

 <p style="text-align: center;">Council Communication Office of the City Manager</p>	Date: February 22, 2016
	Agenda Item No. 36 Roll Call No. <u>16-0287</u> Communication No. <u>16-078</u> Submitted by: Matthew A. Anderson, Assistant City Manager

AGENDA HEADING:

Resolution in support of a High Quality Jobs Program Business Financial Assistance Application to the Iowa Economic Development Authority (IEDA) on behalf of Jack Henry & Associates, Inc.

SYNOPSIS:

The City’s Office of Economic Development recommends approval of the Resolution in support of an application for financial assistance under the state of Iowa High Quality Jobs Program on behalf of Jack Henry & Associates, Inc.

The company anticipates that it will create 30 new software engineer positions and invest approximately \$7.4 million over the next three (3) years in the expansion of its Des Moines office. The Des Moines office currently employs 22 software engineers in its current leased space at 206 6th Avenue. The company proposes to maintain the Des Moines office, but will move to leased space at 317 6th Avenue.

FISCAL IMPACT: NONE

No City funds are requested. The required 20% community match under the High Quality Jobs Program is being provided via the tenant improvement allowance provided by the landlord of the Des Moines office site.

ADDITIONAL INFORMATION:

Jack Henry & Associates, Inc., is a publicly traded national corporation with its national headquarters in Monett, MO. The company is a leading provider of technology solutions and payment processing services primarily for the financial services industry. In 2014, Jack Henry & Associates, Inc. purchased the Iowa software development firm known as Banno, and has continued to maintain two (2) Iowa offices located in Cedar Falls and Des Moines with a combined employment of 63 persons.

Jack Henry & Associates, Inc. desires to maintain and expand both the Cedar Falls and Des Moines operations and is seeking funding assistance available through the state of Iowa’s High Quality Jobs Program. The Company is proposing to invest a total of \$17.6 million into the expansion of its Iowa offices and create at least 50 new software engineer jobs with starting annual wages ranging from \$60,000 to \$110,000, with a weighted average of \$81,500 per year.

The Company's application under the IEDA's High Quality Jobs Program is seeking a total of \$200,000 in direct financial assistance and \$309,900 in state of Iowa Investment Tax Credits and Research Activities Tax Credits. Additionally, the expansion will qualify for funding under the 260E New Job Training Funds program administered by the Community Colleges to assist in training for the new positions created. The city of Cedar Falls will sponsor the application with the City of Des Moines providing a resolution of support for the application for state of Iowa financial assistance under the High Quality Jobs Program.

PREVIOUS COUNCIL ACTION(S): NONE

BOARD/COMMISSION ACTION(S): NONE

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE

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