

.....  
Date..... August 21, 2006

**RESOLUTION AUTHORIZING EXECUTION OF THE  
COMMENCEMENT DATE AGREEMENT FOR LEASE OF CITY PARKING GARAGE  
LOCATED AT 8<sup>TH</sup> AND MULBERRY STREETS IN ACCORDANCE WITH LEASE  
PURCHASE AGREEMENT BETWEEN THE CITY OF DES MOINES  
AND EMPLOYERS MUTUAL CASUALTY COMPANY**

WHEREAS, by Roll Call No. 04-1649 of July 28, 2004, the City Council of the City of Des Moines, Iowa, approved the Lease Purchase Agreement between the City of Des Moines and Employers Mutual Casualty Company (the "Lessor") relating to the construction and acquisition of a multi-story public parking garage located at the intersection of 8th and Mulberry Streets; and

WHEREAS, by Roll Call No. 06-898 of May 8, 2006, the City Council approved an Amendment to the Lease Purchase Agreement to extend the date for substantial completion of the garage improvements and to revise the schedules for the interest and principal payments to be made under the Lease; and

WHEREAS, in accordance with the terms of the Lease Purchase Agreement, the City has taken possession of the garage improvements on August 15, 2006 prior to substantial completion and it is appropriate for the City and Lessor to enter into the Commencement Date Agreement for the Lease.

NOW THEREFORE, BE IT RESOLVED, by the City Council of the City of Des Moines, Iowa, that the Lease Commencement Date Agreement, on file in the Office of the City Clerk, which contains an effective date of August 15, 2006 is hereby approved and the Mayor is authorized and directed to execute such Commencement Date Agreement and the City Clerk is directed to attest to the Mayor's signature.

BE IT FURTHER RESOLVED that the City Engineer is hereby directed to monitor progress and completion of all punch list items to ensure substantial completion of the garage improvements by the Lessor.

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BE IT FURTHER RESOLVED that the City Manager and the Finance Director/Treasurer are hereby authorized and directed to take all such actions as may be required by the City under the Lease Purchase Agreement, including disbursement of all scheduled Lease payments, in order that the City be and remain in compliance with the Lease.

Moved by \_\_\_\_\_ to adopt.

APPROVED AS TO FORM:

  
 \_\_\_\_\_  
 Lawrence R. McDowell  
 Deputy City Attorney

(Council Communication No. 06-539 )

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COUNCIL ACTION	YEAS	NAYS	PASS	ABSENT
COWNIE				
COLEMAN				
HENSLEY				
KIERNAN				
MAHAFFEY				
VLASSIS				
TOTAL				

**CERTIFICATE**

I, DIANE RAUH, City Clerk of said City hereby certify that at a meeting of the City Council of said City of Des Moines, held on the above date, among other proceedings the above was adopted.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my seal the day and year first above written.

MOTION CARRIED APPROVED

\_\_\_\_\_  
 Mayor

\_\_\_\_\_  
 City Clerk

EXHIBIT B

SCHEDULE OF LEASE PAYMENTS  
AND BALANCE OF PRINCIPAL OUTSTANDING

(Estimated)

No.	Payment Date	Total Payment	Part A Interest 5.00%	Part A Principal	Part B Interest 6.44%	Part B Principal	Part A	Part B	Outstanding Balance	Total
1		\$4,000,000.00		\$4,000,000.00			\$14,600,000.00		\$14,600,000.00	\$14,600,000.00
2	8/15/2006	1,000,000.00		1,000,000.00			10,600,000.00		10,600,000.00	10,600,000.00
3	12/1/2006	146,510.00	117,395.83	0.00	29,114.17	0.00	8,050,000.00	1,550,000.00	9,600,000.00	9,600,000.00
4	6/1/2007	251,160.00	201,250.00	0.00	49,910.00	0.00	8,050,000.00	1,550,000.00	9,600,000.00	9,600,000.00
5	12/1/2007	251,160.00	201,250.00	0.00	49,910.00	0.00	8,050,000.00	1,550,000.00	9,600,000.00	9,600,000.00
6	6/1/2008	1,401,160.00	201,250.00	1,150,000.00	49,910.00	0.00	6,900,000.00	1,550,000.00	8,450,000.00	8,450,000.00
7	12/1/2008	222,410.00	172,500.00	1,150,000.00	49,910.00	0.00	6,900,000.00	1,550,000.00	8,450,000.00	8,450,000.00
8	6/1/2009	1,372,410.00	172,500.00	1,150,000.00	49,910.00	0.00	5,750,000.00	1,550,000.00	7,300,000.00	7,300,000.00
9	12/1/2009	193,660.00	143,750.00	1,150,000.00	49,910.00	310,000.00	5,750,000.00	1,550,000.00	7,300,000.00	7,300,000.00
10	6/1/2010	1,653,660.00	143,750.00	1,150,000.00	49,910.00	310,000.00	4,600,000.00	1,240,000.00	5,840,000.00	5,840,000.00
11	12/1/2010	154,928.00	115,000.00	1,150,000.00	39,928.00	310,000.00	4,600,000.00	1,240,000.00	5,840,000.00	5,840,000.00
12	6/1/2011	1,614,928.00	115,000.00	1,150,000.00	39,928.00	310,000.00	3,450,000.00	930,000.00	4,380,000.00	4,380,000.00
13	12/1/2011	116,196.00	86,250.00	1,150,000.00	29,946.00	310,000.00	3,450,000.00	930,000.00	4,380,000.00	4,380,000.00
14	6/1/2012	1,576,196.00	86,250.00	1,150,000.00	29,946.00	310,000.00	2,300,000.00	620,000.00	2,920,000.00	2,920,000.00
15	12/1/2012	77,464.00	57,500.00	1,150,000.00	19,964.00	310,000.00	2,300,000.00	620,000.00	2,920,000.00	2,920,000.00
16	6/1/2013	1,537,464.00	57,500.00	1,150,000.00	19,964.00	310,000.00	1,150,000.00	310,000.00	1,460,000.00	1,460,000.00
17	12/1/2013	38,732.00	28,750.00	1,150,000.00	9,982.00	310,000.00	1,150,000.00	310,000.00	1,460,000.00	1,460,000.00
18	6/1/2014	1,498,732.00	28,750.00	1,150,000.00	9,982.00	310,000.00	0.00	0.00	0.00	0.00

Part B Balance = \$400,000 + (total 8/1/06 Balance - \$400,000)

Part B Interest Rate - 10-year Treas. @4.94% + 1.5% = 6.44%

8/15/2006 10-yr Treas. 4.94%

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