



**Roll Call Number**

**Agenda Item Number**

49

December 7, 2009

**Date**

Request from Connolly Law Firm, on behalf of Merle Hay Mall, to speak regarding Library space in Merle Hay Mall.

Moved by \_\_\_\_\_ to receive, file and

COUNCIL ACTION	YEAS	NAYS	PASS	ABSENT
COWNIE				
COLEMAN				
HENSLEY				
KIERNAN				
MAHAFFEY				
MEYER				
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

49

# CONNOLLY O'MALLEY LILLIS HANSEN OLSON LLP

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GEORGE E. O'MALLEY (1905-1982)  
JOHN CONNOLLY III (1918-1998)  
BERNARD J. CONNOLLY (1920-1970)  
C. I. McNUTT (1901-1958)  
STREETAR CAMERON (1957-2008)

ESTABLISHED IN 1917

\*LICENSED IN IOWA & ILLINOIS

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EUGENE E. OLSON  
DANIEL L. MANNING  
CHRISTOPHER R. POSE  
ADAM C. VAN DIKE  
JOEL B. TEMPLEMAN\*

December 2, 2009

Honorable Mayor and Members of the Des Moines City Council  
City Hall  
400 Robert D. Ray Drive  
Des Moines, Iowa 50309

Subject: Proposal Regarding Library Space in Merle Hay Mall---  
Request to be Heard by City Council.

Dear Honorable Mayor Cownie and Members of the Des Moines City Council:

On behalf of Merle Hay Mall, our law firm submits this letter regarding proposed library space in Merle Hay Mall and requests that this letter be placed on the City Council agenda for Monday, December 7, 2009. Our law firm also requests the opportunity to speak to the City Council on December 7 regarding the Merle Hay Mall proposal.

By letter dated October 14, 2009, our law firm on behalf of Merle Hay Mall submitted a proposal to the Des Moines Library Board of Trustees and the Library Foundation ("Library") with respect to a cost savings alternative to renovating and expanding the Franklin Avenue Library. The terms of the proposal included the following:

- Approximately 25,000 of space in Merle Hay Mall would be leased for Library purposes in lieu of renovating and expanding the Franklin Avenue Library. This square footage is roughly equal to the total space of the proposed renovated and expanded Franklin Avenue Library.
- No rent would be charged.
- A charge for Common Area Maintenance at the initial rate of \$3.00 per square foot (\$75,000 per year) would be charged. This represents only the cost of maintaining the exterior Mall parking areas and ramp, including snow removal, and there would be no charge for Mall interior concourse maintenance expenses.

- The proposal was subject to a formal confirmation that the Library space would be exempt from property tax pursuant to Section 427.1(2) of the Iowa Code (exemption for City property). A favorable preliminary review of this matter has been made by the County Assessor.
- The Library would receive the space in its "as is" condition and would be responsible to make tenant improvements to accommodate the Library. Conservative cost estimates put complete renovation and preparation of the Mall space, excluding fixtures, furnishings and equipment, at between \$45 and \$50 per square foot for a total renovation cost between \$1.125 Million and \$1.250 Million.
- The Initial term of the lease would be 20 years with 4 five-year options in favor of the Library to extend the lease for a potential total lease term of 40 years.
- Drawings of the proposed leased premises were included with the proposal and are attached to this letter.

Merle Hay Mall wishes to formally bring this proposal to the attention of the City Council. We understand that the final decision regarding use of funds appropriated for Library purposes is up to the Library; however, in these extremely difficult economic times which the City and the Library are experiencing, Merle Hay Mall encourages the City Council and the Library to consider the above-described alternative which would accomplish a number of positive things, including the following:

- The proposal would result in a multi-million dollar construction cost savings to the tax payers of Des Moines. Instead of using funds to renovate and expand the Franklin Avenue Library, a much smaller amount could be used to construct tenant improvements in the Mall Library space, including green environmental technology.
- The breakdown of cost savings is as follows: The current Franklin Avenue Library budget is approximately \$8.3 Million (the original \$6.1 Million plus the \$2.2 Million I-Jobs Grant). As a result, the Franklin Avenue Library proposal is approximately 85% more costly than the Mall proposal.
- Since the construction costs for the Mall Library space would be millions of dollars less expensive than renovating and expanding the Franklin Avenue Library and since there would be no rent for 40 years, the cost savings could be used to help offset staffing and operational expenses of the Library for years into the future.

Merle Hay Mall appreciates the fact that much effort has gone into the proposed design and possible construction of improvements and expansion of the Franklin Avenue Library. Merle Hay Mall also appreciates the budget challenges faced by the City and

December 2, 2009

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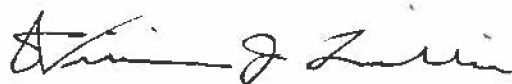
the Library in the years ahead. The current plan to close the Library system for the entire week of Christmas is one example of the cuts which will be necessary in the future. The Merle Hay Mall proposal is a realistic way to save substantial funds for the Library and the City as well as to preserve and hopefully increase Library access to the citizens of Des Moines in the coming years.

The Mall respectfully requests that the Library, as well as the City Council, give careful consideration to the above described alternative to the Franklin Avenue Library proposal which would provide a comparable number of square feet of Library space; would meet stringent green environmental standards; and more importantly, would result in multi-million dollar construction cost savings.

We look forward to making a presentation to the City Council at the meeting of December 7, 2009.

Thank you for your consideration.

Very truly yours,



William J. Lillis  
For the Firm



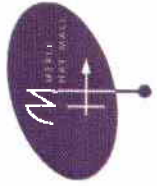
Eugene E. Olson  
For the Firm

EEO/jpo-krp

Copy to:  
Des Moines Library Board of Trustees  
Des Moines Library Foundation



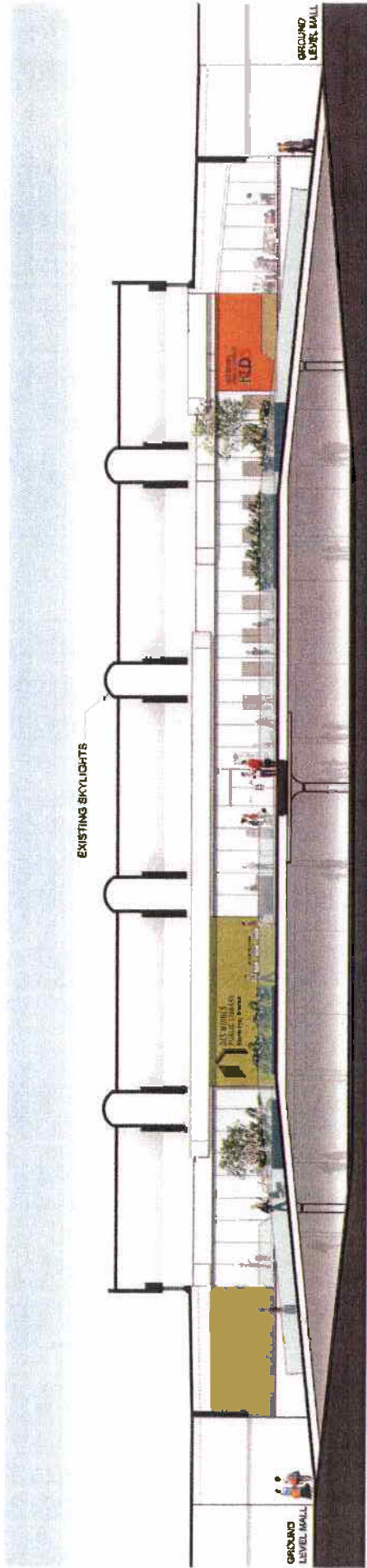
**Mall Branch  
Des Moines Public Library  
Des Moines, IA**



**OKW Architects**

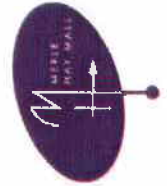
DATE: SEPTEMBER 15, 2005

PROJECT NUMBER: 0820



**INTERIOR ELEVATION**

**Mall Branch  
Des Moines Public Library  
Des Moines, IA**



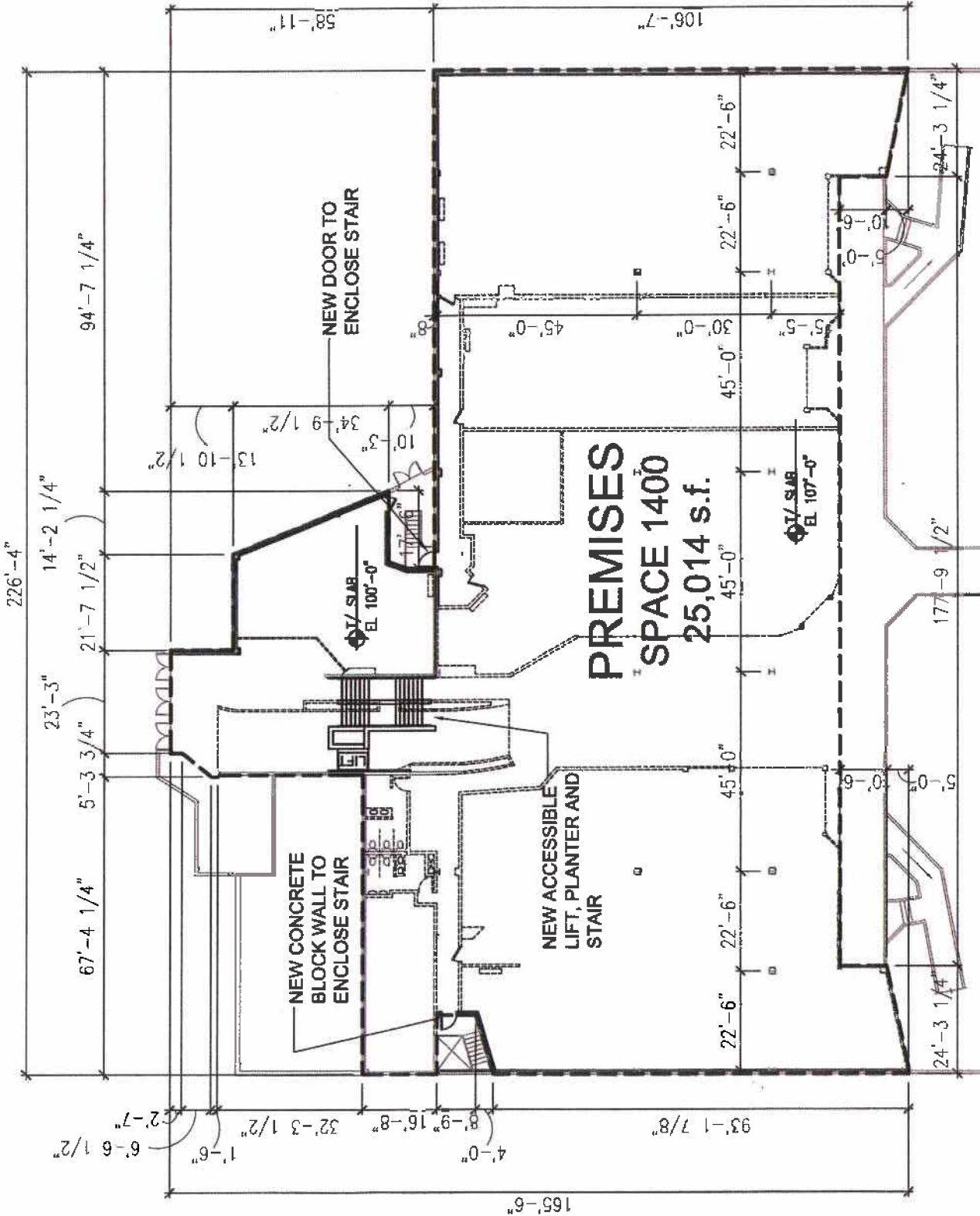
**OKW ARCHITECTS**  
PROJECT NUMBER: 0204

DATE: SEPTEMBER 15, 2009



**MALL KEY PLAN**

- ☒ PREMISES
- ☒ TENANT PROTECTED AREA



**SECOND FLOOR PREMISES**  
SCALE: 1/32" = 1'-0"

<p><b>ARCHITECT:</b> OKW Architects 200 West Jackson Boulevard Chicago, Illinois 60601 P 312.386.7177 www.okwarchitects.com</p>	<p><b>CLIENT:</b> Merle Hay Mall 2400 Merle Hay Center #101 Des Moines, IA 50310 P 515.281.6207</p>	<p>SPACE NO: 1400</p>
		<p>SHEET NO: 1 OF 1</p>
		<p>DATE: 08/11/2009</p>
<p>THIS DRAWING IS DIAGNOSTIC ONLY AND IS INTENDED ONLY TO SHOW THE GENERAL LOCATION OF THE PREMISES AND AN APPROXIMATE DELINEATION OF THE TENANT'S SPACE. THIS DRAWING DOES NOT CONTAIN THE EXACT LEASING LINES OF THE PREMISES NOR DOES IT DEPICT THE EXACT LOCATION OF ANY OTHER TENANTS OR OCCUPANTS OF THE SHOPPING CENTER OR THE PROJECT. FURTHER, REFERENCES TO STORE NUMBERS ON THIS DRAWING SHALL IN NO MANNER CONSTITUTE ANY KIND OF REPRESENTATION AS TO PRESENT OR FUTURE OCCUPANCY OF SPACES AT THE SHOPPING CENTER BY WHOMsoever. THIS DRAWING IS NOT A REPRESENTATION OR WARRANTY THAT THE OCCUPANCY OF SPACES AT THE PROJECT WILL REMAIN UNDISTURBED, NOR AS TO ANY FUTURE OCCUPANCY OF SPACES AT THE SHOPPING CENTER OR THE PROJECT.</p>		

