



MEMORANDUM

December 13, 2006

TO Iowa General Assembly

FROM Mike Blouin, Director
(515) 242-4814
mike.blouin@iowalifechanging.com

RE **New Jobs and Income Program (NJIP)
Exemption from Land Ownership Restrictions for Nonresident Aliens
2006 Annual Report**

As required by Iowa Code Section 15.331B subsection 4, the purpose of this memo is to report on the activities of the eligible business receiving the exemption from land ownership restrictions for nonresident aliens provided under the New Jobs and Income Program.

A.E. Staley Manufacturing Company

NJIP Agreement #96-16

- A.E. Staley is owned by Tate & Lyle P.L.C. which is headquartered in London, England.
- The Company's application for assistance with \$75 million corn refining plant was approved by IDED Board on December 12, 1996
- In 1998, the Company purchased 634 acres of farmland in Webster County.
- In 2001, A.E. Staley approaches IDED about changing the scope of the project to \$90 million corn wet milling operation.
- IDED Board agrees to changes in project scope and extends term of agreement by one year on November 15, 2001.
- During 2003 legislative session, Iowa Code Section 15.331B was amended to allow eligible businesses to receive one five-year extension and one or more one-year extensions of the time limit for complying with the requirements of the New Jobs and Income Program.
- IDED Board extends term of agreement by five years (to December 11, 2008) on December 11, 2003.
- In early 2004, A.E. Staley sold 276 acres to VeraSun Fort Dodge, LLC. The company still owns 358 acres of farmland in Webster County.
- On July 20, 2006, Tate & Lyle North American Sugars, Inc. (A.E. Staley) was awarded approximately \$18,712,000 from the CEBA, VAAPFAP, PIAP and HQJC programs* through IDED for construction of an industrial starch and ethanol plant on owned farmland in Webster County. Project construction is expected to continue through 2007.

It is anticipated that project completion will no longer necessitate the completion of the NJIP Foreign Land Ownership Restrictions for Nonresident Aliens Annual Report in 2007.

The exemption of land ownership restrictions for nonresident aliens under the New Jobs and Income Program had a sunset date of July 1, 2002. A.E. Staley was the only applicant requiring an exemption that applied for program benefits prior to the sunset date.

* CEBA - Community Economic Betterment Account
VAAPFAP – Value-Added Agriculture Products and Processes Financial Assistance Program
PIAP – Public Infrastructure Assistance Program
HQJC – High Quality Job Creation Program