
FISCAL UPDATE Article

Fiscal Services Division

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Ground Floor, State Capitol Building

Des Moines, Iowa 50319

515.281.3566

IOWA ECONOMIC DEVELOPMENT AUTHORITY BOARD MEETING — NOVEMBER 2021

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

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

- **Transco Railway Products, Inc.:** The company requested to amend a \$27,000 [High Quality Jobs Program \(HQJP\)](#) award for a \$2.0 million project in Oelwein to allow for a reduced amount of qualified full-time equivalent (FTE) employees. The award amount will be reduced to \$11,000.
- **Meredith Corporation:** The company requested to assign the \$20.6 million project contract to Meredith Operations Corporation as part of a corporate restructuring. The company received \$460,000 in HQJP tax credit benefits for the project in Des Moines.
- **TPI Iowa, LLC:** The company requested contract termination for a \$23.7 million project in Newton. The company was previously awarded \$2.4 million in Enterprise Zone estimated tax credit benefits.
- **Apache Hose and Belting Company, Inc.:** The company requested contract termination for a \$7.3 million project in Cedar Rapids as reported job numbers were below expectations. The company was previously awarded a \$75,000 forgivable loan and \$137,000 in HQJP estimated tax credit benefits.
- **Frank Millard & Company, Inc.:** The company requested contract termination for a \$2.9 million project in Burlington. The company was previously awarded \$521,000 in [Targeted Jobs Withholding Tax Credit](#) benefits.
- **Cognizant Technology Solutions U.S. Corporation:** The company requested contract termination for a \$10.2 million project in Des Moines as reported job numbers were below expectations. The company was previously awarded an HQJP \$613,000 forgivable loan and \$111,000 in estimated tax credit benefits.
- **RediFuels-Iowa:** The company requested contract termination for a \$58.7 million project in Sioux County. The company was previously awarded \$2.8 million in HQJP estimated tax credit benefits.
- **ECR Logic, Inc.:** The company requested to defer the due date of the first payment to December 1, 2023, for a \$100,000 [Proof of Commercial Relevance Loan](#) for a project in Iowa City.
- **ECR Logic, Inc.:** The company requested to suspend payments through December 1, 2023, for a \$25,000 [Demonstration Fund](#) loan for a project in Iowa City.
- **A-TEC Recycling, Inc. and GKAT Reclamation, LLC:** The company requests IEDA subordinate its collateral in order for the company to receive a line of credit. The company previously received a \$250,000 loan from IEDA for its project in Des Moines.
- **Stone Medical Corporation:** The company requests approval to assign the contract for a \$100,000 loan from IEDA for its Bettendorf project to a newly formed company, Clean Collect, LLC.
- **Priority 5 Holdings, Inc.:** The company requested to defer a balloon payment for 12 months and to continue making monthly payments during the deferral period for its project in Ames. The company previously received a \$250,000 loan from IEDA.

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: FarrProc, Inc.; Gross-Wen Technologies; Superior Statistical Research; and Zymosense Inc.
- **NanoSpy, Inc.:** The company in Ames was awarded \$25,000 for a [Proof of Commercial Relevance](#) loan to develop a handheld graphene-based biosensor for the rapid detection of Salmonella species in food processing facilities.
- **Townhall, LLC:** The company in Ames was awarded \$25,000 for a Proof of Commercial Relevance loan to develop software that will engage attendees in online meetings.
- **Lola's Fine Sauces, Inc.:** The company in West Des Moines was awarded a \$100,000 Demonstration Fund award to hire new personnel to work on its line of hot sauces.
- **Mazen Animal Health, Inc.:** The company in Ames was awarded a \$125,000 Demonstration Fund award to develop a Porcine Epidemic Diarrhea Virus (PEDV) oral vaccine.

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

- **Ag Processing, Inc. a cooperative:** The company sought \$500,000 in Investment Tax Credits and \$342,000 in sales, service, and use tax refunds for a \$71.5 million project in Sergeant Bluff to upgrade a soybean processing facility to increase the sustainable crush rate.

Innovation Fund Investment Tax Credit Program. The Board awarded 12 tax credit certificates for \$257,000 from the Innovation Fund Investment Tax Credit Program.

Manufacturing 4.0 Technology Investment Grant Program. The [Manufacturing 4.0 Technology Investment Program](#) provides grants that assist small- and mid-sized enterprises with the adoption and integration of smart technologies into existing operations in the State. The Board awarded 41 grants totaling \$1.4 million from the Manufacturing 4.0 Technology Investment Program.

Financial Summary. The Board also received financial reports from IEDA staff, which noted the federal government awarded at least \$56.0 million in awards to the State due to the August 2020 derecho. As of October 31, 2021, the following amounts remain unobligated:

- General Fund Operations FY 2022: \$11.3 million.
- High Quality Jobs Program FY 2022: \$15.5 million.
- Tax Credit Cap FY 2022 Allocation: \$69.8 million.

More Information. Information on the meeting from the IEDA can be found [here](#). The next Board meeting will take place on December 17, 2021.

LSA Staff Contact: Eric Richardson (515.281.6767) eric.richardson@legis.iowa.gov