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|  <p style="text-align: center;">Council Communication Office of the City Manager</p> | Date: | May 9, 2016 |
| | Agenda Item No. | EX-1 |
| | Roll Call No. | <u>16-0815</u> |
| | Communication No. | <u>16-264</u> |
| | Submitted by: | Matthew A. Anderson, Assistant City Manager |

AGENDA HEADING:

Amend and extend agreement to reimburse 219 East Grand, LLC for costs related to construction of the temporary parking lot along Robert D. Ray Drive.

SYNOPSIS:

Staff recommends approval of amendments to the existing agreement to facilitate the construction schedule of the East 2nd and Grand Parking Garage and accommodate temporary parking for Embassy Suites Hotel.

FISCAL IMPACT:

Amount: The amendment to the reimbursement agreement does not change the original \$27.5M lease-purchase price for acquiring the East 2nd and Grand Parking Garage approved on April 11, 2016.

Funding Source: Parking system revenues will be used to secure financing/pledged for payments for the lease-purchase.

ADDITIONAL INFORMATION:

On April 11, 2016, Council approved the proposed plans, specifications and estimated cost of the Lease Purchase of the East 2nd and Grand Parking Garage, a proposed Lease Purchase Agreement between the City of Des Moines, 101 East Grand Parking, LLC and West Bank, and an Urban Renewal Agreement for Sale of Land for redevelopment with 101 East Grand Parking, LLC (Jake Christensen and Tim Rypma, officers and Jim Cownie, principal investor) for disposition and redevelopment of City-owned parking lots east of City Hall in the Metro Center Urban Renewal Area. On December 21, 2015, Council approved an agreement to reimburse the development team of 219 E. Grand (Jake Christensen and Tim Rypma, officers and Jim Cownie, principal investor) for costs related to the design of the East 2nd and Grand Parking Garage. Amending and extending this agreement will facilitate the start of construction on the parking garage and reduce the risk of winter construction conditions.

PREVIOUS COUNCIL ACTION(S):

Date: April 11, 2016

Roll Call Number: [16-0634](#)

Action: [Approving](#) Urban Renewal Agreement for Sale of Land for Private Redevelopment, with 101 East Grand Parking, LLC, for the sale and redevelopment of a portion of the City-owned parking lots, east of City Hall. Moved by Gatto to adopt. Motion Carried 7-0.

Date: April 11, 2016

Roll Call Number: [16-0635](#) and [16-0636](#)

Action: [Hearing](#) on authorization of a Municipal Parking System Revenue Lease Purchase Agreement not to exceed \$25,700,000 for the lease purchase acquisition of the Des Moines City Hall Parking Garage. Moved by Gatto to adopt. Motion Carried 7-0.

(A) [Authorization](#) for additional actions. Moved by Gatto to adopt. Motion Carried 7-0.

Date: April 11, 2016

Roll Call Number: [16-0637](#) and [16-0638](#)

Action: [Hearing](#) on approving plans, specifications, form of contract documents, and estimated cost of the lease purchase of the City Hall Parking Garage, pursuant to a proposed Lease Purchase Agreement between the City of Des Moines, 101 East Grand Parking, LLC, and West Bank, estimated cost \$25,700,000. Moved by Gatto to adopt. Motion Carried 7-0.

(A) [Approving](#) Professional Services Agreement with Neumann Monson, PC for construction phase services for the City Hall Parking Garage, not to exceed \$95,490. Moved by Gatto to adopt. Motion Carried 7-0.

Date: December 21, 2015

Roll Call Number: [15-2185](#)

Action: Items regarding 219 E. Grand Avenue:

(C) [Approving](#) agreement with 219 East Grand, LLC for City reimbursement of portions of its out-of-pocket pre-development costs for the proposed parking garage, east of City Hall, in the event the City does not agree to lease-purchase the garage. ([Council Communication No. 15-668](#)) Moved by Gatto to adopt. Motion Carried 7-0.

BOARD/COMMISSION ACTION(S): NONE

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE

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