

# **CAPITAL CROSSROADS**

*A VISION FORWARD*



## **Memorandum of Understanding Greater Des Moines Fair Play Agreement**

To maintain a vibrant business environment and maximize benefit to residents and taxpayers of the region, the Greater Des Moines Fair Play Agreement (FPA) puts forth ground rules applicable when economic development projects are being negotiated. The three primary principles are these:

- 1. Elected officials and/or city staff should not initiate business relocations from one Greater Des Moines FPA signatory to another.**
- 2. Communities will communicate throughout the process, with special emphasis at both the onset and toward conclusion of negotiations.**
- 3. Communities should work together to ensure responsible stewardship of taxpayer dollars.**

If a community learns of a business' intention to relocate outside the community in which it is currently located, the prospective city should inform the business that it will not negotiate the terms of an incentive before the current host community has been informed of the business' potential relocation. (Providing information on sites and buildings and providing publicly-available information on incentive programs does not constitute "negotiation.")

After the business provides notice to the host city of its intention to relocate, the new host community may finalize and recommend approval of an incentive package for the business. The incentive package offered to prospective businesses should fall within the bounds of what the community typically offers based on its recent similar development agreements and/or the city's publicly-available established economic development incentive policies. The host community may offer any level of incentive package that it would like to retain the business.

The incentive package may include tax abatement, as defined by state statute, or Tax Increment Financing (TIF) used in a variety of ways, including for infrastructure, or other local assistance.

Local incentive packages are not limited in situations where a community is working to attract a business from outside the region.

Greater Des Moines FPA signatories should make publicly available their City Council-approved economic development incentive policies.

If the prospective community abides by the terms of the fair play agreement on a specific project, the host community will seek City approval for sign-off when required for State incentives.

FPA signatories will work with Greater Des Moines Partnership staff on economic development projects at appropriate times to ensure coordination with State of Iowa economic development programs and to strengthen regional collaboration.

The FPA will be reviewed every ten years. A new community may enter the FPA at any point with the assistance of the Partnership and communication via the current signatories.