

Meeting Agendas/Info

CITY COUNCIL COMMUNICATION:	ITEM _____
01-356	OFFICE OF THE CITY MANAGER CITY OF DES MOINES, IOWA
AGENDA:	SYNOPSIS -
JULY 9, 2001	Supplemental Agreement No. 8 incorporates additional City-owned properties into the existing Long Term Lease Agreement and extends the term of the Agreement by ten years, from an expiration date of June 30, 2030, to June 30, 2040. This extension is being requested (see attached letter from Col. Douglas M. Pierce, Commander, 132nd Fighter Wing) so that the Iowa Air National Guard (IANG) will be permitted to program additional federal Capital Improvement Funds to complete all the projects listed in their Master Plan. Also, the IANG has requested that the approval of Supplemental Agreement No. 8 be expedited so that the Notice to Proceed for the Security Police Gatehouses can be issued by July 31, 2001. Apparently, this additional property must be incorporated into their long-term lease for this project to proceed. Since the Long Term Lease Agreement with the IANG has over three years left and is being extended for an additional ten years, City Council is required to approve this proposed Supplemental Agreement No. 8.
SUBJECT: SETTING THE DATE OF PUBLIC HEARING FOR APPROVAL OF SUPPLEMENTAL AGREEMENT NO. 8 TO ADD 4405 SW 34TH STREET AND OTHER PROPERTIES TO THE IOWA AIR NATIONAL GUARD (IANG) AIRPORT LEASE	FISCAL IMPACT - None.
TYPE:	RECOMMENDATION -
RESOLUTION ORDINANCE RECEIVE/FILE	Approval.
SUBMITTED BY:	BACKGROUND -
WILLIAM F. FLANNERY AVIATION DIRECTOR	On July 10, 2000, by Roll Call No. 00-2075, Council entered into a real estate purchase contract with the property owners for acquisition of property locally known as 4405 SW 34th Street, also known as the McNally property. With the purchase of this property finished, the purchase of properties required by the IANG for their expanded Airport leasehold has been completed. The property at 4405 SW 34th

Street; the land parcels west of the relocated McKinley Avenue not included in the right-of-way for the replacement street; and the vacated sections of SW 34th Street, SW 32nd Street, Stanton Avenue, and McKinley Avenue that are now available because of the construction of the new replacement street, have been combined into a new expanded Airport leasehold (see attached Exhibit A).

It is important to point out that the current long-term land lease allows the federal government to pay the Airport \$1 per year for the leasehold, but does not obligate the federal government to use the leasehold for its current military mission. It is the current military mission, which allows the IANG to provide, at federal government expense, under short-term agreements, valuable in-kind services and airfield projects as consideration for the favorable long-term land/facility arrangement. The City Council has previously determined that these in-kind services and the monetary amounts paid by the IANG to be fair and reasonable rental for the IANG leasehold. Unfortunately, there is no requirement in the Long Term Lease Agreement that obligates the federal government to continue providing the valuable in-kind services and future airfield projects as a condition for them to keep the \$1 per year compensation.

An important project in the IANG's Airport Leasehold Expansion Plan has been the voluntary acquisition of additional land contiguous and north of the existing leasehold to provide the land needed to relocate portions of McKinley Avenue, SW 34th Street, Watrous Avenue, and SW 42nd Street as outlined in the IANG Master Plan.

The IANG's Long Term Lease Agreement has been amended on seven separate occasions during its term. The term of the lease began on June 23, 1975, and, as amended, now extends on a year-to-year basis without further notice but in no event beyond June 30, 2030. (On February 12, 1998, by Roll Call No. 98-087, City Council approved the latest extension extending the Lease for five years from June 25, 2025 to June 25, 2030. The Lease extension was required to ensure that a minimum of 25 years remained on the Lease, which was a federal requirement for military construction. The extension qualified the IANG for a potential Fiscal Year 1999 Congressional Add project, construction of a new security police complex, a new main entrance gate complex, a supply entry gate complex, and the relocation of McKinley Avenue.)

Attachments
