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## FISCAL UPDATE Article

Fiscal Services Division

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### IOWA ECONOMIC DEVELOPMENT AUTHORITY BOARD MEETING — JANUARY 2019

**Board Meeting.** The Iowa Economic Development Authority (IEDA) Board met on January 25, 2019, and took the following actions.

**Direct Financial Assistance and Tax Benefits.** The Board approved three projects for direct financial assistance and tax benefits through the High Quality Jobs Program (HQJP). The awards are to assist in the creation of 284 jobs and are expected to result in approximately \$74.9 million in new capital investments. Details about the projects from the IEDA can be found [here](#).

**Contracts.** The Board approved contract signing extensions for four projects, rescission of one contract, and amendments to 10 contracts.

**Program Eligibility.** The Board adopted changes to the health insurance benefits requirements under the High Quality Jobs Program.

**Demonstration Fund.** The Board approved a \$100,000 loan from the Demonstration Fund for ECR Logic, LLC. The Demonstration Fund provides financial and technical assistance to encourage high-technology prototype and concept development activities that have a clear potential to lead to commercially viable products or services within a reasonable period of time.

**Proof of Commercial Relevance.** The Board approved loan awards of \$25,000 each from the Proof of Commercial Relevance (POCR) Fund for Firefly Photonics, LLC, and Shaking Earth Digital. The POCR Fund provides financial assistance to innovative businesses pursuing proof of commercial relevance and marketability of a technology. The Fund is designed to assist businesses with new technologies that have completed the proof of concept stage and are ready to be subjected to the rigors of the proof of commercial relevance stage, which includes defining the market for the product and perfecting the product to meet market needs.

**Innovation Fund Investment Tax Credit Certificates.** The Board approved the award of approximately \$112,000 in Innovation Fund Investment Tax Credit Certificates. The Certificates are to encourage seed capital investment in innovative Iowa businesses, primarily those in advanced manufacturing, biosciences, and information technology. The certificates represent 25.0% of the investor's equity investment in a certified innovation fund.

**Small Business Innovation Research/Small Business Technology Transfer Program.** The Board approved the award of up to \$350,000 for [Small Business Innovation Research/Small Business Technology Transfer \(SBIR/STTR\) Outreach Program](#) requests. The Program is designed to increase the rate of successful grant applications for Iowa's innovative businesses seeking federal grants through the federal Small Business Administration's programs. One component of the Program provides up to \$50,000 in financial assistance to companies, \$25,000 when a federal award is granted, and \$25,000 when a Phase II proposal is submitted.

**Administrative Rules.** The Board approved proposed amendments to the administrative rules relating to the Renewable Chemical Production Tax Credit to add five chemicals as building block chemicals.

**Vendor Contracts.** The Board approved one vendor contract and the amendment of another vendor contract.

**Financial Summary.** The Board also received financial reports from IEDA staff. As of December 31, 2018, the following amounts remain unobligated:

- General Fund Operations FY 2018: \$8.0 million.

- High Quality Jobs Program FY 2018: \$6.3 million.
- Tax Credit Cap FY 2018 Allocation: \$99.7 million.

**More Information.** Information on the meeting from the IEDA can be found [here](#).

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