

 <p style="text-align: center;">Council Communication Office of the City Manager</p>	Date: June 28, 2010
	<p>Agenda Item No. 50-I</p> <p>Roll Call No. <u>10-1076</u></p> <p>Communication No. <u>10-397</u></p> <p>Submitted by: Jeb E. Brewer, P.E., City Engineer</p>

AGENDA HEADING:

Hearing for approval of proposed lease of City-owned property in the lower level of the 7th and Grand parking garage to Youth and Shelter Services, Inc. (YSS) for \$1,389 per month.

SYNOPSIS:

Recommend approval of lease agreement between YSS and the City of Des Moines for property located on street level of the 7th and Grand Parking Garage. The lease allows YSS to use the premises for the operation of the Iowa Homeless Youth Centers Street Outreach Program. The lease shall be for a period of three years, commencing from the execution of the Lease Agreement by the City until May 31, 2013, subject to termination of the lease by either party with 90 days written notice. YSS shall have the unilateral right, at its option, to renew the lease agreement for a period of two separate, distinct and successive three-year terms. Consideration shall be \$1,389 per month for the initial three-year term of the lease agreement, with rental increases for each subsequent option period.

FISCAL IMPACT:

Amount: \$48,615 (Total revenue through May 2013)

Funding Source: Operating Budget, T & T – Parking Administration, EN051, ENG100701, page 86.

ADDITIONAL INFORMATION:

YSS has been operating the Iowa Homeless Youth Centers Street Outreach Program out of the leased premises in conjunction with a previous agreement for use of the premises between the City and the Young Women’s Christian Association of Greater Des Moines (YWCA). The agreement between the City and the YWCA is no longer active and YSS wishes to continue using the leased premises, so a new lease agreement is required between the City and YSS. Either party can terminate the lease, and any extensions thereof, with 90 days written notice.

The rental rate of \$1,389 per month is equal to the estimated fair market rent value for this space, with rent increases for the subsequent option periods. The Engineering Department is recommending the approval of this lease agreement, as it provides revenue that helps offset the operating costs of the parking ramp facility.

PREVIOUS COUNCIL ACTION(S):

Date: June 14, 2010

Roll Call Number: 10-904

Action: On lease with Youth and Shelter Services, Inc. for property in lower level of 7th and Grand Avenue Parking Garage, 701 Grand Avenue, \$1,389 per month, (6-28-10). Moved by Hensley to adopt. Motion Carried 7-0.

BOARD/COMMISSION ACTION(S): NONE

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE

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