

Date October 7, 2024

**HEARING FOR APPROVAL OF A COMMERCIAL LEASE AGREEMENT WITH PANOM & SONS LLC D/B/A BLU THAI FOOD AND SUSHI FOR USE OF SUITE 309 FOR RESTAURANT PURPOSES LOCATED IN CITY-OWNED PROPERTY AT THE T.M. FRANKLIN COWNIE CITY ADMINISTRATION BUILDING LOCATED AT 1200 LOCUST STREET**

**WHEREAS**, Nationwide Mutual Insurance Company, an Ohio mutual insurance company and Panom & Sons LLC d/b/a Blu Thai Food and Sushi ("Lessee") entered into a Lease Agreement, dated November 1, 2021, for the lease of certain real property located at 1200 Locust Street; and

**WHEREAS**, Lessee is prohibited from service or consumption of alcoholic beverages under the lease with Nationwide Mutual Insurance Company; and

**WHEREAS**, City has acquired ownership of said property, hereinafter legally described; and

**WHEREAS**, such lease between Nationwide Mutual Insurance Company and Lessee was assigned to the City; and

**WHEREAS**, the City's Real Estate Division has negotiated a new Lease Agreement with Lessee, for lease of Suite 309 located in City-owned property at the T.M. Franklin Cownie City Administration Building located at 1200 Locust Street (hereinafter Leased Premises), which Agreement will include, among other terms, a five-year lease term, a monthly rent payment of \$2,400.00 and additional consideration including the following:

- A) In addition to rent, the Lessee shall pay the Lessee's proportionate share of Real Estate Taxes as computed by the county assessor and identified on the Auditor's page as Building on lease land (district parcel ID – 020/32404-362-901);
- B) Lessee shall furnish and pay, at its sole expense, for all charges and connection costs relating to gas, electricity, water, heating, air conditioning, steam, telephone or television, and any other utilities used by the Lessee, including all assessments relating thereto, to the persons, firms or corporations furnishing the same during the Term of this lease, and Lessee agrees to comply with all rules, regulations and requirements of such persons, firms or corporations furnishing utilities and the laws and ordinances applicable thereto. Lessee shall further be responsible for payment of any utility bills that accrue during Lessee's use of the Leased Premises prior to termination of this Lease Agreement that are billed during such termination;
- C) Lessee shall use the Leased Premises solely for the purpose of a restaurant primarily serving Thai food, which may include the service or consumption of alcoholic beverages, subject to the issuance of all required permits and/or licenses by City;

which amounts reflect the fair market value of the leased area as determined by the City's Real Estate Division; and

Date October 7, 2024

WHEREAS, the City will not be inconvenienced by the lease of said property; and

WHEREAS, on September 16, 2024, by Roll Call No. 24-1246, it was duly resolved by the City Council of the City of Des Moines, Iowa, that the proposed approval of commercial lease agreement with Panom & Sons LLC d/b/a Blu Thai Food and Sushi for use of Suite 309 for restaurant purposes located in City-owned property at 1200 Locust Street be set for hearing on October 7, 2024, at 5:00 p.m., in the City Council Chambers, City Hall, 400 Robert D. Ray Drive, Des Moines, Iowa; and

WHEREAS, due notice of said proposal was given to all necessary parties as provided by law, setting forth the time and place for hearing on said proposal; and

WHEREAS, in accordance with City Council direction, those interested in the proposed commercial lease, both for and against, have been given an opportunity to be heard with respect thereto and have presented their views to the City Council.

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

- 1. The City of Des Moines, Iowa, is the owner of property, locally known as the T.M. Franklin Cownie City Administration Building located at 1200 Locust Street, and legally described below:

LOTS 1, 2, 3, 4, AND 5 AND THE EAST 30.91 FEET OF LOT 6, BLOCK 2, ALLEN'S ADDITION, AN OFFICIAL PLAT; BLOCK 28, CAMPBELL & MCMULLEN'S ADDITION, AN OFFICAL PLAT; BLOCK 28, KEENE & POINDEXTER'S ADDITION, AN OFFICAL PLAT AND INTERIOR VACATED ALLEY, ALL NOW INCLUDED IN AND FORMING A PART OF THE CITY OF DES MOINES, POLK COUNTY, IOWA.

AND

THE EAST 2 FEET OF VACATED 13TH STREET BETWEEN LOCUST AND WALNUT STREETS; THE WEST 2.0 FEET OF THE EAST 32.91 FEET OF LOT 6, BLOCK 2, ALLEN'S ADDITION, AN OFFICAL PLAT; ALL THE EAST/WEST ALLEY RIGHT-OF-WAY LYING SOUTH OF AND ADJOINING THE WEST 2.0 FEET OF THE EAST 32.91 FEET OF SAID LOT 6; AND THE EAST 2.0 FEET OF THAT PART OF VACATED 13TH STREET RIGHT-OF-WAY LYING WEST OF AND ADJOINING LOT 4, BLOCK 28, KEENE AND POINDEXTER'S ADDITION, AN OFFICAL PLAT, ALL NOW INCLUDED IN AND FORMING A PART OF THE CITY OF DES MOINES, POLK COUNTY, IOWA.

- 2. Upon due consideration of the facts and statements of interested persons, any and all objections to the commercial lease of Suite 309 for restaurant purposes located in the T.M. Franklin Cownie City Administration Building at 1200 Locust Street, as described herein, are hereby overruled and the hearing is closed.

City hereby leases to Lessee, Suite 309 ("Leased Premises") in the following described premises, locally known as the T.M. Franklin Cownie City Administration Building located at 1200 Locust Street, and situated in the City of Des Moines, Polk County, Iowa, to wit:

Date October 7, 2024

LOTS 1, 2, 3, 4, AND 5 AND THE EAST 30.91 FEET OF LOT 6, BLOCK 2, ALLEN'S ADDITION, AN OFFICIAL PLAT; BLOCK 28, CAMPBELL & MCMULLEN'S ADDITION, AN OFFICAL PLAT; BLOCK 28, KEENE & POINDEXTER'S ADDITION, AN OFFICAL PLAT AND INTERIOR VACATED ALLEY, ALL NOW INCLUDED IN AND FORMING A PART OF THE CITY OF DES MOINES, POLK COUNTY, IOWA.

AND

THE EAST 2 FEET OF VACATED 13<sup>TH</sup> STREET BETWEEN LOCUST AND WALNUT STREETS: THE WEST 2.0 FEET OF THE EAST 32.91 FEET OF LOT 6, BLOCK 2, ALLEN'S ADDITION, AN OFFICAL PLAT; ALL THE EAST/WEST ALLEY RIGHT-OF-WAY LYING SOUTH OF AND ADJOINING THE WEST 2.0 FEET OF THE EAST 32.91 FEET OF SAID LOT 6; AND THE EAST 2.0 FEET OF THAT PART OF VACATED 13TH STREET RIGHT-OF-WAY LYING WEST OF AND ADJOINING LOT 4, BLOCK 28, KEENE AND POINDEXTER'S ADDITION, AN OFFICAL PLAT, ALL NOW INCLUDED IN AND FORMING A PART OF THE CITY OF DES MOINES, POLK COUNTY, IOWA.

locally known as 309 13<sup>th</sup> Street, Des Moines, Iowa. The Leased Premises shall only comprise of approximately 2,125 rentable square feet of floor space of Suite 309 and does not include any other portion of 1200 Locust Street, Des Moines, Iowa.

3. The proposed commercial lease of Suite 309 for restaurant purposes located in City-owned property the T.M. Franklin Cownie City Administration Building located at 1200 Locust Street, as legally described above, to Panom & Sons d/b/a Blu Thai Food and Sushi for \$2,400.00 a month and additional consideration, is hereby approved.
4. The Mayor is authorized and directed to sign the Lease Agreement as identified above, and the City Clerk is authorized and directed to attest to the Mayor's signature.
5. The City Clerk is authorized and directed to forward the original of the Lease Agreement, together with a certified copy of this resolution and of the affidavit of publication of the notice of this hearing, to the Real Estate Division of the Engineering Department for the purpose of causing said documents to be recorded.
6. The Real Estate Division Manager is authorized and directed to forward the original of the Lease Agreement, together with a certified copy of this resolution and of the affidavit of publication of the notice of this hearing, to the Polk County Recorder's Office for the purpose of causing these documents to be recorded.
7. Upon receipt of the recorded documents back from the Polk County Recorder, the Real Estate Division Manager shall mail the original of the Lease Agreement and a copy of the other documents to the Lessee.
8. Non-project related land sale and lease proceeds are used to support general operating budget expenses: Org – EG061074.

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**Date** October 7, 2024

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

APPROVED AS TO FORM:

/s/ Mackenzie L. Moreno  
 Mackenzie L. Moreno, Assistant City Attorney

COUNCIL ACTION	YEAS	NAYS	PASS	ABSENT
BOESEN				
SIMONSON				
VOSS				
COLEMAN				
WESTERGAARD				
MANDELBAUM				
GATTO				
TOTAL				
MOTION CARRIED			APPROVED	

**CERTIFICATE**

I, Laura Baumgartner, 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.

\_\_\_\_\_  
 Mayor

\_\_\_\_\_  
 Laura Baumgartner, City Clerk

