



**Council
Communication**
Office of the City Manager

Date

May 22, 2006

Agenda Item No. 47

Roll Call No. 06-

Communication No. 06-314

Submitted by: Donald M. Tripp, Park and Recreation Director

AGENDA HEADING:

Public hearing on vacation and lease of a portion of Birdland Park along the Des Moines River, to the Des Moines Power Boat Club.

SYNOPSIS:

Recommend approval of (a) vacation of parkland in Birdland Park to allow for private use of public property for the Des Moines Power Boat Club and (b) a five-year lease agreement between the City of Des Moines and the Des Moines Power Boat Club.

FISCAL IMPACT:

Amount: \$1,400 lease payment (to increase by \$100 annually) and 15% of boat storage fees collected by the Des Moines Power Boat Club (approximately \$965) for a total of \$2365 in year one.

Funding Source: Lease proceeds will be deposited to the Park and Recreation Department, Marina Operations, GE001, PKS107600, page 201 (FY06 Operating Budget).

ADDITIONAL INFORMATION:

On Tuesday, March 28, 2006, the Des Moines Park and Recreation Board voted to recommend vacating the property used for the lease with the Des Moines Power Boat Club and also recommended approval of their lease with the City of Des Moines.

In researching the new lease agreement with the Des Moines Power Boat Club, City Legal has determined that the underlying property should be vacated before approving the lease. Vacation is required since the intended use is for exclusive private purposes and not for public access. Staff has researched the history of the use of this space, and it appears that it has not been used as public parkland since at least 1948.

Under the terms and conditions of the five-year lease agreement, with an option to renew for an additional five years, the Des Moines Power Boat Club will pay to the City \$1,400 for the first year with an additional \$100 increase annually during the term of the lease. Additionally, the Des Moines Power

Boat Club will pay 15% of the total gross receipts collected for boat storage. This amount was \$965 in 2005.

The lease compensation has been adjusted to reflect the obligations of the tenant regarding construction and maintenance responsibilities of the structure and includes annual increases to reflect market value.

PREVIOUS COUNCIL ACTION(S):

Date: May 8, 2006

Roll Call Number: 06-887

Action: Setting date of hearing on vacation and lease of a portion of Birdland Park along the Des Moines River, to the Des Moines Power Boat Club, (5-22-06). Moved by Vlassis to adopt. Motion Carried 6-1.

Date: April 16, 2001

Roll Call Number: 01-1139

Action: On continuation of lease agreement with Des Moines Power Boat Club for use of land at Birdland Park along the Des Moines River. Moved by McPherson to adopt. Motion Carried 6-1.

BOARD/COMMISSION ACTION(S):

Date: March 28, 2006

Roll Call Number: 06-017 (Park and Recreation Board)

Action: Recommended approval to vacate property and approve lease.

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS:

Approval of option to renew lease for five years after the initial five-year term of the agreement.