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Contact: George Lake
President, MEDCO
319-743-4724
george@medcoiowa.org

MEDCO & City Purchase Fernow Farm

(Marion, IA) September 24 was a perfect day for a celebration. Blue skies, temperature in the 70's and no wind created a feeling that all was right with the world as 50+ folks gathered on a field on the east side of Marion. The reason for celebration? After many months of planning, MEDCO Holding Company, a subsidiary of MEDCO (*Marion Economic Development Co.*), became owners of 95 acre Fernow Farms. The Marion City Council unanimously passed a resolution to allow city TIF funds to finance MEDCO's purchase and development of Fernow

Farms into a relocation site for businesses in the Marion Brownfield district.



Louise Fernow Morgan, Mayor Paul Rehn, Dorothea Fernow Rapp

Marion Mayor Paul Rehn stated that, "Businesses located in the Brownfield area have served Marion well for many years, and we want them to stay in Marion for many more years. The development of the farm will enable these businesses to more easily relocate out of the central corridor where they can expand operations, hire additional employees and become more profitable. The city and MEDCO are committed to helping existing business stay in Marion."

MEDCO President George Lake explained that this project is successful because of a broad base of support in the community of Marion. "MEDCO is working with surrounding land owners to create a master site plane to eventually create 200 + acres of shovel-ready ground. MEDCO will borrow money from a consortium of Marion financial institutions who are MEDCO Investors, via a line of credit. TIF funds will be used to service the cost of purchasing and developing Marion Enterprise Center. Incurred debt will be satisfied by land sales and taxes generated by new construction and use of TIF funding will eventually cease. Participating financial institutions include Cedar Rapids Bank & Trust, U.S. Bank, United Security Savings, Collins Community Credit Union, Wells Fargo, Guaranty Bank & Trust, Heritage Bank, Hills Bank and Trust, and Farmers State Bank. This is truly a community-wide project."

Lake anticipates submitting grants to help finance infrastructure development with construction beginning in the spring of 2009. He anticipates shovel-ready sites to be available in 2009.

"Papa would be proud," said Louise Fernow Morgan. Mrs. Morgan explained that Fernow Farms had been in her family for more than a century, and that her parents told her that one day the farm would be part of Marion. "My sister and I wanted the farm to be used for a good purpose. Papa would be happy knowing that the family farm will help Marion grow and be prosperous."