

 <p style="text-align: center;">Council Communication Office of the City Manager</p>	Date: September 9, 2013
	Agenda Item No. 49 Roll Call No. <u>13-1444</u> Communication No. <u>13-464</u> Submitted by: Matthew A. Anderson, Assistant City Manager

AGENDA HEADING:

Resolution to Approve State of Iowa Business Assistance Contract with the Iowa Economic Development Authority (IEDA) for the Helena Industries expansion project at 3525 Vandalia Road.

SYNOPSIS:

Helena Industries, Inc. (Troy Hugen, Plant Manager, Helena Industries, Inc., 3525 Vandalia Road P.O. Box 5004, Des Moines, Iowa 50306) purchased 30 acres of City owned land in February 2013 to conduct an estimated \$4.7 million expansion to their chemical manufacturing campus at 3525 Vandalia Road.

The IEDA invited Helena Industries to submit an application for State business assistance for the expansion project and has approved benefits for the project under the High Quality Jobs program. The State assistance will consist of an estimated \$83,000 investment tax credit and \$100,000 in anticipated State sales, service, and use taxes on the project. A local match for the requested State assistance will be provided through the \$168,000 economic development grant approved by Council by Roll Call No. 13-0344 on February 25, 2013 and by the provision of a five (5) year graduated industrial tax abatement under Chapter 427 B of the Iowa Code.

FISCAL IMPACT:

Amount: Graduated five (5) year Industrial Tax Abatement value estimated at \$375,000.

Funding Source: New taxable valuation from 100,000 square foot warehouse; five (5) year graduated abatement schedule (Year One (1) 75%, Year Two (2) 60%, Year Three (3) 45%, Year Four (4) 30%, Year Five (5) 15%).

ADDITIONAL INFORMATION:

Helena Industries purchased 30 acres of City-owned land located south of Vandalia Road, west of SE 43rd Street and east of SE 30th Street in the SE Agribusiness Urban Renewal Area, directly adjacent to the current Helena Industries contract chemical manufacturing campus. The 30 acres was purchased for \$450,000 and will provide Helena Industries the ability to remain in the City of Des Moines, retain existing jobs, and be competitive for future growth opportunities.

The expansion project will include the construction of a 100,000 square foot warehouse and the addition of a minimum of three (3) new jobs.

PREVIOUS COUNCIL ACTION(S):

Date: June 24, 2013

Roll Call Number: [13-1042](#), [13-1043](#), [13-1044](#), [13-1045](#), and [13-1046](#)

Action: Items regarding the rezoning of 3525 Vandalia Road, to allow expansion of the existing chemical production plant to develop a 100,000 square foot warehousing addition for Helena Industries:

- (A) To amend the Des Moines 2020 Community Character Plan to revise the future land use designation from Planned Business Park to General Industrial. Moved by Meyer to approve the proposed amendment. Motion Carried 7-0.
- (B) Hearing on rezoning the property from “PUD” (Planned Unit Development) to Ltd. “M-2” (Heavy Industrial). Moved by Meyer to adopt and approve the rezoning, subject to final passage of the rezoning ordinance. Motion Carried 7-0.
- (C) First consideration of ordinance above. Moved by Meyer that this ordinance be considered and given first vote for passage. Motion Carried 7-0.
- (D) Final consideration of ordinance above (waiver requested by Helena Industries), requires 6 votes. Moved by Meyer that the rule requiring that an ordinance must be considered and voted on for passage at two Council meetings prior to the meeting at which it is to be finally passed be suspended, that the ordinance be placed upon its final passage and that the ordinance do now pass, [#15,202](#). Motion Carried 7-0.
- (E) Setting date of hearing to consider partial exemption from property taxation, (7-15-13). ([Council Communication No. 13-315](#)) Moved by Meyer to adopt. Motion Carried 7-0.

Date: June 10, 2013

Roll Call Number: [13-0907](#)

Action: Business application to Iowa Economic Development Authority (IEDA) for the Helena Industries expansion at 3525 Vandalia Road. ([Council Communication No. 13-296](#)) Moved by Hensley to approve. Motion carried 7-0.

- (A) Setting date of hearing on request from Helena Industries, Inc. to rezone 3525 Vandalia Road from “PUD” (Planned Unit Development) to “M-2” (Heavy Industrial), (6-24-13). Moved by Hensley to adopt. Motion carried 7-0.

Date: February 25, 2013

Roll Call Number: [13-0344](#)

Action: Conditionally approving Urban Renewal Agreement for the sale of real estate to Helena Industries, Inc., for an expansion of its regional office and industrial facility at 3525 Vandalia Road ([Council Communication No. 13-104](#)) Moved by Meyer to adopt. The City Council encourages the Des Moines Water Works to hold a special meeting to approve the agreement. Motion Carried 6-1. Absent: Coleman.

Date: January 28, 2013

Roll Call Number: [13-0162](#)

Action: [Conditionally](#) approving Urban Renewal Agreement for the sale of real estate to Helena Industries, Inc., for an expansion of its regional office and industrial facility at 3525 Vandalia Road, and to continue to February 25, 2013 at 5:00 PM. (Continued from January 14, 2013) ([Council Communication No. 13-035](#)) Moved by Meyer to continue the public hearing until February 25, 2013 at 5:00 p.m. Motion carried 7-0.

Date: December 17, 2012

Roll Call Number: [12-1968](#)

Action: [On](#) proposed Urban Renewal Agreement for the sale and redevelopment of 30 acres south of the 3600 block of Vandalia Road to Helena Industries, Inc. ([Council Communication No. 12-624](#)) Moved by Meyer to continue the public hearing until January 14, 2013 at 5:00 PM. Motion Carried 7-0.

Date: December 3, 2012

Roll Call Number: [12-1837](#)

Action: [On](#) proposed Urban Renewal Agreement with Helena Industries, Inc. for the sale and redevelopment of 30 acres, south of the 3600 block of Vandalia Road, (12-17-12). ([Council Communication No. 12-599](#)) Moved by Hensley to adopt. Motion Carried 7-0.

Date: August 29, 2011

Roll Call Number: [11-1536](#)

Action: [Approving](#) preliminary terms for sale of property in the Southeast Agribusiness Urban Renewal Area to Helena Industries, Inc. Sponsor: Council Member Meyer. ([Council Communication No. 11-570](#)) Moved by Meyer to adopt. Motion Carried 7-0.

Date: April 20, 2009

Roll Call Number: [09-0695](#)

Action: [Resolution](#) to receive and file a proposal from Helena Industries to purchase land in the SE Agrimergent Business Park and refer to City Manager for further review and negotiation. ([Council Communication No. 09-232](#)) Moved by Meyer to receive and file. Motion Carried 7-0.

BOARD/COMMISSION ACTION(S):

Board: Urban Design Review Board

Date: December 4, 2012

Resolution Number: N/A

Action: Motion to approve as presented by Rypma. Seconded by Allen. Motion carried.

Board: Good Neighbor Task Force

Date: December 10, 2012

Resolution Number: 12-1

Action: Motion by Champ that the Helena Industries Expansion project meets the intent of the Good Neighbor Agreement. Seconded by Rayman. Motion carried.

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE

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