


COUNCIL COMMUNICATION

 CITY OF DES MOINES OFFICE OF THE CITY MANAGER	Number:	24-342	Meeting:	August 19, 2024
	Agenda Item:	44-53	Roll Call:	24-1178
	Submitted by:	Nickolas Schaul, Finance Director		

AGENDA HEADING:

Hold public hearing on proposed issuance of Series 2024A Bonds and Taxable Series 2024B for essential corporate (ECP), urban renewal (UR), general corporate (GCP) purposes for the fiscal year (FY) 2025 Capital Improvement budget and adopting additional action on the authorization and issuance of said bonds.

SYNOPSIS:

Hold public hearings and direct notices regarding the issuance of Not to Exceed (NTE) \$64.5M for the approved Capital Improvement Plan on April 15, 2024.

As part of this issuance, \$5M of urban renewal bonds and \$1M of general obligation bonds for the parking garage at 1200 Mulbury St. will be issued. Council provided authority for this at the August 7, 2023 meeting thus is not included in the hearings but will be reflected in the overall issuance.

The bonds are used to fund the Capital Improvement plan approved by Council on April 15, 2024

FISCAL IMPACT:

Amount: Anticipated total issuance is \$57,645,000 for the Series 2024A and \$10,185,000 for the Series 2024B Taxable Issuance.

Funding Source: FY 2024-FY 2028 Capital Improvement Plan

ADDITIONAL INFORMATION:

State law prohibits General Corporate Purpose (GCP) issuances over \$1,300,000 which thus requires separate hearings on each item. Finance staff works with bond counsel to group projects together to reduce the overall number of hearings. Essential corporate purposes (ECP) issuances do not have a cap.

ECP – NTE \$34M 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, construction, reconstruction, improvement, repair, and equipping of waterworks, water mains, and extensions, and real and personal property, useful for providing potable water to residents of a city; 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; and the establishment and funding of programs to provide for or assist in providing for the acquisition, restoration or demolition of housing, as part of a municipal housing project.

Project	Description	Bond Proceeds
BL137	Glendale Abbey	1,115,000
FR013	Fire Equipment Acquisition	2,625,000
MS007	City Tree Replacement Fund (CTRF)	100,000
MS014	Vacant Residential Property Redevelopment	100,000
PK034	Sprayground Improvements	140,000
PK045	Multi-Use Trail Improvements	1,085,000
PK137	Park Improvements	1,375,000
PK138	Cemetery Infrastructure and Improvements	50,000
PK140	Gray's Lake Park Improvements	100,000
PK162	Principal Riverwalk	325,000
PK167	Urban Conservation Projects	420,000
PK175	Park Infrastructure	1,460,000
PK180	Watershed Park Amenities	350,000
PK185	Park Playground Improvements	250,000
PK196	Birdland Sports Complex Improvements	50,000

ST003	Public Works - Asphalt Road Improvements	750,000
ST013	Roadway Rehabilitation - Residential	1,500,000
ST065	PCC Pavement Replacement Program	225,000
ST102	Public Works - Concrete Street and Curb Rehab	1,400,000
ST139	Railroad Crossing Surface Repairs & Signal Improv.	100,000
ST212	McKinley Ave Improvements	700,000
ST266	Sixth Ave Streetscape	1,250,000
ST269	Active Transportation	250,000
ST284	Euclid Roadway Reconfiguration 12th St to 2nd Ave	2,000,000
ST287	Midblock Pedestrian Signal Upgrades	500,000
ST292	41st Street & Beaver Avenue	600,000
ST293	E. Army Post Road SE 14th to SE 36th Corridor	250,000
ST301	6th Ave. Lane Reconfiguration - Hickman to Euclid	100,000
ST303	E Army Post Road & SE 36th St Intersection Improv.	1,000,000
ST304	Lower Beaver and Aurora Improvements	175,000
ST316	Thomas Beck Road Improvements	1,500,000
ST318	E Army Post Rd - SE 36th to SE 45th Water Main	100,000
ST325	Lead Water Services	300,000
SW081	Sidewalks - School and Priority Routes	2,000,000
SW084	Sidewalk Replacement	700,000
TR031	Traffic Studies & Improvements	100,000
TR032	Traffic Calming Improvements	150,000
TR091	Traffic Signals - Replacement	1,100,000
TR097	Traffic System Operation Improvements	1,500,000
TR100	LED Street Lighting Upgrades	150,000
TR102	Traffic & Pedestrian Signals - New	250,000
MS004	Neighborhood Finance Corporation	1,000,000
LT201	Blitz on Blight/Property Maintenance (ION)	3,000,000

ECP Urban Renewal NTE \$20.1M GO Bonds

For 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 Urban Renewal Area, Merle Hay Commercial Urban Renewal Area, and SE Agribusiness Urban Renewal Area, as amended, including the Central Iowa Water Trails, Principal Park, and various public improvement projects involving street, streetscape, bridge, sidewalk, skywalk, pedestrian signage, utility and park improvements, with related site improvements.

Project	Description	Bond Proceeds
BL138	Principal Park	925,000
BR059	Walnut St. Bridge over the Des Moines River	3,500,000
BR063	Fleur Drive Bridge over Raccoon River	500,000
MS025	Central Iowa Water Trails Contributions	1,750,000
ST003	Public Works - Asphalt Road Improvements	375,000
ST256	Southeast Connector - SE 30th St to US 65	3,000,000
ST276	Ingersoll Streetscape	3,000,000
ST277	Roadway Reconstruction - Second Ave.	3,000,000
ST299	Downtown Pedestrian Wayfinding Signage	25,000
ST306	Merle Hay Corridor Plan	500,000
ST313	Downtown 2-Way Conversion - Grand & Locust (May not proceed)	500,000
SW094	Skywalk System	1,750,000

GCP-1 – NTE \$1.3M GO Bonds

To pay the costs of various HVAC, electrical, and plumbing improvements at city facilities; roofing improvements at city facilities; and acquisition, construction, reconstruction, enlargement, improvement, and equipping of recreation grounds, buildings, and centers, including various sports complexes.

Project	Description	Bond Proceeds
BL044	Municipal Building Reroofing	800,000
BL074	HVAC, Electrical, and Plumbing Improvements	235,000
PK176	Sports Complexes	250,000

GCP-2 – NTE \$1.3M GO Bonds

To pay the costs of acquisition, construction, reconstruction, enlargement, improvement, and equipping of city facilities, including Police facilities.

Project	Description	Bond Proceeds
BL062	Police Building Improvements	1,300,000

GCP-3 – NTE \$1.3M GO Bonds

To pay the costs of 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; energy conservation projects focused on completing energy efficiency studies city-wide and purchasing of energy efficient equipment; security improvements to facilities city-wide.

Project	Description	Bond Proceeds
BL110	Energy Conservation	50,000
BL132	Security Improvements	100,000
MS001	Enhanced Information and Communication System	1,000,000

GCP-4 – NTE \$1.3M GO Bonds

To pay the costs of acquisition, construction, reconstruction, enlargement, improvement, and equipping of recreation grounds, buildings, and centers, including repair and replacement of the Birdland swimming pool.

Project	Description	Bond Proceeds
PK153	Swimming Pools and Aquatic Infrastructure	1,215,612

GCP-5 – NTE \$1.3M GO Bonds

To pay the costs of acquisition, construction, reconstruction, enlargement, improvement, and equipping of recreation grounds, buildings, and centers, including repair and replacement of the Ashworth, Nahas, Northwest, and Teachout swimming pools, and swimming pool maintenance of other city pools.

Project	Description	Bond Proceeds
PK153	Swimming Pools and Aquatic Infrastructure	1,274,388

GCP-6 – NTE \$1.3M GO Bonds

To pay the costs of acquisition, construction, reconstruction, enlargement, improvement, and equipping of city facilities, including the Police Academy, and various conditioned buildings within the parks system.

Project	Description	Bond Proceeds
BL064	Parks Conditioned Building Improvements	375,000
BL095	Police Academy Improvements	850,000

GCP-7 – NTE \$1.3M GO Bonds

To pay the costs of acquisition, construction, reconstruction, enlargement, improvement, and equipping of city facilities and public improvements, including building repairs and improvements for the Central Library and its branch locations, and other city buildings.

Project	Description	Bond Proceeds
BL085	Municipal Building Improvements	600,000
LB055	Miscellaneous Building Improvements	660,000

GCP-8 – NTE \$1.3M GO Bonds

To pay the costs of equipping city facilities including improvements to the library's existing collections and replacements of books, audio materials, videos and electronic media; and public art.

Project	Description	Bond Proceeds
LB046	Collection Additions and Replacement	870,000
MS010	Public Art	200,000

PREVIOUS COUNCIL ACTION(S):

Date: August 5, 2024

Roll Call Number: [24-1066](#), [24-1067](#), [24-1068](#), [24-1069](#), [24-1070](#), [24-1071](#), [24-1072](#), [24-1073](#), [24-1074](#), [24-1115](#)

Action: [On](#) the issuance of bonds, (8-19-24). Moved by Coleman to adopt. Second by Simonson. Motion Carried 6-0. Absent: Gatto.

Date: August 7, 2023

Roll Call Number: [23-1137](#)

Action: [On](#) the issuance of not to exceed \$5,000,000 General Obligation Urban Renewal Bonds or Capital Loan Notes for urban renewal purposes. ([Council Communication No. 23-373](#))

Moved by Boesen to adopt. Second by Gatto. Motion Carried 6-1. Absent: Sheumaker.

Date: August 7, 2023

Roll Call Number: [23-1129](#)

Action: On the issuance of not to exceed \$1,000,000 General Obligation Bonds for general corporate purposes, GCP-6. ([Council Communication No. 23-373](#)) Moved by Voss to adopt. Second by Westergaard. Motion Carried 6-1. Absent: Sheumaker.

BOARD/COMMISSION ACTION(S): NONE

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: [SELECT ONE]

September 16 Council Meeting: Directing the advertisement for sale, approving electronic bidding, and approving an official statement.

October 2 Special Council Meeting: Receipt of bids for Series 2024A and Taxable Series 2024B Bonds and adopting resolution directing sale.

October 21 Council Meeting: Adopt resolutions authorizing issuance of Series 2024A and Taxable Series 2024B Bonds and approval of continuing disclosure certificates and tax exemption certificates.

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