



Debi V. Durham, Director
Iowa Economic Development Authority

Business Financial Assistance Application

Business Finance
Business Development Division
Iowa Economic Development Authority
200 East Grand Avenue
Des Moines, Iowa 50309-1819

lowaeconomidevelopment.com
Telephone: 515.725.3133
businessfinance@iowa.gov

Application Instructions

To Complete Electronic Form: Click on TEXT BOX to add text. Double click on YES/NO boxes and select "Checked".

1. All applicants must complete the Business Financial Assistance Application and attach only those additional sections for the components to which the applicant is applying.

<u>Direct Financial Assistance – STATE of IOWA</u>	
<input type="checkbox"/> 130% Component <i>(no supplement)</i>	<input type="checkbox"/> Infrastructure Component <i>(no supplement)</i>
<input type="checkbox"/> 100% Component <i>(no supplement)</i>	<input type="checkbox"/> Value-Added Agriculture Component <i>Supplemental information required</i>
<input type="checkbox"/> Entrepreneurial Component (and Supplement) <i>Supplemental information required</i>	<input type="checkbox"/> Disaster Relief Component <i>Supplemental information required</i>
<u>Tax Credits – STATE of IOWA</u>	
<input type="checkbox"/> Enterprise Zone Program (EZ) <i>Supplemental information required</i>	<input type="checkbox"/> High Quality Jobs Program (HQ) <i>(no supplement)</i>
<u>Direct Financial Assistance – FEDERAL</u>	
<input type="checkbox"/> Economic Development Set-Aside Program (EDSA) Program (PFSA) <i>Supplemental information required</i>	<input type="checkbox"/> Public Facilities Set-Aside <i>Supplemental information required</i>

2. Please visit the IDED Web site at www.iowalifechanging.com or contact IDED at 515.725.3133 to confirm that this is the most current application version.
3. Before filling out this application form, please read all applicable sections of the 2009 Iowa Code and Iowa Administrative Code (rules). www.legis.state.ia.us/IowaLaw.html
4. Only typed or computer-generated applications will be accepted and reviewed. Any material change to the format, questions, or wording of questions presented in this application will render the application invalid and it will not be accepted.
5. Complete the applicable sections of the application fully. If questions are left unanswered or required attachments are not submitted, an explanation must be included.
6. Use clear and concise language. Attachments should only be used when requested or as supporting documentation.
7. Any inaccurate information of a significant nature may disqualify the application from consideration.
8. The following must be submitted to Business Finance at IDED in order to initiate the review process:
 - One **original**, signed application form and all required attachments
 - One **electronic** copy of the application form and all required attachments

Facsimile copies will not be accepted.

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Applications are must be submitted to IDED Business Finance before 4:00pm on the fourth Monday of the month.

Applications will be reviewed by the IDED Board on the third Thursday of the following month.

Public Records Policies

Information Submitted to IDEED. The Iowa Department of Economic Development (IDEED) is subject to the Open Records law ([Iowa Code, Chapter 22](#)). Treatment of information submitted to IDEED in this application is governed by the provisions of the Open Records law. All public records are available for public inspection. Some public records are considered confidential and will not be disclosed to the public unless ordered by a court, the lawful custodian of the record, or by another person duly authorized to release the information.

Confidential Records. IDEED automatically treats the following records as confidential and they are withheld from public disclosure:

- Tax Records
- *Quarterly Iowa Employer's Contribution and Payroll Report* prepared for the Iowa Workforce Development Department
- Payroll Registers
- Business Financial Statements and Projections
- Personal Financial Statements

Other information supplied to IDEED as part of this application may be treated as confidential under Iowa Code section 22.7. Following are the classifications of records which are recognized as confidential under Iowa law and which are most frequently applicable to business information submitted to IDEED:

- Trade secrets [Iowa Code §22.7(3)]
- Reports to governmental agencies which, if released, would give advantage to competitors and serve no public purpose. [Iowa Code §22.7(6)]
- Information on an industrial prospect with which the IDEED is currently negotiating. [Iowa Code §22.7(8)]
- Communications not required by law, rule or regulation made to IDEED by persons outside the government to the extent that IDEED could reasonably believe that those persons would be discouraged from making them to the Department if they were made available for general public examination. [Iowa Code §22.7(18)]

Information supplied to IDEED as part of this application that is material to the application and/or the state program to which the applicant is applying including, but not limited to the number and type of jobs to be created or retained, wages for those jobs, employee benefit information, and project budget, are considered open records and will not be treated as confidential.

Additional Information Available. Copies of [Iowa's Open Record law](#) and IDEED's [administrative rules](#) relating to public records are available from the IDEED upon request.

Applicant Information

Name of Business:

Address:

City, State & Zip Code:

Contact Person:

Phone:

Fax:

Title:

Email:

Federal ID Number:

[NAICS](#) Code for primary business operations:

US DOT Number:

Does the Business file a consolidated tax return under a different tax ID number?

Yes

No

If yes, please also provide that tax ID number:

Is the contact person listed above authorized to obligate the Business?

Yes

No

If no, please provide the name and title of a company officer authorized to obligate the Business:

If the application was prepared by someone other than the contact person listed above, please complete the following:

Name of Business:

Address:

City, State & Zip Code:

Contact Person:

Phone:

Fax:

Title:

Email:

Sponsor Information

Sponsor Organization:

Official Contact (e.g. Mayor, Chairperson, etc.):

Title:

Address:

City, State & Zip Code:

Phone:

Fax:

Email:

If IDEED needs to contact the sponsor organization with questions, should we contact the person listed above?

Yes

No, please contact the following person:

Name:

Title:

Address:

City, State & Zip Code:

Phone:

Fax:

Email:

If necessary, please list information on additional sponsors in an attachment.

Certification & Release of Information

I hereby give permission to the Iowa Department of Economic Development (IDED) to research the Business' history, make credit checks, contact the Business' financial institutions, insurance carriers, and perform other related activities necessary for reasonable evaluation of this application. I also hereby authorize the Iowa Department of Revenue to provide to IDED state tax information pertinent to the Business' state income tax, sales and use tax, and state tax credits claimed.

I understand that all information submitted to IDED related to this application is subject to Iowa's Open Record Law (Iowa Code, Chapter 22).

I understand this application is subject to final approval by IDED and the Project may not be initiated until final approval is secured.

I understand that IDED reserves the right to negotiate the financial assistance. Furthermore, I am aware that financial assistance is not available until an agreement is executed within a reasonable time period following approval.

I hereby certify that all representations, warranties, or statements made or furnished to IDED in connection with this application are true and correct in all material respect. I understand that it is a criminal violation under Iowa law to engage in deception and knowingly make, or cause to be made, directly or indirectly, a false statement in writing for the purpose of procuring economic development assistance from a state agency or subdivision.

For the Business:

Signature

Date

Name and Title (typed or printed)

For the Sponsor(s):

Signature

Date

Name and Title (typed or printed)

Please use the following if more than one sponsor is required. (For example, use this if a signature from the local Enterprise Zone Commission is required in addition to the signature from the Mayor of the sponsoring city.)

Signature

Date

Name and Title (typed or printed)

IDED will not provide assistance in situations where it is determined that any representation, warranty, or statement made in connection with this application is incorrect, false, misleading or erroneous in any material respect. If assistance has already been provided prior to discovery of the incorrect, false, or misleading representation, IDED may initiate legal action to recover incentives and assistance awarded to the Business.

Business Information

Provide a brief description and history of the Business. Include information about the Business' products or services and its markets and/or customers.

Business Structure:

- Cooperative Corporation Limited Liability Company Not for Profit
 Partnership S-Corporation Sole Proprietorship

State of Incorporation:

Identify the Business' owners and percent ownership:

Does a woman, minority, or person with a disability own the Business? Yes No
If yes, is the Business certified as a Targeted Small Business? Yes No

List the Business' Iowa locations and the current number of employees at each location.

What is the Business' worldwide employment? Please include employees of parent company, subsidiaries, and other affiliated entities in this figure.

Project Information

Project Street Address:

Project City:

Project County:

Type of Business Project:

- Startup Expansion of Iowa Company
 New Location in Iowa Relocation from another State

Briefly describe the proposed project for which assistance is being sought. (Include project timeline with dates, facility size, infrastructure improvements, proposed products/services, any new markets, etc.)

Project Timeline <i>(add additional rows as needed)</i>	Activity Completion Date

Please identify the project management for the project location and experience.

Has any part of the project started? Yes No
If yes, please explain.

Identify the Business' competitors. If any of these competitors have Iowa locations, please explain the nature of the competition (e.g. competitive business segment, estimated market share, etc.) and explain what impact the proposed project may have on the Iowa competitor.

Will any of the current Iowa employees lose their jobs if this project does not proceed in Iowa?

- Yes No

If yes, please explain why and identify those jobs as "retained jobs" in the Project Jobs section.

Project Budget

AMOUNT BUDGETED								
Use of Funds	Cost	Source A	Source B	Source C	Source D	Source E	Source F	Source G
Land Acquisition								
Site Preparation								
Building Acquisition								
Building Construction								
Building Remodeling								
Mfg. Machinery & Equip.								
Other Machinery & Equip.								
Racking, Shelving, etc. ¹								
Computer Hardware								
Computer Software								
Furniture & Fixtures								
Working Capital								
Research & Development								
Job Training								
TOTAL	\$	\$	\$	\$	\$	\$	\$	\$

¹ Racking, shelving and conveyor equipment used in distribution center projects only

Does the Business plan to lease the facility? Yes No If yes, please provide the Annual Base Rent Payment (lease payment minus property taxes, insurance, and operating/maintenance expenses) and the length of the lease agreement.

PROPOSED FINANCING					
Source of Funds	Amount	Form of Funds	Rate and Term	Commitment Status	Conditions/Additional Information
(List tax benefits separately below, not as a source of direct financing)		(Loan, Grant, In-Kind, Donation, etc.)			Include when funds will be disbursed; If loan, whether payments are a level term, balloon, etc
Source A: IDED*	\$				
Source B: Other State (Community College, IDOT, etc.)	\$				
Source C: Local Government	\$				
Source D: Business	\$				
Source E: Other Private Sources	\$				
Source F:	\$				
Source G:	\$				
TOTAL	\$				

* Identify the collateral used to secure IDED funds:

TAX CREDITS AND INDIRECT FINANCING		
Source of Funds	Amount	Description
Investment Tax Credit		
Sales, Service & Use Tax Refund		
Research Activities Credit (3%/10%)		
Withholding		
Local Property Tax Exemption		
Tax Increment Financing		
260E Job Training Funds		
In-kind Contribution		
Other		
TOTAL	\$	

What measures were analyzed to determine the amount and form of assistance needed?

Is the Business actively considering locations outside of Iowa? Yes No
 If yes, where and what assistance is being offered?

There are three general justifiable reasons for assistance. Check the box next to the reason why assistance is needed to complete this project.

Financing Gap - The Business can only raise a portion of the debt and equity necessary to complete the project. A gap between sources and uses exists and state and/or federal funds are needed to fill the gap.

Rate of Return Gap – The Business can raise sufficient debt and equity to complete the project, but the returns are inadequate to motivate an “economic person” to proceed with the project. Project risks outweigh the rewards.

Location Disadvantage (Incentive) – The Business is deciding between a site in Iowa (site A) and a site in another state (site B) for its project. The Business argues that the project will cost less at site B and will require a subsidy to equalize costs in order to locate at site A. The objective here is to quantify the cost differential between site A and site B.

Employee Benefits

Please identify all employee benefits provided by and paid for (in full or in part) by the Business.

Employee Benefits Provided by Business	Total Annual Cost (show on a per employee basis)		Portion of Total Annual Cost Paid by the Business		Plan Provisions	
	Employee	Family	Employee	Family	Deductible	(Include coinsurance %, office visit co-payments, annual out-of-pocket maximums, face amounts, etc.)
Medical Insurance					Employee Family	
Dental Insurance					Employee Family	
Vision Insurance					Employee Family	
Life Insurance						
Short-term Disability						
Long-term Disability						
Health Savings Account						

Does the Business offer a pension plan, 401(k) plan, and/or retirement-plan? Yes No

If yes, please indicate the amount contributed on a per employee basis by the Business to the plan for the last three years. For 401(k) plans, please provide information on the company match and indicate the average annual match per employee (show average as a percentage of salary).

Year Ending	Average Actual Match per Employee (%)
Three-year Average:	

Does the Business offer a profit-sharing plan? Yes No

If yes, please indicate total amount paid out each year for the past three years and then, determine the average annual bonus or contribution per employee for that three year period.

Year Ending	Average Actual Share per Employee (\$)
Three-year Average:	

Business Taxes

IDED is required to calculate the return on state and local government investments in this project. Data from other parts of the application will be combined with the estimates requested below to calculate the required return on investment information. Please read the following directions carefully:

- IDED is asking for a best estimate on the increase in taxes associated with this project.
- Estimates should only include the expected increase in tax liability resulting from this project.
- At minimum, IDED needs estimates for the first three years of the project.
- Show data as if no tax abatements or tax credits awarded for this project were taken.
- For partnership forms of ownership (e.g. limited partnerships, s-corporations, LLC, etc.), please estimate the partners' increase in Iowa tax liability due to this project.
- Sales and use taxes refer to the taxes paid on materials, etc. that the Business purchases, not taxes you collect from sales to your customers.
- Applicants will not be held to these numbers with respect to any award from or contract with IDED.
- This page of the application will automatically be treated as **confidential**.

Increase in Tax Collections Associated with this Project

State Business Taxes	Year 1	Year 2	Year 3	Year 4	Year 5
State Corporate Income Tax*					
State Business Sales and Use Tax					

* Insurance Companies: Provide State Insurance Premium Tax

Local Business Taxes	Year 1	Year 2	Year 3	Year 4	Year 5
Local Real Estate Property Tax					
Local Option Sales Tax					

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Attachments

Please attach the following documents:

A1 Business Plan

At a minimum, include:

- Marketing study
- Feasibility study
- Projected profit and loss statements for three years into the future
- Project budget
- Production operations
- Management structure
- Personnel needs
- Descriptions of product or process
- Status of product/process development
- Patent status (if applicable)

(Any information outlined above not included in the business plan should be submitted as supplemental information via a separate attachment.)

A2 Copies of the Business' **Quarterly Iowa Employer's Contribution and Payroll Report Summary Page**

(Page 1) for the past year and a copy of the most recent payroll report for one pay period. The copy of the most recent payroll report for one pay period must be in Excel format and include the following information:

- Company name, date of payroll and source of payroll information
- Employee name and/or employee identification number
- Current hourly wage - do not include bonuses or other benefit values
- Indicate if the employee is full time (40 hours per week, 52 weeks per year) or part time.

A sample Excel spreadsheet can be found at

http://www.iowalifechanging.com/applications/bus_dev/payroll_template.xls

A3 **Affidavit** that states the Business has not, within the last five years, violated state or federal statutes, rules, and regulations, including environmental and worker safety regulations, or, if such violations have occurred, that there were mitigating circumstances or such violations did not seriously affect public health or safety or the environment. A sample affidavit can be found at

http://www.iowalifechanging.com/applications/bus_dev/sampleaffidavit.doc.

A4 **Financial Information** (Existing Businesses Only)

- Profit and loss statements and balance sheets for past three year-ends;
- Current YTD profit and loss statement and balance sheet;
- Schedule of aged accounts receivable;
- Schedule of aged accounts payable; and
- Schedule of other debts.