



Request for City Council Committee Action from the Department of Finance

Date: June 26, 2008
To: Ways and Means/Budget Committee
Referral to: None

Subject: Sale of Washington and 10th Parking Ramp – Prepayment of obligation

Recommendation: Amend settlement agreement with Ames & Fischer Co. II, LLP to allow prepayment of \$2.6 million obligation due September 15, 2010 on or before August 1, 2008 in an amount not less than \$2.43 million.

Previous Directives:

5/25/07 City Council adopts sale of 10th & Washington Ramp to Ames & Fischer Co. II, LLP

Prepared by: Patrick Born, CFO

Approved by: _____, Steven Bosacker, City Coordinator

_____. Patrick Born, CFO

Presenters in Committee: Patrick Born, CFO

Reviews

- Permanent Review Committee (PRC): Approval ___ Date _____
- Civil Rights Approval Approval ___ Date _____
- Policy Review Group (PRG): Approval ___ Date _____

Financial Impact

- No financial impact
- Action requires an appropriation increase to the ___ Capital Budget or ___ Operating Budget
- Action provides increased revenue for appropriation increase
- Action requires use of contingency or reserves
- Action is within the Business Plan
- Action requires a change to the Business Plan
- Other financial impact
- Request provided to the Finance Department when provided to the Committee Coordinator

Community Impact

- Neighborhood Notification

- City Goals
- Comprehensive Plan
- Zoning Code
- Other

Supporting Information

In 2007 the City and Ames & Fischer settled a lawsuit relating to the City's parking ramp at 10th and Washington Avenue. As part of the settlement Ames & Fischer agreed to pay the City \$2.6 million on September 15, 2010. Ames & Fischer approached the City recently with an offer to prepay this obligation. Negotiations ensued, and the Finance department now proposes to allow Ames & Fischer to prepay this obligation at a discounted amount of not less than \$2.43 million. This amount, if invested at current market rates of return in authorized investments to September 15, 2010 would exceed the amount due of \$2.6 million. For this reason the proposed prepayment is considered to be in the City's interest and is recommended for approval.