


## COUNCIL COMMUNICATION

	Number:	<b>21-463</b>	Meeting:	<b>November 1, 2021</b>
	Agenda Item:	<b>28</b>	Roll Call:	<b>21-1662</b>
	Submitted by:	<b>Benjamin R. Page, Park and Recreation Director</b>		

### AGENDA HEADING:

Setting date of hearing on the amended lease for the Botanical Center, approval of the amended Urban Renewal Development Agreement and termination of the maintenance agreement and 28E agreement with the River Front Development Authority (RDA).

### SYNOPSIS:

Staff recommends approval of the Third Amendment to the Botanical Center Lease and Operation, Management, and Maintenance Agreement with the Greater Des Moines Botanical Garden (GDMBG) that includes a Master Plan Refresh, new lease boundaries that will include transferring all previous responsibilities from the RDA regarding the Robert D. Ray Asian Garden (RDRAG) to the GDMBG and dissolving the current RDA Agreement for care and maintenance of the RDRAG. In addition, the RDA intends to dissolve as a non-profit corporation and requested that the 2005 28E Agreement with the City be terminated.

Since all property within the agreement remains City assets during the terms, staff also recommends approval of the Third Amendment and Restated Urban Renewal Development Agreement with the GDMBG that continues and extends previous financial grants and adding additional City investment in enhanced operations, management and maintenance via grant incentives based on significant financial investments from the GDMBG as building and expansion improvements are completed.

### FISCAL IMPACT:

Amount: The existing terms of the 2013 Development Agreement provided for a grant in the total amount of \$2 million to be paid over 10 years ending on June 1, 2023. The new terms under the Third Amendment and Restated Development Agreement provides for an additional \$2.5 million in grants and extends the grant payment schedule to June 1, 2030.

The Garden has focused its attention on the site Master Plan Refresh as a schematic design only with the end goal of receiving a solid cost estimate of construction and renovation. The range of costs for construction and renovation is \$17 million to \$23 million. To date, fundraising activities have not begun as the GDMBG awaits the City Council's consideration on the proposed Master Plan Refresh.

Funding Source: Tax Increment from the Metro Center Urban Renewal Area

**ADDITIONAL INFORMATION:**

- This action includes the request of the City Council to approve the GDMBG Master Plan Refresh. The GDMBG presented their proposed Master Plan Refresh on July 12, 2021, at a work session of the City Council to complete the next phase in its Vision 2012 site master plan approved by the Des Moines City Council in June 2012. The GDMBG proposes its site Master Plan Refresh, leveraging many of the features of Vision 2012 and transforming some of those features to be more engaging, educational and community facing. In addition, the GDMBG proposes improvements to some of its existing facilities to enable more riverfront connections, upgrades to the building to improve access and energy efficiencies and to the north gardens, Trellis Café, and a connection to the I-235 Pedestrian Bridge.
- Additionally, the RDA has negotiated an agreement with the GDMBG to take over all their current RDRAG responsibilities subject to the City Council approving the Third Amendment of the Lease and Operation, Management and Maintenance Agreement with the GDMBG. If approved, the RDA has requested dissolving their agreement with the City. The City responsibilities do not change and there are no City funding responsibilities associated with this proposed dissolution. Termination of the agreement with RDA is subject to City Council's approval of both the lease and the proposed grant.
- The 2005 28E agreement between the City and RDA was created for planning, constructing, and maintaining downtown Des Moines riverfront improvements. The related actions on this agenda effectively mark the conclusion of the 28E agreement's goals. At their October 12, 2021 meeting, the RDA Board of Directors voted to terminate the 28E agreement and dissolve the RDA.
- To date, the City has approved grants totaling \$1,600,000 (of an originally committed amount of \$2,000,000) and an additional Economic Development Grant of \$150,000, for constructing substantial additional capital improvements, including replacement of existing building systems, renovations, other replacements, and enhancements to building and structural components, and the timely construction and completion of expanded gardens and buildings by the GDMBG. Grant installments listed below are subject to the GDMBG satisfying terms and conditions. The \$2,900,000 Economic Development Grant includes the remaining \$400,000 from the initial grant and the additional \$2,500,000 grant to be payable in 18 semi-annual installments through June 1, 2030, and subject to a documented minimum investment of non-City funding to complete the Master Plan Refresh.
  - Installments #1 - # 6: \$1,100,000 of City grants based on non-City financing for completion of \$2,400,000 of GDMBG qualifying investment
  - Installments #7 - #12: \$1,200,000 of City grants based on a total of \$5,400,000 of GDMBG qualifying investment
  - Installments #13 - #16: \$450,000 of City grants based on a total of \$8,400,000 of GDMBG qualifying investment
  - Installments #17 - #18: \$150,000 of City grants based on a total of \$10,400,000 of GDMBG qualifying investment
- In 2008, the Des Moines Botanical and Environmental Center leaders and supporters envisioned a new future for the Botanical Center that would allow for its development and

resurgence as a major cultural and educational facility. To assist, EMD Consulting Group and Hoerr-Schardt Landscape Architects developed a proposed Vision Plan and strategy. The City provided \$30,000 towards the study (Roll Call No. 08-1270 on July 14, 2008) with the balance of \$60,000 being paid by the private sector. Upon receiving the proposed Vision Plan, the Friends of the Des Moines Botanical Center began work with the City Manager to develop guiding principles to implement the transfer of management and facility operations to the GDMBG.

- On May 9, 2011, by Roll Call No. 11-0822, the City Council approved a Lease, Operation, Management and Maintenance Agreement in which the GDMBG agreed to be responsible, at its cost, of \$7.5 million in improvements, including expanded gardens on the grounds of the Botanical Center by June 1, 2015. Furthermore, the City required an endowment of \$2,000,000 for operational expenses at the Botanical Center and grounds, and \$500,000 for construction related costs and operating costs during and immediately after construction as consideration for rent, for an initial period of 25 years, with two (2) 25-year renewal options. This lease was effective January 1, 2013, and included the 14-acre piece of property, reaching north towards the University Avenue Bridge, south to the I-235 overpass, east to the neighboring housing development, and west to the Des Moines River.
- To assist in the transfer becoming a long-term success, the City originally provided a \$2,000,000 grant funded over 10 years, to be paid in equal semi-annual installments. In addition to the City's support, annual operating support was secured through the Bravo Foundation of Greater Des Moines (BRAVO) of \$2,450,000 funded quarterly over a 10-year period and Des Moines Water Works of \$2,000,000 of in-kind operating support provided over a 10-year period.

#### DESCRIPTION OF LANDSCAPE RENOVATIONS:

- The bounds of the Plan Refresh will be fully defined once the capital campaign fundraising is complete. The intent is to have the Plan Refresh include a children's play and education areas, an amphitheater to complement other amphitheaters in the City, sand, rock and water education gardens, a canopy walk that will be handicapped accessible with areas for rest and respite on the journey to the University Avenue Bridge. Restoration of existing facilities are planned, including improving access from the conservatory to the north gardens, connection to the I-235 Pedestrian Bridge to the east of the property, and small elements of improvement to engage more with the riverfront.

#### LOW-IMPACT PRACTICES FOR THE LANDSCAPE:

- The Garden landscape will continue to incorporate practices that contribute to sustaining our ecosystems and environment. These modifications include, but are not limited to the following:
  - Native plantings along the Garden Entrance and Riverfront Bike Path
  - Bio-swale with native plantings, at south edge of parking lot
  - Parking island and perimeter planting to reduce urban heat island effects
  - Native plantings throughout the garden
  - Sustainable horticulture practices, where possible
  - Control and manage known invasive plants

- Composting of landscaping materials
- Protect floodway functions
- Future organic edibles gardens
- Future native Iowa woodland restoration, at north end of site
- Promote sustainability awareness and education

#### DESCRIPTION OF BUILDING RENOVATIONS:

- Plan Refresh propose improvements to the building to include improved access to Trellis Café to enable longer service hours, public entrance, and restrooms. Renovations are restricted to within the existing building footprint, with the exception of adding a more inviting main entrance and external entrance for the café. By way of the experience of the visitor, the lobby will be opened for café visitors to depart, engaging visitors with the gift shop. Entry to the outdoor gardens and meeting rooms will be via an expanded walkway through the conservatory.

#### ENERGY EFFICIENCY AND HIGH-PERFORMANCE COMPONENTS:

- Since 2015, the GDMBG has invested in numerous building modifications to enhance sustainability of the environment and manage the costs of maintenance and operating expenses. Following are enhancements that have been made.
  - Retrofitted the existing dome air handling units, including incorporation of motors with greater efficiency, to provide better air movement and reduce operating expenses.
  - HVAC controls replacement to improve monitoring of all aspects of heating and cooling mechanicals.
  - Eliminated the air gap at the base of the dome to reduce winter heating expenses.
  - Installation of lighting in the conservatory to improve safety and enable longer operating hours.
  - Added new lighting control systems in the conference room areas.

#### PREVIOUS COUNCIL ACTION(S):

Date: June 11, 2012

Roll Call Number: [12-0935](#)

Action: [Master Plan](#) by the Greater Des Moines Botanical Garden, for the Des Moines Botanical Center. ([Council Communication No. 12-298](#)) Moved by Mahaffey to adopt. Motion Carried 6-1. Nays: Moore.

#### BOARD/COMMISSION ACTION(S):

Board: Parks and Recreation Board

Date: April 27, 2021

Resolution Number: 21-028

Action: Motion by Potter to approve the Greater Des Moines Botanical Garden Master Plan. Second by Bollard. Motion carried.

Board: Urban Design Review

Date: March 23, 2021

Resolution Number: N/A

Action: A consensus of the members present recommend approval of the Master Plan Vision.

Board: Plan and Zoning Commission

Date: October 7, 2021

Resolution Number: N/A

Action: Motion by Boggus to approve requested amendment to the Plan DSM: Creating Our Tomorrow Plan to revise future land use classification and approval of the request to rezone the property. Motion carried 10-0.

#### **ANTICIPATED ACTIONS AND FUTURE COMMITMENTS:**

Hold hearing the amended lease for the Botanical Center, approval of the amended Urban Renewal Development Agreement and termination of the maintenance agreement with the RDA.

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