



Roll Call Number

22-1577

Agenda Item Number

67

Date October 3, 2022

**HOLD HEARING ON FIFTH AMENDMENT TO LEASE AGREEMENT WITH
DBH IOWA, LLC FOR LEASE OF PRINCIPAL PARK**

WHEREAS, the City of Des Moines and Greater Des Moines Baseball Co. (GDMBC) entered into a Lease Agreement as of August 26, 1991, an Addendum to Lease Agreement as of September 13, 1999, an Amendment dated August 23, 2004, a Second Amendment dated October 9, 2006, a Third Amendment dated April 7, 2008, and a Fourth Amendment dated March 6, 2017, under which Lessee was granted a lease of the premises described in the Lease, and commonly referred to as Principal Park, f/k/a Sec Taylor Stadium, the team clubhouse building and surrounding parking lots and grounds (collectively as amended, the “Lease Agreement”); and

WHEREAS, on December 20, 2021, by Roll Call No. 21-1935, the City Council consented to the assignment of said Lease Agreement from GDMBC to DBH Iowa, LLC (“Lessee”); and

WHEREAS, the Lease Agreement has a term ending on December 31, 2027, with two additional 5-year options to renew, and Lessee wishes to further extend the lease term and renewal options; and

WHEREAS, the City Parks and Recreation Department and Facilities Division wish to undertake the Principal Park Phase 1 Improvements project (“Project”), which Project entails moving Principal Park toward required compliance with Major League Baseball’s new Minor League Baseball facility standards addressing other deficiencies and aging components of the facility including improvements to the current clubhouse building such as building envelope integrity, new interior functional requirements, new player support programming requirements, new staffing facility requirements, replacement of aging mechanical, electrical and plumbing systems, and improved flood resiliency; and

WHEREAS, the Project was bid by the City in September 2022 with a base bid amount totaling \$7,995,000.00 and subject to identifying a lower cost alternative, the potential demolition of the existing outfield wall and construct new outfield wall estimated at \$275,000.00 will be presented for City Council consideration; and

WHEREAS, said Project would include funding in an amount not-to-exceed \$1,250,000.00 to be contributed by Lessee to the City in five installment payments over an approximately 24-month period, and used toward funding of the base bid amount, with the fifth installment payment solely due and payable by Lessee to the City if the demolition of the existing outfield wall and construction of the new outfield wall is included in the Project and occurs in temporary installation or actual replacement form by the later of the beginning of the 2024 baseball season or March 31, 2024, with said fifth installment payment subject to a \$25,000.00 per-30-calendar-day reduction if said deadline is missed; and

WHEREAS, the City Manager and Parks and Recreation Department Director and Lessee have negotiated a Fifth Amendment to the Lease Agreement, updated following the City’s bid opening and in form on file in the office of the City Clerk, to extend the term of the Lease Agreement from December 31, 2027 to December 31, 2032, with the option for two five-year renewal terms, and to address the Project and funding thereof as described herein and in said Amendment; and

WHEREAS, on September 12, 2022, by Roll Call No. 22- 1420, it was duly resolved by the City Council that the proposed Lease Amendment be set down for hearing for hearing on October 3, 2022, at 5:00 p.m., in the Council Chamber; and



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WHEREAS, due notice of said proposal to adopt the Fifth Amendment to the Lease Agreement for such real property was given as provided by law, setting forth the time and place for hearing on said proposal; and

WHEREAS, in accordance with said notice, those interested in said proposed Fifth Amendment to the Lease Agreement, both for and against, have been given an opportunity to be heard with respect thereto and have presented their views to the City Council.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Des Moines, Iowa, that:

1. Upon due consideration of the facts and circumstances of interested persons, the objections to said proposed Fifth Amendment to the Lease Agreement between the City and DBH Iowa, LLC, a copy of which is on file in the City Clerk's Office, of the below described real estate, and which extends the term of the lease until December 31, 2032, with two 5-year renewal terms, and addresses the Project and funding thereof, are hereby overruled and the hearing is closed.
2. There is no public need for the following legally described real estate and the public would not be inconvenienced by reason of the continued lease of such real property, pursuant to the Lease Agreement as amended by the Fifth Amendment:

TRACT 1

COMMENCING AT THE NORTHWEST CORNER OF LOT 1 BLOCK 37 OF FORT DES MOINES PLAT, AN OFFICIAL PLAT, NOW IN AND FORMING PART OF THE CITY OF DES MOINES, POLK COUNTY, IOWA; THENCE SOUTH 15°(DEGREES)22'(MINUTES)33"(SECONDS) EAST, 510.51 FEET ON THE EAST RIGHT OF WAY LINE OF SOUTHWEST 2ND STREET TO THE POINT OF BEGINNING; THENCE NORTH 72°00'04" EAST, 38.38 FEET ALONG SAID RIGHT OF WAY LINE; THENCE NORTH 17°59'56" WEST, 45.07 FEET ALONG SAID RIGHT OF WAY LINE; THENCE NORTH 35°29'28" EAST, 29.94 FEET ALONG SAID RIGHT OF WAY LINE TO THE SOUTH RIGHT OF WAY LINE OF WEST ML KING JR. PKWY; THENCE NORTH 88°58'53" EAST, 415.31 FEET ALONG SAID RIGHT OF WAY LINE TO THE WEST FACE OF THE DES MOINES RIVER WALL; THENCE 349.27 FEET, ALONG A 1019.43 FOOT RADIUS CURVE CONCAVE EASTERLY, WHOSE CHORD BEARS SOUTH 37°24'07" EAST, 347.56 FEET ALONG SAID WEST FACE; THENCE SOUTH 48°37'19" EAST, 283.28 FEET ALONG SAID WEST FACE; THENCE 291.03 FEET, ALONG A 6953.47 FOOT RADIUS CURVE CONCAVE EASTERLY, WHOSE CHORD BEARS SOUTH 50°24'15" EAST, 291.03 FEET ALONG SAID WEST FACE; THENCE SOUTH 52°34'18" EAST, 162.67 FEET ALONG SAID WEST FACE; THENCE SOUTH 07°58'07" EAST, 28.59 FEET ALONG SAID WEST FACE; THENCE SOUTH 06°46'05" WEST, 28.87 FEET ALONG SAID WEST FACE; THENCE SOUTH 42°10'26" WEST, 20.13 FEET ALONG SAID WEST FACE TO THE NORTH TOP OF BANK OF THE RACCOON RIVER; THENCE SOUTH 71°50'37" WEST, 96.71 FEET ALONG SAID NORTH TOP OF BANK; THENCE NORTH 77°59'32" WEST, 27.56 FEET ALONG SAID NORTH TOP OF BANK; THENCE SOUTH 53°24'39" WEST, 16.48 FEET ALONG SAID NORTH TOP OF BANK; THENCE SOUTH 87°21'39" WEST, 97.91 FEET ALONG SAID NORTH TOP OF BANK; THENCE SOUTH 85°53'36" WEST, 172.52 FEET ALONG SAID NORTH TOP OF BANK; THENCE SOUTH 75°28'20" WEST, 210.76 FEET ALONG SAID NORTH TOP OF BANK; THENCE SOUTH 61°22'37" WEST, 13.61 FEET ALONG A SIDEWALK AT SAID NORTH TOP OF BANK; THENCE SOUTH 72°42'27" WEST, 179.07 FEET ALONG SAID SIDEWALK; THENCE SOUTH 66°55'56" WEST, 55.99 FEET ALONG SAID NORTH TOP OF BANK; THENCE SOUTH 58°42'29" WEST, 152.55 FEET ALONG SAID NORTH TOP OF BANK; THENCE SOUTH 61°27'28" WEST, 97.34 FEET ALONG SAID NORTH TOP OF BANK; THENCE SOUTH 67°10'11" WEST,



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145.00 FEET ALONG SAID NORTH TOP OF BANK; THENCE SOUTH 50°18'59" WEST, 27.09 FEET ALONG SAID NORTH TOP OF BANK TO THE EASTERLY SIDE OF SOUTHWEST 2ND STREET; THENCE 352.88 FEET ALONG A 300.00 FOOT RADIUS CURVE CONCAVE EASTERLY, WHOSE CHORD BEARS NORTH 11°59'17" WEST, 332.89 FEET ALONG SAID EASTERLY SIDE; THENCE NORTH 21°42'34" EAST, 386.58 FEET ALONG SAID EASTERLY SIDE; THENCE 113.27 FEET, ALONG A 175.00 FOOT RADIUS CURVE CONCAVE WESTERLY, WHOSE CHORD BEARS NORTH 03°10'00" EAST, 111.30 FEET ALONG SAID EASTERLY SIDE; THENCE NORTH 15°22'33" WEST, 4.94 FEET ALONG SAID EASTERLY SIDE TO THE EASTERLY RIGHT OF WAY LINE OF SOUTHWEST 2ND STREET; THENCE NORTH 15°22'33" WEST, 329.16 FEET ON SAID EASTERLY RIGHT OF WAY LINE TO THE POINT OF BEGINNING CONTAINING 19.40 ACRES MORE OR LESS.

TRACT 2

COMMENCING AT THE NORTHEAST CORNER OF LOT 9, FACTORY ADDITION REPLAT NO. 3, AN OFFICIAL PLAT, NOW IN AND FORMING PART OF THE CITY OF DES MOINES, POLK COUNTY, IOWA; THENCE SOUTH 88°46'08" EAST, 68.81 FEET TO THE EASTERLY RIGHT OF WAY LINE OF SOUTHWEST 3RD STREET; THENCE SOUTH 15°11'15" EAST, 67.06 FEET ALONG SAID EASTERLY RIGHT OF WAY LINE TO THE POINT OF BEGINNING; THENCE 32.38 FEET, ALONG A 120.00 FOOT RADIUS CURVE CONCAVE SOUTHERLY, WHOSE CHORD BEARS NORTH 83°30'07" EAST, 32.28 FEET; THENCE SOUTH 88°46'08" EAST, 167.98 FEET; THENCE 19.86 FEET, ALONG A 80.00 FOOT RADIUS CURVE CONCAVE SOUTHERLY, WHOSE CHORD BEARS SOUTH 81°39'21" EAST, 19.81 FEET TO THE WESTERLY SIDE OF SOUTHWEST 2ND STREET; THENCE SOUTH 21°42'34" WEST, 351.79 FEET ALONG SAID WESTERLY SIDE TO THE EASTERLY RIGHT OF WAY LINE OF SOUTHWEST 3RD STREET; THENCE NORTH 15°11'15" WEST, 341.60 FEET ALONG SAID EASTERLY RIGHT OF WAY LINE TO THE POINT OF BEGINNING CONTAINING 0.84 ACRES MORE OR LESS.

TRACT 3

COMMENCING AT THE NORTHEAST CORNER OF LOT 5, FACTORY ADDITION REPLAT NO. 3, AN OFFICIAL PLAT, NOW IN AND FORMING PART OF THE CITY OF DES MOINES, POLK COUNTY, IOWA; THENCE SOUTH 15°11'15" EAST, 77.88 FEET ALONG THE WEST RIGHT OF WAY LINE OF SOUTHWEST 3RD STREET TO THE POINT OF BEGINNING; THENCE CONTINUING SOUTH 15°11'15" EAST, 444.92 FEET ALONG SAID RIGHT OF WAY TO THE NORTH FACE OF THE RACCOON RIVER WALL; THENCE 466.92 FEET ALONG A 1982.89 FOOT RADIUS CURVE CONCAVE SOUTHEASTERLY, WHOSE CHORD BEARS SOUTH 45°24'24" WEST, 465.84 FEET ON SAID NORTH FACE; THENCE SOUTH 36°37'12" WEST, 123.14 FEET ON SAID NORTH FACE TO THE EASTERLY RIGHT OF WAY LINE OF SOUTHWEST 5TH STREET; THENCE 110.50 FEET ALONG A 167.10 FOOT RADIUS CURVE CONCAVE NORTHERLY, WHOSE CHORD BEARS NORTH 72°32'46" WEST, 108.50 FEET ALONG SAID RIGHT OF WAY TO THE SOUTHWEST CORNER OF SAID LOT 5; THENCE 257.87 FEET, ALONG A 2863.93 FOOT RADIUS CURVE CONCAVE NORTHWESTERLY, WHOSE CHORD BEARS NORTH 27°20'01" EAST, 257.78 FEET ALONG THE SOUTHEASTERLY LINE OF SAID LOT 5; THENCE NORTH 24°45'15" EAST, 653.80 FEET ALONG THE SOUTHEASTERLY LINE OF SAID LOT 5 TO THE POINT OF BEGINNING CONTAINING 3.41 ACRES MORE OR LESS.

PROPERTY SUBJECT TO ANY AND ALL EASEMENTS OF RECORD.

3. The Council hereby determines that the consideration in the Lease Agreement constitutes the fair market value for such lease terms and the proposed Fifth Amendment to Lease Agreement, a copy of which is on file in the City Clerk's Office, be and is hereby approved.



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- 4. The Mayor is authorized and directed to sign said Fifth Amendment to Lease Agreement identified above, and the City Clerk is authorized and directed to attest to the Mayor's signature.
- 5. The City Clerk is authorized and directed to forward the original of the Fifth Amendment to Lease Agreement, together with a certified copy of this resolution and of the affidavit of publication of the notice of this hearing, to the Real Estate Division of the Engineering Department for the purpose of causing said documents to be recorded.
- 6. Upon execution of said Amendment, the Real Estate Division of the Engineering Department is authorized and directed to forward the original of said Amendment, together with a certified copy of this resolution and of the affidavit of publication of the notice of this hearing, to the Polk County Recorder's Office for the purpose of causing said documents to be recorded.
- 7. Upon receipt of the recorded documents back from the Polk County Recorder, the Real Estate Division shall file the original of this Amendment and send copies to the City Clerk, the Land Records Clerk, the City Parks and Recreation Department, and to the Lessee.

(Council Communication No. 22- 441)

Moved by Voss to adopt.

Second by Boesen.

APPROVED AS TO FORM:

/s/ Glenna K. Frank
Glenna K. Frank, Assistant City Attorney

COUNCIL ACTION	YEAS	NAYS	PASS	ABSENT
COWNIE	✓			
BOESEN	✓			
GATTO	✓			
MANDELBAUM	✓			
SHEUMAKER	✓			
VOSS	✓			
WESTERGAARD	✓			
TOTAL	7			

CERTIFICATE

I, LAURA BAUMGARTNER, City Clerk of said City hereby certify that at a meeting of the City Council of said City of Des Moines, held on the above date, among other proceedings the above was adopted.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my seal the day and year first above written.

J. M. Franklin Cownie Mayor

Laura Baumgartner City Clerk