

ECONOMIC DEVELOPMENT

RESEARCH AND DEVELOPMENT

The Partnership supports sustained federally-funded fundamental research and the development and deployment of advanced technologies.

Investments should be made in areas that are critical to the nation's ability to innovate, compete and grow the economy, particularly scientific research, which generates the innovations and discoveries that produce new products and new industries. The Partnership encourages the federal government and agencies such as the National Institute of Standards and Technology to promote research and development.

Federally funded university research is a powerful economic engine, creating important basic and applied discoveries that American industry uses to develop products and processes that keep the nation healthy, safe and prosperous. This research is especially critical in this time of heightened external threats. American superiority in cybersecurity and military technology depends on the scientific advances by university faculty funded through federal research grants. The Partnership supports expanding research grants to universities through the National Institute of Health, the National Science Foundation and other federal basic and applied research providers to help ensure a strong and healthy nation.

The Partnership supports continued adequate funding to support research and development efforts in the region, including at the corporate level, but specifically at Iowa State University. Stable and sustained growth in scientific research funding is essential to efforts that address many of the fundamental issues society faces, such as energy, national security and the continuing search for new vaccines and cures for disease.

The Partnership specifically supports the following:

- The multidisciplinary cross-agency effort in the Administration's Budget request for U.S. Department of Energy (DOE) Energy Innovation Hubs. The Partnership and Iowa State University support full funding of the Critical Materials Hub at \$25 million.
- Continued investment of the DOE Office of Energy Efficiency and Renewable Energy. This is critical as energy costs and demand continues to increase globally.
- Additional funding for the National Animal Health Laboratory Network, which enables the Veterinary Diagnostic Lab at Iowa State University to test for economically devastating diseases and serves as the most vital early warning system for emerging and foreign animal diseases in the U.S.

2018 FEDERAL POLICY AGENDA

- Continued funding for the Department of Commerce NIST Manufacturing Extension Partnership (MEP), a public-private partnership dedicated to serving small and medium-sized manufacturers. Iowa State University's Center for Industrial Research and Service manages the MEP award in Iowa, which had a 17:1 return on investment in 2016.

NEW MARKETS TAX CREDIT

The Partnership supports legislation extending, or making permanent, the New Markets Tax Credit program to spur new investment and economic development in disadvantaged communities. Currently, this program is only authorized through 2019.

BROWNFIELDS FUNDING

The Partnership supports continued U.S. Department of Housing and Urban Development (HUD) and U.S. Environmental Protection Agency (EPA) Brownfields funding for sites in Greater Des Moines (DSM). Brownfield sites provide a significant challenge and negative economic impact to distressed urban and rural communities by allowing the continuation of blight. These sites can be successfully redeveloped and put back into active uses that are beneficial to both the local community and the business sector. Federal investments in the Brownfields program have yielded 10 times the economic return, making the program a proven and critical economic stimulus tool.

DICO SITE REDEVELOPMENT

The Partnership supports a reuse for the EPA Superfund site at the intersection of Martin Luther King, Jr. Parkway and Fleur Drive, directly south of Downtown DSM and known locally as the Dico Site. This dilapidated and underutilized site is being proposed for civic and recreational use by the City of Des Moines and the Des Moines Public School District that will provide a broad public benefit and serve as a source of public pride. The re-use will be compatible with recommendations supported by EPA in its 2007 report on the Dico Site and serve as a demonstration site for the State of Iowa.

The vision for the reuse of the Dico Site will complement and enhance a significant private and public-sector investment on 250 acres adjacent to the Dico Site slated for a mixed-use urban village and will offer broad benefit to the citizenry served. It would also allow the full realization of successful reuse of a Superfund site, while continuing to protect human health and the environment.

Cost estimates to prepare the site for redevelopment are significantly beyond any reasonable economic feasibility, placing both the reuse of the Dico Site and the adjoining private mixed-use investment in jeopardy. Facilitation of a solution with the EPA, City, school district and the site owner is a priority for The Partnership in 2018.



FEDERAL HISTORIC TAX CREDIT

The Partnership supports the preservation of historic structures, which stimulate Downtown housing, business expansion and neighborhood revitalization. Accordingly, The Partnership supports the continued level of investment through the Federal Historic Tax Incentives program and the following suggested amendments:

- Raising the credit from 20 percent to 30 percent for projects with Qualified Rehabilitation Expenditures of less than \$5 million.
- Restoring the credit payback to a lump sum as opposed to paying it back over a five-year period, which has an adverse effect on the value of the credit to developers.
- Providing an additional 2 percent credit to both the 10 and 20 percent credit levels if the building increases its energy efficiency by 30 percent or more in an effort to promote energy-efficiency and cost-savings.
- Removing a provision in the Internal Revenue Code that inhibits the ability of nonprofit organizations from undertaking the most difficult projects in communities in greatest need.
- Eliminating the federal taxation of the proceeds of state credits transferred through partnerships and sold as state tax certificates.
- Redefining "old" buildings by removing the arbitrary date of 1936, which will allow many structures that are currently ineligible to be eligible.

SUSTAINABLE DEVELOPMENT

The Partnership supports the continuing efforts of the EPA, HUD and U.S. Department of Transportation (DOT) Partnership for Sustainable Communities to support the implementation of The Tomorrow Plan. The Tomorrow Plan, funded by HUD's Sustainable Communities Regional Planning Grant, is a regional plan focused on the sustainable development of DSM. Its development involved local leaders and the public at large in identifying visions and aspirations for the region, exploring potential scenarios for its future and implementing those scenarios for sustainable future development.

The Preferred Sustainability Status designation bestowed upon DSM as a recipient of the grant funds has been extremely important as the region seeks federal grants to help implement aspects of The Tomorrow Plan. The Partnership supports the extension of the Preferred Sustainability Status designation for DSM.

MUNICIPAL AND PRIVATE ACTIVITY BOND FINANCING

The Partnership supports maintaining the ability of state and local governments to utilize tax-exempt bonds. State and local governments access the tax-exempt bond market to fund critical infrastructure, and elimination or limitations on the exclusion of interest thereon from federal tax will increase costs and could result in decreased investment in needed areas. The Partnerships also supports re-instituting the ability of state and local governments to advance refund outstanding tax-exempt bonds.

APE COGNITION AND CONSERVATION INITIATIVE

The Partnership supports the Ape Cognition and Conservation Initiative (ACCI) request to National Institutes of Health (NIH) that it be certified to allow chimpanzees to be retired at this facility.

As NIH continues to minimize the use of chimpanzees as a model for the study of some human diseases, it will continue to permit behavioral, cognitive and genetic studies that are noninvasive and that fit comfortably within the parameters of the Institute of Medicine report. The staff at the ACCI has worked extensively with chimpanzees and bonobos since 1972 and specializes in great apes. The board of ACCI is composed of specialists in primate behavior and genetics from around the world. Currently, there is only one Federal Sanctuary that houses 200 chimpanzees, while listing its eventual capacity at close to 300 individuals. More than 400 chimpanzees will potentially need new enclosures as biomedical facilities scale back research programs under the new federal mandate to retire many of the NIH-owned chimpanzees.