
FISCAL UPDATE Article

Fiscal Services Division

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IOWA ECONOMIC DEVELOPMENT AUTHORITY BOARD MEETING — NOVEMBER 2020

Board Meeting. The Iowa Economic Development Authority (IEDA) Board met on November 20, 2020, and took the following actions:

Compliance. The Board approved the following contract amendments requests from the IEDA Administration — Compliance Team:

- **MCF Operating, LLC, dba Mrs. Clark's Foods:** The company requested to add MCF Realty, LLC, as a party to the [High Quality Jobs Program](#) project in Ankeny. The \$9.3 million project was awarded \$323,000 in estimated tax credit benefits.
- **Mid-States Material Handling and Fabrication:** The company requested to add Vier Enterprises, L.C., as a party to the High Quality Jobs Program project in Nevada. The \$3.2 million project was awarded \$108,000 in estimated tax credit benefits.
- **ICE Manufacturing, Inc.:** The company requested to increase the budget from \$2.1 million to \$2.4 million for a High Quality Jobs Program project in Oelwein and increase the sales tax refund proportionately to \$127,000.
- **Latham Pool Products, Inc.:** The company requested to extend the project completion date to August 31, 2020, which will allow additional eligible costs for contractual compliance. The \$2.9 million High Quality Jobs Program project in DeWitt was awarded \$53,000 in estimated tax credit benefits.
- **Lomont Molding, LLC:** The company requested an 18-month extension of the project completion date to allow it to complete orders and new business and hire additional full-time equivalent (FTE) positions for the High Quality Jobs Program project in Mount Pleasant. The \$2.6 million project was awarded \$84,000 in estimated tax credit benefits.
- **Clow Valve Company, Division of McWane, Inc.:** The company requested a five-month extension of the project completion date to allow it to hire two additional FTEs for the High Quality Jobs Program project in Oskaloosa. The \$13.9 million project was awarded \$305,000 in estimated tax credit benefits.
- **Microsoft:** The company requested to extend the project completion date associated with the contract to December 31, 2020, for the High Quality Jobs Program project in West Des Moines. The \$744.3 million project was awarded \$20.0 million in estimated tax credit benefits.
- **Innovative Lighting, LLC:** The company requested the IEDA to subordinate a Uniform Commercial Code-1 (UCC-1) filing to a new lender as a condition of the company selling a portion of the business and refinancing of remaining debt for a project in Roland. The company had taken out a \$500,000 loan in 2013.

Financial Assistance Applications. The Board approved the following financial assistance application requests:

- **Bull Moose Heavy Haul, Inc., dba XL Specialized Trailers:** The company was seeking \$171,000 in sales tax refunds during construction and \$336,000 in investment tax credits for a \$7.3 million project in Manchester to expand the existing facility by 55,000 square feet to allow for additional fabrication, paint, parking, and office improvements.

- **Norman Scott Co., Inc., dba In Tolerance Contract Manufacturing:** The company was seeking \$58,000 in sales tax refunds during construction and \$103,000 in investment tax credits for a \$3.4 million project in Cedar Rapids to build an automated anodized finishing line.
- **Spiber America, LLC:** The company was seeking a \$1.0 million forgivable High Quality Jobs Program loan for a \$101.4 million project in Clinton to upgrade the Archer-Daniels-Midland Company's (ADM) bioprocessing biorefinery.

Technology Commercialization Committee (TCC) Recommendations. The following awards were approved by the Committee:

- Small Business Innovation Research (SBIR)/Small Business Technology Transfer (STTR) [Outreach Program](#) \$50,000 awards to: Power Pollen DBA Accelerated Ag Technologies; ReEnvision Ag, LLC; Superior Statistical Research; Time ReDesigned — Award (contingent); NeoVaxSyn; Big Data in a Box; NanoSpy, Inc.; Pani Clean; Wise Critical; and Curiosity Labs, Inc. A \$25,000 award was approved for DSTI.
- \$100,000 [Demonstration Fund](#) loan to MC4L dba TuitionFit in Davenport to implement a \$150,000 national marketing campaign in support of two products: the Advanced Search Subscription for college search professionals and the Premium Data Access for student/family users.
- \$25,000 [Proof of Commercial Relevance](#) loan to CartilaGen in Iowa City to support a project intended to perform research experiments for therapeutics.
- \$25,000 Proof of Commercial Relevance loan to Paragon Learning Research Group, LLC, dba Qi Learning in Ames for teacher support products.
- \$250,000 [Innovation Acceleration](#) Propel Fund award to TapOnIt in Davenport for customer outreach technology.
- \$250,000 Innovation Acceleration Propel Fund award to Tractor Zoom in Urbandale for product and pricing search technology.

Amendments to Rules. The Board approved amendments to the Reinvestment Districts Program Rules, 261 Iowa Administrative Code chapter [200](#), due to 2020 Iowa Acts, [House File 2641](#) (Department of Revenue, Omnibus Act), providing an additional \$100.0 million for awards starting in FY 2021, altering the calculation for the amounts deposited into each district's fund, and increasing the area that may be designated as a reinvestment district to 75 acres.

Innovation Fund Investment Tax Credit Program. The purpose of the [Innovation Fund Investment Tax Credit Program](#) is to encourage seed capital investment in innovative Iowa businesses, primarily those in advanced manufacturing, biosciences, and information technology. The Board approved one application for Issuance of Tax Credit Certificates for a total of \$90,000.

Angel Investor Tax Credit Program. The purpose of the [Angel Investor Tax Credit Program](#) is to increase availability of and access to venture capital, particularly at the seed capital stage. The Board approved 79 applications for Issuance of Tax Credit Certificates for a total of \$926,000.

Financial Summary. The Board also received financial reports from IEDA staff. As of October 31, 2020, the following amounts remain unobligated:

- General Fund Operations FY 2021: \$16.2 million.
- High Quality Jobs Program FY 2021: \$22.8 million.
- Tax Credit Cap FY 2021 Allocation: \$115.6 million.

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

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