
FISCAL UPDATE Article

Fiscal Services Division

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IOWA ECONOMIC DEVELOPMENT AUTHORITY BOARD MEETING — SEPTEMBER 2023

Board Meeting. The [Iowa Economic Development Authority \(IEDA\) Board](#) met on September 29, 2023.

Compliance Report. The Board approved the following contract amendment requests:

- Sabre, located in Sioux City, requested a 12-month extension of its project completion date due to labor shortage issues. The project represents an investment of \$35.4 million and the creation of 13.0 qualified full-time equivalent (FTE) positions.
- Spiber, located in Clinton, requested a 24-month extension of its project completion date due to supply chain issues, pricing fluctuations, and permitting delays. The project represents an investment of \$101.4 million and the creation of 5.0 qualified FTE positions.
- T.C. & B. Corporate Wearables, located in Perry, requested termination of \$56,000 in tax credit benefits awarded in June 2019. No incentives have been claimed.
- Groov, located in Clive, requested reducing its monthly payment from \$2,000 to \$500 for 12 months due to a delay in fundraising efforts. The company previously received a \$100,000 loan in January 2023.
- TapOnIt, located in Davenport, requested a deferral of payments for 10 months and reduced monthly payments from \$5,000 to \$2,500 for six months due to economic slowdown. The company previously received a \$250,000 loan in February 2021.

Financial Assistance Applications. The Board approved financial assistance applications for the following companies:

- Ihle Fabrications, located in Polk City, manufactures combine wear parts, including auger liners, cone liners, grain tank liners, and bubble up tube liners. The company was awarded a \$543,000 Investment Tax Credit, a \$210,000 Sales, Services, and Use Tax Refund, and a \$3,000 Research Activities Tax Credit. These incentives will be used to purchase new equipment and to expand manufacturing and warehousing space. The project represents an investment of \$11.2 million and is expected to create 29 jobs, of which 27 are incented at a qualifying wage of \$33.40 per hour.
- Merrill Steel, located in Camanche, supplies complex structural steel and heavy plate fabrication. The company was awarded a \$400,000 loan and a \$400,000 forgivable loan. These incentives will be used to expand operations. The project represents an investment of \$18.4 million and is expected to create 94 jobs, all of which are incented at a qualifying wage of \$19.57 per hour.

Technology Commercialization Committee (TCC) Recommendations. The Board approved the following [TCC](#) recommendations:

- GeoVention, located in Ames, designs products for the heating, ventilation, and air conditioning (HVAC) industry. The company was awarded a \$50,000 proof of commercial relevance loan for Internet Protocol (IP) development and evaluation, market analysis, proof of concept work, product refinement, market planning, and entry activities.
- Salin 247, located in Ames, develops autonomous farm machinery. The company was awarded a \$50,000 proof of commercial relevance loan for a feasibility and market analysis, key personnel, market planning, and entry activities.

Rules. The Board approved the following administrative rules changes:

- A Notice of Intended Action to rescind and replace Iowa Administrative Code [261—81](#), the Renewable Chemical Production Tax Credit Program.

- A Notice of Intended Action to amend tax credit rules in Iowa Administrative Code [261—43](#), [47](#), [48](#), and [116](#).

Innovation Fund Tax Credit Program. The [Innovation Fund Tax Credit](#) Program allows a 25.0% tax credit for investments in an innovation fund. The Board awarded a total of 43 Innovation Fund Tax Credits for investments in the Next Level Ventures Fund II and the ISA Ventures Fund. The investments totaled \$2.3 million and were awarded \$580,000 in tax credits.

Qualifying Businesses (Angel Investor) Tax Credit Program. The [Angel Investor Tax Credit](#) Program allows a tax credit equal to 25.0% of an investor's equity investment in a certified qualifying business. The Board awarded 134 Angel Investor Tax Credits for investments made in 2020 and 2021 into 14 qualifying businesses. The investments totaled \$12.1 million and were awarded \$2.0 million in tax credits.

Vendor Approvals. The Board approved a \$89,000 vendor contract with Iowa State University to assist in the development of a First Impressions Community Assessment Pilot Program for the improvement of tourism growth and the development of a Professional Guide Training Certification Program to provide professional development of tour guides, front-line staff, and destination marketers.

Reports and Presentations. The Board heard the following reports and presentations:

- Terry Roberson, Accounting Director, provided an update regarding the budget and finances for the IEDA.
- Anne McMahon, Statewide Small Business Innovation Research and Small Business Technology Transfer ([SBIR/STTR](#)) Program Coordinator, presented on America's Seed Fund: Iowa Outreach Program. The Program is designed to increase the rate of successful grant applications for Iowa's innovative businesses seeking federal grants through the Small Business Administration's (SBA's) SBIR/STTR programs.
- Debi Durham, Executive Director, provided an update regarding IEDA programs and activities.

Next Meeting. The next Board meeting will take place on October 20, 2023.

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