


## COUNCIL COMMUNICATION

	Number:	<b>25-346</b>	Meeting:	<b>September 29, 2025</b>
	Agenda Item:	<b>46</b>	Roll Call:	<b>25-1303</b>
	Submitted by:	<b>Benjamin R. Page, Parks and Recreation Director</b>		

### AGENDA HEADING:

Resolution approving Agreement between the City of Des Moines and Downtown Self-Supported Municipal Improvement District (SSMID) for park, open space, and streetscape maintenance of Principal Riverwalk, Hansen Triangle, Western Gateway Park, East Locust Streetscape, and Martin Luther King (MLK), Jr. Parkway.

### SYNOPSIS:

Recommend approval of the agreement for maintenance by the Downtown SSMID of several downtown public spaces in exchange for City payment, under the terms of the agreement.

### FISCAL IMPACT:

Amount: \$590,723 per year cash or in-kind (\$477,723 cash, \$113,000 in-kind)

Funding Source: Fiscal Year (FY) 2026 Operating Budget, Park and Recreation Department, Downtown Maintenance, PK200225, Page 142; Horticulture Maintenance, PK200226, Page 143; Gray's Lake, PK201262, Page 148; and City Manager, Facilities Maintenance, CM030000, Page 27

### ADDITIONAL INFORMATION:

- On September 25, 2006, by Roll Call No. 06-1930, City Council approved the Management and Operations Agreement between the City of Des Moines, Riverfront Development Authority (RDA), and Des Moines' Downtown SSMID for overall appearance, cleanliness, beautification and management of downtown's Gateway West; the Principal Riverwalk; MLK, Jr. Parkway; and East Village Streetscape through the management firm of Operation Downtown, Inc. (OD).
- On April 29, 2009, by Roll Call No. 09-694, City Council agreed to renew the agreement, set to expire July 1, 2014, under the same terms and conditions.
- On February 24, 2014, by Roll Call No. 14-0312, City Council approved a two (2)-year renewal of the agreement through July 1, 2016, under the same terms and conditions.
- On May 9, 2016, by Roll Call No. 16-243, City Council approved a three (3)-year renewal of the agreement through July 1, 2019. The agreement provided for required maintenance for these areas in a manner that is consistent with the standards of appearance, safety and functionality agreed to

by an established committee of advisors known as the Advisory Oversight Committee (AOC), consisting of representatives of the City and RDA, which meets with OD staff to provide oversight. The agreement specifically excludes management of programs and schedules, which are the responsibility of the Parks and Recreation Department.

- On June 24, 2019, by Roll Call No. 19-1046, the City and SSMID entered into a replacement agreement continuing the agreed-upon maintenance and payment obligations and replacing the role of the RDA with the SSMID, which agreement was extended to September 30, 2025 through several Council-approved amendments.
- The new agreement replaces the expiring agreement by providing for the SSMID, through OD, to act as the contracting authority for private contractors and to select the most qualified and economical vendors to do the required maintenance work. The City and SSMID representatives in the AOC have the ability to voice their preference in this regard.
- This agreement will supersede previous agreement extensions with a retroactive start date of July 1, 2025, to coincide with the fiscal year. This agreement shall continue in full force and effect until midnight on June 30, 2027, unless sooner terminated according to the terms of this agreement. This agreement may be renewed for up to three (3) consecutive one (1)-year renewal terms (July 1 to June 30 annually) pursuant to written renewal addendum signed by authorized representatives of both parties; the City's authorized representative shall constitute the City Manager for purposes of agreement renewal. Either party may give the other a notice of non-renewal by May 1 of each term/renewal year.
- The City is obligated to provide an annual cash payment which includes a base payment of \$318,000 adjusted annually based on changes in property tax valuations ( $\pm 3\%$  cap per year, non-cumulative), using the 2024 valuation of \$1.7 billion as the base plus an additional cash payment of \$144,723. Total cash payment for FY 2026, beginning July 1, 2025, is \$462,723. Cash payments will be made each year of the agreement, ranging from \$462,723 in FY 2026 to a maximum of \$495,697 in FY 2030.
- An additional \$15,000 annual payment for Hansen Triangle maintenance is contingent on receipt of MidAmerican funding. If funding is not received, the City may choose to fund or waive the SSMID's maintenance obligation.
- SSMID will contribute \$600,000 annually for fiscal years 2026 and 2027, increasing to up to \$725,000 annually starting FY 2028 and beyond (including renewal terms). Of this, at least \$600,000 will cover operational responsibilities under the agreement, with up to \$125,000 annually available for other purposes as separately agreed in writing between the City and SSMID.

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

Date: June 30, 2025

Roll Call Number: [25-0925](#)

Action: [Third](#) Amendment to Agreement with Downtown SSMID for Park, Open Space and Streetscape Maintenance of Principal Riverwalk, Hansen Triangle, Western Gateway Park, East Locust

Streetscape and MLK, Jr. Parkway. ([Council Communication No. 25-258](#)) Moved by Gatto to adopt. Second by Voss. Motion Carried 7-0.

**BOARD/COMMISSION ACTION(S):**

Board: Parks and Recreation Board

Date: September 13, 2006

Resolution Number: 06-091

Action: Motion by Koenig-VandeHaar to accept the agreement with the change of adding staff background checks. Second by Burnett. Motion carried.

**ANTICIPATED ACTIONS AND FUTURE COMMITMENTS:**

Consideration of new agreement upon expiration.

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