


COUNCIL COMMUNICATION

	Number:	23-373	Meeting:	August 7, 2023
	Agenda Item:	54-65	Roll Call:	23-1119
	Submitted by:	Nickolas Schaul, Finance Director		

AGENDA HEADING:

Hold public hearing regarding the issuance of bonds for the fiscal year (FY) 2024 Capital Improvement budget, and general obligation (GO) capital notes and urban renewal (UR) bonds for the purchase of 1200 Locust Street and adjoining parking garage.

SYNOPSIS:

Hold hearings and direct publication of notices regarding the issuance bonds for the following:

- Not to Exceed (NTE) \$74.5M for the funding of projects approved in the Capital Improvement Plan on April 10, 2023.
- NTE \$50M GO Capital Loan Notes for the purchase and initial remodel phase of 1200 Locust Street.
- NTE \$5M UR Bonds for part of the purchase of parking garage at 1200 Mulberry Street.
- NTE \$1M GO Bonds for part of the purchase of parking garage at 1200 Mulberry Street.

FISCAL IMPACT:

Amount: Not to exceed \$74.5M for Capital Improvement Projects and Not to Exceed \$56.3M for 1200 Locust Street related purchases.

Funding Source: FY 2023-FY 2027 Capital Improvement Plan.

ADDITIONAL INFORMATION:

2023 – City of Des Moines CIP Purposes (NTE \$74.5M)

ECP – NTE \$41M GO Bonds

The acquisition, construction, reconstruction, enlargement, improvement, and repair of bridges, culverts, retaining walls, viaducts, underpasses, grade crossing separations, and approaches thereto; rehabilitation and improvement of parks already owned, including the removal, replacement and planting of trees in the parks, and facilities, equipment, and improvements commonly found in city parks; equipping of fire, sanitation, and street departments; acquisition and improvement of real estate for cemeteries, and the construction, reconstruction, and repair of cemetery facilities; acquisition, construction, reconstruction, and improvement of all waterways, and real and personal property, useful for the protection or reclamation of property situated within the corporate limits of cities from floods or

high waters, and for the protection of property in cities from the effects of flood waters, including the deepening, widening, alteration, change, diversion, or other improvement of watercourses, within or without the city limits, the construction of levees, embankments, structures, impounding reservoirs, or conduits, and the establishment, improvement, and widening of streets, avenues, boulevards, and alleys across and adjacent to the project, as well as the development and beautification of the banks and other areas adjacent to flood control improvements; opening, widening, extending, grading, and draining of the right-of-way of streets, highways, avenues, alleys, public grounds, and market places, and the removal and replacement of dead or diseased trees thereon; construction, reconstruction, and repairing of any street improvements; acquisition, installation, and repair of traffic control devices; acquisition, construction, improvement, and installation of street lighting fixtures, connections, and facilities; construction, reconstruction, and repair of sidewalks and pedestrian underpasses and overpasses; and the acquisition of real estate needed for any of the foregoing purposes; acquisition, restoration, or demolition of abandoned, dilapidated, or dangerous buildings, structures or properties or the abatement of a nuisance.

Glendale Abbey	80,000
Guthrie Ave. Bridge over Union Pacific RR	1,000,000
Fire Equipment Acquisition	2,600,000
Neighborhood Finance Corporation	1,000,000
City Tree Replacement Fund (CTRF)	100,000
Emerald Ash Borer Response Plan	600,000
Vacant Residential Property Redevelopment	100,000
Housing Study and PlanDSM Update	250,000
Multi-Use Trails	1,390,000
Park Improvements	1,165,000
Cemetery Infrastructure and Improvements	650,000
Gray's Lake Park Improvements	100,000
Principal Riverwalk	50,000
Urban Conservation Projects	660,000
Park Infrastructure	1,270,000
Watershed Park Amenities	100,000
Park Playground Improvements	235,000
Birdland Park and Marina	700,000
Birdland Sports Complex Improvements	1,360,000
Public Works - Asphalt Road Improvements	750,000
Roadway Rehabilitation - Residential	1,500,000
PCC Pavement Replacement Program	225,000
Public Works - Concrete Street and Curb Rehab	1,400,000
Railroad Crossing Surface Repairs & Signal Improv.	100,000
McKinley Ave. Improvements	1,000,000
Southeast Connector - SE 30th St. to US 65	4,000,000
Easton Blvd - University Ave. - Four Mile Creek	700,000
Roadway Reconstruction - Fleur Drive	2,500,000
Active Transportation	1,050,000
Beaver Ave. to Downtown Bike Lane Connection	100,000
Euclid Roadway Reconfiguration 12th St. to 2nd Ave.	450,000

Midblock Pedestrian Signal Upgrades	500,000
41st Street & Beaver Avenue	600,000
E. Army Post Road SE 14th to SE 36th Corridor	500,000
6th Ave. Lane Reconfiguration - Hickman to Euclid	30,000
Lower Beaver and Aurora Improvements	75,000
BUILD Grant - Broadway from 2nd Ave. to Hubbell	1,400,000
East University - E. 14th St. to I-235	1,350,000
Thomas Beck Road Improvements	700,000
Sidewalks - School and Priority Routes	2,000,000
Easter Lake Drive Sidewalk	1,700,000
Sidewalk Replacement	700,000
Traffic Studies	100,000
Traffic Calming Improvements	150,000
Traffic Signals - Replacement	1,100,000
Traffic System Operation Improvements	1,200,000
LED Street Lighting Upgrades	150,000
Traffic & Pedestrian Signals - New	250,000

GCP-1 – NTE \$1M GO Bonds

Acquisition, improvement, extension and enhancement of City's information technology systems, including data and voice communications, fiber optic and wireless networks, data storage and servers, cybersecurity, and enterprise software.

Enhanced Information and Communication System	1,000,000
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GCP-2 – NTE \$1M GO Bonds

Various HVAC, electrical, and plumbing improvements at City facilities.

HVAC, Electrical, and Plumbing Improvements	925,000
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GCP-3 – NTE \$700K GO Bonds

Energy conservation projects focused on completing energy efficiency studies city-wide and purchasing of energy efficient equipment; security improvements to facilities city-wide; public art; and acquisition, construction, reconstruction, enlargement, improvement, and equipping of recreation grounds, buildings, and centers, including repair and replacement of aquatic centers and swimming pools.

Energy Conservation	50,000
Security Improvements	100,000
Public Art	200,000
Swimming Pools and Aquatic Infrastructure	200,000

GCP-4 – NTE \$900K GO Bonds

Equipping City facilities including improvements to the library's existing collections and replacements of books, audio materials, videos and electronic media.

Collection Additions and Replacement	820,000
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GCP-5 – NTE \$900K GO Bonds

Acquisition, construction, reconstruction, enlargement, improvement, and equipping of City facilities and public improvements, including site preparation and construction of a greenhouse and a headhouse; and building repairs and improvements for the Central Library and its branch locations.

Miscellaneous Building Improvements	400,000
Greenhouse Relocation	375,000

GCP-6 – NTE \$1M GO Bonds

Acquisition, construction, reconstruction, enlargement, improvement, and equipping of City facilities, including the Armory, City Hall, Police facilities and the Police Academy, and other municipal buildings.

Municipal Building Improvements	600,000
Police Building Improvements	75,000
Police Academy Improvements	50,000
Armory Improvements	150,000

UR – NTE \$28M GO UR Bonds

Aiding in the planning, undertaking and carrying out of urban renewal projects in accordance with Iowa Code chapter 403 and the urban renewal plans for the Ingersoll-Grand Commercial Urban Renewal Area, Metro Center Urban Renewal Area, Central Place Industrial Park Redevelopment Program Area Urban Renewal Area, and SE Agribusiness Urban Renewal Area, as amended, including the Animal Control Facility, Principal Park, Central Iowa Water Trails, and various public improvement projects involving street, streetscape, bridge, sidewalk, skywalk, utility and park improvements, with related site improvements.

Animal Control Facility	1,000,000
Central Iowa Water Trails Contributions	1,500,000
2nd Ave. Bridge over the Des Moines River	2,000,000
Walnut St. Bridge over the Des Moines River	2,000,000
Fleur Drive Bridge over Raccoon River	500,000
Principal Park	1,417,500
Public Works - Asphalt Road Improvements	375,000
Ingersoll Streetscape	2,725,000
Roadway Reconstruction - Second Ave.	3,250,000
Market District Infrastructure Improvements	9,500,000
SW 16th Street and MLK Traffic Improvements	500,000
Tuttle Street Improvements	650,000
Tuttle Street Complete Street	50,000
MLK Parkway Pavement Replacement	750,000
Skywalk System	750,000

2023 – City of Des Moines Possible 1200 Locust Street/1200 MulberryLoan Agreement – NTE \$50M GO Capital Loan Notes

Provide funds to pay the costs of acquiring, equipping and improving office space downtown, including the Nationwide building (1200 Locust Street).

UR – NTE \$5M GO UR Bonds

Provide funds to pay the costs of aiding in the planning, undertaking and carrying out of urban renewal projects under the authority of Iowa Code chapter 403, and the Urban Renewal Plan for the Metro Center Urban Renewal Area, including acquisition and improvement of a parking ramp.

GCP-6 – NTE \$1M GO Bonds or Capital Loan Notes

Provide funds to pay the costs of acquiring and improving a parking garage.

PREVIOUS COUNCIL ACTION(S):

Date: July 17, 2023

Roll Call Number: [23-0997 to 23-1007](#)

Action: [On](#) the issuance of not to exceed \$41,000,000 General Obligation Bonds for essential corporate purposes, (8-7-23). ([Council Communication No. 23-354](#)) Moved by Gatto to adopt. Second by Boesen. Motion Carried 6-1. Absent: Sheumaker.

Action: [On](#) the issuance of not to exceed \$28,000,000 General Obligation Urban Renewal Bonds for essential corporate urban renewal purposes, (8-7-23). (Council Communication No. 23-354) Moved by Gatto to adopt. Second by Boesen. Motion Carried 6-1. Absent: Sheumaker.

Action: [On](#) the issuance of not to exceed \$1,000,000 General Obligation Bonds for general corporate purposes, GCP-1, (8-7-23). (Council Communication No. 23-354) Moved by Gatto to adopt. Second by Boesen. Motion Carried 6-1. Absent: Sheumaker.

Action: [On](#) the issuance of not to exceed \$1,000,000 General Obligation Bonds for general corporate purposes, GCP-2, (8-7-23). (Council Communication No. 23-354) Moved by Gatto to adopt. Second by Boesen. Motion Carried 6-1. Absent: Sheumaker.

Action: [On](#) the issuance of not to exceed \$700,000 General Obligation Bonds for general corporate purposes, GCP-3, (8-7-23). (Council Communication No. 23-354) Moved by Gatto to adopt. Second by Boesen. Motion Carried 6-1. Absent: Sheumaker.

Action: [On](#) the issuance of not to exceed \$900,000 General Obligation Bonds for general corporate purposes, GCP-4, (8-7-23). (Council Communication No. 23-354) Moved by Gatto to adopt. Second by Boesen. Motion Carried 6-1. Absent: Sheumaker.

Action: [On](#) the issuance of not to exceed \$900,000 General Obligation Bonds for general corporate purposes, GCP-5, (8-7-23). (Council Communication No. 23-354) Moved by Gatto to adopt. Second by Boesen. Motion Carried 6-1. Absent: Sheumaker

Action: On the issuance of not to exceed \$1,000,000 General Obligation Bonds for general corporate purposes, GCP-6, (8-7-23). (Council Communication No. 23-354) Moved by Gatto to adopt. Second by Boesen. Motion Carried 6-1. Absent: Sheumaker.

Action: On the issuance of not to exceed \$1,000,000 General Obligation Bonds or Capital Loan Notes for general corporate purposes, (8-7-23). (Council Communication No. 23-354) Moved by Gatto to adopt. Second by Boesen. Motion Carried 6-1. Absent: Sheumaker.

Action: On the issuance of not to exceed \$5,000,000 General Obligation Urban Renewal Bonds or Capital Loan Notes for urban renewal purposes, (8-7-23). (Council Communication No. 23- 354) Moved by Gatto to adopt. Second by Boesen. Motion Carried 6-1. Absent: Sheumaker.

Action: On the proposition of entering into a loan agreement and the issuance of not to exceed \$50,000,000 General Obligation Capital Loan Notes (General Fund) to evidence the obligations of the City thereunder, (8-7-23). (Council Communication No. 23-354) Moved by Gatto to adopt. Second by Boesen. Motion Carried 6-1. Absent: Sheumaker.

BOARD/COMMISSION ACTION(S): NONE

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS:

Directing the advertisement for sale, approving electronic bidding, and approving an official statement.

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