

**CITY COUNCIL
COMMUNICATION:**

ITEM _____

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

00-106

SYNOPSIS -

AGENDA:

MARCH 20, 2000

SUBJECT:

AGREEMENT WITH
HOTEL FORT DES
MOINES/ALLIED
GATEWAY CAMPUS
PROJECT

Council is scheduled to act on March 20, 2000 on the Development Agreement with Nationwide for the Allied Gateway Campus Project. The proposed Development Agreement calls for the new Nationwide parking garage to be constructed immediately east of the Hotel Fort Des Moines. The Hotel's main entry is at the rear of the building, which may conflict with the construction of the new garage. In addition, the site proposed for the parking garage will eliminate some parking for the Hotel. The proposed project will impact the Hotel Fort Des Moines in other ways as well.

TYPE:

**RESOLUTION
ORDINANCE
RECEIVE/FILE**

In order to mitigate these impacts, the City has reached agreement on actions to be taken by Nationwide, Hotel Fort Des Moines, and the City. These actions include the following:

SUBMITTED BY:

RICHARD CLARK
DEPUTY CITY
MANAGER

- A new drop-off for the Hotel will be constructed on 10th Street. The City will pay one-half of the cost of the drop-off up to \$15,000.
- The requirement contained in the preliminary Development Agreement that Nationwide will accommodate a vehicular access to the rear of the Hotel is eliminated.
- The property boundary between the Hotel Fort Des Moines and the Nationwide parking garage has been moved to the west to accommodate the Hotel Fort Des Moines.
- Nationwide shall lease a minimum of 50 dedicated parking spaces to the Hotel Fort Des Moines. These 50 spaces will be adjacent to the rear entry to the Fort Des Moines, and will be accessible to the Hotel via a pedestrian access through the garage.
- The City shall provide to the Hotel Fort Des Moines 50 parking spaces within two blocks of the Hotel during construction of the Nationwide parking garage. These spaces

shall be within two blocks of the Hotel, or, alternatively, in the Hotel Fort Des Moines parking garage at a cost of \$70 per space per month.

- The City will construct a skywalk bridge across Walnut Street to the Hotel Fort Des Moines, in addition to a bridge across Walnut to the new Nationwide parking garage. Nationwide has agreed to allow the bridge to the Hotel Fort Des Moines to be connected to the skywalk corridor that will be owned and maintained by Nationwide.

- In return for the above actions, Hotel Fort Des Moines agrees to make no further requests of the City for severance payments in conjunction with the acquisition of land by the City for the Allied project base upon the facts known as of the date of this agreement.

FISCAL IMPACT -

The cost of the skywalk bridge (approximately \$500,000) will be included in the proposed Capital Improvement Program (CIP) for 2001/2002. The other costs incurred by the City (up to \$57,000) will be included in the project budget for the Allied Gateway Campus.

RECOMMENDATION -

Resolution of the outstanding issues with the Hotel Fort Des Moines is beneficial to all parties, and staff recommends approval of the Agreement between the City and the Hotel Fort Des Moines. The proposed Agreement with the Hotel Fort Des Moines is a necessary prerequisite to entering into the Development Agreement with Nationwide.
