

**CITY COUNCIL
COMMUNICATION:**

03-332

AGENDA:

JULY 14, 2003

SUBJECT:

SETTING DATE OF
PUBLIC HEARING FOR
APPROVAL OF FIRST
AMENDMENT TO LEASE
WITH MEREDITH
CORPORATION

TYPE:

RESOLUTION
ORDINANCE
RECEIVE/FILE

SUBMITTED BY:

WILLIAM F. FLANNERY
AVIATION DIRECTOR

ITEM 24

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

SYNOPSIS —

This item is to set the date for public hearing for approval of proposed lease agreement amendment with Meredith Corporation.

FISCAL IMPACT —

With the reduction of the Leased Premises, Meredith's monthly payment will be reduced from \$6,282.19 to \$6,131.39. With the inclusion of the property in the Principal Leased Premises, Principal, as part of their Leased Premises rental, will pay the rental on the subject land.

RECOMMENDATION —

Approval.

BACKGROUND —

On August 23, 1999, by Roll Call No. 99-2676, City Council approved a Non-Commercial Aviation Operator Lease with Meredith Corporation.

Staff and Meredith Corporation have concluded negotiations on a First Amendment to their Non-Commercial Aviation Operator Lease Agreement. The amendment is a necessary prerequisite to the City Council's approval of a similar agreement with the Principal Life Insurance Company. The proposed Leased Premises under the Principal Lease is adjacent to the Meredith leasehold at 2500 McKinley Avenue. In order to accommodate Principal's corporate aircraft maintenance and storage facility, 2,320 square feet of the Meredith Corporation Leased Premises must be transferred to Principal. Meredith Corporation has agreed to this transfer.

Meredith's Leased Premises is currently 96,649 square feet. This First Amendment will reduce the Lease Premises to 94,329 square feet. On July 1, 2003, by Resolution A03-169, the Airport Board recommended approval of the First Amendment to the Meredith Corporation Lease. The exhibit attached to the roll call reflects the three parcels that constitute the Leased Premises.

