

Clarinda Economic Development Corporation
Annual Report
December 20th 2017
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During the Calendar year 2017 the Clarinda Economic Development Corporation (CEDC) continued to support and lead on causes that have spanned several years and to work on new projects as they arose. CEDC continues to work towards the goal of improving the economic climate and supporting business growth in Clarinda.

Yearly Review

During the year CEDC continued to move forward with efforts to repurpose the MHI facility, in particular Hope Hall. During the year CEDC also set in motion a series of efforts to understand housing needs in Clarinda and to commission a Housing Assessment to address those housing needs. CEDC has also been active in several other areas including looking at expanded hotel possibilities, a building trades program, downtown revitalization, and continuing to utilize the CEDC RLF to encourage and strengthen local businesses.

In 2017 the Board of Directors consisted of eleven members who represent a wide cross section of the community ranging from banking, manufacturing, health care, education, retail, and government, as well as an at-large seat.

Board members are:

President- Lisa Hull, CL Fabrication, City Council

V. President-Dale McAllister, Cornerstone Bank

Treasurer- Gilbert Thomas, Bank Iowa

John Lisle, Lisle Corporation

Shayne Rollins, NSK Corporation

Gary Alger, City Council

Jon Baier, PCSB Bank

Mike Anderson, Easter's True Value

Chris Stipe, Clarinda Regional Health Center

Deron Stender, Clarinda Community School District
Chad Wellhausen, At-Large seat

2017 Projects

Housing Project

Several members of the Board and the Director have spent the last year and a half studying housing issues in Clarinda and programs, both State and Federal which will be applicable to developing a housing strategy for Clarinda.

In January CEDC hired Andrea Kathol with New Day Development to do a high level feasibility study of Hope Hall to determine if there was an opportunity to redevelop Hope Hall into a multi family facility. The study came back in April with the recommendation to pursue the potential repurposing of Hope Hall. In June, John Lisle and Gilbert Thomas traveled to Des Moines to meet with the heads of DOC and DAS to discuss the study on Hope Hall with the State and get input from the Directors of DOC and DAS. They reported that the meeting was positive and that the State would be willing to continue discussions on the transfer of Hope Hall. In further discussions with Jerry Bartruff (DOC) the Director and Bartruff determined that they would wait until the Housing Assessment was completed before further discussions on Hope Hall took place. At that time a discussion on Hope Hall and the completed Matrix study would take place.

In September CEDC commissioned RDG Planning and Development to complete a Housing Assessment for Clarinda. On November 7th & 8th Amy Haase from RDG visited Clarinda and held focus group studies to get input from the public on perceived housing needs in the community. On December 19th RDG will return to Clarinda and present the housing study to the public.

CEDC Strategic Planning

In September of 2016 the Director suggested to the Board that a group needed to be formed to look at how CEDC could restructure itself in order to increase its budget with the goal of being able to hire a full time director. The Director suggested that the Board make it a goal to be in a position

financially to hire a full time director within 2 to 3 years. This will require that the CEDC budget double or triple in three years. The Board agreed and at the Annual Meeting in December the group consisting of Lisa Hull, Chad Wellhausen, Dale McAllister, and the Director made the initial presentation on the reorganization of CEDC. Throughout the year the group continued to discuss and revise ideas on how to reorganize CEDC to create a funding stream and to enlarge the representation on the Board. In October the Board voted to approve 2 changes to the CEDC By-Laws and to proceed with reaching out to potential businesses, organizations, and individuals who would be will willing to support the mission of CEDC over the next three years. In addition, the members of the Board also committed their businesses to an increase in contributions. As of the writing of this report there is a commitment of \$85000 on the table. At this rate CEDC should be able to meet the 2017-18 fiscal year goal of \$100,000 before the end of the fiscal year.

MHI Project

The MHI continues to be a project that CEDC is pursuing. It became a two pronged project when the State of Iowa did not commission Matrix to include Hope Hall in its Reuse study of the MHI facility. Rather than ignore the fact that Hope Hall had been purposefully left out of the reuse study CEDC took it upon themselves to push for the State and DOC to allow CEDC to view the building and commission a high level study of the building. Further details of this study can be read about in the Housing section of this report.

The completed Matrix study was released in July of 2017. The Director contacted Jerry Bartruff (DOC) to set up a time to discuss the conclusions of the Matrix study. Originally the plan was to meet in September but both the CEDC Director and DOC Director felt it would be better to wait until the Clarinda Housing Assessment was completed so that a meeting could be scheduled to discuss the Hope Hall proposal and the Matrix MHI Reuse study at the same time. That meeting will take place sometime after the first of the year in early 2018.

Revolving Loan Fund (RLF)

The RLF remains the primary tool with which CEDC helps fund small and emerging businesses in the Clarinda area. The fund was initially created with a grant from the United States Department of Agriculture (USDA) totaling \$99,900. To date, CEDC has made twelve loans for a total of \$229,800. CEDC has made loans in conjunction with local lending institutions and has made solitary loans. The RLF remains healthy with no defaults on any existing loans.

The CEDC RLF loan committee has done an outstanding job of protecting the integrity of the RLF while also understanding the needs of some of the applicants that might fall outside the parameters of what conventional lending institutions may be able to act upon. At the writing of this report the RLF fund has approximately \$39,000 available for lending. The interest on the RLF loans will continue to be rolled back into the fund to continue to grow the capital available for loans.

Hotel Project

The Hotel project has been ongoing for several years. In January of 2017, Gilbert Thomas convened a meeting of several potential investors to discuss moving the project forward. A Representative of Boulders Inn and Suites gave a presentation on their proposal to those in attendance. After the presentation one investor offered to pay for a feasibility study. The feasibility study was completed and the project was given a green light when a number of investors agreed to fund the project. In November a ground breaking ceremony was held and the hotel is projected to open in the Spring of 2018.

Other Projects

During the year CEDC also worked on various projects. Of note was a project supporting H&H Trailers efforts to secure funding from IEDA for capital improvement projects. The project was a success with H&H Trailers (Novae Corp) receiving \$518K in funding.

CEDC also started a conversation with IWCC regarding a potential Building Trades program. The CEDC Director met with Clarinda School District

representatives and with the Clarinda Academy. These talks will continue in 2018.

Golf Tournament

In June CEDC held its 16th annual golf outing. There were 16 teams and 33 hole sponsors. The addition of a raffle for a one night stay with 2 rounds of golf for four at Mazingo Golf course was a big hit with those in attendance. The event raised \$4400 for continued efforts to improve the economic vitality of Clarinda .

Summary

In 2017 CEDC continued to make a positive impact on the community. The Board has continued to look at ways to increase the industrial base in Clarinda and has also taken an active role in improving the vitality of Clarinda's downtown. CEDC has aggressively pursued looking for solutions to the housing shortage in Clarinda and now is prepared to put a plan in place to address the housing shortage.

Looking forward into 2018, CEDC will continue to pursue industrial growth by supporting projects that increase employment in Clarinda. The Board will continue to support the rejuvenation of Clarinda's downtown utilizing the RLF as it has done in the past. CEDC will continue to look at ways to improve the business climate in Clarinda and take an active and leading role in issues that confront the local economy, both in the economic arena and the political realm. CEDC will, during the coming year focus on how to create an organization that will enhance CEDC's role as a creator and facilitator of business growth.