

 <div><div>Council Communication</div><div>Office of the City Manager</div></div>	<b>Date:</b>	January 9, 2012
	<b>Agenda Item No.</b>	<b>24</b>
	<b>Roll Call No.</b>	<b><u>12-0042</u></b>
	<b>Communication No.</b>	<b><u>12-017</u></b>
	<b>Submitted by:</b>	<b>Terrance N. Vorbrich, Acting Economic Development Administrator</b>

## AGENDA HEADING:

Approving submission of application to the Iowa Economic Development Authority for direct financial assistance in the amount of \$120,000 and Preliminary approval of a City Loan in the amount of \$24,000 to Tactical 8 Technologies, LLC dba T8 Webware.

## SYNOPSIS:

Tactical 8 Technologies, LLC dba T8 Webware (Wade Arnold, President, 900 Technology Parkway, Suite 200, Cedar Falls, IA) is a web strategy and personalized services firm with headquarters in Cedar Falls, IA. The company is looking to establish a branch office in downtown Des Moines, where it anticipates employing 23 full-time positions comprised of software engineers and sales staff with a projected weighted average starting wage of \$28.14 per hour plus benefits. The company has not yet chosen a location, but is negotiating letters of intent to lease space at two downtown locations.

The company anticipates an investment of at least \$531,800 in leasehold improvements, furniture and fixtures, computer equipment and new employee training costs to open the new branch office. To assist in the expansion, Iowa Economic Development Authority staff has proposed financial assistance in the amount of \$120,000 of which ½ would be repaid to the State and ½ would be forgiven if the company meets the anticipated investment, job creation, wage and benefit goals. The state of Iowa financial assistance program requires a local community 20% match of the state award. The City's Office of Economic Development is recommending a \$24,000, zero interest rate loan to be repaid over the term of the company's proposed lease. The Company has agreed to move forward with this new expansion in the downtown area based on the state of Iowa and City of Des Moines assistance.

## FISCAL IMPACT:

Amount: 24,000, zero interest rate loan to be repaid over the proposed lease term.

Funding Source: FY2011-2012 Adopted Operating Budget, Economic Development Enterprise Fund, SP743, CMO0980717, page 56.

## ADDITIONAL INFORMATION:

Founded in 2008, by Wade Arnold and Lockard Smith, the company's home office is and will remain in Cedar Falls, Iowa where it employs 43 full-time workers. T8 Webware is a web strategy and personalized services firm that caters specifically to banks and credit unions, helping these clients impact

their ability to grow and retain business through the strategic use of online channels. Current products are websites developed with mobile – optimized versions and integrated with a customer content management system, a personalized payment card application and enriched mobile decision-making applications. T8 Webware’s primary customer base is a national base comprised of banks and credit unions. Additionally, the company has a division which creates customized computer or mobile applications for non-financial sector companies.

**PREVIOUS COUNCIL ACTION(S): NONE**

**BOARD/COMMISSION ACTION(S): NONE**

**ANTICIPATED ACTIONS AND FUTURE COMMITMENTS:**

Final approval of Iowa Economic Development Authority master financial assistance contract and final approval of City Development Agreement with T8 Webware, LLC.

For more information on this and other agenda items, please call the City Clerk’s Office at 515-283-4209 or visit the Clerk’s Office on the second floor of City Hall, 400 Robert D. Ray Drive. Council agendas are available to the public at the City Clerk’s Office on Thursday afternoon preceding Monday’s Council meeting. Citizens can also request to receive meeting notices and agendas by email by calling the Clerk’s Office or sending their request via email to [cityclerk@dmgov.org](mailto:cityclerk@dmgov.org).