


COUNCIL COMMUNICATION

	Number:	26-206	Meeting:	June 8, 2026
	Agenda Item:	52	Roll Call:	26-0705
	Submitted by:	Carrie Kruse, Economic Development Administrator		

AGENDA HEADING:

Resolution approving a 50-year ground lease for the 24.73 acre City-owned site, commonly known as the Dico site, located south of Martin Luther King, Jr. Parkway, and west of SW 16th Street. The tenant is Iowa Soccer Development Foundation (ISDF). The property is generally the southern portion of the DICO site.

SYNOPSIS:

ISDF wishes to lease the property for the purpose of construction of a professional stadium designed for soccer, as well as an adjacent plaza (commonly known as the Global Plaza) which can be used for events either before/after soccer games, or entirely separate events. The property has been designated as a Superfund site by the Environmental Protection Agency (EPA). Due to the environmental concerns of the property, the tenant prefers to not own the land, but lease instead.

FISCAL IMPACT:

Amount: \$656,075/year in annual lease revenues to the City (a future agreement authorizing granting this amount back to ISDF will be presented for City Council consideration at a later date); \$13 million grant paid to ISDF for environmental costs associated with the development; and \$1.5 million grant paid to ISDF for the Global Plaza

Funding Source: The lease revenues will be paid by ISDF to the City; the grants from the City to ISDF will be paid for with tax increment from the Metro Center Urban Renewal Area

ADDITIONAL INFORMATION:

- The City has owned the property since 2021, when a Consent Decree from the U.S. District Court of the Southern District of Iowa determined that the previous owner, and polluter of the property, would pay a penalty and lose the property. The EPA then cleaned up the property, which involved tearing down the existing buildings and installing an air stripper system, as well as monitoring wells throughout the property to test the groundwater. Monitoring and testing of the groundwater will be required in perpetuity, which includes representatives from EPA, IDNR, and the City accessing the property.
- There will be constraints on construction due to environmental concerns and EPA requirements. All construction plans will need to be approved by the EPA. No residential uses can be on the first floor of any buildings.

- In an effort to keep the spread of contamination to a minimum, the EPA has determined that the existing environmental cap, which consists of the pavement that had been on the site previously cannot be broken without EPA approval. This will also apply to the planting of any vegetation. Currently, the ISDF is planning to build above the existing cap to avoid any punctures in the cap.
- Due to these environmental concerns and the fact that many of the issues are unknown until more testing and digging occurs, the lease also includes a grant for \$13 million in identified and documented environmental costs. ISDF will need to provide explanations and receipts for extraordinary development costs due to environmental contamination before any payments occur.
- The stadium will have a seating capacity of at least 5,500 seats. A Conceptual Development Plan is required within six (6) months following execution of the Ground Lease.
- The Global Plaza will be located to the north of the stadium and will serve as a pre- and post-game space, as well as space for other organizations to use on non-game days. It is thought that some of the festivals that currently occur on downtown streets may move their events to the plaza. There have been concerns about downtown streets getting blocked off so often during the summer, and this plaza could lessen that occurrence.
- Due to the expected public use of the Global Plaza, the Ground Lease Agreement also includes a \$1.5 million grant to go toward the construction of the plaza.
- This site is part of the original 75-acre Iowa Reinvestment Act (IRA) district boundary, which was approved in 2021. The state awarded the Reinvestment District up to \$23.5 million. State sales and hotel/motel taxes will be captured within the District and funneled to the City, who will then send the money to the developer for the construction of the stadium. The soccer stadium is the focus of the “unique in nature” requirement of the IRA application.

PREVIOUS COUNCIL ACTION(S):

Date: December 8, 2025

Roll Call Number: [25-1605](#)

Action: [Grant](#) Agreement with the Iowa Soccer Development Foundation, Inc. (ISDF) ([Council Communication No. 25-445](#)) Moved by Gatto to adopt. Second by Voss. Motion Carried 7-0.

BOARD/COMMISSION ACTION(S): NONE

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS:

- City Council – Development Agreement with Iowa Soccer Development Foundation
- Urban Design Review Board – Conceptual Development Plan
- City Council – Certificate of Completion of Soccer Stadium

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