

Date December 7, 2020

RESOLUTION APPROVING FORM AND AUTHORIZING EXECUTION OF A SHORT-TERM LEASE WITH U.S.S. HUSMANN, L.L.C. FOR THE RENTAL OF WAREHOUSE SPACE AT 301 SE 8TH STREET FOR TEMPORARY USE BY THE PUBLIC WORKS DEPARTMENT

WHEREAS, it is deemed necessary and advisable that the City of Des Moines, Iowa (“City”), should enter in to a short-term Lease Agreement for the rental of warehouse space located at 301 SE 8th Street, for temporary use by the Public Works Department until the Municipal Services Center Phase 2 project is completed, as authorized by Sections 364.4(4) and 384.25 of the Iowa Code, as amended; and

WHEREAS, pursuant to notice published as required by Sections 364.4 and 384.25 of the Iowa Code, this City Council held a public meeting and hearing upon the proposal to institute proceedings for the authorization of said Lease Agreement for such purpose, and this City Council is therefore now authorized to proceed with the authorization of said Lease Agreement; and

WHEREAS, the terms of the Lease Agreement by and between the City and U.S.S. HUSMANN, L.L.C., pursuant to which the City would lease said real estate, have been negotiated and are set forth as follows:

1. Possession of the premises will be given to the City on January 1, 2021.
2. The initial lease term shall be twenty one (21) months.
3. The premises contain a total of 20,800 square feet.
4. The City shall pay an estimated total of \$194,966.80 for the initial term of the Lease Agreement, as follows:
 - a) \$10,401 for the first three (3) months of the Lease Agreement,
 - b) \$117,000 for months four through twenty one (4-21) of the Lease Agreement, and
 - c) \$67,565.80 total estimated proportionate share of utilities and building expenses for the entire initial twenty one (21) month lease term.
5. Upon giving at least ninety (90) days notice prior to the expiration of the initial lease term, the City shall have the right to extend the Lease Agreement on a month-to-month basis for up to an additional six (6) month period at a monthly rental cost of \$7,800 for base rent, plus an estimated \$3,217.42 monthly for the City’s proportionate share of utilities and building expenses; and

WHEREAS, a copy of the proposed Lease Agreement is on file in the office of the City Clerk; and

WHEREAS, the Lease Agreement shall be payable solely out of the City’s General Fund.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Des Moines, Iowa:

Section 1. Authority and Purpose. The Lease Agreement authorized by this resolution and related documents between the City of Des Moines, Iowa, and U.S.S. HUSMANN, L.L.C. for the rental of 301 SE 8th Street, for temporary use by the Public Works Department for equipment storage, said Lease Agreement to be for approximately a twenty one (21) month period, and said Lease Agreement calls for



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payment in the estimated amount of \$194,966.80, payable in monthly installments on a graduated basis, shall be issued pursuant to Sections 364.4 and 384.25 of the Code of Iowa, and in compliance with all applicable provisions of the Constitution and laws of the State of Iowa. The Lease Agreement and related documents are hereby authorized to be issued in a form in accordance with the terms of this resolution.

Section 2. Execution. The Mayor is authorized and directed to sign the Lease Agreement, and the City Clerk is authorized and directed to attest to the Mayor's signature, and shall forward the original of the Lease Agreement, together with a certified copy of this resolution and of the affidavit of publication of the notice of this hearing, to the Real Estate Division of the Engineering Department.

Section 3. Source of Payment. Rental payments due under the Lease Agreement shall be payable solely out of the City's General Fund and the Finance Director is hereby authorized to pay all future payments due under the Lease Agreement.

Section 4. Administration of Lease Terms, Amendments. The City Manager, or his designee, is authorized to administer the terms of the Lease Agreement and to sign any minor and non-substantial amendments to the Lease Agreement.

(Council Communication No. 20- 529)

Moved by _____ to adopt.

APPROVED AS TO FORM:

[Signature]
Lisa A. Wieland, Assistant City Attorney

Table with 5 columns: COUNCIL ACTION, YEAS, NAYS, PASS, ABSENT. Rows include COWNIE, BOESEN, GATTO, GRAY, MANDELBAUM, VOSS, WESTERGAARD, TOTAL, MOTION CARRIED.

CERTIFICATE

I, P. Kay Cmelik, 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.

Mayor

City Clerk