

Meeting Agendas/Info

**CITY COUNCIL
COMMUNICATION:**

REVISED

01-426

ITEM _____

AGENDA:

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

AUGUST 6, 2001

SYNOPSIS -

SUBJECT:

**MASONIC TEMPLE
RESTORATION
PROJECT**

Mr. Harry Bookey is the Managing Member of Downtown Preservation Partners, LLC, and is the selected developer for the Masonic Temple restoration project. Mr. Bookey has sent a letter to the City dated August 2, 2001 (copy attached) describing how the AIB building may impact the Masonic Temple project. Although progress is being made and the financing looks favorable, the project is far from certain. Further, Mr. Bookey reports that some funding for the Masonic Temple may be withheld in large part because of the AIB building. Moreover, Mr. Bookey's current agreement with the Masons required a final decision to purchase the Temple by August 1, 2001. Council's prior decision to provide 90 days to Tim Urban and others for the AIB extends the decision date to September 16, 2001, well beyond the date established in Mr. Bookey's agreement with the Masons. In discussions with Bill Lillis, attorney for the Masons, it was determined that an extension for a decision on the purchase of the Temple by Mr. Bookey to not later than September 11, 2001, would be acceptable. To accommodate this schedule, it is necessary to advance the schedule for the AIB proposals to August 20, and to September 10 for a final Council decision on the AIB.

TYPE:

**RESOLUTION
ORDINANCE
RECEIVE/FILE**

SUBMITTED BY:

**ERIC A. ANDERSON
CITY MANAGER**

It is important to note that at least some of the discomfort with the efforts to save the AIB building arises from the fact that the Western Gateway Plan, adopted after considerable public review and comment by the general public and impacted stakeholders, calls for the AIB building to be demolished.

FISCAL IMPACT -

Because of the AIB building, the Masonic Temple restoration project could fail to raise well over \$500,000 in private funding currently identified for the project. If this money is lost, it would have to be made up from other sources, or alternatively, the building would need

to be demolished because the restoration project would have become financially infeasible.

RECOMMENDATION -

I recommend that Council reduce the period of time for potential developers to submit preliminary development proposals to the City from 90 days to 63 days. This means that proposals for the AIB building would be due to the Office of Economic Development by not later than August 20, 2001. The proposal(s) could be evaluated and a recommendation submitted to Council at the regular Council meeting on September 10, 2001. This expedited schedule will allow Mr. Bookey to proceed forward with the project, acquire the building from the Masons, and complete the necessary pre-development activities so that construction can begin as soon as possible. It is also recommended that the Council authorize the City Manager to negotiate an agreement with Mr. Bookey to purchase the Masonic Temple in the event that Mr. Bookey cannot finalize his contract with the City and arrange the needed financing after he has purchased the property.

BACKGROUND -

On March 26, 2001, the Council selected Downtown Preservation Partners, LLC as the developer for the Masonic Temple. Downtown Preservation Partners has made good progress in working with the Masons to acquire the property, leasing space in the building, and identifying financing sources. There is much work remaining. Every effort will be required by both the developer and the City to ensure the project is completed (at least on the exterior) by December 2002.

Attachment
