

Clarinda Economic Development Corporation
Annual Report
December 1st, 2016
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During the Calendar year 2016 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 the MHI Steering Committee in an effort to repurpose the MHI facility. CEDC commissioned a new Laborshed study to gain insight into the trends affecting the workforce in the Clarinda area. CEDC also set in motion a series of efforts to understand housing needs in Clarinda and to create a comprehensive plan to address those housing needs. CEDC has also been active in several other areas including looking at expanded hotel possibilities, building trades programs, downtown revitalization, and continuing to utilize the CEDC RLF to encourage and strengthen local businesses.

In 2016 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

John Lisle, Lisle Corporation

Shayne Rollins, NSK Corporation

Gary Alger, City Council

Gilbert Thomas, Bank Iowa

James Johnson, 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

2016 Projects

Downtown Revitalization

During 2016 CEDC continued to be involved in the Downtown Revitalization Project. During the year the project continued to move forward. It was put on hold due to an oversight by SWIPCO, but it is hopeful that the project will again proceed in 2017.

Laborshed Study

In January the Director commissioned Iowa Workforce Development (IWD) to produce a new Laborshed study for the community. The purpose of the Laborshed analysis is to measure the availability and characteristics of workers within the area based on commuting patterns into Clarinda. The Laborshed data generated will aid local development officials in their facilitation of industry expansion and recruitment and their service to existing industry in the area. The Laborshed study was completed in May and Katie Lippold from IWD came to Clarinda for a presentation and review of the data in June.

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 eleven loans for a total of \$184,800.

During 2016 CEDC received one loan application which was approved. With the funding of this loan, which will help a local business continue to operate the RLF will have loaned out \$230,000.

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 \$55,000. with \$45,000. of that committed to a pending loan.

The RLF fund will generate in excess of \$2000. in interest during the 2016 calendar year. These funds will be rolled back into the fund to continue to grow the capital available for loans.

Housing Project

At the annual meeting in December of 2015 the Board determined that housing should become one of CEDC's top priorities. During 2016 CEDC Board member Gilbert Thomas and the Director worked on compiling information on different housing projects in the area. They made several trips to communities who had ongoing housing projects. They looked at housing projects in Council Bluffs, Creston, and Avoca. Having completed the research phase of the project CEDC is now prepared to begin putting together an action plan. This will involve working with the City of Clarinda to create a system to acquire empty lots and derelict properties and to prep those properties for building new housing. CEDC has been in contact with Clint Fichter in Avoca who has offered to put together the paperwork detailing how the City will proceed on securing empty lots and derelict homes.

Gilbert Thomas has reached out to several builders to explain the Workforce Housing program, which is similar to the old Enterprise Zone Housing Program. CEDC is actively looking for a builder who can take on the General Contractor duties to begin building homes that will qualify under the Workforce Housing Program.

Other pieces of the Housing Project will include a rehab program, TIF area for slum and blight, a comprehensive housing study, out of zip code employee survey, and a possible volunteer program (paint-a-thon)

MHI Project

The MHI project dates back to June of 2015 when CEDC representatives met with Governor Branstad to request that a steering committee be created to look into repurposing the MHI facility that had been vacated with the closure of the State run mental hospital.

During 2016 the Director along with various members of the Board and DOC and DHS officials met with representatives of Sequel and Zion to discuss possible expansion into the recently vacated wings of the MHI building and leasing available living space for employees. In late summer of 2016 Zion announced a lease agreement with the State whereby they will

expand their presence at the facility and begin providing substance abuse programs for women in addition to their ongoing men's program.

As part of the effort to repurpose the MHI facility IEDA contracted with Matrix Design to analysis the facility and create a best use plan for the unused portion of the facility. Matrix came to Clarinda on July 28th and 29th to study the building and meet with local community leaders. We are expecting the initial report during the month of December.

During the Matrix visit it came to light that the State had not commissioned Matrix to include Hope Hall in their analysis. CEDC then took it on themselves to examine Hope Hall for potential uses. In November CEDC was finally able to access the building to begin studying the potential for reuse. If the Board approves a request from the Director at the Annual meeting in December a preliminary feasibility study will be commissioned to determine whether to proceed with a redevelopment project. If the initial study points to a viable reuse of the building then discussions with the State will take place about transferring ownership to CEDC.

CEDC Strategic Planning

In September 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 put a group together to begin studying how to restructure and sustain the budget required to operate on a full time basis.

Summary

In 2016 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 2017, 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.