~ .	Date:	July 9, 2012
Council Communication	Agenda Item No.	18
	Roll Call No.	<u>12-1088</u>
	Communication No.	<u>12-377</u>
Office of the City Manager	Submitted by:	Ben Page, Interim Parks and Recreation Director

# AGENDA HEADING:

Setting date of hearing on Amendment to Lease Agreement with South Des Moines Little League for the James W. Cownie Baseball Park.

### SYNOPSIS:

Set Hearing on request to approve Amendment to the Lease Agreement with the South Des Moines Little League (SDMLL) for their exclusive use of the James W. Cownie Baseball Park (Cownie Baseball).

### FISCAL IMPACT:

Amount: Revenue of \$60,000, annually.

Funding Source: James W. Cownie Baseball Park, GE001 PKS104100, page 187.

## **ADDITIONAL INFORMATION:**

On March 28, 2005, by Roll Call No. 05-737, the Des Moines City Council entered into a 28E Agreement with Polk County and the Greater Des Moines Community Foundation to provide for design, financing and construction of Cownie Baseball. This facility was a joint development, built with both private and public funding sources. The terms and conditions set forth in the 28E Agreement included a provision for the City to enter into a Lease Agreement with the SDMLL for use of the facility. On July 10, 2006, by Roll Call No. 06-1395, City Council accepted the improvements at Soldier Field and naming the ball park the James W. Cownie Baseball Park.

On November 20, 2006, by Roll Call No. 06-2313, the City of Des Moines entered into a three (3) year agreement with the Greater Des Moines Baseball Company (Iowa Cubs) to maintain Cownie Baseball.

On April 9, 2007, by Roll Call No. 07-689, City Council held a hearing on approval of a Lease Agreement with South Des Moines Little League for the baseball park for a period of twenty years. Provisions within that Agreement included the following:

- SDMLL has exclusive rights to block dates between April 1 and June 15 annually during the term of the Agreement, to operate their Little League season. The City has the right to rent the facility between June 16 and the end of the baseball season for practices, games and tournaments;
- Lease rent payment from SDMLL has been \$25,000 annually;

- SDMLL has operated and retained revenue for the concessions for all league play and rentals;
- SDMLL has paid the City 20% of gross concession revenues for City-hosted tournaments;
- City has reviewed revenues and expenses of the SDMLL on a semi-annual basis;
- City has provided trash pick up and removal, utilities, maintenance for structures including the playground, facilities and ground (trash pick up and grounds upkeep are handled through the City's Iowa Cubs Agreement);
- City approved the SDMLL schedule and managed the baseball park to maximize the use and minimize wear and tear of the facility.

Due to a vested interest in the facility for sports tourism purposes, as indicated, the Park and Recreation Department has overseen the City-owned facility's operation and maintenance, and maintained the right to host state, regional and/or national events at no cost as a part of the Agreement. The local benefit is that the site serves as the home of the SDMLL, which in 2011 has, in addition to their \$25,000 contracted payment, spent \$58,000 on facility improvements.

The SDMLL has indicated a desire to amend the current agreement that would allow SDMLL more control over the facility, while also assuming more financial responsibility for the cost of maintenance and operations. In the proposed Amendment, rent will increase from \$25,000 to \$60,000 per year. Among the terms and conditions of the proposed amended agreement are:

- SDMLL to have exclusive rights to block dates for recreational, educational and other services to its league members and the general public from March 15 of a given year through March 14 of the subsequent year;
- Lease rent payment from the SDMLL to be \$60,000 annually during the term of the Agreement;
- SDMLL to continue to operate and retain revenue for concessions; SDMLL to continue to pay the City 20% of gross concession revenues for City-hosted tournaments;
- City to review revenues and expenses of the SDMLL on an annual rather than semi-annual basis;
- SDMLL will now pay utilities, however the City will continue to provide trash pick up and removal, maintenance for structures including the playground, facilities and grounds (trash pick up and grounds upkeep are handled through the City's Iowa Cubs Agreement)
- City to continue to approve the SDMLL schedule and manage the baseball park to maximize the use and minimize wear and tear of the facility;
- City shall have the right to program the Leased Premises at no charge to the City for state, regional or national competitions, including during the SDMLL season, upon written notice at least one month prior to a tournament date.

Aside from the maintenance itemized in the existing and amended contract, the Park and Recreation Department provides basic ongoing upkeep of the structures, playground, and parking lot.

In 2011, the 550 registered players in the SDMLL played 285 league games at Cownie Baseball. The facility also hosted teams from across Iowa and several surrounding states during nine United States Specialty Sports Association (USSSA) tournaments.

## **PREVIOUS COUNCIL ACTION(S):**

Date: April 9, 2007

Roll Call Number: 07-689

<u>Action</u>: On lease agreement with South Des Moines Little League for James W. Cownie Baseball Park from March 15, 2007 to December 31, 2025. (<u>Council Communication No. 07-184</u>). Moved by Coleman to adopt. Motion carried 6-1. Pass: Vlassis

<u>Date</u>: November 20, 2006

Roll Call Number: 06-2313

<u>Action</u>: <u>Addendum</u> to three-year Maintenance Agreement with Greater Des Moines Baseball Co. (GDMBC) to add the maintenance responsibilities of James W. Cownie Baseball Park. (<u>Council</u> <u>Communication No. 06-740</u>). Moved by Coleman to adopt. Motion Carried 6-0.

Date: July 10, 2006

Roll Call Number: 06-1395

<u>Action</u>: Accepting ball park improvements at Soldier Field and naming the ball park the James W. Cownie Baseball Park. (<u>Council Communication No. 06-444</u>). Moved by Brooks to adopt. Motion carried 7-0.

Date: March 28, 2005

Roll Call Number: 05-737

<u>Action</u>: Intergovernmental 28E Agreement with Polk County and Greater Des Moines Community Foundation for development of Solder Field for South Des Moines Little League Baseball Park. (Council Communication No. 05-150). Moved by Hensley to adopt. Motion Carried 7-0.

### **BOARD/COMMISSION ACTION(S): NONE**

### ANTICIPATED ACTIONS AND FUTURE COMMITMENTS:

Approval of Amendment to the Lease Agreement with the South Des Moines Little League for their exclusive use of the James W. Cownie Baseball Park.

Staff is also working with the South Des Moines Little League and Polk County, who may potentially be working with private donors, for solutions to parking issues created on weekends due to the large draw of people during youth baseball tournaments.

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