

 <p style="text-align: center;">Council Communication Office of the City Manager</p>	Date:	September 10, 2018
	Agenda Item No.	32
	Roll Call No.	[_____]
	Communication No.	<u>18-442</u>
	Submitted by:	Erin Olson-Douglas, Economic Development Director

AGENDA HEADING:

Resolution approving documents related to the financial assistance for Meredith under the Iowa Economic Development Authority (IEDA) High Quality Jobs (HJQ) program and the City of Des Moines Development Agreement.

SYNOPSIS:

By Roll Call No. 18-0581, on April 9, 2018, the City Council approved the City sponsorship of an application for financial assistance under the IEDA HJQ program on behalf of Meredith Corporation (1716 and 1615 Locust Street, Steve Gattton, State Tax Manager). IEDA has approved an award under the HJQ program and the contract is being presented for approval and authority for the City Manager to execute on behalf of the City. The City of Des Moines is not required to provide a local community financial match for the project.

FISCAL IMPACT:

Amount: N/A

Funding Source: There is no required financial match for this contract.

ADDITIONAL INFORMATION:

- Meredith Corporation is a multi-faceted media company, with platforms in broadcast television, print, digital, mobile, and video.
- Meredith’s National Media Group reaches nearly 200 million unduplicated American consumers every month, including 85% of US millennial women.
- Meredith employs over 8,650 people worldwide; currently there are 737 employees in Des Moines. The 41 new jobs will be professional and support positions, such as accountants, financial and data analysts, lawyers, marketing, human resources, and information technology.

- The space at 1615 Locust was built in 1997, with little updating done since then. Over a period of three (3) years, Meredith intends to spend \$5 million on remodeling their existing space, which will include new:
 - Paint
 - Heating, ventilation and air conditioning (HVAC)
 - Furniture (including work stations)
 - Electrical feed to new work stations
 - Low voltage network cabling
 - Window shades for four (4) floors on west and south sides

- In addition, Meredith will be spending:
 - \$600,000 in computer hardware
 - \$10,000,000 in computer software
 - \$3,000,000 in furniture and fixtures
 - \$2,000,000 in research & development

- The incentive package includes:
 - \$280,000 in investment tax credits from IEDA
 - \$150,000 in sales tax refund on construction materials for the remodeling project from IEDA
 - \$30,000 in research activities credit from IEDA
 - \$385,176 in job training funds from Des Moines Area Community College

PREVIOUS COUNCIL ACTION(S):

Date: April 9, 2018

Roll Call Number: [18-0581](#)

Action: [Support](#) of an application for High-Quality Jobs Tax Credits from Meredith Corporation to the Iowa Economic Development Authority (IEDA). ([Council Communication No. 18-163](#)) Moved by Gatto to adopt. Motion Carried 7-0.

BOARD/COMMISSION ACTION(S): NONE

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE

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