

**MINUTES OF THE JOINT MEETING OF THE AMES CITY COUNCIL,
AMES PARKS AND RECREATION COMMISSION,
MARY GREELEY MEDICAL CENTER BOARD OF TRUSTEES,
AND STORY COUNTY BOARD OF SUPERVISORS**

AMES, IOWA

JANUARY 31, 2019

The Ames City Council met in Special Joint Session with Ames Parks and Recreation Commission, Mary Greeley Medical Center Board of Trustees, and Story County Board of Supervisors at 7:00 p.m. on the 31st day of January, 2019, at City Church, 2400 Oakwood Road, Ames, Iowa, pursuant to law. Mayor John Haila called the meeting to order on behalf of the Ames City Council. Chairperson Sarah Buck called the meeting to order on behalf of the Mary Greeley Medical Center (MGMC) Board of Trustees. Chairperson Lauris Olson called the meeting to order on behalf of the Story County Board of Supervisors. In addition to Mayor Haila, the following Council members were present: Bronwyn Beatty-Hansen, Gloria Betcher, Amber Corrieri, Tim Gartin, David Martin, and Chris Nelson. *Ex officio* Member Allie Hoskins was also present. Representing the MGMC Board of Trustees, in addition to Chairperson Buck, were Brad Heemstra, Ken McCuskey, and Mary Kitchell. In addition to Chairperson Olson, Story County Supervisor Sanders attended.

Facilitator Donna Gilligan named the six Collaboration Partners on the Healthy Life Center project as the City of Ames, Des Moines Area Community College, Heartland Senior Services, Iowa State University, Mary Greeley Medical Center, and Story County.

DESIRED OUTCOMES. Ms. Gilligan stated that the following items would be covered during tonight's meeting:

1. Project Overview
2. Project Concept
3. Philanthropic Campaign
4. Philanthropic Assessment Overview and What was Heard
5. Project Budget, Funding Streams, Shared Costs, and Contributions
6. Challenges
7. Required Agreements
8. Post-Bond Referendum and Anticipated Schedule
9. Reaction and Questions

According to Ms. Gilligan, it was hoped, that by the end of the meeting, those present would have more information and an increased understanding of the Healthy Life Center to help them make a conscious decision regarding support. In addition, they will have an understanding of the philanthropic support that has been established to this point and have a clear understanding of the next steps.

PROJECT OVERVIEW. Brian Dieter, President and Chief Executive Officer of Mary Greeley Medical Center, provided an overview of the project that the collaboration partners have helped shape to this point. He emphasized that the Healthy Life Center will be a "one-of-a-kind" place that makes the life-long goal of healthy living accessible and enjoyable to people of all ages and socio-economic status. Mr. Dieter commented that it will be more than a place to exercise; it is hoped that it will help people take a journey that they might not take otherwise toward healthier living. The three spheres of programs, services, and activities will include physical activity, social networks, and

health and nutrition, plus afford ISU and DMACC students and faculty extraordinary opportunities in education and applied student learning, with all of those culminating and helping people live well and be well.

Key drivers that support a Healthy Life Center were explained by Mr. Dieter. He quoted a portion of an article printed in the *Des Moines Register* that stated Iowa ranked tenth highest in youth obesity, and referenced a research study conducted by the Mayo Clinic that proved that a work site wellness program with attendance leads to significant dollar savings for employers' healthcare costs and for the employees, who benefitted by having better health and savings on their healthcare costs. A Center such as this will also help attract and retain the best employees. It was noted that in approximately three years, the Municipal Pool will be demolished as the Ames School District will construct a cold water competitive pool at the High School.

The site for the Center has been selected; it will be located at Ontario and Scholl Road. Mr. Dieter stated that ten acres will be required. The site is currently owned by Iowa State University, which at this time is a willing seller at potentially a favorable price. The site would be accessible from the existing trail system and is on a CyRide route. The City would own and manage the Center, and Mary Greeley and Heartland Senior Services would be tenants.

Several pictures were shown to depict conceptually what the Center might look like and what amenities could be included. It was noted that the conceptual drawings are prior to the engagement of an architect to do design development.

Mr. Dieter introduced John Haila, Mayor of Ames, and Sarah Buck, Chairperson of the MGMC Board of Trustees. Mayor Haila and Ms. Buck shared information about a site visit that had been taken to Rochester, Minnesota, to tour the Dan Abram Healthy Life Center. It was noted by Mayor Haila that that Center has been so successful that several additions have been constructed. It is open for use by not only the employees of Mayo Clinic and their families, but also by the community.

Mayor Haila explained the importance of including the nutrition component in the Center. He stated that Mayo Clinic had used its Center as an investment with the return of investment being fewer employee absences, fewer employee injuries, better staff retention, and an increased ability to attract and retain employees and families. Mr. Haila asked the community to think of such a Center as being an investment in the community, and the return of the investment will be seen for decades to come. In addition, the Center will be a magnet to attract students to learn, develop, and cultivate healthy life styles.

Ms. Buck shared her impressions of the site visit to the Mayo Clinic. She noted that the emphasis to date had focused mainly on nutrition and exercise; however, she became aware of a third pillar, i.e., resilience, after the site visit. The Dan Abrams Center has spaces dedicated to help people decompress. Stress is a big part of people's lives, and she would like to see that component worked into the HLC concept. Secondly, once the Center is built, Ms. Buck believes that it will be very attractive to businesses that don't have dedicated space for employee wellness to provide incentives to their employees. Ms. Buck pointed out that having a multi-generational Center where people of all ages can come together will be a real plus.

Mayor Haila commented that he had recently spoken with the City of Nevada Mayor Brett Barker, who stated that, "There are countless possibilities for collaboration and shared programming between the City of Nevada and the Healthy Life Center. Such a facility would be a benefit to

Nevada residents and for all of Story County.” It was specifically noted by Mayor Haila that the Healthy Life Center is being thought of as a regional center – not just for Ames or for a certain segment – and will help the County and region grow.

PHILANTHROPIC CAMPAIGN. Ms. Buck noted that she had spent a great deal of her life involved in fund-raising. Professional fund-raisers had stated that it would take three or four years to raise the funds for this project. Ms. Buck explained her desire for an endowment to be set up to help with ongoing maintenance costs.

Mayor Haila stated that the Healthy Life Center would be an unprecedented partnership among six different entities, the likes of such collaboration has never been accomplished. He publicly thanked Former Mayor Ann Campbell, Warren Madden, Emeritas Senior Vice-President of ISU, and Bev Madden, retired Director of ISU Career Services, who are leading the philanthropic campaign.

Ann Campbell pointed out that collaboration among the six entities had been occurring over the past three years. She stated that Bev and Warren Madden and she had been asked to take on the philanthropic campaign, as volunteers, to raise the dollars to fill the gap between what the public and human service entities would be doing. Ms. Campbell recognized other members of the philanthropic team: Jan Beran, Casey Johnson, Kim Linduska, Leo Milleman, Dave Tucker, Pam White, Nancy Carroll, and Facilitator Donna Gilligan. She summarized what the fund-raising team had heard when they were visiting with the public and various groups about the concept. There was broad support and enthusiasm for the Concept. According to Ms. Campbell, one family had pledged significant dollars to the project, but had also pledged ongoing support towards a scholarship program that would help make the facility affordable by all.

Warren Madden stated that over 60 individuals and entities have pledged financial support to date. He noted that they have been able to receive commitments of approximately \$5.9 million in less than a year’s time. The team intends to keep working. Additional contacts will be made, funding applications will be submitted to corporations, and community-wide fund-raising will be pursued. Mr. Madden said that, to date, the named spaces are:

Fitch Family Aquatic Center
Fareway Kitchen
REG Conference Room
Jeanette Smithson Water Playground
Deb and Bill Fennelly Outdoor Playground
Judie Hoffman Community Gardens
Banitt/Milleman Conference Room

Member of the Campaign Cabinet Dave Tucker, Senior Vice-President of Workiva, shared that he heard overwhelming support for the Center from those with whom he had spoken. He commented that he was willing to work so diligently on this project because he believes that the Center will be a place that brings people together and creates community. Mr. Tucker challenged everyone present to help figure out how to bring the Center to fruition.

Jan Beran, ISU Emeritas Professor of Health and Human Performance, and member of the Campaign Cabinet, advised that she has talked to so many people who are supportive of this project. She said that the Center would be a wonderful place to integrate people into the community - where they could be involved in programs that would be available to persons of all ages, including those on

limited incomes , throughout all of Story County. Ms. Beran noted that there are many people who participate in Ames Parks and Recreation programs who come from smaller towns outside of Ames.

Mr. Madden shared that Iowa State University spends \$40 million/year on health insurance today. He believes that ISU could lower its healthcare costs considerably if the Center would be available. Mr. Madden agreed with Mr. Dieter that the Healthy Life Center would be an investment towards overall wellness in the community.

PROJECT BUDGET, FUNDING STREAMS, SHARED COSTS, AND CONTRIBUTIONS.

Ames City Manager Steve Schainker stated that the estimated total project costs (as prepared by consultants RDG) at \$48,400,000, which included the design costs, land costs, site development costs, and a 15% contingency. The Steering Committee, which is comprised of representatives from the six collaborative partners, came up with the financing proposal. He noted that none of the partners has officially approved the numbers yet. The suggested revenue sources are as follows:

City of Ames	\$15,000,000 (G. O. Bonds)
	2,000,000 (Available Balances)
MGMC	7,000,000
Heartland Senior Services	3,500,000
Story County	3,000,000
Philanthropic	<u>6,000,000</u>
	\$36,500,000

According to Mr. Schainker, after the first year of operation, there would be a deficit of \$473,865. That number assumes that MGMC and Heartland Senior Services would pay their proportionate share of the operating costs for their space and Story County would pay \$200,000 in annual contributions. Annually, \$300,000 would be placed into a building depreciation/replacement fund in the Operating Budget to ensure the Concept is well-maintained in the future.

CHALLENGE: Mr. Schainker said that, assuming the University leases the site for \$1/year and \$6 million in donations is secured, there will be a \$11.9 million funding gap in order to proceed as planned.

NEEDED STEPS TO DETERMINE HOW TO FILL THE GAP. Mr. Schainker listed three things that needed to happen in order for the funding gap to be filled, i.e.:

1. One, some, or all of the potential funding partners can agree to increase their financial commitment to the project.

February: MGMC, Story County, and Heartland will report their formal funding levels to the City.

2. Philanthropic Capital Campaign will continue through March.
3. The Steering Team will meet to assess if some of the elements in the plan can be eliminated or building materials altered to reduce construction costs – as long as the overall philosophy or long-term durability of the HLC are not significantly compromised.

March. Steering Team will prepare a recommendation to the City Council for how the project could move forward. The City Council will then makes the final decision regarding how to proceed.

April. City Council: (1) will enter into required Agreements, and (2) establish the bond referendum amount and schedule a vote date for August 6, 2019.

August 6. Bond referendum will be held.

REQUIRED AGREEMENTS. Mr. Schainker listed the agreements that would be required: Naming Rights Agreements, land agreement with Iowa State University, tenant agreements with Heartland Senior Services and Mary Greeley Medical Center, and an agreement with Story County to ensure that all Story County residents pay the same user fees as Ames residents.

Nancy Carroll stated that the RDG Planning Study anticipates that there will be 333,000 visits/year to the HLC annually. Fifty-seven percent (57%) of those visitors would come from Ames; 30% would come from a radius that extends to Nevada, Huxley, Slater, Story City, Roland, and Madrid/Boone; and 13% would come from beyond those communities. Three major HLC amenities that are not available in those communities are the Indoor Aquatic Center, Indoor Playground, and Participation Kitchen. Those three capital investments total \$21 million: Aquatic Center: \$18.2 million; Indoor Playground \$1.4 million, and the Participation Kitchen: \$1.4 million).

Mr. Schainker announced the next steps that would be followed after the bond referendum is held.

Gloria Betcher, Ames City Council, advised that, last fall, Nancy Carroll, Steve Schainker, and she had worked on a grant application to the National League of Cities (NLC) Innovative Eco Systems Program, which helps fund marketing and establishes partnerships with NLC partners. The project was identified in the application as being innovative in that the Healthy Life Center would allow ISU to have applied learning activities and that it would be a unique facility around the country. It is not yet known if the application will be successful, but it has the potential of allowing access to NLC partners that the fund-raising team might want to explore.

Lauris Olson, Story County Supervisor, stated that Story County would also have to bond for its portion (\$3 million), so Story County residents would then paying for both the City of Ames bond and the Story County bond. She asked why Ames would not just take on the additional \$3 million (which would total \$18 million). Ms. Beran reiterated that she knows many people who participate in Ames Parks and Recreation program come from outside of Ames. If those persons would have to pay the cost of admission without the subsidy from Story County, it would be a real detriment to their participation. If Story County residents can pay the same amount as Ames residents, it would have a very big impact. Supervisor Olson then stated that perhaps Story County could just pay the subsidy for the residents outside of Ames who are using the facility, as that would be better financially for the County.

Story County Supervisor Sanders thanked all who have been involved in the project to this point. He noted that he had heard Mr. Schainker say that they would be looking for commitments from the six partners to be made within the next 30 days or so. He asked what kind of resources would be available to the partners to help them make their decisions; i.e., someone to come to the Board's meeting to help walk them through the details. Mr. Schainker stated that he would attend their meeting.

Addressing Supervisor Olson's comments, Mr. Schainker said that it is difficult to isolate individual benefit. He noted that the Healthy Life Center would be an amenity that would attract people to Story County and keep them living in the area. Mr. Schainker pointed out that he did not know what percentage of tax dollars are paid to Story County by the citizens of Ames versus the rest of Story County, but he believes it would be a large amount. Ames, however, does not tell Story County that it must spend every tax dollar that it gets from Ames citizens on improvements within the City of Ames. He added that the Healthy Life Center would be an amenity that benefits all of Story County.

Supervisor Olson acknowledged that the taxes paid to Story County from properties in Ames pay for essential services outside of Ames; those dollars subsidize the rest of the County.

Supervisor Sanders advised that Story County has approximately \$7.5 billion in taxable valuation and approximately \$5.5 billion of that amount is coming from Ames.

Eve Lederhouse, speaking as a member of the Ames Parks and Recreation Commission, asked if there was a marketing plan in place to communicate information before the bond issue. Ms. Carroll said there will be a "Friends" group of supporters to help communicate and provide information; there will be comprehensive educational and informational campaign.

Ames Council Member Betcher asked if the financial estimates were in 2022 dollars or 2018 dollars. City Manager Schainker answered that the estimates are in 2019 dollars.

Ed Moran, Parks and Recreation Commission member, asked Parks and Recreation Director Keith Abraham what the operational deficit is currently at the Municipal Pool. Mr. Abraham replied that the Municipal Pool is currently subsidized with \$85,000 to \$90,000/year. Mr. Schainker noted that the Municipal Pool only has one basin.

Public Input. Jeff Johnson, Ames, said that when he and his family moved to Ames approximately 20 years ago, he wondered why Ames did not have a YMCA. He noted that there are private amenities in Ames, but there are many people who would never go to those – some of it is economic and some of it is because it would be outside of who they are. Mr. Johnson believes that the community needs to recognize that part of the health of the City and the County is the health of their citizens; it needs amenities that are more accessible to the general population. He stated that he feels very strongly about the importance of the HLC; it is worth paying for. Mr. Johnson sees this as a regional opportunity; Ames is the hub for regional activity. All neighboring communities will benefit from the facility. Mr. Johnson urged all persons to support the project.

Anne Kinzel, Ames, said that she is proud to be both a resident of Ames and a resident of Story County. She offered that she sees this as a commitment by communities toward the health and well-being of all residents in all communities in Story County.

Stephanie Downs, Ames, said that, in her profession, she is responsible for the well-being of the 6,700 employees of Iowa State University. She shared that since she took the job in 2014, employees have been asking for a facility where they can go to on Campus or have their memberships paid to a wellness facility. Ms. Downs said this also has to do with socio-economic well-being. She believes that it is also about engagement; the HLC would be a huge amenity to attract and retain residents in Ames and nearby communities. Another component would be the programming. The HLC would create the opportunity to partner with some of the research being conducted at Iowa State. Speaking specifically about the Participation Kitchen, Ms. Downs commented that Iowa State had initiated a program called the "Culinary Boot Camp." They use the

chefs and kitchens from Iowa State, and the Student Culinary Science Club volunteers. Participants come for two hours to be educated on healthy food choices, watch a chef demo, and spend the last hour making recipes and learning ways to be healthier. The HLC would offer educational opportunities in nutrition to the communities. Research has shown that education and nutrition have a huge impact on health, which is corroborated by the participants, who have stated that the experience has been life-changing.

Speaking also as the President of Healthiest Ames Advisory Board, Ms. Downs said there are four key areas that they are working on: Physical activity, healthy food choices, community connectivity, and health condition awareness. Ms. Downs believes that what makes the HLC so unique is the large open gathering space that gives a sense of community. She said that, over the next two years, the Healthiest Ames Advisory Board will be focusing on supporting the Healthy Life Center and will be doing everything it can to bring the HLC to fruition.

Lastly, as a citizen of Ames for over 25 years, Ms. Downs noted that, as a mother of three boys, she would have loved to have the indoor facility where they could have gone in the winter and when the weather was so unpredictable. Also, last year, her 86-year-old mother had a major health condition and they moved her to Ames into an assisted-living facility to rehabilitate. There was no indoor place for her mother to go in January to walk in a safe environment. In addition, to be surrounded by others where there are multiple activities going on boosts emotional status. Ms. Downs strongly encouraged everyone to do whatever they can do to bring this much-needed facility to Ames.

ADJOURNMENT: The meeting was adjourned by the Ames City Council, the Ames Parks and Recreation Commission, Mary Greeley Medical Center Board of Trustees, and the Story County Board of Supervisors at 8:55 p.m.

Diane R. Voss, Ames City Clerk

John A. Haila, Mayor