

MINUTES OF THE JOINT MEETING OF THE BOARD OF DIRECTORS OF  
THE INDIANA ECONOMIC DEVELOPMENT CORPORATION AND  
THE INDIANA ECONOMIC DEVELOPMENT FOUNDATION, INC.  
December 15, 2015

The Board of Directors (the "Board") of the Indiana Economic Development Corporation (the "Corporation") and the Indiana Economic Development Foundation, Inc. (the "Foundation"), met on December 15, 2015, at Ivy Tech Corporate College and Culinary Center, 2820 North Meridian Street, Indianapolis, Indiana 46208. Present at the public meeting were directors Governor Michael R. Pence, Angela Braly, Joel Gorelick, Bob Koch, Jim Marcuccilli, John Mutz, Bob Taylor, John Thompson, and Melanie Walker Hart. Rick Johnson was absent. Representing the Corporation were Victor P. Smith, Jim Schellinger, Steve Akard, and Chris W. Cotterill.

Governor Pence recognized that a sufficient number of board members were present to constitute a quorum. Governor Pence also recognized that the board meeting was being held in full compliance with the Indiana Open Door Law.

Governor Pence called upon Corporation President Schellinger to present an overview of the Regional Cities Initiative. President Schellinger explained that the goal of the Regional Cities Initiative is to spark regional transformation and collaboration throughout Indiana. Seven regions submitted applications for the Regional Cities Initiative. In total, the applications comprised 38 counties representing 70% of Indiana's population with 420 quality of place projects totaling \$3.78 billion in planned investment.

Governor Pence then called upon Strategic Review Committee (the "SRC") Chairman Thompson to present an update on the SRC. Mr. Thompson asked the members of the SRC to stand and be individually recognized. The Board and the audience applauded the members for their many contributions to the Regional Cities Initiative. Mr. Thompson then provided an overview of the SRC's efforts.

The SRC classified the regions into two phases, with North Central, Northeast, and Southwest regions in Phase I and the Central, East Central, Northwest and West Central regions in Phase II. Mr. Thompson then presented three separate recommendations of the SRC for the Board's consideration. First, the SRC recommended seeking the necessary approvals to allocate the Tax Amnesty Program revenues beyond \$90 million for the Regional Cities Initiative. Governor Pence opened up the floor to discussion of the SRC's first recommendation. Upon a motion duly made and seconded, the SRC's first recommendation was unanimously approved. Second, the SRC recommended, subject to necessary approvals for additional Tax Amnesty Program funds, to award \$42 million to each of the three Phase I regional plans. Governor Pence opened up the floor to discussion of the SRC's second recommendation. Upon a motion duly made and seconded, the SRC's second recommendation was also unanimously approved. Third, the SRC recommended continuing support for all Phase II regional plans with the amount of that support to be determined based on availability of funds. Governor Pence opened up the floor to discussion of this recommendation. Upon a motion duly made and seconded, the SRC's third recommendation was also unanimously approved.

The board meeting was then adjourned for a press conference.

Governor Pence later reconvened the board meeting and welcomed Dominic Grote and Mark Neal as new members of the Board. He also thanked Tom Snyder, President of Ivy Tech, for his leadership and for hosting the board meeting at the Corporate College and Culinary Center. Mr. Snyder made welcoming remarks and Governor Pence thanked Jeff Terp, Chief Operating Officer of Ivy Tech, for his service.

Governor Pence then reviewed and presented for approval the minutes from the previous board meeting on September 8, 2015, at Parkview Field, 1301 Ewing Street, Fort Wayne, Indiana 46802. Upon a motion duly made and seconded, the minutes from the prior board meeting were unanimously approved.

Governor Pence called upon Mr. Marcuccilli to present the Audit Committee report. Mr. Marcuccilli reported that Katz, Sapper & Miller LLP's audit of the Corporation and the Foundation found no deficiencies in internal controls and were in compliance with all federal requirements. No accounting adjustments were made to the audit. Mr. Marcuccilli also reported on the state of the financials of the Foundation and then reported on the Corporation's approach to compensation and semi-annual performance management process. Mr. Marcuccilli also reported that the Audit Committee planned to review and approve an alcohol policy, as recommended by the State Board of Accounts, and that the Corporation intends to submit a broader policy to the Committee to address contributions and expenditures of the Corporation and the Foundation as well. Finally, Mr. Marcuccilli noted that the Audit Committee received information regarding the investments of Elevate Ventures. Governor Pence asked for a motion to approve the Audit Committee report. Upon a motion duly made and seconded, the Audit Committee report was unanimously approved.

Governor Pence then called upon Mr. Mutz to present the Economic Policy Committee report, which included four incentive deals and two Industrial Recovery ("DINO") Tax Credit proposals.

First, Project Cicero is an attraction project for a shared services center for the second-largest non-hazardous solid waste management company. The project is anticipated to bring 469 new jobs by 2025 at an anticipated average hourly wage of \$25.15. The private sector investment for this project is \$13,601,437.00. The public sector financing is \$4,500,000.00 in Economic Development for a Growing Economy ("EDGE") Tax Credit.

Second, Project Confidence is an expansion project for an assembly plant to increase production capacity for a wholly-owned subsidiary of Japan-based Fuji Heavy Industries, Ltd. The project is anticipated to bring 1,204 new jobs by 2017 at an anticipated average hourly wage of \$17.36. The private sector investment for this project is \$140,200,000.00. The public sector financing is \$6,250,000.00 in EDGE Tax Credit, \$1,400,000.00 in Hoosier Business Investment Tax Credit, and \$250,000.00 in Skills Enhancement Fund workforce training grant. Mr. Mutz also commented on the appropriateness of the Corporation's actions taken to secure and announce this important project.

Third, Project Secure is a headquarters expansion and new facility construction project for a wholly-owned member of one of the largest providers of insurance, lending, and marketing products. President Schellinger left the room to recuse himself from the discussion on this project due to a conflict of interest. The project is anticipated to bring 614 new jobs by 2025 at an

anticipated average hourly wage of \$23.87. The private sector investment for this project is \$32,925,000.00. The public sector financing is \$4,000,000.00 in EDGE Tax Credit. Upon a motion duly made and seconded, this project was unanimously approved.

Fourth, upon recommendation of the Economic Policy Committee and due to a conflict of interest, Project Ignite was brought before the Board for approval. Mr. Thompson left the room to recuse himself from the discussion. Project Ignite is a manufacturing capabilities expansion project for the leading innovator in the ignition component industry. The project is anticipated to bring 125 new jobs by 2019 at an anticipated average hourly wage of \$21.89. The private sector investment for this project is \$3,728,000.00. The public sector financing is \$900,000.00 in EDGE Tax Credit. Upon a motion duly made and seconded, this project was unanimously approved.

The two DINO Tax Credit proposals were then considered by the Board. Upon recommendation of the Economic Policy Committee and due to conflict of interest, an application from Superior Lofts, LP was brought before the Board for approval. Mr. Marcuccilli left the room to recuse himself from the discussion. Chris W. Cotterill, Executive Vice President & General Counsel of the Corporation, presented the DINO Tax Credit proposal for Superior Lofts, LP, by RealAmerica Development and Management, LLC, which proposed the rehabilitation of the 125,000 square foot Jefferson-Smurfit box factory in Fort Wayne. The building is identified in the Riverfront Fort Wayne Conceptual/Master Plan as a phase 1 catalyst project to jumpstart the new riverfront development. A DINO Tax Credit of \$2,000,000.00 was proposed, which is approximately 16% of the qualified investment of \$11,976,321.00. This operation is anticipated to include as many as 150 employees and up to 125 construction jobs. There is a 12-year property tax abatement of approximately \$880,000.00 and there are HOME funds of approximately \$1.2 million from the local community. Upon a motion duly made and seconded, this proposal was approved.

Mr. Mutz presented the DINO Tax Credit proposal involving Jasper Cultural Center, which includes City Properties Group, LLC working on behalf of the Jasper Public Library and the Jasper Community Arts Commission to redevelop the 110,000 square foot former Hoosier Deck Company site. This redevelopment will yield a mixed-use space, expanding the Jasper Library, Jasper Arts Commission, shared community space, retail/event, and residential space. A DINO Tax Credit of \$3,460,342.00 was proposed, which is approximately 23% of the total qualified investment estimated at \$17,612,058.00. The rental fees from the library and arts organization will be used to recompense bonds provided in the transaction. There was general discussion of the proposal and considerable discussion about the creative nature of this transaction. A motion was made to approve the proposal with the requirement that the agreement provide that the DINO Tax Credit is revocable by the Corporation and, absent the consent of the Corporation, is not transferable. The motion was seconded and then unanimously approved.

At the close of Mr. Mutz's report, Governor Pence commented on Project Confidence, asking that the minutes of the Board reflect that the Corporation had updated members of the Economic Policy Committee regarding the project prior to its announcement and that the Board's actions today reflected the necessary approvals. Governor Pence stressed the importance of "moving at the speed of business" to ensure that economic development successes are achieved in the State.

Governor Pence then called upon Mr. Thompson to present the Entrepreneurship Committee report. Mr. Thompson reported that the Entrepreneurship Committee considered two investment deals. Indianapolis-based ApeX Therapeutics, Inc. received approval from the Entrepreneurship Committee for up to \$1,500,000.00 of investment contingent upon private co-investment of \$4,000,000.00. ApeX Therapeutics is developing innovative pancreatic cancer therapies. Mr. Thompson then reported on Anderson-based Go Electric, Inc., an advanced manufacturing and energy company. Go Electric received approval from the Entrepreneurship Committee for up to \$1,000,000.00 of investment with a private co-investment of at least \$3,000,000.00. Go Electric is an advanced manufacturer of batteries and generators to reduce energy costs as well as other technologies. The Entrepreneurship Committee also approved the renewal of the Corporation's contracts with Elevate Ventures.

Chris LaMothe, CEO of Elevate Ventures, then provided a report on the future of Elevate Ventures and the importance of entrepreneurialism in Indiana. Elevate Ventures has the overarching mission to be the leading early stage investment firm in Indiana, which requires Elevate Ventures to encourage entrepreneurialism across the state, increasing and supporting deal volume with complimentary investment strategies, and building outside sources of capital—all with appropriate due diligence and portfolio management capabilities. Mr. LaMothe discussed various next steps Elevate Ventures will take to deliver on this mission. Mr. Mutz asked Mr. LaMothe about Elevate Ventures' processes to review proposed investments and Mr. Koch inquired about the different types of financing that Elevate Ventures provides, both of which Mr. LaMothe addressed in detail. There was then general discussion about the report. Mr. LaMothe was then thanked by Governor Pence for his report and his leadership.

Governor Pence then asked the staff of the Corporation to provide the Board with an update within the remaining time available. Governor Pence also noted the State's decision to satisfy the unemployment insurance loan, which provides considerable savings to taxpayers, and many recent major infrastructure investments across the state.

Secretary of Commerce Smith reported that there was a 4% decrease in the unemployment rate since January 2014, making Indiana the second lowest state for unemployment in the United States. Last quarter, Indiana passed the high-water mark of private sector employment in our state. Secretary of Commerce Smith also reported that Indiana is consistently selected as among the very best states in which to do business by site selectors and other third parties.

Steve Akard, Executive Vice President & Chief of Staff, reported on the Corporation's metrics to date. Total competitive projects are 323 (highest number of projects on record), private sector job projections are 26,555 (second highest on record), capital investment projections are \$4.79 billion, conditional incentives are \$10,598.00 per job, and the Corporation's project wage is \$4.32 above the state average wage at \$24.87. Mr. Akard explained that the conditional incentives are directly proportional to wages, which he described as "the story of the year" given that wages in IEDC deals are roughly 20% above the state average.

Erin Schnieder, Central Region Director, presented the Project Win Report. Emarsys is a global cloud-based e-marketing firm, serving more than 1,200 clients in 140 countries. The Vienna, Austria-based Company plans to locate its North American headquarters to Indianapolis. The company will invest \$2,200,000.00 and is projected to bring 167 new jobs by 2020.

Indianapolis competed with Austin, Texas and San Francisco, California for the project. Kent Anderson, Vice President of Business Development, presented the Project Loss Report. Project Aurora involved a German global partner to the automotive industry offering innovative and high quality iron-foundry products. The company was looking to build a new manufacturing facility requiring a 70-acre footprint with rail access. The project proposed \$193,700,000.00 of investment, bringing an anticipated 343 new jobs with wages approximately \$3.00 per hour above the final county average. The company chose the Tennessee Valley Authority area due to utility costs.

Secretary of Commerce Smith then reviewed the Corporation's recent outreach efforts, which include traditional methods of print, radio, signage and television and also digital outreach, including geo-fencing and geo-targeting. The Corporation hosted 101 events within and outside of the country. To attain additional recognition, the Corporation continued collaborative efforts with the Indiana Pacers and Indianapolis Colts. In 2015, the Corporation reached 75,815,110 brand impressions, 69% of which were digital. Together, two of the IEDC's websites—[iedc.in.gov](http://iedc.in.gov) and [www.astatethatworks.com](http://www.astatethatworks.com)—received over 207,000 visitors. The Corporation also produced advertisements in Germany and Japan.

Secretary of Commerce Smith concluded the Corporation's report by noting the Corporation will continue to emphasize "quality" over "quantity" with a focus on wages, diversity of industry, and connectivity (*e.g.*, additional direct flights to Indiana). Secretary of Commerce Smith also thanked Mr. LaMothe for his leadership and reiterated the IEDC's intention to make sure Elevate Ventures has the necessary resources to be successful. Secretary of Commerce Smith and President Schellinger ended by thanking Vice President of Marketing Kelly Nicholl for her leadership and her team's efforts.

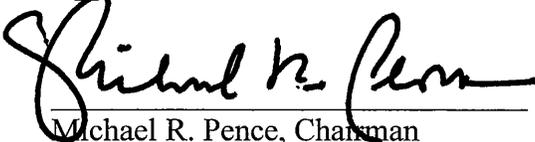
Governor Pence then recognized and thanked board member Bob Taylor for his contributions to the people of Indiana, as Mr. Taylor will retire from the Board. Governor Pence then encouraged board members to attend a reception at the Governor's residence to celebrate another successful year. There being no more business to come before the Board at the public meeting, Governor Pence adjourned the meeting and thanked all present for attending.

Respectfully submitted,



Chris W. Cotterill, Secretary

Approved:



Michael R. Pence, Chairman

Attachments:

1. Public meeting noticed dated December 15, 2015
2. Public session agenda dated December 15, 2015



**NOTICE OF A JOINT MEETING OF THE BOARD OF DIRECTORS OF  
THE INDIANA ECONOMIC DEVELOPMENT CORPORATION AND  
THE INDIANA ECONOMIC DEVELOPMENT FOUNDATION, INC.**

**AND**

**NOTICE OF EXECUTIVE SESSION OF  
THE BOARD OF DIRECTORS OF  
THE INDIANA ECONOMIC DEVELOPMENT CORPORATION**

Notice is hereby given that the Board of Directors of the Indiana Economic Development Corporation and of the Indiana Economic Development Foundation, Inc. will hold a public meeting on December 15, 2015 at 2:00 p.m. Eastern, at Ivy Tech Corporate and Culinary Center, 2820 North Meridian Street, Indianapolis, Indiana 46208.

**Joint Meeting of the Board of Directors of the Indiana Economic Development Corporation  
and the Indiana Economic Development Foundation, Inc.**

**December 15, 2015 (2:00-4:30 p.m.)  
Ivy Tech Corporate and Culinary Center  
2820 North Meridian Street  
Indianapolis, Indiana 46208**

**Part 1: Regional Cities (2:00-3:30) 2<sup>nd</sup> Floor Ballroom**

- I. Welcome Board Members and Guests
  - Recognition of Quorum
  - Recognition of Compliance with Open Door Law
- II. Committee Presents Recommendations for Approval
- III. Press Conference and Reception

**Part 2: Board Meeting – Traditional Agenda (3:30-4:30) Penthouse (P109)**

- I. Approval of Minutes from September 08, 2015 Meeting
- II. Committee Reports
  - Audit Committee Report
  - Policy Committee Report
  - Entrepreneurship Committee Report
- III. IEDC Executive Report