

**Iowa Economic Development Authority Board
Meeting Minutes
January 19, 2018
9:30 a.m.**

IEDA Board Members Present:

Chris Murray	Jennifer Cooper	Linda Crookham-Hansen	Megan McKay
Dan White	Dawn Ainger	Lisa Hull	Bruce Lehrman
Phil Kooima			

Ex-Officio Members Present:

Rob Denson Representative Helen Miller

IEDA Staff Present:

Debi Durham	Rita Grimm	Alaina Santizo	Katie Rockey
Jenny Klein	Paul Stueckradt	Gail Kotval	Jackie Barnes
Brooke Miller	Kanan Kappelman	Terry Roberson	

Others Present:

Derek Lord, City of Ankeny	Kevin Hardy, Des Moines Register
Dan McDonald, Greater Dubuque Development	Doug Beach, Casey's General Stores
Ron Robinson, LSA	David Maahs, Greater Des Moines Partnership
Steve Shupp, Alliant Energy	Nick Glew, Marion Economic Development
Mike Lukan, CRMEA	Bob Manemann, 3M

Introductions

Roll Call

Board Chair Chris Murray called the meeting of the Iowa Economic Development Authority Board to order at 9:59 a.m. A quorum of the Board was established with the following Board members present: Chris Murray, Linda Crookham-Hansen, Jennifer Cooper, Lisa Hull, Dawn Ainger, Phil Kooima, Bruce Lehrman, Dan White and Megan McKay

Approval of Minutes – December 15, 2017 Economic Development Authority Board Meeting

MOTION: Linda Crookham-Hansen moved that the Economic Development Authority Board approve the minutes of the December 15, 2017 Board meeting, seconded by Dan White. Motion carried unanimously.

Approval of Agenda

MOTION: Linda Crookham-Hansen moved that the Economic Development Authority Board approve the agenda, seconded by Megan McKay. Motion carried unanimously.

Public Comment Period

No comments were made.

Compliance

120 Day Report

Accordia Life & Annuity Company – 30 day extension
Apple, Inc. – 90 day extension
Beck's Superior Hybrids, Inc. – 60 day extension
ContiTech USA, Inc. – 60 day extension
Farmer's Edge, Inc. – 30 day extension
Global Fiberglass Solutions – 60 day extension
Heartland Financial USA, Inc./Dubuque Bank & Trust – 30 day extension
Tyson Fresh Meats, Inc. – 30 day extension
Zirous, Inc. – 60 day extension
Wave Reaction, Inc. – rescind award

MOTION: Linda Crookham-Hansen moved that the Economic Development Authority Board approve extensions of the contract execution deadline and request for rescission as recommended by Staff, seconded by Bruce Lehrman. Motion carried unanimously.

Compliance Report

Cambrex Charles City, Inc. – Request to Amend Award Budget

MOTION: Jennifer Cooper moved that the Economic Development Authority Board amend the local match requirement by reducing the total amount of tax abatement from \$189,984 at 90% over 8 years to \$166,236 at 90% over 7 years, seconded by Linda Crookham-Hansen. Motion carried unanimously.

Iowa Cold Storage, LLC – Request to Amend Budget and Tax Credit Benefits

MOTION: Dan White moved that the Economic Development Authority Board amend the Investment Qualifying for Tax Credits amount from \$11,219,126 to \$10,803,837 and reduce the Refund of Sales, Service and Use Taxes award from \$336,574 to \$324,115, seconded by Megan McKay. Motion carried unanimously.

J&J Solutions, Inc., dba Corvida Medical – Request to Amend Repayment Terms

Pursuant to *Iowa Code* section 15.106, Bruce Lehrman disclosed a conflict of interest and exited the meeting at 10:05 a.m. He did not participate in discussion or action regarding the Corvida Medical request. See the attached copy of written notice of the conflict.

MOTION: Dan White moved that the Economic Development Authority Board amend the Contract by converting it from a royalty agreement to a loan agreement that provides for a 60-month term with 3% interest commencing February 1, 2018, seconded by Jennifer Cooper. Motion carried.

TCC Amendment Requests

Pursuant to *Iowa Code* section 15.106, Bruce Lehrman disclosed a conflict of interest and exited the meeting at 10:05 a.m. He did not participate in discussion or action regarding the Corvida Medical request. See the attached copy of written notice of the conflict.

J&J Solutions, Inc., dba Corvida Medical – Request to Amend Contract Terms

MOTION: Jennifer Cooper moved that the Economic Development Authority Board defer the balloon payment to September 1, 2019 and recommence monthly loan payments on February 1, 2018, seconded by Linda Crookham-Hansen. Motion carried.

Board member Bruce Lehrman reentered the meeting at 10:08 a.m.

BetrLifeCorporation – Request to Amend Contract Terms

MOTION: Linda Crookham-Hansen moved that the Economic Development Authority Board deny the Company's request for a negotiated settlement and approve a 6-month payment deferral contingent upon getting current on loan payments and the TCC would entertain a request for a negotiated settlement if the Company finds a buyer, seconded by Dan White. Motion carried unanimously.

AVEX, LLC – Request to Amend Contract Terms

MOTION: Megan McKay moved that the Economic Development Authority Board approve subordination of IEDA's UCC position to Banker's Trust, seconded by Linda Crookham-Hansen. Motion carried.

Abstention – Jennifer Cooper

IGOR, Inc. – Request to Amend Contract Terms

MOTION: Jennifer Cooper moved that the Economic Development Authority Board deny the Company's request for a 12-month payment deferral on the award described in 13-IAFUND-015 and approve a six-month payment deferral on the award described in 14-IAFUND-009, seconded by Bruce Lehrman. Motion carried unanimously.

InnoBiopharma, LLC – Request to Amend Contract Terms

MOTION: Linda Crookham-Hansen moved that the Economic Development Authority Board deny the request to defer loan payments and instead convert the loan agreement to a royalty agreement with terms as follows: repayment amount is 1x award amount paid back at 10% total gross revenue based on current year revenues, with the first payment due June of the following year, seconded by Jennifer Cooper. Motion carried unanimously.

Solight Solar, Inc. – Request to Amend Contract Terms

MOTION: Dan White moved that the Economic Development Authority Board deny the Company's request for an 8-month loan deferral and convert the loan agreement to a royalty agreement with terms as follows: repayment amount is 1x outstanding loan balance paid back at 5% total gross revenue based on current year revenues, with the first payment due June of the following calendar year, seconded by Megan McKay. Motion carried unanimously.

GlobalVetLINK, LC – Request to Amend Repayment Terms

MOTION: Linda Crookham-Hansen moved that the Economic Development Authority Board approve the Company's request to modify the loan terms to provide as follows: \$3,500 per month for 60 months with a balloon at the end of the term with no change in the interest rate, seconded by Bruce Lehrman. Motion carried unanimously.

Mason City Downtown Reinvestment District – Deferral

MOTION: Dan White moved that the Economic Development Authority Board defer the Mason City Downtown Reinvestment District request for approval of the district, seconded by Megan McKay. Motion carried unanimously.

Financial Assistance Applications

3M – Knoxville

MOTION: Jennifer Cooper moved that the Economic Development Authority Board approve a maximum award of \$2,205,000 in Investment Tax Credits, \$405,000 in Sales, Service, Use Tax Refund and \$220,000 in direct financial assistance, seconded by Megan McKay. Motion carried unanimously.

Casey's Retail Company – Ankeny

Pursuant to *Iowa Code* section 15.106, Chris Murray disclosed a conflict of interest and exited the meeting at 10:18 a.m. He did not participate in discussion or action regarding the Casey's Retail Company request. See the attached copy of written notice of the conflict.

MOTION: Dan White moved that the Economic Development Authority Board approve a maximum award of \$3,012,750 in Investment Tax Credits and \$989,250 in Sales, Service and Use Tax Refund for the Company's headquarters expansion project in Ankeny contingent on approval of application sponsorship and local match by the City of Ankeny and also contingent upon Casey's maintaining corporate headquarters at that location, seconded by Linda Crookham-Hansen. Motion carried.

Board member Chris Murray reentered the meeting at 10:20 a.m.

Freund-Vector Corporation – Marion

MOTION: Lisa Hull moved that the Economic Development Authority Board approve a maximum award of \$121,920 in Sales Service and Use Tax Refund and \$54,390 in Research Activities Credits, seconded by Bruce Lehrman. Motion carried unanimously.

Harbor Group, Inc. – Sioux Center

MOTION: Linda Crookham-Hansen moved that the Economic Development Authority Board approve a maximum award of \$620,500 in Investment Tax Credits, \$348,600 in Sales, Service and Use Tax Refund and \$375,000 in direct financial assistance, seconded by Dan White. Motion carried unanimously.

TCC Recommendations

SBIR/STTR Outreach Program Requests

Predelix Medical, LLC
Gross-Wen Technologies – application to NSF
Gross-Wen Technologies – application to EPA
Parametric Studio, Inc.
Sumatra Biorenewables, LLC
PK Biosciences Corporation
Viewpoint Molecular Targeting, LLC

MOTION: Linda Crookham-Hansen moved that the Economic Development Authority Board award up to \$50,000 to Predelix Medical; Gross-Wen Technologies; Gross-Wen Technologies; Parametric Studio; Sumatra Biorenewables; PK Biosciences Corporation and Viewpoint Molecular Targeting, \$25,000 upon receipt of a SBIR/STTR award and \$25,000 upon submission of a Phase II proposal during the 12-month period after the date of IEDA Board approval, seconded by Jennifer Cooper. Motion carried unanimously.

KCR2, dba Time Redesigned - Johnston

MOTION: Dawn Ainger moved that the Economic Development Authority Board approve a \$25,000 Proof of Commercial Relevance loan, seconded by Dan White. Motion carried unanimously.

WorkHound – Des Moines & Chattanooga, TN

MOTION: Dawn Ainger moved that the Economic Development Authority Board approve a \$100,000 Demonstration Fund loan, seconded by Bruce Lehrman. Motion carried unanimously.

ECR Logic, LLC – Iowa City

MOTION: Dawn Ainger moved that the Economic Development Authority Board approve a \$25,000 Proof of Commercial Relevance loan, seconded by Linda Crookham-Hansen. Motion carried unanimously.

MarryMyCity, LLC – Cedar Rapids

MOTION: Dawn Ainger moved that the Economic Development Authority Board approve a \$25,000 Proof of Commercial Relevance loan, seconded by Bruce Lehrman. Motion carried unanimously.

AppLink.io, Inc. – Johnston

MOTION: Dawn Ainger moved that the Economic Development Authority Board deny the request for a \$25,000 Proof of Commercial Relevance loan, seconded by Dan White. Motion carried unanimously.

GOVRED Technology, Inc. – Cedar Rapids

MOTION: Dawn Ainger moved that the Economic Development Authority Board defer the Company's request for a \$25,000 Proof of Commercial Relevance loan, seconded by Megan McKay. Motion carried unanimously.

TCC Member Reappointment and Appointment

MOTION: Jennifer Cooper moved that the Economic Development Authority Board reappoint Jeff Fleenor to the TCC with a term ending December 2020 and appoint Emily Harris to the TCC with a term ending December 2020, seconded by Linda Crookham-Hansen. Motion carried unanimously.

Angel Investor Tax Credit Certificates

MOTION: Linda Crookham-Hansen moved that the Economic Development Authority Board approve placing 25 Angel Investor Tax Credit Certificates on a waitlist as recommended by Staff, seconded by Dan White. Motion carried unanimously.

Board member Dawn Ainger exited the meeting at 10:50 a.m.

Other Business

The next meeting of the Economic Development Authority Board is scheduled for February 16, 2018.

Adjournment

There being no further business at the meeting of the Economic Development Authority Board,
MOTION: Dan White moved that the Economic Development Authority Board adjourn, seconded by Linda Crookham-Hansen. Motion carried unanimously. Meeting adjourned at 10:57 a.m.

Jackie Barnes
Board Administrator

Chris Murray
Board Chair