

**CITY COUNCIL  
COMMUNICATION:**

**ITEM \_\_\_\_\_**

**OFFICE OF THE CITY MANAGER  
CITY OF DES MOINES, IOWA**

**98-447**

**SYNOPSIS —**

**AGENDA:**  
  
SEPTEMBER 28, 1998

The Weitz Corporation owns the old Holiday Inn building at Gray’ s Lake, and has indicated in a letter to the Mayor and Council that they are prepared to commence demolition activities within the next 15 days, and complete demolition in December, 1998. The cost of the demolition will be the responsibility of the Weitz Corporation. It is proposed that the Council approve a license agreement which would allow the Weitz Corporation to stockpile demolition material on a parcel of land east of the Weitz property which the City currently leases from the Weitz Corporation.

**SUBJECT:**  
  
DEMOLITION OF  
OLD HOLIDAY INN  
AT GRAY’ S LAKE

**TYPE:**

**FISCAL IMPACT –**

**RESOLUTION  
ORDINANCE  
RECEIVE/FILE**

N/A

**RECOMMENDATION –**

**SUBMITTED BY:**

**Approve the license agreement.**

RICHARD CLARK  
DEPUTY CITY  
MANAGER

**BACKGROUND –**

On September 14, 1998, the City Council approved the Gray’ s Lake Master Plan and directed the City Manager to proceed with preparation of an implementation plan including negotiation with the Weitz Corporation for a new hotel to be located at the site of the old Holiday Inn. Our intention is to negotiate a development agreement with the Weitz Corporation for the new hotel, to include an exchange of property so that the City could obtain ownership of the portion of Gray’ s Lake currently owned by the Weitz Corporation. The development agreement, as well as the urban renewal and tax increment designation for Gray’ s Lake, should be ready for Council action in December, 1998.

The demolition of the old Holiday Inn is necessary for the overall development of Gray' s Lake, and the Weitz Corporation is to be commended for taking action to initiate demolition now, as opposed to some future date. The City' s granting of the license agreement will facilitate their demolition activity. Note that the demolition material may be recycled as fill material either for the new hotel development, or possibly for public improvements around the lake such as the new trail. Note also that the site for which the City is granting a license will experience a loss of vegetation and trees as a result of this activity.