

MEMORANDUM

To: Board of Regents
From: Board Office
Subject: Report of the Economic Development Committee
Date: June 7, 2004

Recommended Action:

Receive the report and consider the recommendation by the Economic Development Committee.

Executive Summary:

At its meeting on May 27, 2004, the Board of Regents' Economic Development Committee considered the University of Iowa's proposal to seek financing on its Grow Iowa Values Fund (GIVF)-approved projects. The committee agreed to recommend the proposal to the Board.

Background:

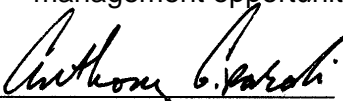
In October 2003, the GIVF approved an award of \$10 million to SUI for the following two projects:


- 1) upgrade the Center for Biocatalysis and Bioprocessing to certified Good Manufacturing Practices (cGMP) standards (cGMP project);
- 2) create incubator laboratory space affiliated with the SUI Technology Innovation Center (BioTIC).

The GIVF has established a schedule for the disbursement of the first \$4 million of the approved \$10 million award. The balance is pledged at an unspecified future date and subject to the availability of funds.

The University of Iowa proposes to fully fund the cGMP project with available state funds and to finance the balance of the approved award in order to immediately initiate the creation of incubator laboratory space affiliated with the BioTIC. The university plans to undertake the project to create incubator laboratory space in two phases in order to minimize risk.

The purpose of the financing proposal is to allow for expedited implementation of GIVF-approved projects before full GIVF funding has been received and to achieve administrative efficiencies and financial management opportunities.


Anthony G. Girardi

Approved: 
Gregory S. Nichols