

INNOVATIVE CONNECTIONS

AGRIMERGENT TECHNOLOGY PARK



PREPARED FOR THE
THE CITY OF DES MOINES, IOWA

DECEMBER 2001

AGRIMERGENT TECHNOLOGY PARK

Under the Direction of:

MASTER PLANNING TEAM

Office of Economic Development; City of Des Moines, Iowa
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TABLE OF CONTENTS

| | |
|--|---------|
| Prologue | |
| List of Exhibits | |
| List of Tables | |
| Section 1: Executive Summary | 1 - 2 |
| Section 2: Process | 3 - 6 |
| Section 3: Site Context | 7 - 10 |
| Section 4: Target Markets | 11 - 16 |
| Section 5: Park Capabilities to Serve Target Markets | 17 - 22 |
| Section 6: Conceptual Plan | 23 - 26 |
| Section 7: Design Guidelines | 27 - 28 |
| Section 8: Return on Investment | 29 - 36 |
| Section 9: Implementation | 37 - 48 |
| Section 10: Commitment | 49 - 50 |
| Appendix A: List of Participants | 51 - 52 |
| Appendix B: Legal Description | 53 - 54 |
| Appendix C: Contacts | 55 |

PROLOGUE

When we focus on the innovations of the last decade, we are often amazed at how they influence our lives. Advances in agribusiness and information technology contribute to our well being every day. What a remarkable opportunity we have to nurture these industries so prevalent within our community. It is important to get to know them more and work with them on new challenges.

These businesses are not nameless faces. Their leaders are committed to this community. To Rick at Pioneer Hi-Bred International, Connie and Mike at Diamond Animal Health, John and Dan at Kemin, Dave at Cargill and countless other people in agribusiness—we are honored that you have shared your vision with us and believe in this Park. You see the emergent business opportunities and know that we will succeed together.

Initially, all the neighborhoods around the Park hoped for was to protect their homes and beautify the area. Over time, you started to realize that businesses and neighborhoods could benefit each other. You spent innumerable hours, days, months and years providing input because you deeply cared. Each time we met, we listened to each other and discovered new insight. To Brenda and Marian in Laurel Hill, David, Mike and Dawn in Fairground, Angela in Chesterfield, Eric at CCI and many other neighborhood representatives -- we are awed by your ideas and your commitment to improving our community.

Several others contributed to this effort. To Matty and Katherine at SRI International -- your careful examination of our work to date combined with your broad-based experience helped us to see new relationships. To our infrastructure experts -- especially the City Engineering Department -- your diligence and ingenuity will enhance this project so much. To our agribusiness associations, ISU, DMACC and economic development colleagues -- your dedication to adding value to our community is outstanding. To the property owners that will be displaced by this project -- your understanding and willingness to work with us is commendable. To the City of Pleasant Hill -- your ability to see how our communities can support each other is visionary. To our investors -- EPA, Army Corps of Engineers, EDA, HUD (Senator Harkin), and Des Moines Water Works -- your assistance is the seed capital for realizing our vision.

Business and government leadership is essential. Through our joint efforts, we have formed a seamless connection. To City Manager Eric Anderson and the City Council—thank you for supporting this project. Your faith and skill in guiding it are remarkable.

When we assume an aerial perspective, we realize that the interrelationships the Park represents have already started to emerge through all of our partnerships. Your talent, excitement and commitment will create unparalleled opportunities for success.

*Elly Walkowiak, City of Des Moines
Rich Gardner, RDG Crose Gardner Shukert
John Sayles, Stanley Consultants*

December 2001, Des Moines, Iowa

LIST OF EXHIBITS

| | |
|--------------------------------------|----|
| 3.1: Metropolitan Area Context | 7 |
| 3.2: Neighborhood Context | 9 |
| 3.3: Aerial Photo of Site | 10 |
| 5.1: Infrastructure | 18 |
| 6.1: Aerial Perspective | 23 |
| 6.2: Master Plan | 24 |
| 6.3: Secondary Road Section | 25 |
| 6.4: Street Section | 25 |
| 8.1: Land Use Map | 32 |
| 9.1: Proposed Phased Land Assemblage | 40 |

LIST OF TABLES

| | |
|--|----|
| Selection of Target Industries for Des Moines Agrimergent Technology Park | 15 |
| Floor Area | 33 |
| Additional Commercial/Industrial Building Tax Base | 34 |
| Additional Improved Land Tax Base | 34 |
| New Development Annual TIF Revenue | 35 |
| Additional Jobs | 36 |
| Project Investment | 37 |

SECTION 1

Executive Summary

Innovations in agribusiness will contribute to meeting the world's most basic needs of food, clothing and shelter. Companies can advance these ideas on an individual basis or within a dynamic environment that fosters cooperation and intellectual exchange to accelerate market development. The approximate 1,100-acre Des Moines Agrimergent Technology Park, located in southeast Des Moines, is being designed to offer agribusinesses and related industries a unique environment in which to develop remarkable inter-industry linkages and to capitalize on the area's competitive agribusiness advantages. Connections will extend beyond the Park's boundaries. Extensive business, association, neighborhood and government partnerships will continue to be formed to engender creativity and success.

It is the community's vision to enhance the growth of agribusinesses and related industries within a signature, high quality development that emphasizes interconnectivity among physical, intellectual, economic, social, political and other resources, accommodates multipurpose business and infrastructure functions, and promotes environmentally friendly construction and production. Through collaboration, businesses will enhance their profitability and the community will build its property tax base, increase the use of existing dense infrastructure and significantly improve its quality of life.

By building on Iowa's image as the agribusiness capital of the world, the Park can be developed as *the* center for advanced agribusiness and related industry development. Three different types of agribusiness activities will be accommodated -- discovery, development/prototyping and production. *Discovery* involves developing scientific knowledge to be applied to new products and processes. *Development/Prototyping* includes bringing new knowledge to fruition through practical applications. *Production* encompasses introducing and expanding commercial applications of new technologies. Targeted industries will be agribusinesses and related companies that fit the Park image and development strategy, coincide with regional cluster strengths and weaknesses, fit with regional development goals and offer long-term growth potential.

The master plan displays a physical form that embraces interrelationships. The circularity of the street and walking trail pattern represents molecular structures intrinsic in the biotechnical world of today's agriculture. Land use zones of discovery, development/prototyping and production are defined. The natural and man-made environments are integrated.

In order to create this exciting development, approximately \$36.3 million will be required to assemble more land, install additional infrastructure and conduct related activities to enable the project. The Park will be developed in stages. The community has obtained initial funds and will pursue additional Federal, State and private investment.

The Park will provide an excellent return on public and private investment. The current assessed value of the area is only \$12.7 million. It is estimated that new development will create approximately \$420.4 million in additional tax base at buildout, which will generate \$16.9 million annually to be reinvested into the community. Land sales proceeds will yield about \$32 million. Approximately 6,500 jobs will be created. Other benefits will include the potential to obtain substantial water and sewer revenue. Increased business competitiveness will result from developing this specialized niche for agribusinesses and related industries. It will also create a positive national identity for Des Moines and Iowa, which may attract further investment. In addition, the community's long-term quality of life will be enhanced.

Anchor and related businesses continue to invest in the Park. Innovative partnerships will be developed to manage and market the development, provide value-added business services and create more advantages for investors. Agribusinesses and related industries will grow within an environment dedicated to nurturing emergent ideas and realizing their global benefits.



SECTION 2

Process

Introduction

The development of the Des Moines Agrimergent Technology Park Plan represents the limitless vision of the community's businesses, neighborhoods, consultants and government. It symbolizes their commitment to creating a unique environment in which agribusinesses and related industries as well as the community will thrive in connection with each other. The process by which the community has articulated its vision is as noteworthy as the outcome. This section of the Plan provides insight into its development. The scope of work, previous studies, project sponsors, community involvement, development principles and planning tenets are discussed.

Scope of Work

The community recognizes that there is excellent growth potential to capitalize on its competitive agribusiness advantages by redeveloping select infrastructure-rich sites. There are approximately 1,100 acres of underutilized land in southeast Des Moines with dense infrastructure that can accommodate agribusiness and related uses. It is the community's vision to enhance the growth and success of these businesses while protecting nearby residential areas. This project involves developing a conceptual land use and redevelopment plan for the 1,100-acre Des Moines Agrimergent Technology Park. The Park will be created to achieve three primary objectives—build the property tax base, increase the use of existing dense infrastructure, and enhance the community's long-term quality of life.

Previous Studies

Several studies have been consulted as part of developing the master plan. They include:

- ◆ "SE AgriBusiness Urban Renewal Plan, Des Moines, Iowa", City of Des Moines Community Development Department/Economic Development Division, January 1998
- ◆ "Preliminary Development Plan for the Proposed Des Moines Agribusiness Park", City of Des Moines, Office of Economic Development in Coordination with the Des Moines Good Neighbor Task Force, September 2000
- ◆ "Phase I Environmental Assessment, Proposed Agribusiness Park, Des Moines, Iowa," Stanley Consultants, Inc., April 1998
- ◆ "A Blueprint for Embracing the Development of Iowa's Life Science Industry", Iowa Biotechnology Association, Des Moines, Iowa, November 1999

Previous Studies (continued...)

- ◆ “Iowa Target Industry Cluster Analysis Executive Summary”, SRI International, April 2000
- ◆ “Iowa in the New Economy—Iowa Economic Development Technology Initiative: 2001-2003”, Governor’s Technology Advisory Network, December 2000
- ◆ Southeast Diagonal Corridor Project Location and Major Investment Study, Snyder and Associates, Inc., January 1999

Project Sponsors

Appreciation is extended to the U.S. Army Corps of Engineers, Rock Island District who financed development of this Plan through a grant from the U.S. Environmental Protection Agency. The City of Des Moines funded the SRI International market analysis discussed later in this report.

The City of Des Moines Office of Economic Development is the lead agency, project facilitator and co-author. The Des Moines office of RDG Crose Gardner Shukert and the Des Moines and Muscatine offices of Stanley Consultants, Inc. are responsible for design, graphics and report production.

Community Involvement

Much gratitude is extended to the countless organizations and individuals that have participated in the development of this Plan. Their involvement, support and determination to succeed is invaluable. A detailed list of participants is provided in Appendix A.

The community and central Iowa businesses have contributed in many ways. In April 1999, the Des Moines Ad Hoc Agribusiness Enterprise Zone Committee, comprised of neighborhood leaders and businesses, recommended that the City Council adopt several principles it authored to ensure quality development. In December 2000, agribusinesses and related industries located within 40 miles of Des Moines as well as Iowa’s biotechnology companies responded to a survey to design the Park. Throughout 2001, an advisory group of agribusinesses and related organizations expressed their opinions regarding market opportunities, including potential product innovations. Neighborhood organizers and leaders offered input as to how the Plan could benefit adjoining residential areas. Infrastructure providers within and external to the Park began to envision how they could partner with the City of Des Moines to implement the project. Property owners of land in the Park participated in discussions as to their relocation needs and other issues. The adjoining City of Pleasant Hill also related how it could assist in supporting the Plan while expanding opportunities for its residents. The creation of the Plan has generated widespread interest in and commitment to this remarkable development initiative.

Development Principles

In April 1999, the City Council adopted the following principles and the Good Neighbor Policy to guide development of the Park and the larger enterprise zone. The policy and principles are designed to effect high quality development and to encourage partnerships among businesses, their employees and neighborhoods in order to create a premier agribusiness park.

Development principles are as follows. Development shall occur within an environment in which:

- ◆ Businesses can be profitable.
- ◆ Employees can be productive.
- ◆ The environment will be protected.
- ◆ Businesses and residents will be good neighbors.

Businesses that develop in the Park must show how they will meet the following Good Neighbor Policy as a condition of receiving economic development assistance. Businesses determine how they will:

- ◆ Ensure that their new development or expansion will not have objectionable odor.
- ◆ Demonstrate that their new development or expansion will not only protect but also enhance the environment.
- ◆ Maintain a safe and secure site.
- ◆ Minimize negative traffic impacts on surrounding areas.
- ◆ Contribute to stabilizing or increasing surrounding property values.
- ◆ Make best faith efforts to hire established Des Moines area residents first.
- ◆ Implement best faith efforts to utilize local contractors, suppliers, and work force when conducting new construction.

In December 1999, the City Council executed an agreement with the Des Moines Water Works, which contributed one-third of the cost to purchase approximately 166 acres of vacant land in the Park that can be developed readily. Additional guidelines include:

- ◆ Focus on high volume water and sewer users.
- ◆ Focus on significant property tax generators.
- ◆ Focus on growth industries, especially in life sciences.

The development principles serve as part of the foundation for selecting the target industries that will be attracted to invest in the Park and the physical and economic environment to be created.

Planning Tenets

Several tenets have influenced Park planning. These tenets represent the opinions and principles of the authors of this Plan and many community residents. Four tenets became apparent during evolution of the Plan. They include:

- ◆ ***“Big Idea”*** – The Park must be unique from a national and international perspective in order to attract developer interest and secure investment. This “big idea” should build on what the Des Moines area and Iowa have to offer the nation and the world. Its signature quality must effectively establish the form and function of the Park.
- ◆ ***Interconnectivity*** – The Park must provide an environment in which interrelationships among physical, intellectual, economic, social, political and other resources are recognized and encouraged to enhance community capacity and long-term quality of life. Land development must be viewed as more than a real estate transaction. It must be evaluated as an opportunity in which to create inter-industry linkages whose collective strength will generate wealth. There should be a place for incubator-type businesses, pilot plants and full-scale production operations to work together. Large businesses may spin off smaller businesses. Small business research may result in significant new production opportunities. Support businesses are also needed to serve the agribusinesses. Opportunities must be provided to encourage intellectual collaboration so as to generate new products and services. Physical attributes of the area, such as existing infrastructure and nearby recreational amenities, must be used effectively. Non-traditional investment approaches must be explored. The development of many conventional and non-conventional partnerships must be nurtured. The Park’s sphere of influence must be unlimited in meeting the needs of regional, state, national and international markets.
- ◆ ***Multipurpose Functions*** – The Park must provide an environment in which potential development challenges are transformed into assets to serve a variety of needs. For example, landscaped storm water detention ponds can provide pleasant picnic areas. Gravel quarries can eventually become new recreational areas, including lakes. The division between strict industrial and open space uses should be blurred as they become integrated with each other. The Park must accommodate many different functions—from research, to prototype development, to full-scale production—as well as provide gathering spaces to stimulate new ideas, commercial service areas, recreational and/or physical fitness opportunities, exhibit space and other uses. Flexibility in lot size development and building design based on use is important.
- ◆ ***“Green” Building and Sustainability*** – The Park must focus on the optimal use of resources to achieve long-term community benefits. Environmentally friendly buildings designed with quality, energy efficient materials and effective waste minimization and recycling processes should be encouraged. Increased land use densities should be advocated whenever possible. The Park must demonstrate how quality design, construction and production can support and sustain the development of product innovation and market implementation.

SECTION 3

Site Context

Introduction

The Des Moines Agrimergent Technology Park is located within an area that has many assets essential to its development. These assets encompass excellent highway, rail and air transportation corridors, a nexus of agribusinesses and support services, proximity to university and job training facilities and other resources. This section of the Plan discusses the approximate 1,100-acre Park site in relation to the Des Moines metropolitan area, southeast Des Moines, and the neighborhood in which it is located.

The 1,100-acre Park is generally bounded by the former Norfolk-Southern Railroad right-of-way between SE 30th and SE 32nd Streets, by approximately 310 feet south of Scott Avenue between SE 32nd and SE 34th Streets and by Scott Avenue to the north; the Burlington-Northern Railroad right-of-way to the south; SE 43rd Street to the east; and SE 30th Street to the west. The boundaries of the Park represent the area of focused redevelopment activity. A legal description is provided in Appendix B.

Metropolitan Area Context

Exhibit 3.1 shows the Park's location relative to the metropolitan highway transportation network. The highway system services an area known as the Triad. The Triad represents

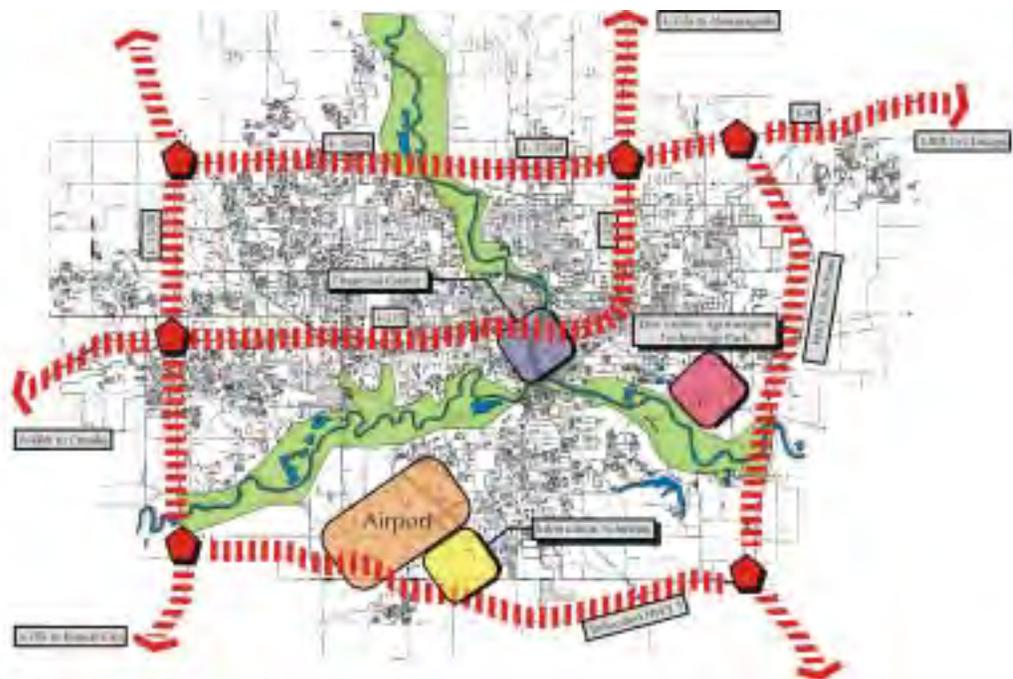


Exhibit 3.1: Metropolitan Area Context

the concentration of businesses that are and will be the economic strength of the community in the New Economy. Business clusters include Financial Services in downtown Des Moines, Information Solutions to be further developed near the Des Moines International Airport, and Life Sciences and Advanced Manufacturing to be expanded in the Des Moines Agrimergent Technology Park. Excellent highway accessibility is very important to all of these businesses as they seek new forms of collaboration within and across clusters.

The Park is located within a 10-minute drive to the State Capitol and the downtown Financial Center as well as within 10 minutes of the Des Moines International Airport. Businesses can access the Park within a 5-minute drive of Interstate 80 and a 15-minute drive of Interstate 35. Research collaboration with scientists at Iowa State University (ISU) and job training curriculum development with professionals at the Des Moines Area Community College's (DMACC) main campus can be facilitated easily. DMACC and ISU are located within a 15-minute and a 35-minute drive of the Park respectively.

Neighborhood Context

Exhibit 3.2 depicts the 1,100-acre Park site within the larger enterprise zone, which the Des Moines City Council designated in 1998. Investors in the zone are eligible for State income tax credits and sales tax refunds, based on meeting certain qualifying criteria. Several agribusinesses are located within the zone.

The Park is a half mile west of the U.S. Highway 65 bypass. This allows ready access to Interstate 80. The future Southeast Connector will improve access into downtown Des Moines and provide additional access to the U.S. Highway 65 bypass.

Burlington-Northern and Norfolk-Southern cooperate in servicing the rail needs of customers in the area. Rail is available at the southern and eastern edges of the Park.

Industries and neighborhoods border the site. The Des Moines Wastewater Reclamation Facility, Williams Pipeline, MidAmerican Energy, Heartland Products Terminal, North American Oil Seed Processing and additional agribusinesses are located in the vicinity of the Park. The Laurel Hill, Chesterfield, and Fairground neighborhoods are adjacent or proximate to the area.

Recreational amenities are nearby. There are several trails, especially along the Des Moines River and Four-Mile Creek. Sleepy Hollow Sports Park and the State Fairgrounds are directly north of the Park. City parks are also close to the area.

The Site

Exhibit 3.3 is an aerial photo view of the Park. Diamond Animal Health, Cargill and Helena Chemical are the agribusiness economic anchors of the Park. Approximately 166 acres of rail-served open space south of Vandalia Road is available for development immediately.

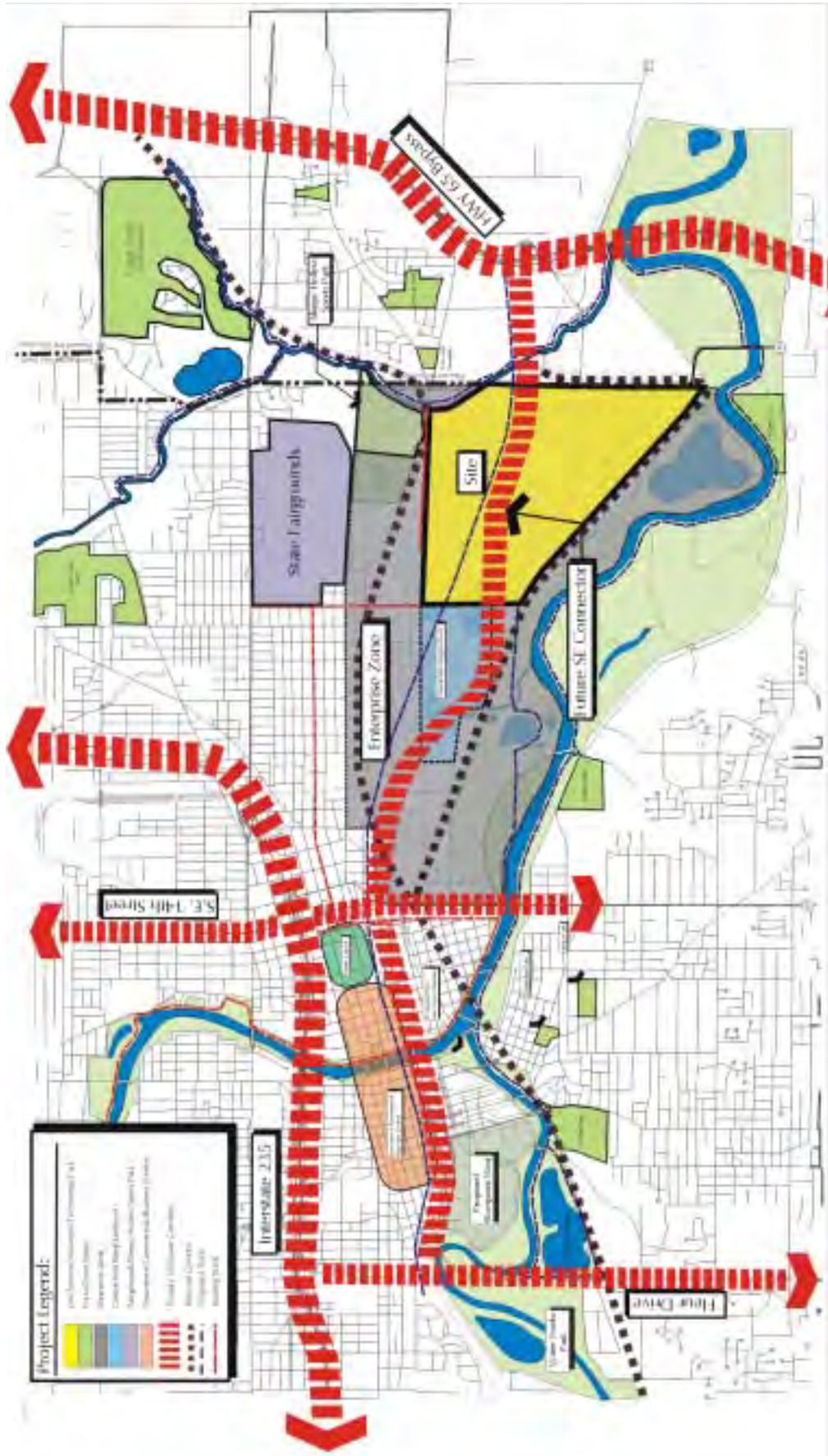


Exhibit 3.2: Neighborhood Context

The City of Des Moines intends to acquire and relocate auto salvage and a majority of other operations located north of Vandalia Road in the Park. It is anticipated that Hallett Materials will complete its quarrying operations in the area, which is expected to last approximately 10-15 years. Subsequently, a lake and recreational uses are proposed as well as new residential development along Scott Avenue. Vandalia Road is the principal east-west arterial in the Park. Maury Street provides east-west access into the Park from SE 14th Street to SE 30th Street. SE 30th and SE 43rd Streets provide north-south access. The future Southeast Connector will enhance east-west access into the area. Additional linkages will continue to be explored with the adjoining City of Pleasant Hill in order to enhance area development.

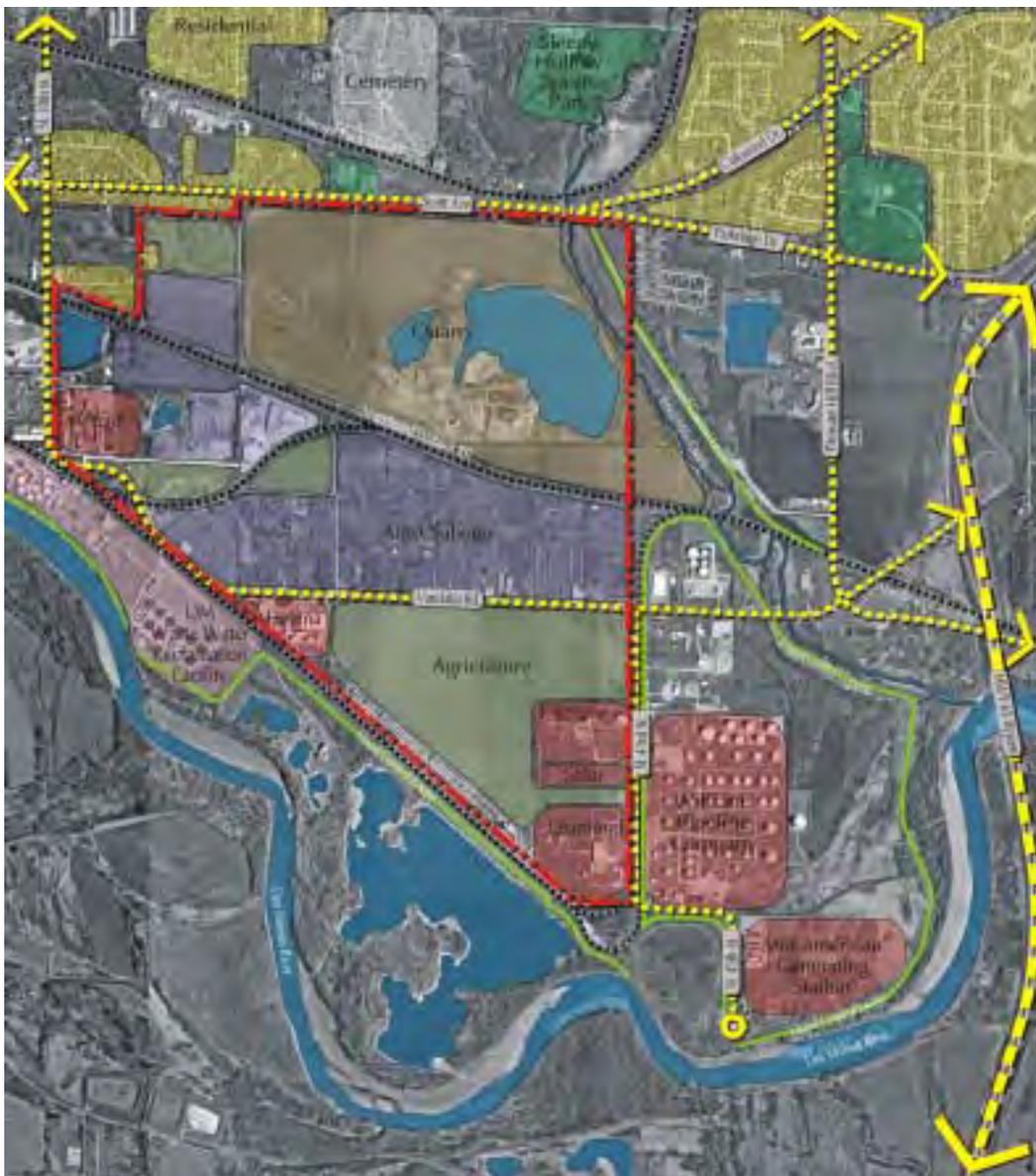


Exhibit 3.3: Aerial Photo of Site

SECTION 4

Target Markets

Introduction

In May 2001, the Des Moines City Council commissioned SRI International to perform a targeted market analysis for development of the Park. The City Office of Economic Development provided background information related to progress made in creating an achievable competitiveness strategy. Documents included copies of Council-adopted policies, agreements, the urban renewal plan for the area, agribusiness survey results and minutes of meetings held with agribusinesses and other interested organizations. SRI's methodology involved an examination of the above-referenced information, integration of results from its industry cluster analysis conducted for the Iowa Department of Economic Development in 1999-2000, a review of lessons learned from other business parks, a focus group workshop with participation of key Park stakeholders and a site visit to the Park. This section of the Plan describes the type of Park to be developed, conceptual framework, significance of the Park's name, industry selection criteria and specific target markets from a national and international perspective.

Development Approach

According to SRI, a region's long-term economic viability depends on its ability to generate and sustain a concentration of businesses capable of developing new products and processes that can permeate national and international markets. They recommend focusing on and integrating the Des Moines area's industry clusters—specifically life sciences, financial services, information solutions and advanced manufacturing. The approach is to develop a hybrid “techno-industrial” park that helps to foster inter-industry synergies and takes advantage of the accelerating shift of the world economy from one driven by heavy manufacturing to one driven by technology-based manufacturing and services. Des Moines has the opportunity to be at the forefront of creating a new type of “techno-industrial” park, whose strategic partnering within and external to it will overcome any inherent redevelopment challenges.

Park occupants are proposed to include both traditional agribusiness and manufacturing activities that are the foundation of the region's economy as well as cutting-edge, technology-based activities that are offshoots of this base. A network or “community” of companies will be created in and around the Park that will collaborate and build on each other's strengths. As a result, Des Moines' anchor businesses will move toward the leading edge of advanced technology and development in their respective fields.

The Des Moines area's competitive advantages will be improved through this cluster-based approach. Benefits will include retaining and assisting in modernizing existing clusters to improve industry competitiveness; expanding clusters and attracting new ones to diversify the economic base; and promoting entrepreneurial development to enable innovation.

Conceptual Framework

By building on Iowa's image as the agribusiness capital of the world, the Park can be developed as *the* center for advanced development in all facets of the agribusiness/food science industry. Agribusiness activities within the Park can be modeled as a "value chain." Different sectors can be categorized into three major processes—discovery, development/prototyping and production. *Discovery* involves developing scientific knowledge to be applied to new products and processes. *Development/Prototyping* includes bringing new knowledge to fruition through practical applications. *Production* encompasses introducing and expanding commercial applications of new technologies.

Existing industries within and near the Park have demonstrated core competencies in several key areas of this value chain. *Discovery* strengths include plant/animal genetics and seed technology. *Development/Prototyping* strengths are bioprocessing/bioinformatics, animal diagnostics/vaccines, food safety, and understanding of the regulatory start-up process and effective management of industry relationships. *Production* strengths include food processing/production, agricultural chemicals, food supplements/vitamins, agricultural equipment and logistics.

The overall strategy is to encourage and build on these core competencies and then to attract new activities to complete missing or weak links in the value chain. This industry cluster approach can be accomplished effectively through several fundamental steps.

- ◆ *Identify and collaborate with existing anchors.* Anchor companies are the requisite for Park success because they serve as the foundation for its initial development and as magnets to attract new activities to it. The selection of target businesses will be based on the strengths and needs of the anchors. As noted in Section 3, Diamond Animal Health, Cargill and Helena Chemical are the anchors of the Park. Potential anchors include Pioneer Hi-Bred International, Kemin and others.
- ◆ *Encourage in-fill.* After identifying strengths and gaps in the local value chain, target industries will be selected to expand the chain into new, cutting-edge areas or to move local industry into new upstream or downstream activities. Anchor businesses are the foundation for attracting these new activities.
- ◆ *Cultivate offshoots.* Companies will be developed and attracted to support and nurture the local value chain. Offshoot activities include businesses that provide essential support services for an advanced agribusiness industry—such as financial services, information technology, data services, software development, precision/high-tech machinery, packaging technologies, etc. These companies are important because they have critical synergies with the Park's anchors.

The community's vision is to create an interconnected set of relationships among businesses in the Park that enables their growth and development. The cycle of life may be used as a metaphor, with one exception. Birth, growth and maturation will be part of this process.

However, company dissolution will be less likely and/or occur less often. The network of relationships within the Park will assist businesses in stimulating innovation, adapting to change, and propelling them to new heights of competitiveness.

Park Identity

The Park must be named appropriately to communicate the vision and strategy for its development. It must create excitement among potential investors. Several characteristics must be conveyed. The name should connote Iowa's and Des Moines' brand image as a key agribusiness center. It should represent the unique focus of the agribusiness value chain and its interconnected nature—from discovery to development/prototyping to production and support services. The name should also demonstrate the Park's emphasis on environmental soundness and sustainability.

The name for this new development is the Des Moines Agrimergent Technology Park. Its meaning is derived from:

“Agri” – related to the range of human and animal agricultural products and services to be developed.

“Merge” – related to the web of interconnected relationships (industrial cluster strategy) to be developed.

“Emergent Technology” – related to being at the forefront of new advances in agribusiness and related industries for long-term competitiveness.

Industry Selection Criteria

Several criteria must be considered to guide the business creation, expansion and attraction activities for the Park. They are derived from the community's vision and conceptual framework. It will be important to maintain flexibility and not limit opportunities for the development of beneficial synergistic relationships. As the Park develops, it is intended that this Plan will evolve so as to nurture the exploration of adjacent possibilities and their positive community impacts.

Criteria to guide proactive investment are as follows. Select industries that:

- ◆ *Fit with the Park image and development strategy.* The primary target market for the Park is agribusiness and related companies. Strategies include expanding the anchor businesses. Others involve attracting cluster in-fill investments that extend the agribusiness value chain into new niches and upstream/downstream opportunities. To ensure flexibility, the target industry mix will not be limited to agribusinesses. Offshoot activities that provide essential support services are also important.

- ◆ *Fit with regional cluster strengths and weaknesses.* The target market must be based on the strengths and weaknesses of the Des Moines area's and Iowa's significant industry clusters. The Des Moines region and Iowa are recognized as the agribusiness capital of the world. Greater Des Moines companies generate nearly half of central Iowa's more than \$2.5 billion of value-added agricultural products and services and \$7.3 billion in gross industrial sales. The Park is also part of a triad of industrial clusters in Des Moines. Financial/insurance companies are located primarily in the downtown. Information technology businesses are starting to become clustered near the Des Moines International Airport. Synergies with these clusters should be created in selecting target industries for the Park.
- ◆ *Fit with regional development goals.* The Development Principles, including the Good Neighbor Policy, must be considered when attracting investment to the Park. In addition, it is important to build the property tax base, increase the use of existing dense infrastructure and enhance the community's long-term quality of life. In general, projects that will be retained and/or attracted to the Park must generate substantial property tax. Projects that contribute considerable water and sewer user revenue will be given priority. Significant development opportunities will emerge by capitalizing on central Iowa's competitive agribusiness advantages.
- ◆ *Offer long-term growth potential.* Industries that are expanding at the regional and national levels and are responsive to new developments and technology will provide the greatest potential for the long-term success of the Park. Sustainability should be viewed not only in terms of quality building construction, but also in the mix of firms that operate in the Park. Well-established companies as well as start-up businesses that constitute the seed capital for new production are needed.

Target Markets

A flexible, market-based approach that includes and integrates life sciences, financial services, information technology and advanced manufacturing industry clusters should be implemented in developing the Des Moines Agrimergent Technology Park. The focus should be agribusiness and related uses in the value chain supported by the key industry clusters discussed above.

SRI recommends that the target market for the Park should comprise those industries that meet most of the industry selection criteria. These target industries are listed in the following table according to how they correlate with the criteria. They are categorized by activity and not by SIC code in order to allow for consideration of cutting-edge, high-growth activities or those that extend across traditional industry lines.

It will be important to re-evaluate the industry selection criteria and target markets over time as new product innovations and additional clusters emerge. Markets are dynamic. This Plan is designed to create an environment in which to lead change for long-term competitive advantage.

SELECTION OF TARGET INDUSTRIES FOR DES MOINES AGRIMERGENT TECHNOLOGY PARK

| Criteria 1: Fit With Park Image and Development Strategy | Criteria 2: Fit with Regional Cluster Strengths and Weaknesses | | | Criteria 3: Fit with Regional Development Goals | | | Criteria 4: Long-Term Growth Potential | | |
|--|---|--|---------------------------------|--|-----------------------|---|---|---|----------------------------|
| | Fits with Iowa/Des Moines Cluster Strengths | Identified High-Opportunity Segment for Iowa | Expands Clusters into New Areas | Generates Significant Property Tax Revenues | Water-Loving Industry | Capitalizes on Region's Agribusiness Advantages | High Growth Rate in Iowa or Nationwide | Utilizes Cutting-Edge Technologies or Processes | Dynamic/New Economy Sector |
| Extension of Anchor Activity | | | | | | | | | |
| Seed technology | X | X | | X | | X | X | X | X |
| Food supplements and vitamin-related products | X | X | X | X | X | X | X | X | X |
| Specialty agricultural chemicals and organic fertilizers | X | | | X | X | X | X | X | X |
| Animal diagnostics, biological, and pharmaceutical solutions | X | X | | X | X | X | X | X | X |
| Advanced food and industrial applications of soy | X | X | X | X | X | X | X | X | X |
| Bioprocessing/Bioinformatics | X | X | X | | | X | X | X | X |
| Plant and animal genetics/genomics | X | X | X | | | X | X | X | X |
| Extraction/purification of compounds from plants and applications (e.g., plant polymers in textiles) | X | X | X | X | X | X | X | X | X |
| Cluster In-Fill Opportunity | | | | | | | | | |
| Specialty/high-end crop processing and marketing (e.g., tofu, herbs, flavorings) | X | X | X | X | | X | X | | X |
| Food safety research, testing, labeling | X | | X | | | X | X | X | X |
| Agricultural equipment or food machinery | X | | | X | | X | | | |
| Packaging/containers (esp. biodegradable) | X | | X | X | X | X | X | X | |
| Agricultural products as building materials | X | | X | X | | X | X | X | X |
| Plastics manufacturing from corn | X | | X | X | X | X | X | X | X |
| New downstream/consumer applications of corn, soy, and other crops | X | X | X | X | | X | X | X | X |
| Aquaculture and fisheries-related activities | X | | X | X | X | X | X | X | X |
| Greenhouses | X | | | X | X | X | | X | |
| Healthy foods (herbal preparations, nutraceuticals, etc.) | X | X | X | X | | X | X | X | X |
| Precision farming | X | | X | | | X | X | X | X |
| Cluster Offshoot or Supporting Service | | | | | | | | | |
| IT applications for biotechnology and plant/crop analysis | X | | X | | | X | X | X | X |
| Commodity/price risk management consulting | X | X | X | | | | X | | X |
| Agribusiness-related insurance products | X | | X | | | X | | | X |
| Financial information management | X | X | | | | | X | X | X |
| Internet business applications | X | X | | | | | X | X | X |
| Enterprise software | X | X | | | | | X | X | X |
| Networking services | X | X | | | | | X | X | X |
| IT consulting and assistance services | X | X | | | | | X | X | X |
| Laboratory, analytical, testing equipment | X | | X | | | X | | X | |
| Industrial valves and machine tools | X | X | | X | X | | X | | |
| Printing and publishing services | X | X | | X | | | X | X | |
| Advanced plastics | X | X | | X | X | | X | X | |

Source: SRI International, July 2001

SECTION 5

Park Capabilities to Serve Target Markets

Introduction

Infrastructure-rich characterizes the Des Moines Agrimergent Technology Park. This location is the only one within the metropolitan area that has the greatest convergence of infrastructure to meet the needs of agribusiness and related uses. This section of the Plan reviews the capability of the Park to respond to their operational needs.

Size

The Park is approximately 1,100 acres in size. It is located in southeast Des Moines, generally between Scott Avenue and the Burlington-Northern Railroad right-of-way and between SE 30th to SE 43rd Streets (Exhibit 5.1). The Park is part of the 3,150-acre SE AgriBusiness Urban Renewal Area, Tax Increment Finance District, Urban Revitalization Tax Abatement Area and Agribusiness Enterprise Zone. The size of development parcels is flexible. Minimum parcel size for agribusinesses is 2.6 acres with the average at 15 acres. Parcels may be combined to create larger development sites.

Land Use

The Park has a diversity of land uses. Anchor agribusinesses include Diamond Animal Health Inc., the Helena Chemical Company and Cargill Inc. Each of these businesses has expansion potential. The City of Des Moines owns 166 acres of vacant land south of Vandalia Road. The ground is being cultivated prior to sale of the development parcels. The City is actively pursuing funds to acquire property north of Vandalia Road and south of the future Southeast Connector, which includes auto salvage operations, small industrial uses and vacant land. It currently owns 38 acres in this area. A sand and gravel quarry is operated in the northern portion of the Park. The City is working with the owners and operators of this facility ultimately to provide for development of a lake trail system and other recreational uses as well as residences along Scott Avenue.

Zoning

Approximately 800 of the 1,100 acres are zoned for industrial use. The Des Moines 2020 Community Character Plan designates this industrially zoned land as Planned Business Park.

Infrastructure

Industrial capacity utilities abound in the Park. Exhibit 5.1 shows the location of water, sanitary sewer, wastewater treatment, electricity, gas and fiber optics in and/or adjacent to the Park. An extensive storm water drainage system is being designed.



- ELECTRICAL POWER LINES
- GAS LINES
- FIBER OPTICS
- WATER LINES
- SANITARY SEWER
- STORM SEWER

Exhibit 5.1: Infrastructure

Water

There is nearly an unlimited amount of water available to users in the Park. Approximately 10 million gallons/day are available at SE 30th Street and Vandalia Road. Des Moines Water Works has reliable systemwide capacity.

- ◆ 30-inch feeder main at SE 30th Street and Vandalia Road
- ◆ 6- and 12-inch mains in SE 30th Street
- ◆ 8-inch mains in Scott Avenue, Maury Street, Granger Avenue, Vandalia Road, SE 35th to SE 38th Streets and SE 43rd Street

Sanitary Sewer

- ◆ 54-inch interceptor sewer in Vandalia Road
- ◆ 18- and 48-inch lines in SE 34th Street north of Vandalia Road
- ◆ 42-inch line in SE 43rd Street north of Vandalia Road
- ◆ 15-inch gravity sewer along the Burlington-Northern rail line in the southwest portion of the Park

Wastewater Treatment

Wastewater treatment can be addressed cost-effectively. The state-of-the-art Wastewater Reclamation Facility, located immediately west of the Park on the Des Moines River, has 50% surplus capacity. Companies may use this capacity to lower their operating costs and eliminate the need to construct pre-treatment facilities. If pre-treatment is required, there is excellent potential to develop shared pre-treatment facilities depending on the type and consistency of waste generated.

Electricity

MidAmerican Energy has reliable systemwide capacity to serve the broad range of agribusiness and related user needs for electricity and natural gas. In July 2001, MidAmerican announced plans to construct a 540-megawatt, combined cycle natural gas turbine generating facility on SE 45th Street, located directly southeast of the Park and adjacent to its transmission substation. The facility is anticipated to be fully operational by 2005.

- ◆ 13 kV three-phase overhead lines in SE 30th Street, Scott Avenue, Maury Street, Granger Avenue, Vandalia Road, SE 43rd Street and along the Burlington-Northern rail line
- ◆ 69 kV transmission lines in SE 43rd Street and along the Burlington-Northern rail line to the MidAmerican Energy substation southeast of the Park

Gas

- ◆ 2-inch mains in Granger Avenue and SE 35th Street to SE 38th Streets
- ◆ 4-inch mains in Vandalia Road and SE 43rd Street
- ◆ 14-inch high-pressure mains in SE 30th Street and along the Burlington-Northern rail line

Fiber Optics

- ◆ Qwest line in Vandalia Road and SE 43rd Street
- ◆ McLeod line in SE 43rd Street
- ◆ Qwest point of presence (POP) east of the Park at 4400 Vandalia Road
- ◆ Williams Communications has the equivalent of a thousand POP immediately south-east of the Park at 4400 Carlisle Road

Storm Water Drainage

The City of Des Moines is developing an extensive storm water drainage system in the Park. Canals and detention basins will be designed as Park amenities.

Access

Access to major highways, the Des Moines International Airport and rail service is excellent.

- ◆ The Park is located ½ mile west of the U.S. Highway 65 bypass, which has an interchange at Vandalia Road. This highway, built to interstate standards, provides direct access north to Interstate 80 within 5 minutes and west to the Des Moines International Airport and Interstate 35 within 10 and 15 minutes respectively.
- ◆ The Southeast Connector, a 4-lane divided highway in the northern portion of the Park, will accommodate traffic to and from downtown Des Moines.
- ◆ Vandalia Road, the main arterial in the Park, is operating at about 40-50% of capacity. Capacity should increase with construction of the Southeast Connector.
- ◆ Frequent service is available from the Burlington-Northern and Norfolk-Southern railroads, which serve the Park.

Topography

The Park gently slopes from north to south that allows for ease of development. Grades are generally less than two percent.

Soils

Based on data from the U.S. Natural Resources Conservation Service, soils are primarily loams that have a low to moderate risk of corrosion for concrete structures and are not highly erodible. Several soils provide good topsoil that may be used for landscaping. Buildings may need to be elevated for positive surface drainage and to address the soils that have a high water table. Detailed site-specific geotechnical analyses must be conducted to verify the soil characteristics discussed above and to guide development.

Floodplain

Developable land in the Park is protected from flooding by levees to the north along the future Southeast Connector and to the south along the Des Moines River. There are no floodplain building restrictions in this area. However, the northern portion of the Park, which is actively quarried, is subject to inundation by the 100-year flood. Future development of this area will include a lake and other uses consistent with floodplain management. Proposed residential structures along Scott Avenue will need to be elevated one foot above the level of the 100-year floodplain. Development challenges will be transformed into opportunities.

Environmental Conditions

Environmental test results to date show no groundwater and only minor soil contamination north of Vandalia Road. In addition, there is one registered leaking underground storage tank. It is located at 4000 Vandalia Road. The site is low risk, and contamination is confined to the property. The City has tested several hundred acres and has installed extensive wells in rights-of-way throughout the area. It is anticipated that future testing will reveal minor environmental challenges. The City is working to resolve these issues prior to redevelopment. There are few designated wetlands in the Park to restrict development. To the extent possible, wetlands will be incorporated into site design as aesthetic features.

The Des Moines River is located south of the Park, and Four-Mile Creek is north of the Park. Potential greenbelt uses, such as landscaped trails, may be developed adjacent to these State-designated streams to enhance the future aesthetic quality of the Park.

Aesthetics

The Park is in a transitional stage. As a result, several existing buildings and uses will be removed. Screening may be used in the interim prior to property acquisition. Land use covenants related to building design and landscaping will be adopted to protect future investment in the area. General design guidelines are described in Section 7.

Neighbors

Neighbors, including businesses and residents, are vitally interested in assisting with Park development. For example, Williams Pipeline, Williams Communications and MidAmerican Energy are exploring opportunities to serve future Park occupants.

The Laurel Hill, Fairground and Chesterfield neighborhoods, located to the north and west of the Park, are supportive of future development that is consistent with the development principles and the Good Neighbor Policy discussed in Section 2. Their neighborhood associations are a valuable resource for attracting labor to the area.

Additional Partnerships

In 2000, the U.S. Environmental Protection Agency (EPA) designated the City of Des Moines as a national Brownfields Showcase Community. It is one of only 28 communities throughout the U.S. that serve as a national model to advance the redevelopment of brownfields. This prestigious award has conferred several benefits. Most importantly, it allows the City to receive priority for Federal funding for a variety of projects, including the Park.

The City has developed many partnerships to implement this Plan. Partners include the EPA, U.S. Army Corps of Engineers, U.S. and Iowa Departments of Agriculture, U.S. Department of Commerce Economic Development Administration, Iowa Department of Natural Resources, Iowa Department of Economic Development, Iowa State University, Des Moines Area Community College, Des Moines Water Works, and various Des Moines area agribusiness companies and associations, economic development organizations and infrastructure providers.

The extent of partnerships has involved investing resources for environmental assessment work, storm sewer construction, and land purchases; consulting on the land use assessment, redevelopment planning, regulatory and re-use aspects; enabling business growth through enterprise zone tax incentives; and promoting the development of intellectual capital among businesses, area universities/community colleges and others.

New partnerships will form as this unique development opportunity emerges. It is the City's intent to create an environment that will encourage extensive business, organization and government participation; promote the free exchange of ideas; foster collaboration and embrace innovation to enhance the quality of life for the world community.

SECTION 6

Conceptual Plan

Introduction

The Des Moines Agrimergent Technology Park is designed to offer an exciting and unique business environment that encourages inter-industry intellectual challenges and provides quality of life opportunities for employees. This section of the Plan describes the physical environment to be developed.

Physical Environment

In order to create an exceptional working environment, the conceptual plan displays a physical form that embraces interrelationships. The circularity of the street and walking trail pattern depicts the "Big Idea," which establishes the form and function of the Park. It is a metaphorical response to molecular structures intrinsic in the biotechnological world of today's agriculture.

All aspects of the Park are connected. The natural and man-made environments are integrated. Walking trails, landscaping and open space are part of the quality business environ-



Exhibit 6.1: Aerial Perspective



Exhibit 6.2: Master Plan

ment, not distinct and separate from it. Trees reinforce the circular, cell-like forms to create a three-dimensional view of the Park. The interrelationships are further expressed by creating strong linkages with trails to the adjacent neighborhood as well as to the proposed park that will be created from the lake remnant of the quarry.

Storm water retention/detention basins further enhance the cellular forms as well as create an aesthetically pleasing asset for managing storm water runoff. Bio-swales will move water to the basins from individual lots, which will minimize underground piping and provide an environmentally sensitive solution to the movement of storm water.

Land uses are layered in cells similar to the life cycle. Research and development uses occur in the core of the Park (birth/discovery zone), small commercialized technological uses radiate from the core (growth/development & prototyping zone), and large manufacturing-oriented uses complete the pattern (well-developed/production zone).

Several maps are presented to illustrate these concepts. Exhibit 6.1 shows the aerial perspective of the ultimate buildout of the Park. Exhibit 6.2 illustrates the master plan. Sketches are also provided to assist in visualizing the future Park environment (Exhibits 6.3 and 6.4).

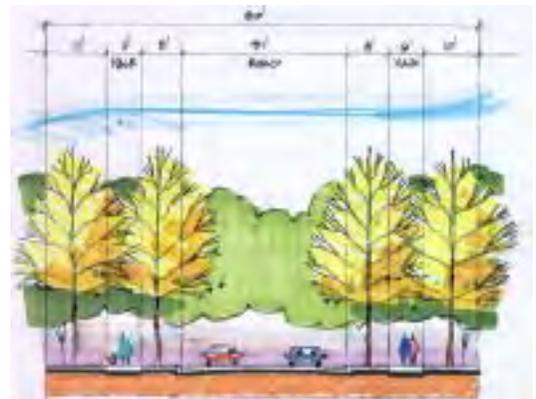


Exhibit 6.3: Secondary Road Section



Exhibit 6.4: Street Section

SECTION 7

Design Guidelines

Introduction

Design guidelines are the template for adding value to the Des Moines Agrimergent Technology Park's physical environment and ensuring high quality development. These standards will apply to new businesses and will be used to encourage anchor businesses to make improvements to support design continuity. They are essential for protecting and attracting long-term investment. This section of the Plan discusses physical development principles and the general intent of the design guidelines. Specific standards related to building and site requirements will be developed as the project progresses in cooperation with agribusinesses and related industries.

Physical Development Principles

Development principles shape the design guidelines, which are fundamental to project success. Several principles will be advanced.

- ◆ Prospective investors should maintain a high-quality image of the Park. Buildings should exude a sense of permanence.
- ◆ The Park should be built to international standards, such as providing common landscaped open space and attractive building and landscape design.
- ◆ Transportation corridors should be improved and bus shuttle service encouraged within the Park and to key destination points (i.e. ISU, DMACC) in order to enhance access.
- ◆ Flexibility should be accommodated in lot sizes as well as in building standards. For example, different guidelines may be developed to correlate with the various land use zones -- large-scale production in the southern portion, small-scale processing and design in the central part, and research and development in the north central area of the Park.
- ◆ An interactive environment should be built. The arrangement of buildings and open spaces should encourage collaboration among managers, researchers, and other employees.

General Design Guidelines

General building coverage and open space, architectural/site appearance, landscaping, parking/loading, lighting and signage guidelines as well as performance standards are discussed in order to achieve the conceptual vision of the Park.

Building Coverage and Open Space

These requirements assist in establishing a coordinated streetscape by providing sufficient space between buildings to assure light and privacy as well as adequate green space to maintain the interconnected character of the Park.

Architectural/Site Appearance

These standards assist in producing orderly and aesthetically pleasing developments of quality architecture in harmony with the intended character of the Park. The guidelines will embrace innovative architectural design and encourage sustainable (green) architecture. Quality building materials will be required that are appropriate with the intended use of the structure and the land use zone. Site standards will be created for fencing as well as screening of outdoor storage and other uses that may be visually obtrusive to the general character of the Park.

Landscaping

These requirements recognize that landscaping on individual lots in the Park contributes to the area's overall design character. Compatibility and continuity are important to unify the Park. More specifically, the standards are intended to provide for a neat and well-maintained appearance in areas not covered by building or parking, to minimize the adverse visual and environmental impacts of large paved areas, and to beautify the area. Landscaping requirements will promote the use of plant material that is indigenous or compatible with the area's natural environment and will encourage ecosystem enhancement.

Parking/Loading

These standards assist in providing for safe and convenient movement of motor vehicles, reducing vehicular/pedestrian conflicts, limiting and screening paved areas, allowing for sufficient loading access, and softening the visual impact of parking in areas exposed to public view. Parking guidelines will also address the required number of spaces for specific uses (i.e. office, retail and production).

Lighting

These requirements assist in ensuring that lighting is generally uniform in type and intensity as well as aesthetically compatible throughout the Park.

Signage

These guidelines assist in instituting a coordinated graphic system that provides for business identification, information communication and direction in a distinctive and visually pleasing manner. This graphic system is a major element to create and preserve the design character of the Park. Signage requirements will address specific criteria for designing freestanding monument, wall-mounted and temporary signs.

Performance Standards

These requirements assist in setting standards that relate to noise levels, air emissions, vibration, effluent and discharge, bulk storage of hazardous materials, and other issues to protect the public health and assure the environmental integrity of the Park.

SECTION 8

Return on Investment

Introduction

The Des Moines Agrimergent Technology Park offers an excellent return on public and private investment. Investment can be measured by the increase in tax base, additional revenue from water and sewer user fees, payroll from creation of livable wage jobs and other criteria. Equally important benefits are increasing industry competitiveness, strengthening and diversifying the local economy, nurturing entrepreneurship, eliminating slum and blight and the resultant loss in tax base, curtailing urban sprawl, enhancing recreational opportunities and protecting and beautifying the environment. This section of the Plan discusses the proposed hard and soft costs associated with land assemblage, infrastructure, beautification including landscaping, and property sale as well as the estimated return on investment.

Proposed Costs

Significant investment is required to develop the Park. Resources are needed to assemble land, design and install additional infrastructure, beautify the area and facilitate the sale of the redevelopment parcels. The costs listed below are to be used as a guide based on existing information. Adjustments will need to be made to accommodate changes in project design as the Park develops, account for inflation and potential property appreciation, and allow for contingencies.

Land Assemblage

The City, existing agribusinesses and related industries, and the White-Green Valley Trust (which leases land for quarrying) own approximately 725 acres of the 1,100-acre Park. Nearly 375 acres will need to be assembled and a few businesses relocated. Land assemblage is estimated at \$16.3 million. Estimates are based on 2001 dollars. These costs include acquisition, relocation, demolition, appraisals, title certificates, abstracting and filing fees. Solid waste cleanup and environmental remediation expenditures, if any, on City-owned land as well as property management costs are excluded. Based on existing data, it is projected that environmental and property management expenses will be a minor component of the total project cost.

Additional costs above relocation estimates may be incurred to provide further assistance to salvage yard owners. Expenditures may include developing a “salvage yard park” plan with design criteria and best management practices as well as installing environmental protection structures after a relocation site has been identified. A concept plan is estimated to cost \$10,000. Environmental protection expenditures will be determined coincident with development of the relocation plan.

Infrastructure

The City is the developer of the Park. Although the Park is infrastructure-rich, the City must install additional infrastructure in certain areas, such as streets with integral curb and gutter, sidewalks, water, sanitary and storm sewer, and streetlights. It will arrange for utility providers to construct additional electricity, natural gas, communications and other infrastructure. There will be some up-front costs associated with these additional utilities which will not be charged against the project because they are recoverable. However, the City will incur minor carrying costs. Assumptions in developing the City's infrastructure costs are:

- ◆ Streets will be 31 feet wide back-to-back of curb.
- ◆ Sidewalks will be 6 feet wide on both sides of the streets.
- ◆ Water lines will be a minimum of 8 inches in diameter with fire hydrants spaced at 300-foot intervals.
- ◆ Sanitary sewer lines will be a minimum of 12 inches in diameter with manholes spaced at 400-foot intervals.
- ◆ Storm sewer will be provided in all streets and will connect to the overland drainage and retention/detention system as a Park feature.
- ◆ Streetlights will be spaced at 300-foot intervals.

Transportation corridors in the Park and its vicinity need to be upgraded. Vandalia Road should be widened and turning lanes provided at key locations. This is estimated to cost approximately \$900,000. Approximately \$225,000 will be required to resurface SE 43rd Street and install turning lanes. Construction of the Southeast Connector is also very important. These costs are not attributable directly to the Park because they serve a larger population base but must be considered in revitalizing the area.

An approximate 20,000 square foot incubator may be developed in the Park to nurture research and development uses and future production. It is estimated to cost \$3 million. Funding may be obtained from Federal, State and private sources. This value-added expenditure is excluded from total project costs.

Beautification

The Park will be well-landscaped and will offer many amenities to enhance the work and recreation experiences of workers and nearby residents. The following features will be provided to add value to the Park.

- ◆ An extensive number of trees will be planted along streets, trails and in the proposed lake area north of the future Southeast Connector.

- ◆ A circular trail system with lighting will frame the center of the Park. Meandering trails will be constructed in the proposed lake area north of the future Southeast Connector.
- ◆ Additional features will be offered to enhance the attractiveness of the Park as a premier business location and to impress visitors. These amenities include landscaped open space, water features that function as part of the storm water management system, entrance and directional signage, a pavilion overlooking the lake, plazas, exhibit space and nearby public parking, public art and other elements. Enhancements to the proposed lake area are charged to project costs but may be considered separate from it because of the greater community benefit.

Property Sale

Administrative and promotional activities must be conducted to enable the project. These activities include but are not limited to preparing preliminary and final plats, surveys, specific land use covenants/design guidelines, establishing a management structure, and developing an Internet site and other marketing resources.

The Park plan describes the concept. Some changes to the Des Moines 2020 Community Character Plan and zoning may be required to ensure the success of the Park. These issues will be addressed in coordination with the design guidelines. In addition, an amendment to the SE AgriBusiness Urban Renewal Plan is necessary to designate acquisition and disposition parcels.

Total Costs

Total City costs to implement the Park plan are estimated at \$36.3 million, of which approximately \$20.0 million is attributable to additional infrastructure investment including beautification and property sale. About \$3.8 million or 19% of the infrastructure costs are associated with development of the lake area into an urban park. Most of the lake area cannot be developed because it is located in the floodplain. Section 9 will discuss existing investment and potential funding sources.

Return on Investment

The return on investment (ROI) is astounding, even though substantial resources are required to develop the Park. A detailed understanding of the determination of ROI is important. Assumptions used to calculate the return are provided. These assumptions will need to be re-evaluated as the Park evolves.

Developable Land Area

The size of the Park is approximately 1,100 acres (see Exhibit 8.1). Anchor businesses occupy about 110 acres. There are 375 acres available for agribusinesses and related industries to develop. About 36 acres along Scott Avenue north of the lake may be used

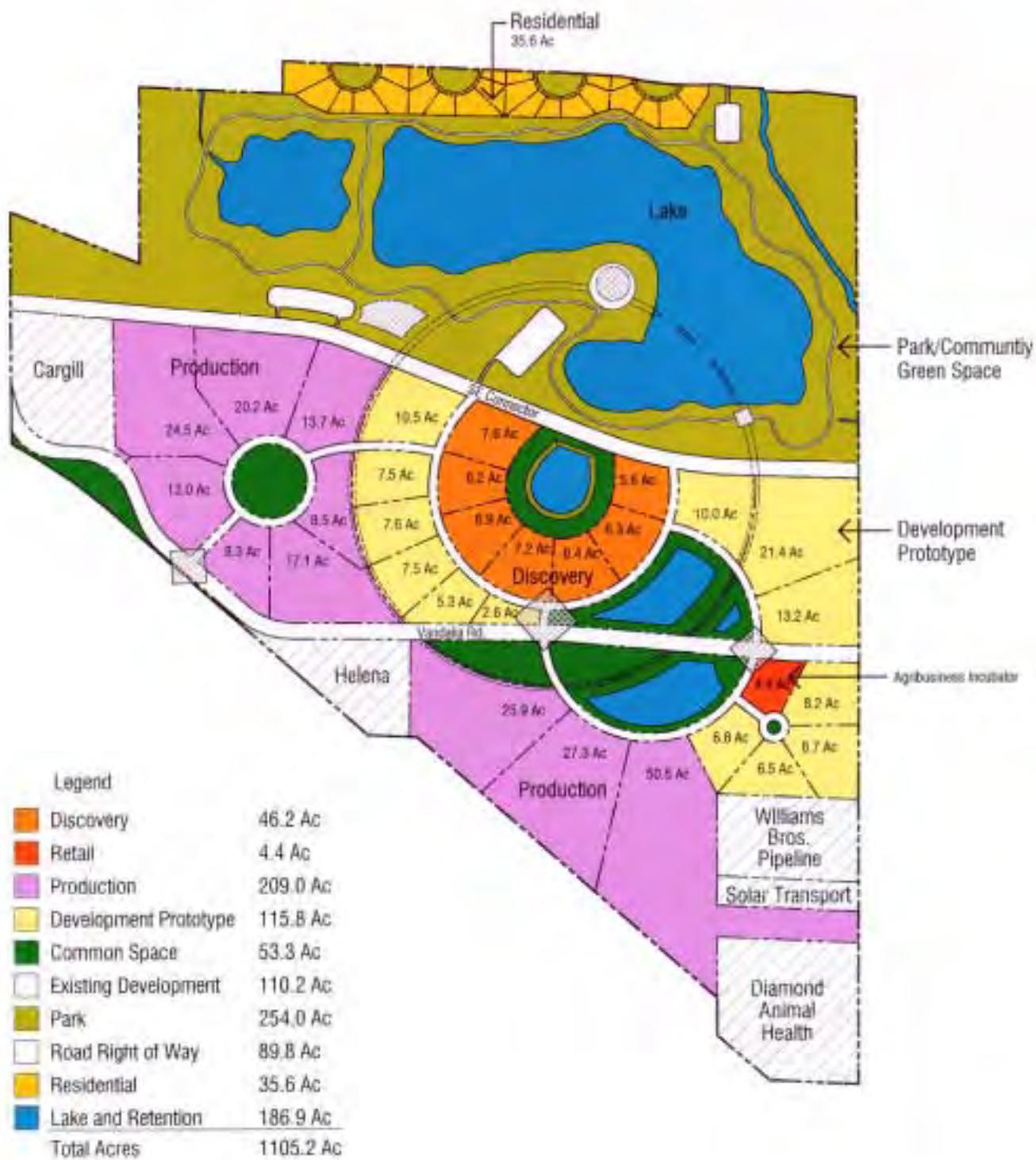


Exhibit 8.1: Land Use Map

for residential development. The remaining 579 acres are dedicated to streets, trails, landscaped open space, storm water detention features, a lake and an urban park. Much of this land is located in the floodplain north of the future Southeast Connector.

Redevelopment Cost Per Acre

Redevelopment costs include land assemblage and infrastructure. Land assemblage is estimated at \$16.3 million. Infrastructure costs, including beautification and property sale, are projected at \$20.0 million. Total City redevelopment costs are \$36.3 million or \$96,800/developable acre (\$2.22/square foot).

Floor Area

The following floor area ratios have been established for each of the land use zones in the Park to assist in ascertaining the density of development. These ratios represent the percentages of lot coverage by building area.

| FLOOR AREA | |
|-----------------------|-------------------------|
| LAND USE ZONE | FLOOR AREA RATIO |
| Production | .35 |
| Development/Prototype | .30 |
| Discovery | .25 |
| Retail | .25 |

Tax Base of New Development

Several measures are used to determine the tax base generated from the new development. They include the developable area, floor area ratios (FAR), and projected assessed values of new buildings within each zone as well as corresponding increased land values for installing the infrastructure improvements previously discussed. The Polk County and the City of Ames Assessors' offices provided recommendations to calculate projected assessed values. The tables listed below describes the estimated additional tax base the project will yield at full buildout, which may be 15-20 years. The City may enter into Minimum Assessment Agreements to assist in establishing the new tax base.

| ADDITIONAL COMMERCIAL/INDUSTRIAL BUILDING TAX BASE | | | | | |
|---|-------------------------------|------------|------------------------------|--------------------------------------|-----------------------------|
| LAND USE ZONE | DEVELOPED AREA (ACRES) | FAR | BUILDING DENSITY (SF) | PROJECTED ASSESSED VALUE (SF) | TOTAL ASSESSED VALUE |
| Production | 209.0 | .35 | 3,186,414 | \$65 | \$207,116,910 |
| Development/ Prototype | 115.8 | .30 | 1,513,274 | \$80 | \$121,061,920 |
| Discovery | 46.2 | .25 | 503,118 | \$115 | \$57,858,570 |
| Retail | 4.4 | .25 | 47,916 | \$90 | \$4,312,440 |
| TOTAL | 375.4 | | 5,250,722 | | \$390,349,840 |

| ADDITIONAL IMPROVED LAND TAX BASE | | | | |
|--|-------------------------------|----------------------------|--------------------------------------|-----------------------------|
| LAND USE ZONE | DEVELOPED AREA (ACRES) | DEVELOPED AREA (SF) | PROJECTED ASSESSED VALUE (SF) | TOTAL ASSESSED VALUE |
| Production | 209.0 | 9,104,040 | \$1.75 | \$15,932,070 |
| Development/ Prototype | 115.8 | 5,044,248 | \$2.00 | \$10,088,496 |
| Discovery | 46.2 | 2,012,472 | \$2.50 | \$5,031,180 |
| Retail | 4.4 | 191,644 | \$5.00 | \$958,320 |
| TOTAL | 375.4 | 16,352,404 | | \$32,010,066 |

The City will yield a net tax base increase of \$420.4 million, based on 2001 dollars. This estimate represents the added assessed value of building and land improvements minus the approximate \$2 million assessed value of existing structures to be removed. Market appreciation will contribute to raising the tax base. In addition, anchor businesses may expand their operations and add taxable value to their properties. There is also potential to generate approximately \$14 million from the new residential development along Scott Avenue north of the lake.

It is important to understand the magnitude of this change in tax base. The current assessed value of the area is only \$12.7 million. Anchor businesses account for \$8.7 million or nearly 70% of the taxable value. When excluding quarry land, anchor businesses yield approximately \$82,000/acre as compared to non-anchor uses, which produce only \$10,000/acre. The Park will generate \$420.4 million as compared to \$12.7 million, which will dramatically increase the taxable value 33 times more than it is today. The new agribusinesses and related industries will yield approximately \$1.1 million/acre or 110 times more than non-anchor uses currently provide.

Net TIF Revenue of New Development

The amount of net tax increment financing (TIF) revenue generated from the new development will assist in determining project affordability and direct economic benefit to the community.

Several factors are used to calculate net TIF revenue. They include the current TIF rate, projected assessed values of new buildings and improved land, and assessed values of existing buildings and unimproved/semi-improved land. The following table shows the annual TIF revenue from the new development. The TIF rate of \$40.40161/\$1,000 of assessed valuation is used.

| NEW DEVELOPMENT ANNUAL TIF REVENUE | | | | |
|---|---|--------------------------------------|---|---------------------------------|
| LAND USE ZONE | TOTAL IMPROVED LAND ASSESSED VALUE | TOTAL BUILDING ASSESSED VALUE | TOTAL LAND AND BUILDING ASSESSED VALUE | TOTAL ANNUAL TIF REVENUE |
| Production | \$15,932,070 | \$207,116,910 | \$223,048,980 | \$9,011,538 |
| Development/ Prototype | \$10,088,496 | \$121,061,920 | \$131,150,416 | \$5,298,688 |
| Discovery | \$5,031,180 | \$57,858,570 | \$62,889,750 | \$2,540,847 |
| Retail | \$958,320 | \$4,312,440 | \$5,270,760 | \$212,947 |
| TOTAL | \$32,010,066 | \$390,349,840 | \$422,359,906 | \$17,064,020 |

The new development will generate \$17.0 million in annual TIF revenue at buildout. Properties to be acquired produce approximately \$151,910 in annual revenue. This amount must be deducted to determine the net increase in revenue. The City will realize an additional \$16.9 million in net annual TIF revenue, excluding tax abatement.

Total City redevelopment costs are estimated at \$36.3 million. These costs may be recovered in less than three years at project buildout when considering TIF revenue only.

Land Sales Proceeds

The economics of this project are even more attractive when accounting for land sales proceeds. Land sales revenues are estimated at \$32.0 million or \$4.3 million less than redevelopment costs. Redevelopment costs average \$2.22/square foot. Revenues average \$1.96/square foot. Although an average land subsidy of \$.26/square foot or approximately \$11,300/acre is needed, very little tax revenue will be required to cover redevelopment costs.

Job Creation

Job creation is an important objective. Employees may invest their payroll earnings in residences and purchase services to support and strengthen the local economy. Assumptions used to estimate job creation are provided in the table below.

| ADDITIONAL JOBS | | | |
|------------------------|----------------------------|--|-------------------------------|
| LAND USE ZONE | DEVELOPED AREA (SF) | NUMBER OF JOBS/ DEVELOPED AREA (SF) | TOTAL JOBS CREATED |
| Production | 3,186,414 | 1:1,000 | 3,186 |
| Development/Prototype | 1,513,274 | 1.5:1,000 | 2,270 |
| Discovery | 503,118 | 2:1,000 | 1,006 |
| Retail | 47,916 | 1:1,500 | 32 |
| TOTAL | 5,250,722 | | 6,494 |

An estimated 6,500 jobs associated with agribusinesses and related industries will be created at project buildout. In addition, there will be substantial construction employment opportunities. Materials and other services may also be purchased locally.

Additional Benefits

The Park will provide additional benefits. There is potential to yield substantial water and sewer revenue. Sales tax revenues will be realized, of which one percent (1%) directly assists the local school district. Increased business competitiveness will result from developing this specialized niche for agribusinesses and related industries. This will assist in effecting positive economic impacts throughout the region. It will also create a positive national identity for Des Moines and Iowa, which may attract additional investment. Entrepreneurism will be nurtured. The community will enjoy a higher quality of life. Slum and blight will be eliminated in this area. Urban sprawl into prime farmland will be lessened. Recreational opportunities will be enhanced. The environment will be protected and beautified.

In summary, the Park will yield substantial benefits. The City's tax base will increase by \$420.4 million, which will generate net annual TIF revenue of \$16.9 million at project buildout. Employers will create approximately 6,500 jobs. Most importantly, agribusinesses and related industries will be enabled to reach new heights of competitiveness as they lead the innovations of the future.

SECTION 9

Implementation

Introduction

Excellent management, sufficient resources and extensive partnerships will contribute to the Des Moines Agrimergent Technology Park's success and sustainability. There are many assets that the community has and can access to implement this signature project effectively. They include substantial human resource talent, proven partnerships, financial acumen in leveraging public and private investment, a well-calculated risk-taking approach and progressive ideas. It is intended that the project will be a catalyst to generate even greater economic growth and a higher quality of life than envisioned today. As such, implementation of this Plan will change to take advantage of new possibilities that are not yet apparent. This section of the Plan explores existing investment, budget and potential funding sources, land assemblage, infrastructure development, management structure, innovative partnerships, investment incentives, marketing strategies and additional recommendations.

Existing Investment

Anchor agribusinesses and related industries continue to invest in the Park. They have excellent potential to expand their operations as well as to attract new industries to the area. The City of Des Moines, State of Iowa, Federal government and utility providers have invested considerable funds over time that ultimately has resulted in an infrastructure-rich environment. Within the past few years, the City has partnered with several agencies and organizations to amass the seed capital necessary to develop the Park. Approximately \$5.2 million has been invested recently to assemble land, install storm sewer, and environmentally assess and clean up the site. Investors, amount invested and use of funds are listed below.

| PROJECT INVESTMENT | | |
|--|--------------------|-----------------------------|
| INVESTOR | INVESTED | USE OF FUNDS |
| City of Des Moines | \$1,248,685 | Land acquisition (ADM site) |
| Des Moines Water Works (in cooperation with City) | \$625,000 | Land acquisition (ADM site) |
| HUD Appropriations (Senator Harkin) | \$990,000 | Land acquisition/assemblage |
| Community Development Block Grant | \$200,000 | Land acquisition/assemblage |
| U.S. Economic Development Administration | \$1,000,000 | Storm sewer infrastructure |
| City of Des Moines | \$1,000,000 | Storm sewer infrastructure |
| U.S. Environmental Protection Agency | \$200,000 | Environmental assessment |
| U.S. Environmental Protection Agency | \$500,000 | Environmental cleanup |
| TOTAL | \$5,763,685 | INVESTMENT TO DATE |

Budget and Potential Funding Sources

Total City costs to implement the Park plan are estimated at \$36.3 million. As a national Brownfields Showcase Community, the City receives priority for Federal funding during the competition process. It is the City's intent to leverage its resources to the fullest extent possible with those of Federal, State and private funding. The City may access the following potential sources and others to assemble land, design and install additional infrastructure, and beautify the area.

City of Des Moines

The City will invest \$1 million to match the Economic Development Administration's \$1 million contribution to design and install storm sewer in the Park. In addition, the City has allocated \$1 million every year in FY 04-05, 05-06 and 06-07 from its Capital Improvements Program budget to redevelop the area.

Future funding sources may include tax increment financing generated from new projects in the TIF district, G.O. bonds, revenue bonds, reinvesting land sales proceeds and other resources yet to be created.

State of Iowa

One of the State's key priorities is to promote the development of value-added agricultural products. The Governor is working to help position Iowa as the "Food Capital of the World." In order to be successful, projects must be implemented at the local level. The Des Moines Agrimergent Technology Park will generate tremendous economic growth in the community and throughout Iowa.

State funding sources may include the Iowa Department of Economic Development (IDED) Brownfield Redevelopment Program, IDED Physical Infrastructure Assistance Program, State Clean Water Revolving Loan Fund, Iowa Department of Transportation (IDOT) Revitalize Iowa's Sound Economy (RISE) Program and others. The Iowa Department of Natural Resources (IDNR) has established relationships with the Iowa National Guard to assist in providing in-kind construction-related and materials recycling services. Additional partnerships will be explored.

Federal

Brownfields redevelopment is an important bipartisan national issue. The Federal government is expanding its work with local governments to enable more productive use of these underutilized sites. Des Moines has had excellent success in attracting Federal funds. It also maintains close working relationships with its Congressional representatives—Senator Harkin, Senator Grassley and Congressman Ganske.

Federal funding sources may include Congressional earmarks, the U.S. Department of Housing and Urban Development (HUD) Brownfields Economic Development Initiative (BEDI) and Economic Development Initiative (EDI) Programs, and further investment from the U.S. Department of Commerce Economic Development Administration (EDA). Additional resources may include the Federal Highway Administration (in cooperation with the Des Moines Area Metropolitan Planning Organization where appropriate), the U.S. Environmental Protection Agency (EPA) Brownfields Cleanup Revolving Loan Fund (supplemental funding), U.S. Army Corps of Engineers ecosystem restoration and future Water Resources Development Act funds, U.S. Department of Agriculture (USDA) Forest Service and others. The Federal Home Loan Bank, a private corporation chartered by the Federal Housing Finance Board, may also be instrumental in providing capital.

Private Sector

Equity investment is another essential source of funding. Efforts will be made to work with landowners in the Park to determine their investment interest. Businesses, including agribusinesses, developers, financial services, insurance and investment companies, utility providers and others will be encouraged to invest in the area.

Traditional and non-traditional investment approaches will be explored as part of the innovative development of the Park.

Land Assemblage

Land assemblage represents 45% or \$16.3 million of the total project costs to implement the Park plan. The City has obtained initial funds to assemble redevelopment parcels. Additional funds are needed. As a result, land will be assembled in phases.

Exhibit 9.1 represents the phased land assemblage proposal. The City owns approximately 204 acres of developable land. Land owned by anchor businesses, Williams Pipeline, Solar Transport, the White-Green Valley Trust and MacMillan Oil is not proposed for acquisition. It is the City's intent to facilitate suitable development on the White-Green Valley Trust and MacMillan Oil properties. The City anticipates assembling a majority of the land between the future Southeast Connector and Vandalia Road. Phased land assemblage and estimated costs are as follows. Appraisals, bids and other detailed data will be used to determine actual costs.

Phase 1 – Estimated Cost: \$1.8 million

Property located between SE 34th and SE 38th Streets AND between the future Southeast Connector and Vandalia Road, except the Beals' property east of SE 35th Street

Phase 2 – Estimated Cost: \$4.2 million

Property located between SE 38th and SE 43rd Streets AND between the future Southeast Connector and Vandalia Road as well as the Beals' property east of SE 35th Street

Phase 3 – Estimated Cost: \$8.9 million

Property generally located between SE 30th and SE 34th Streets AND between the future Southeast Connector and Vandalia Road, excluding Cargill and the White-Green Valley Trust land.

The estimated cost for Phase 3 may be reduced to approximately \$3.7 million if Iowa Prestressed Concrete’s 28-acre property is not acquired and the concrete forms facility remains in the northwest part of the Park. There may be synergies with this use and the new development. Potential exists to reduce the building materials costs of agribusinesses and related industries by an estimated 10-15%. Additional research will be conducted to determine how the concrete forms facility may further support development of the Park.

Iowa Prestressed Concrete is an interim support use. Consideration for retaining the company in the Park will be based on its future performance. It is the City’s intent to work with Iowa Prestressed Concrete to ascertain how it may meet the Park’s design

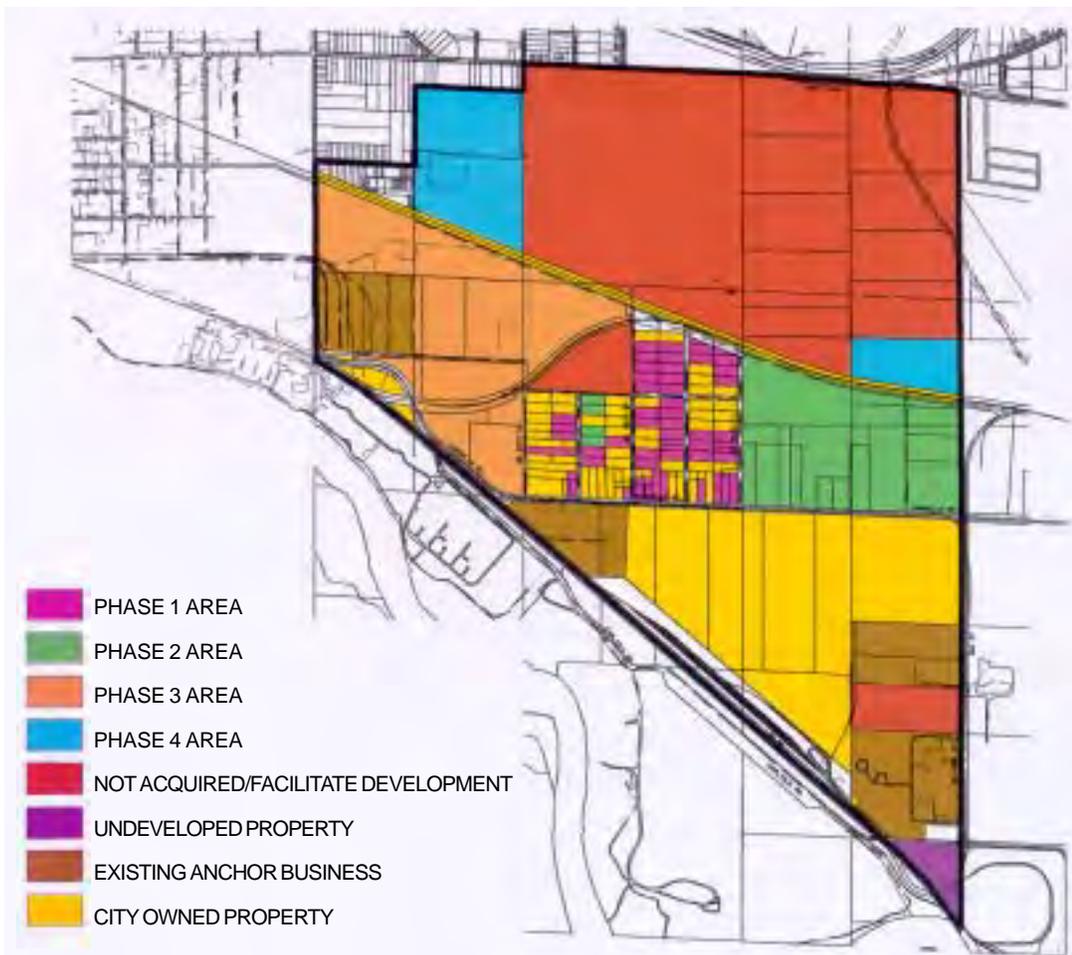


Exhibit 9.1: Proposed Phased Land Assemblage

guidelines, add significantly to the tax base, reconfigure its property boundary to coincide with the master plan, and address other issues.

Phase 4 – Estimated Cost: \$1.4 million

Property within the Park boundary between Scott Avenue and the future Southeast Connector, excluding the White-Green Valley Trust land

Residential property in the vicinity of Maury and Vale Streets is located outside the Park boundary and is not proposed to be acquired. Adequate buffers must be provided and other issues addressed to enhance neighborhood livability.

To date, the City has acquired \$700,000 and is in the process of applying for additional funds to assemble land in Phase 1. It is projected that the City will begin the land assemblage process in spring 2002 and complete it within 10 months or earlier, pending no unforeseen circumstances. The land assemblage timeline for Phases 2-4 is concurrent with obtaining funding and equity investment. Substantial efforts will be made to provide early notification so that property owners and/or tenants have sufficient time to relocate.

Infrastructure Development

Infrastructure development accounts for 55% or \$20.0 million of the total project costs to implement the Park plan. Both hard and soft costs are included. The City has secured \$2.0 million to begin construction of a storm water management system in the area. Infrastructure will be installed in stages as funds are obtained. Phased infrastructure development and estimated costs are listed below.

Phase 1 – Estimated Cost: \$3.7 million

Property located south of Vandalia Road to the Burlington-Northern rail line between SE 34th and SE 43rd Streets

Phase 2 – Estimated Cost: \$12.5 million

Property located north of Vandalia Road to the future Southeast Connector between SE 30th and SE 43rd Streets (concurrent with Phases 1-3 of land assemblage proposal)

Phase 3 – Estimated Cost: \$3.8 million

Property within the Park boundary located north of the future Southeast Connector to Scott Avenue (concurrent with Phase 4 of the land assemblage proposal)

The City will pursue Federal, State and local government funding and will encourage private investors to participate in the project. Phase 3, which involves development of a city park and related recreation, presents excellent opportunities for sponsorship.

Management Structure

The Park will provide value-added advantages that differentiate it from other locations in order to attract investment. Advantages may include the presence of a vibrant industry cluster, such as agribusinesses and related industries; opportunities to interact with like-minded firms; University proximity; a quality, well-maintained site that has purposeful design and is affordable; and support services. Support services may include security, janitorial, maintenance, centralized printing/copying, mail/package handling, consumables management and others. More specialized assistance may include legal, accounting, financing, cooperative purchase, information management and regulatory assistance. Shared facilities may be developed based on investors' needs to minimize their costs. These may include conference rooms, centralized storage, a training center, a cafeteria and others. Services will be provided only to the extent that Park occupants need and are willing to pay for them. The cost for support services and shared facilities may be provided through a fee-for-use or annual fee for all agribusiness and related uses in the Park.

It is important to enable start-up and existing companies to innovate products in the Park. A 10,000-20,000 sq. ft. multi-tenant incubator is proposed to offer specialized services. These may include reasonably-priced flexible office and laboratory space; shared business support services; business planning, financing and licensing assistance; linkages to suppliers, contractor and sub-contractors; and facilitating access to researchers working across disciplinary boundaries to stimulate product innovation and development. The incubator can be operated by a private contractor and serve as a centralized location for some of the Park services referenced above.

The overall management structure of the Park will be determined. It is essential to identify a clear authority to manage the project, such as the City, a private contractor or public/private organization. A division of responsibilities may be considered. The City may continue to lead efforts to assemble land and install the necessary infrastructure. Iowa State University, Des Moines Area Community College, other partners, a new management entity or combination thereof could arrange for/provide the value-added support services referenced above. Outsourcing and referrals may also be explored. As the Park evolves, the need for services will change. A flexible management structure is recommended.

Innovative Partnerships

The City has developed successful partnerships with many business and government representatives, as evidenced by public and private investment to date in the Park. Existing relationships will be strengthened and new ones will be developed to assist in project implementation. This assistance will be invaluable to enabling the Park to succeed.

Equally important is the creation of an agribusiness and related industry advisory team. Anchor businesses in the Park as well as Pioneer Hi-Bred International and Kemin Industries have demonstrated significant interest in guiding development of the area, identifying financing and training needs, and helping to attract investment. Their interest can become more formalized,

especially to encourage inter-industry linkages and to recommend and advocate for changes that improve competitiveness. Anchors should form the core of the advisory team as well as other interested businesses, associations and educational institutions.

Partnerships with Iowa State University (ISU) and the Des Moines Area Community College (DMACC) can become more formalized. The advisory team could recommend specific needs while ISU and DMACC identify the services they could provide to Park occupants. Services could include allowing access to the schools' facilities on the same basis as faculty members and to specialized lab equipment as well as developing training programs for life-long learning and continuous upgrading of skills and technical knowledge. Additional services could involve conducting contract research for companies, creating student, faculty and executive on-loan internships, commercializing University research, and participating in the advisory team. The City and/or management entity could facilitate mutually beneficial partnerships between investors in the Park and ISU and DMACC. Investment approaches can also be explored with Drake University.

Businesses that locate in the Park will be encouraged to assist in designing and participating in job training programs to meet their needs. DMACC and the Des Moines Independent School District could develop a skill-based curriculum for high school graduates and for those who do not intend to attend college. This program could bridge the gap from school to work and upgrade the skills of the unemployed and underemployed. As a result, greater community benefits will be realized.

Investment Incentives

Strategic planning is the foundation for successful development of the Park. Incentives assist in providing an advantage in today's competitive investment environment by helping to defray costs. Other approaches will be used to assist in decreasing business costs and providing operational advantage, such as partnering with utility providers, business associations and private contractors.

Several tax incentives are available to businesses that locate in the Park.

- ◆ *Tax abatement.* Developers may select either 3-year 100% or 10-year declining percentage tax abatement for new or renovated commercial or industrial developments.
- ◆ *Tax increment financing (TIF).* The City has created a TIF district that will allow tax revenues generated in this urban renewal area to be reinvested into it. Use of TIF will be based on need.
- ◆ *State Enterprise Zone tax credits.* After qualifying, businesses may receive several benefits, which include:
 - ◆ 10% investment tax credit for capital investments of \$500,000 or greater with a carry forward of 7 years; applies to machinery, equipment, buildings and other improvements, and newly-acquired land

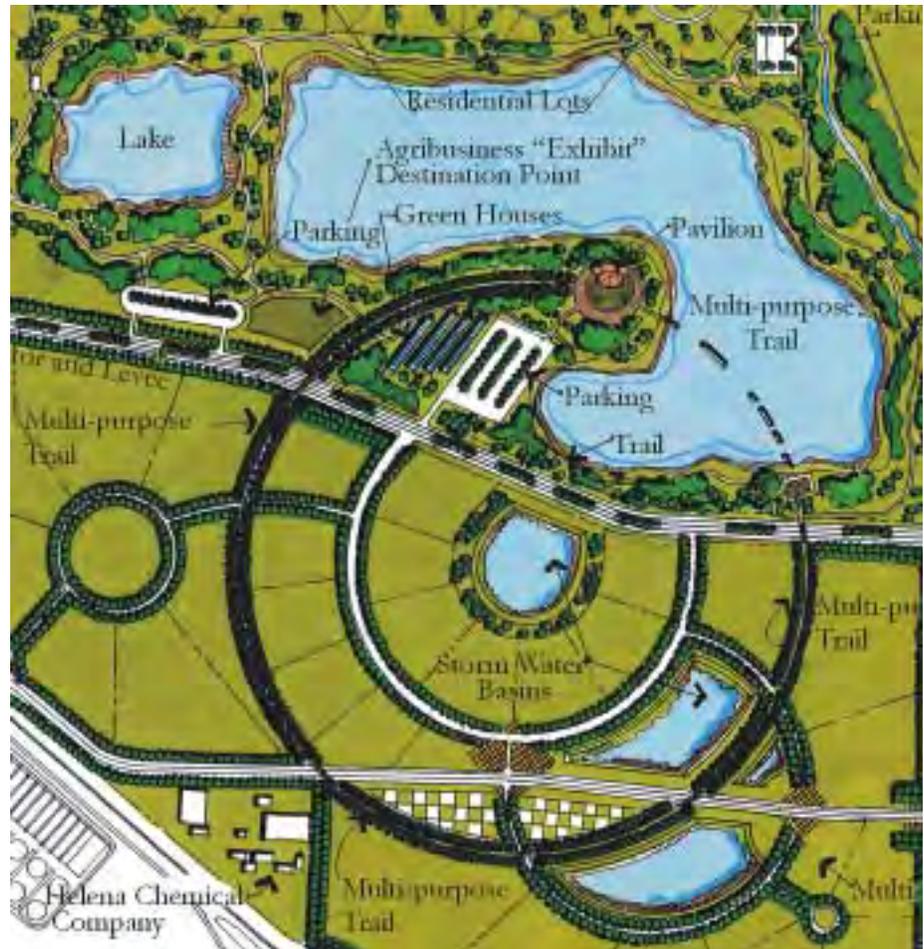
- ◆ 3% job training tax credit
- ◆ 13% research activities tax credit (refundable)
- ◆ 100% refund of sales, service and use taxes on materials and services, including utilities, used in construction contracts.

Additional incentives to be explored are listed below.

- ◆ *Workforce training tax credits.* Allow agribusinesses to obtain a tax credit of \$1,000 for each employee trained in an eligible program, if the firm provides training for a minimum of 5 employees.
- ◆ *Additional research activities tax credits.* Increase the State research and development tax credit from 13% to 20% to encourage new research activities in the Park.
- ◆ *Sales tax exemptions/credits.* Provide a full sales tax exemption/credit for acquisition of agribusiness-related manufacturing/equipment or materials/equipment related to research and development.
- ◆ *Net operating loss carryover.* Allow businesses experiencing operating losses to carry 100% of their losses forward over 15 years. This will assist start-up operations that may not be profitable until their new technology is commercialized.
- ◆ *Emerging technology venture capital and investment fund.* Develop a fund that will provide loans for land acquisition, construction and equipment as well as equity and second-stage venture capital financing for firms with high growth potential. The fund should be designed to supplement market-based sources.
- ◆ *Fast-track permitting* Provide one-stop services to expedite applications/permits for new businesses in the Park. This may include land acquisition, building permits, company registration/incorporation, tax registration, meeting labor regulations and obtaining other special permits.
- ◆ *Private sector incentives.* Explore other incentives that the private sector may provide to businesses in the Park, such as reduced costs for utilities and building materials, joint purchasing programs and other benefits.

Marketing Strategies

Marketing strategies to attract investment in the Park will be designed to involve many businesses, economic development agencies, associations, educational institutions and government. The web of relationships developed will epitomize those of the Park's inter-industry linkages. Anchor businesses and other Des Moines area agribusinesses will be the focus of initial investment attraction by targeting industries that are extensions of their projects and building on their network of contacts and industry expertise. For example, Diamond Animal Health performs contract manufacturing for several companies. There is potential for these businesses to invest in the Park. Proximity to anchors provides competitive advantage.



Other proactive marketing approaches include developing targeted initiatives and networking.

Targeted Initiatives

- ◆ *Niche marketing strategy.* Present customized proposals to companies that may meet their unique needs in the Park. It is important to understand the type of research and development activities that Park occupants are conducting and target those who may be interested in capitalizing on these opportunities. Prospects may include small operations of large, multi-national corporations.
- ◆ *Licensing agreements follow-up.* Work closely with University technology transfer staff and/or professors to encourage firms entering into license agreements to carry out scale-up, testing and production within the Park.
- ◆ *Investment conferences.* Invite potential investors to a conference to highlight the Park's advantages to them and/or their clients.

Networking

- ◆ *Anchor and stakeholder contacts.* List and contact all prospects with whom anchor businesses, researchers and others have relationships; organize an effort to encourage stakeholders to communicate directly with their colleagues regarding business opportunities in the Park.
- ◆ *Agribusiness/other conferences.* Attend conferences to generate market interest in the Park. Venues may include the Worldwide Food Expo and other agribusiness meetings, annual Association of University Related Research Parks symposium, national Brownfields Showcase Communities conference and others.
- ◆ *“Sister-park” relationship.* Develop a relationship with a like-minded park in the U.S. and internationally to cross-promote each other.

Promotional strategies are important to build the image of the Park. They are designed primarily to inform a broad audience and to support proactive marketing efforts. Distribution of promotional materials and media exposure are important components of this strategy.

Promotional Strategies

- ◆ *Brochures (including logo), maps and display boards.* Develop printed materials that highlight the Park’s unique advantages, such as the area’s regional agribusiness strengths, high quality workforce, infrastructure-rich environment, incentives and other features. A prospectus showing potential return on investment may also be created. Display boards at the Des Moines International Airport could be designed to chart Park progress.
- ◆ *Internet web site.* A well designed, user-friendly and up-to-date web site, linked to the home pages of anchor businesses, economic development agencies, industry associations and educational institutions, has worldwide reach. On-line maps of redevelopment parcels with their specifications should be prepared. The web site may also provide direct linkages to on-line resources, such as small business development programs, technology transfer opportunities and venture capital financing.
- ◆ *Slide presentations, videos and CDs.* These mediums are especially effective during face-to-face presentations with prospective investors.
- ◆ *Newsletters, press releases and announcements.* Distribute press releases when a major development occurs in the Park and encourage the media to write feature stories. Create a quality newsletter as the Park grows.
- ◆ *Speeches and articles.* Seek opportunities to deliver speeches and write articles that will highlight the Park. Target potential investors.

Additional Recommendations

Interconnected relationships are the hallmark of Park development. Linkages among agribusinesses and related industries are emphasized. Opportunities abound for other synergies. Ideas are listed below.

- ◆ Work closely with Hallett Materials and the White-Green Valley Trust to ensure that land being quarried north of the future Southeast Connector is developed in accordance with the Park master plan. In addition, encourage future residential development on their land that fronts Scott Avenue.
- ◆ Explore partnerships with Williams Pipeline, MidAmerican Energy and other utility providers to assist in providing competitive advantage. Energy-related ventures may be viable.
- ◆ Create win-win opportunities with the City of Pleasant Hill. These may include improving Vandalia Road from U.S. Highway 65 into the Park, identifying support services for the Park that could be developed on land in Pleasant Hill adjacent to U.S. Highway 65 (i.e. restaurants, centralized warehousing), encouraging future residential development in the vicinity of the quarry in Pleasant Hill adjoining the Park, and other proposals.
- ◆ Encourage construction of a new bridge across the Des Moines River to provide additional access to the Park.
- ◆ Improve environmental efficiencies of the Wastewater Reclamation Facility.
- ◆ Upgrade the appearance of the Maury Street corridor from SE 14th Street to the Park entrance at SE 30th Street. Landscaping, screening, property maintenance and other methods may be used.
- ◆ Revitalize areas in the Agribusiness Enterprise Zone, which includes the Park and property west of it, to effect area-wide improvements.
- ◆ Register the name of the Park as a trademark. This will provide market identity.

Implementation of this Plan is designed to be flexible to nurture innovation in all aspects of Park development. The community will continue to discover new possibilities.

SECTION 10

Commitment

The Des Moines Agrimergent Technology Park represents the community's commitment to its exciting future. The community recognizes that the development of ideas and the use of technology to implement them are the most influential catalysts to creating wealth and an exceptional quality of life in the New Economy. Information sharing is more important than ever before to sustain competitive advantage. Unique partnerships among businesses, organizations, neighborhoods and government will continue to be formed to explore untold opportunities. Innovations in the Park may positively influence the health and well-being of the world community.

It is within this interconnected environment that the City invites investment of ideas, labor, technology and capital to develop the Park. New products and processes will emerge through these linkages. As the cellular design of the Park demonstrates, the elements of new life are here to be discovered. Agribusinesses and related industries will find remarkable satisfaction and success.



APPENDIX A

List of Participants

Appreciation is extended to the following people who participated in the development of the Des Moines Agrimergent Technology Park Plan.

Dr. Richard McConnell, President of Pioneer Hi-Bred International Inc.
Ms. Connie Phillips, Vice President of Operations at Diamond Animal Health Inc.
Dr. Michael McGinley, Vice President of Scientific Affairs at Diamond Animal Health Inc.
Mr. Lou Van Daele, formerly of Diamond Animal Health Inc.
Dr. John Greaves, President of Kemin Americas
Mr. Dan Clark, Vice President of Operations at Kemin Americas
Mr. Dave Sommerlot, Plant Superintendent at Cargill Inc.
Dr. Stephen Howell, Director of the Plant Sciences Institute at Iowa State University
Dr. Beryl Packer, former Executive Director of Research and Development at Des Moines Area Community College
Mr. Steve Welch, Vice President of Research and Development at Proliant
Mr. Brad Williams, President of Raviant
Mr. Doug Getter, Executive Director of the Iowa Biotechnology Association
Mr. Gary Brummels of the Iowa Soybean Association
Mr. Robert Tibor, Science and Technology Advisor, Iowa Department of Economic Development
Mr. Vic Cameruci of the Greater Des Moines Partnership
Mr. Chris Voggeser of the Greater Des Moines Partnership
Dr. L.D. McMullen, CEO of the Des Moines Water Works
Mr. Randy Beavers of the Des Moines Water Works
Ms. Brenda LaBlanc of the Laurel Hill Neighborhood Association
Ms. Marian Thomas of the Laurel Hill Neighborhood Association
Mr. David Minor, formerly of the Fairground Neighbors for Community Improvement Association
Mr. Mike Gibson of the Fairground Neighbors for Community Improvement Association
Ms. Dawn Jorgenson of the Fairground Neighbors for Community Improvement Association
Ms. Angela Loy of the Chesterfield Neighborhood Association
Mr. Eric Chamberlain, formerly of the Citizens for Community Improvement of Des Moines
Mr. Joseph Van Syoc of the Capitol East Neighborhood Association
Ms. Joanne Corigliano of the Indianola Hills Neighborhood Association
Mr. Mike Daspit, formerly of the City of Pleasant Hill
Ms. Tabitha Gardner, resident of Pleasant Hill
Mr. John Mathieson, Executive Director of the Economics Practice at SRI International
Ms. Katherine Johnston, Economist of the Economics Program at SRI International
Mr. Eric A. Anderson, City Manager of the City of Des Moines
Mr. Richard Clark, Deputy City Manager of the City of Des Moines

Mr. Steve Gunson of the City of Des Moines City Manager's Office
Mr. Jeb Brewer, Assistant City Engineer at the City of Des Moines
Mr. Phil Wageman of the City of Des Moines Engineering Department, Right-of-Way Division
Mr. David DeForest Colvig of the City of Des Moines Engineering Department, Right-of-Way Division
Mr. Ken Boatwright of the City of Des Moines Engineering Department, Right-of-Way Division
Ms. Sandra Mariucci of the City of Des Moines Engineering Department, Right-of-Way Division
Mr. John McKee of the City of Des Moines Engineering Department
Mr. Douglas Olson of the City of Des Moines Engineering Department
Mr. Darwin Larson of the City of Des Moines Engineering Department, Storm Water Utility
Mr. David Scanlan of the City of Des Moines Engineering Department, Storm Water Utility
Mr. David Miller of the City of Des Moines Engineering Department, Waste Water Systems
Mr. Gary Fox of the City of Des Moines Engineering Department, Traffic and Transportation Division
Mr. James Grant, Planning Director of the City of Des Moines
Mr. Larry Hulse of the City of Des Moines Community Development Department
Mr. James Johnson of the City of Des Moines Community Development Department
Mr. Ben Bishop of the City of Des Moines Community Development Department
Ms. Mary Neiderbach of the City of Des Moines Community Development Department
Mr. Don Tripp, Park and Recreation Director of the City of Des Moines
Mr. Andrew Hennesy of the City of Des Moines Park and Recreation Department
Mr. Dana Wingert of the City of Des Moines Police Department
Ms. Shari Cooper of the Metropolitan Transit Authority
Mr. Terry Bailey of the Iowa Interstate Railroad
Mr. James Dinkle of the Burlington-Northern Railroad
Mr. Blane Pound of the Staubach Company/consultant for the Burlington-Northern Railroad
Mr. Thomas England of MidAmerican Energy
Mr. Curtis Proud of Williams Pipeline/Communications
Mr. John Riley of Williams Pipeline/Communications
Mr. Bert Sewell, President of Hallett Materials
Mr. Tim Mallicoat, Vice President of Hallett Materials

Innumerable property owners, businesses and neighborhood residents

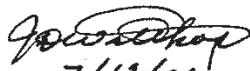
APPENDIX B

Legal Description

Proposed Des Moines Agribusiness Park

July 13, 2001

Commencing at the intersection of the North right-of-way line of the Wabash Railroad (Known as the Norfolk and Western Railway Company) and the West line of the Northwest ¼ of Section 7, Township 78 North, Range 23 West of the 5th P.M.; thence Southeast along the North right-of-way line of the Wabash Railroad to the East right-of-way line of Southeast 30th Street and the point of beginning; thence continuing Southeast along the North right-of-way line of the Wabash Railroad to the East right-of-way line of vacated Southeast 32nd Street and the East line of the West ½ of the Northwest ¼ of said Section 7, thence North along said East right-of-way line and the East line of the Northwest ¼ of said Section 7 to a point 330.0 feet South of the North line of the Northwest ¼ of said Section 7; thence East along line 330.0 feet South of and parallel with the North line of Northwest 1/4 of said Section 7 to the North/South center line of said Section 7; thence North along the North/South center line of said Section 7 to the South right-of-way line of Scott Avenue; thence East along the South right-of-way line of Scott Avenue to the intersection of the North line of the Northwest ¼ of Section 8, Township 78 North, Range 23 West of the 5th P.M.; thence East along the North line of the Northwest ¼ of said Section 8 to the North/South center line of said Section 8; thence South along the North/South center line of said Section 8 and along the North/South center line of Section 17, Township 78 North, Range 23 West of the 5th P.M. to the intersection of the North right-of way line of the Burlington Northern Railroad (Formerly known as the Chicago, Burlington and Quincy Railroad); thence northwesterly along the North right-of-way line of the Burlington Northern Railroad to the intersection of the southerly extension of the East right-of-way line of Southeast 30th Street; thence North along the East right-of-way line of Southeast 30th Street to the point of beginning. Containing approximately 1100 Acres.


7/13/01

APPENDIX C

Contacts

To explore opportunities associated with the Des Moines Agrimergent Technology Park, contact:

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