

**CITY COUNCIL  
COMMUNICATION:**

**03-359**

**AGENDA:**

JULY 28, 2003

**SUBJECT:**

FIRST AMENDMENT TO  
LEASE WITH MEREDITH  
CORPORATION

**TYPE:**

**RESOLUTION**  
ORDINANCE  
RECEIVE/FILE

**SUBMITTED BY:**

WILLIAM F. FLANNERY  
AVIATION DIRECTOR

**ITEM** \_\_\_\_\_

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

**SYNOPSIS —**

Submittal of the First Amendment to the Lease Agreement with Meredith Corporation to transfer 2,320 square feet of leased premises to Principal Life Insurance Company.

**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 is to pay 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.

City 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 consideration of a similar Non-Commercial Aviation Operator Lease 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 make up the leased premises.

On July 14, 2003, by Roll Call No. 03-1585, City Council set a date of

public hearing for approval of the First Amendment.