

Smart Choice

TO:

Steve Schainker, City of Ames

FROM:

Dan Culhane, Ames Economic Development Commission

CC:

Steve Carter, Iowa State University Research Park

Steve Goodhue, Chair, Ames Economic Development Commission

DATE:

March 3, 2015

RE:

Advanced Analytical Technology, Inc. (AATI)

I regrettably write to you to inform you that the board of directors of Advanced Analytical Technology, Inc. (AATI), voted last week to lease space in the Ankeny community with the intent to vacate the space they have occupied in the Iowa State University Research Park here in Ames since 1998.

Advanced Analytical Technologies, Inc. (AATI) was founded in 1998 here in Ames. The first instrument, a rapid bacteria detector (RBD 2100) was developed in collaboration with a major USA beverage company. This detection system, released to the general public in 1999, provides low-level detection and enumeration of microorganisms in a variety of matrices. Later in 2003, a fully-automated version of this instrument (RBD 3000) was released. The company has continued to grow and they currently employ roughly 40 people in the Ames community with a majority of their senior management residing in the Des Moines area.

A number of efforts have been attempted over the last 24 months by the lowa State University Research Park, supported by the Ames Economic Development Commission, to build a facility to meet the needs of AATI. Yet, when a facility that meets the needs of the company became available in the Ankeny community, at a relatively inexpensive lease rate, the company's board of directors opted to make the move rather than paying a rental rate on new construction in the Research Park. A very conservative rental figure of \$15.00 per square foot on new construction compared to a rate of \$10.00 per square foot on an existing building. The existing building will nearly always prevail.

The City of Ames, Iowa State University, the Iowa State University Research Park, the AEDC, and the Ames Seed Capital Fund have all been long-time supporters of this company. While it is truly unfortunate we, as a community, have been on the other side of this in the past. Both United Suppliers and Renewable Energy Group relocated to Ames from other Iowa communities and we were granted sign-off by the communities in which they previously resided.

I have informed the AEDC board of directors of this news and explained to them that I would be reaching out to you for you to draft and submit a letter to the City of Ankeny communicating the official sign off.



March 25, 2015

Mr. Gary Lorenz Mayor City of Ankeny 410 W. First Street Ankeny, Iowa 50023

RE: Advanced Analytical Technologies, Inc. (AATI)

Dear Gary:

I recently became aware of AATI's plans to relocate its operations, which have been housed in leased spaces at the ISU Research Park in Ames for several years. As the company continues its rapid growth, it has chosen to relocate its operations to an existing building in Ankeny, which has specialized laboratory space that is better suited to support its expanding needs.

Please consider this letter to represent the consent you have requested from the City of Ames related to AATI seeking State of Iowa financial assistance to support its growing business. While I am disappointed that AATI is unable to find suitable laboratory space in Ames to meet its needs, I am encouraged that the company is staying in Iowa.

Sincerely,

Ann H. Campbell Mayor

AHC/sls/drv