


OFFICE OF THE CITY MANAGER  
DES MOINES, IOWA

CITY COUNCIL COMMUNICATION 96-039  
JANUARY 22, 1996 AGENDA

SUBJECT:	TYPE:	PREPARED BY:	SUBMITTED BY:
SKYWALK AGREEMENT WITH FIRSTAR DEVELOPMENT CORP. AND SECOND AMENDMENT WITH HUBBELL TERMINAL CORPORATION	◆ RESOLUTION ORDINANCE RECEIVE/FILE	JAMES A. THOMPSON TRAFFIC & TRANSPORTATION DIRECTOR	 ERIC A. ANDERSON CITY MANAGER

**SYNOPSIS —**

Prior to the closing of the J. C. Penney store, Firstar Bank had an agreement with Penney's for a first level doorway between the two buildings. This passageway served as access from the Skywalk System through Penney's to the Firstar Bank. Since this passageway was not on the skywalk level, no formal Skywalk Agreement with the City was necessary. With the remodeling of the Penney's building for Blue Cross Blue Shield of Iowa, this first level access is no longer available.

On November 15, 1995, the Skywalk Commission received and approved an application for a skywalk level wall opening to the skywalk corridor within the Penney's building. Staff was directed to develop a Skywalk Agreement with Firstar in accordance with the skywalk Ordinance, for approval.

A standard form of Skywalk Agreement has been negotiated which requires Firstar Bank to provide for an east/west skywalk easement along the south side of their building for continuation of the Skywalk System to 6th Avenue at some date in the future. Existing Skywalk Agreements with Hubbell Terminal Corporation (Penney Building Limited Partnership) and with Amerus Corporation (Midland Financial Savings and Loan) both provide for skywalk easements to complete the System in this two-block area.

Additionally, an Amendment to the Agreement with Hubbell Terminal Corporation is necessary because the location of the wall opening to Firstar is not at the location of the east/west corridor originally contemplated. This Agreement Amendment specifies that the inchoate north/south skywalk corridor within the Penney Building remain in place per the requirements of the original Agreement.

**FISCAL IMPACT —**

N/A.

**RECOMMENDATION —**

**Approval of the Skywalk Agreements and Limited Skywalk Easements with Firstar Building Corporation and Hubbell Terminal Corporation as recommended by the Skywalk Commission.**

BACKGROUND —

These two existing Skywalk Agreements with the Penney Building Limited Partnership and Midland Financial contain the following termination clause in the Limited Skywalk Easement document:

(g) Any time after eight and one-half (8 1/2) years from the date of this grant of Limited Skywalk Easements, Grantor acting jointly with all other grantors, if any, of Limited Skywalk Easements on the Property may give Grantee eighteen (18) months written notice of its election to terminate all or any specified part of its inchoate easements and each such designated easement area shall terminate at the expiration of such eighteen (18) months, unless prior to such expiration Grantee has executed the contracts for construction of the skywalk bridge or has executed a Skywalk Agreement with the owners/lessees of an adjacent property which requires construction of the wall opening or other skywalk-level access between the properties, which skywalk bridge or wall opening is necessary for such easement area to become choate; provided, however, the period of eighteen (18) months shall be extended for a period (the "Period of Extension") from and after the termination of any litigation in which Grantee is involved concerning the validity of the issuance of bonds for, the expenditure of public funds for, the plans and specifications for, or the award of the contract for the Skywalk Bridge Project, or of any litigation between any grantor of Limited Skywalk Easements on the Property and Grantee regarding any Limited Skywalk Easements, Skywalk Agreement or Skywalk Bridge Project, which is being maintained by any such grantor on any petition, cause of action, counterclaim, cross-claim, third party action, interpleader or other claim against Grantee, which Period of Extension shall be the longer of the time remaining in said original eighteen (18) month period at the commencement of said litigation or ninety (90) days.

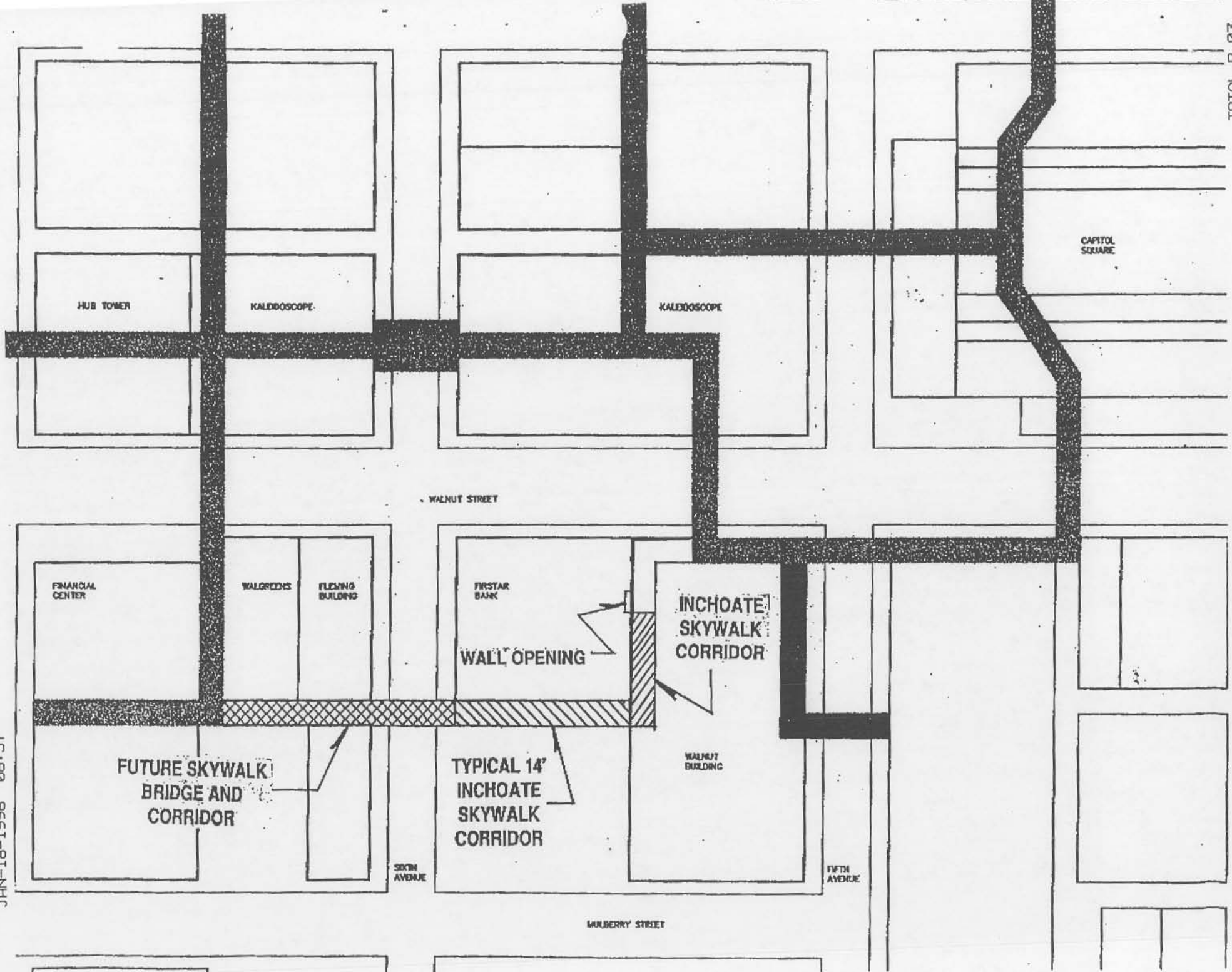
In both instances, the inchoate easements in Penney's and in Midland have been in existence for over 8 1/2 years and the property owners have the right to submit a request to terminate if they so desire. In view of this, staff looked at several alternatives to extend this date of termination. The first was to determine if Hubbell Terminal Corporation would be willing to enter into an Amendment to their Skywalk Agreement to include a new 8 1/2 year period on that portion of their inchoate skywalk easement area between the proposed wall opening to Firststar and the Firststar east/west inchoate skywalk easement area. Hubbell Terminal Corporation declined. The second alternative was to determine if Firststar could provide for the north/south corridor within their property and if they would be willing to do so. Physically, such a corridor would totally destroy the historic nature of the open atrium of the banking floor, and thus, is not feasible or desirable.

The third alternative is to approve the Firststar Skywalk Agreement without additional requirements for extension of the termination dates for the inchoate skywalk corridors in the Penney's and Midland buildings. This alternative would allow an immediate connection from Firststar to the Skywalk System. At such time as either the Hubbell Terminal corporation or Amerus Corporation would exercise their rights under the termination clause, all other parties would have eighteen months to arrive at a decision on the additional skywalk bridge and corridors.

On January 17, 1996 the Skywalk Commission received and approved the staff recommendation that the Agreement with Firststar be approved. This recommendation would still allow the Skywalk System to expand under the same conditions that exist today. The

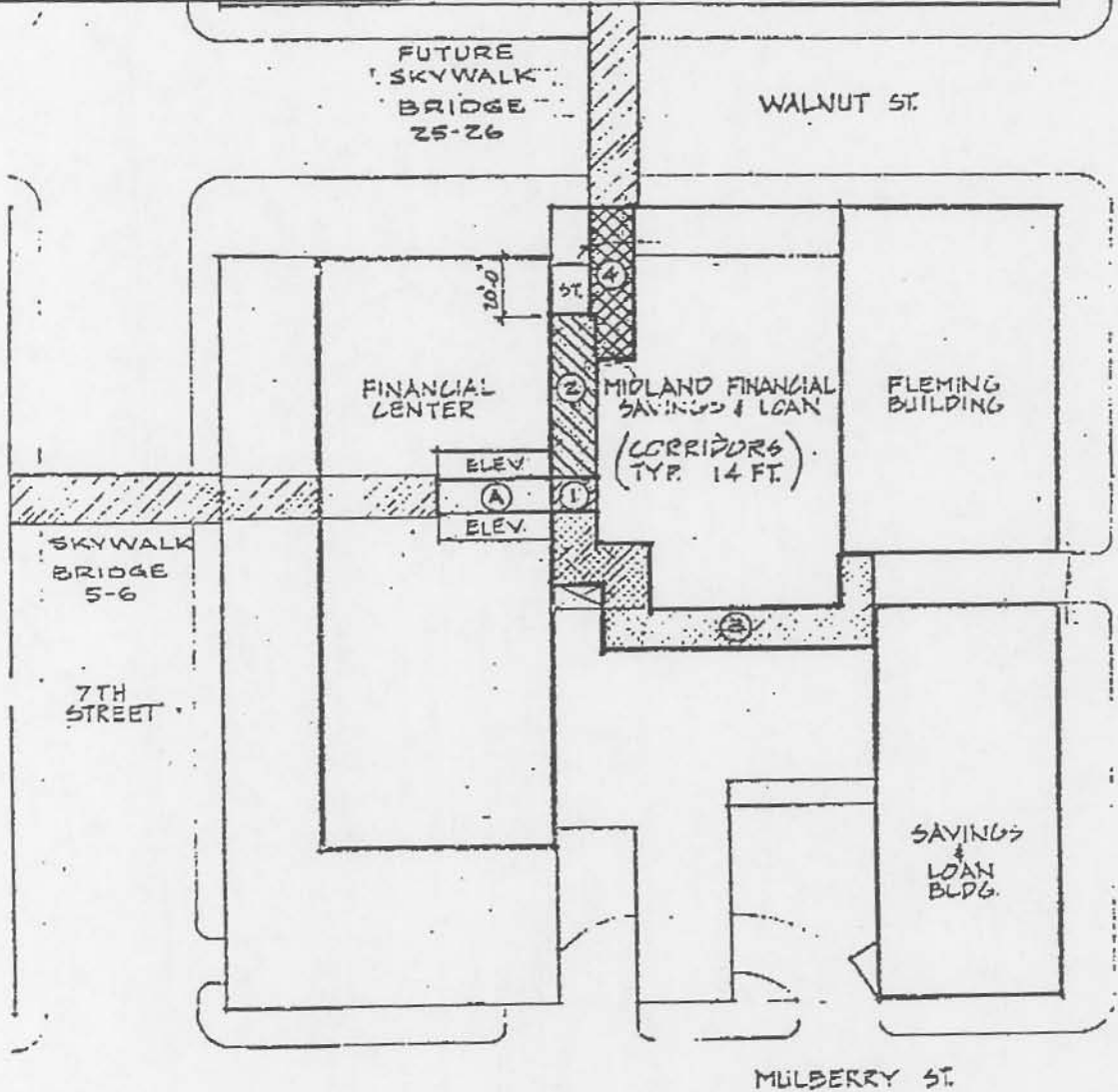
Skywalk Commission further directed staff to submit the Skywalk Agreements with Firststar and with Hubbell Terminal Corporation to the City Council for final approval.

Attachments



Post-it® Fax Note	7671	Date	1/18/96	# of pages	3
To	JOHN BRYAN	From	JAT		
Co./Dept		Co.			
Phone #		Phone #			
Fax #	1300	Fax #			

EXHIBIT 1  
TO  
EXHIBIT D-6



PROPOSED SKYWALK  
FOR  
MIDLAND FINANCIAL SAVINGS & LOAN  
SCHEME B

SCALE: 1" = 50'  
JAN. 5 1991



SKYWALK CORRIDOR EASEMENT AREAS

- A =
- 1 =
- 2 =
- 3 =
- 4 =