

OFFICE OF THE CITY MANAGER
DES MOINES, IOWA

CITY COUNCIL COMMUNICATION 96-484
NOVEMBER 18, 1996 AGENDA

SUBJECT:	TYPE:	SUBMITTED BY:
THE IOWA PACKING COMPANY	◆ RESOLUTION ORDINANCE RECEIVE/FILE	RICHARD CLARK DEPUTY CITY MANAGER

SYNOPSIS —

On the November 18, 1996, Council agenda is a roll call to approve a local economic development contribution in the amount of \$5,000 to The Iowa Packing Company. The Iowa Packing Company, located at 1801 Maury Street, is in the process of finalizing technical specifications for the expansion of their current plant to facilitate beef processing, as well as maintain their current pork processing operation. The proposed project would result in the expansion of one building to consolidate and maintain their current levels of pork processing, and the expansion and conversion of another building for the new beef processing operation. The proposed expansion is projected to create 650 new jobs with an annual payroll of \$9,464,000. While the final project costs have not yet been finalized, the Company's initial estimates place the cost at about \$10 million.

The City contribution is an equal part of a joint state and community effort totaling \$20,000, developed with the following local *partners*: The State of Iowa, Department of Economic Development, MidAmerican Energy Company, and The Greater Des Moines Chamber of Commerce Federation. The total contribution is to assist The Iowa Packing Company in defraying costs associated with determining the final scope and technical specifications for the proposed project.

FISCAL IMPACT —

The City's economic development contribution will be funded out of the UDAG Repayments Account.

RECOMMENDATION —

Approval of the roll call approving a local economic development contribution in the amount of \$5,000 to The Iowa Packing Company.