

 <p style="text-align: center;"><b>Council</b> <b>Communication</b> Office of the City Manager</p>	<b>Date:</b> March 26, 2012
	<b>Agenda Item No.</b> 29 <b>Roll Call No.</b> [ ] <b>Communication No.</b> <u>12-147</u> <b>Submitted by:</b> <b>Jeb E. Brewer, P.E.</b> <b>City Engineer</b>

**AGENDA HEADING:**

Approval of Parking License Agreement for Terrus Real Estate, LLC at Fifth and Walnut and Third and Court Avenue Garages.

**SYNOPSIS:**

Terrus Real Estate Group, LLC will relocate and established its new headquarters in downtown Des Moines at 100 Court Avenue. This agreement would provide the parking needed to facilitate the employees they are relocating.

**FISCAL IMPACT:**

Amount: \$18,840 for the first year added to the Parking Revenues. \$24,000 to \$66,000 per year thereafter for nine years, for a total of up to \$610,000 over the ten-year term of the agreement.

Funding Source: EN051 ENG100701 Parking Operations Fund, Operating Budget (page 70).

**ADDITIONAL INFORMATION:**

Terrus Real Estate has relocated its headquarters from 616 10<sup>th</sup> Street to 100 Court Avenue. The company has invested \$200,000 in tenant improvements to the building, will retain at least 20 jobs downtown during the first year, and projects hiring up to a total of 50 employees over the ten year term of its lease.

The parking agreement is for a term of ten years, for up to 50 monthly parking permits at the Fifth and Walnut and Third and Court Garages. Parking will begin at Fifth and Walnut and move over to the Third and Court Garage as parking becomes available. The agreement provides for a partial discount on each new monthly parking permit for a period of 12 months, as allowed under the new parking ordinance. After the first year of this License, the rate shall be increased to the prevailing market rate for monthly floater parking.

Approval of this agreement will not impact future considered uses at the Third and Court Avenue Garage. This agreement includes verbiage to accommodate Terrus in the event that the City elects to enter into an agreement with the federal government, whereby the City provides the federal government the right to use parking within other levels of the Third and Court Avenue Garage in exchange for the right to use a portion of the surface level parking spaces in the Garage for retail or other non-parking use.

The determination of space availability for moving parking spaces to the Third and Court Avenue Garage and any determination of the necessity to move parking spaces in the Third and Court Avenue Garage back to the Fifth and Walnut Garage are up to the City's discretion.

**PREVIOUS COUNCIL ACTION(S):**

Date: September 12, 2011

Roll Call Number: 11-1590

Action: [Amending](#) Chapter 114 of the Municipal Code regarding Saturday rates and temporary adjustment of rates in the Municipally-owned parking garages. Moved by Mahaffey that this ordinance be considered and given second vote for passage. Motion Carried 7-0.

**BOARD/COMMISSION ACTION(S): NONE**

**ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE**

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