



**FINANCE & ADMINISTRATION SUB-COMMITTEE  
MEETING MINUTES – SPECIAL MEETING  
Friday, December 22, 2016 - 4:15 PM  
West Des Moines City Hall – 4200 Mills Civic Parkway  
Teamwork Conference Room, 1<sup>st</sup> Floor**

Present: Councilmember Russ Trimble, Councilmember Jim Sandager, City Manager Tom Hadden, Deputy City Manager Jamie Letzring, City Attorney Dick Scieszinski, Finance Director Tim Stiles, Community and Economic Director Clyde Evans, Budget Analyst Chris Hamlett, and Administrative Secretary Jo Eckert

Guest: Mr. Gil Coosner, Del Voda

Meeting was called to order at 4:25 PM.

**1. Del Voda Economic Grant**

Mr. Evans provided background related to plans for a proposed business accelerator program. He noted that staff has been working with Gil Coosner, who represents a start-up enterprise called DelVoda, on plans for a business accelerator program. He explained that DelVoda's intent is to bring start-up companies from Israel into West Des Moines. They would put the companies thru a 90 day program instructing them on how to do business in the United States. DelVoda would also develop contacts locally for these businesses. Upon graduation from the program, the companies would contractually be required to establish a presence and conduct business in West Des Moines. Their preferred site, after viewing several potential sites with staff, is to occupy the garage area of the WDM Business Incubator at 318 5<sup>th</sup> Street, which is currently unfinished. They would like the space built into a classroom space.

To establish its first cohort of companies, DelVoda is requesting a \$200,000 grant towards start-up expenses, plus capital to complete building renovations at their preferred site.

Mr. Hadden and Mr. Evans explained that Polk County Supervisor Angela Connolly has verbally committed to help finance the project with County funds. She has indicated that the County could pay for the building renovation work (approximately \$58,000), and provide \$50,000 of the start-up funding. The City would need to cover the balance of \$150,000. Mr. Evans is proposing to use currently unallocated fund balance in the Economic Development account (486.550.700.5250.476) for the City's contribution.

Mr. Coosner explained that he would propose that the City would be granted a percentage interest in successful companies. The proceeds from these interests could be placed into an escrow fund of some kind. He noted that under their business plan, DelVoda would also obtain a percentage of these companies. He felt the City's role will be to provide space free of charge (through the Incubator) and provide capital, and the West Des Moines Business Incubator, as the current occupant of 318 5<sup>th</sup> St, will be acting in the role of landlord. Ms. Eckert noted that the WDM

Business Incubator plans to provide space to DelVoda free of charge under a lease agreement, with DelVoda paying for a portion of the building's utilities and janitorial service.

After discussion, the Subcommittee members recommended approval to the City Council of a grant to DelVoda, contingent on (1) negotiating and approving a development agreement, and (2) securing Polk County funding for the leasehold improvement project.

### **Staff Updates**

None

### **2. Other Matters**

None.

Meeting was adjourned at 4:55 PM.

Respectfully Submitted,

A handwritten signature in black ink, appearing to read "Tim Stiles", written over a light gray grid background.

Tim Stiles  
Finance Director