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State funds high tech expansions in C.F.

By **PAT KINNEY, Assistant City Editor**

CEDAR FALLS --- The Cedar Valley has turned a high-tech economic development double play.

Two growing businesses in the Cedar Falls Industrial Park will win assistance from the state of Iowa, officials announced Wednesday.

Team Technologies will receive a \$250,000 low-interest loan through the state's Entrepreneurial Ventures Assistance program for the start-up of its \$6 million data storage and network access point facility.

Only one other project has received as large an award under the program, state and local economic development officials said.

The Team data center serves as a computer data storage center, a secure location where companies can back up their computer data, and a network access point where Internet service providers connect with each other.

Team expects to attract utility, telecommunication, health care, insurance, financial service and transportation industries, as well as government agencies and educational institutions to the data center. Many already have data located there.

The data center is 94 percent complete, and additional financing is needed to finish the project. The company, headed by CEO Mark Kittrell, employs 15 people and hopes to add 36 over two years at an average wage of \$18.12 per hour. The company has developed a training program with Hawkeye Community College.

Also, the Iowa Department of Economic Development plans to award Distek Integration Inc. of Cedar Falls and Carthage, Ill., a \$75,000 loan under the state's Community Economic Betterment Account program toward a \$1.6 million building acquisition and expansion project in the industrial park.

Distek, founded in Illinois and located in Cedar Falls since 1998, develops software and computer display systems. Its primary customer is John Deere, and the company products are used in Deere equipment. Company President Matt Dickinson, a former employee of the Deere Product Engineering Center in Cedar Falls, founded Distek in 1991.

Distek proposes to buy its building at 6612 Chancellor Drive, now owned by Point Builders Inc. of Cedar Rapids, and expand into unused space in that building. The company plans to add 10 jobs at an average wage of \$30.13 per hour, and retain another five that would have to relocate without the expansion. The company asked that half the loan be forgiven if the expansion and job creation goals are met. The other half would be repaid over five years at no interest. The company would receive a tax credit under the IDED's New Capital Investment Program.

The company needs financing so it doesn't deplete its reserves as it expands, Distek officials said.

IDED director Mike Blouin announced funding for the two projects at Team headquarters in Cedar Falls Wednesday afternoon. The Distek funding is subject to formal approval by the Iowa DED Commission at its meeting today, with approval anticipated.

"Both of these high-tech projects are creating high-paying jobs for the Cedar Valley region and investments that impact the entire state," Blouin said. "IDED is pleased to support this kind of homegrown industry that serves all Iowans well."

Greater Cedar Valley Alliance President Steve Dust said the businesses are helping diversify the area from an industry-based economy to a technology-based model.

"The key here is that a couple of our smaller businesses are growing, and they are technology-related businesses," he said. "They are the kind of businesses that are proving to be the seeds for change in the Cedar Valley economy. These funds that are being awarded, to Team especially, reward the entrepreneurial venture of bringing a data center here that is the envy of even the larger metropolitan areas."

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