

COUNCIL COMMUNICATION

	Number:	22-078	Meeting:	March 7, 2022
	Agenda Item:	47	Roll Call:	22-0339
	Submitted by:	Erin Olson-Douglas, Development Services Department Director		

AGENDA HEADING:

Resolution approving sponsorship of an application for financial assistance to the Iowa Economic Development Authority (IEDA) under the High Quality Jobs (HQP) Program for Spraytec Fertilizers, LLC.

SYNOPSIS:

Spraytec Fertilizers, LLC (3219 99th Street, Urbandale, Iowa Operations Manager Renato Firmento) is requesting City sponsorship of a financial assistance application under the IEDA's HQJ Program. The company plans to construct a 51,000-square-foot facility that will include 6,000 square feet of office space, manufacturing of the product, and warehousing of the finished product. The building will be constructed of steel and precast concrete.

The qualifying investment is approximately \$7 million. The project will create 11 new jobs, with a qualifying wage of \$27.88-\$28.82 per hour.

The HQJ Program application for this project has been submitted. A resolution of support and a local match is required from the City. The local match is to be fulfilled through tax abatement, which is considered a by-right incentive, providing all abatement program requirements are met.

FISCAL IMPACT:

Amount: The value of the tax abatement schedules for which this project is eligible is \$477,769 or \$700,728 (cash value), depending upon the chosen commercial/industrial tax abatement schedule.

Funding Source: City-established commercial/industrial tax abatement programs, which are:

- 3-year, 100%; or
- 10-year declining scale (80% - 20% abatement over the course of the abatement term)

ADDITIONAL INFORMATION:

- Spraytec manufactures and markets foliar fertilizer products specially formulated to avoid losses during application and provide nutrition, promote overall plant health, and aid in the control of crop disease. Spraytec focuses on sustainability with 100% biodegradable products. The average product rate is 4-oz per acre for corn, soybeans and other crops.

- The production of the finished products currently takes place overseas, so this project will be the first manufacturing presence in North America. The company has an office presence in Urbandale and a warehouse in Bondurant, which would be consolidated into this site as a result of this project.

PREVIOUS COUNCIL ACTION(S):

Date: February 21, 2022

Roll Call Number: [22-0264](#)

Action: [Continuing](#) hearing on request from ABC Partners, LP for approval of a proposed 2nd Amendment to the Airport Business Park Phase II PUD Conceptual Plan on property located at 7404 SW 37th Street in order to reconfigure lots within the PUD, reduce the requirement of a 10-foot bicycle path along Southwest 37th Street and Gannett Avenue to a 5-foot sidewalk, and add the Fabrication and Production, Intensive use of fertilizer product assembly to the allowed uses within the Property. (Continued until March 7, 2022). Moved by Mandelbaum to adopt. Second by Gatto. Motion Carried 7-0.

BOARD/COMMISSION ACTION(S):

Board: Plan and Zoning Commission

Date: January 20, 2022

Resolution Number: ZONG-2021-000058

Action: Request from ABC Partners, LP (owner), represented by Ronald L. Daniels (officer), for review and approval of a 2nd amendment to the Airport Business Park Phase II PUD Conceptual Plan on the property located at 7404 SW 37th Street, to update descriptions for permitted uses on Lots 1 and 2 of the PUD and to replace the requirement of a 10-foot-wide bicycle path with a 5-foot wide sidewalk. Moved by Freed. Motion Carried 14-0.

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS:

Approval of a 3-party IEDA HQJ contract.

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