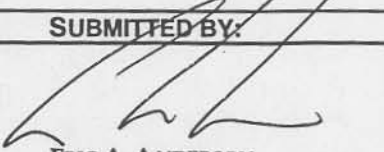


OFFICE OF THE CITY MANAGER
DES MOINES, IOWA

CITY COUNCIL COMMUNICATION 96-072
FEBRUARY 19, 1996 AGENDA

SUBJECT:	TYPE:	PREPARED BY:	SUBMITTED BY:
TRANSFER OF CONVENTION CENTER AND VETERANS AUDITORIUM TO POLK COUNTY	◆ RESOLUTION ORDINANCE RECEIVE/FILE	RICHARD CLARK DEPUTY CITY MANAGER	 ERIC A. ANDERSON CITY MANAGER

SYNOPSIS —

It is proposed that the City of Des Moines transfer to Polk County the Veterans Auditorium and Convention Center. These facilities clearly serve a population which extends beyond the Des Moines City limits, and it is, therefore, appropriate that the responsibility for ownership and operation be shifted to a governmental entity (i.e., Polk County) which encompasses a larger share of the population and geographic area served by these facilities. If both facilities are transferred, it is envisioned that all operating, maintenance, and capital expenses would become the responsibility of the County. The County would also be responsible for all outstanding debt which, for both facilities, is about \$7.9 million.

FISCAL IMPACT —

Transfer of the Convention Center and Veterans Auditorium would have no significant impact on the City's proposed 1996-97 Operating Budget. Assuming the elimination of revenues associated with the "payment in lieu of taxes" and the indirect cost charges, the net affect on the combined proposed 1996-97 Operating Budget for both facilities is \$5,598. However, if Polk County assumes responsibility for the \$7.9 million of outstanding debt, as well as any future debt issued for these facilities, the City would benefit through a reduction in the total debt load, as well as a reduction in the property tax levy.

RECOMMENDATION —

It is recommended that:

1. Council express its desire to proceed with the transfer of the Veterans Auditorium and Convention Center to Polk County; and
2. Council direct the City Manager to negotiate with the County Manager a formal agreement which would transfer ownership and financial responsibility of the Convention Center and Veterans Auditorium to Polk County.

BACKGROUND —

The concept of transferring Veterans Auditorium and the Convention Center to Polk County has been discussed extensively. First, the Council-appointed task force submitted a report to City Council on October 24, 1995 which included a recommendation that these facilities be considered for transfer to Polk County. More recently, the efforts of a Council roundtable process involving City Council members from cities within Polk County has undertaken an extensive survey of regional facilities that could be transferred to the County. These discussions have focused on the need to place regional facilities within a governmental unit that more closely matches the population and geographic area serviced by the facilities.