

**OFFICE OF THE CITY MANAGER
DES MOINES, IOWA**

**CITY COUNCIL COMMUNICATION 97-098
FEBRUARY 24, 1997 AGENDA**

SUBJECT:	TYPE:	SUBMITTED BY:
THE GRAHAM GROUP PARKING LEASE	◆ RESOLUTION ORDINANCE RECEIVE/FILE	RICHARD CLARK DEPUTY CITY MANAGER

SYNOPSIS —

Staff has negotiated a parking agreement with The Graham Group, Inc. (George Milligan, President). The parking agreement grants to Graham the right to use 150 parking spaces on the uppermost parking levels of the City parking garage located at Ninth and Locust. The rental rate for these parking spaces will be equal to the prevailing parking rate at the facility. The term of the agreement is 20 years; however, after ten years, the City may relocate the 150 spaces to the Park and Ride Project now under development. This parking agreement would fulfill the City's intention to make 150 parking spaces available to Graham as part of the new Equitable of Iowa Building Project which is located on the north side of Locust between Ninth and Tenth. (The Graham Group is the developer/owner of the new Equitable Building.)

In conjunction with this proposed parking agreement for spaces at the Ninth and Court Parking Garage, The Graham Group has also tentatively agreed to lease 150 parking spaces in the proposed Park and Ride Project upon its completion (see attached letter from George Milligan dated January 28, 1997).

FISCAL IMPACT —

The proposed parking agreement with Graham will help ensure full occupancy of the City's Ninth and Locust Parking Garage and should, therefore, positively affect parking revenues. The parking agreement stipulates that Graham will pay the prevailing parking rate.

RECOMMENDATION —

Approval.

THE GRAHAM GROUP, INC.

500 LOCUST STREET
DES MOINES, IOWA 50309

REAL ESTATE
DEVELOPMENT
PROPERTY MANAGEMENT
AND SALES
INTERIOR DESIGN
INVESTMENTS
GENERAL CONTRACTING

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January 28, 1997

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Mr. Rick Clark
Deputy City Manager
City of Des Moines
East First & Locust
Des Moines, IA 50309

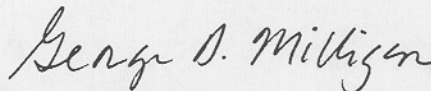
Re: Park & Ride Facility

Dear Rick:

You have asked The Graham Group, Inc. to assist you in leasing the parking spaces in the pending Park & Ride facility recently approved by the City of Des Moines.

This subject has been discussed by the officers of The Graham Group, Inc. ("Graham") and we are willing to make the following undertaking, subject to negotiation of a satisfactory lease and subject to execution of a satisfactory Parking License Agreement with the City for 150 parking areas in the City's ramp at 9th & Grand: The Graham Group, Inc. will rent 150 spaces in the initial Park & Ride Facility for five (5) years for \$45.00/month per space. In the event that in the future the City raises its rental rate to reflect increased operating costs, Graham's rate will also increase (the nature of the cost increases which will justify a higher rental rate to be defined by the parties). Graham will have the right to sublease, but will remain responsible to the City for lease payments. Graham and the sublessors will have use of the shuttle service without additional cost.

Sincerely,



George D. Milligan
President