



Agenda Item:

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## COUNCIL COMMUNICATION City Manager's Office

### GENERAL INFORMATION

Agenda Date: 08/09/04

Communication

No.: 04-404

Agenda Item Type: Resolution

Roll Call No.:

Submitted by: Eric A. Anderson, City Manager

### SUBJECT—

Approval of an agreement between the City of Des Moines and Principal Life Insurance Company, Principal Financial Group Foundation, Inc. and Greater Des Moines Baseball Co. in which the Foundation will donate \$2,500,000 to the City for the design and construction of improvements to Sec Taylor Stadium and the City and GDMB will agree to rename the stadium the "Principal Park." The Stadium's playing field will be designated "Sec Taylor Field."

### SYNOPSIS—

Approval of an agreement that provides for a donation of \$2.5 million to improve Sec Taylor Stadium, and to rename the stadium "Principal Park." The term of the agreement expires on December 31, 2017. Pursuant to the agreement, the City shall contract for the design and construction of the improvements. Construction plans shall be approved by the City Council, the Foundation, and GDMB. The City shall solicit competitive construction bids as required by the Code of Iowa. Also, the parties agree that the architect for the project shall be HOK. The agreement does not require the City to provide additional funding for design and construction of the improvements. (Note below that the City would accelerate funding in the adopted CIP currently allocated for Sec Taylor improvements that would add to the \$2.5 million in private funds.)

In addition to approving the agreement, Council is also asked to authorize staff to prepare a Stadium Lease Agreement amendment and to initiate other actions necessary to move the project forward. These actions are outlined below and will come back to Council for formal approval as soon as possible:

1. Acceleration of approved CIP funds currently allocated for Sec Taylor improvements in the amount of \$1 million for improvements to stadium seating;
2. Approving expansion of the stadium valued at approximately \$3.5-4.0 million dollars;
3. Ten year extension of the Lease, with an additional 5 year option;
4. Elimination of \$250,000 of City of Des Moines capital expense for annual improvements to the stadium;
5. An agreement with Greater Des Moines Baseball Co. (The Iowa Cubs) to maintain the riverfront and trail from MLK, Jr. Parkway to 5<sup>th</sup> Street, from the stadium to the rivers' edge;
6. Amend the Lease to allow the name change to "Principal Park."

**FISCAL IMPACT—**

Improvements to the stadium will amount to about \$3.5 to 4.0 million. Capital expenditures in the current CIP of \$1 million will be accelerated from FY07 to FY06. Additional capital expenditures, also budgeted in the CIP, of \$ 50,000 a year for the next 5 years will be eliminated. Maintenance costs of the Riverwalk and the Meredith Trail in the area of the stadium indicated above will be avoided. This is estimated to save between \$60,000 to \$100,000 a year of City expense.

**RECOMMENDATION—**

Approval

**BACKGROUND—**

As part of the overall improvement of the riverfronts, including the construction of the Riverwalk and the Meredith Trail, discussions between representatives of Principal Financial and the Greater Des Moines Baseball Co. (The Iowa Cubs) were initiated with the purposes of renaming the stadium; expanding it with a variety of improvements; including additional seating, and integrating it into the improvements of the Riverwalk and the Meredith Trail. Further discussions with the City were required by the provisions of our lease with the Greater Des Moines Baseball Co. (The Iowa Cubs), since capital improvements require City Council approval. Furthermore, the Iowa Cubs requested an acceleration of planned capital expenditures by the City (for seating replacement) and an extension of the lease.