



Agenda Item:

40

COUNCIL COMMUNICATION

City Manager's Office

GENERAL INFORMATION

Agenda Date: 08/23/2004

Communication No.:

04-410

Agenda Item Type: Resolution

Roll Call

No.:

Submitted by: William McCarthy, Chief of Police

SUBJECT—

Jann Realty Subordination Non-Disturbance and Attornment Agreement and Estoppel Certificate.

SYNOPSIS—

The City of Des Moines, Iowa is a Lessee at 1901 Bell Avenue. The owners of the property are refinancing the mortgage on this building and require documentation stating that the City of Des Moines is leasing space from Jann Realty and is now aware the mortgage company is Manufacturers and Traders Trust Company One M&T Plaza, Buffalo, New York, 14203. for the Mayor to sign the agreement on behalf of the City Council

FISCAL IMPACT—

There will be no changes in respect to the City's Lease.

RECOMMENDATION—

Approval

BACKGROUND—

In December 1995, the City of Des Moines contracted with Jann Realty to lease storage space for use by the Police Department. The City Council approved said lease on December 4, 1995 (Roll Call 95-4554). This lease was renewed on June 5, 2000 (Roll Call 00-1673) and terminates on June 30, 2005.

The owners of the property desire to refinance the mortgage associated with this property. The Mortgage holder in this matter is Manufacturers and Traders Trust Company, One M&T Plaza Buffalo, New York, 14203. The mortgage company desires that Jann Realty compile a Declaration of Subordination Non-Disturbance and Attornment Agreement and Estoppel Certificate from each of its lessees. This agreement is the method adopted by the mortgage company to confirm the number and identity of each lessee and to notify lessee's of the landlord's intention to mortgage the building.

The mortgage company has requested the Mayor's signature on this agreement and City Council approval. This agreement ensures the current contract agreement with the City remains in effect until termination.