

**CITY COUNCIL
COMMUNICATION:**

03-039

AGENDA:

JANUARY 27, 2003

SUBJECT:

LEASE
AGREEMENT WITH
CONSOLIDATED
SUPPLY

TYPE:

RESOLUTION
ORDINANCE
RECEIVE/FILE

SUBMITTED BY:

DONALD M. TRIPP
PARK AND
RECREATION
DIRECTOR

ITEM _____

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

SYNOPSIS —

Consolidated Supply of Des Moines (located at 600 Holcomb Avenue) has leased City-owned property adjacent to their business on 6th Avenue for the placement of a business sign since 1996. A new five-year lease has been prepared. Leasing the property to Consolidated Supply provides an area to place the sign emphasizing the location of the business. The previous lease was for five years for a total consideration of \$900. The reduced lease rate considers an estimated \$1,500 in annual maintenance costs incurred by Consolidated Supply for the maintenance of the surrounding property.

FISCAL IMPACT —

The lease rate for the five-year term is \$250, and Consolidated Supply will continue to maintain the surrounding City property.

RECOMMENDATION —

Approval.

BACKGROUND —

In 1995, Consolidated Supply expanded its plumbing fixtures distribution business in Des Moines and relocated the business to 600 Holcomb Avenue. On March 18, 1996, by Roll Call No. 96-1032, City Council approved a lease of a portion of the City-owned property between Consolidated Supply's new location and 6th Avenue for the placement of a monument sign. The monument sign has been built, and Consolidated Supply wishes to continue to lease the property.

