

Date..... September 14, 2009

**RESOLUTION APPROVING AGREEMENTS FOR RETENTION OF JOBS  
AND REUSE OF PROPERTY AT 2200 RITTENHOUSE STREET  
BY EUROFINS SCIENTIFIC, INC**

WHEREAS, on May 18, 2009, by Roll Call No. 09-862, the City Council approved the submission of an application to the State of Iowa for funding and tax credits under the Community Economic Betterment Account ("CEBA") and the High Quality Jobs Creation Program ("HQJCP"), and also approved the preliminary terms of an agreement negotiated by the City Manager for the retention of Eurofins Scientific, Inc. ("Eurofins") within the City; and,

WHEREAS, the State of Iowa Department of Economic Development has approved a CEBA Award consisting of a \$200,000 forgivable loan and HQJCP tax credits capped at \$375,000 to assist the Eurofins economic development project, contingent upon final City approval of the CEBA Funding Agreement, CEBA Promissory Note, and HQJCP Funding Agreement, and the agreements for the City assistance identified below; and,

WHEREAS, the City Manager has negotiated a Development Agreement with Eurofins and Polk County whereby Eurofins would purchase and renovate 2200 Rittenhouse Street for use in the consolidation of its operations, including its US Foods Division, its Shared Services Division (US Administrative Headquarters) at an estimated project cost of \$10.6 million, to retain the 118 jobs it currently provides in the City of Des Moines and add an additional 3 jobs, and to provide the opportunity for further growth in its business, in exchange for the City providing a \$500,000 economic development loan forgivable over five years and Polk County providing a \$185,000 economic development loan forgivable over five years; and,

WHEREAS, Eurofins seeks to relocate its business and the 118 jobs it currently provides, from its current facilities in the City of Des Moines to a facility which better serves its needs, and has declared its intention to relocate its operations and the associated employment opportunities to another community and county unless it receives the economic incentives provided herein; and,

WHEREAS, the economic development incentives to be provided by the City to Eurofins for the redevelopment of the Property and the retention of its current employment base shall be provided pursuant to Chapter 15A and 403 of the Code of Iowa, and Eurofins' obligations under the Development Agreement to construct the improvements and retain its employment base within the City will generate the following public gains and benefits: (i) it will further the City's efforts to create and retain job opportunities within the City which might otherwise be lost; (ii) it will preserve and expand the local tax base; and (iii) it will encourage further private investment in the Airport Commerce Park Urban Renewal Area and surrounding areas; and,

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WHEREAS, the City believes that the retention of Eurofins and the relocation of its operations and workforce to 2200 Rittenhouse and the fulfillment generally of the Development Agreement are in the vital and best interests of City and the health, safety, morals, and welfare of its residents, and in accord with the public purposes and provisions of the applicable state and local laws and requirements under which the Airport Commerce Park South Urban Renewal Project has been undertaken, and warrant the provision of the economic assistance set forth in the agreement; and,

WHEREAS, the City Manager has further negotiated a Second Amendment to Development Agreement with Airport Commerce Park, L.C., whereby the City may delay payment of the next installments on the economic development grant owned to Airport Commerce Park, L.C., to allow up to \$500,000 of the next available tax increment generated by the taxable improvements within the Airport Commerce Park South Urban Renewal Area to be used to fund the economic development loan to Eurofins; and,

WHEREAS, the Development Agreement and Second Amendment to Development Agreement for the City assistance, and also the CEBA Funding Agreement, CEBA Promissory Note and HQJCP Funding Agreement for the state assistance are on file and available for public inspection in the office of the City Clerk; NOW THEREFORE,

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

1. The Development Agreement and Second Amendment to Development Agreement for the City assistance, and also the CEBA Funding Agreement, CEBA Promissory Note and HQJCP Funding Agreement for the state assistance as identified above are hereby approved, and the Mayor is hereby authorized and directed to sign such documents on behalf of the City. The City Clerk is hereby further authorized and directed to attest to the Mayor's signature on such documents.
2. The City Clerk is hereby authorized and directed to deliver original copies of the executed documents to the City's Office of Economic Development, and the Office of Economic Development is authorized to deliver appropriate documents to the State of Iowa, to Eurofins and to Airport Commerce Park, L.C., and to thereafter take all steps necessary to protect the interests of the City by filing or otherwise.
3. Following full execution of the documents identified above, the City staff is authorized and directed to perform the City obligations under the documents identified above, including the requisition of funds from the State and City, the disbursement of funds, and submission of all required project reports to the Iowa Department of Economic Development.

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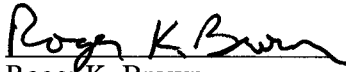
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4. Upon request by the City Manager or the City Manager's designee, the Finance Director shall cause the Economic Development Loan from the City to Eurofins to be timely advanced in accordance with the terms of the said Development Agreement.

( Council Communication No. 09- **633** )

MOVED by \_\_\_\_\_ adopt.

FORM APPROVED:



Roger K. Brown

Assistant City Attorney

C:\Rog\Eco Dev\Eurofins\RC 09-09-14 Approve Agr.doc

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