

Date..... April 21, 2008

RESOLUTION APPROVING CONSTRUCTION PERIOD TAX ABATEMENT
FOR THE NEW WELLMARK HOME OFFICE BUILDING

WHEREAS, Wellmark, Inc., and its wholly-owned subsidiary Wellmark Holdings, Inc., (hereinafter collectively "Wellmark") propose to construct a new home office facility for Wellmark within the three block area bounded by Grand Avenue, relocated High Street, 11th and 14th Streets, with a new Office Building containing approximately 500,000 square feet of floor area and approximately 450 structured parking spaces and a new Garage/Multi-use Building containing approximately 1,100 structured parking spaces and 30,000 square feet of finished area; and,

WHEREAS, on May 21, 2007, by Roll Call No. 07-1015, the City Council approved the Eighth Amendment to the Metro Center Urban Renewal Plan which amended the provisions regarding construction period tax abatement to establish the following eligibility criteria:

To qualify for such exclusion (tax abatement), the project must involve the construction of a new building or an addition to an existing building which satisfies the following requirements:

1. The new building or addition to an existing building must be at least 4 stories tall and contain at least 275,000 square feet of new interior space to be devoted to office space or a mix of office and retail space with the retail space not to exceed 25% of the total.
2. The owner(s) of the project must make a binding commitment with the City not to seek tax abatement under Iowa Code Chapter 404 (Urban Revitalization Tax Exception) for the project.

WHEREAS, Wellmark has applied for construction period tax abatement pursuant to Iowa Code §403.6(18) and the Metro Center Urban Renewal Plan, for the taxable value added by the construction of the new Office Building; NOW THEREFORE,

BE IT RESOLVED, by the City Council of the City of Des Moines, Iowa, as follows:

1. The City Council hereby makes the following findings regarding the application by Wellmark for construction period tax abatement for the value added by the construction of the new Office Building within the two block area bounded by Grand Avenue, relocated High Street, and 12th and 14th Streets:
 - A. The building is located within the Metro Center Urban Renewal Area;
 - B. The application for construction period tax abatement was timely filed with the City;

(continued)

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- C. The building satisfies the eligibility criteria set forth in the Metro Center Urban Renewal Plan and Iowa Code §403.6(18) for construction period tax abatement.
- D. Construction of the building will be commenced in 2008, and will be less than 80% completed on January 1, 2009.
- 2. The application by Wellmark for construction period tax abatement for the value added by the construction of the new Office Building as described above is hereby approved.
- 3. The Polk County Assessor is hereby directed to allow a 100% exemption from taxation on the value added by the construction of the new Office Building and existing on January 1, 2008, with such exemption to apply to the taxes that would otherwise be due and payable in Fiscal Year 2009/10.
- 4. Provided the new office building is less than 80% complete on January 1, 2009, the Polk County Assessor is hereby further directed to allow a 100% exemption from taxation on the value added by the construction of such new Office Building and existing on January 1, 2009, with such exemption to apply to the taxes that would otherwise be due and payable in Fiscal Year 2010/11.
- 5. The City Clerk is hereby authorized and directed to forward a certified copy of this resolution and of the application to the Polk County Assessor.

(Council Communication No. 08-)

MOVED by _____ to adopt.

FORM APPROVED:

Roger K. Brown

Roger K. Brown, Assistant City Attorney

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COUNCIL ACTION	YEAS	NAYS	PASS	ABSENT
COWNIE				
COLEMAN				
HENSLEY				
KIERNAN				
MAHAFFEY				
MEYER				
VLASSIS				
TOTAL				

MOTION CARRIED

APPROVED

.....
Mayor

CERTIFICATE

I, DIANE RAUH, City Clerk of said City hereby certify that at a meeting of the City Council of said City of Des Moines, held on the above date, among other proceedings the above was adopted.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my seal the day and year first above written.

City Clerk

58D

636 Grand Avenue
Des Moines, Iowa 50309-2565
web site: www.wellmark.com



April 14, 2008

Matthew A. Anderson
Economic Development Administrator
City of Des Moines
City Hall, 400 Robert D. Ray Drive
Des Moines, IA 50309-1891

Re: Application for Tax Abatement during Construction Period

Dear Mr. Anderson:

Wellmark, Inc., and its subsidiary Wellmark Holdings, Inc., propose to construct a new home office facility for Wellmark, Inc., within the two block area bounded by Grand Avenue, relocated High Street, 12th and 14th Streets, with a new Office Building containing approximately 500,000 square feet of floor area and approximately 450 structured parking spaces below the building.

We believe that our project meets the eligibility criteria for construction period tax abatement and pursuant to Iowa Code section 403.6(18) and the corresponding provisions in the Metro Center Urban Renewal Plan we request the City of Des Moines' approval for 100% exemption from taxation on the value added by the construction of the new Office Building during the construction period which is expected to run through December 2010.

We appreciate the support we have received from the City of Des Moines on this project. Should you have any questions on this request, please feel free to contact me at 515-245-4677.

Sincerely,

A handwritten signature in black ink, appearing to read "Mike Crowley".

Mike Crowley
Vice President, Investments & Treasury Services

Cc: Dave Southwell
Michele Druker
Bob Birch
Roger Brown, City of Des Moines