	Council Communication Office of the City Manager	Date	March 24, 2008

# AGENDA HEADING:

Hold hearing for the vacation of parkland on which the former Science Center is located and approve lease of the former Science Center in Ashworth Park at 100 45<sup>th</sup> Street to The Academy.

#### SYNOPSIS:

Approve and authorize execution of a 20-year lease agreement with The Academy (a non-profit school currently operating at 924 Polk Blvd.) for lease of the main level of the Greenwood Building at 100 45<sup>th</sup> Street; and vacate the land on which the Greenwood Building is located and abutting "yard" areas which will be part of the proposed leasehold. The Academy will construct improvements before occupying the Greenwood Building, including replacing the HVAC system, and will be responsible for maintenance for the entire Greenwood Building. The tenant may include the lower level of the building in its lease at a future date.

### FISCAL IMPACT:

<u>Amount</u>: \$ 52,573.20 (revenue)

Funding Source: 2007-08 Operating Budget, Page 259, Property Maintenance, SP767

#### **ADDITIONAL INFORMATION:**

Beginning October 17, 1970, the Science Center of Iowa (SCI) operated a science center facility in Greenwood/Ashworth Parks. The structure was built on City-owned property pursuant to a science and industry grant whereby the City of Des Moines provided SCI the land for the facility as long as it was used as a science center. SCI was responsible for all maintenance and other expenses relating to the facility. The SCI opened their new location at 401 West Martin Luther King Jr. Parkway in the spring of 2005. SCI vacated the facility in Greenwood/Ashworth Parks effective September 15, 2005, and all maintenance and other expenses were assumed by the City on that date.

In response to the Council authorization on July 25, 2005 by Roll Call No. 05-1831, City staff issued a Request for Qualifications (RFQ) for use of the facility. Staff and a citizen review committee met on November 1, 2005, to review a single proposal submitted jointly by Polk County Conservation/RDG Greenwood Studio for the GreenWood project. Committee members included the following:

Christine Hensley	Des Moines City Council
Robert Mahaffey	Business Community Representative
Kristi Lund Lozier & Judy McCarty	Greenwood Historic Neighborhood Association
Clark Smith	Ingersoll Park Neighborhood Association

Amanda Bellis & Carey McGhee Mark Cooper Denise Holck Dani Lin Susan Noland Youth Advisory Board Waterbury Neighborhood Association Salisbury Oaks Neighborhood Association Linden Heights Neighborhood Association Park and Recreation Board Member

On November 7, 2005, by Roll Call No. 05-2720, Council directed staff to begin negotiations for an agreement based on the conceptual plan as submitted. Staff began negotiations with Polk County Conservation Board (PCCB) while still maintaining and covering all expenses related to the facility. Although these negotiations continued over a period of almost two years, a mutual agreement for the end use of the building with PCCB was unsuccessful.

On October 8, 2007, by Roll Call No. 07-1992, City Council directed staff to begin negotiations with The Academy for the Greenwood Building at 100 45<sup>th</sup> Street. As part of this action, the original RFQ Committee compromised of Council members Christine Hensley and Bob Mahaffey, representatives from the Park and Recreation Board and the Youth Advisory Board, and the Greenwood Historic, Linden, Salisbury Oaks, Ingersoll and Waterbury Neighborhood Associations was reconvened with representatives from Polk County Conservation and The Academy also being involved on January 3, 2008. At this meeting, The Academy presented a concept plan to the RFQ Committee which the representatives in attendance unanimously endorsed. Currently City Park and Recreation and Legal Department staff are negotiating the final terms of the Lease Agreement with The Academy for reuse based on the concept as presented.

On February 26, 2008 a presentation to the Park and Recreation Board outlining the concept for the end use and general terms as known was received and filed.

The Academy desires to initially rent the main level, (12,409 sq. ft at \$4.80/sq. ft.) in the amount of \$52,473.20 commencing August 1, 2008 to operate a school. The Academy will make significant improvements to the building, including a new HVAC system. The initial term of the lease is 20 years with two renewal periods of ten-year periods. There will be an annual rent increase of 3%, with a deduction of \$7,090 annually in consideration of The Academy's performance of maintenance of the Greenwood Building. The Academy agrees to pay all utilities for the entire building. Upon mutual agreement of the parties, an option to lease additional space on the lower level of the building is included at a rate of \$3.80 per sq. ft..

# **PREVIOUS COUNCIL ACTION(S):**

Date: March 10, 2008

# Roll Call Number: 07- 1992

<u>Action</u>: <u>On</u> vacation of parkland at the former Science Center Site and lease of the building to The Academy, (3-24-08). (<u>Council Communication No. 08-129</u>) Moved by Hensley to adopt. Motion Carried 7-0.

Date: October 8, 2007

Roll Call Number: 07- 1992

<u>Action</u>: <u>Receipt</u> of report from Polk County Conservation Board and letter from The Academy regarding the former Science Center and authorizing City Manager to negotiate with The Academy for lease of the building. (<u>Council Communication No. 07-615</u>) Moved by Hensley to adopt. Motion Carried 7-0.

Date: November 7, 2005

Roll Call Number: 05-2720

<u>Action:</u> Negotiation with Polk County Conservation Board (PCCB) and RDG Greenwood Studios to develop Intergovernmental 28E Agreement for reuse of the old Science Center Facility for conservation and art uses. (<u>Council Communication No. 05-623</u>) Moved by Hensley to adopt. Motion Carried 7-0.

Date: July 25, 2005

Roll Call Number: 05-1831

<u>Action:</u> Issuance of Request for Qualifications (RFQ) for reuse of the former Science Center of Iowa (SCI) in Greenwood Park. (<u>Council Communication No. 05-410</u>) Moved by Coleman to adopt, and add Council Member Hensley to the Committee. Motion Carried 6-1.

#### **BOARD/COMMISSION ACTION(S):**

Date: February 24, 2008 Park and Recreation Board

Roll Call Number: 08- 022

Action: Receive and File update on former Science Center in Greenwood Park

# ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE

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