

Date December 21, 2015

COMMUNICATION FROM THE CITY MANAGER REGARDING  
PRELIMINARY TERMS OF AGREEMENT WITH 219 EAST GRAND, LLC, FOR  
DEVELOPMENT OF THE CITY-OWNED PARKING LOT EAST OF CITY HALL

WHEREAS, the City of Des Moines owns the surface parking lots east of City Hall, bordered by East Grand Avenue, East Locust Street, and East Second Street, and currently used for City employee parking and leased to Embassy Suites for parking purposes; and

WHEREAS, on June 22, 2015, by Roll Call No. 15-1088, the City Council received a report from the City Manager regarding a proposal by 219 East Grand, LLC (Jake Christensen and Tim Rypma, officers) regarding a phased development proposal for the City-owned parking lots, which may include housing, retail, and office components, and structured parking for current and planned redevelopment needs, all as more specifically described in Council Communication No. 15-318; and,

WHEREAS, on June 22, 2015, by said Roll Call No. 15-1088, the City Council selected 219 East Grand, LLC, as the preferred developer for the City-owned parking lots, and directed the City Manager or his designee to work with 219 East Grand, LLC, regarding programming, design and financial proposals for such development, and to submit to the City Council preliminary terms of agreement for this proposal or to take other appropriate action by no later than December 31, 2015; and,

WHEREAS, the Office of Economic Development has negotiated preliminary terms of agreement with 219 East Grand, LLC, for the redevelopment of the City-owned parking lots with three phases of development as follows:

- Phase 1 to be the construction of a 5-story parking garage containing approximately 535 parking spaces fronting on E. 2nd Street midway between E. Grand Avenue and E. Locust Street, to be acquired by the City for public use pursuant to a Lease Purchase Agreement;
- Phases 2 and 3 to be the construction of two buildings along Grand Avenue and Locust Street, each having a minimum floorplate of 14,000 square feet, a minimum height of 4 stories, with 75% of the 1st floor used for retail or restaurant uses, with residential or commercial uses above, and having a combined total of at least 28,000 square feet of office use;

all to be designed and constructed in conformance with a City approved Conceptual Development Plan as more specifically described in the accompanying Council Communication.

Date December 21, 2015

MOVED by \_\_\_\_\_ to approve the preliminary terms of agreement as set forth in the accompanying Council Communication, and to direct the City Manager or his designee to negotiate final terms of agreement for future consideration by the City Council.

FORM APPROVED:

*Roger K. Brown*

Roger K. Brown, Assistant City Attorney

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COUNCIL ACTION	YEAS	NAYS	PASS	ABSENT
COWNIE				
COLEMAN				
GATTO				
GRAY				
HENSLEY				
MAHAFFEY				
MOORE				
TOTAL				

MOTION CARRIED

APPROVED

Mayor

**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.

City Clerk