



Council Communication

Office of the City Manager

Date

January 8, 2007

Agenda Item No. 51
Roll Call No. 07-
Communication No. 07-017
Submitted by: Richard A. Clark

AGENDA HEADING:

Approval of parking license agreement and approval of amendment to parking agreement with Wells Fargo Financial, Inc.

SYNOPSIS:

Wells Fargo Financial, Inc. (WFF) (Tom Shippee, President and CEO, 800 Walnut Street, Des Moines, IA 50310) has recently purchased an office building at 701 5th Avenue. In conjunction with this purchase, WFF desires a parking license agreement for use of spaces in the city-owned Park & Ride Garage at 7th and Center Streets.

The amendment to the January 6, 2003, parking agreement incorporates a restriction that WFF shall not sell or lease available parking spaces within its private parking garage to the general public at rates lower than the prevailing rates in City parking garages.

FISCAL IMPACT:

Amount: \$170,856 (annual revenue)

Funding Source: 2006-07 Operating Budget, pg. 239, Park & Ride Operations Fund, EN078, ENG100707

ADDITIONAL INFORMATION:

The parking license agreement grants Wells Fargo Financial, Inc. the use of 226 parking spaces in the 7th & Center Park and Ride Garage. The term of the agreement shall be for 10 years and commence on April 1, 2009. Wells Fargo Financial, Inc. may extend the term for two additional periods of 5 years each. The monthly rate shall be \$63 per space. After December 31, 2009, the rate shall be periodically adjusted in accordance with the prevailing market rate as determined by the City Council.

These parking spaces are currently being provided to Allied/Nationwide Insurance Company, the previous owner of the building at 701 5th Avenue, under an informal monthly parking arrangement. The license agreement with Wells Fargo Financial, Inc. will formalize this parking and maintain the occupancy and revenue streams for the 7th & Center Park and Ride facility.

PREVIOUS COUNCIL ACTION(S):

Date: December 18, 2006

Roll Call Number: 06-2467

Action: On Parking License Agreement for the license of parking spaces to Wells Fargo Financial, Inc. in the Seventh and Center Park & Ride Parking Garage, (1-08-07). Moved by Vlassis to adopt. Motion Carried 6-0.

Date: December 22, 2003

Roll Call Number: 03-2898

Action: Development Agreement with Wells Fargo Financial for new office building in downtown Des Moines. (Council Communication No. 03-629) Moved by Hensley to adopt. Motion Carried 7-0.

Date: January 6, 2003

Roll Call Number: 03-049

Action: 03-049 40. Certificate of Completion, Minimum Assessment Agreement and Parking Agreement for the Wells Fargo Office Building and Garage. (Council Communication No. 03-004). Moved by Hensley to adopt. Motion Carried 7-0.

BOARD/COMMISSION ACTION(S): NONE

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE