



Agenda Item:

4a, 4b

## COUNCIL COMMUNICATION City Manager's Office

### GENERAL INFORMATION

Agenda Date: 03/31/05  
05-177

Communication No.:

Agenda Item Type: Resolution  
No.:

Roll Call

Submitted by: Eric A. Anderson, City Manager

### SUBJECT—

Award the Principal Park Seating Expansion and Outfield Improvements and authorize the Finance Director to issue an additional \$1 million of TIF bonds in FY06 that were previously programmed for issuance in FY07.

### SYNOPSIS—

As a result of discussions between the City of Des Moines, Principal Life Insurance Co., and the Iowa Cubs, an additional \$2,000,000 has been added to the Principal Park Project. Based on the expanded budget, it is recommended to award the project and start design on the expanded elements for the project. In order to have funds available for this project, it will be necessary to sell an additional \$1 million of TIF bonds for the Riverwalk in FY06 rather than FY07 as previously programmed. This will not have a negative impact on the tax rate previously authorized for FY06.

### FISCAL IMPACT—

Originally, approximately \$3.5 million was planned for the Principal Park project with a \$1 million contribution from the City of Des Moines for seats. It is proposed that an additional portion of the City's funding for Riverwalk be used for Principal Park. The City's total contribution to the Riverwalk Project, including Principal Park, will not increase as a result of this action. A breakdown of the revised Principal Park funding is below.

▪ Principal Contribution:	\$2,500,000
▪ Existing City Contribution (Seats):	\$1,000,000
▪ City Contribution Allocated to the Riverwalk:	\$2,000,000
<b>Total</b>	<b>\$5,500,000</b>

Funds for the existing \$1,000,000 contribution are available in Principal Park Stadium Improvements, 542010, CP040, PKS990000, PKS132. The additional \$2,000,000 will come from bonds that are currently anticipated to be sold in FY06 and FY07 from the Principal Park Stadium Improvements in the CIP, CP040, PKS990000, PKS162. In order to have funding available for this project, this action would authorize the Finance Director to issue an additional \$1 million of TIF bonds in FY06 that were previously programmed for issuance in FY07. This early sale will not impact the certified tax rate.

**RECOMMENDATION—**

Approval

**BACKGROUND—**

Four bids were received March 1, 2005. These bids were received and filed by Council on March 7, 2005 by Roll Call No. 05-534. In order to stay within budget, the City would need to accept all the deduct alternates included in the project. This would result in a project scope that does not provide an acceptable finished project for either the City or the Greater Des Moines Baseball Co.

The City of Des Moines previously committed \$3 million to the Riverwalk Project. Because Principal Park is an essential piece of the Riverwalk, Libby Jacobs from Principal Insurance and Michael Gartner from the Greater Des Moines Baseball Co. have agreed that the \$2 million is an appropriate use for the Stadium in conjunction with the overall Riverwalk Project. The reprogramming of the \$2 million from the Riverwalk to the Principal Park Seating Expansion and Outfield Improvements will allow awarding of the total project as bid on March 1, 2005, and still allow for approximately \$1.4 million of additional improvements related to the stadium. The additional work will be designed to integrate into the existing project and Riverwalk.

The additional work will be accomplished in two parts. The first part will include items associated with the existing project, which will be change ordered into the awarded contract. The second part will include items not integral with the existing project, which will be bid as a separate project. The additional work will be coordinated with Iowa Cubs and Principal.