

ITEM #: 14
DATE: 02-25-25
DEPT: ADMIN

COUNCIL ACTION FORM

SUBJECT: LEASE AGREEMENT WITH AMES YOUTH SPORTS COMPLEX, INC.

BACKGROUND:

In 1994, the City leased a property west of the South Skunk River and south of U.S. Highway 30 to Ames Youth Sports Complex, Inc. (AYSC), which represents several separate non-profit youth sports groups. The property was then developed into the Hunziker Youth Sports Complex. The property is furnished to AYSC in consideration of the organization providing a youth sports program for the community.

A separate lease was entered into in May 2002 on the same terms as the original lease, but for an adjacent portion of the City property. This created the area that is today occupied by the complex. Both leases expire on February 28, 2025.

In fall 2024, staff approached AYSC representatives to discuss a new lease. A team of City staff from the City Manager's Office, Parks and Recreation, Planning and Housing, and the Water & Pollution Control Departments reviewed the existing leases and proposed suggestions for a successor lease agreement. The City Attorney's Office has prepared a single lease that would replace the two separate leases that currently exist. The new lease would extend from March 1, 2025 through February 28, 2055.

The proposed lease maintains a number of the terms from the original two leases, but revisions have been included to reflect changes that have occurred on the site since 1994. The new lease also clarifies certain expectations, including:

1. Expectations regarding site development, including the need to receive advance City approval for physical improvements to the site. A note is included that some improvements may require a flood plain development permit.
2. A clearly defined line of responsibility for maintenance of the access road, and language reflecting the actual location of the access gate that was installed in the past ten years.
3. Acknowledgement of the adjacency of the site to the river and water wellfield, and agreement to store chemicals appropriately and apply pesticides and fertilizers in accordance with certain stated best practices.
4. A reservation of the City's rights to use the property for water utility activities, crossings of the Skunk River Trail, and the Urban Deer Hunting program.

In addition to these modifications, the site plan for the property has been revised and attached to the agreement. The site has developed differently than the adopted site plan from 1994, so the revised site plan reflects the site's actual development and potential future development.

Because the term of the lease is for longer than three years, a public hearing must be held before considering approval. Therefore, staff is requesting that Council set March 11, 2025 as the date

of public hearing to consider the lease. The specific language in the lease will be provided to the Council at that time.

ALTERNATIVES:

1. Set March 11, 2025, as the date of public hearing to consider a 30-year lease agreement with Ames Youth Sports Complex, for City property located south of U.S. Highway 30 and west of the South Skunk River.
2. Do not set a hearing date.
3. Refer this item back to staff for further information.

CITY MANAGER'S RECOMMENDED ACTION:

During the past 30 years, the City's arrangement to provide land to Ames Youth Sports Complex, Inc. has allowed the organization to facilitate quality sports programs for thousands of youth in the Ames community. This programming is of a scale that could not be economically provided directly by the City, resulting in a significant value from using property that would otherwise be difficult to develop.

The proposed lease provides the property to Ames Youth Sports Complex, Inc. for a further 30 years, updates the lease to reflect the current condition of the property, and includes several clarifications for the future. Therefore, it is the recommendation of the City Manager that the City Council approve Alternative No. 1, as described above.