

★ Roll Call Number

10-1168

Agenda Item Number

42

Date July 12, 2010

**COMMUNICATION FROM THE CITY MANAGER REGARDING  
THE PURCHASE OF THE YWCA PROPERTY**

WHEREAS, on June 14, 2010, by Roll Call No. 10-992, the City Council approved the voluntary acquisition of the property at 717 Grand Avenue owned by the Young Women's Christian Association (the "YWCA"), and the property at 517 8th Street owned by the Estate of Charles W. Rogg, for assembly with the City's adjoining 7th and Grand Parking Garage property; and,

WHEREAS, Roll Call No. 10-992 further provides "that the City Manager and Real Estate Division Manager shall not close on the purchase of the properties without further approval by the City Council"; and,

WHEREAS, the agreements for the City's purchase of these properties give the City an option to terminate the agreements prior to closing if the results or findings of the City's inspection of the properties "are not satisfactory to the City for any reason;" and,

WHEREAS, the research and inspection of the YWCA building and the associated Skywalk Corridors by the City's staff and consultants has revealed information that has caused the estimated costs for operation, maintenance and demolition of the facility to increase substantially above that originally expected; and,

WHEREAS, on June 28, 2010, by Roll Call No. 10-1093, the City Council accepted and approved an offer from the YWCA to extend the due diligence period and closing date to July 14, 2010; and,

WHEREAS, the City Manager has negotiated a preliminary agreement, subject to final approval by the City Council and the YWCA Board of Directors, for a further extension of the due diligence period and closing date to August 16, 2010, to allow further discussions between the City, YWCA and other interested parties; IT IS THEREFORE,

( continued )



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MOVED, by Hensley, to approve an extension of the due diligence period and closing date to August 16, 2010 as described above; to direct that the City Manager report back to the City Council at its meeting on August 9, 2010, regarding the status of the YWCA property; and, in the event such extension is not approved by the YWCA Board of Directors, to authorize and direct the City Manager to exercise the City's right to terminate the agreement.

FORM APPROVED:

Roger K Brown

Roger K. Brown

Assistant City Attorney

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COUNCIL ACTION	YEAS	NAYS	PASS	ABSENT
COWNIE	✓			
COLEMAN	✓			
GRIESS	✓			
HENSLEY	✓			
MAHAFFEY	✓			
MEYER	✓			
MOORE	✓			
TOTAL	7			

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.

T. M. Franklin Council Mayor

Diane Rauh City Clerk