

**CITY COUNCIL
COMMUNICATION:**

ITEM _____

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

02-419

SYNOPSIS -

AGENDA:

AUGUST 5, 2002

SUBJECT:

SET DATE OF
HEARING ON
PROPOSED
VACATION AND
LEASE OF PUBLIC
RIGHTS-OF-WAY TO
DOWNTOWN
PRESERVATION
PARTNERS, L.L.C.

On the August 5, 2002 Council agenda is a roll call to set the date of public hearing for the August 19th Council meeting and authorize publication of a newspaper notice of the City's intent to vacate and lease a portion of 10th Street between Locust Street and Grand Avenue, and to lease a portion of the north/south alley located immediately west of Masonic Temple, 1011 Locust, to the developer of the Masonic Temple. (Downtown Preservation Partners, L.L.C., BH Temple, Inc., and The Temple Partners, L.P. are the joint developer of the project.) Also on the August 5, 2002 Council agenda is a roll call to set the date of public hearing for the August 19th Council meeting for the short-term lease of the parking lot directly northwest of the Masonic Temple to the developer of the Masonic Temple.

TYPE:

BH Temple, Inc. acquired the Masonic Temple. BH Temple, Inc. is the sole manager of Downtown Preservation Partners, L.L.C. (DPP). BH Temple, Inc. will, before the property is "placed in service," transfer the property to DPP. DPP will, in turn, transfer the property to the Temple Partners, L.P. Harry Bookey (400 Locust, Des Moines) is the Managing Partner of DPP.

RESOLUTION
ORDINANCE
RECEIVE/FILE

The vacation and leases allow Masonic Temple to create outdoor seating areas for use by restaurant and café patrons.

SUBMITTED BY:

RICHARD CLARK
DEPUTY CITY
MANAGER

These actions are in conformance with the City's development agreement with the developer. Several amendments to the development agreement are also being prepared for Council's consideration on August 19, 2002.

FISCAL IMPACT -

The Sidewalk Café Lease Agreement (10th Street) is for a term of five years at an annual lease rate of \$1,000. The Outdoor Patio and Café Lease Agreement (west side of the building) is for a term of five years at an annual lease rate of \$1,356. Both leases contain a five-year

extension option. The term of the parking lot lease is September 1, 2002 - February 28, 2003 at a monthly rate of \$1,000. The vacation and leases will not alter the City's obligations for sidewalk and streetscape improvements as specified in the development agreement. The developer is responsible for installing patio improvements on both the east and the west.

RECOMMENDATION -

Approval.

BACKGROUND -

On January 28, 2002, by Roll Call No. 02-291, the Council approved the development agreement for the construction of rehabilitation of Masonic Temple. The developer will rehabilitate the structure into a cultural and performing arts center. Supporting these activities will be first floor retail uses. To strengthen the draw of the restaurant and café, the developer has designed outdoor seating areas for the east and west sides of the building.
