

MINUTES OF THE MEETING OF THE ECONOMIC POLICY COMMITTEE OF THE
BOARD OF DIRECTORS OF THE INDIANA ECONOMIC DEVELOPMENT
CORPORATION
October 1, 2013

The Economic Policy Committee ("Committee") of the Board of Directors of the Indiana Economic Development Corporation (the "Corporation") met on October 1, 2013 at the Union Station Technology Center, 506 W. South Street, South Bend, Indiana. Present at the meeting were Committee Members Robert Koch, Bob Taylor, and Jim Schellinger. Representing the Corporation were Chad A. Pittman, Charles E. Sparks, and Eric Shields.

Mr. Koch called the meeting to order. Mr. Taylor noted that a sufficient number of the members of the Committee were present to constitute a quorum.

Mr. Koch also recognized that the meeting of the Committee was being held in full compliance with the open door laws of the State of Indiana and noted that all postings and other related requirements were observed.

Mr. Koch then called upon Mindy Herman and Ashley Craig from Crowe Horwath to update the committee members on the jobs realization report that the IEDC asked them to produce. The report for 2012 is based on data from the IEDC's Transparency Portal. They reported that this provides consistent reporting in alignment with the legislatively-required Economic Incentives and Compliance Report. The number of jobs for all years totaled 902. The total expected new jobs for 2012 is 85,368. The net new jobs that were reported in 2012 were 78,403. The percent realization is 91.84%.

Mr. Koch then reviewed and presented for approval the minutes from the previous meeting of the Economic Policy Committee, held on May 7, 2013. Upon motion duly made and seconded, the minutes from the prior meeting were unanimously adopted

Eric Shields presented to the committee members the logistics and infrastructure tax credit legislative intent in HEA 1535. The legislation modifies the HBITC to include investments in physical infrastructure related to the logistics and supply chain industries. The IEDC will administer up to a 25% credit, which is capped at \$10 million annually beginning January 1, 2014. Mr. Shields reported that the intent of this credit was to create two separate opportunities in the same tax credit. The current law lets a company take up to a 10% credit if the company will show employment growth and must be approved by the IEDC. As a basis to begin discussions about implementation, IEDC staff prepared two options. The first option would allow the use of HBI-Logistics for all investments eligible under the new law. The second option would limit eligible investment only to private investment in public infrastructure. He reported that the IEDC must develop both an application process and a process to approve the new credit. Discussion followed; and it was decided to continue the discussion at the next committee meeting.

Mr. Koch then called upon Mr. Pittman to present two projects for approval. The following incentives for each project were recommended to the Committee for approval.

American Specialty Health

\$10,500,000 in Economic Development for a Growing Economy (EDGE) Tax Credits over 10 years

\$1,000,000 in Headquarters Relocation Tax Credit

\$250,000 in training assistance for new and retained employees

Mr. Pittman reported that this project is a headquarter relocation from San Diego to Carmel. The project will bring 675 new jobs; and the company projects to invest \$5,275,000. Mr. Koch opened up the floor for questions on the project. There was general discussion about the nature of the project. The motion to approve the project was seconded and unanimously approved by all Committee members present.

Project Jumbo

\$4,825,000 in Economic Development for a Growing Economy (EDGE) Tax Credits over 10 years

\$161,250 in training assistance for new and retained employees

Mr. Pittman reported that this existing lending services company has outgrown office space in the current location in Marion County and is expanding to a larger space in Hamilton County. The project will bring 400 new jobs by 2016; and the company plans to invest \$6,256,600. Following discussion on the project, a motion was made to approve the project. The motion to approve the project was seconded and unanimously approved by all Committee members present.

Respectively submitted,



Chad Pittman, Acting Secretary

Approved:



Robert Koch, Acting Chairman



**Economic Policy Committee Meeting of the
Indiana Economic Development Corporation
Board of Directors**

**October 1, 2013 (10:00 A.M.)
Union Station Technology Center
506 W. South Street
South Bend, IN**

- I. Welcome Board Members and Guests
 - Recognition of Quorum
 - Recognition of Compliance with Open Door Law
 - Approval of Minutes from May 7, 2013 Meeting
- II. HBI Logistics Policy
- III. Projects for Consideration
 - a. American Specialty Health
 - b. Project Jumbo

Attachments:

1. Public Notice of meeting
2. Meeting Agenda dated October 1, 2013



**NOTICE OF A MEETING OF THE
ECONOMIC POLICY COMMITTEE
OF THE BOARD OF DIRECTORS OF
THE INDIANA ECONOMIC DEVELOPMENT CORPORATION**

Notice is hereby given that the Economic Policy Committee of the Board of Directors of the Indiana Economic Development Corporation will hold a public meeting on October 1, 2013 at 10:00 a.m., at the Union Station Technology Center, 506 W. South Street, South Bend, Indiana.