

**Iowa Economic Development Authority  
Due Diligence Committee  
Meeting Minutes  
January 19, 2018  
9:00 a.m.**

**Committee Members Present:**

Chris Murray                      Dan White                      Lisa Hull                      Jennifer Cooper  
Linda Crookham-Hansen

**Board Members Present:**

Bruce Lehrman                      Megan McKay                      Dawn Ainger                      Phil Kooima

**Ex-Officio Members Present:**

Rob Denson                      Rep. Helen Miller-*In 9:20 a.m.*

**IEDA Staff Present:**

Debi Durham                      Rita Grimm                      Terry Roberson                      Alaina Santizo  
Paul Stueckradt                      Jenny Klein                      Vicky Clinkscales                      Katie Rockey  
Jackie Barnes                      Kanan Kappelman

**Others Present:**

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

**COMMITTEE CHAIR**

- Welcome and Introductions  
Due Diligence Chair Jennifer Cooper called to order the meeting of the Due Diligence Committee (DDC) at 9:09 a.m.
- Roll Call  
A quorum of the Committee was established with the following Committee members present: Jennifer Cooper, Chris Murray, Dan White, Lisa Hull and Linda Crookham-Hansen  
Other Board members present: Megan McKay, Dawn Ainger, Phil Kooima and Bruce Lehrman  
Ex-Officio member present: Rob Denson

**Approval of Minutes – December 15, 2017 DDC Meeting**

**MOTION:** Chris Murray moved that the DDC approve the minutes of the December 15, 2017 DDC meeting, seconded by Linda Crookham-Hansen. Motion carried unanimously.

**Approval of Agenda**

**MOTION:** Linda Crookham-Hansen moved that the DDC approve the agenda, seconded by Dan White. 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:** Chris Murray moved that the DDC recommend that the Economic Development Authority Board approve extensions of the contract execution deadline and request for rescission as recommended by Staff, seconded by Linda Crookham-Hansen. Motion carried unanimously.

#### **Compliance Report**

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

**MOTION:** Chris Murray moved that the DDC recommend 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 DDC recommend 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 Linda Crookham-Hansen. 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 9:14 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:** Chris Murray moved that the DDC recommend 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 Linda Crookham-Hansen. Motion carried unanimously.

**Board member Bruce Lehrman reentered the meeting at 9:16 a.m.**

#### **Mason City Downtown Reinvestment District**

**MOTION:** Chris Murray moved that the DDC recommend that the Economic Development Authority Board defer the Mason City Downtown Reinvestment District request for approval of the district, seconded by Linda Crookham-Hansen. Motion carried unanimously.

#### **Closed Session – 9:17 a.m.**

**MOTION:** Linda Crookham-Hansen moved that the DDC and the Economic Development Authority Board, if a quorum of the Board is present, go into closed session pursuant to *Iowa Code* sections 21.5(1)a, 15.118, 22.7.6 and 22.7.8 to review and discuss records IEDA is required to treat as confidential under Iowa law. This includes confidential business and financial information about applicants and industrial prospects with which the Authority is currently negotiating. It is necessary that counsel and IEDA staff assisting the Committee attend the meeting due to their special knowledge relating to the subject matter or their roles in ensuring compliance with the Open Meetings Act. Chris Murray seconded. Motion carried unanimously.

A verbal attendance was taken of the DDC members: Jennifer Cooper, Chris Murray, Dan White, Linda Crookham-Hansen and Lisa Hull

A verbal attendance was taken of the Economic Development Authority Board members: Bruce Lehrman, Dawn Ainger, Phil Kooima and Megan McKay

A verbal attendance was taken of the Economic Development Authority Ex-Officio members: Rob Denson

A verbal attendance was taken of IEDA staff present during the closed session: Debi Durham, Rita Grimm, Jackie Barnes, Jenny Klein, Alaina Santizo, Paul Stueckradt, Katie Rockey, Terry Roberson and Kanan Kappelman

Board member Chris Murray exited the meeting at 9:23 a.m. and reentered at 9:26 a.m.

Ex-officio Board member Helen Miller entered the meeting at 9:20 a.m.

**Open Session - 9:35 a.m.**

**MOTION:** Dan White moved that the DDC move out of closed session at 9:35 a.m., seconded by Chris Murray. Motion carried unanimously.

**Financial Assistance Applications**

**3M – Knoxville**

**MOTION:** Chris Murray moved that the DDC recommend 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 Linda Crookham-Hansen. 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 9:43 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 DDC recommend 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 9:46 a.m.**

**Freund-Vector Corporation – Marion**

**MOTION:** Lisa Hull moved that the DDC recommend 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 Linda Crookham-Hansen. Motion carried unanimously.

**Harbor Group, Inc. – Sioux Center**

**MOTION:** Linda Crookham-Hansen moved that the DDC recommend 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 Chris Murray. Motion carried unanimously.

**Other Business**

The February DDC meeting will be held on Friday, February 16, 2018.

**Adjournment**

There being no further business at the meeting of the DDC,

**MOTION:** Dan White moved that the DDC adjourn, seconded by Chris Murray. Motion carried unanimously. Meeting adjourned at 9:51 a.m.

Jackie Barnes  
Board Administrator

Jennifer Cooper  
Due Diligence Committee Chair