COUNCIL COMMUNICATION

CITY OF DES MOINES CITY MANAGER'S OFFICE	Number:	**26-256**	Meeting:	**July 13, 2026**
	Agenda Item:	**26**	Roll Call:	**26-0835**
	Submitted by:	**Carrie Kruse, Economic Development Administrator**		

AGENDA HEADING:

Resolution of Support for an application for financial assistance to the Iowa Economic Development Authority (IEDA) under the Business Investment for Growth (BIG) program for EP2 a FLEX Company.

SYNOPSIS:

EP^2, a FLEX Company (4240 Army Post Road, Des Moines) is requesting a resolution of support from the City for a financial assistance application under IEDA's BIG program, which has replaced the High Quality Jobs (HQJ) program. The HQJ program previously required a local financial match from the City to be included with the application; the BIG program does not have that same requirement. Only a resolution of support is needed currently to apply to IEDA's BIG program.

If the project is awarded State incentives, negotiation on a Development Agreement with City is anticipated. The application to the BIG program is their first step in identifying project financing sources. The IEDA Board will be considering this application at their July 17, 2026, Board meeting.

FISCAL IMPACT: NONE

ADDITIONAL INFORMATION:

- Electrical Power Products/Flex LTD, Critical Power is a manufacturer of electrical infrastructure equipment, supplying datacenter and utility markets. Due to rising demand for its products, Electrical Power Products, recently acquired by Flex in May of 2026, plans to expand its current building footprint. The new building will house fabrication, assembly, and wiring as well as technical indirect jobs to support its operation.

  - The proposed $40 million investment is for a new manufacturing facility that will house fabrication, assembly, and wiring as well as technical indirect jobs to support its operation.
    - Building Construction $20,000,000
    - Manufacturing Machinery & Equipment: $10,000,000
    - Other Machinery & Equipment: $5,000,000
    - Computer Hardware: $1.5M
    - Furniture: $150,000

- The project is expected to create 160 qualified jobs in Des Moines.
- IEDA is proposing the following State incentives:

  $1,257,500 – Investment Tax Credit

  $ 775,000 – Sales Tax Refund

  $2,032,500 – Total

PREVIOUS COUNCIL ACTION(S): NONE

BOARD/COMMISSION ACTION(S): NONE

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS:

- Consideration of Preliminary and Final Terms of an Economic Development Agreement

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