant of 119 South Seventh St. will maintain a legal right to access and enjoy improvements on the adjacent property, which include a required means of egress from the building at 119 South Seventh St.

The Declaration provides an access guarantee by guaranteeing if the owner and tenant of 119 South Seventh St. ever lose a legal right to access and use the improvements on the Hulett property, including the required means of egress, occupation of the building at 119 South Seventh Street will cease and the improvements on the Hulett property will be removed. This guarantee will be backed financially by both the personal guaranty of Mr. John Daniel Rader, who is the sole member of both Seventh Street Properties of Columbia, LLC (owner of 119 South Seventh Street) and Rader Hospitality Company, LLC (proposed tenant of 119 South Seventh Street) and by a \$20,000 Letter of Credit issued in favor of the City to be drawn from if the City would ever need to take action to enforce the covenants set forth in the Declarations.



# City of Columbia

701 East Broadway, Columbia, Missouri 65201

Staff believes that the Declaration provides a sufficient guarantee to ensure that the building at 119 South Seventh St is continually provided with the legal right to access the health and safety-related improvements required to comply with the provisions of the building code.

## Fiscal Impact

Short-Term Impact: None

Long-Term Impact: None

## Vision & Strategic Plan Impact

### Vision Impacts:

Primary Impact: Not Applicable, Secondary Impact: Not Applicable, Tertiary Impact: Not Applicable

### Strategic Plan Impacts:

Primary Impact: Not Applicable, Secondary Impact: Not Applicable, Tertiary Impact: Not Applicable

### Comprehensive Plan Impacts:

Primary Impact: Not Applicable, Secondary Impact: Not applicable, Tertiary Impact: Not Applicable

## Legislative History

Date	Action
Not Applicable	Not Applicable

## Suggested Council Action

Authorize the City Manager to execute the "Declaration of Covenants Running with the Land" as presented.