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Date December 7, 2015

RESOLUTION APPROVING FORM AND AUTHORIZING EXECUTION OF A LEASE AGREEMENT AND RELATED DOCUMENTS BETWEEN THE CITY OF DES MOINES, IOWA, AND CAPITOL CENTER 2, LLC FOR THE RENTAL OF OFFICE SPACE AT 400 EAST COURT AVENUE SUITES 114, 116, 118 AND 200

WHEREAS, it is deemed necessary and advisable that the City of Des Moines, Iowa ("City"), should enter in to a Lease Agreement for the rental of office space located at 400 East Court Avenue, Suites 114, 116, 118 and 200, to be used for the temporary relocation of City Hall, as authorized by Sections 364.4(4) and 384.25 of the Iowa Code, as amended; and

WHEREAS, pursuant to notice published as required by Sections 364.4 and 384.25 of the Iowa Code, this City Council held a public meeting and hearing upon the proposal to institute proceedings for the authorization of said Lease Agreement for such purpose, and this City Council is therefore now authorized to proceed with the authorization of said Lease Agreement; and

WHEREAS, the terms of the Lease Agreement by and between the City and Capitol Center 2, LLC, pursuant to which the City would lease said real estate, have been negotiated and are set forth as follows:

1. Possession of the premises would be given to the City on April 1, 2016.
2. The initial lease term shall be thirty two (32) months.
3. The premises contain a total of 23,089 square feet between Suites 114, 116, 118 and 200.
4. The City shall pay an estimated total of \$982,052.13 for the initial term of the Lease Agreement, as follows:
 - a) \$366,653.32 for the first twelve months (12) of the Lease Agreement,
 - b) \$368,500.44 for months thirteen through twenty four (13-24) of the Lease Agreement, and
 - c) \$246,898.37 for months twenty five through thirty two (25-32) of the Lease Agreement.
5. At the end of month twenty four (24), the City shall have the right to terminate the Lease Agreement early; and

WHEREAS, a copy of the proposed Lease Agreement is on filed in the office of the City Clerk; and

WHEREAS, the Lease Agreement shall be payable solely out of the City's General Fund; and



Roll Call Number

Agenda Item Number

44B

Date December 7, 2015

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

Section 1. Authority and Purpose. The Lease Agreement authorized by this resolution and related documents between the City of Des Moines, Iowa, and Capitol Center 2, LLC for the rental of 400 East Court Avenue, Suites 114, 116, 118 and 200, to be used for the temporary relocation of City Hall, said Lease Agreement to be for approximately a thirty two (32) month period, and said Lease Agreement calls for payment in the estimated amount of \$982,052.13, payable in monthly installments on a graduated basis, shall be issued pursuant to Sections 364.4 and 384.25 of the Code of Iowa, and in compliance with all applicable provisions of the Constitution and laws of the State of Iowa. The Lease Agreement and related documents are hereby authorized to be issued in a form in accordance with the terms of this resolution.

Section 2. Source of Payment. Rental payments due under the Lease Agreement shall be payable solely out of the City's General Fund.

Section 3. Execution, Additional Documents. The City Manager is hereby authorized and directed to sign the Lease Agreement and related documents as approved by the Legal Department on behalf of the City, evidencing the City's obligation for rental payments as set forth herein, and to take all action necessary to permit the completion of the agreement on a basis favorable to the City.

(Council Communication No. 15- 638)

Moved by _____ to adopt.

APPROVED AS TO FORM:

[Signature]
Lisa A. Wieland, 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