



Debi V. Durham, Executive Director
Iowa Economic Development Authority

Business Financial Assistance Application

Business Finance - Business Development Division
Iowa Economic Development Authority
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Des Moines, IA 50315
iowaeda.com
Email: businessfinance@iowaeda.com

Application Instructions

To Complete Electronic Form: Click on TEXT BOX to add text. Double click on YES/NO boxes and select "Checked".

1. All applicants must complete the Business Financial Assistance Application, and attach only those additional sections for the components to which the applicant is applying.

STATE of IOWA – Financial Assistance Program
High Quality Jobs Program (HQJ)
<input checked="" type="checkbox"/> Tax Credits
<input type="checkbox"/> Direct Financial Assistance

2. Before filling out this application form, please read all applicable sections of the Iowa Code and Iowa Administrative Code (rules). <https://www.legis.iowa.gov/law/administrativeRules>
3. Only typed or computer-generated applications will be accepted and reviewed. Any material changes to the format, questions or wording of questions presented in this application will render the application invalid, and it will not be accepted.
4. Complete the applicable sections of the application fully. If questions are left unanswered or required attachments not submitted, an explanation must be included.
5. Use clear and concise language. Attachments should only be used when requested or as supporting documentation.
6. Any inaccurate information of a significant nature may disqualify the application from consideration.
7. The following must be submitted to Business Finance at Iowa Economic Development Authority (IEDA) to initiate the review process:
 - One signed application form and all required attachments submitted electronically to the project manager.

Facsimile copies will not be accepted.

Applications must be submitted to IEDA Business Finance before 4:00 p.m. on the fourth Monday of the month. Applications will be reviewed by the IEDA Board on the third Friday of the following month.

Public Records Policies

During the application process, the information submitted to IEDA is exempt from disclosure under the “industrial prospects” exemption found in Section 22.7(8). However, once an award is received, the industrial prospects exemption no longer applies and *all documents submitted and generated during the application and negotiation process become public records* under Iowa’s Open Records Law ([Iowa Code, Chapter 22](#)), unless:

- 1) The information belongs to one of the classes of records automatically treated as confidential; or
- 2) You have applied for and received written notice that the information will be treated as confidential.

Automatically Confidential Records

IEDA automatically treats the following records as confidential and will withhold them from public inspection even without a request for confidential treatment:

- Tax Records and Tax Liability Information
- *Quarterly Iowa Employer’s Contribution and Payroll Report* prepared for the Iowa Workforce Development Department
- Payroll Registers
- Business Financial Statements and Projections (unless those statements are already publicly available elsewhere, e.g., 10-K filings)
- Personal Financial Statements

Exemptions to the Open Records Law

To have additional information treated as confidential, you must fill out the confidential treatment request form. This form is available by request. Under the Open Records Law, IEDA may lawfully treat certain information as confidential if that information falls within an exemption to the Open Records Law. The following exemptions represent records which may lawfully be treated as confidential under the Open Records law and which are most often applicable to the information submitted to IEDA:

- Release of information would give an unfair advantage to competitors – Iowa Code Sec. 15.118
- Trade secrets – See Iowa Code section 22.7(3), see also Iowa Code Ch. 550
- Information on an industrial prospect with which the IEDA is currently negotiating – See Iowa Code section 22.7(8)
- Communications not required by law, rule or regulation made to IEDA by persons outside the government to the extent that IEDA could reasonably believe that those persons would be discouraged from making them to IEDA if they were made available for general public examination – Iowa Code section 22.7(18)

Non-Confidential Information

Information submitted to IEDA as part of the application process or that is contained in a contract for program benefits is generally considered material to the eligibility requirements of the program or to the amount of incentives or assistance to be provided. Such information is generally not given confidential treatment. Such information includes, but is not limited to, the number and type of jobs incented, the wage levels for the incented jobs, the company’s employee benefit information and the project budget.

Additional Information Available. Copies of [Iowa’s Open Record law](#) and IEDA’s [administrative rules](#) relating to public records are available from the IEDA upon request.

SECTION A

Applicant Information

Date Application Submitted: 8/20/21

1. **Name of Business:** Transco Railway Products, Inc.
2. **Entity Name(s) for contracting** (please include all that are involved in proposed project):
3. **Address:** 175 W. Jackson Blvd.
4. **City, State and Zip Code:** Chicago, IL 60604
5. **Contact Person:** Roger Schweikert **Title:** Tax Manager
6. **Phone:** 312-347-5763 **Fax:** **Email:** schweikertr@utlx.com
7. **FEIN:** 34-1404442
8. **Please indicate your tax period end date: 12/31**
9. **NAICS Code for primary business operations:** 488210
10. **US DOT Number:** n/a

11. **Does the Business file a consolidated tax return under a different tax ID number?**
 Yes (If yes, please also provide the tax ID number) 47-0813844 No
 - a. **Is the contact person listed above authorized to obligate the Business?**
 Yes No If no, please provide the name and title of a company officer authorized to obligate the Business:

12. **If the application was prepared by someone other than the contact person listed above, please complete the following:**
Name of Business:
Address:
City, State and Zip Code:
Contact Person: Title:
Phone: Fax: Email:

Sponsor Information (A sponsor organization is a city or county)

13. **Sponsor Organization:** City of Oelwein
14. **Official Contact (e.g. Mayor, Chairperson, etc.):** Dylan Mulfinger **Title:** City Administrator
15. **Address:** 20 2nd Avenue SW
16. **City, State & Zip Code:** Oelwein, IA 50662
17. **Phone:** 319-283-5540 **Fax:** 319-283-4032 **Email:** dmulfinger@cityofuelwein.org

18. **If IEDA needs to contact the sponsor organization with questions, should we contact the person listed above?**
 Yes No, please contact the following person:

Name: Deb Howard Title: Executive Director
Address: 6 S. Fredrick
City, State and Zip Code: Oelwein, IA 50662
Phone: 319-283-1105 Fax: 319-283-2890 Email: dhoward@oelwein.com

If necessary, please list information on additional sponsors in an attachment.

SECTION B

Business Information

1. Provide a brief description and history of the Business. Include information about the Business' products or services and its markets and/or customers.

Transco Railway Products Inc. (TRPI) is one of the nation's leading independent providers of freight car repair, modification and rebuilding services to the rail transportation industry. The Company was organized in its current form in 1967 as a combination of certain predecessor companies that had been in the railcar repair and component manufacturing business since 1936.

TRPI has established an excellent reputation for high-quality and timeliness in a wide variety of services, including general modifications and repairs, wreck repairs, unit train repairs, Rule 88 rebuilds, multi-level rack rebuilds, tank car cleaning and repair, Class I work and running repairs. Additionally, TRPI has the capability to perform high volume contract business involving a variety of services for a customers' entire fleet of railcars. TRPI's network of facilities represents one of the industry's most significant, independent installed base of railcar repair assets.

2. Business Structure:

- Cooperative Corporation Limited Liability Company
 Partnership S-Corporation Sole Proprietorship

3. State of Incorporation: Delaware

4. Identify the Business' owners and percent ownership: Union Tank Car Company – 100%

5. Does a woman, minority, or person with a disability own the Business? Yes No

6. List the Business' Iowa locations and the most current number of employees at each location. Oelwein, IA – 146

7. What is the Business' worldwide employment? (Please include employees of parent company, subsidiaries and other affiliated entities in this figure.) 351

Project Information

8. **Project Street Address:** 300 7th Avenue NW

Project City and Zip Code: Oelwein 50662

Project County: Fayette

9. Type of Business Project:

- Startup Expansion of Iowa Company New Location in Iowa

10. Does the project site qualify as a "Brownfield" or "Grayfield" site? Yes No

If yes, please explain and document as Attachment A6.

11. Describe the proposed project for which assistance is being sought. (Include project timeline with dates, facility size, infrastructure improvements, proposed products/services, any new markets, etc.)

Our Oelwein facility is limited to cleaning only general purpose tank cars in the tank wash shop. With the addition of the flare stack and degassing rack, Oelwein will also be able to clean and then repair high pressure cars. This will reduce emissions and we also plan begin to expand for repurposing valve application to which the projects would create a safer and more professional environment while being more environmentally friendly.

12.

Project Timeline <i>(add additional rows as needed)</i>	Beginning Activity Date	Activity Completion Date
Estimated one-third of equipment and building expense	10/01/2021	12/31/2021
Estimated two-thirds of equipment and building expense	01/01/2022	06/30/2022

13. Has any part of the project started*? Yes No

If yes, please explain.

** For IEDA's purposes, starting the project includes: the start of construction or rehabilitation, the purchase of a building, execution of a lease, or installation of equipment to be used in the project.*

Identify the Business' competitors. If any of these competitors have Iowa locations, please explain the nature of the competition (e.g. competitive business segment, estimated market share, etc.) and explain what impact the proposed project may have on the Iowa competitor. Trinity Industries – National & Iowa Competition – Also a customer, however, their recent construction in Shell Rock, IA has created some local competition, mainly their own cars. No impact as they service their own fleet.

Eagle Railcar – National Competition, No Iowa Presence.

Greenbrier – National Competition, No Iowa Presence.

Watco – National Competition, No Iowa Presence.

AITX – National Competition, No Iowa Presence.

Economy Coatings – Iowa Based Competitor – No Impact.

14. Will any of the current Iowa employees lose their jobs if this project does not proceed?

Yes No

If yes, please explain why and identify those jobs as “retained jobs” in the Project Jobs Section E.

15. Is the Business actively considering locations outside of Iowa? Yes No

If yes, where and what assistance is being offered?

16. Please identify the company project management for the project location and experience. The project would be managed internally by Corp Plant Engineering. Brindley Engineering performed all design work.

SECTION C

Applicant's Project Budget

1. **Does the Business plan to lease the facility?** **Yes** **No**

If yes, please provide the Annual Base Rent Payment (lease payment minus property taxes, insurance and operating/maintenance expenses) for three years in the budget below, and only major renovation costs your company expects to incur. Administrative rules require the lease be in place for a minimum of five years.

2. Please complete the budget below. Include only costs the company plans to incur directly:

Use of Funds	Cost	Source A	Source B	Source C	Source D	Source E	Source F
Base Rent (3 years)							
Tenant Improvements							
Land Acquisition							
Site Preparation							
Building Acquisition							
Building Construction							
Building Remodeling	\$379,600	Internal					
Mfg. Machinery & Equip.							
Other Machinery & Equip.	\$1,573,533	Internal					
Racking, Shelving, etc. ¹							
Computer Hardware							
Computer Software							
Furniture & Fixtures							
Working Capital							
Research & Development							
Other							
TOTAL	\$1,953,133	\$	\$	\$	\$	\$	\$

¹ Racking, shelving and conveyor equipment used in distribution center projects only

3. Please complete the chart below with proposed financing for the project (tax benefits should be reflected as indirect financing under No. 5 below):

PROPOSED FINANCING					
Source of Funds	Amount	Form of Funds	Rate and Term	Commitment Status	Conditions/Additional Information
Add additional lines as needed		(Loan, Grant, In-Kind, Donation, etc.)			Include when funds will be disbursed; If loan, whether payments are a level term, balloon, etc.
Source A: IEDA (see No. 4 below)	\$				
Source B: Local Government	\$				
Source C: Business	\$				
Source D: Other Source	\$1,953,133	Internally financed			
Source E: Other Source	\$				
Source F: Other Source	\$				
TOTAL	\$				

4. **Direct financial assistance (loans/forgivable loans) must be secured with acceptable collateral. Please select the type of collateral your company will pledge to secure the IEDA financing and document its value in Attachment A5. ***

No collateral, funding disbursed at the end of the 5-year contract	<input type="checkbox"/>	Explain:
Irrevocable letter of credit	<input type="checkbox"/>	
Dedicated certificate of deposit (CD)	<input type="checkbox"/>	

* The IEDA Board has the final discretion on what collateral will be accepted.

5. Please complete the chart below with tax credits and other indirect financing expected for the project:

TAX CREDITS AND INDIRECT FINANCING		
Source of Funds	Amount	Description
Investment Tax Credit	\$11,000	3% tax credit for six added jobs
Sales, Service and Use Tax Refund	\$11,000	Sales tax charged by contractors
Research Activities Credit (3%/10%)		
Local Property Tax Exemption		
Tax Increment Financing		
260E Job Training Funds		
In-kind Contribution		
Other		
TOTAL	\$	

6. There are three justifiable reasons for providing assistance. Check the box next to the reason why assistance is needed to complete this project.

- Financing Gap** - A gap exists between the financing required and the financing on-hand, and the provision of tax incentives or assistance is necessary to fill the gap.
- Rate of Return Gap** –The likely returns of the project are inadequate to motivate a company decision maker to proceed with the project even if sufficient debt or equity can be raised to finance the project, and the project’s risks outweigh its rewards, making the provision of tax incentives or assistance necessary to reduce the project’s risks.
- Location Disadvantage (Incentive)** –The business is deciding between a site in Iowa (“Iowa site”) and a site in another state (“out-of-state site”) for its project, and the cost of completing the project at the out-of-state site is demonstrably lower, making tax incentives or assistance necessary to equalize the cost differential between the two sites. *Note: The authority will attempt to quantify the cost differential between the sites.*

7. Please provide a brief explanation of the need for assistance.

Assistance would be needed in making the Oelwein operation more profitable in order to maintain and increase production and the workforce.

SECTION D

Employee Benefits

There are three options to meeting the sufficient benefit requirement. These options are detailed in the chart below. Please complete questions 1-3. If your company meets Option 1 or 2, no additional information is required. To utilize Option 3, please also complete questions 4-6.

	Option 1	Option 2	Option 3
	70% single Coverage	60% Family coverage	Monetary Equivalent
Total Number of Employees in US	Pay 70% of premium costs for a standard medical plan, single coverage.	Pay 60% of premium costs for a standard medical plan, family coverage.	Provide medical and pay the monetary equivalent of Option 1 or Option 2 in supplemental employee benefits.
201+	\$1700 maximum deductible	\$3750 maximum deductible	<i>Benefits Counted Toward Monetary Equivalent: medical coverage, dental coverage, vision insurance, life insurance, pension, 401(k) (company’s average contribution, short-/long-term disability insurance, child care services, other non-wage compensation</i>
50-200	\$2500 maximum deductible	\$5250 maximum deductible	
0-49	\$3000 maximum deductible	\$6000 Maximum deductible	
<p>* In addition, the IEDA will assess the affordability of plans qualified under the deductible and premium percentage paid by the employer criteria. Plans not offered at a reasonable cost to employees will be deemed not qualified, and the business is not eligible for benefits under the High Quality Jobs Program.</p>			

1. How many full-time, permanent employees does your company currently employ within the U.S.? 2,713

2. What is the total premium cost for a standard medical plan for **single employee coverage**? \$809.05

a. What portion of this cost is paid by the business? 80%

- b. What is the deductible associated with this plan? \$ 500
3. What is the total premium cost for a standard medical plan for **family coverage**? \$ 2,357.60
- a. What portion of this cost is paid by the business? 80%
- b. What is the deductible associated with this plan? \$1,000

No additional information required in this section, if the company meets the requirement for Option 1 or Option 2

4. Does the company provide additional benefits to full-time employees? Yes No
 If yes, please provide the annual amount **offered by the business, per employee** in the chart below:

Benefit	Annual amount paid by the business (per employee):
Dental Insurance – Single plan	\$
Dental Insurance – Family plan	\$
Pension (Use 3-year average calculated below)	\$
Retirement Plan - i.e. 401(k) (Use 3-year average calculated below)	\$
Profit Sharing Plan (Use 3-year average calculated below)	\$
Childcare Services	\$
Life Insurance coverage	\$
Disability Insurance coverage	\$
Health Savings Account (HSA) contribution	\$
TOTAL	\$

5. Does the Business offer a pension plan, 401(k) plan, and/or retirement-plan? Yes No
 If yes, please indicate the amount contributed on a per employee basis by the Business to the plan for the last three years. For 401(k) plans, please provide information on the company match and indicate the average annual match per employee.

Year Ending	Average Actual Match per Employee (\$)
	\$
	\$
	\$
Three-year Average:	\$

6. Does the Business offer a profit-sharing plan? Yes No
 If yes, please indicate total amount paid out each year for the past three years, and then determine the average annual bonus or contribution per employee for that three-year period.

Year Ending	Average Actual Share per Employee (\$)
	\$
	\$
	\$
Three-year Average:	\$

Notes:

1. A qualified plan must be offered to all full-time permanent employees.
2. If you have multiple health insurance plans, please provide information on each plan.

SECTION G

Attachments

Please attach the following documents:

A1 Project Plan

Please provide an executive summary for your project. This information should include, at a minimum, expanded information about the company's products and services and any other project related information not already been described in the application for financial assistance.

Please note, a traditional business plan, including an executive summary, market analysis, organization and management structure, marketing and sales management, service and product line narrative, financial projections, feasibility study and patent status, as well as any other relevant information, may be requested by the Iowa Economic Development Authority to evaluate the feasibility of this project.

A2 Payroll Information (Confidential)

- Copies of the Business' **Quarterly Iowa Employer's Contribution and Payroll Report** for the past year. This report should include the monthly employment totals.
- **A copy of the most recent payroll report for one pay period.** The copy of the most recent payroll report for one pay period must be in Excel format and include the following information:
 - Company name, date of payroll and source of payroll information
 - Employee name and/or employee identification number
 - Current hourly wage - do not include bonuses, overtime or other benefit values
 - Indicate if the employee is full time (40 hours per week, 52 weeks per year) or part time.
 - A sample Excel spreadsheet can be provided by IEDA staff

A3 Affidavit stating the Business has not, within the last five years, violated state or federal statutes, rules and regulations, including environmental, worker safety regulations and antitrust laws, or, if such violations have occurred, that there were mitigating circumstances or such violations did not seriously affect public health or safety or the environment. A sample affidavit can be provided by IEDA staff.

A4 Financial Information (Confidential, unless already publicly available) (Existing Businesses Only)

- Profit and loss statements and balance sheets for past three year-ends;
- Current YTD profit and loss statement and balance sheet;
- Schedule of aged accounts receivable;
- Schedule of aged accounts payable; and
- Schedule of other debts.

A5 Collateral documentation (If requesting direct financial assistance only)

A6 Brownfield or Grayfield site documentation (if applicable)

SECTION H

Certification and Release of Information

- 1. Are there any judgments or court actions completed or pending against the applicant entity, or any current or prospective officer, principal, director or owner?
2. Has any current or prospective officer, principal, director or owner been accused or convicted of any wrongdoing or crime, other than a simple misdemeanor?
3. Have there been any current or past bankruptcies on the part of the applicant entity (or predecessor entities), or on the part of any current (or prospective) officer, principal, owner or in any business dealings of current (or prospective) officers, principals or owners of the applicant entity?
4. In the last five years have there been, or are there currently any investigations of potential violations of public health, safety (including workplace safety) or environmental laws by the applicant entity, or any current or prospective officer, principal, director or owner?
5. In the last five years have there been, or are there currently any violations of antitrust laws by the applicant entity, or any current or prospective officer, principal, director or owner?
6. If yes to any of the above, please provide additional explanation:

I hereby give permission to the Iowa Economic Development Authority (IEDA) to research the Business' history, make credit checks, contact the Business' financial institutions, insurance carriers and perform other related activities necessary for reasonable evaluation of this application. I also hereby authorize the Iowa Department of Revenue to provide to IEDA state tax information pertinent to the Business' state income tax, sales and use tax, and state tax credits claimed.

I understand that all information submitted to IEDA related to this application is subject to Iowa's Open Record Law (Iowa Code, Chapter 22), unless specifically marked as confidential section.

I understand the IEDA reserves the right to negotiate the financial assistance.

I understand this application is subject to final approval by IEDA and the Project may not be initiated until final approval is secured. Furthermore, I am aware that funds will not be disbursed until a contract has been executed and the appropriate terms met.

I understand that upon execution of the contract and prior to the issuance of a tax credit number or the disbursement of Award Funds, a recipient shall pay IEDA a one-time compliance cost fee in the amount of \$500. In addition, if tax benefits are greater than \$100,000, the Recipient shall remit to IEDA a compliance cost fee 0.5% of the value of the Tax Incentives claimed pursuant to the contract. The fee will be due and payable upon filing the Recipient's annual tax return for each tax year in which tax credits are claimed under the contract.

I hereby certify that all representations, warranties or statements made or furnished to IEDA in connection with this application are true and correct in all material respect. I understand that it is a criminal violation under Iowa law to engage in deception and knowingly make, or cause to be made, directly or indirectly, a false statement in writing for the purpose of procuring economic development assistance from a state agency or subdivision.

For the Business:

For the Sponsor(s):

Roger Schweikert 9/7/21
Signature Date

Signature Date

Roger Schweikert Tax Manager
Name and Title (typed or printed)

Name and Title (typed or printed)

IEDA will not provide assistance in situations where it is determined that any representation, warranty or statement made in connection with this application is incorrect, false, misleading or erroneous in any material respect. If assistance has already been provided prior to discovery of the incorrect, false, or misleading representation, IEDA may initiate legal action to recover incentives and assistance awarded to the Business.