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MINUTES OF THE PROCEEDINGS
OF THE BURLINGTON, IOWA CITY COUNCIL

Special Meeting No. 5
April 10, 2006

The Burlington City Council met in special session at 4:30 p.m. in the City Manager's office with Mayor Edwards, Council Members Campbell, Ell, Scott and Thomas present.

SPECIAL MEETING NOTICE ACKNOWLEDGED

PUBLIC HEARING:

1. Statement: Consideration of an Economic Development Set-Aside Grant Through the Iowa Department of Economic Development for CNH Global, Inc.

COMMENTS: The Deputy City Manager stated that the proposed Resolution authorizes the City Council to execute a \$1,200,000.00 forgivable loan application to the Iowa Department of Economic Development's Economic Development Set-Aside Program

in connection with the creation of 127 new jobs and additional capital investment through a four-phase project that will take place over the next two to three years. He stated that the City would provide \$190,500.00 from the sales

tax economic development fund for local match and Des Moines County is being asked for \$63,500.00 for an additional local match with CNH Global expending an additional \$6,889,600.00 on the project. Brian Tapp, Director of the Southeast Iowa Regional Planning Commission stated that CNH Global was planning a multi-phase component insourcing and product expansion project. The anticipated opportunity will use the company's current space to add equipment and machinery.

CNH will use their current facility, located at 1930 Des Moines Avenue, Burlington for the activity. CNH is applying to the Economic Development Set-Aside (EDSA) Program through the Iowa Department of Economic Development for

a forgivable loan in the amount of \$1,200,000.00. Des Moines County has committed to adding a grant of \$500.00 per job created to CNH at a maximum of \$63,500.00. The City of Burlington has pledged \$1,500.00 per job with a limit of

\$190,500.00. The balance of the funds will come internally, from CNH America, LLC. He stated that the application due date for CNH was April 13, 2006. CNH has

requested \$1,200,000.00 from the Iowa Department of Economic Development for their project. At a minimum 51% or \$612,000.00 has to benefit the low to moderate-income individuals that are hired at CNH. Southeast Iowa Regional Planning Commission will monitor employment trends by collecting payroll and income reports. He further stated that during construction of the project, there

should be no residents that will have to be displaced. He also reviewed the Community Development and Housing Needs Assessment with the City Council. Dennis

Hinkle, Executive Director of Grow Greater Burlington, explained that the \$1,200,000.00 was being requested and IDED staff and the board will review the requested amount. After discussion by the City Council the Resolution Authorizing the City Council to Execute a Forgivable Loan Application to the

Iowa Department of Economic Development s Economic Development Set-Aside Program
in Connection with the Creation of New Job Opportunities and Additional Capital
Investment Within the State of Iowa by CNH Global, Inc. was unanimously
approved. All present had opportunity to speak and nothing additional was filed
in the office of the City Clerk.

Motion to Close CARRIED

Introduced By: Scott Seconded By: Ell
Resolution Authorizing the City Council to Execute a Forgivable Loan Application
to the Iowa Department of Economic Development s Economic Development Set-Aside
Program in Connection with the Creation of New Job Opportunities and Additional
Capital Investment Within the State of Iowa by CNH Global, Inc.

DISCUSSION: None.
(VOTE: 5 - AYES) ADOPTED

ADJOURNMENT: 4:53 p.m. APPROVED: April 17, 2006

Kathleen P. Salisbury, MMC Mike Edwards
City Clerk Mayor

(See tape on file in the office of the City Clerk for complete discussion and
documentation.)