

## COUNCIL COMMUNICATION

	Number:	<b>20-502</b>	Meeting:	<b>November 23, 2020</b>
	Agenda Item:	<b>31</b>	Roll Call:	<b>20-1886</b>
	Submitted by:	<b>Erin Olson-Douglas, Development Services Department Director</b>		

### AGENDA HEADING:

Resolution approving an 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). They were also required to maintain the jobs for two (2) years – until May 31, 2022. Accordia is now requesting a one-year extension for both the job creation and maintenance deadlines. They are considering 2020 a pause year in their full-time employee growth due to the pandemic and anticipate head count growth to be much higher in 2021.

### FISCAL IMPACT: NONE

### ADDITIONAL INFORMATION:

- Global Atlantic is a financial services company focusing on the U.S. life insurance, retirement and reinsurance markets. Founded in 2004 at Goldman Sachs, Global Atlantic has been an independent, privately owned company since May 2013.
- The company intends to spend \$4.5 million in tenant improvements at Davis Brown Tower and \$2 million in furniture and fixtures.
- The company currently employs 904 people nationally and 200 people in Des Moines.
- The proposed 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 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: February 5, 2018

Roll Call Number: [18-0202](#)

Action: [Economic](#) Development Assistance Contract between Accordia Life & Annuity Company and Global Atlantic Financial Company and the Iowa Economic Development Authority (IEDA) and the City of Des Moines Development Agreement. ([Council Communication No. 18-048](#)) Moved by Gatto to adopt. Motion Carried 7-0.

**BOARD/COMMISSION ACTION(S): NONE**

**ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE**

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