



Council
Communication
Office of the City Manager

Date April 23, 2007

Agenda Item No. 36
Roll Call No. 07-
Communication No. 07-221
Submitted by: Jeb E. Brewer, P.E.
City Engineer

AGENDA HEADING:

Approval of Parking License Agreement with Principal Financial Group at 11th Street & M.L. King, Jr. Parkway (Park & Ride Lot), and authorizing City Manager to negotiate a Memorandum of Agreement with Des Moines Area Regional Transit (DART) for Shuttle Bus Service.

SYNOPSIS:

Principal Financial Group (Principal), Barry Griswell, President, 711 High Street, Des Moines, IA 50309 is in the process of making some changes in parking for their downtown employees. As part of this process, Principal desires a short-term parking license agreement for use of 500 spaces in the City-owned 11th & M.L. King Park & Ride Lot, including shuttle bus service, while they develop a long-term parking solution.

FISCAL IMPACT:

Amount: \$360,000 in revenue (first year).
- \$160,000 estimated operating cost (first year), including shuttle bus service
= \$200,000 estimated net revenue

Funding Source: 2006-2007 Operating Budget, Park & Ride Operations Fund, EN078, ENG100707, Page 239,

ADDITIONAL INFORMATION:

The Parking License Agreement grants Principal a license to use 500 parking spaces in the 11th & M.L. King, Jr. Parkway Park & Ride Lot. The term of the agreement shall be for one year beginning on April 1, 2007. Principal may also extend the term for two additional one-year periods. The monthly rate will be \$60 per space, including the shuttle bus service. If Principal exercises the first year option, the rate will increase to \$63 per space, and to \$66 per space for the second year option.

The City will contract with DART to provide the shuttle bus service to this lot, similar to the LINK shuttle service from the 7th & Center Park & Ride Garage. However, the 11th Street & M.L. King shuttle will only operate three hours in the morning and three hours in the afternoon. The estimated cost for the shuttle bus service is approximately \$10,000 per month, and will be based on the actual daily cost to operate the shuttle service with existing buses. If Principal desires to extend the hours of shuttle bus service, they would pay the additional direct cost for the extended service.

In preparation for the use of the parking lot by Principal, the City has installed a previously used attendant booth and repainted parking lot lines; these improvements entailed minimal costs (\$2,300).

PREVIOUS COUNCIL ACTION(S): NONE

BOARD/COMMISSION ACTION(S): NONE

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE