


COUNCIL COMMUNICATION

	Number:	24-216	Meeting:	May 20, 2024
	Agenda Item:	32	Roll Call:	24-0754
	Submitted by:	Nickolas Schaul, Finance Director		

AGENDA HEADING:

Recommend approval of a grant agreement with the Des Moines Airport Authority in the amount of \$10 million for support of the new terminal project.

SYNOPSIS:

The existing terminal at the Des Moines International Airport has reached the end of its useful economic life and no longer allows for the expansion needed for the rapidly growing market. The Airport Authority Board has begun construction of a \$445 million terminal replacement and associated enabling projects to meet the market's demands now and into the future.

To leverage potential state and federal funding opportunities of up to \$300 million, the Airport has requested regional financial support from cities and counties in a five (5)-county region (Polk, Dallas, Jasper, Story, and Warren).

The proposed \$10 million contribution from the City of Des Moines is set at approximately \$50 per capita and would be paid in four (4) equal annual installments beginning in Fiscal Year (FY) 2023-2024.

FISCAL IMPACT:

Amount: \$10,000,000 with payments spread across four (4) fiscal years:

June 2024: \$2,500,000
December 2024: \$2,500,000
December 2025: \$2,500,000
December 2026: \$2,500,000

Funding Source: FY 2025 Adopted Budget, FN900001 - General Fund made possible by American Rescue Plan Act (ARPA) dollars

ADDITIONAL INFORMATION:

- The Airport Authority presented information regarding the payment request to City Council at a December 2021 work session. Council approved a resolution of support at the December 20, 2021 meeting.

- The new terminal is scheduled to be completed in late 2026.

PREVIOUS COUNCIL ACTION(S):

Date: December 20, 2021

Roll Call Number: [21-1943](#)

Action: [Support](#) for new terminal for the Des Moines International Airport. ([Council Communication No. 21-541](#)) Moved by Boesen to adopt. Motion Carried 7-0.

BOARD/COMMISSION ACTION(S): NONE

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE

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