COUNCIL COMMUNICATION				
CITY OF DES MOINES OFFICE OF THE CITY MANAGER	Number:	21-063	Meeting:	February 8, 2021
	Agenda Item:	52	Roll Call:	[]
	Submitted by:	Benjamin R. Page, Park and Recreation Director		

## AGENDA HEADING:

Hold hearing on Third Amendment of Lease Agreement with South Des Moines Little League (SDMLL) for the James W. Cownie Baseball Park.

#### SYNOPSIS:

Hearing to amend and terminate the Lease Agreement with SDMLL for use of the James W. Cownie Baseball Park. On December 31, 2020 SDMLL ceased operations.

## FISCAL IMPACT:

<u>Amount</u>: SDMLL paid the City in calendar year 2020 lease payment of \$37,500. In previous years, SDMLL made an annual lease payment of \$70,000.

Funding Source: 2021 Operating Budget, Park and Recreation, Athletics, GE001 PK201263, page 166

#### **ADDITIONAL INFORMATION:**

- On March 28, 2005, by Roll Call No. 05-737, the Des Moines City Council entered into a 28E Agreement with Polk County and Greater Des Moines Community Foundation to provide for design, financing and construction of the James W. Cownie Baseball Park.
- The terms and conditions set forth in a 28E Agreement on April 9, 2007, included a provision for the City to enter into a Lease Agreement with the SDMLL for the use of this facility upon acceptance of the improvements by the City.
- Under the lease, SDMLL is required to pay \$70,000 annually as rental payment for the leased premise. SDMLL has notified the Parks and Recreation Department that it has ceased operation and desires to terminate the lease and will not make any lease payments for the term of lease beginning on January 1, 2021.
- SDMLL has further notified the Parks and Recreation Department that in 2020 the league lost expected revenue due to decreased use of fields as a result of COVID-19. SDMLL stated that it does not have the financial resources to make the current lease payment due for calendar year 2020 of \$70,000 and, after liquidation of its assets, is able to make lease payments of only \$37,500 to cover the rental payments due for 2020.

• City staff has negotiated a Third Amendment to the Lease Agreement with SDMLL in which termination of the lease will be effective December 31, 2020, and to accept the reduced rental payment of \$37,500, a copy of which is on file in the City Clerk's Office.

### **PREVIOUS COUNCIL ACTION(S):**

Date: January 25, 2021

Roll Call Number: 21-0096

<u>Action</u>: <u>On</u> Third Amendment to lease agreement with South Des Moines Little League for the James W. Cownie Baseball Park, (2-8-21). <u>(Council Communications No. 21-028)</u>. Moved by Boesen to adopt. Motion Carried 7-0.

## **BOARD/COMMISSION ACTION(S): NONE**

# ANTICIPATED ACTIONS AND FUTURE COMMITMENTS:

The City will assume programming and field rental oversight of James W. Cownie Baseball Park, which will continue to host tournaments, practices and league games.

For more information on this and other agenda items, please call the City Clerk's Office at 515-283-4209 or visit the Clerk's Office on the first floor of City Hall, 400 Robert D Ray Drive. Council agendas are available to the public at the City Clerk's Office on Thursday afternoon preceding Monday's Council meeting. Citizens can also request to receive meeting notices and agendas by email by calling the Clerk's Office or sending their request via email to cityclerk@dmgov.org.