

## Meeting Agendas/Info

CITY COUNCIL COMMUNICATION:	ITEM _____
	<b>OFFICE OF THE CITY MANAGER CITY OF DES MOINES, IOWA</b>
<b>01-240</b>	<b>SYNOPSIS -</b>
<b>AGENDA:</b>  MAY 7, 2001	On the May 7, 2001 City Council agenda is a roll call approving the submission of a Community Economic Betterment Account (CEBA) Venture Project Component Application on behalf of Lighthouse Communications, Inc. in the amount of \$250,000. The CEBA Venture Component Program is designed to assist in the development of entrepreneurial business ventures by making equity-like investments in start-up and early stage companies or existing companies developing new products or technologies.
<b>SUBJECT:</b>  LIGHTHOUSE COMMUNICATIONS, INC.	Lighthouse Communications, Inc. is proposing a \$2.5 million project that will upgrade existing network and switching equipment that will allow the company to grow and penetrate new markets in surrounding states. The company's corporate offices are located in Suite 1707, Financial Center Building, 666 Walnut, Des Moines. The company currently employs 90 persons and projects to create over the next three years 30 new positions with an average starting hourly wage rate of \$25.23 at its Des Moines headquarters.
<b>TYPE:</b>	
<b><u>RESOLUTION</u></b> ORDINANCE RECEIVE/FILE	
<b>SUBMITTED BY:</b>	<b>FISCAL IMPACT -</b>
RICHARD CLARK DEPUTY CITY MANAGER	The CEBA Venture Program does not require community participation in the financial assistance package.
	<b>RECOMMENDATION -</b>  <b>Approval of roll call authorizing the submission of a CEBA Venture Application and authorizing the Mayor to execute the application as necessary.</b>
	<b>BACKGROUND -</b>  Lighthouse Communications, Inc. is an integrated provider of advanced data communication services for businesses through use of

broadband telecommunications technologies. The company has positioned itself as a one-stop solution for broadband data communications and network management by offering sophisticated data communications and network management services for business in five Midwest markets (Des Moines, Cedar Rapids, Minneapolis, Kansas City, and Omaha). The company focuses upon businesses requiring sophisticated data communications and network management services. The company's high performance network is the backbone for the delivery of a comprehensive suite of products and services to businesses that have serious data communication requirements.

The company was founded in 1996 by Matthew McGuire, Jay Devers, and Shannon Godwin. In 1999 and 2000, the company obtained new capital for expansion from loans and equity investments. Company management includes Allen Sabbag, CEO; Larry Hartsook, CFO; Will Walling, Vice President and CTO; Shannon Goodwin, Vice President and Treasurer; Matthew McGuire, Vice President and Director; Jay Devers, Vice President, Secretary, and Director. The majority of company ownership resides with Matthew McGuire (18.84 percent), Jay Devers (18.84 percent), Shannon Godwin (18.84 percent), and John Pappajohn (19.6 percent).

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