
FISCAL UPDATE Article

Fiscal Services Division

February 19, 2021



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IOWA ECONOMIC DEVELOPMENT AUTHORITY BOARD MEETING — FEBRUARY 2021

Board Meeting. The [Iowa Economic Development Authority \(IEDA\) Board](#) met on February 19, 2021, and took the following actions.

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

- **Beck’s Superior Hybrids, Inc.:** The company requested to extend a project completion date to September 30, 2022, for the [High Quality Jobs Program](#) project in Mount Pleasant to allow it to add 2.0 full-time equivalent (FTE) positions to meet the contractual job obligations. The \$10.9 million project was awarded \$268,000 in estimated tax credit benefits.
- **Superior Industrial Mechanical, Inc.:** The company requested to extend a project completion date to February 28, 2022, for the High Quality Jobs Program project in Sioux City to allow it to add 3.0 additional FTE positions. The \$849,000 project was awarded \$152,000 in estimated tax credit benefits.
- **World Class Industries, Inc.:** The company requested to extend a project completion date to July 31, 2021, for the High Quality Jobs Program project in Hiawatha to allow it to hire 4.0 additional FTE positions. The \$8.0 million project was awarded \$406,000 in estimated tax credit benefits.
- **Cloverleaf Cold Storage Co.:** The company requested to terminate a contract for a \$2.0 million project in Sioux City. No tax credits have been claimed to date.
- **Global Fiberglass Solutions, Inc.:** The company requested to terminate a contract for a \$7.5 million project in Newton. No tax credits have been claimed to date.

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

- **Edgewood Locker, Inc., and Kerns Building, LLC:** The companies sought \$253,000 in Investment Tax Credits and \$219,000 in Sales, Service, and Use Tax Refunds for construction of an \$8.9 million project to quadruple the volume of their beef and hog business in Edgewood to include brats, snack sticks, jerky, sausage, and other smoked products.
- **Naeve Family Beef, LLC:** The company sought \$511,000 in Investment Tax Credits and \$154,000 in Sales, Service, and Use Tax Refunds for construction of a \$10.2 million project to start a single-species meat processing company in Camanche.

Brownfield and Grayfield Redevelopment Tax Credit Program. The purpose of the [Brownfield and Grayfield Redevelopment Tax Credit Program](#) is to promote the economic health of communities by reducing potential environmental hazards, creating jobs, and boosting tax revenue. The Board approved the following applications:

- **Davenport Development Group:** Extension of the project completion period for an \$8.0 million project from 66 to 78 months for a multi-family project at 400 West River Drive in Davenport. The project was awarded up to \$1.0 million in Redevelopment Tax Credits for a grayfield site project.
- **Willis Dady Emergency Shelter:** Change in scope for a project awarded \$550,000 in Redevelopment Tax Credits. The derecho in August 2020 created structural issues on the second floor of the building site at 707 B Avenue NW in Cedar Rapids.

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 33 applications for Issuance of Tax Credit Certificates for a total of \$252,000.

Financial Summary. The Board also received financial reports from IEDA staff. As of January 31, 2021, the following amounts remain unobligated:

- General Fund Operations FY 2021: \$10.0 million.
- High Quality Jobs Program FY 2021: \$21.2 million.
- Tax Credit Cap FY 2021 Allocation: \$99.3 million.

More Information. Information on the meeting from the IEDA can be found [here](#). The next Board meeting will take place on March 19, 2021.

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