COUNCIL COMMUNICATION				
CITY OF DES MOINES OFFICE OF THE CITY MANAGER	Number:	21-552	Meeting:	<b>December 20, 2021</b>
	Agenda Item:	76	Roll Call:	21-1973
	Submitted by:	Benjamin R. Page, Park and Recreation Director, and Steven L. Naber, P.E., City Engineer		

### **AGENDA HEADING:**

Hold hearing for approval of lease agreement with Power Boat Club On The River, Incorporated for a portion of excess City property located on the north bank of the Des Moines River locally known as District/Parcel 070/02223-003-000.

#### **SYNOPSIS:**

Recommend approval of a 10-year lease agreement between the City of Des Moines and Power Boat Club on the River, Incorporated (Terry Nittler, President, 600 Birdland Drive, Des Moines, Iowa 50310).

#### FISCAL IMPACT:

<u>Amount</u>: \$40,000 (Revenue)

The rental fee for the Initial Term shall be paid according to the following schedule:

- Year one (1) = \$3,700.00
- Year two (2) = \$3,750.00
- Year three (3) = \$3,800.00
- Year four (4) = \$3,850.00
- Year five (5) = \$3,900.00
- Year six (6) = \$4,000.00
- Year seven (7) = \$4,100.00
- Year eight (8) = \$4,200.00
- Year nine (9) = \$4,300.00
- Year 10 = \$4,400.00

Rental fee to be revalued at the end of the initial term and following the receipt of notice of intent to renew from Power Boat Club on the River, Incorporated, which amounts reflect the fair market value of the leased premises as determined by the City's Real Estate Division.

<u>Funding Sources</u>: 2021-2022 Operating Budget, Page 145, Park and Recreation Department, Management Services, Org-PK001200.

#### ADDITIONAL INFORMATION:

- On April 16, 2001, by Roll Call No. 01-1139, City Council approved a 5-year lease agreement with the Des Moines Power Boat Club, Inc. for use of land at Birdland Park along the north bank of the Des Moines River.
- On May 22, 2006, by Roll Call No. 06-1229, City Council, voted to approve the vacation of the leased premises and a 5-year lease agreement with the Des Moines Power Boat Club Inc.
- The Des Moines Power Boat Club, Inc. and the City of Des Moines entered into subsequent lease agreements for use of the leased premises 2012, 2015, 2018 and 2019 with the current lease set to expire on December 31, 2021.
- On March 22, 2021, by Roll Call No. 21-0465, City Council adopted the Birdland Park and Marina Master Plan. The proposed lease agreement complies with the adopted Birdland Park and Marina Masterplan.
- Noteworthy lease terms:
  - o Power Boat Club on the River, Incorporated lease shall be for a fixed 10-year term commencing on January 1, 2022, and continuing through December 31, 2031.
  - The cost of maintaining, grading, filling, or improving any access shall be paid for by the Power Boat Club on the River, Incorporated.
  - In the event that any repair or construction work by the City or its agents causes a temporary cut off of vehicular access to the leased premises or limited vehicular access, the City will not owe any damages or other compensation to Power Boat Club on the River, Incorporated.
  - O Power Boat Club on the River, Incorporated may build, alter, remodel, repair, improve, rebuild, or add to any boat house or club house only after receiving written approval of the Parks and Recreation Director or their designee(s) and subject to any City or State of Iowa permits and City requirements applicable to similar improvements.
  - O Power Boat Club on the River, Incorporated will be obligated to pay all utility charges for gas, water, electricity, light, heat and power, telephone, and other communication service supplied to the leased premises.
  - O Power Boat Club on the River, Incorporated will be responsible for facility supervision, cleaning, painting, all maintenance and repairs, and debris removal (including that caused by severe weather conditions) on the leased premises. The Power Boat Club on the River, Incorporated will remove or restore and rehabilitate any improvements of any kind to the leased premises which may be damaged or destroyed by any casualty whatsoever including but not limited to damage caused by fire, storms, and flood.
  - o Power Boat Club on the River, Incorporated will purchase and maintain insurance in accordance with the insurance requirements.
  - O Power Boat Club on the River, Incorporated will make no claim against the City for damages, loss, or injury to their property or the property of others resulting from a low water level or high water of the Des Moines River or flooding of the area covered by this lease. The City takes no responsibility for the water level, for flooding, or for boats and equipment that go aground.



# PREVIOUS COUNCIL ACTION(S):

Date: December 6, 2021

Roll Call Number: 21-1819

<u>Action</u>: On a lease agreement with Power Boat Club on the River, Inc. for a portion of excess City property located on the north bank of the Des Moines River locally known as District/Parcel 070/02223-003-000, (12-20-21). Moved by Gatto to adopt. Motion Carried 7-0.

<u>Date</u>: May 22, 2006

Roll Call Number: 06-1034

<u>Action</u>: On vacation and lease of a portion of Birdland Park along the Des Moines River, to the Des Moines Power Boat Club. (Council Communication No. 06-314) Moved by Mahaffey to adopt. Motion Carried 6-1. Absent: Vlassis.

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

Board: Parks and Recreation

Date: March 28, 2006

Resolution Number: 06-016

<u>Action</u>: Motion by Gelb to approve the vacation of Birdland Parkland and receive and file the lease agreement with Des Moines Power Boat Club. Second by Noland. Motion carried.

# ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE

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