


## COUNCIL COMMUNICATION

	Number:	<b>21-408</b>	Meeting:	<b>October 4, 2021</b>
	Agenda Item:	<b>31</b>	Roll Call:	<b>21-1482</b>
	Submitted by:	<b>Erin Olson-Douglas, Development Services Department Director</b>		

### AGENDA HEADING:

Resolution approving a second amendment to the Iowa Economic Development Authority (IEDA) contract related to the financial assistance for Accordia Life & Annuity Company (aka Global Atlantic) under the IEDA High Quality Jobs (HQJ) program.

### SYNOPSIS:

On February 5, 2018, the City Council approved an IEDA contract on behalf of Accordia Life & Annuity Company (215 10th Street, 11th Floor, Des Moines, IA 50309, Kirsten Loreen, Vice President) for financial assistance under the IEDA HQJ program. The terms of the agreement stated that by May 31, 2020, Accordia Life & Annuity would create 65 jobs, 54 of which will be wage-qualifying jobs (\$27.92 per hour) and would retain 17 jobs. They were also required to maintain the jobs for two (2) years – until May 31, 2022.

On November 23, 2020, the City Council approved a 1-year extension to the contract. Accordia is now requesting another 1-year extension for both the job creation and maintenance deadlines, which would result in a May 31, 2022 deadline for job creation and a May 31, 2024 deadline for job maintenance. Accordia has indicated that their plans of converting their contractor population into full-time employees has been delayed due to a shift of priorities in 2020 and 2021. The years 2020 and 2021 have functioned as pause years in full-time employee growth due to the pandemic. They anticipate headcount growth in late 2021 and early 2022.

### FISCAL IMPACT: NONE

### ADDITIONAL INFORMATION:

- Accordia is a financial services company focusing on the U.S. life insurance, retirement and reinsurance markets. Founded in 2004 at Goldman Sachs, Accordia has been an independent, privately owned company since May 2013.
- The expansion project entails the creation of 65 jobs, 54 of which will be wage-qualifying jobs (\$27.92 per hour). The average wage of total project employment in Des Moines is \$47.82 per hour. The average wage of the qualifying jobs is \$54.88/hour.
- The company currently employs 904 people nationally and 224 people in Des Moines, which includes 24 new employees that qualify for fulfillment of the contract.

- As part of the expansion project, the company spent \$4.5 million in tenant improvements at Davis Brown Tower and \$2 million in furniture and fixtures.
  
- The incentive package includes:
  - \$640,000 in investment tax credits from IEDA
  - \$135,000 in sales tax refund on construction materials from IEDA
  - \$100,000 in local match from the City of Des Moines

**PREVIOUS COUNCIL ACTION(S):**

Date: November 23, 2020

Roll Call Number: [20-1886](#)

Action: [Amendment](#) to the Iowa Economic Development Authority (IEDA) contract related to the financial assistance for Accordia Life & Annuity Company (aka Global Atlantic) under the IEDA High Quality Jobs (HQJ) program. ([Council Communication No. 20-502](#)) Moved by Gatto to adopt. Motion Carried 7-0.

**ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE**

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