



Agenda Item:

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## COUNCIL COMMUNICATION City Manager's Office

### GENERAL INFORMATION

Agenda Date: 03/28/05  
05-148

Communication No.:

Agenda Item Type: Resolution

Roll Call No.:

Submitted by: Richard A. Clark, Deputy City Manager

### SUBJECT—

Resolution authorizing submission of a CEBA loan application to the State of Iowa and approving preliminary terms of an economic development loan to Software Made Easy, Inc. (d/b/a Project InVision International).

### SYNOPSIS—

Approves the preliminary terms of an economic development loan with Software Made Easy, Inc. (d/b/a Project InVision International), (Matthew B. Meblin, Chairman and CEO, 1595 Grant Avenue, 2<sup>nd</sup> Floor, Novato, CA 94945) and to authorize the City Manager to negotiate the final terms of the Loan Agreement. This action also authorizes submittal of a CEBA Loan application to the State of Iowa on behalf of Project InVision International.

Project InVision International is proceeding with a strategy to open a Des Moines office. Des Moines would then become the center for the majority of Project InVision International's aggressive employment growth, which calls for adding 89 employees over 5 years. The average annual wage is projected at \$77,640.

### FISCAL IMPACT—

A \$178,000 economic development loan is proposed to facilitate Project InVision International's pledge to add 89 high-tech jobs to Des Moines. The proposed assistance will be advanced in two stages. The first half (\$89,000) will be a repayable loan, to be advanced when Project InVision International executes an office lease in Des Moines. This repayable portion of the assistance

will be repaid in seven annual installments at 0% interest. Repayment will commence 12 months following distribution.

The second half of the assistance package (\$89,000) will be a forgivable loan. This forgivable loan will be advanced when Project InVision International's Des Moines employment reaches 15 FTE employees or the company executes their strategy to purchase an office building in Des Moines, whichever occurs first. Precise terms of the loan will be negotiated and presented to the City Council at a later date. The funding source for the loan will be the Economic Development Enterprise Account. If possible, this account may be repaid this amount through TIF funds.

The State of Iowa is negotiating an incentive package for Project InVision International. The City's economic development loan is contingent upon the State's approval of a final incentive package.

### **RECOMMENDATION—**

Approval

### **BACKGROUND—**

Project InVision International is a leading provider of project portfolio management (PPM) solutions to Global 2000 companies. The Project InVision International software suite automates the essential business processes of portfolio analysis and project management, enabling companies to align initiatives with corporate strategy and deliver projects with repeatable success. Partnered with the industry's foremost professional services firms and system integrators, Project InVision International delivers solutions to high-profile clients, including AT&T, EDS, Catholic Health East, First Health Services Corporation, and Prudential.

Last year, Project InVision International's software was featured in the 2004 Summer Olympics in Greece. Project InVision International assisted OTE (Greece's equivalent of AT&T) in managing the delivery of the new communications infrastructure for the Olympic Games.

Project InVision International, headquartered in Novato, California, is currently considering Des Moines as a location to open an office to accommodate future growth. The company is experiencing tremendous sales growth and needs to invest heavily in infrastructure and human resources to accommodate this growth.

Much of Project InVision International's growth is triggered by its audit management solutions. This software package allows audit firms to automate the financial and Sarbanes-Oxley audit process. The Sarbanes-Oxley Act of 2002 aims to restore public confidence in U.S. capital markets in the wake of Enron, WorldCom and other corporate scandals.

Project InVision International, founded in 1991, is privately held and headquartered in the San Francisco Bay Area. Matthew Meblin co-founded Project InVision International in 1991 as a project management consultancy providing services to Fortune 500 corporations. Mr. Meblin visualized a technology architecture that would fundamentally change the way businesses approach project delivery. The Project InVision International team acted on the vision and delivered Project InVision Version 1.0 to the U. S. Air Force in 1994 - initiating the company's

transition from consulting firm to software company. Since its release, Project InVision has helped hundreds of organizations worldwide to automate their project portfolio management processes.

In 1997, Project InVision International formed a partnership with EDS to design and develop Project InVision 4.0, the first PPM suite that was entirely Web-based. EDS continues to utilize Project InVision today, with over 18,000 users managing more than 100 clients worldwide. In 2000, Microsoft recognized Project InVision as a “Best Business Solution” finalist in the worldwide Microsoft Certified Solution Provider Awards, and subsequently implemented the Project InVision solution throughout Microsoft Global IT to manage their internal project portfolio. The following year, Project InVision International released Project InVision 5.0 and launched Project InVision On-Demand, a fully hosted version of the award-winning software suite.

#### Customers and Alliance Partners

Project InVision International’s clients include **AT&T, Verizon, EDS, Wendy’s, Burger King, Catholic Health East, First Health Services Corporation, and Prudential.**

Project InVision International has developed strategic alliances with leading system integrators and professional services firms including **PricewaterhouseCoopers, KPMG, EDS, TELUS** and others. By aligning with Project InVision International, these firms extend their reach to new clients and benefit from more efficient methods of delivering services to existing clients. Project InVision International and its partners have embedded industry best practices, methodologies and templates into Project InVision to deliver focused solutions for Financial Audit, Government, Compliance and Information Technology.

Project InVision International is also considering locating their branch office in Plano, Texas, or Jacksonville, Florida, due to those cities’ proximity to key clients. One of Project InVision International’s minority investors, Acuity Ventures, is the same group that brought GCommerce, PDHI and BayTSP to Des Moines. Project InVision International wishes to duplicate the beneficial move to Des Moines made by those firms. Project InVision International will sublease space from GCommerce at 601 E. Locust Street until they have reached a critical mass that will allow them to pursue purchasing their own building. This is estimated to occur in two years.