

 <p style="text-align: center;">Council Communication Office of the City Manager</p>	Date:	May 22, 2017
	Agenda Item No.	36
	Roll Call No.	<u>17-0879</u>
	Communication No.	<u>17-433</u>
	Submitted by:	Erin Olson-Douglas, Economic Development Director

AGENDA HEADING:

Resolution approving contract related to the financial assistance for Voya Financial (Voya) under the Iowa Economic Development Authority (IEDA) High Quality Jobs (HQJ) Program.

SYNOPSIS:

By Roll Call No. 17-0488 on March 20, 2017, Council approved the City sponsorship of an application for financial assistance under the IEDA HQJ Program on behalf of Voya (Tim Varielle, Leasing Director-Corporate Real Estate, Voya Financial). IEDA has approved an award under the HQJ program and the funding contract is being presented for approval and authority for the Mayor to execute on behalf of the City. The City of Des Moines is required to provide a local community match, which will occur through a parking subsidy, which was already approved by Roll Call No. 17-0487 on March 20, 2017.

FISCAL IMPACT: NONE

ADDITIONAL INFORMATION:

- Voya Services Company is a Fortune 500 company (currently #252), offering retirement savings plans, investment management, and life and employee benefit insurance to corporations and individuals.
- Voya began as ING US, which was spun off in 2013 with an initial public offering. In April 2014, the company rebranded itself as Voya Financial. Voya's predecessors first entered the US market in the 1970's.
- Voya employs 7,000 people worldwide and 437 people in Des Moines.
- Voya intends to grow by 15 employees, 11 of which will qualify as a high quality job (\$26.72 per hour or higher). The weighted average pay of the new jobs is \$52.64/hour.
- Voya has had a 20-year lease at 909 Locust, which is set to expire at the end of 2017.
- In August 2016, Voya sent out a Request for Proposal (RFP) for new space in the metro area. City staff worked with the then-owner of 909 Locust, the Graham Group, on a potential 20% parking discount as a retention effort for this long-time employer. Federal Home Loan Bank is now in the process of buying 909 Locust.
- In January 2017, Voya indicated to City staff that they preferred to work directly with the City on a parking license agreement, as there were multiple locations within Des Moines that they were considering; also, they were considering space in West Des Moines.
- In February 2017, Voya decided to remain in Des Moines and to lease 85,000 square feet at the Hub Tower, 699 Walnut Street, starting on January 1, 2018.

- Voya intends to make a \$9.8 million capital investment, which includes tenant improvements, computer hardware, furniture and fixtures.
- IEDA has offered Voya \$304,080 in investment tax credits and a \$249,000 refund of sales tax paid on construction materials for their expansion.

PREVIOUS COUNCIL ACTION(S):

Date: March 20, 2017

Roll Call Number: [17-0487](#) and [17-0488](#)

Action: Items regarding Voya Services Company: ([Council Communication No. 17-294](#))

- (A) [Economic](#) Development Parking License Agreement between the City of Des Moines and Voya Services Company for the use of Ninth and Locust Garage and Eight and Mulberry Garage. Moved by Hensley to adopt. Motion Carried 7-0.
- (B) [Support](#) of Economic Development Assistance Contract between Iowa Economic Development Authority and Voya Services Company. Moved by Hensley to adopt. Motion Carried 7-0.

BOARD/COMMISSION ACTION(S): NONE

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE

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