

New \$21 million investment in northeast Iowa

Pattison Sand Company in Clayton County is planning a new \$21 million operation to process silica sand into Frac sand, which is used to stimulate production of natural gas wells. The project creates 35 jobs with 25 of the jobs paying an average starting wage of \$15.32 per hour. The Iowa Department of Economic Development has approved a \$1 million Loan and Credit Guarantee and High Quality Job Creation tax benefits for the new operation. Pattison will use a tire burning process to generate the heat necessary to dry silica sand during processing. Silica products will be shipped by rail for a variety of uses, including glass, fiberglass, foundry, sand blasting, roofing and cement.

Manufacturing moves to Shenandoah

Rem Enterprises of Canada was awarded tax benefits by the Iowa Department of Economic Development for their project to invest \$4.3 million in an Enterprise Zone in Shenandoah. Rem will relocate the stocking warehouse for the Rem Grain Vac from North Dakota to Shenandoah, as well as begin U.S. production of the Delta Harrow.

Rem will construct a 25,000 square foot warehouse and manufacturing facility on a 25-acre site with plans to double plant size in three years. This project will create 40 jobs paying an average starting wage of \$12.68 per hour.

Iowa Values Fund impacts over 25,000 jobs

Fulfilling its wide-ranging potential, the Iowa Values Fund passed an important milestone in March on the path to transforming the Iowa economy.

The Iowa Department of Economic Development (IDED) and its board took action on projects that bring job totals to over 25,000 created and retained jobs since July 2003—when the Iowa Values Fund was first legislated.

Over 366 projects have been assisted in 83 of Iowa's 99 counties, resulting in \$4 billion in planned capital investment. The average annual wage for incented jobs exceeds \$39,000 – well above the state's average.

“It is tremendously gratifying to see the Iowa Values Fund work the way it was intended—giving communities throughout Iowa the tools needed to assess its areas opportunities, create a vision for its future growth and work to make it happen,” Mary Lawyer, IDED Director stated.

The Iowa Values Fund is administered by the Economic Development Board. A seven-member Due Diligence Committee analyzes projects and makes funding recommendations to the 22-member board (15 voting members) for final action.

Board members are appointed by the Governor and confirmed by the legislature. The make-up of the board must be balanced by gender and political party among other considerations. Four legislators serve on the board as ex-officio, non-voting members.



Menard's locates manufacturing & distribution in western Iowa

Midwest Manufacturing, a subsidiary of home improvement retailer Menard's, Inc., plans to build a \$34 million distribution and manufacturing facility at the Shelby interchange of Interstate 80, creating 300 jobs at an average wage of \$11.18 per hour.

The Iowa Department of Economic Development has awarded the western Iowa project Enterprise Zone tax benefits as well as \$1 million from the Economic Development Set-Aside program and \$254,000 from the Public Facilities Set-Aside program.

Midwest Manufacturing is planning three buildings with 735,000 square feet of space where pre-hung doors will be manufactured. Over 70 Menard's stores in the Midwest will be served by the distribution center.



HORIZON ETHANOL PUTS IDED ASSISTED PLANT ON DISPLAY

Approximately 1,300 Jewell area residents attended the Grand Opening ceremony and toured the new \$80 million Horizon Ethanol plant. The project was awarded state tax benefits last year by the Iowa Department of Economic Development (IDED) to assist new markets adding value to corn. The new plant created 40 jobs in Iowa and carries a \$1.8 million annual payroll.

Horizon Ethanol, which will produce 60 million gallons of ethanol annually from 21 million bushels of corn, is the latest ethanol plant completed by Broin Companies.

“This plant is the jewel of the ethanol industry,” said Bob Dinneen of the Renewable Fuels Association. “It is one of the most efficient plants in the industry and we’re looking at a new horizon today.”

“Horizon Ethanol is entering the business at a very exciting time,” said Jeff Broin, CEO of Broin Companies. “Last year ethanol production used more than 14% of the U.S. corn crop. Right here in Hamilton County, Horizon Ethanol will use 21 million bushels of corn raised on 130,000 acres of local land.”

The plant, which is located northwest of Jewell, will also produce 178,000 tons of dried distillers grain for livestock feed sold to regional, national and international markets. The plant incorporates Broin Companies’ revolutionary technology, which increases ethanol yield, reduces energy input requirements and lowers plant emissions.

“The ethanol industry also provides new ways to revitalize rural communities,” noted Kristin Brekke of the American Coalition for Ethanol. “The opening of Horizon Ethanol is so meaningful because of what it can bring to local school districts, churches and Main Street businesses. I hope it will encourage more young local people to move back to their hometowns.”

Other Broin-managed ethanol plants operating in Iowa are located in Coon Rapids, Hanlontown, Ashton and Emmetsburg. Frontier Ethanol near Gowrie is currently under construction and is expected to begin operations this summer.



Plant tours allowed hundreds of guests an up-close view of the new \$80 million Horizon Ethanol plant and the production process in Jewell.

Iowa climbs to 3rd Most Livable State

With a push from the improving economy, Iowa has moved up to third “Most Livable” state in the nation, its best showing in the past three years in Morgan Quitno’s annual quality of life ranking of the states.

New Hampshire was ranked first for the third year in a row. Others in the top five are Minnesota, second; Iowa, third; Vermont, fourth and New Jersey, fifth.

Unique among rankings, the Most Livable State award does not focus on any one category of data. Instead it takes into account 44 wide-ranging economic, educational, health-oriented, public safety and environmental statistics.

For 15 straight years, Iowa has ranked among the top ten most livable states and Iowa has placed in the top five for eleven of those years.

Most Livable State Rankings

	2006	2005	2004	2003	2002
Iowa	3 rd	6 th	4 th	2 nd	2 nd

Some of Iowa’s highest scores for 2006 are:

- 1st in change in per capita personal income
- 2nd lowest rate of alcohol related road crashes
- 3rd in rate of public libraries and branches
- 3rd lowest per capita state and local government debt
- 3rd lowest population not covered by health insurance
- 5th in high school graduation rate
- 7th in percent of eligible population voting
- 9th in percent of population with high school diplomas
- 10th best increase in Gross State Product

The Iowa Department of Economic Development uses the Most Livable State ranking in promotional information to attract new businesses, investments and people to Iowa. Iowa has consistently scored among the most livable states during the sixteen years that the ranking has been published.

GREAT BEGINNINGS IN IOWA FOR CAREMOLI USA

Caremoli USA Inc. has opened its first U.S. plant in Ames to produce cereal-based ingredients for the pasta industry. The joint venture of Italian food ingredient companies Caremoli and GEOVITA plans to expand into the U.S. market from its Iowa base in the years ahead.

“We think Ames, Iowa, is a great location for us to enter the U.S. market because of its central location near Interstate highway and rail systems,” said Barry Nadler, Caremoli chief counsel. “As the concentration of other food manufacturing in Ames shows, this is a wonderful location for U. S. distribution. Our plan is to start serving food companies in the Midwest and then expand our base to both coasts and to the south.”

“While our primary customer is the U.S. pasta industry, Caremoli USA also plans to develop ingredients for dairy, meat and bakery goods industries and flavorings,” said Nadler.

Assisted by the Iowa Department of Economic Development and Ames Economic Development Commission, Caremoli USA moved into an available building last year with 45 acres of land for additional expansion. The project received a financial award from the state of Iowa as well as qualifying for a tax benefit program.

“We’re very pleased with the workers we’ve hired,” Nadler said about the new operation which will have an initial workforce of five persons.

“We buy high quality raw materials from an Iowa distributor to produce our ingredients, primarily using grains, fibers and egg products in our production.”

“We plan to introduce the abilities of Caremoli USA for the first time on a national basis when we exhibit at the Institute of Food Technologists show in Orlando, Florida, in June,” said Nadler.

Doubling ethanol production in Mason City

Golden Grain Energy was awarded Enterprise Zone tax benefits by the Iowa Department of Economic Development for the \$39 million project to double the size of its ethanol facility in Mason City. The expansion will create ten additional jobs at an average wage of \$13.30 per hour. By May of 2007, Golden Grain will have annual capacity of 100 million gallons.

Rockwell Collins expanding engineering staff

The Economic Development board has approved tax benefits from the High Quality Jobs Creation (HOJC) program for Rockwell Collins, Inc. to expand its engineering staff by 275 positions and construct a \$14.2 million building in Cedar Rapids. Starting wages for the new jobs pay an average of \$36.08 per hour. As the world leader in aerospace navigation and communications and Iowa’s largest technology employer, Rockwell Collins is busy building systems for Sikorsky helicopters, Boeing 787 Dreamliners and other new engineering projects.

Renewable fuels co. locates in Ames

Frontline BioEnergy Inc. plans to relocate from Colorado to Iowa to be closer to projected markets for new biomass technologies. The Economic Development Board awarded \$60,000 from Value-Added Agriculture Products and Processes Financial Assistance Program (VAAPFAP) for Frontline BioEnergy to expand in Ames, creating 11 jobs and retaining one job at an average wage of \$27.10 per hour. Frontline provides commercial biomass gasification systems to industry for process heat, natural gas displacement and value-added products. Frontline has a \$3.4 million business deal to gasify crop and wood residues to displace natural gas in ethanol production.



CALENDAR

- May 11 Venture Network of Iowa
IDED, statewide ICN locations

- May 16-17 “Future of Advanced Manufacturing
in Iowa”
Kirkwood Community College,
Cedar Rapids



Iowa Department of
Economic Development
200 East Grand
Des Moines, IA 50309

PRSR STD
POSTAGE
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Des Moines, IA
Permit No. 1195

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Best performing cities!

Nine Iowa metros make the list

Economies of nine metro areas in Iowa are ranked among the Best Performing Cities for 2005 in the annual Milken Institute index of “where America’s jobs are created and sustained.”

The California-based think tank used a growth index of jobs, salaries and high-tech outputs to rank the economies of 379 U.S. communities.

Making the 200 best performers on the Largest Cities list are Des Moines (62nd), Council Bluffs-Omaha (114th); Cedar Rapids (123rd); and the Quad Cities (184th).

Among the top performers on the 179 Small Cities list are Iowa City (17th); Dubuque (76th); Ames (92nd); Waterloo-Cedar Falls (93rd); and Sioux City (176th).

The Milken Institute Best Performing Cities Index measures where:

- jobs are being created
- jobs are being maintained
- wages and salaries are increasing
- economies are growing
- businesses are thriving

The index allows businesses, industry associations, economic development agencies, investors, academics and government and public policy groups to assess and monitor a metro’s performance based on objective information.

NEW PRODUCT COMING AT ROQUETTE AMERICA

Roquette America was awarded HOJC tax benefits and a \$1 million investment from the Community Economic Betterment Account (CEBA) to proceed with upgrading the corn wet milling plant in Keokuk. Roquette is investing nearly \$93 million to improve efficiency and expand manufacturing to include a new specialty carbohydrate product.

The significant upgrade retains 198 jobs, 187 of which pay an average wage of \$21.69 per hour.