

RESOLUTION NO. 0284-03-24

WHEREAS, the City has received a request from Heaviside LLC (the “Company”) for the City to sponsor an application for state incentives through the High-Quality Jobs Program (the “State Program”), in connection with the construction of one or more data centers which will result in the creation of new jobs; and

WHEREAS, sponsorship of an application for the State Program requires the sponsoring municipality to demonstrate financial incentives at the local level as well; and

WHEREAS, On February 27, 2024, City Council authorized the development agreement with Heaviside LLC under resolution 0226-02-24, which included approval of the tax incentive terms of a 20-year, 70% abatement of the increased tax increment, estimated at \$56 million, and subject to meeting the employment threshold (“Development Agreement”); and

WHEREAS, the following is a summary of the proposed project as set forth in the Development Agreement (the “Project”):

- + \$576 million capital investment
- + Construction of one or more data centers
- + Creation of at least 31 new full-time jobs at or above the HQJ wage rate

WHEREAS, the Development Agreement represents the City’s financial incentives under the City’s Above Standard – Economic Development Program (the “City Program”); and

WHEREAS, the City Council adopted the City Program to support activities which promote and facilitate economic development objectives of the City, including the expansion of the City’s tax base and the creation and retention of new jobs; and

WHEREAS, the City Program provides financial incentives to projects which qualify within a standalone program of the City, in this case the High Quality Jobs program, but which justify additional financial incentives above the standard incentive; and

WHEREAS, considering factors including but not limited to: the Company’s overall capital expenditure compared to the proposed City Incentives, the level of created and retained jobs, and the induced economic effects of the proposed Project, the City Council has determined that the proposed Project is eligible for the level of financial incentives, as provided for herein, under the City Program; and

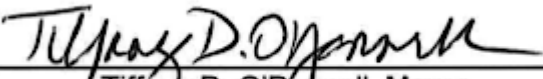
WHEREAS, the City wishes to sponsor the Company’s application for state incentives for the Project through the State Program.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF CEDAR RAPIDS, IOWA, as follows:

1. The application for Business Financial Assistance Application for the State High Quality Jobs Program is hereby approved, and the City Manager is authorized to execute the application, contract, and any related documents, as necessary and required by the State Program.

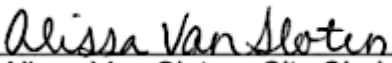
Passed this 12th day of March, 2024.

Voting: Council member Overland moved the adoption of the resolution; seconded by Council member Olson (Tyler). Adopted, Ayes, Council members Hoeger, Maier, Olson (Scott), Olson (Tyler), Overland, Todd, Vanorny and Mayor O'Donnell.



Tiffany D. O'Donnell, Mayor

Attest:



Alissa Van Sloten, City Clerk