

AGENDA CITY COUNCIL ECONOMIC DEVELOPMENT COMMITTEE

MONDAY, OCTOBER 28, 2019
4:00 PM
EMMA HARVAT HALL
CITY HALL

1. Call to Order
2. Consider approval of minutes from the August 28, 2019 Economic Development Committee meeting
3. Update and consider request for funding for FY21 for \$25,000 in assistance for Entrepreneurial Development Center, Inc. in Cedar Rapids
4. Annual report and consider request for FY21 financial assistance for Film Scene and new Refocus Film Festival
5. Staff report
6. Committee time
7. Other business
8. Adjournment

If you need disability-related accommodations in order to participate in this program/event, please contact Wendy Ford, Economic Development Coordinator at 319-356-5248 or wendy-ford@iowa-city.org. We ask that contact us early to allow sufficient time to meet your access needs.

**MINUTES
CITY COUNCIL ECONOMIC DEVELOPMENT COMMITTEE
AUGUST 28, 2019
EMMA HARVAT HALL, CITY HALL, 4:00 P.M.**

Members Present: Rockne Cole, Susan Mims, Jim Throgmorton
Staff Present: Simon Andrew, Eleanor Dilkes, Wendy Ford, Geoff Fruin
Others Present: Andrew Ballard (Neumann Monson); Michael Sather and Kyle Smith (Tailwinds Group), Nancy Bird (Downtown District); Zachary Smith (Press-Citizen); Paul Brennan and Zach (last name?) (Little Village); Kim Becicka (Kirkwood)

RECOMMENDATIONS TO COUNCIL:

Cole moved to support a recommendation to support Kirkwood Community College English Language Learning program expansion with \$25,000 per year for 5 years
Throgmorton seconded the motion.
The motion carried 3-0.

CALL MEETING TO ORDER:

The meeting was called to order at 4:04 P.M. Chairperson Mims then asked those present to introduce themselves.

CONSIDER APPROVAL OF MINUTES FROM THE JUNE 3, 2019 ECONOMIC DEVELOPMENT COMMITTEE MEETING:

Throgmorton moved to approve the minutes from the June 3, 2019 meeting as presented.
Cole seconded the motion.
The motion carried 3-0.

Consider recommendation to support Kirkwood Community College English Language Learning (ELL) program expansion with \$25,000 per year for five years:

Ford began the discussion by explaining how this program benefits the residents of Iowa City. She noted that Kirkwood is trying to address two things with their ELL program. The first is to help people become more employable and then employed; and secondly, it will help grow and strengthen the workforce in this area. Ford noted that Kirkwood's President Sundberg has stated that she is dedicating resources for this program. Kirkwood needs \$150,000 for five years to get the program off the ground. Kirkwood has been able to secure half of this amount and they are now asking local cities to participate. Staff is recommending that the City of Iowa City contribute \$25,000 per year for the five-year period to expand the ELL program. Continuing, Ford noted that the number of children in the school system needing ELL from the schools has more than tripled in the past five years or so. This means that there are other family members also needing the ELL program that Kirkwood offers.

Kim Becicka, with Kirkwood then spoke to the ELL expansion. She shared handouts with Members as she spoke to the growing needs of the ELL program. The expansion would include adding sections to decrease the waiting list. They would also like to be able to offer these sections out in the community, such as offering classes for the parents of children in the school

system. Becicka continued, explaining the various levels of the ELL program and how they plan to grow their offerings for the growing population of non-English speaking residents. She then spoke to what are called 'earn and learn' programs, explaining how participants in the ELL program advance to levels 2 and 3. This is where they are ready and able to compete for good jobs within the community. Recently touted in the news was the 'earn and learn' program that Nordstrom has taken part in. She noted several other companies that participate in such programs or plan to in the very near future. If the City does move forward with the requested support, she stated that they will work with the City on a memorandum of understanding. There will be clear goals and metrics that can be reported back in whatever manner or timeframe the City chooses. Mims spoke very positively about the proposed expansion, noting some of the interactions she had in the past with those trying to do just this. Cole stated that he is also very supportive of this and he praised the cooperation between Kirkwood and the City. He stated that he would also like to see a reverse learning of languages, too, where those in the ELL programs could teach their language to residents. Throgmorton agreed, stating that he too looks forward to seeing an elaboration of the proposed plan. He reiterated what he believes to be a crucial need to help adults learn to speak and understand English to be able to function well within the community. Mims then asked if other municipalities and organizations were being approached for supporting the ELL program expansion. Becicka stated that they are also talking to the cities of Coralville, North Liberty, Tiffin, and West Branch, as well as the Johnson County Board of Supervisors.

Cole moved to support a recommendation to support Kirkwood Community College English Language Learning program expansion with \$25,000 per year for 5 years
Throgmorton seconded the motion.
The motion carried 3-0.

Discuss Tailwinds' proposal for historic preservation and redevelopment project on south side of 100 block of East College Street:

Ford began the discussion, stating that the City received a TIF financing request from the Tailwinds group back in July. Their proposal encompasses the historic preservation of three 19th-century buildings, and a new nine-story building behind them, in the 100 block of East College Street. Ford stated that the nine-story building being proposed behind the older buildings would have 170 apartment units, mostly studios and one-bedroom, with a handful of two-bedroom units. The first two floors are proposed to be a parking garage that would accommodate much of the required parking for the project. She also touched on how the remainder of the parking requirements might be handled. Speaking to the preliminary proposal, Ford noted the following as exceptional public benefits: the older buildings would become locally designated landmarks; the older buildings would be renovated and brought back to their original character; regarding sustainability, the nine-floor building is proposed to be built to a LEED-platinum certified level. The third public benefit involves the developer working with a local arts group for space that would be above what is currently The Union bar. This could be a public gathering space for the arts. Ford also spoke to how this project would reinvigorate this part of College Street and bring new life to the area.

Andrew Ballard, an architect with Neuman Monson spoke next, introducing others from the team. He gave a brief overview of the project, showing slides of the existing buildings and the proposed addition. He described the renovations to the existing buildings and how the new building would be separated by a walkway between the old and the new.

Mims stated that one of the things that surprised her when looking at this proposal is that you really will not be able to see the proposed building from the ped mall, behind the historic buildings very well. She stated that she believes there will be a lot of public benefit from this

project. Cole asked about any examples of where this type of project has been done. The development team responded, noting that typically they see the shell of a building preserved, with the new building inside of it, or that the existing building would be preserved and then have an addition on one side. Throgmorton stated that he believes he has heard of this type of project in Burlington, Vermont, and he agreed that it would be good to have an example of where a successful project like this has taken place – with the preservation of old buildings in front of a new, taller building. The development team stated that they would try to find some examples for the Committee. Throgmorton spoke to the public claim that there are too many 'tall buildings' being built in the downtown area. He asked the team to discuss their due diligence in making sure there is market demand for these kinds of units and such a project. The team responded, stating that there is significant demand for smaller units, affordable units, which is how they arrived at this proposal. It was also noted that the City staff should be commended for pointing the team in the right direction and helping them get started on this process. Throgmorton asked what the anticipated average size of the units will be. The team said from 350 to 880 square feet. Continuing, Throgmorton spoke to the height of the building. He noted that with the parking garage being two stories, and the building being nine, this comes to 11 stories. The team stated that part of one level of parking is underground so that gives a shorter appearance overall. Affordable housing was also touched on, with Fruin noting the policy requiring 15% of units needing to be affordable at a 60% AML. This would be for a minimum of 20 years. Regarding the developer's statement to build the new building to LEED-platinum certified, Throgmorton clarified the basic requirement of LEED-silver certified are and that this proposal goes two steps above. There was a little more discussion about the TIF policy requirements and that any proposed project be harmonious and in character with neighboring buildings.

Mims asked Throgmorton what other information regarding a shadow analysis he would like to see. He further explained what he is looking for, to have a better sense of how the shadow of this proposed new building will play out in the streetscape. The team stated that this will not be a problem for them to acquire. Cole stated that he loves this project. He spoke to the change made in the TIF policy and how they are now seeing it play out with an excellent project like this coming to the City with a TIF request. He then touched on community benefits of this project and again gave his enthusiastic support of it. Members spoke briefly to the need for educating the public on the use of TIF in projects such as this, with emphasis being put on the benefits to the entire community. Throgmorton spoke to the fact that this type of project is very responsive to the Council's goals and objectives as set forth in the revised TIF policy.

Consider recommendation to City Council to proceed to establish the Highway Commercial Tax Abatement Area:

Ford stated that since last presenting this several months ago, staff has fleshed out the boundaries of an urban revitalization tax exemption area – the Highway Commercial area – which is comprised of commercial area along the Highway 1 and 6 starting at Highway 218 and going all the way to 1st Avenue. Ford shared some data with Members about how much of a tax abatement an owner might receive depending on the project size, noting that for smaller buildings with smaller improvements, the total tax exemption would be under \$10,000 over 5 years. She compared that with larger projects such as the Enterprise Car Rental building and how much more tax abatement that would net for the owners. With the project scale in mind, the discussion turned to whether we could design a tiered program whereby larger projects would have to meet greater sustainability requirements.

Members asked questions of Ford to which she and Simon Andrew responded. Andrew gave Members some history of this program and what they were trying to accomplish with it. Throgmorton asked for examples of the kinds of businesses in these designated areas and what

they might possibly do to merit tax exemption. He then asked how they can protect themselves from providing tax incentives for investments that would take place regardless of the tax incentives. Andrew addressed this, stating that it would be difficult to determine this and he further explained the goal of such incentives for these areas. Speaking to Throgmorton's first question, Andrew noted that the three projects shared with Members are actual projects. Members continued to discuss how they would like such a program to work, stating that they would like more time to consider the specifics of such a program before considering a recommendation.

STAFF REPORT:

None.

COMMITTEE TIME:

Mims thanked staff and the City Manager's office for their work with the Tailwinds organization so far. Cole agreed, stating that he believes staff has done awesome work.

OTHER BUSINESS:

None.

ADJOURNMENT:

Throgmorton moved to adjourn the meeting at 5:30 P.M.
Cole seconded the motion.
Motion carried 3-0.

**Council Economic Development Committee
ATTENDANCE RECORD
2017 - 2019**

| NAME | TERM EXP. | 07/21/17 | 09/15/17 | 10/10/17 | 11/27/17 | 10/20/18 | 01/18/19 | 06/03/19 | 08/28/19 | |
|-----------------|--------------|----------|----------|----------|----------|----------|----------|----------|----------|--|
| Rockne Cole | 01/02/20 | X | X | X | X | X | X | X | X | |
| Susan Mims | 01/02/20 | X | X | X | X | X | X | X | X | |
| Jim Throgmorton | 01/02/20 | X | X | X | X | X | X | X | X | |

Key:

X = Present

O = Absent

O/E = Absent/Excused



CITY OF IOWA CITY MEMORANDUM

To: Economic Development Committee
From: Wendy Ford, Economic Development Coordinator
Date: October 20, 2019
Re: 10/28/19 Agenda item #4: Annual report and consider request for FY21 financial assistance for Film Scene and new Refocus Film Festival

Introduction

Film Scene, Iowa City's own independent downtown movie theater, has submitted a request for three years of financial assistance. They are requesting the same amount of funding as the previous three years, \$25,000 in FY21, and a request for an intent to increase the budget amount by \$5,000 in FY22 and FY23, to help with their operating budget which jumps from the current \$803,000 to \$1,900,000 over the same period.

Additionally, Film Scene will be curating and hosting the first annual film festival, ReFocus, in September of 2020. The new festival will be a high-profile event, targeting 2,000 tickets sold and drawing visitors from around the region. Refocus will capitalize on and complement our designation as a City of Literature. The first-year budget for the new festival is \$80,000 and Film Scene is requesting a City contribution of \$7,000, with a goal of budgeting for and increasing the amount to \$9,000 and \$12,000 respectively in the following two fiscal years.

History

Since opening in late 2013, Film Scene has become a pillar in the arts and culture scene in Iowa City. When the corporate theaters closed years ago, an entertainment void remained at a time when alcohol consumption downtown was becoming more problematic. Film Scene has filled a part of that void and supporting it is aligned with at least three of Council's Strategic Planning priorities – encouraging a vibrant and walkable urban core and fostering healthy neighborhoods throughout the City, and promoting a strong and resilient local economy.

Film Scene opened on Thanksgiving weekend in 2013 after a year-long grass roots fundraising campaign that garnered more than \$200,000 in community support. They began operations in a building that had once been home to one of Iowa City's largest and most 'notable' bars. Film Scene has since expanded with a second small theater in the same building, garnering more community support through memberships and individual giving each year, now totaling more than \$200,000 per year.

This September, they realized their long-term expansion goal of opening two larger theaters in the Chauncey at the corner of Gilbert and College Streets. A nonprofit 501(c)(3), Film Scene operates with a professional staff guided by a committed Board of Directors. To be ready for the new theaters in Chauncey, salaried staff has doubled from 5 to 10 plus a team of around 20 additional part-timers to provide the service expected with an art house cinema.

Going forward, Film Scene will be able to expand programming by offering adult education, community screenings and classic film programming. They also look forward to a new partnership with Summer of the Arts for the summer outdoor movie series. They have been active in expanding initiatives in the community including programming in the high schools, ramping up Women's March month to a full year of programming spotlighting perspectives for female and non-binary artists, connecting programming to African and African American communities, and expanding accessibility for people with disabilities, specifically partnering with Systems Unlimited and investing in assistive listening technologies for the hard of hearing.

Historical funding of Film Scene:

| FY15 | FY16 | FY17 | FY18 | FY19 | FY20 | Proposed FY21-23 |
|----------|----------|----------|----------|----------|----------|----------------------------------|
| \$35,000 | \$25,000 | \$15,000 | \$25,000 | \$25,000 | \$25,000 | \$25,000 operations + \$7,000 |

Recommendation

While staff is comfortable with the requests for FY21 for Film Scene operations and for the new ReFocus film festival, we are not prepared to make a recommendation on future increases.

Staff recommends budgeting \$25,000 for Film Scene operations and for supporting the inaugural ReFocus Film Festival with \$7,000 from the FY21 budget.



FilmScene
+ ReFocus Film Festival
CITY FUNDING REQUEST
October 28, 2019



October 28, 2019

City of Iowa City Economic Development Committee,

Thank you for your consistent annual support of FilmScene and our mission to build community and enrich the cultural vitality of the Iowa City area through film that challenges, inspires, educates and entertains.

Your support has provided stability for our organization to grow on a yearly basis, with our operational budget growing from \$454k in our first full year (2014) to \$802k in 2018—with a great year at the box office last year, we were able to realize \$94k in profit and establish a reserve. 2019 looks to be a moderately profitable year as well, thanks to strong response to the opening and programming of our new venue, FilmScene at The Chauncey.

As we fully transition into this new facility at The Chauncey, and revitalize our Ped Mall space, we predict 2020 operational costs will reach \$1.7 million. This growth has allowed us to double our salaried staff, from 5 to 10 positions, and increase our hourly positions to a crew of roughly 20 team members. With increased costs of two locations and an investment in our workforce, we do not anticipate a profit in this 2020 growth year.

FilmScene has a tremendous effect on our local economy. In addition to direct spending at our theaters, we have estimated, using data from Americans for the Arts and the Art House Convergence, that moviegoers will have an \$1.3 Million economic impact on our local economy in 2019, which will grow to \$2.3 Million in 2020.

Beyond opening our new space, this past year has been eventful at FilmScene. Among other initiatives we have:

- Expanded high school film programming in our cinema and at City High. In 2020, we will be expanding to West High and Liberty High.
- Transitioned our month-long Women's March program into Reel Representation, a year-round series spotlighting underrepresented perspectives of female and non-binary artists.
- Assembled an African Diaspora committee of community members, with a goal of connecting films from African, African American and Black filmmakers with the Iowa City community.
- Broadened accessibility efforts, doubling our dedicated screenings in partnership with Systems Unlimited, launching an Open Captions program to serve the deaf and hard of hearing community, and investing in assistive listening technology.

In 2020, we hope to continue expanding programming by partnering on outdoor movies, adult education classes, community screenings and classic film programming. FilmScene's largest initiative will be launching the inaugural ReFocus Film Festival on September 18-19, 2020, with the intent of creating a film festival specifically designed for our City of Literature. We anticipate a first-year budget of \$80k and 2,000+ ticket buyers.

Consistent with the City of Iowa City's past support, and in recognition of our growing budget and impact, FilmScene is requesting approval of a \$25,000 annual contribution for operational support in 2021, with \$5,000 increases in each of 2021 and 2022 reflecting our increased economic activity. In addition, as we seek to capitalize on Iowa City's unique ability to host a regional film festival of import, we request an initial \$7,000 contribution towards ReFocus Film Festival, with a goal of growing that contribution to \$9,000 in 2021 and \$12,000 in 2022, in tandem with a growing festival. City support for this endeavor is essential to managing the financial risk of launching a high-profile regional event.

The City of Iowa City's financial and advisory support has been a critical contributor to our sustained growth and we are deeply appreciative of your continued advice, support and encouragement for FilmScene and the arts in Iowa City.

With gratitude,

A handwritten signature in black ink, appearing to read "Andrew Sherburne".

Andrew Sherburne,
FilmScene Cofounder and Interim Executive Director



Contents

Financial and Growth Review — FilmScene

1. Multi-Year Financial History
2. Growth and Partnership Figures
3. 2019 Budget vs. 2019 YTD
4. 2020 Draft Budget

ReFocus Festival Report

1. Festival Intent
2. 2020 Inaugural Budget

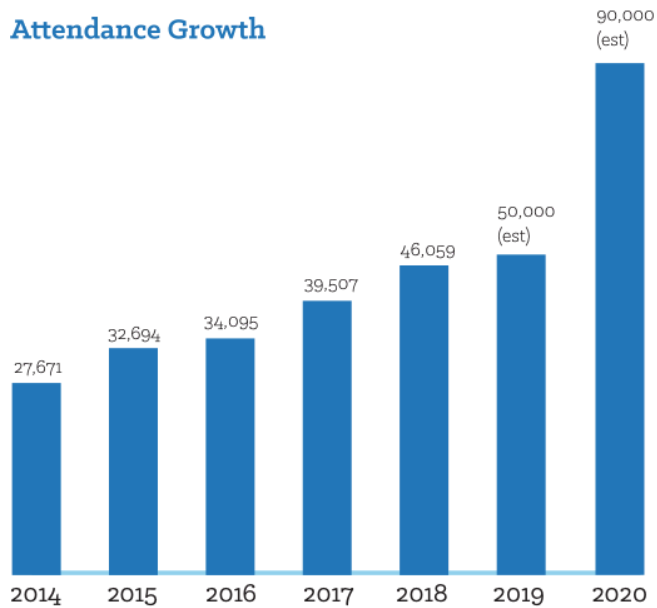


Annual Financial History 2014-2018

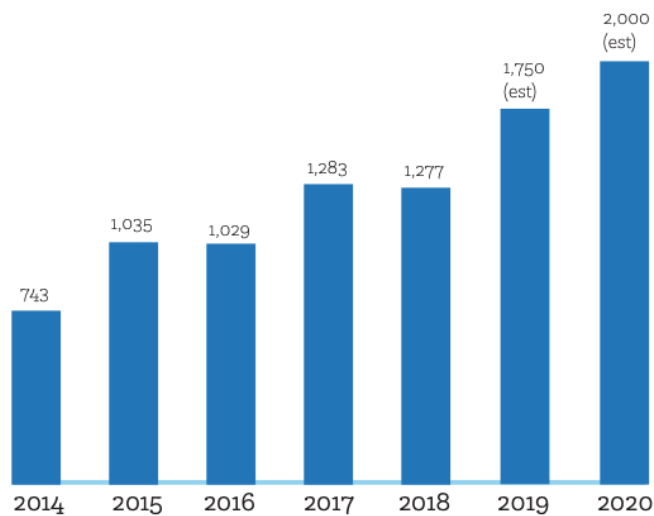
| CONTRIBUTED INCOME | | 2014 | 2015 | 2016 | 2017 | 2018 |
|--|--|---|---|---|---|---|
| Membership | | 83,465 | 95,820 | 125,220 | 142,490 | 155,985 |
| Individual Giving | | 30,633 | 36,698 | 45,883 | 41,174 | 47,074 |
| Sponsor & Event Support | | 667 | 58,288 | 41,752 | 42,708 | 32,022 |
| Grant Support | | 35,000 | 25,000 | 15,000 | 29,224 | 47,500 |
| SUBTOTAL | | \$149,765 | \$215,806 | \$227,855 | \$255,596 | \$282,581 |
| OPERATIONAL INCOME | | | | | | |
| Box Office | | 201,601 | 199,822 | 249,881 | 281,196 | 325,539 |
| Concessions | | 119,228 | 130,589 | 151,156 | 163,169 | 187,762 |
| Other | | 0 | 17,828 | 34,750 | 47,122 | 101,820 |
| SUBTOTAL | | \$320,829 | \$348,239 | \$425,787 | \$491,487 | \$615,121 |
| TOTAL INCOME | | \$470,594 | \$564,045 | \$426,014 | \$747,083 | \$897,702 |
| EXPENSE | | | | | | |
| Programming | | 292,673 | 405,522 | 445,116 | 469,362 | 537,727 |
| Facilities & Operations | | 154,469 | 195,103 | 208,081 | 212,725 | 256,979 |
| Education | | 0 | 0 | 9,597 | 15,374 | 23,660 |
| Fundraising | | 7,239 | 10,922 | 10,841 | 11,487 | 9,101 |
| TOTAL EXPENSE | | \$454,381 | \$611,547 | \$673,635 | \$708,947 | \$803,807 |
| PROFIT/LOSS | | \$16,213 | \$(47,502) | \$(9,993) | \$38,136 | \$93,894 |
| 2013: FilmScene officially opens our doors to moviegoers on Thanksgiving Day. | | 2014: FilmScene's first full year exceeds expectations for box office, membership and revenue. | 2015: Identifying a need to build for the future, FilmScene invests in additional full-time staff. | 2016: To expand programming and showtime frequency, FilmScene opens The Screening Room, a 35-seat second screen. | 2017: Building on the success of a two-week summer camp, FilmScene expands our youth animation camp to six sessions. | 2018: FilmScene is given a 3-year Cultural Leadership Partner grant by the State of Iowa for our "exemplary record of programming, managerial excellence and community service." |



Attendance Growth



Membership Growth



2014-2018 PARTNERSHIPS

OVER
250
COMMUNITY
PARTNERSHIPS

76
PRIVATE BUSINESSES
AND COOPERATIVES

54
UNIVERSITY OF IOWA
DEPARTMENTS AND
ORGANIZATIONS

53
NONPROFIT
ORGANIZATIONS

37
AREA SCHOOLS
AND AFTER-SCHOOL
PROGRAMS

32
COMMUNITY
GROUPS



Financials To Date 2019

| | Sep YTD Actual | Sept YTD Budget |
|-----------------------------|----------------|-----------------|
| INCOME | | |
| Contributed Income | | |
| Membership | 151,725 | 106,961 |
| Annual Giving | 22,512 | 19,850 |
| Sponsors & Events | 49,611 | 62,420 |
| Grants | 21,000 | 21,000 |
| City of Iowa City | 25,000 | 25,000 |
| Subtotal | 269,848 | 235,231 |
| Operational Income | | |
| Box Office | 184,570 | 266,384 |
| Concessions | 109,384 | 149,864 |
| Underwriting | 23,000 | 27,500 |
| Rentals | 10,007 | 9,900 |
| Other Revenue | 59,840 | 58,104 |
| Sales Tax | (23,934) | (31,173) |
| Subtotal | 362,867 | 480,579 |
| Total Income | 632,715 | 715,810 |
| EXPENSE | | |
| Payroll & Benefits | 287,213 | 278,384 |
| Rent/CAM/Property Tax | 55,845 | 83,045 |
| Utilities | 5,400 | 7,800 |
| Film Rental & Shipping | 88,980 | 121,670 |
| Concessions Supplies | 40,660 | 52,453 |
| Camp / Education | 37,151 | 42,645 |
| Marketing + Fundraising | 47,669 | 48,334 |
| Telecom, Banking, Insurance | 45,253 | 56,295 |
| Supplies & Maintenance | 5,275 | 6,800 |
| Travel & Guests | 13,754 | 15,800 |
| Total Expense | 627,200 | 713,226 |
| Profit/Loss | 5,515 | 2,584 |



Financials Projections (Non-festival) 2020-22 (to be reviewed in January 2020 by board and staff)

| | 2020 Budget | 2021 Budget | 2022 Budget |
|-----------------------------------|------------------|------------------|------------------|
| INCOME | | | |
| Contributed Income | | | |
| Membership | 206,895 | 227,585 | 245,792 |
| Annual Giving | 74,012 | 77,972 | 80,939 |
| Sponsors & Events | 65,750 | 67,500 | 69,250 |
| Grants | 15,000 | 15,000 | 15,000 |
| City of Iowa City Request | 25,000 | 30,000 | 35,000 |
| Subtotal | 401,657 | 418,057 | 445,981 |
| Operational Income | | | |
| Box Office | 767,225 | 822,622 | 854,133 |
| Concessions | 456,944 | 484,784 | 514,297 |
| Underwriting | 40,000 | 40,000 | 40,000 |
| Rentals | 59,500 | 64,250 | 69,415 |
| Other Revenue | 82,937 | 89,203 | 90,471 |
| Sales Tax | (84,786) | (92,089) | (96,609) |
| Subtotal | 1,321,819 | 1,408,770 | 1,471,707 |
| Total Income | 1,723,476 | 1,826,827 | 1,917,688 |
| EXPENSE | | | |
| Payroll & Benefits | 647,704 | 679,884 | 706,366 |
| Rent/CAM/Property Tax | 238,200 | 238,200 | 264,600 |
| Utilities | 32,200 | 32,950 | 33,723 |
| Film Rental & Shipping | 397,423 | 426,118 | 442,441 |
| Concessions Supplies | 159,930 | 169,674 | 180,004 |
| Camp / Education | 35,550 | 52,400 | 52,400 |
| Marketing + Fundraising | 70,467 | 77,014 | 84,190 |
| Telecom, Tech, Banking, Insurance | 137,313 | 129,535 | 133,716 |
| Supplies & Maintenance | 19,200 | 19,575 | 19,969 |
| Travel & Guests | 13,075 | 13,864 | 0 |
| Total Expense | 1,751,062 | 1,839,214 | 1,917,409 |
| Profit/Loss | (27,585) | (12,387) | 279 |



REFOCUS

FILM FESTIVAL

YEAR ONE

Anticipated dates: September 18-19, 2019

Anticipated attendance: 1,000 unique attendees / 2,000+ admissions

Description: The ReFocus Film Festival is a two-day festival that celebrates the art of adaptation. Through thoughtfully curated short and feature film programming, multidisciplinary performances by local artists, and opportunities to make personal and professional connections, ReFocus brings to Iowa City a vibrant, wholly unique annual festival that spotlights source material—literature, journalism, photography, comedy and more—and presents its evolution of voice, perspective and medium. At ReFocus, lenses shift and stories are retold.

Mission: As an annual film festival, ReFocus exists to celebrate the art of adaptation, and explores the transformation of source materials into new forms, told by new voices. ReFocus is a home for storytellers of all kinds, an immersive experience for visiting filmmakers and local artists alike to leave their mark on the audience in new ways.

Vision: ReFocus strives to be the only festival in the country dedicated to the art of adaptation, and one that is uniquely Iowa City. By embracing our rich literary and artistic communities and our ever-growing cinematic scene, ReFocus balances its programming by spotlighting local artists alongside visitors to our town, a city of literature and the greatest small city for the arts.



REFOCUS

FILM FESTIVAL

This budget is in addition to FilmScene's regular operations

| ReFocus Draft Budget | 2020 | 2021 | 2022 |
|-----------------------------------|------------------|------------------|------------------|
| <u>Revenue</u> | | | |
| Ticket sales | \$11,358 | \$12,494 | \$20,444 |
| Pass sales | \$7,500 | \$11,250 | \$16,500 |
| Concessions | \$8,000 | \$12,000 | \$16,000 |
| Other revenue | \$1,000 | \$2,000 | \$5,000 |
| Sponsorship | \$10,000 | \$15,000 | \$20,000 |
| Additional grant funding | \$5,000 | \$7,500 | \$10,000 |
| City of Iowa City request | \$7,000 | \$9,000 | \$12,000 |
| SGE campaign support | \$25,000 | \$15,000 | \$10,000 |
| Film entries | \$0 | \$6,000 | \$8,000 |
| TOTAL REVENUE | \$74,858 | \$90,244 | \$117,944 |
| | | | |
| <u>Expenses</u> | | | |
| Programming & engagement | \$12,000 | \$15,000 | \$20,000 |
| Festival staff | \$16,000 | \$22,000 | \$32,000 |
| Marketing & outreach | \$5,000 | \$7,500 | \$10,000 |
| Infrastructure (signage, tech) | \$10,000 | \$4,000 | \$2,000 |
| Administrative staff | \$20,000 | \$25,000 | \$30,000 |
| Artist travel & hospitality | \$10,000 | \$15,000 | \$20,000 |
| Other expenses (merch, printing) | \$5,000 | \$7,000 | \$9,000 |
| Documentation & photography | \$2,500 | \$3,000 | \$3,500 |
| TOTAL EXPENSES | \$80,500 | \$98,500 | \$126,500 |
| | | | |
| NET / (LOSS) | (\$5,642) | (\$8,256) | (\$8,556) |
| | | | |
| In-kind asks | \$10,000 | \$15,000 | \$20,000 |
| NET / (LOSS) after in-kind | \$4,358 | \$6,744 | \$11,444 |



CITY OF IOWA CITY MEMORANDUM

Date: October 17, 2018
To: City Council Economic Development Committee
From: Wendy Ford, Economic Development Coordinator
Re: Agenda Item #3
Request from Entrepreneurial Development Center, Inc. for annual funding

Introduction:

The Entrepreneurial Development Center, Inc., more familiarly known as EDC, Inc. was founded 16 years ago with a mission to improve the economic vitality of the region through the creation and growth of high-impact, scalable entrepreneurial businesses. While based in Cedar Rapids, they serve businesses on both ends of the I-380 corridor and meet clients at MERGE whenever requested.

The City has supported EDC, Inc. for 6 years and comes to you with an update on their work and a request to budget \$25,000 for FY21.

Background:

The EDC's function is to connect entrepreneurs with the full range of business expertise to enable high potential businesses to grow and thrive. Curt Nelson, President and CEO, has developed a "recipe for business success" which EDC uses in guiding business growth. In the recipe, there are six ingredients: marketing, development, sales, operations, information technology and finance. EDC's approach is to ensure that clients have the right amount of each ingredient. EDC gains an understanding of the client's needs and provides the expertise by building strategic networks for their clients. They are also well connected to financial resources for their clients.

Entrepreneurship continues to grow in the U.S. and cities that welcome entrepreneurs stand to gain new employers, new employees and the economic benefits they bring. Iowa City has spent the last several years building a community that fosters entrepreneurs. We assisted in getting the CoLab started, and followed that with strong support of MERGE. These operations have proven critical to early stage support to some very successful, highly scalable companies.

It is clear that fostering a culture of entrepreneurship takes a lot of effort from a lot of organizations -- ICAD, the UI Small Business Development Center, the City, the Chamber, ICR-Iowa, the new regional economic development marketing team -- and organizations such as EDC, Inc. to provide the support necessary to a healthy and growing entrepreneurial community.

Recommendation:

Staff recommends budgeting the requested \$25,000 from the Economic Development Assistance line for FY21.



Accelerating Iowa Business

October 8, 2019

City Council Economic Development Committee c/o Wendy Ford
City of Iowa City
410 E. Washington Street
Iowa City, IA 52240

Dear Wendy / Committee,

For the past 16 years, EDC has been actively engaged in the creation and growth of high-impact businesses in the Iowa City – Cedar Rapids Corridor. Over this time the businesses supported by EDC have created roughly \$2.8 billion in regional economic development impact. I have attached our 2018 Stakeholder Report as well as a report created specifically for Iowa City. In the past year, EDC has invested time directly in Iowa City on the companies listed below. The (M) indicates a minority founder.

| Company | Raised Capital | Created Jobs |
|------------------------|----------------|--------------|
| Meta Communications | Yes | No |
| Pear Deck | No | Yes |
| L8NT (Latent) Wireless | No | No |
| Oasis (Hummus) (M) | No | Yes |
| TLA MD | Yes | No |
| Atlas Ergonomics | Yes | Yes |
| AgilOak | No | No |
| Graze Analytics | No | No |

EDC's engagement in Iowa City and the related area has been significant and consistent year over year. EDC is an active partner of the University of Iowa, working on the commercialization of University technology development. EDC is actively involved with JPEC and the Venture School toward this same goal. EDC is also an active partner of ICAD, helping with ED recruitment activities when applicable and EDC staff use the MERGE facility to meet with local business clients.

The funds needed to support EDC operations come from over 120 public and private supporters. Our largest public supporters include the City of Cedar Rapids (\$100,000 / year) and the State of Iowa (\$100,000 / year). The Cities of Coralville (\$20,000), Hiawatha (\$12,000), and North Liberty (\$10,000) also provide annual support. A majority of EDC's funding comes from supporters outside of Johnson County so it is very important to the growing number of entrepreneurs in Iowa City that EDC maintain / grow the amount of support provided. To that end, EDC is requesting continued support from the City of Iowa City in the amount of \$25,000 for fiscal year 2021.

Thank you very much for your continued support.

Sincerely,

Curt Nelson

EDC Impact

City of Iowa City

2019 marks EDC's 16th year working with Iowa Entrepreneurs. In that time, EDC has served over 1,000 businesses in Iowa which, in turn, have created over \$2.8B of improved economic impact.

Program to date stats for EDC state-wide:

| Impact | Program to Date |
|--------------------------------|-----------------|
| Capital Raised/Deployed | \$428M |
| Increased Revenue | \$1.8B |
| New Jobs | 2,600 |
| Average Wage | \$54,149 |
| Increased Payroll | \$529M |
| Number of Businesses Supported | 1020 |
| Total Impact | \$2.8B + |

EDC has invested an increasing amount of its resources in Iowa City each year. In 2018, we spent nearly 500 hours working with Iowa City businesses. Since EDC's inception, we have worked with 101 startup, early-stage and later-stage Iowa City-based businesses. A sampling of these businesses is listed below.

Assisted from start-up:

- Pear Deck
- Latent Wireless
- TLA M.D.
(Dr. David Krupp)
- Via-Wise
- AgilOak
- Radiology Protocols
- Atlas Ergonomics
- Breads from Anna
- Tutor Universe

Assisted from early-stage:

- Cardio Strong
- Cyber Anatomy
(VIVED)
- Foundations in Learning

Assisted at later-stage:

- MetaCommunications
- Oasis Falafel
- Lionne Designs
- Luerkens Laboratories
- Quadro Vodka
- Optical Mechanics



"I would not have been able to achieve the advancements that I have without the assistance of the staff from EDC and the outside support that keeps EDC viable. I have appreciated the network of resources and business connections EDC has to assist with development. The numerous meetings this year with Jane, Curt and others have refined development of my innovative medical device that will save cost and improve healthcare in Iowa and ultimately worldwide. Lastly, the EDC staff have been a pleasure to work with and I look forward to future collaboration with EDC."

Dr. David Krupp, M.D., Founder, TLA M.D.



Oasis Falafel

A well-known Iowa City establishment, Oasis Falafel, was founded by Naftaly Stramer and Ofer Sivan in 2004. The Mediterranean eatery capitalized on the popularity of its hummus spread and began packaging it in 2006, selling it through HyVee stores and New Pioneer Coop stores and in the University of Iowa dining halls/kiosks. In 2015, when the company was looking for help to continue the expansion of its hummus product, they reached out to EDC. Over the last few years, EDC has helped work through strategy, distribution and vetting co-packing facilities to accommodate growth. Most recently, EDC facilitated a series of customer focus groups to help with updated packaging and labeling as the company prepares to scale beyond Iowa's borders. Naftaly and Ofer are also regular participants in the Consumer Goods Founders Group, a group of roughly 20 consumer products businesses that meet monthly at EDC to share ideas and experience.

"We value EDC for its perspective and for the connections the team provides. We are active in the Consumer Goods Founders group and really appreciate being able to tap into a wealth of experience on the consumer packaged goods side. The team at EDC has been a great resource for business strategy, marketing research and branding guidance. The information they gathered for us during recent focus groups will allow us to provide focused, on-brand direction for our marketing agency."

Naftaly Stramer
Co-Founder, Oasis Falafel

Collectively, the Iowa City businesses supported by EDC created the following economic impact:

| Impact | 2018 | Program to Date |
|------------------------------------|--|---|
| Capital raised and deployed | \$3,535,000 | \$20,962,912 |
| Private vs. Public ratio | \$3,410,000 (Private) vs. \$125,000 (Public) | \$17,879,000 (Private) vs. \$3,084,162 (public) |
| Increased business revenue | \$14,432,859 | \$92,929,174 |
| New jobs created | 28 | 278 |
| Average wage | \$48,764 | \$47,452 |
| New payroll paid | \$2,082,426 | \$51,822,560 |
| New businesses started | 1 | 15 |
| Total Impact | \$20M | \$166M |

| Event Type | 2018 | Program to Date | Total Attendance |
|---|------|-----------------|------------------|
| Networking | 0 | 32 | 2,100 |
| Lunch & Learns | 7 | 66 | 1,988 |
| Innovation EXPO | 1 | 12 | 5,325 |
| Consumer Goods Founders Group Meetings | 6 | 33 | 382 |
| Inaugural Iowa Founders Group | 1 | 1 | 45 |

Hundreds of Entrepreneurs Connected at Innovation EXPO 2018 in Cedar Rapids

- 575 attendees (entrepreneurs, inventors, students, business and community leaders from across the state and beyond)
- PitchLab: Four startup-stage entrepreneurs presented their business ideas to a panel of business experts for critical feedback.
- Venture Forum: Five seed-stage entrepreneurs presented to a panel of seed and venture capital investors for critical feedback.
- 88 Iowa-based companies of all stages exhibited in the Entrepreneur Showcase.



"The audience was the best part - so many people approached me after the pitch to talk more about my business and different related opportunities. The pitch was a wonderful way to have conversations with folks throughout the rest of the day. They already knew who I was and what I was working on."

Isabel Reed, Comigo (Iowa City)



Accelerating Iowa Business

EDC 2018 Stakeholder Report

Driving economic growth through the creation and expansion of high-impact Iowa businesses.





EDC Stakeholder Report 2018

Dear EDC Stakeholder,

The year 2018 marked EDC's fifteenth anniversary. As you can see from the performance statistics and testimonials provided, EDC continues to succeed in its mission to increase economic vitality for our communities through the creation and growth of high-impact Iowa-founded businesses. And while many think we focus on start-ups, it is important to note that over our fifteen-year history, less than 1/3 of our client engagements fit the pre-revenue start-up definition. In 2018, roughly 80% of our resources were focused on growing already established high-impact Iowa businesses.

In 2018, EDC engaged with 107 companies providing products and services in the following areas:

- Agriculture
- Medical devices
- Pharmaceuticals
- Educational tools
- Consumer goods
- Information technology / security
- Office management
- Transportation
- Asset management
- Energy
- Process improvement
- Food and beverage

In completing fifteen years of entrepreneurial support and engaging with more than 1,000 Iowa companies, the growing demand for our services continues to validate the EDC model. The economic development statistics outlined herein validate the real impact successful business growth has on our communities. And the testimonials themselves let you, our stakeholders, know that your support is greatly appreciated.

When we started this journey, like all new businesses, it was our dream to create real and sustainable value. Through solid execution and continual evolution, EDC has helped Iowa businesses build stronger more sustainable communities for generations to come. We are proud of the success created, we are thankful for the support provided, and we look forward to the work ahead. We hope all of our stakeholders are proud of their engagement, and we invite you all to continue with us into the next decade.

Sincerely,

Curtis R. Nelson
President & CEO

"Effectively, I find the services and access to subject matter expertise an invaluable service to the community and startup companies in general for the Corridor. The unique architecture and culture of the EDC enables a powerful tool and advocate for startups that has a singular objective in mind: sustainable business success of the client."

Tom Lutz, Founder, Repour



EDC thanks our stakeholders for their generous support of Iowa's entrepreneurs.

LEADER LEVEL



John Pappajohn
Entrepreneurial
Center





Mission

EDC was formed in 2003 with the mission to stimulate Iowa's economic growth through the creation and expansion of high-impact businesses. More than 15 years later, EDC remains focused on this mission, having now supported over 1,000 Iowa businesses and assisting in the generation of nearly \$3 billion in positive economic impact.

Why EDC Matters

EDC is unique in its ability to provide ongoing hands-on support for Iowa-based companies with high-growth potential. EDC's team of seasoned business experts works in tandem with business leadership to accelerate progress and expands Iowa's economic footprint. At the core of a vital and sustainable economy are high-impact locally owned and operated businesses because it is those businesses and leadership that:

- **Create wealth that gets re-invested** locally through:
 - Philanthropy by founders and executives who support a community's amenities and social services.
 - Land development as they build the architectural skyline that will fuel a community for decades.
 - Community ownership and the dedication to building an environment in which others will want to live and do business.

- **Attract and retain the best and the brightest talent** creating a:
 - Broader workforce with more diverse skills.
 - More educated workforce with future leadership skills.
- **Retain local services**, resulting in additional job creation at entities such as:
 - Law firms
 - Accounting firms
 - Banks
 - Marketing firms
- **Create community leaders who:**
 - Provide the leadership and resources needed to make major economic development change happen.

CHAMPION LEVEL



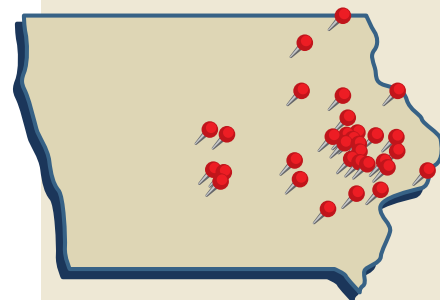
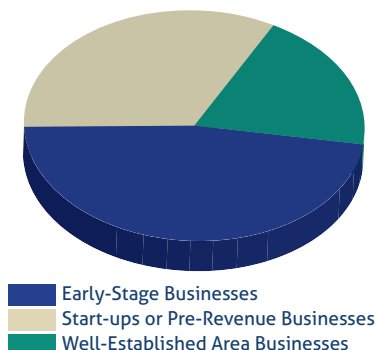
2018 Impact

EDC engaged with 107 area businesses this past year; helping with expansion/creation funding, strategic direction, marketing planning and execution and overall business growth.

Active Clients

EDC currently supports thirty-six (36) clients at the following stages:

- Seventeen (17) of the clients are early-stage businesses seeking growth and capital assistance.
- Twelve (12) of the clients are start-up or pre-revenue businesses seeking assistance with market research/validation, business planning and capital raising.
- Seven (7) of the clients are well-established area businesses seeking growth or restructuring assistance.



In 2018, EDC worked with companies in these cities:

- Ames
- Anamosa
- Ankeny
- Baxter
- Cedar Falls
- Cedar Rapids
- Charles City
- Clive
- Columbus Junction
- Coralville
- Davenport
- Des Moines
- Glenwood
- Hiawatha
- Iowa City
- Johnston
- LaPorte City
- Marion
- Muscatine
- New Hampton
- North Liberty
- Riverside
- Solon
- Vinton
- Washington

2018 Client Impact

The table below provides information on the economic impact of EDC's clients for 2018, as well as the results since the program's launch in 2003.

| Impact | Annual (2018) | Program to Date (2003-2018) |
|--------------------------------|---------------|-----------------------------|
| Number of businesses supported | 107 | 1,020 |
| New revenue generated | \$245M | \$1.8B |
| Capital raised | \$36M | \$428M |
| Net direct jobs added | 178 | Approx 2,600 |
| Average wage | \$58,895 | \$54,149 |
| New payroll created | \$55M | \$529M |
| Total impact | \$336M | \$2.8B |

PARTNER LEVEL



"I would not have been able to achieve the advancements that I have without the assistance of the staff from EDC and the outside support that keeps EDC viable. I have appreciated the network of resources and business connections EDC has to assist development. The numerous meetings this year with Jane, Curt, and others have refined development of my innovative medical device that will save cost and improve healthcare in Iowa and ultimately worldwide. Lastly, the EDC staff have been a pleasure to work with and I look forward to future collaboration with EDC."

Dr. David C. Krupp, M.D., Founder, TLA MD



Dr. David C. Krupp

"I value EDC on many levels. From experienced business guidance and hands-on engagement to more tactical connections with other like-minded entrepreneurs and vendors. This past year, Curt has been working with our sales team and me in a very engaged way. Working weekly with our sales team, both revenue and overall selling price improved significantly over the year to the point where we ended 2018 at roughly 130% of the original sales plan.

Without EDC's engagement in 2018 alone, there would be many, many dollars of revenue and margin that we would not have. It is really clear to me that our organization would not be as smoothly functioning and highly performing as we are without EDC's help."

Riley Eynon-Lynch, Co-Founder, Pear Deck



Riley Eynon-Lynch

"The EDC staff – all of them – have spent time with Uriel and I helping us build a sound business plan and secure initial capitalization. Their suggestions have dramatically improved our presentations and made us more confident when presenting. We appreciate the great programming with the Advance in 60 plus the monthly meetings. The EDC team is always willing to listen to us and help us work through complex strategy conversation. We are pleased to have such a willing, helpful resource available to us."

Jeri Frank, Co-Founder, STRATAFOLIO



Jeri Frank

COLLABORATOR LEVEL



"When we were getting our bearings with HLT, the EDC gave us reliable, grounded advice from people who have been there/done that and seen businesses through multiple stages. Young entrepreneurs need that perspective—we need that seasoned help to understand the common pitfalls of starting and building a business. It is extraordinarily valuable. The first time I sat down with Curt, I could tell that he had a unique perspective on our situation. There are not that many people in this area who have been through the battlefield of building a business. We feel fortunate to have someone like this who we can use as a resource to help us make smarter decisions as we grow."

Alec Whitters, Co-Founder/CEO,
Higher Learning Technologies



Alec Whitters

"Working with EDC means that we always have someone we can bounce things off of—a sounding board of business professionals to round out our team of scientists. The EDC is great about providing templates and processes that we can use to polish the business and wouldn't otherwise have access to. I view EDC as a helping hand versus an educational program. It feels like EDC is a partner with us to help grow our business. EDC has been instrumental in helping us evaluate opportunities and develop the plan to execute on our potential as an actual business, not just research in a lab."

Dr. Frances Johnson, M.D., Co-Founder,
Viewpoint Molecular Targeting



Dr. Frances Johnson



Accelerating Iowa Business

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319-369-4955 • www.edcinc.org



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