


COUNCIL COMMUNICATION

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|  CITY OF DES MOINES OFFICE OF THE CITY MANAGER | Number: | 22-003 | Meeting: | January 10, 2022 |
| | Agenda Item: | 44 | Roll Call: | 22-0061 |
| | Submitted by: | Benjamin R. Page, Park and Recreation Director | | |

AGENDA HEADING:

Hearing for proposed lease with Employers Mutual Casualty (EMC) Company for use of 701 Walnut Street as parkland.

SYNOPSIS:

Recommend approval of the proposed lease with EMC Company, an Iowa corporation, located at 717 Mulberry Street, Des Moines, Iowa 50309, for the use of 701 Walnut Street, Des Moines, Iowa 50309 as parkland.

FISCAL IMPACT:

Amount: Rent: \$140,650 over 10 years. Repairs and replacement cost up to \$25,000 per year. Minor miscellaneous utility, operations, and other costs.

Funding Source: FY2022 Operating Budget, Parks and Recreation Department, Downtown Maintenance, PK200225, page 152.

ADDITIONAL INFORMATION:

- Downtown Des Moines currently lacks neighborhood park space that provides for active use by residents and visitors to the City. The Parks and Recreation Department has been actively planning for and seeking out ways of filling this gap.
- EMC approached the City with the desire to benefit the residents of Des Moines by funding and providing for the construction and installation of park improvements to the property detailed in the lease in exchange for leasing this property to the City to be maintained and operated as a public park for a limited duration. EMC will retain ownership of the improvements and furnishings.
- The term of the lease shall begin after completion of construction, which is expected to be on or about September 15, 2022, and shall continue for 10 years. Additionally, the lease will automatically renew two (2) times for an additional five (5) years each, unless 12-months prior to the end of these terms, EMC gives written notice to the City that it elects to terminate the Lease.

- This Lease shall not become effective unless and until the zoning of the Leased Premises permits the use of a public park.
- The City will pay rent and shall maintain and operate the park in exchange for the design, construction, and installation of these park improvements. The City's responsibility for repair and replacement costs is capped at a \$25,000 per year. EMC is responsible for repairs costs when the City's annual repair costs have exceeded this \$25,000 cap. Maintenance requirements are detailed in a matrix in the agreement that provides a clear division of responsibilities between the City and EMC. EMC is responsible for timely paying all taxes due on the property.
- The park shall be named EMC Downtown Park in compliance with the City's policy for naming of streets, facilities and park land in the City of Des Moines. Park entry signage indicating the name and donor recognition signage will be displayed at the park and will be approved by the City Parks and Recreation Department Director prior to installation.
- Subject to availability, EMC may use the entire or any part of the park for its exclusive use up to 12 times per year in 4-hour increments. EMC will coordinate with the Parks and Recreation Department at least 15 days in advance of the scheduled event.
- The City will provide security at the park consistent with security provided at similar parks and in conformance with its usual practices for park security. EMC may provide additional security at its own expense and will not interfere with specific direction of the Police Department, the Fire Department, and emergency orders of the Mayor or City Manager.

Leased Premises and Improvements



PREVIOUS COUNCIL ACTION(S):

Date: December 20, 2021

Roll Call Number: [21-1914](#)

Action: [On](#) the proposition to authorize a lease with Employers Mutual Casualty Company for the lease of real estate and park improvements at 701 Walnut Street for use by the Parks and Recreation Department as a public park, (1-10-22). ([Council Communication No. 21-543](#)) Moved by Boesen to adopt. Motion Carried 7-0.

BOARD/COMMISSION ACTION(S):

Board: Plan and Zoning Commission

Date: October 21, 2021

Resolution Number: N/A

Action: Motion to receive and file and set hearing. Motion carries 9-0.

Board: Urban Design Review Board (for skywalk only)

Date: November 2, 2021

Resolution Number: N/A

Action: Recommendation to approve.

Board: Access Advisory Board

Date: November 17, 2021

Resolution Number: Board Action 21-34

Action: Motion to approve by Strong, second by Gibson. Motion carries 8-0.

Board: Parks and Recreation Board

Date: November 23, 2021

Resolution Number: 21-080

Action: Motion by Davis to receive and file the EMC Downtown Park presentation. Second by Potter. Motion carried [12-0](#). Absent: Woodard, Bremner, Lohmeier.

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE

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