

Date July 13, 2015

**SET HEARING ON LEASE OF 418 E. GRAND AVENUE TO
NELSON DEVELOPMENT 10, L.L.C., FOR CONTINUED SURFACE PARKING USE**

WHEREAS, on December 22, 2003, by Roll Call No. 03-2941, the City Council approved a lease agreement with Nelson Development, L.L.C. for City-owned property on the northeast corner of E. 4th and Grand (“Leased Premises”) for the purpose of parking lot usage, which lease was renewed on August 10, 2009 by Roll Call No. 09-1490 and thereafter has continued on a monthly holdover basis; and

WHEREAS, City staff and Nelson Development 10, L.L.C. (“Nelson Development”), successor to Nelson Development, L.L.C., have negotiated a Parking Lease Agreement, as on file in the office of the City Clerk, which provides in part that Nelson Development’s use of the Leased Premises will be extended on a month-to-month basis until August 31, 2017, or earlier termination at the City’s discretion, for fair market rent of \$4,500 per month, subject to Nelson Development’s compliance with the terms of said Lease; and

WHEREAS, said Lease terms include, but are not limited to, the obligation of Nelson Development to pay all delinquent taxes owed by Nelson Development for the Leased Premises to the Polk County Treasurer, which payment was made on June 26, 2015, and to pay fifty percent (50% - \$105,120) of the outstanding rent due to the City for the Leased Premises by August 1, 2015, and to pay the remaining fifty percent (50% - \$105,120) of the outstanding rent due to the City for the Leased Premises over the duration of the Lease at the rate of \$4,500 per month in addition to the monthly rental payments; and

WHEREAS, there is no currently planned City need or benefit for the real property to be leased, and the City will not be inconvenienced by the lease of the Leased Premises subject to the terms and conditions set forth herein and in the Lease.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Des Moines, Iowa, that:

1. The City of Des Moines, Iowa proposes to lease the real property on the northeast corner of E. 4th and Grand, locally known as 418 E. Grand Avenue and legally described as follows, to Nelson Development 10, L.L.C. on a month-to-month basis from August 1, 2015 to August 31, 2017, at the monthly rental rate of \$4,500, pursuant to the terms and conditions set forth herein above and included in the Parking Lease Agreement:

Lot 3 (except the West 19.9 feet on the South line and the West 20 feet on the North line) and all of Lots 4 and 5, and all of the East/West alley right-of-way lying North of and adjoining said Lot 3 (except the West 20.0 feet thereof) and lying North of and adjoining said Lots 4 and 5 in Block 10, East Fort Des Moines, an Official Plat, now included in and forming a part of the City of Des Moines, Polk County, Iowa.

2. A public hearing will be held on July 27, 2015, at 5:00 p.m. in the City Council Chamber, City Hall, 400 Robert D. Ray Drive, Des Moines, Iowa. At that time, the City Council will consider the above described proposal and any other(s) submitted prior to or during the public hearing.

★ Roll Call Number

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3. The City Clerk is hereby authorized and directed to publish notice of the proposal and hearing in the form hereto attached, all in accordance with Section 362.3 of the Iowa Code.

4. Lease proceeds will be deposited into the following account: Economic Development Enterprise Fund, SP743, CMO0980717.

(Council Communication No. 15- 376)

Moved by _____ to adopt.

APPROVED AS TO FORM:

Glenna K. Frank
Glenna K. Frank, Assistant City Attorney

Table with 5 columns: COUNCIL ACTION, YEAS, NAYS, PASS, ABSENT. Rows include COWNIE, COLEMAN, GATTO, GRAY, HENSLEY, MAHAFFEY, MOORE, and 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