CITY COUNCIL ITEM **COMMUNICATION:** OFFICE OF THE CITY MANAGER 02-368 CITY OF DES MOINES, IOWA **SYNOPSIS** -**AGENDA:** The City of Des Moines will acquire air rights and possession of the JULY 8, 2002 Child Care Center located next to the Ligutti Towers building located on top of the Fifth and Watson Powell, Jr. Way parking garage. **SUBJECT:** The City will execute a one-year child care operational agreement with Drake University Head Start program. TRANSFER TO CITY OF INTERESTS IN CHILD CARE FISCAL IMPACT -CENTER; APPROVAL OF N/A **OPERATIONAL** AGREEMENT WITH DRAKE HEAD **RECOMMENDATION -START** Approval. **TYPE: BACKGROUND** -**RESOLUTION ORDINANCE** On June 6, 1983, by Roll Call No. 2511, the City Council approved a real estate option agreement with First Baptist Housing Foundation RECEIVE/FILE (FBHF) for conveyance of the air rights above the building located at the Fifth Street and Watson Powell, Jr. Way parking garage for the construction of Ligutti Tower Elderly Housing Project. **SUBMITTED BY:** DONALD M. TRIPP On October 20, 1986, by Roll Call No. 4938, the City Council acknowledged the assignment by FBHF of its rights under the option PARK AND agreement for a portion of the air rights not needed, to First Baptist RECREATION DIRECTOR Child Care Center (FBCCC). On January 5, 1989, by Roll Call No.89-2 the City Council approved a 30-year lease agreement whereby the City leased the air rights for construction of Child Care Center improvements and approved a 15-

year operational agreement designating FBCCC as Operator of the

Center.

FBCCC approached the City to terminate the operation agreement for the Child Care Center, and the City has prepared documents to accept the transfer of air rights property and possession of the child care facility effective June 30, 2002.

Currently, Drake University Head Start program is operating the child care facility. Drake University Head Start desires to continue to operate the child care facility. The City has prepared a new one-year operational agreement for the use of the facility by Drake University Head Start on an interim basis. Operation responsibilities for Drake University Head Start are substantially the same as its previous operational agreement with FBCCC. During the next year, City staff intends to evaluate future options for use of the Child Care Center space and report recommendations to the City Council.