

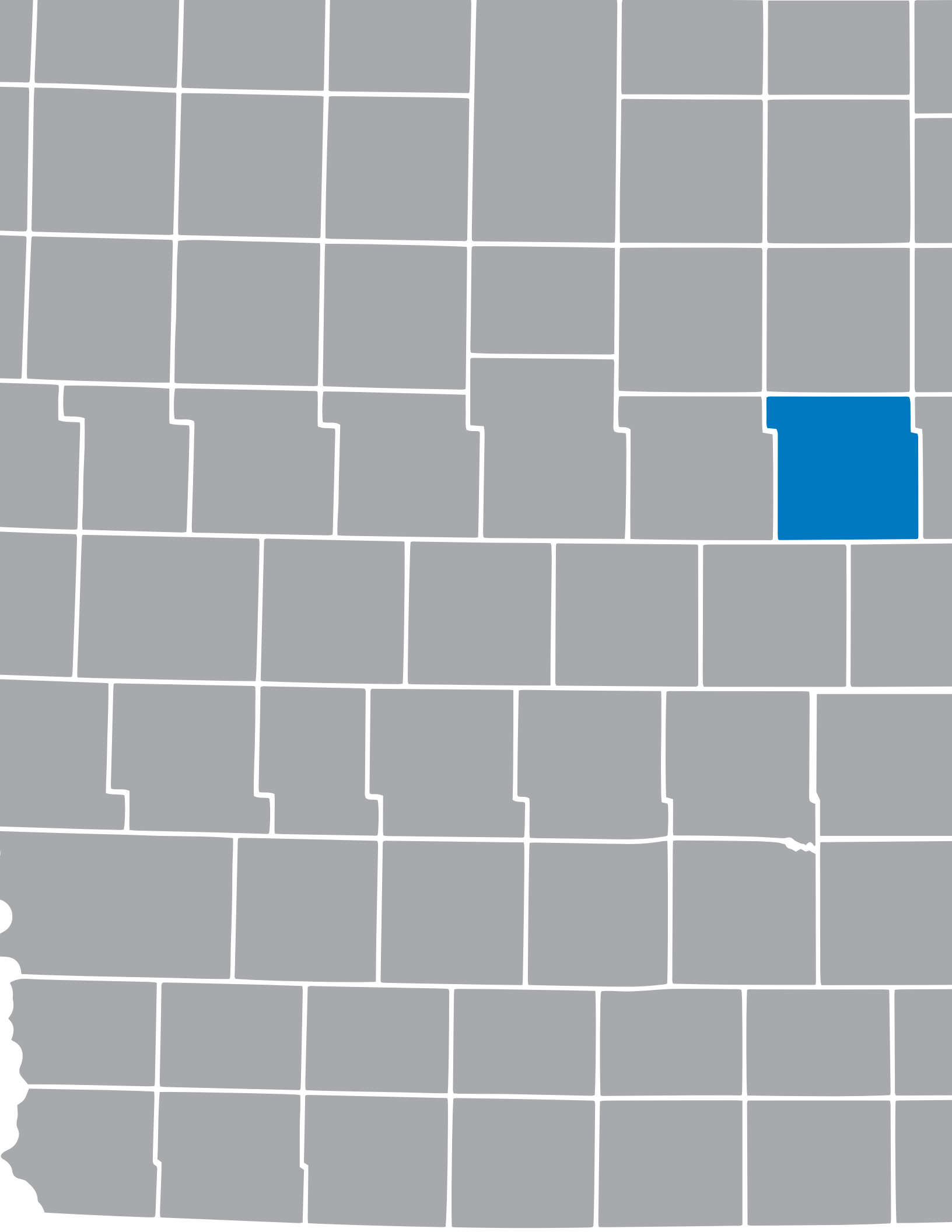


# Placemaking Action Plan Hardin County, Iowa



# TABLE OF CONTENTS

Introduction .....	4
Visioning.....	6
Action Plan Description.....	8
Skilled Trades Enhancement Program .....	10
Regional Brand & Marketing.....	14
Code Enforcement .....	18
Mixed-Use Public Market .....	22
Creative Center.....	26
Sports Academy .....	30
Fourplex.....	34
Bowling Alley .....	38
Hardin County Brewery .....	42
Riverside Restaurant .....	46
Community-Wide Beautification .....	50
Outdoors Outfitter .....	54
Conclusion.....	58
Appendix A. Visioning Session Results.....	61
Appendix B. Skilled Trades in Hardin County.....	64
Appendix C. STEP Business Plan.....	65
Appendix D. Cooperative Service Agreement Example .....	66
Appendix E. Former Elementary School Building Assessment .....	71
Appendix F. Mixed-Use Public Market Business Plan .....	81
Appendix G. Creative Center Business Plan.....	84
Appendix H. Sports Academy Business Plan .....	86
Appendix I. Four-Step Excess Land Disposal Process .....	88
Appendix J. Brewery Business Plan .....	89
Appendix K. Riverside Restaurant Business Plan .....	99







# **INTRODUCTION: HARDIN COUNTY**

Every community has the opportunity to cultivate a creative economy and leverage cultural capacity as a community building and talent development tool, especially to attract young people. Seven Hardin County communities - Ackley, Alden, Eldora, Hubbard, Iowa Falls, New Providence, and Steamboat Rock - are no different.

Given their combined population of just 11,729, community leaders recognize the necessity of working collaboratively to grow both the population and the economy. By employing placemaking to achieve this growth, Hardin County is poised to lead north central Iowa's success for decades to come.

nothing/fishing don't know  
Sewing about  
Cooking classes  
↓  
towns - have to hunt

downtown  
Old ball diamond spot  
fairgrounds bldgs  
Old creamery

issues

flex space  
j west space  
Carving class  
+ coordinate

lk inside)

membership

s - currently in diff.

Comm. to condemn  
a couple new  
all other downtown bldgs

shop

not on  
Villages

on: the different from  
Hotel + river  
to the best kept secret  
county "hidden spot"  
to go is there

# VISIONING

This placemaking action plan is rooted in the desires of Hardin County residents representing a variety of perspectives and communities. Three visioning sessions uncovered both the existing amenities that residents value as well as the areas they see as opportunities.

Residents overwhelmingly noted the significant conservation efforts and abundant natural resources in Hardin County as a point of pride. They also shared their appreciation for the prevailing Midwest values and the neighborly feel that permeates throughout the county.

While this community pride frequently translates to volunteerism throughout the county, many current volunteers shared feeling burnt out. They noted that, generally, the same ten people are on multiple committees bringing events to life and fundraising throughout the community.

To help overcome this volunteer fatigue, a number of residents noted the need to build the bench of future community leaders and to enhance communication between organizations. Further, the four

percent unemployment rate coupled with retirements and the lack of immigration to the county has created tremendous challenges in filling open jobs, especially when considering skilled trades.

Housing issues compound the workforce challenge in Hardin County. The overwhelming majority of residents feel the county needs to collectively address these challenges, in terms of both quality and quantity. In every visioning session, residents noted the lack of mid-range opportunities for both rentals and for sale units along with the general lack of affordable units.

In terms of amenities, residents contemplated a number of missing features in their community. A business class restaurant is at the top of the list for almost all residents. Many residents shared the need for more activities of all ages. Nightlife in Hardin County revolves around bars, while another resident observed, "There's no day life either."

A complete summary of the visioning sessions is available in Appendix A.

# ACTION PLAN DESCRIPTION

Looking at quantitative and qualitative data along with community tours and capacity assessments, a number of ideas emerged to revitalize Hardin County. These concepts cover both individual communities as well as the entirety of the county. However, they all must work in concert with one another to fully realize the vision imagined within this action plan.

## Regional:

- Skilled Trades Enhancement Program
- Regional Brand & Marketing
- Code Enforcement

## Community:

- Ackley: Mixed-Use Public Market
- Alden: County Creative Center
- Eldora: Sports Academy
- Hubbard: Fourplex
- Iowa Falls: Bowling Alley
- Iowa Falls: Brewery
- Iowa Falls: Riverside Restaurant
- New Providence: Community-Wide Beautification
- Steamboat Rock: Outdoors Outfitter





# SKILLED TRADES ENHANCEMENT PROGRAM

Attracting and retaining talent is the single most challenging issue facing nearly every community. More and more people are choosing where to live based on amenities rather than on a job, and the people moving to areas like Hardin County generally have a connection to the area (e.g., family or in-laws live there).

Keeping people in these communities is even more challenging; if a community does not offer key amenities, what entices them to stay there? Of course, the inability to attract and retain talent limits economic growth, which drives the demand for additional community amenities.

One way to overcome this attraction and

retention challenge is to develop an incentive program for a specific industry. For Hardin County, that industry should be skilled trades. In initial visioning sessions, the current and growing need for skilled trades repeatedly surfaced.

Residents recognized the presence of thirty-six businesses in Hardin County (see Appendix B) that rely on the skilled trades, driving a significant share of the county economy. However, many people employed at these businesses are retiring or nearing retirement, and there are not enough people to fill these jobs. This in turn drives the need to leave Hardin County for essential services, to rely on providers from surrounding areas, or, even worse, to relocate outside of the county.

To withstand this impending wave of retirements, Hardin County needs to launch a talent incentive program focused on the skilled trades. The Skilled Trades Enhancement Program (STEP) should not only encourage people with expertise in skilled trades to move to Hardin County but also to remain in Hardin County.

The attraction piece of STEP is to offer a student debt forgiveness program for those working in the skilled trades. Considering the average trade school degree costs \$33,000, STEP should offer up to \$20,000 in student loan repayment assistance per person. To ensure companies retain talent, these payments should be made in thirds at a rate of \$6,667 each year the person is employed at a participating company. If an employee does not have student debt, this money could be used for rent and/or mortgage assistance.

STEP should be funded collaboratively funded by the aforementioned 36 businesses, the Iowa

Area Development Group, Ellsworth Community College, the State of Iowa, and the six school districts in Hardin County (AGWSR, Alden, BCLUW, Eldora-New Providence, Hubbard-Radcliffe, and Iowa Falls). Each school district should commit \$500 annually, while the others should commit \$2,500 annually, allowing STEP to support 15 people each year and re-energize the skilled trades in Hardin County. Of course, these figures are flexible, and community leaders may consider various tiers for different sizes of businesses. The draft business plan can be found in Appendix C.

While not every business will hire each year, pooling resources will, in the long run, result in cost savings for each participating business. Each entity would only have to tap into STEP once every eight years to see a one-for-one return on investment.

The businesses also will benefit from the program being administered by the Hardin County Development Alliance as an in-kind contribution to STEP. This will reduce the amount of overhead each organization needs to commit to such a program and ensure all 36 businesses share in the benefits of the program: A skilled workforce that likely will bring with them families, creating a multiplier impact across the economy. The Alliance will have fiscal management responsibility for STEP and also will ensure that all businesses have the chance to tap into the funding as needed.

It is important to recognize there may not be 15 applicants in the initial years of the program. Any remaining funds should be redirected to marketing efforts to grow awareness about the program. Additionally, remaining funds could be used to support the six local school districts in developing the skilled trades pipeline for the employers. Ideally, the program will sunset at a time to be determined based on employers' ability to fill skilled trades jobs.



## THE FIND PROJECT



The FIND Project - Fulfilling Iowa's Need for Dentists - provides an optimal model for Hardin County as leaders look to implement a talent incentive program. The FIND Project is "committed to connecting dentists and underserved communities with the resources needed to combat Iowa's dental shortage so that dental care is close to home for every Iowan."

A partnership between Delta Dental, the Iowa Area Development Group, the University of Iowa College of Dentistry & Dental Clinics, the Iowa Department of Public Health, Aureon, and the Community Foundation of Greater Des Moines, FIND works with communities and dentists to recruit and establish private dental offices in rural and underserved areas around the state.

FIND offers up to \$100,000 for dental education debt over a five-year period. Dentists participating in FIND must be fully trained and licensed, interested in a public health role but in a private practice setting, and committed to serving in a rural or underserved area of Iowa. They also must be willing to allocate 35 percent of their patient load to underserved individuals, such as the elderly, very young children, nursing home residents, Medicaid participants, Dental Wellness Plan members, non-insured, etc., during the program period.



## SKILLED TRADES \*

- Electrical and electronics repairers
- Extruding and drawing machine setters
- Electrical and electronics engineering technicians
- Stationary engineers and boiler operator
- Maintenance workers, machinery
- Electricians
- Computer-controlled machine tool operators
- Welding, soldering, and brazing machine setters
- Welders
- Grinding, lapping, polishing, and buffing machine tool setters
- Industrial machinery mechanics
- Computer numerically-controlled machine tool programmers
- Chemical technicians
- Cutting, punching, and press machine setters
- Drilling and boring machine tool setters
- Chemical equipment operators and tenders
- Multiple machine tool setters, operators, and tenders
- Lathe and turning machine tool setters
- Machinists
- Tool and die makers
- Separating, filtering, clarifying, precipitating, and still machine setters

\* As defined by the Virginia Manufacturers Association



## **STEP 1: DESIGN DETAILS OF STEP**

WHO: Ellsworth Community College & Hardin County Development Alliance

HOW: Using this action plan and the associated business plan as a starting point, develop details of STEP, potentially including tier structure for funders. Determine eligibility, stipulations of receiving support, prioritization, etc. Work collaboratively with funders to ensure buy-in and financial support.

WHEN: Q2 2018

## **STEP 2: SECURE BUY-IN AND FUNDING**

WHO: Ellsworth Community College & Hardin County Development Alliance

HOW: Develop two-page handout showing highlights of program. Make asks of potential funders identified in business plan. Show return on investment and impact on their work. Paint the picture of addressing the worker shortage collaboratively.

WHEN: Q2-Q4 2018

## **STEP 3: LAUNCH & MARKET STEP**

WHO: Ellsworth Community College & Hardin County Development Alliance

HOW: Work with participating businesses to advertise STEP as they post jobs. Determine target audience. Design and launch marketing campaign for STEP using various channels.

WHEN: Q1 2019

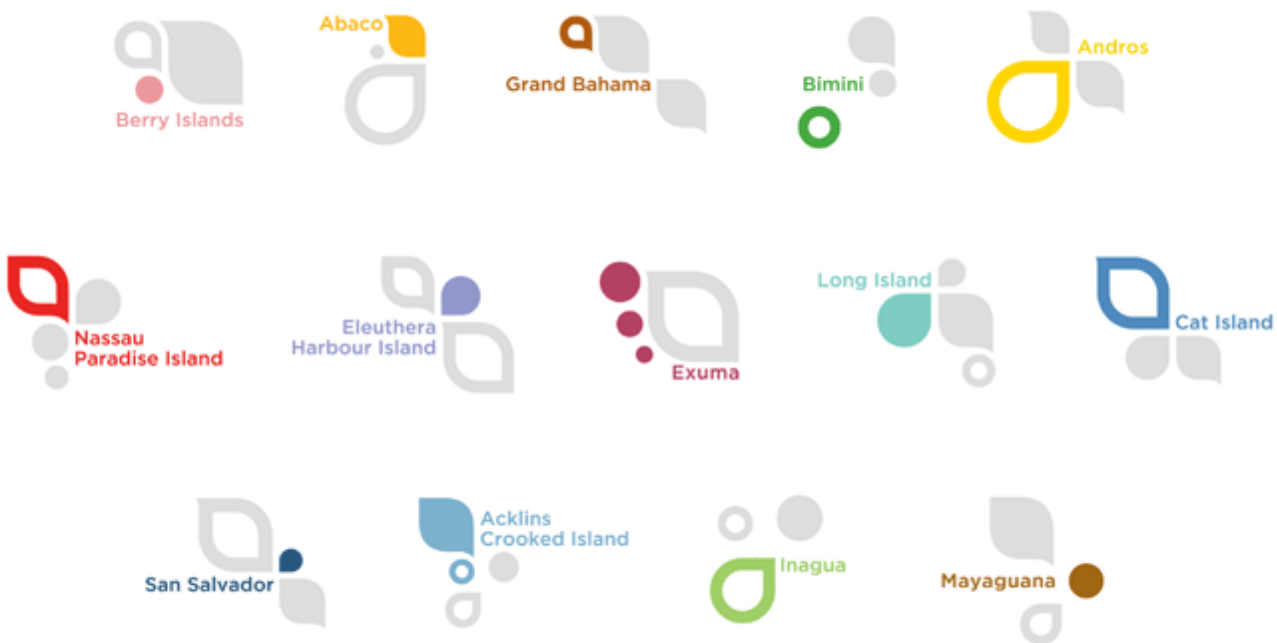
# REGIONAL BRAND AND MARKETING

Hardin County is part of or associated with a number of regional economic development organizations: The Region 6 Planning Commission, the Mid Iowa Growth Partnership, the Small Business Development Center, IowaWorks, Iowa Valley Community College/Ellsworth Community College, CIRAS, the Highway 20 Association, the Greater Des Moines Partnership, International Traders of Iowa, the Mid-America Economic Development Council, and the International Economic Development Council. The lists are just as long for other focus areas.

While these partnerships are essential to continued success in the area, they also present some challenges in differentiating Hardin County from its neighbors. Namely,

how can Hardin County successfully separate itself to achieve population and economic growth if it is routinely seen merely as one of a group of north central Iowa counties?

Developing a regional brand and marketing strategy will enable Hardin County to achieve that separation. While collaborations with other counties, businesses, and nonprofit entities must continue to support growth, launching a shared county-wide brand will position Hardin County entities to better tell their story, which, in the information age, is imperative to continued success. After all, if the communities, for-profit and nonprofit entities, and residents aren't telling their story, who will?



The Islands of the Bahamas - Designed by Duffy

The key to developing a successful regional brand is twofold:

For audiences beyond Hardin County, the brand must convey a compelling vision that captures people’s imaginations and paints the picture of the unique experiences found in the county.

For audiences within the county, the brand must weave the thread of a shared identity that resonates throughout the county while still allowing each community to have its own identity.

Keeping these audiences in mind, Hardin County leaders should look to develop a shared identity around the county’s natural resources and outdoor recreation opportunities. The County has stunning

overlooks, instances of protected species not normally found in central Iowa, and a culture of getting outside; residents and visitors to the county embrace all four seasons to a greater extent than most other Iowans.

The pride that residents take in these amenities became apparent throughout the three visioning sessions. In each session, the prevalence of natural resources in the county - the Iowa River Greenbelt, Pine Lake State Park, Calkins Nature Area, a multitude of trails, and active conservation opportunities, among others - was a recurring theme throughout discussion on a number of topics. Building an identity and brand around a topic that already is embraced and championed by residents will undoubtedly make implementing the marketing strategy an easier process and will help spur its success.

## THE ISLANDS OF THE BAHAMAS

The Bahamas are comprised of 700 islands with 17 major tourist destinations. Each destination has its unique draws, ranging from luxury accommodations to scuba diving to historical sites. Still, The Islands were struggling to differentiate themselves from other Caribbean destinations.

The project design team quickly realized they needed to develop a brand that worked for everyone from government to souvenir manufacturers. They knew the brand had to have mass appeal as well as flexibility in its uses.

Building on the vibrant colors and the grouping of The Islands, the designers developed a brand based on a stylized map of the country. The brand is rooted in what the designers experienced in the Bahamas and conveys the energy of The Islands. It also allows for each destination to be singled out while using the brand to tell their individual story.

The design is nearly limitless in how it can be applied and adapted. With each application, the brand - and, ultimately, the draw to the Bahamas - is strengthened.



The Islands of the Bahamas - Designed by Duffy



## **STEP 1: CONDUCT BRAND AUDIT**

WHO: Hardin County Development Alliance

HOW: Hire branding consultant. Assess internal elements (brand structure, management, policy, budget, standards, etc.). Conduct market segmentation. Identify differentiators.

WHEN: Q2 2018

## **STEP 2: ESTABLISH VALUE PROPOSITION & MESSAGING**

WHO: Hardin County Development Alliance

HOW: Work with county leaders to analyze and synthesize information into descriptive messaging that tells the county's story. Develop tagline. Test messages with target audience(s) identified through market segmentation.

WHEN: Q3 2018

## **STEP 3: DEVELOP CREATIVE ELEMENTS OF BRAND**

WHO: Hardin County Development Alliance

HOW: Determine colors, fonts, logo, and overall style to give the brand a feel and voice. Test creative elements with target audience(s). Consider how elements can be applied on different materials (billboards, banners, mugs, digitally, etc.).

WHEN: Q3 2018

## **STEP 4: IMPLEMENT BRAND**

WHO: Hardin County Development Alliance

HOW: Build social media and online presence, prioritizing channels used most by target audience(s). Ensure website is mobile friendly. Create and implement public relations strategy. Analyze and refine brand to ensure it remains competitive.

WHEN: Q4 2018

# CODE ENFORCEMENT

A recurring concern throughout the three visioning sessions was the presence of dilapidated housing stock throughout Hardin County. According to the Census Bureau, 47 percent of occupied housing units were built in 1959 or earlier. The challenge of this older housing stock is compounded by, according to visioning participants, “a lack of pride in upkeep” from some property owners. Visioning participants believe the communities need to raise the bar to attract population and economic growth.

To most effectively do this, the cities and county must work in lockstep with one another. The jurisdictions need to collaboratively adopt minimum property maintenance standards for all structures and premises. Such a code would shift maintenance from an option to a legal requirement, protecting and growing property values throughout the county. It also would protect the health, safety, and welfare of residents.

A minimum property maintenance code, though, is not enough. The county and cities must commit to enforcing the policy; it does no good to create a policy if there is no action behind it.

Iowa Falls and Eldora already have staffed code enforcement programs in place, and the county should mirror these programs. It will be important for all of the other cities in Hardin County to buy into the program philosophically and financially. The county will then need to determine if there is staff capacity for this work within the county’s Environmental Health Department. If there is not, additional part-time staff should be added. Regardless, it will be imperative to ensure the staff member receives proper training and earns their certification.

Hardin County should develop a 28E agreement with the cities that outlines the specific scope - including the enforcement officer’s duties as well as

those of the county and cities - and fees, including the structure for the payment of funds. Given their existing programs, Iowa Falls and Eldora do not need to be part of this primary 28E agreement; however, they may consider entering into a secondary agreement to work collaboratively with the county program.

To ensure program success, the agreement(s) and funding commitments should initially cover a three-year period. As the three year window comes to a close, the county and cities will need to assess early successes and outcomes and modify the

program as needed to ensure long-term success.

Funding for the position should be shared amongst the county and cities, excluding Iowa Falls and Eldora. It should be calculated based on population and the number of housing units. Since the code enforcement officer's work will be based largely on the number of units, this element should be weighted more than population; of course, the two typically go hand in hand.

An example agreement for an employee supported by a county and multiple cities can be found in Appendix D.



## Housing Code Checklist

During a minimum housing inspection, a number of elements should be considered.

They include:

- Sanitation
- Grading and drainage
- Sidewalks and driveways
- Weeds
- Accessory structures, such as fences, detached garages, sheds, and retaining walls
- Street numbers
- Exterior surfaces
- Foundation walls
- Windows and doors
- Roofs
- Drainage
- Chimneys
- Porches and decks
- Structural members
- Life safety
- Interior surfaces
- Stairs, railings, handrails, and guardrails
- Heating facilities
- Electrical system
- Plumbing system

**CODE ENFORCEMENT OFFICER COST SHARING MODEL  
ANNUAL EXPENDITURES**

	POPULATION	HOUSING UNITS	PERSONS PER UNIT	POPULATION FEE	# UNIT FEE	TOTAL FEE
HARDIN COUNTY	5,761	2,380	2.42	\$5,761	\$6,545	\$12,306
ACKLEY	1,546	699	2.21	\$1,546	\$1,922.25	\$3,468.25
STEAMBOAT ROCK	309	146	2.12	\$309	\$401.50	\$710.50
NEW PROVIDENCE	225	91	2.47	\$225	\$250.25	\$475.25
HUBBARD	834	356	2.34	\$834	\$979	\$1,813
ALDEN	762	338	2.25	\$762	\$929.50	\$1,691.50
				<b>\$9,437</b>	<b>\$11,027.50</b>	<b>\$20,464.50</b>



## **STEP 1: DEVELOP AND ADOPT MINIMUM PROPERTY MAINTENANCE STANDARDS FOR ALL STRUCTURES AND PREMISES**

WHO: County and Cities

HOW: Review International Property Maintenance Code and other area codes as a starting point. Amend as necessary to tailor code to county. Adopt code at county-level.

WHEN: Q2 2018

## **STEP 2: DESIGN LOCAL ENFORCEMENT MECHANISM**

WHO: County and Cities

HOW: Determine needed staffing. Determine priority nuisances to address. Determine means of resolving nuisance complaints (consultation and regulation). Determine funding commitments needed from each jurisdiction.

WHEN: Q3 2018

## **STEP 3: COMMIT TO ONGOING COLLABORATION IN CODE ADOPTION AND IMPLEMENTATION**

WHO: County and Cities

HOW: Work with lawyer in pro bono capacity to draft 28E agreement. Include language to grant county regulatory authority in cities. Ensure understanding and buy-in from councils and county supervisors. Obtain signatures for 28E agreement. File agreement. Secure funding from jurisdictions to support position.

WHEN: Q4 2018

## **STEP 4: HIRE CODE ENFORCEMENT STAFF**

WHO: County

HOW: Analyze existing county staff capacity. If capacity exists, revise existing job description. If need to create new position exists, draft and post job description. Ensure proper training for effective enforcement.

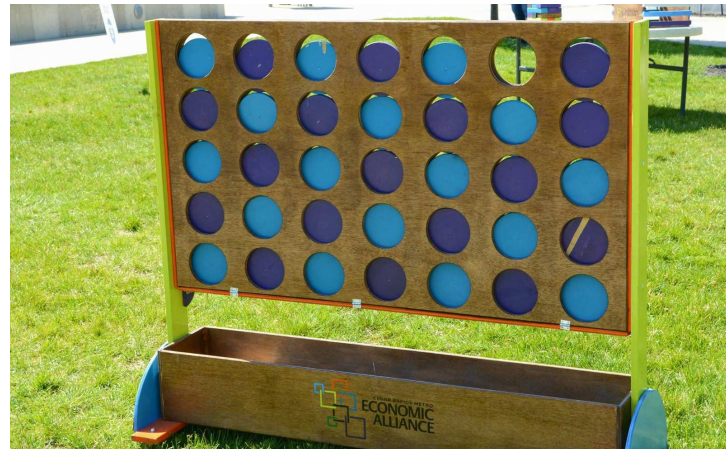
WHEN: Q1 2019

# ACKLEY: MIXED-USE PUBLIC MARKET

In 2014, the Ackley-Geneva-Wellsburg-Steamboat Rock (AGWSR) Community School District moved its elementary students into a new \$7.2 million modern building a few blocks from the old school in Ackley. While the new building enhances positive student outcomes, it also left the former elementary school - built in 1929 - as a vacant space in the midst of town.

Ackley certainly is not alone in facing this phenomenon. According to the Des Moines Register, there were 13,433 school houses in Iowa in 1894; most of these were considered their own public school district. Today, there are 338 districts across the state.

According to AGWSR officials, the school district has “exhausted all possibilities for that building,” with a number of groups touring the building with no further action. The district has maintained the outside of the building and has kept electricity running to the building as well. A comprehensive assessment of the building can be found in Appendix E. The adjacent parking lot is used for daycare and preschool parking, too, but the site obviously is underused, especially considering its prime location and strong architecture.



## NewBo City Market

Located in the heart of Cedar Rapids' New Bohemia District, the NewBo City Market is bustling space that promotes "health, happiness, and well-being." It is home to food and retail business startups, farmers and artisans markets, and community arts, entertainment, and educational events.

NewBo highlights local talent and resources and offers the community an example of sustainability and resilience. NewBo employs sustainable business practices and is a testament to the community's resilience after being flooded by 13 feet of water in 2008. NewBo has become the community hangout for residents and visitors alike, enriching Cedar Rapids' social fabric and strengthening the tie between local producers and consumers.



Photos: NewBo City Market





## SCHOOL TO MARKET

To re-energize the former school, the building should be repurposed as a mixed-use facility. The two upper levels should be converted to one- and two-bedroom apartments, while the main floor should be transformed into a restaurant and multi-county public market.

The first floor should be modeled in the vein of Cedar Rapids' NewBo City Market, Grand Rapids' Downtown Market, and Napa's Oxbow Public Market. The restaurant should showcase locally-sourced ingredients and offer a seasonal, rotating menu. This kind of menu will highlight and support healthy eating habits. Additionally, the restaurant will be able to source produce directly from the market vendors, giving those vendors a steady customer with significant needs.

Besides produce, the market vendors should offer a variety of goods for sale and also should function as a community gathering space. The market should offer regular programming designed to bring a mix of community members together and should support local entrepreneurs. Ideally, the market should have a mix of regular and rotating vendors, spurring repeat visits and enabling burgeoning businesses to test the market for their respective offerings. A business plan for the market can be found in Appendix F.

Meanwhile, the apartments - former classrooms - should be a mix of one- and two-bedroom units. The designs should seek to maintain and celebrate

the building's history as a school while offering modern amenities required by potential tenants. Achieving this balance will differentiate the apartments from other units in the area and will be a selling point.

For the concept to work financially, the building should be divided via a condominium plan, with the first floor included in one unit and the other floors comprising the second unit. A developer should acquire the entirety of the building and, upon completion of the renovation, the first floor condo should be sold back to the City of Ackley or another community-focused entity. The City or other community entity could then either operate the first floor itself or lease the space to a group focused on managing the restaurant and public market.

While a more in-depth analysis of the building and renovation needs to be completed, it will be imperative to attract an investor with at least \$500,000; initial estimates show this amount should be recouped within ten years while earning a 12 percent return. To accomplish this, the developer will need to pursue a mix of development incentives, including state and federal historic tax credits, workforce housing tax credits, TIF, tax abatement, and other grants. It should be noted, too, that the school district is willing to sell the building for \$1 to the right developer and also is willing to take care of the necessary asbestos removal, providing significant cost savings for the developer.

## **STEP 1: ESTABLISH NON-PROFIT TO MANAGE PUBLIC MARKET**

WHO: Ackley Economic Development

HOW: Work with attorney in pro-bono capacity to incorporate as 501(c)(3) nonprofit. Develop other necessary guiding documents.

WHEN: Q3 2018

## **STEP 2: SECURE DEVELOPER AND DESIGN BUILDOUT**

WHO: Nonprofit

HOW: Vet developers with comprehensive search; consider RFP process. Select preferred developer. Enter into development agreement with company as “preferred developer,” giving it exclusive rights to negotiate details of the agreement but leaves the nonprofit in control of all parameters of the project.

WHEN: Q1 2019

## **STEP 3: CONDUCT ECONOMIC FEASIBILITY STUDY**

WHO: Nonprofit

HOW: Hire consulting team to review cost of renovating the building into two condominiums. Determine total development costs as well as potential funding sources. Develop pro forma, including estimated rents for apartments. Give project a go-no go recommendation. If project is a go, secure necessary financing.

WHEN: Q2 2019

## **STEP 4: CONSTRUCTION, MARKETING, AND OPENING**

WHO: Nonprofit

HOW: Complete renovations of building. During construction process, share videos and pictures to generate community interest and excitement. Begin pre-leasing apartment units and spaces for market vendors. Hold grand opening event. Continue regular marketing efforts.

WHEN: Q1 2020

# ALDEN: CREATIVE CENTER



Study after study has demonstrated the importance of having a creative outlet. Blue Cross Blue Shield of Michigan's A Healthier Michigan program notes benefits such as a break from anxiety and stress, a healthier body and mind, scheduled time for oneself, a

chance to meet new people, and a healthy outlet as just some of the benefits of exploring one's creative interests.

Despite these proven benefits, Hardin County residents can't easily access places to let their creative juices flow. They must travel to a larger community or,

worse yet, completely miss out on the opportunity to connect with their neighbors and explore their creative side.

Establishing a creative center in downtown Alden will draw more people to the community and also will continue activating the community's main street.





1109 Water Street, Alden, Iowa

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The exterior of the building currently stands out from other structures in downtown Alden. Nearly all of the buildings are brick or feature significant brick detailing; 1109 Water is a stark contrast with its metal structure. Community leaders should consider retaining a muralist to envelop the building in artwork, hinting at the space's use. In addition, a living wall should be considered as a sustainability showcase as well as an artistic installation. Leaders should consider a variety of funding sources for these components and again may consider partnerships with Ellsworth Community College or even Iowa State University.

## Potential Classes

- Animation
- Bookmaking
- Calligraphy
- Ceramics
- Drawing
- Fabric Dying
- Jewelry Making
- Mosaics
- Painting
- Photography
- Printmaking
- Sculpture
- Watercolors
- Woodworking

Downtown Alden is two-block stretch of assorted small businesses, some of which back to the Iowa River. Some of the businesses serve people using the river, while others fill basic community needs. None of the existing entities, though, offer services or supplies that are unique to the county.

The building at 1109 Water Street in downtown Alden provides an ideal venue for a creative center. Inside and out, the currently for-sale building is a blank slate. The space offers over 6,000 square feet on 0.20 acres in a highly visible location. It is zoned for commercial use and ripe for redevelopment.

The creative center should include studio space as well as larger classroom space(s). A survey of the broad Hardin County community should be completed to understand how to prioritize obtaining special equipment for the

creative center; this will help maximize usage of the space. It will be imperative to offer a variety of classes for all ages throughout the week; a sampling of these classes and suggested fees are included in the business plan in Appendix G.

The creative center should be organized as a nonprofit and should partner with Ellsworth Community College for as many programs as possible. The College offers degree programming in apparel merchandising, art, and graphic arts, among others. Students and teachers in these programs should be looked to as potential instructors for the creative center. The creative center also should partner with local schools as a means of supplementing standard educational offerings; arts funding is being cut across the nation, and the creative center should help fill the growing gap.



Laramie Mural Project



Kibbey Building, Marshalltown

## **STEP 1: ESTABLISH NON-PROFIT TO OVERSEE CREATIVE CENTER**

WHO: Don Hirt and placemaking steering committee

HOW: Work with attorney in pro-bono capacity to incorporate as 501(c)(3) nonprofit. Develop other necessary guiding documents.

WHEN: Q2 2018

## **STEP 2: SURVEY COMMUNITY TO DETERMINE PRIORITY MEDIUMS**

WHO: Nonprofit

HOW: Ask community members about key areas of interest, class frequency, cost, membership, etc. Distribute to as many people as possible within a 30-mile radius. Be sure to include open-ended questions for more robust answers. Analyze results and determine emerging priorities and themes; leverage these for the business plan and buildout.

WHEN: Q2 2018

## **STEP 3: DEVELOP BUSINESS PLAN AND DESIGN BUILDOUT**

WHO: Nonprofit

HOW: Personalize business plan in Appendix G. Consider range of classes based on survey results and capital investments. Consult with Ellsworth Community College regarding potential collaboration. Develop buildout concept. Determine fundraising campaign needs for capital and annual gap needs.

WHEN: Q3 2018

## **STEP 4: SECURE FINANCING AND COMPLETE BUILDOUT**

WHO: Nonprofit

HOW: Create funding roadmap. Secure contributions; be sure to build in operating costs for the first year. Complete buildout and secure equipment for various class offerings.

WHEN: Q4 2018

## **STEP 5: OPENING AND MARKETING CAMPAIGN**

WHO: Nonprofit

HOW: Push marketing campaign throughout buildout. Create website and show buildout progress with pictures and videos. As possible, make exterior improvements, including the mural and/or living wall, early in process to draw interest. Plan a grand opening event.

WHEN: Q2 2019

# ELDORA: SPORTS ACADEMY

The County Health Rankings & Roadmaps program is a partnership between the Robert Wood Johnson Foundation and the University of Wisconsin Population Health Institute. In short, the program aims to build a culture of health, recognizing this looks different in rural areas than in urban areas.

County Health Rankings & Roadmaps research found higher obesity rates in rural areas than in urban and suburban areas; it oftentimes is easier to find opportunities to exercise in

these areas than in vast rural areas. While there are a number of factors that can help decrease obesity rates, a key strategy is to provide a convenient place for physical activity.

Developing a sports academy would do just that. The academy should offer camps and clinics for youth along with regular classes for all ages. To support additional revenue generation, the academy should offer the space for rent for various community gatherings.



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Two keys to success for the academy will be the mix of programming that it offers as well as the partnerships that it forms. The programming should include a range of sports - baseball, basketball, football, golf, soccer, softball, tennis, track, volleyball, and wrestling - and other classes - CrossFit, dance, gymnastics, martial arts, and yoga. This mix of programming will help get more people through the academy's doors, thereby maximizing revenues.



## **CAMPS**

The academy should offer camps and clinics during the off season of the sport (for example, football and volleyball camps would be during the summer). While there already are a plethora of sports camps for youth to attend, the costs associated with these camps often hinder participation. A premiere volleyball camp costs over \$300 to attend in addition to transportation - and opportunity - costs to and from the camp. Academy leaders should keep accessibility front of mind when personalizing the business plan found in Appendix H and should consider scholarships for those that otherwise cannot afford to attend.

## **PARTNERSHIPS**

In terms of partnerships, the academy should seek to work with area school districts as well as surrounding colleges, including Central, Coe, Ellsworth, Grinnell, Marshalltown Community College, Simpson, Waldorf, Wartburg, and William Penn, among others. The academy should look to share facilities with these entities if it does not have sufficient space to host its offerings. The academy also should look to the colleges for coaches and educators for its camps and clinics.

## **STAFF**

The academy should start with a lean staff of two full time employees. It will be imperative for these staffers to develop strong relationships with area coaches, educators, and community leaders.

## **MEMBERSHIP**

To generate revenue beyond regular classes, camps, and clinics, the academy should consider a membership model. There should be individual and family offerings and different levels to provide access to a selection of amenities. For instance, a gold level member may be able to reserve a portion of the space online for a fee, while a platinum level member may be able to do the same with no additional fee beyond their membership.

## **NON-PROFIT**

The academy should be set up as a nonprofit, with a mission of increasing opportunities to healthy living. By operating as a nonprofit, the academy will be positioned to support access for all, regardless of socioeconomic status, and also will be well-positioned to secure funding for both capital as well as ongoing expenses. If the academy experiences great success, leaders should consider offering more scholarships, transportation assistance to the facility, or helping with equipment and other amenities in the schools themselves.

## **LOCATION**

Ideally, the sports academy will be located on the western edge of Eldora along Highway 175. The preferred property currently is owned by the State of Iowa. State departments generally follow a four-step process after they determine that property is excess and no longer needed; details on this process can be found in Appendix I.



## **STEP 1: ESTABLISH NON-PROFIT BOARD TO GUIDE THE ACADEMY**

WHO: Jeff Fuller and placemaking steering committee

HOW: Work with attorney in pro-bono capacity to incorporate as 501(c)(3) nonprofit. Develop other necessary guiding documents.

WHEN: Q2 2018

## **STEP 2: DEVELOP BUSINESS PLAN FOR PROGRAMMING AND MODERNIZATION OF SPACE**

WHO: Nonprofit

HOW: Personalize business plan in Appendix H. Look across the spectrum of sports and ages as well as at potential rental opportunities. Develop buildout concept, designing floorplan in collaboration with potential users and stakeholders. Determine fundraising campaign needs for capital and annual gap needs.

WHEN: Q3 2018

## **STEP 3: LAUNCH CAPITAL CAMPAIGN TO SUPPORT BUILDOUT AND INITIAL OPERATIONS**

WHO: Nonprofit

HOW: Create funding roadmap. Secure contributions, including those for building.

WHEN: Q4 2018

## **STEP 4: COMPLETE BUILDOUT UPGRADES AND HIRE STAFF**

WHO: Nonprofit

HOW: Complete buildout. Determine interior finishes as well as necessary equipment; consider phasing in different activities to smooth financing. Hire and train staff.

WHEN: Q3 2019

## **STEP 5: OPENING AND MARKETING CAMPAIGN**

WHO: Nonprofit

HOW: Push marketing campaign throughout buildout. Create website and show construction progress in pictures and videos. Plan grand opening (budget for this).

WHEN: Q4 2019

# HUBBARD: FOURPLEX



Contrary to most rural communities, the City of Hubbard's population grew approximately 5.4 percent from 2010 to 2016. While this bodes well for the community in general, it exacerbates the community's housing shortage.

Rental units are extremely limited in Hubbard, and it is rare for existing single family homes to come up for sale. Further, the opportunity to develop new housing is fairly limited due to flooding concerns and by the fact that few area farmers are willing to sell their land.

City leaders have long recognized the housing challenge in Hubbard but have been unable to attract any development. In fact, no units have been constructed since 2010, and just 14 units have been built since 1990.

Still, with the right development concept, both greenfield and infill opportunities are available to address the housing shortage and to create a range of housing choices for both existing and potential Hubbard residents.

## The Housing Situation

- 35% built before 1939
- \$78,500 median home value
- \$572 median rent
- 23.9% households with children under 18
- 73.6% with one or two people



Hubbard leaders recognize the community's status as a "bedroom community" as well as the value it provides as an inexpensive place to live. To attract young people and entice them to put down roots in Hubbard, the community needs to expand its housing choice. More specifically, the community should focus on attracting a developer to bring more apartment units to town.

There are currently two fourplex apartment buildings in town, both of which are at capacity. If there is vacancy at one of these units, the window to secure a unit is minimal. Without this entry point to the community to test the proverbial waters, attracting new people - those without a connection to the community - is nearly impossible.

To begin, a single fourplex building should be developed. The building should include two two-bedroom units on either side and two one-bedroom units in the center of a one-level building. The cost to build is about \$132,000 per unit. At this price point, a one-bedroom would need to rent for \$850-\$900 per month, while a two-bedroom would need to rent for around \$1,200 per month.

Recognizing a developer is unlikely to be successful at these price points, it will be imperative to develop a partnership with local businesses to make the project work financially. Each business should commit to renting one or two of the units for a minimum of three years. In this manner, the developer is assured of monthly rental income from these entities, minimizing their risk, while also providing units for their team members. At the same time, this leaves a couple of units open for community members at large.

Further, the local businesses that commit to renting units will need to subsidize monthly rents so that the rates paid by occupants align with the market; there is no way to build modern units for less than \$132,000 per unit without something like 3D printing technology; estimates show this technology could reduce construction costs by about \$15 per square foot. The City of Hubbard should consider supporting the units that are not supported by businesses or work with the developer to explore other incentives for the apartments. Again, without this kind of financial support, the development is unlikely to be successful.

## **STEP 1: CREATE COMMUNITY HOUSING PROGRAM**

WHO: City leadership, Hardin County Development Alliance

HOW: Develop pro-forma. Vet with City Council and local businesses. Obtain initial commitments from local businesses.

WHEN: Q3 2018

## **STEP 2: SECURE AND DEVELOP PROPERTY**

WHO: Architects, engineers, contractors, city leadership, and Hardin County Development Alliance

HOW: Identify and secure property. Pursue donation of site from current land owner. Work with professional services to design floorplan and price out development. Look at city staff and Hardin County Development Alliance to see where skill sets align for development; hire contractors to fill gaps.

WHEN: Q1 2019

## **STEP 3: LAUNCH COMMUNITY HOUSING PROGRAM**

WHO: City leadership, Hardin County Development Alliance

HOW: Work with local businesses to determine how strong interest is for existing staff to rent apartment units. Create marketing materials for recruitment and retention of current and future team members.

WHEN: Q2 2019

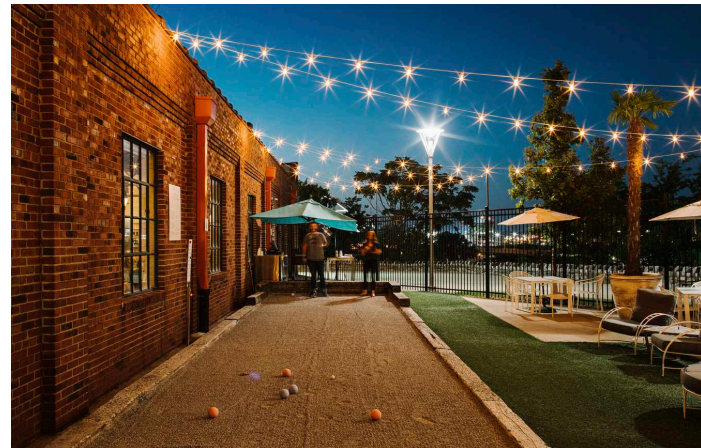


# IOWA FALLS: BOWLING ALLEY

In most small towns, the bowling alley is a central gathering place. It's the hangout spot for teenagers on weekend evenings, the place families go to recreate together, and, in Iowa Falls, a top pick for older adults to gather.

Despite the cross-generational appeal, Iowa Falls' Pla-Mor Bowl closed its doors in December after serving as a recreational destination for over sixty years. Business at Pla-Mor slowed with the Great Recession and never bounced back; once vibrant bowling leagues drew less than 100 bowlers following the downturn.

Community members and leaders alike are concerned about the newly created recreation void and its impact on talent retention and attraction. Fortunately, it's not too late to re-open the bowling alley and expand its offerings to make it a true community gathering space.

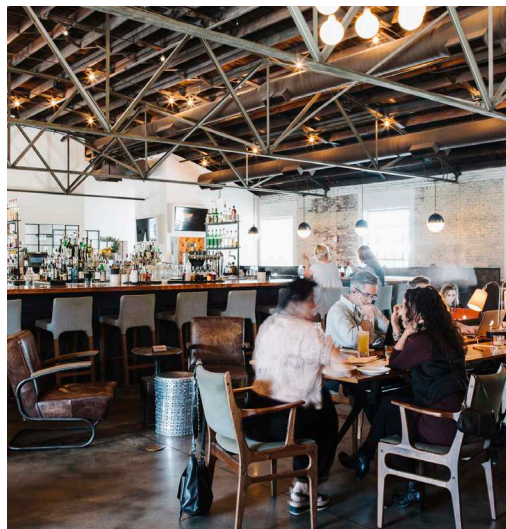
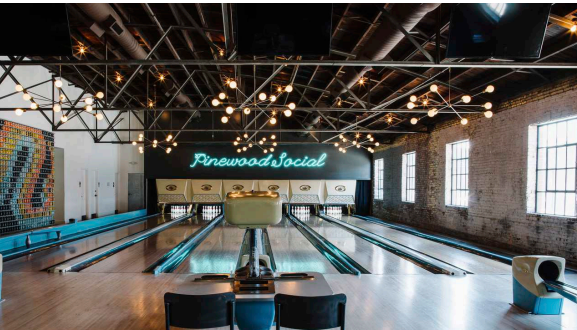




## 21ST CENTURY ATTRACTION

The biggest challenge in re-establishing the former Pla-Mor Bowl is how to transform it into a 21st century attraction. While all ages enjoy bowling, the space must offer additional activities and amenities in order to thrive. At a minimum, these supplemental amenities should include bocce ball, ping pong, a bar, and a food truck on a generous patio, which should be located where the sand volleyball court previously was located. This combination of amenities will position the venue to be financially self-sustaining while minimizing capital costs.

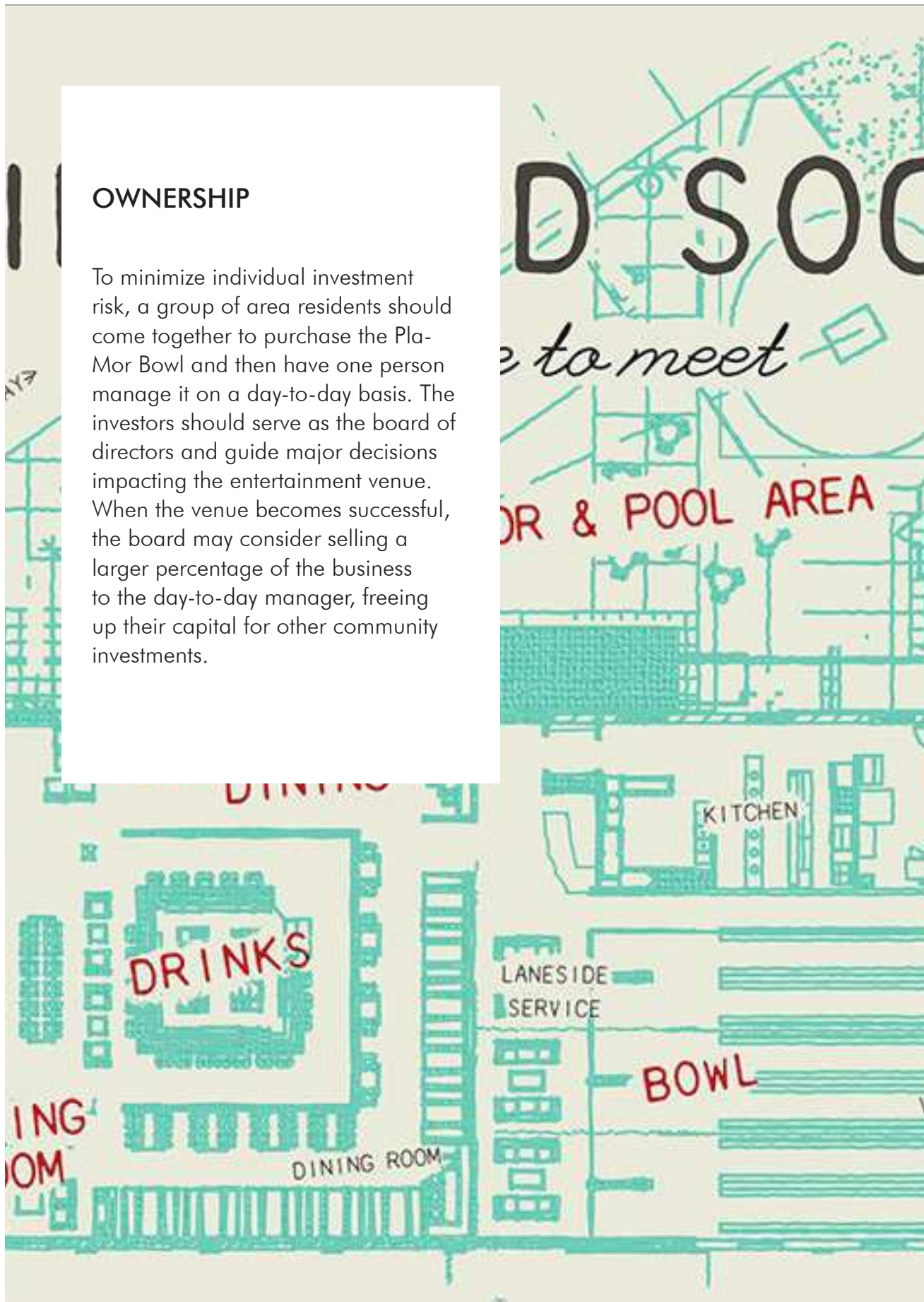
The space should combine the best of Nashville's Pinewood Social, The Vortex in Austin, and Bacchanal in New Orleans. These three venues each have leveraged explosive population growth - 9.84, 19.93, and 13.86, respectively, from 2010-2016 - to drive their respective business successes.





## OWNERSHIP

To minimize individual investment risk, a group of area residents should come together to purchase the Pla-Mor Bowl and then have one person manage it on a day-to-day basis. The investors should serve as the board of directors and guide major decisions impacting the entertainment venue. When the venue becomes successful, the board may consider selling a larger percentage of the business to the day-to-day manager, freeing up their capital for other community investments.



## **STEP 1: IDENTIFY POTENTIAL INVESTORS FOR ENTERTAINMENT VENUE**

WHO: Placemaking steering committee and Iowa Falls leadership

HOW: Measure initial interest via informal conversations. Determine best fit to lead effort. Determine other potential investors.

WHEN: Q1 2018

## **STEP 2: DETERMINE NEEDED UPDATES AND DEVELOP BUILDOUT CONCEPT**

WHO: Investor group

HOW: Retain architect. Design floorplan in collaboration with potential users and stakeholders. Determine fundraising campaign needs for capital and annual gap needs.

WHEN: Q2 2018

## **STEP 3: CREATE BUSINESS PLAN**

WHO: Investor group

HOW: Review numbers from Pla-Mor Bowl, if available. Estimate attendance and offerings (both regular and special events). Determine necessary fees for various events. Consider venue rentals. Build the plan to show three years, at a minimum.

WHEN: Q2 2018

## **STEP 4: COMPLETE BUILDOUT AND HIRE STAFF**

WHO: Investor group

HOW: Determine interior finishes as well as exterior improvements. Complete buildout. Hire and train staff; look to investor group for day-to-day manager.

WHEN: Q3 2018

## **STEP 5: OPENING AND MARKETING CAMPAIGN**

WHO: Investor group and day-to-day manager

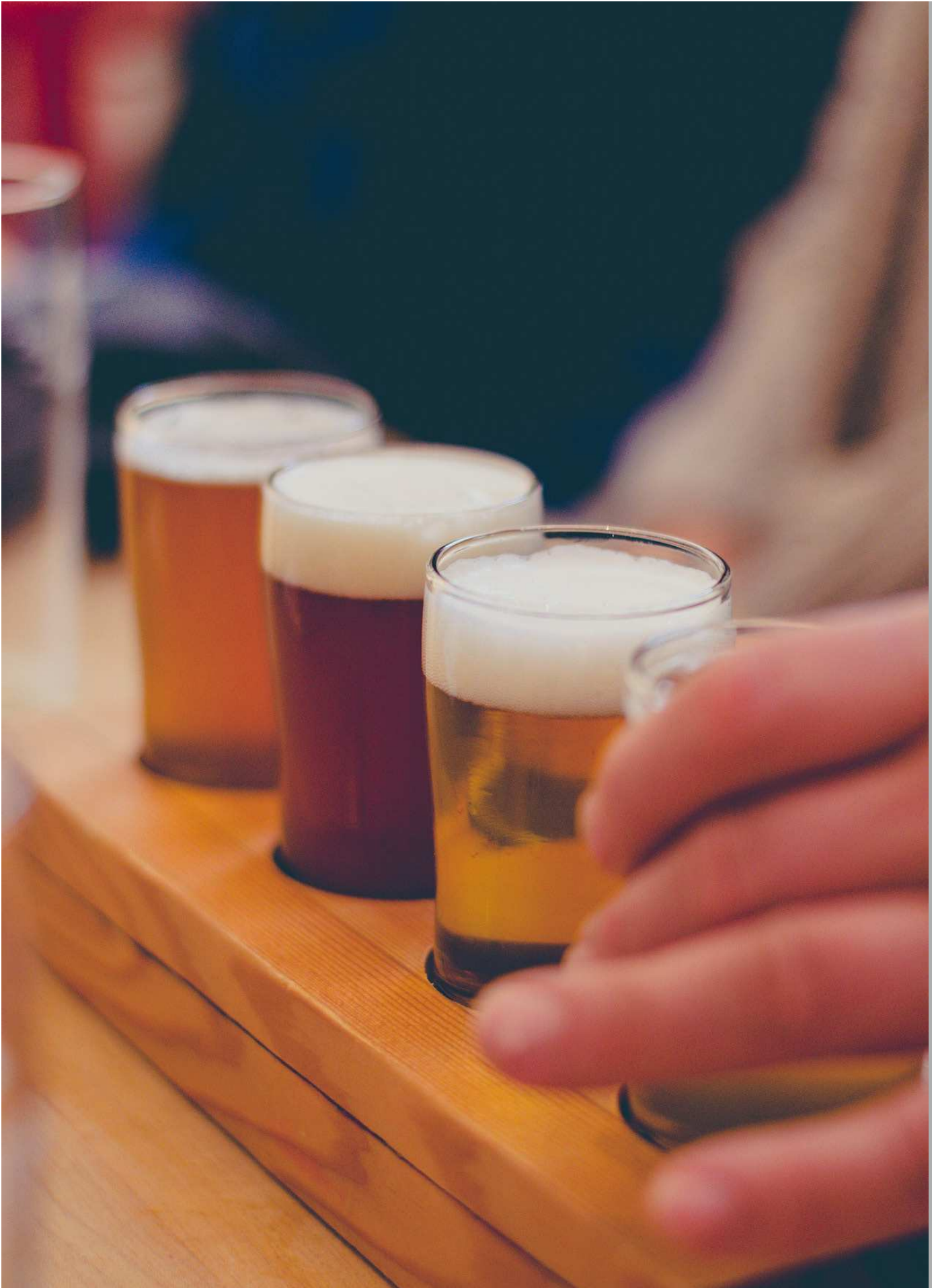
HOW: Push marketing campaign throughout buildout. Create website and show construction progress in pictures and videos. Host four soft openings. Plan and execute grand opening.

WHEN: Q4 2018

# IOWA FALLS: HARDIN COUNTY BREWERY

Iowa has 70 craft breweries and ranks 14th for number of breweries per capita at 3.2. However, Iowa ranks 41st for production per capita at 0.9 gallons per year. While Hardin County's population is relatively small, Iowa Falls and the surrounding communities in Hardin County are well positioned to welcome visitors not only to a brewery but also to the beautiful water trails and natural amenities. Being only one hour from Waterloo, Ames, and Mason City provides the area a viable evening and weekend visitor population. Additionally, with future housing development, the area is poised for growth.

Though grocery store shelves are becoming more crowded, there is still room in Iowa to produce more beer, and the trend is toward hyper-local. Currently, there are no breweries within 10 miles of Iowa Falls; however, there are breweries within 50 miles, including Old Main and Alluvial in Ames, Mason City Brewing and Fat Hills in Mason City, and Single Speed, Lark, and Second State in Cedar Falls/Waterloo. Taprooms are popular gathering spots, and, as the industry grows, so do to the potential beer-knowledgeable customers.





The best model for Iowa Falls is a taproom operating under a native microbrewery license to keep costs low and allow flexibility for distribution. The focus should be on high quality beer with a qualified commercial brewer as an owner or key employee. A nearby restaurant and other strategic partnerships would enhance the business. Light snacks could be offered regularly with more substantial food options for delivery or during limited business hours.

Selling beer to go in growlers or crowlers would be important as would some limited draft self-distribution to key accounts, both local and strategic, to create awareness of the new brewery. Crowlers - large cans that can be sealed and potentially, resealed - would make great take aways to the local water trail and other recreational opportunities.

Because of the agricultural nature of the area, a **farm to glass concept** would make the Iowa Falls location unique in Iowa. While hop production is labor intensive and uncertain, the brewery could source at least part of its hop bill from the local area. Additionally, an orchard and area farmers markets could create ample opportunities to collaborate with small farmers for unique inputs such as honey, fruits, or herbs.

The Hardin County Brewery will produce and serve craft beer and soda. Craft beer has been on the rise for the last several years and is seen as a beverage with value that is best enjoyed in a social environment and often generates community building just by its nature. Brewing beer in-house adds to the uniqueness of the service establishment and creates a reason for people to visit. It would

be important to have 15-30 draft lines for the variety expected by the craft beer consumer.

The brews will need to be an authentic reflection of the brewer and must have a high focus on quality and originality. As more and more brewers enter the market, quality and authenticity will be what sets new breweries apart. With the history of the land and a focus on local foods, procuring ingredients locally would be a great way to set this brewery apart.

In addition to beer, the native brewery status in Iowa now allows brewers to serve wine. This may be an important addition in a small market like Hardin County to attract mixed parties of beer and wine consumers. Cider is also a great option for customers, and it is getting easier to find more quality local producers.

The Hardin County Brewery should offer alternative beverages such as house made soda for non- drinkers and minors to keep it family friendly. Kombucha or other gluten free or low alcohol offerings also allow for variety to keep groups happy and returning.

A potential add-on opportunity would be to incorporate coffee service either by offering only cold brew or a combination of cold and hot brews, which would allow the business to expand their hours and generate revenue at alternative times of day. This could be done as a sublease to a coffee business or as an addition to the current business depending on the owner and staff competencies.

Further details and the full business plan can be found in Appendix J.



## **STEP 1: DETERMINE BREWERY OWNER**

WHO: Placemaking steering committee

HOW: Ascertain if there are interested brewers in the area. Determine investor options. Work with attorney and accountant for business formation.

WHEN: Q3 2018

## **STEP 2: DESIGN BUILDOUT**

WHO: Owner(s), operator, architect, engineer, interior designer

HOW: Develop architectural plans for building. Consider the location and desired ambiance. Be sure to include a mix of areas within the space - bar, tables, lounge, etc.

WHEN: Q4 2018

## **STEP 3: FINALIZE BUSINESS PLAN**

WHO: Owner(s), operator

HOW: Begin with business plan included in Appendix J. Refine based on building ownership and investment options and estimated construction costs.

WHEN: Q2 2019

## **STEP 4: SECURE FINANCING AND COMPLETE BUILDOUT**

WHO: Owner(s), operator

HOW: Explore local, state, and federal incentives. Depending on ownership structure, look for opportunities that support small businesses.

WHEN: Q4 2019

## **STEP 5: DEVELOP MARKETING STRATEGY, HIRE STAFF, AND OPEN**

WHO: Owner(s), operator

HOW: Design all marketing materials, using preliminary business plan as a starting point. Share photos and videos of construction progress to generate excitement. Hire staff. Again, refer to preliminary business plan for details. Hold soft opening events. Celebrate with grand opening.

WHEN: Q2 2020

# IOWA FALLS: RIVERSIDE RESTAURANT

**Paddlers welcome:** The multi-level Camp David restaurant in Iowa Falls includes a dock for canoes on the Iowa River.

## Eatery features woodsy-themed variety

Fashioned from a defunct print shop, Camp David has become a popular lunch spot and nighttime dinner venue.

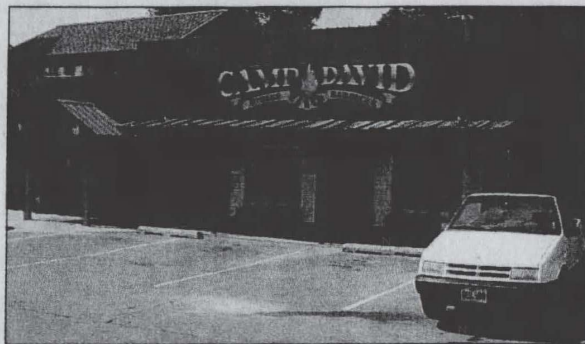
By **ADAM MORRIS**  
REGISTER STAFF WRITER

**F**or nearly 14 years, Camp David restaurant has been dishing up hearty food as well as outdoor adventure.

Diners can feast on items ranging from burgers to seafood to steaks amid a north-woods atmosphere, complete with fishing gear, bait boxes and canoes.

Owner and Iowa Falls native Dave Krogh will tell you that gangster Al Capone kept one of the canoes at his private lodge in Canada.

"You can come in here with a tie on and still feel as comfortable as you would if you were wearing jeans," Krogh said. "We're known



ADAM MORRIS/THE REGISTER

**Come as you are:** Jackets and ties are suitable attire, but so are jeans, says restaurant owner Dave Krogh.

for good food and lots of food for a fair price."

Prices range from around \$5 for some appetizers to just under \$20 for some steaks. Camp David has a kids menu and a Sunday buffet.

One of Camp David's specialties is its hickory-smoked barbecue. The restaurant fires up its smoker with real hickory every day,

Krogh said.

At a quiet end of Main Street, Camp David sits atop a bluff, and though outdoor patio seating is offered, every seat in the house comes with a complimentary view of the Iowa River.

From humble beginnings as an 80-seat restaurant fashioned out of a defunct print shop, Camp David

has become a popular lunch spot and nighttime dinner venue.

Five years ago, Krogh nearly tripled the restaurant's size. The addition expanded the restaurant to include room for 200 more seats, a lower-level party room, an upper-level observation deck and a dock for canoes at the river's edge.

Krogh, who was a carpenter before opening Camp David, said he and a friend built the addition themselves in about a year and a half.

Camp David's regular menu features 72 items. The restaurant typically serves 10 to 12 additional specials on the weekends, an offering general manager and chef John Benson says most chain restaurants can't match.

"We're not serving the same old, same old. We always have something new," Benson said. "We do have a wine list and you can get alcohol, but we're more of a restaurant. We're 90 percent food- and family-oriented."

Des Moines Register

In its prime, Iowa Falls' Camp David was a successful destination restaurant, featuring a smokehouse menu and wilderness lodge ambiance. The location was, and remains, a prime spot for a hospitality venue. The building has a number of unique natural and décor features that could be retooled relatively easily to fully use the spaciousness of the building and its proximity to the river as well as to better leverage the beauty of the view overlooking the Iowa River bluffs.

The current Iowa Falls property is too large to successfully house a single restaurant concept regardless of menu type or price point. However, this nearly 10,000 square foot property does have strong potential to be refurbished as an incredibly interesting multi-concept development, blending retail, restaurant, and recreational opportunities. This one-of-a-kind location could be used as a river recreation hub for Hardin County and draw people from across Central Iowa.



Former Camp David - Iowa Falls, Iowa

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The former Camp David site should be transformed into a multi-use development with two distinct food and beverage concepts, linked to a retail and river recreational rental network. Research from the National Restaurant Association's Household survey shows that 61 percent of adults would rather spend money on an experience, such as a restaurant or other activity, compared to purchasing an item from a store. This proposed multi-use riverside hospitality venue fully invests in this notion by combining a current food and beverage strategy with a unique regional recreational activity.



For the purpose of this multi-use proposal, the primary restaurant will be called the Iowa River Supper Club. This casual “throwback” table service restaurant and bar will pay homage to the supper clubs of days gone by but without the pretense. It will occupy a significant portion of the upper levels of the former Camp David restaurant.

The lower level of the building will house a second independent hospitality concept called The Exchange Swim Grill. In addition to partnering with an outpost location in Steamboat Rock to provide recreational river and trail rentals, it will have healthy grab-and-go items and quick-fire foods. There also will be a small retail space offering goods needed for river fun (sunscreen, hats, shirts, packaged soda and beer to-go, Gatorade, Cliff Bars, etc.) There will be riverwalk seating for those who have taken a break from being

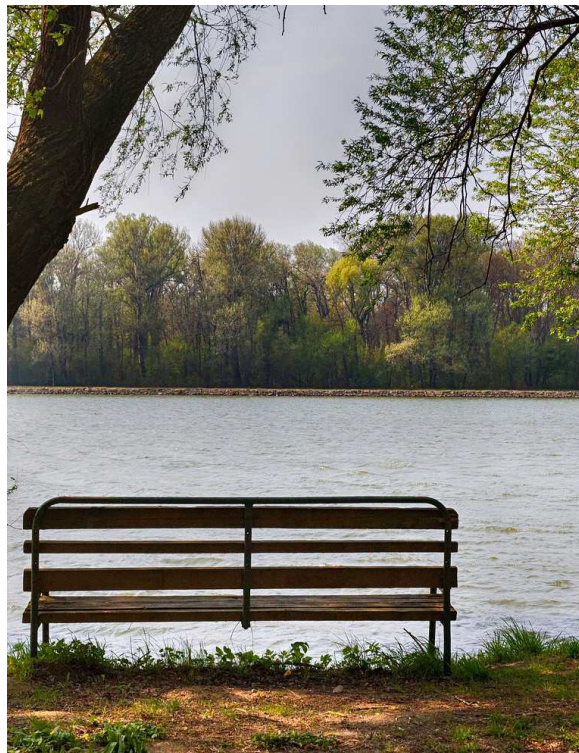
on the river and stopped for a bite as well as locals who want to sit overlooking the water and enjoy a casual meal or a drink. This “shabby chic” bar and grill also will pay homage to nostalgia with an ambiance reminiscent of a camp canteen but with decidedly better food and adult beverage offerings.

Finally, a third sister venue will be housed in Steamboat Rock. Called The Outpost, this should be sited at the same location as the outdoors outfitter and offer grab-and-go packaged food and beverage items for those kayaking, biking, or hiking between venues. With its close proximity to the campground, the river, and various attractions, the cross-marketing possibilities are endless.

A more in-depth description and business plan can be found in Appendix K.



Timmerman's Supper Club, Dubuque, Iowa



## **STEP 1: RECRUIT OWNER/OPERATOR WITH A BLEND OF CULINARY EXPERTISE AND STRONG OPERATIONS EXPERIENCE**

WHO: Iowa Restaurant Association, Iowa Falls Chamber/Main Street, Hardin County Development Alliance

HOW: Secure building. Work with city and county to secure incentives. If owner is not operator, secure a favorable lease structure to attract tenant. Look for someone with both front of house and back of house experience.

WHEN: Q2 2018

## **STEP 2: DEVELOP BUILDOUT CONCEPT**

WHO: Architect, owner, operator

HOW: Personalize business plan in Appendix K to create a clean and contemporary prairie style aesthetic that intertwines the natural beauty of the bluffs with the interior. Address both interior and exterior recommendations.

WHEN: Q3 2018

## **STEP 3: SECURE CAPITAL TO COMPLETE BUILDOUT**

WHO: Owner

HOW: Seek local incentives and local financial institution to ensure a favorable, low-risk plan.

WHEN: Q1 2019



# NEW PROVIDENCE: COMMUNITY-WIDE BEAUTIFICATION

New Providence, like Hubbard, has steadily grown over the last seven years. Since 2010, the community has increased its population by nearly 20 percent - approximately ten times the state's population growth rate during the same period.

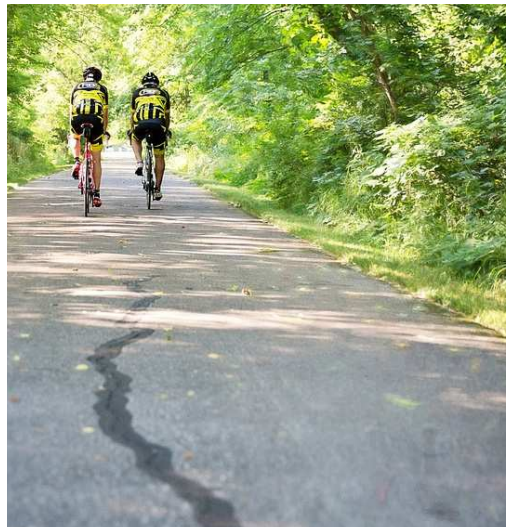
Community leadership has taken an active role in supporting this growth. The community recently made enhancements to Heritage Park and has long worked proactively to ensure the community is well-kept. About fifteen years ago, the community revamped its downtown, which is home to a hardware store, a flower shop, a soda shop, and a woodworking shop, among others.

Downtown New Providence benefits from its close proximity to Heritage Park and the historic New Providence Roundhouse. The Roundhouse is frequently used for weddings, receptions, and other community-focused events. The community club hosts three breakfasts per year at The Roundhouse, with each drawing 400 to 500 people. Downtown's Soda Fountain is home to a weekly breakfast, too, which regularly draws 100 people; funds from these breakfasts support refurbishing the city as well as scholarships for local high schoolers.



The obvious sense of community pride and the community's strategic location less than five miles from the under-construction Iowa River Trail position New Providence to become a leading tourist destination in the region. The community already has made a number of enhancements to its "front door," and the completion of the Iowa River Trail will only expand this possibility.

**\$83 billion**  
annually spent on bike  
tourism



**\$97 billion**  
in annual retail spending  
generated by bike tourism





## BEAUTIFICATION

New Providence should build on its existing downtown beautification theme: Significant brickwork, green planters and light posts, and hanging baskets and ground-level planters.

City leadership should prioritize the installation of planters and light posts, beginning with East Main Street. Iowa River Trail officials expect that the trail will be opened up - at least in a rough form - to Gifford by the end of fiscal year 2019. There is a possibility that the trail could be extended to Union at this time, but this is dependent on funding. Assuming the temporary termini of the Iowa River Trail will be Gifford, New Providence is poised to lead a growing bicycle tourism market in Hardin County. Creating an inviting eastern gateway will get people into the community and spending their money at places like the Soda Fountain and New Providence Hardware.

Weaving the beautification project together with other placemaking projects as well as existing efforts in the area will be imperative for the project's success. For instance, community leadership must work with the county-wide branding effort to implement wayfinding signage on Highway D-55. The green wall on Alden's creative center could function as a nice complement to New Providence's beautification and underscore the county-wide emphasis of this plan.

In terms of existing efforts, the horticulture program at Ellsworth Community College should be at the top of the list for New Providence leaders. The horticulture program exposes students to soil science, pest management, horticultural crops, perennial crops, organic crop production, and environmental biology. Additionally, students in the certificate program are required to have an apprenticeship or practicum, giving New Providence a steady stream of interested candidates to assist with growing and caring for the plants.

## **STEP 1: WORK WITH LANDSCAPE ARCHITECT TO DEVELOP COMMUNITY BEAUTIFICATION DESIGN**

WHO: City and community volunteers

HOW: Explore design assistance opportunities with Iowa State University landscape architecture department. Determine how to build on existing beautification efforts, prioritizing Highway D-55. Consider wayfinding signage placement as a component of the beautification effort.

WHEN: Q2 2018

## **STEP 2: OBTAIN COST ESTIMATES**

WHO: City and community volunteers

HOW: Work with consultant (either hired or working on a pro-bono basis) to obtain cost estimates. Consider maintenance costs of all items.

WHEN: Q1 2019

## **STEP 3: DEVELOP PROJECT PHASING**

WHO: City and community volunteers

HOW: Determine community capacity to support installation and maintenance. Group project areas or elements into discrete phases. Determine appropriate sequencing of phases, being sure to consider other planned investments in the community.

WHEN: Q2 2019

## **STEP 4: SECURE FUNDS AND BEGIN IMPLEMENTING BEAUTIFICATION STRATEGY THROUGHOUT COMMUNITY**

WHO: City and community volunteers

HOW: Determine public dollars, if any, available for beautification effort. Develop fundraising goal and roadmap, targeting a mix of local, state, and federal supporters. Share status updates throughout campaign to maintain and build excitement around project. Hold community celebration upon completion of phase one; consider partnering with the Iowa River Trail team to celebrate progress on the trail and on the beautification of New Providence.

WHEN: Q2 2019



# STEAMBOAT ROCK: OUTDOORS OUTFITTER

In conversations with community members, the pride in the county's natural resources quickly became apparent. Residents and visitors alike embrace the outdoors year round. However, the county has yet to maximize the impact their natural resources can have on the local economy.

While Rock-n-Row Adventures offers tubing, camping, and other summer activities, no entity in Hardin County offers bike, canoe, and fishing equipment rental. The lack of an outdoors outfitter hinders quick, easy access to the full array of the county's natural resources and inhibits growth in the local economy. If an outdoors outfitter located in Hardin County, it would not only fill a gap but also support other components of the local economy; a study from the Institute for Local Self-Reliance found that every \$100 spent at local independent stores generated \$45 of secondary local spending compared to \$14 for chain stores.



## LITTLE RIVER GENERAL STORE

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The Little River General Store is located in Lanesboro, Minnesota, population 739. The General Store has been open for 30 years, renting a variety of equipment out to support fitness and fun. The store buys all new equipment at the beginning of each season and offers people the opportunity to buy any of their equipment rather than just renting it.



The outfitter should offer a variety of rentals, tours, and items for purchase to maximize its customer base. Retail items could include clothing, equipment, accessories, and basic supplies, while rentals could include a mix of bicycles, canoes, kayaks, fishing rods, and other equipment. Given the close proximity of Rock-n-Row, the outfitter should not include tube rentals.

The tours should be another tool for the outfitter to make the outdoors more accessible for Hardin County residents and visitors alike. Initially, the tours should include bike adventures, paddle adventures, and a combination thereof. In the future, the outfitter should expand these offerings based on demand and profitability possibilities.

The outfitter should be located on the west edge of Steamboat Rock on River Road South. The target site features two old granary

structures that the owners would like to restore and repurpose. The owners envision short-term accommodations in the smaller building (3,612 SF) and then a small woodworking studio (1,000 SF) and the outfitter (6,688 SF) in the larger building.

In addition to a restoration opportunity, the site is adjacent to the Iowa River Trail. When complete, the 34-mile trail will stretch from Steamboat Rock to Marshalltown. The site is just south of Pine Ridge Park, a 131.9 acre county park with timber and prairie land, and an existing low-head dam lies between the park and contemplated site. The Iowa Department of Natural Resources has held preliminary discussions about mitigating this dam, which ranks high in its relative risk analysis. If the dam mitigation moves forward, it will open up another unique amenity in Hardin County less than a quarter mile from the outfitter.



## **STEP 1: DEVELOP BUSINESS PLAN**

WHO: John & Joan Schuller, Outfitter Operator

HOW: Take business plan created in this plan and personalize to fit vision for the outfitter

WHEN: Q2 2018

## **STEP 2: DESIGN SPACE**

WHO: Architects, Engineers, Contractors, Lender, Investors, Schullers, and Outfitter Operator

HOW: Work with professional services to price out concept. Work with local lender for financing. Look to local community for up-front investment.

WHEN: Q3 2018

## **STEP 3: BEGIN BUILDOUT AND HIRE STAFF**

WHO: Architects, Engineers, Contractors, Lender, Investors, Schullers, and Outfitter Operator

HOW: Work with professional services to price out concept. Work with local lender for financing. Look to local community for up-front investment.

WHEN: Q3 2018

## **STEP 4: OPENING AND MARKETING CAMPAIGN**

WHO: Outfitter Operator

HOW: Push marketing campaign throughout buildout. Create website and show construction progress through pictures and videos. Plan for soft opening. Officially open doors.

WHEN: Q2 2019



## CONCLUSION

Seven Hardin County communities have collectively shown visionary leadership and taken the first step toward creating a thriving future with this placemaking action plan. While each community has its own unique opportunities, true, sustained success in the county will only be achieved by working together towards implementing the projects outlined here.

While they will stand on their own, the catalytic impact of each of these placemaking projects will be maximized when they all are realized. A synergistic effect has been embedded in the various projects, underscoring the necessity of maintaining the county-wide approach. While some projects will come to fruition more quickly than others, it will be essential to not leave any projects - or communities - behind. After all, a rising tide should lift all boats.



## **Be bold.**

City and county leaders, both elected and not, must be bold in advancing the vision laid out in this action plan. Timelines may seem aggressive, and capital needs may seem daunting. The money to implement these projects, though, is out there; groups like ArtPlace America, local and statewide institutions, philanthropists, or governmental entities are good starting points. While there will be challenges, local leadership must be persistent in seeking and securing these funds. Apply for grants regularly, and strategically develop and nurture relationships with existing and potential donors. Show them the economic and social impact of their contributions, and paint the picture of how additional support could further transform the community.

## **Be persistent.**

Be persistent. There will be setbacks and disappointments. It will be important to remember that community development is a marathon, not a sprint. Potential developers may walk away from a deal, and nonprofit champions may leave a board. The faces may change, but the vision should remain: An even better Hardin County. The placemaking steering committee must find more local champions for these projects and help build the leadership bench for the coming decades.

## **Be visionary.**

The communities, county, and residents must continue thinking towards the future - not just next year, but five, ten, and even twenty years down the road. What do we want our communities to be when they grow up? How will we evolve to keep up with ever-advancing technology? How will we prepare that next generation of leaders?

The manner in which Hardin County leaders answer these questions will determine if the county simply maintains the status quo or if it flourishes in the future. The playbook to flourish is in hand. Now it's time to act.

## What is Creative Placemaking™?

Creative Placemaking™ is a people-centered approach to building strong, vibrant communities. It helps communities achieve economic and population growth through cultural and entrepreneurial amenities, concepts, and catalytic projects.

Our goal is to learn your community's needs, help address your challenges, and provide a comprehensive strategy, engaging our partners when and where their expertise is needed. We work with you to create the amenity, we figure out how to finance it, then help you identify the resources to build and operate.

Once a community is thriving and has the amenities that can attract and retain top talent, businesses relocate and/or expand, growing the local economy and enhancing quality of life.

MEC's Creative Placemaking™ team works to fulfill the company vision of building strong communities through four primary activities: Planning & Placemaking, Creative Services, Community Capacity, and Infrastructure. These elements are woven together throughout our processes, and ultimately work together to drive action to better the communities in which we work.



# APPENDIX A:

## VISIONING SESSION RESULTS

### SESSION 1

What's Unique	What's Missing	Arts & Culture	Education	Housing	Nightlife & Retail	Transportation & Recreation	Workforce Development
Iowa River Greenbelt	restaurants	Schedule Conflicts	No trade schools Register for preschool when pregnant Great support from parents Community college Teachers retiring/moving to other positions Gradual decline in student enrollment Multi-disciplined teachers (lack-of) Too many subjects per teacher	Rentals:  apartment  single family  stand alone family (temp)  not advertised  don't accept pets  Affordability:  rental - \$800	Nightlife:  "Nothing to do in Ackley past 8"  revolves around bars  high school sports  iowa falls restaurants closed on Mondays  "No day life either..." bowling alley needs repair  no where for steak/drinks	Recreation:  Eldora HS shooting teams  Pine Lake wildlife club  gun club  short on volunteers - and shrinking  trails - need fostered current trail project taking long time  could link all communities by trail	Leave for College  Lack of Options  LIFE Program Eldora has too many job openings  Lack of centralized job board  Able bodied can't / won't work Lower than livable wage  Lot of transfer out
small town pride	brewery	Pat Clark Art Collection					
safety at least 75% both parents work	child care (affordable) diversity	Strong Churches Hardin Co. Farm Museum					
22% single parents work	rentals	Historical Society					
Princess	affordable housing	POW CCC Museum Hardin Co. Performance Series					
friendly/help neighbors	transportation services						
philanthropic/entrepreneurs	drug abuse recovery services	Veterans Memorials					
pine lakes	senior center utilization (Ackley)	Iowa Falls Playhouse	Open CC classes to non-traditional students/residents HS students - available college credit	buy - \$90-100 K  lot of run down need inbetween affordability  open to town home/duplex	no where to take visitors have food trucks/stands - nice during day nice restaurants in Ackley close early &  want higher end - just few days per week  limited / rotating menu fine  movie - need later showings  Open Door - has patio and guest chefs Retail: lack of clothing for all iowa falls just got nail lack of sports gear for can check out bike from library lack of river activity outfitter can check out ice skates from library lack of resources for archery/hunting unique coffee shops are a daytime  love a latte  coffee addict ackley needs a coffee shop	7 golf courses in county  not as many golfers as used to be  disc golf ackley - go to Iowa Falls for bowling, theater need better affordability - country club, golf, bowling, etc. link together communities to grow tourism active conservation - good summer program Transportation: buzz word not affordable not accessible children getting to school issue airport with flying lessons is good some sidewalks need work mix of walk/bus for kids region 6 - only certain times/routes no on demand services  need for nightlife/DD can law enforcement help?	Lack of twenty-somethings  Lack of YP groups  Return for family  Trade jobs open after retiring  Recruit outside community
scholarships - school support	Senior housing (Eldora) activities for all ages  bike trail  affordable health/fitness  online calendar (exists - not used?)	River City Kids Playhouse New Providence Playhouse  Grand Theater - Eldora  Scenic City Empress  Lack of local support  Hard to get people to pay Calkins Nature Center					



# SESSION 2

What's Unique	What's Missing	Arts & Culture	Education	Housing	Nightlife & Retail	Transportation & Recreation	Workforce Development
Culture	money	need outdoor venue	after school programs are full	get rid of dilapidated housing	edlora - bars/restaurants open	need car to get around	soft skills are challenging to find
Green Belt	doctors	need to improve farmers market(s)	want well paid teachers	redevelop	concerts:	regional transit has fixed hours/routes	need more than livable wage
3,000+ acres of conservation	shopping	better public announcement of activities	parents work multiple jobs = students need more attention at school	bedroom community	at least one per month	shared resources for special needs	Hubbard care facility pays well
water source	amish	declining attendance @ performance series	more education on personal finance	code - not held to	make them free, but sell beer/shirts	taxi service exists in iowa falls	"Enterprise Zone" - last 20 years
crossroads, 1 hour from major iowa towns/cities	arts/culture	pat clark art collection	all districts opportunity for comm. College credit	lack of pride in upkeep	fair fireworks are going away	good sidewalks could improve infrastrucutre:	minimum standards in exchange for benefits
hardin co. farm museum	food/restaurants	historical societies	some (varies) STEM programs	communities raise bar			lose employees due to lack of amenities
iowa training school for boys	good paying jobs	libraries	college debt	some residents not good fit	out of county for clothing	pave critical roads	industrial maintenance/trades needed
	sports		K-12 funding	need bigger lots for new homes	need more than McDonalds	enhance rec use	opportunities at Iowa Valley CC, etc.
	passenger airport			new builds are outside of the town	restaurant wish-list:	65/20 junction - gateway opportunity	cannot find mechanics
	rail transportation/trolley			lack of middle (\$100k - 200k) stock	business-class	some of best natural resouces	used to have workforce development group
	ecotourism			lack of housing for retirees	good food	"best kept secret" - pine lake park	population declining
	industry			3D printing	satisfactory portion health (store and restaurant)	steamboat rock to marshalltown trail recreational culture - year round use	specialized occupations - encourage recruitment here
					thai/sushi	DNR considering removing dams	look at paying college to recruit
					farm fresh	lot of recreation built around water	competition is fierce
					Amish market	water quality is big concern	civic jobs discussed currently - not paying enough
					simple menu	watershed improvements needed	retention issue

# SESSION 3

What's Unique	What's Missing	Arts & Culture	Education	Housing	Nightlife & Retail	Transportation & Recreation	Workforce Development
overlooks	place to get a good steak	community theater	good school systems	short term rentals	skating	county-wide connection	county job board
public nature spaces	shopping	live music	academics - biggest downfall among all	current rentals:	bowling	better system to get to amenities in all communities	program - connect students with skilled trades
parks	good salon	creative spaces - to paint, craft, drink wine, etc.	resources	too small for families	dance place	uber/designated driver situation needed	well-connected - know who to ask; but need to know interest
swinging bridge	pamper/relaxation places/services	festivals	not challenging enough	risky for landlords	wedding venues	well positioned - rail park & hwy 20	hard to retain good workers
midwestern-valued public education	yoga studio (opening in ackley)	reinvent/modernize annual events	too much technology = lazy	short on full-range	restaurants:	improve hwy 65 through town	no insurance (seasonal, school support staff, etc.)
freedom rocks	fun things to do - date night	advertising events opportunities for involvement	athletics	rental code enforcement	bbq	rough road	way to develop work ethic?
	consistent entertainment		music	county-wide position?	taco bell	streetscape	incentive program
	communication between organizations	volunteer fatigue	students/teachers - give least effort needed	lack of demolition funding	steak	20/65 corridor plan	mitigate risk
	visional community leadership	need larger bench of volunteers	teachers go out of way	program for funding/volunteers to	no more pizza/fast-food	central business district streetscape	mainstreet iowa - iowa falls 25 years
	demand more from leadership	lack of funding - always asking for \$	curriculum is behind	some pockets - mostly mixed	live music	Recreation:	internships
	groom community to understand role of community leaders	more for middle age	hire based on immediate need (coaching staff, etc.)	elderly unable to keep up	community theater	christian youth group collaboration	economic development - lack of \$
		invite outside of region - broader perspective	fudning	unable to afford upkeep		river - improve restrictions	
			no sharing between districts	lowa Falls - some slum lords		revamp pools in all communities	
						parks + rec	
						not enough parents to coach	
						could coordinate	
						miss opportunities	
						more regional approach	
						utilize college students	
						horse riding - utilize facility more	

# APPENDIX B:

## SKILLED TRADES IN HARDIN COUNTY

COMPANY	CITY	TYPE OF BUSINESS
A-M-E.co	Eldora	Manufacturer (Ag Equipment)
USM Wear Technology	Eldora	Manufacturer (Ag)
Cargill	Iowa Falls	Manufacturer (Biodiesel)
Whink Products Co	Eldora	Manufacturer (Cleaning Products)
HBP Pipe and Precast	Iowa Falls	Manufacturer (Concrete Bridge Spans)
NRP of Iowa	Steamboat Rock	Manufacturer (Dry Protein)
Pine Lake Corn Processors	Steamboat Rock	Manufacturer (Ethanol)
Flint Hills Resources	Iowa Falls	Manufacturer (Ethanol)
Central Iowa Fabrication	Alden	Manufacturer (Fabrication)
Metal Tech	Iowa Falls	Manufacturer (Metal gasket material)
Eldora Plastics Inc	Eldora	Manufacturer (Plastics)
Plastic Recycling-Iowa Falls	Iowa Falls	Manufacturer (Plastics)
Quality Products Inc	Eldora	Manufacturer (Plastics)
Cam Spray	Iowa Falls	Manufacturer (Pressure Washers)
Times Citizen Communications	Iowa Falls	Manufacturer (Printing)
Iowa Steel Masters	Ackley	Manufacturer (Steel products)
ILC Resources	Alden	Mining
Martin Marietta Aggregates	Alden	Mining
Seaboard Foods	Iowa Falls	Agricultural Feed Mill
Concrete Inc	Iowa Falls	Concrete
Tunnel Mill Polymer Inc	Alden	Concrete Products
Alewelt Concrete Inc	Alden	Construction
England Contracting	Iowa Falls	Construction
King Construction	Iowa Falls	Construction
Smith-Gehrls	Iowa Falls	Construction
Midland Power Cooperative	Iowa Falls	Electric Cooperative
Barnhart Electric	Iowa Falls	Electrical
Zoske Electric	Iowa Falls	Electrical
Zoske Sales and Service	Iowa Falls	Equipment Repair
Gehrke Inc	Iowa Falls	Excavating
McDowell & Sons	Iowa Falls	Excavating
Reliable 1	Iowa Falls	HVAC
Hansen Family Hospital	Iowa Falls	Healthcare
Scenic Living	Iowa Falls	Healthcare
Grand JiVante	Ackley	Healthcare
Heritage Care Center	Iowa Falls	Healthcare

# APPENDIX C: STEP BUSINESS PLAN

ANNUAL REVENUE	
ENTITY	CONTRIBUTION
Hardin County Development Alliance	In-Kind
Ellsworth Community College	\$2,500
Iowa Area Development Group	\$2,500
State of Iowa (IEDA, IWD, or DOE)	\$2,500
School Districts	
AGSWR	\$500
Alden	\$500
BCLUW	\$500
Eldora-New Providence	\$500
Hubbard-Radcliffe	\$500
Iowa Falls	\$500
Skilled Trades Employers	
A-M-E.co	\$2,500
Alewelt Concrete Inc	\$2,500
Barnhart Electric	\$2,500
Cam Spray	\$2,500
Cargill	\$2,500
Central Iowa Fabrication	\$2,500
Concrete Inc	\$2,500
Eldora Plastics Inc	\$2,500
England Contracting	\$2,500
Flint Hills Resources	\$2,500
Gehrke Inc	\$2,500

Grand JiVante	\$2,500
Hansen Family Hospital	\$2,500
HBP Pipe and Precast	\$2,500
Heritage Care Center	\$2,500
ILC Resources	\$2,500
Iowa Steel Masters	\$2,500
King Construction	\$2,500
Martin Marietta Aggregates	\$2,500
McDowell & Sons	\$2,500
Metal Tech	\$2,500
Midland Power Cooperative	\$2,500
NRP of Iowa	\$2,500
Pine Lake Corn Processors	\$2,500
Plastic Recycling-Iowa Falls	\$2,500
Quality Products Inc	\$2,500
Reliable 1	\$2,500
Scenic Living	\$2,500
Seaboard Foods	\$2,500
Smith-Gehrls	\$2,500
Times Citizen Communications	\$2,500
Tunnel Mill Polymer Inc	\$2,500
USM Wear Technology	\$2,500
Whink Products Co	\$2,500
Zoske Electric	\$2,500
Zoske Sales and Service	\$2,500
<b>Total Annual Revenues</b>	<b>\$100,500</b>

Revenues: Year 1		Revenues: Year 2		Revenues: Year 3	
Annual Contributions	\$100,500	Annual Contributions	\$100,500	Annual Contributions	\$100,500
Carryover	\$0	Carryover	\$17,167	Carryover	\$29,000
<b>Total Revenues</b>	<b>\$100,500</b>	<b>Total Revenues</b>	<b>\$117,667</b>	<b>Total Revenues</b>	<b>\$129,500</b>

Expenditures: Year 1		Expenditures: Year 2		Expenditures: Year 3	
Item	Cost	Item	Cost	Item	Cost
Debt Forgiveness Repayment (8)	\$53,333	Debt Forgiveness Repayment (10)	\$66,667	Debt Forgiveness Repayment (15)	\$100,000
Marketing	\$20,000	Marketing	\$12,000	Marketing	\$8,000
High School Program Pipeline Development	\$10,000	High School Program Pipeline Development	\$10,000	High School Program Pipeline Development	\$10,000
Administration	In-Kind	Administration	In-Kind	Administration	In-Kind
<b>Total Expenditures</b>	<b>\$83,333</b>	<b>Total Expenditures</b>	<b>\$88,667</b>	<b>Total Expenditures</b>	<b>\$118,000</b>



# **APPENDIX D: COOPERATIVE SERVICE AGREEMENT EXAMPLE**

## **AGREEMENT FOR COOPERATIVE PUBLIC SERVICE**

**BETWEEN**

**POLK COUNTY, IOWA**

**AND**

## **POLK SOIL AND WATER CONSERVATION DISTRICT FOR THE WATERSHED COORDINATION PLAN**

THIS AGREEMENT is made and entered into, by and between the Polk County Board of Supervisors hereinafter referred to as the County, and the Polk Soil and Water Conservation District, hereinafter referred to as the Polk SWCD. Definitions as used hereinafter:

- "CIWMA" shall mean the Central Iowa Watershed Management Authorities which consists of those government agencies that are members of the Fourmile Watershed Management Authority, the Mud, Camp, and Spring Creek Watershed Management Authority, and the Walnut Creek Watershed Management Authority.
  - "Polk SWCD" shall mean the Polk Soil and Water Conservation District
  - "MPO" shall mean the Des Moines Area Metropolitan Planning Organization
  - "IDALS" shall mean the Iowa Department of Agriculture and Land Stewardship
  - "IDNR" shall mean the Iowa Department of Natural Resources
1. This Agreement shall consist of five (5) pages and Attachments A, B, and C which shall be considered a part of this Agreement.
  2. This Agreement shall become effective upon acceptance by all parties.
  3. The parties do hereby agree that the purpose of this Agreement is as set forth in Attachment A.
  4. Duties of the County are listed in Attachment B.
  5. Duties of the Polk SWCD are listed in Attachment C.
  6. Cost Sharing Model for the Watershed Coordinator is shown in Attachment D.
  7. No separate legal or administrative entity is created by this Agreement. No personal property will be purchased in the performance of this Agreement.
  8. The County, through their Public Works Department, shall be the lead agency for carrying out the terms of this Agreement.
  9. The Polk County Director of Public Works shall administer performance of this Agreement for the County. The Urban Conservationist for the Polk SWCD shall administer performance of this Agreement for the Polk SWCD
  10. The parties hereby agree that this Agreement shall be in effect upon its approval and execution by all parties, and until the effective date of termination as set forth below. Any duly recognized party to this Agreement may

notify the others of its desire to terminate this Agreement by sending written notice of such desire to terminate, specifying the reasons for termination, at least sixty (60) days prior to the effective date of such requested termination. Notice shall be sent to the governing body of the other parties at their principal place of doing business by registered mail. In the event of termination, the parties shall be liable for their respective expenses pursuant to the payment structure set forth in Attachment A.

- 11. If any terms or conditions of this Agreement are held to be invalid or illegal, those remaining terms or conditions shall not be construed to be affected.
- 12. This is the entire Agreement between all duly recognized parties and it may be amended only upon the agreement of all parties and only in writing.
- 13. The parties shall approve the Agreement by resolution or motion of their respective Board, Commission, or Council, which shall authorize the execution of the Agreement.
- 14. The Polk SWCD and the County shall not, by reason of this Agreement, be obligated to defend, hold harmless or indemnify the other from any liability to third parties, from any occupational injuries, or from and against any liability, loss, damage, claim or lawsuit asserted against them or any of them arising out of or in any way connected with this Agreement.
- 15. WAIVER OF SUBROGATION PROVISION- . To the fullest extent permitted by law, the Polk SWCD and the County, including their respective elected and appointed officials, employees, volunteers and others working on their behalf hereby releases one another from and against any and all liability or responsibility to each other or anyone claiming through or under the other by way of subrogation or otherwise, for any loss without regard to the fault of the other or the type of loss involved, including loss due to occupational injury. This provision shall be applicable and in full for and effect only with respect to loss or damage occurring during the time of this Contract. The policies of insurance for the Polk SWCD and the County shall contain a clause or endorsement to the effect that such releases shall not adversely affect or impair such policies or prejudice the right of each party to recover thereunder.
- 16. Except as otherwise specified, all notices, consents, approvals, requests and other communications (hereinafter referred to as "Notices") required or permitted under this Agreement shall be given in writing and mailed by certified mail, return receipt requested, addressed as follows:

To Polk SWCD:                    Polk Soil & Water Conservation District  
                                                  1513 North Ankeny Blvd, Ste. 3  
                                                  Ankeny, IA 50023  
                                                  Attention: Jennifer Welch

To the County:                    Polk County Public Works Department  
                                                  5885 N.E. 14th Street  
                                                  Des Moines, IA 50313  
                                                  Attention: Robert Rice

All Notices shall be deemed given on the day of mailing. Any party to this Agreement may change its address for the receipt of Notices at any time by giving notice thereof to the others as herein provided. Any Notice given by a party hereunder must be signed by an authorized representative of such party.

EXECUTION OF AGREEMENT

IN WITNESS THEREOF, Polk County has caused this Agreement to be executed in three (3) separate counterparts, each of which shall be considered an original.

Executed by Polk County, Iowa

\_\_\_\_\_ day of \_\_\_\_\_ 20\_\_

Polk County, Iowa  
 Board of Supervisors

Attest \_\_\_\_\_  
 Auditor

\_\_\_\_\_  
 Chairperson

STATE OF IOWA)

COUNTY OF POLK ) ss:  
)

On this \_\_\_\_ day of \_\_\_\_\_, 20\_\_, before me, a Notary Public in and for said County, personally appeared \_\_\_\_\_ and \_\_\_\_\_ to me personally known, and who being duly sworn, did say that they are the Chairperson and Auditor, respectively of the Board of Supervisors of Polk County, created and existing under the laws of the State of Iowa, and that the seal affixed to the foregoing instrument is the seal of said County, and that said instrument was signed and sealed on behalf of said County by authority and resolution of its Board of Supervisors as contained in Resolution No. \_\_\_\_\_ adopted on \_\_\_\_\_, 20\_\_, and said Chairperson and Auditor acknowledged said instrument to be the free act and deed of said County by it voluntarily executed.

\_\_\_\_\_  
Notary Public for Iowa

EXECUTION OF AGREEMENT

IN WITNESS THEREOF, the Polk Soil and Water Conservation District has caused this Agreement to be executed in three (3) separate counterparts, each of which shall be considered an original.

Executed by Polk SWCD, Ankeny, Iowa

ATTEST:

\_\_\_\_\_  
Chairperson of Commission

\_\_\_\_\_  
Secretary

\_\_\_\_ day of \_\_\_\_\_ 20\_\_

STATE OF IOWA)

COUNTY OF POLK ) ss:  
)

On this \_\_\_\_ day of \_\_\_\_\_, 20\_\_ before me, a Notary Public in and for said County, personally appeared \_\_\_\_\_ and \_\_\_\_\_ to me personally known, and who being duly sworn, did say that they are the Chairperson and Secretary, respectively of the Polk Soil and Water Conservation District, Ankeny, Iowa, and that said instrument was signed on behalf of the Polk Soil and Water Conservation District by authority and resolution of its Commission, as contained in the Resolution adopted under Roll Call No. \_\_\_\_\_, and said Chairperson and Secretary acknowledged said instrument to be the free act by it voluntarily executed.

\_\_\_\_\_  
Notary Public for Iowa

**ATTACHMENT A**

The purpose of this Agreement is to establish the terms and conditions of the relationship between the County and the Polk SWCD for coordination of the CIWMA's by funding a Watershed Coordinator position with the Polk SWCD for three years. The Polk SWCD would provide staffing of the Watershed Coordinator position and would provide the following services to the CIWMA's.

A. Administrative:

Coordination of meetings and administrative items to maintain and grow continued momentum. Provide leadership and support to executive council, the full WMA group, the coordinating strategy champions and implementation committees.

B. Monitoring Support:

Conduct monthly stream sampling, pursue funding for bacteria monitoring, and complete additional assessment of priority areas outlined in assessment. Monitor pollutant reduction as conservation practices are installed.

C. Education and Outreach:

A pivotal part of this watershed improvement project is being a presence in the watershed and providing resources and technical assistance to watershed stakeholders. This includes a multifaceted outreach strategy to agricultural and rural landowners to find priority areas, conservation opportunities, and improve conservation practice adaptation. These activities may include mailings, field days, surveys, informational meetings, and field visits. Education and Outreach would be completed in association with each of the regional County Soil and Water Conservation Districts. Education and outreach activities will also be administered in urban areas with strategies tailored to urban populations and pollutant sources. Communication with City and County officials about WMA goals, objectives, and water quality improvement strategies will be a priority.

D. Practice Implementation:

Conservation practice adoption is the key to improving water quality in watersheds. Polk SWCD will focus on growing education and outreach activities into practice adoption throughout the watershed. Landowners will utilize district resources for the design, layout, and construction oversight of conservation practices. Funding will be pursued for priority practices that cannot be funded by existing programs.

E. Ordinance Changes

The Polk SWCD will coordinate and review draft ordinance changes prepared by others that are outlined in the watershed plans. This effort is intended to facilitate more consistent language for development projects within the watersheds.

F. Funding Acquisition

Concurrent with education/outreach and practice implementation efforts the Polk SWCD will pursue funding to improve water quality in the watershed. Efforts within the watershed will provide the vital information needed to successfully acquire future funding. Polk SWCD has extensive experience acquiring watershed specific funding dependent upon opportunities and landowners willingness.

G. Polk SWCD would work with other area agencies such as the MPO, IDALS, IDNR, and other Soil and Water Conservation Districts on an as needed basis to assist them in the completion of their implementation services. The services would be provided for Fourmile Creek, Walnut Creek, and Mud, Camp, and Spring Creek watersheds. In the event additional watersheds desire watershed coordinator services, they could work with the Polk SWCD to determine the additional cost to extend those services to that watershed.

The cost for these services will be \$165,000. A model has been developed based on drainage area (50%) and population (50%) and is shown in Attachment D. Polk County will also develop Cooperative Services Agreements with each of the jurisdictions to provide the structure for the payment of the funds. This agreement will be in effect for one year beginning from the date of execution of this agreement.

## ATTACHMENT B

### Duties of Polk County

The County, through their Public Works Department, shall act as lead agency for completing this Watershed Coordination plan and coordinating agreements with the Watershed Authority members at no cost. The County will develop Cooperative Services Agreements with each member of the Watershed Authorities and the Polk SWCD that outlines the specific scope, duties and costs for each entity.

For FY 18, 19, and 20, The County shall contribute \$64,750 to the cost of the Watershed Coordinator position and also be responsible submitting invoices to all the participating agencies for their contributions, and will be responsible for any costs greater than the estimated \$165,000 to fund the Watershed Coordinator position should a participating agency fail to meet their commitment.

## ATTACHMENT C

### Duties of the Polk SWCD

Upon execution of an agreement between the County and the Polk SWCD and payment of the each of the CIWMA agencies, as shown in Attachment D, the Polk SWCD shall proceed with work associated with the existing Watershed



Coordinator position within the Polk SWCD. The duties and responsibilities of the Watershed Coordinator position and the Polk SWCD shall be fulfilled as detailed in Attachment A.

## Attachment D

WATERSHED COORDINATOR COST SHARE PROPOSAL  
 CONTRIBUTIONS ARE ANNUAL PAYMENTS  
 FOR THE NEXT THREE FISCAL YEARS

Jurisdiction	Annual Payments
Alleman	\$175
Altoona	\$4,800
Ankeny	\$11,400
Bondurant	\$2,200
Boone County	\$175
Boone County SWCD	\$0
Clive	\$4,500
Dallas Center	\$545
Dallas County	\$0
Dallas County SWCD	\$0
Des Moines	\$37,000
Elkhart	\$175
Grimes	\$3,000
Jasper County	\$175
Jasper County SWCD	\$0
Johnston	\$5,000
Marion County	\$0
Marion County SWCD	\$0
Mitchellville	\$175
Pleasant Hill	\$3,500
Polk County	\$64,700
Polk SWCD	\$0
Runnells	\$115
Sheldahl	\$115
Slater	\$175
Story County	\$175
Story County SWCD	\$0
Urbandale	\$12,000
Waukee	\$3,600
West Des Moines	\$10,200
Windsor Heights	\$1,100
<b>TOTAL ANNUAL COST</b>	<b>\$165,000</b>

# **APPENDIX E: FORMER ELEMENTARY SCHOOL BUILDING ASSESSMENT**

## **Former Elementary School Building Assessment**

**AGWSR Community School District  
Ackley, Iowa**



**Twin Rivers Engineering Consultants**

July 24, 2015

## **Mechanical and Electrical Review**

A site visit was conducted on June 11, 2015 to review the mechanical and electrical systems for proposed renovation and repurposing of the building for first floor classroom space. System descriptions are based on this walk through, the original building drawings and information provided by the Owner.

### **Existing Conditions**

#### Heating Plant

The building is served by a single Pacific P-1826-H 100 HP steam boiler. The boiler was installed in 1972. The boiler will no longer be allowed to operate by the State Boiler Inspector due to issues with the firing tubes. With any future renovation of the building, replacement of the boiler will be necessary.

Steam is distributed throughout the building through the tunnels and risers at the locations of the original radiators. The steam is supplied to steam coils located in the tunnels that are a part of the building ventilation system. There is also piping extended to steam radiators located in the corner and west classrooms, locker rooms, restrooms and corridors. When the steam boiler is replaced the original steam piping can be removed or abandoned in place. The current asbestos plan should be review for presences of asbestos on the pipe insulation. Some of the original piping is tagged as containing asbestos. If the steam piping is removed, consideration will need to be given for any required asbestos abatement related to the existing pipe insulation.

The heating for the individual rooms is provided through the building ventilation system. Two large fan systems located in the tunnels supply air through the tunnels. Air is supplied up vertical shafts in the common walls between the corridors and the classrooms to distribute air into the classrooms, restrooms, offices, and gymnasium. Steam heating coils located at the base of the shafts provide tempering of air as required to heat the individual zones. There is also a steam coil located at the discharge of each fan to provide some preheating of the ventilation air. Corner and west classrooms, locker rooms, gymnasium, corridors and the restrooms are supplemented with steam radiators. With the proposed renovation of the first floor, these systems would be abandoned. The vertical shafts used to distribute the ventilation air would be sealed up as required for current codes.

#### Cooling Plant

Air conditioning for the building is limited. Where provided, window type air conditioners have been installed through the window infill panels. These window air conditioners will be removed at any locations on the first floor.

#### Ventilation Systems

Ventilation air to the building is still operable. Two large vertical shafts allow fresh outside air to be brought into the building through intakes on the roof and be ducted down to the tunnels.

The outside air is mixed with return air from the building upstream of the two large fan systems. Ventilation air is distributed to the individual rooms through the air distribution system described above. With a new function of the building, a ventilation system that serves the entire building will no longer be needed. This system will be abandoned and shafts sealed up as required. Ventilation will be introduced through the new heating, ventilation and air conditioning systems provided to serve the renovated first floor.

Exhaust systems for the original building served the locker rooms, restrooms and kitchen. General building exhaust was ducted to a utility set fan located in the boiler room. The exhaust fan is ducted to a vertical shaft which runs up to the roof. The fan has been disconnected from the exhaust ductwork on the inlet side of the fan and is no longer active. The kitchen hood does not currently have a make-up source for the exhaust. If the kitchen remains for the new building use, a make-up air unit will need to be provided to meet current code requirements. If the kitchen remains only as a serving kitchen and there is no cooking equipment that requires a Type I hood, make up air should not be required.

#### Temperature Controls

The existing temperature control system is the original pneumatic controls. As the building is renovated, it would be recommended to phase out the old pneumatic controls and provide a building direct digital control (DDC) system. It is possible that the controls could be expanded from the existing district DDC control system used at the other schools.

#### Sanitary Sewer

The interior sanitary sewer appears to be good condition. There have some been some issues with the waste piping from the urinals that have corroded and failed over time. This piping has been rerouted and replaced. At the two existing restrooms on the first floor that will remain, the waste lines on the urinals should be addressed to clean up the current installation.

#### Domestic Water

The building is served by a 3-inch water service. There is a single water meter and no backflow preventer. The domestic water piping original to the building appears to all be galvanized piping. Depending on water conditions, the galvanized water piping has a tendency to corrode from the inside of the pipe out and results in leaks and pipe failure. Indication is that the existing galvanized piping is failing now. A renovation and repurposing of the building will likely involve major changes to the domestic water distribution. At this time it would be recommended to remove and replace any existing galvanized piping. The water service size entering the building is adequate for the foreseeable uses for the building.

The domestic hot water is heated with a storage water heater located in the boiler room. This water heater is a State SBF-75250NE gas-fired heater, 250 MBH with 75 gallons storage. Based on the age of the water heater, replacement should be considered with the building renovation. This would also allow the water heater to be relocated out of the boiler room.



### Natural Gas

The natural gas service meter set is on the south corner of the building outside of the kitchen and boiler room. The natural gas services the boilers, water heater and kitchen. Both a firm and interruptible meter are in place. An interruptible service is no longer required with any new boiler system. The fuel oil tanks utilized for the back-up fuel source still exist and are buried on the east side of the building. The fuel oil tanks could be removed or abandoned. The cost for removal of the tanks can be difficult to predict due to the Iowa DNR requirements for soil testing required to document no contamination.

### Fire Protection

The building has a fire protection sprinkler system that serves the basement and tunnels as well as the kitchen and corridors of the first, second and third floors. A 4-inch sprinkler service is brought into the tunnel next to the existing water service. The fire protection is anticipated to remain in place for any the renovation of the first floor. New branch piping and sprinkler heads will be needed to accommodate the reconfiguration corridor ceilings on the first floor.

### Electric Service

Power to the building is fed from Mid-American Energy Company pole mounted transformers located east of the building. Secondary conductors are fed underground from the transformer to a 600 Amp panel with a main breaker in the basement adjacent to the boiler room. The service voltage is 120/208 Volt, 3 Phase.

The main breaker distribution panel is Square D I-Line. The gear was installed relatively recently compared to the age of the building. There is some rust on the enclosure due to water leaking into the space. The interior of the panel was not observed.

The electric service room is a basement level space with an outdoor at-grade concrete cap. The cap is in poor condition and water leaks into the space causing damage to the gear and creating a danger hazard for anyone working on the gear.

### Power Distribution

Receptacle, lighting, and mechanical loads are powered from panels located throughout the building. Panels have a varying range of age and condition. Newer panels are in fair condition. Older panels (Panels L1-L6) on each floor are physically full and are in poor condition. All panel feeders extend to the MDP located in the basement electric room.

Receptacle quantities and locations throughout the building are reportedly adequate. The receptacles are not tamper resistant type.

### Lighting

The building lighting is served at 120 volts. Light fixtures in classrooms and corridors are 2'x4' troffers with T12 fluorescent lamps. The T12 lamp production was discontinued on July 1, 2010.

Metal halide lamps were used in the gymnasium. The disadvantage of this type of lamp is that they take a long time to warm up and the color of the lamp changes throughout the life of the lamp. Fluorescent lamps are more commonly used in this type of application and should be considered as a replacement.

Incandescent lamps were observed in the closets and tunnels.

Light fixtures throughout the building are switched at wall switches. There are no occupancy sensors.

Combination emergency/exit lights appear to have been installed recently. The new combination units are in good condition. Some areas are deficient in emergency lighting coverage. Exterior emergency egress lighting was not observed.

### Fire Alarm System

The main fire alarm control panel is Silent Knight SK-5208 located on the second floor. Detector coverage appears limited to the corridors and storage rooms. The standard system is 10 zones and is expandable up to 30 zones. The panel is reportedly functioning adequately. Devices such as pull stations, horns and strobes were observed throughout the building and no coverage deficiencies were noted. The system is in good condition.

### Clock System

There have been multiple clock systems used in this building - an original 120 volt system, a 120 volt Simplex system, and an American Time & Signal system. None of the systems are currently functional.

### Intercom System

The head-end of the intercom system a Bogen MCP35A located on the second floor. There are speakers in the classrooms and corridors. Call-back switches are located in the classrooms. The system reportedly works adequately.

### Security System

There are security system motion sensors located in the corridor, however, the system is not functional and has been abandoned.

## **Proposed Improvements**

Cost opinions for the proposed improvements include costs associated with the proposed mechanical and electrical work. General construction costs related to the mechanical and electrical work, such as removal and replacements of ceilings, would be in addition to these mechanical and electrical costs unless otherwise noted as a part of the improvements. Costs associated with any required asbestos abatement have not be included in the cost opinions.

### HVAC Modifications

Given the condition of the steam boiler and the plan to seal the second and third floor off from the first floor with the renovation, a new HVAC system will be provided to serve the first floor. A variety of approaches could be used to heat and cool the first floor classrooms and gymnasium. A system that can be easily extended to provide some heat for the basement and tunnels where existing plumbing needs to be protected would be a benefit. Some heat in the corridors on the second and third floor may also be necessary if there is a requirement to maintain the fire protection sprinkler system on those floors. A hot water heating system utilizing new hot water boilers could be easily extended to provide some minimal heat in the basement and tunnels as well as the second and third floor corridors. A hot water heating approach could utilize a central station air handling unit with DX cooling and VAV boxes with reheat coils for individual room control. A large condensing unit would be set on grade and refrigeration piping extended to the coiling coil in the air handling unit. Another approach utilizing hot water heat would be individual fan coil or blower coil units with hot water and chilled water coils mounted above the ceiling in each classroom. A small air cooled chiller could be utilized to provide cooling. Hot water and chilled water piping would be routed above the ceilings to the individual units. DX cooling with individual condensing for each blower coil unit could also be utilized. Ventilation air for the fan coil/blower coil unit approach could utilize energy recovery ventilators to increase the efficiency of the system. In both of these system options, a packaged gas-fired roof top unit would be a cost effective way to heat and cool the gymnasium. Other systems can be explored that may provide better efficiency and lower operating costs. Some system options that could provide an increase in operating efficiency would be a variable refrigerant flow heat pump system, geothermal heat pump system or a boiler/tower heat pump system. The variable refrigerant flow and heat pump system would not be as cost effective as a source of minimal heat for the basement and the second and third floor corridors.

The estimated construction budget for a hot water boiler, central station air handling unit, DX cooling and VAV reheat is \$300,000 to \$350,000.

The estimated construction budget for a hot water boiler, individual fan coil/blower coil units, air cooled chiller and energy recovery ventilation is \$350,000 to \$400,000.

The estimated construction budget for a hot water boiler, individual fan coil/blower coil units, individual air cooled condensing units and energy recovery ventilation is \$280,000 to \$315,000.

The estimated construction budget for a variable refrigerant flow heat pumps system is \$375,000 to \$425,000.

The estimated construction budget for a geothermal heat pump system is \$425,000 to \$475,000.

The estimated construction budget for a boiler/tower heat pump system is \$300,000 to \$350,000.

#### Temperature Controls

With any changes or upgrades to the existing heating and cooling systems, it is recommended that the temperature controls be converted to direct digital controls.

The estimated construction budget for a new DDC control system is \$45,000 to \$60,000. The cost opinion for the various HVAC options includes DDC controls in the overall numbers.

#### Water Heaters

For the purposes establishing a budget it is anticipated that a new water heater plant will be required. The water heaters plant size and budgeting should be revisited once the building use is decided.

The estimated construction budget for a new domestic heating hot water plant is \$10,000 to \$15,000.

#### Domestic Water Piping

It would be recommended to remove and replace any galvanized domestic water piping as a part of a major renovation project. The extent of the existing galvanized piping replacement would be limited to that required for the plumbing fixtures that will remain in use after the renovation. It is also possible that with a change in use for the building that a large percentage of the existing domestic water piping could be removed or remain in service and be replaced in the future if the second and third floor were to undergo future renovations.

The estimated construction budget for a replacement of existing galvanized domestic water piping on the first floor is \$25,000 to \$50,000.

#### ADA Restrooms

With a renovation of the first floor, accessible restrooms will need to be provided. The existing restrooms are not ADA accessible and the size and configuration of the existing spaces would make it very difficult to allow for the required turning radiuses without losing a majority of the existing fixtures. Providing new ADA accessible restrooms in a small addition to meet these requirements is considered. An addition of 750 to 1,000 sq.ft. that would include two restrooms and a mechanical room is assumed for budgeting purposes.

The estimated construction budget for a new addition for ADA accessible restrooms is \$150,000 to \$200,000. This budget number would include general construction.

#### Fire Sprinkler Modifications

Renovation of the building will likely alter the existing ceilings in the first floor corridors and will require modification to the existing fire sprinkler branch piping and sprinkler heads. The existing sprinkler piping mains likely could remain.

The estimated construction budget for modification to the existing fire sprinkler system is \$4,000 to \$6,000.

#### Ventilation Shafts

The existing ventilation shafts that are used for supply and return air for the existing system will be sealed off as required to maintain required fire ratings.

The estimated construction budget for sealing ventilation shafts is \$15,000 to \$20,000.

#### Fuel Oil Tank

The existing fuel oil tank from existing boiler system may be considered for removal. Excavation and removal of contaminated soil per DNR requirements will be required until tests determine the fuel oil tank location is clean. The extent of that work is unknown until the tank is removed and the soil tested.

The estimated construction budget for removal of the fuel oil tank is \$20,000 to \$30,000.

#### Electric Service

The electric service size is adequate to accommodate the upgraded mechanical system and renovation for the first floor only. If the mechanical system is expanded to the second and/or third floors, a new larger electric service will be needed. The estimated construction budget for upgrading the electric service for second/third floors is \$100,000.

The interior of the MDP needs to be opened up to verify there is no water damage to the panel, circuit breakers and feeders. The estimated construction budget for repairing/replacing damaged equipment is \$5000 to \$25,000.

The electric service room cap needs to be repaired and sealed to prevent water from entering the space and damaging the gear. The estimated construction budget for repairing the electric room cap is \$25,000.



### Power Distribution

The newer panels are in good condition for continued use. The older panels that are in poor condition should be considered for replacement. The scope of the renovation could exclude replacement of the older panels since new panels will be installed for the HVAC improvements. New panels will be located to adequately distribute power to the new HVAC equipment associated with the renovation. Power for new panels will be extended from the existing main distribution panel in the basement.

The estimated construction budget for power distribution equipment, feeders, mechanical equipment circuits and associated installation is \$60,000 to \$75,000.

Receptacle quantities and locations throughout the building appeared adequate, in general. Receptacles in classrooms will need to be upgraded to tamper-resistant type to comply with current codes. There may be a few areas that need additional receptacle but these locations would need to be identified by space users. Circuits for receptacles could be connected to replacement panels or new HVAC equipment panels. The estimated construction budget for replacement receptacles is \$3,000.

### Lighting

The T12 lamps are no longer manufactured and will become increasing difficult and expensive to replace. Lamp/ballast replacement or lighting upgrades should be planned for the first floor corridor and classroom renovation. Replacement of the metal halide fixtures in the gymnasium should be considered as well. Mid-American Energy offers significant rebates for LED light fixture upgrades.

Automatic lighting controls are required for all new construction starting on January 1, 2014. Occupancy sensor controls should be added in the renovation project.

The estimated construction budget for LED lighting upgrade and occupancy sensors is \$45,000. Lighting rebates is expected to be half of the replacement cost.

Areas deficient in emergency lighting, exterior emergency egress lighting and exit lighting will need to be added on the first floor. The estimated construction budget for this work is \$2,000.

### Fire Alarm System

The main fire alarm control panel will be expanded to accommodate additional devices related to the first floor renovation, mechanical equipment shut down, and required additional coverage on the second and third floors. The estimated construction budget for this work is \$10,000.

### Clock System

If a clock system is desired, the existing clock systems should be removed and a wireless clock system installed. The estimated construction budget for a new wireless clock system is \$10,000.

#### Intercom System

The head-end of the intercom system will need to be relocated to an occupied space on the first floor to remain functional. The existing wiring will need to be extended to the new location. The estimated construction budget to extend the existing system to a new location is \$2,500.

#### Security System

If a security system is desired, the existing security system should be removed and a new system installed by a local vendor.

# APPENDIX F: MIXED USE PUBLIC MARKET BUSINESS PLAN

## PROGRAMMING

Class	Ages	Cost	# Attendees	Revenue	Year	Year	Teacher Pay	Net Revenue
Garden Basics	Youth	\$ 12	4	\$ 48	3	\$ 144	\$ 45	\$ 99
Garden Basics	Adults	\$ 25	4	\$ 100	3	\$ 300	\$ 45	\$ 255
Crafting Basics	Youth	\$ 12	4	\$ 48	3	\$ 144	\$ 45	\$ 99
Crafting Basics	Adults	\$ 25	4	\$ 100	3	\$ 300	\$ 45	\$ 255
Advanced Crafting	Adults	\$ 25	4	\$ 100	2	\$ 200	\$ 30	\$ 170
Food & Drink *	Youth	\$ 12	4	\$ 48	3	\$ 144	\$ 45	\$ 99
Food & Drink *	Adults	\$ 25	6	\$ 150	3	\$ 450	\$ 45	\$ 405
Art & Design *	Youth	\$ 12	4	\$ 48	3	\$ 144	\$ 45	\$ 99
Art & Design *	Adults	\$ 25	6	\$ 150	3	\$ 450	\$ 45	\$ 405
Wellness *	Youth	\$ 12	4	\$ 48	3	\$ 144	\$ 45	\$ 99
Wellness *	Adults	\$ 25	6	\$ 150	3	\$ 450	\$ 45	\$ 405
						<b>\$ 2,870</b>	<b>\$ 480</b>	<b>\$ 2,390</b>

Camp	Ages	Cost	# Attendees	Revenue	Year	Year	Teacher Pay	Net Revenue
Know Your Food	Grades 3-6	\$ 25	6	\$ 150	2	\$ 300	\$ 60	\$ 240
Know Your Food	Grades 7-12	\$ 25	4	\$ 100	2	\$ 200	\$ 60	\$ 140
Cooking Essentials	Grades 3-6	\$ 25	6	\$ 150	2	\$ 300	\$ 60	\$ 240
Cooking Essentials	Grades 7-12	\$ 25	4	\$ 100	2	\$ 200	\$ 60	\$ 140
Baking Basics	Grades 3-6	\$ 25	6	\$ 150	2	\$ 300	\$ 60	\$ 240
Baking Basics	Grades 7-12	\$ 25	4	\$ 100	2	\$ 200	\$ 60	\$ 140
						<b>\$</b>	<b>\$ 360</b>	<b>\$ 1,140</b>

\* Food & Drink may include selecting the right varieties for your garden, cooking with your own produce, making your own tea blends, etc.

\* Art & Design may include terrariums, kokedama, textile dying, etc. Consideration should be given to classes at the Alden creative center.

\* Wellness may include bath bombs, essential oils, soaps, etc.

## RENTALS

Rental	Duration	Cost	# Stalls	Revenue/	Rentals	Total
Standard Market Stall	Annual	\$ 3,000	4	\$ 12,000	1	\$ 12,000
Standard Market Stall	Month	\$ 300	2	\$ 600	10	\$ 6,000
Standard Market Stall	Day	\$ 60	1	\$ 60	180	\$ 10,800
Retail/Artisan-Scale Production Space	Annual	\$ 3,000	4	\$ 12,000	1	\$ 12,000
Retail/Artisan-Scale Production Space	Month	\$ 300	2	\$ 600	10	\$ 6,000
Retail/Artisan-Scale Production Space	Day	\$ 60	1	\$ 60	180	\$ 10,800
Restaurant/Café	Annual	\$ 22,000	1	\$ 22,000	1	\$ 22,000
						<b>\$ 79,600</b>

## MARKETING

<u>Marketing</u>	<u>Month</u>	<u>Total</u>
<i>Advertising</i>		
Social Media Ads	\$200	\$2,400
Radio	\$100	\$1,200
Print	\$100	\$1,200
<b>Total</b>	<b>\$400</b>	<b>\$4,800</b>
<i>Printing</i>		
Brochures	\$264	\$1,056
Posters	\$48	\$576
Postcards	\$48	\$576
Total	\$360	\$2,208
<b>Grand Total</b>		<b>\$7,008</b>

## STAFFING

<u>FTE Staff</u>	<u>Salary</u>
Managing Director	\$26,000
Business Manager	N/A
Development Director	N/A
Program Director	N/A
Education Director	N/A
Admin 1	N/A
Admin 2	N/A
<b>Total</b>	<b>\$26,000</b>
<u>Contract Staff</u>	
Marketing Director	\$3,000
Technical Director	N/A
Venue Coordinator	N/A
Contract 1 (Tech)	N/A
<b>Total</b>	<b>\$3,000</b>

\$184

# FULL BUDGET

	Jan	Feb	Mar	Apr	May	June	July	Aug	Sep	Oct	Nov	Dec	Total	Year 2 (5%)	Year 3 (5%)
<b>Staff</b>															
Staff	\$2,167	\$2,167	\$2,167	\$2,167	\$2,167	\$2,167	\$2,167	\$2,167	\$2,167	\$2,167	\$2,167	\$2,167	\$26,000	\$27,300.00	\$28,665.00
Payroll Taxes	\$217	\$217	\$217	\$217	\$217	\$217	\$217	\$217	\$217	\$217	\$217	\$217	\$2,600	\$2,730.00	\$2,866.50
Health Insurance	\$300	\$300	\$300	\$300	\$300	\$300	\$300	\$300	\$300	\$300	\$300	\$300	\$3,600	\$3,780.00	\$3,969.00
Contract Staff	\$250	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$250	\$262.50	\$275.63
													<b>\$32,450</b>	<b>\$34,072.50</b>	<b>\$35,776.13</b>
<b>Programming</b>															
Teacher Fees	\$70	\$70	\$70	\$70	\$70	\$70	\$70	\$70	\$70	\$70	\$70	\$70	\$840	\$882.00	\$926.10
													<b>\$840</b>	<b>\$882.00</b>	<b>\$926.10</b>
<b>Fundraising</b>															
Development Expense	\$100	\$100	\$100	\$100	\$100	\$0	\$0	\$100	\$100	\$100	\$100	\$100	\$1,000	\$1,050.00	\$1,102.50
Special Event						\$1,000	\$1,000						\$2,000	\$2,100.00	\$2,205.00
													<b>\$3,000</b>	<b>\$3,150.00</b>	<b>\$3,307.50</b>
<b>Administration</b>															
Copy Machine	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$1,200	\$1,260.00	\$1,323.00
Office Supplies	\$75	\$75	\$75	\$75	\$75	\$75	\$75	\$75	\$75	\$75	\$75	\$75	\$900	\$945.00	\$992.25
Bank Fees	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$1,200	\$1,260.00	\$1,323.00
QuickBooks	\$75	\$75	\$75	\$75	\$75	\$75	\$75	\$75	\$75	\$75	\$75	\$75	\$900	\$945.00	\$992.25
Technology	\$50	\$50	\$50	\$50	\$50	\$50	\$50	\$50	\$50	\$50	\$50	\$50	\$600	\$630.00	\$661.50
Postage	\$25	\$25	\$25	\$25	\$25	\$25	\$25	\$25	\$25	\$25	\$25	\$25	\$300	\$315.00	\$330.75
Web Support	\$50	\$50	\$50	\$50	\$50	\$50	\$50	\$50	\$50	\$50	\$50	\$50	\$600	\$630.00	\$661.50
Misc/Contingency	\$750	\$750	\$750	\$750	\$750	\$750	\$750	\$750	\$750	\$750	\$750	\$750	\$9,000	\$9,450.00	\$9,922.50
													<b>\$14,700</b>	<b>\$15,435</b>	<b>\$16,207</b>
<b>Insurance/Pro Fees</b>															
Insurance	\$750	\$750	\$750	\$750	\$750	\$750	\$750	\$750	\$750	\$750	\$750	\$750	\$9,000	\$9,450.00	\$9,922.50
Workers Comp	\$41	\$41	\$41	\$41	\$41	\$41	\$41	\$41	\$41	\$41	\$41	\$41	\$492	\$516.60	\$542.43
Liquor Liability	\$300	\$300	\$300	\$300	\$300	\$300	\$300	\$300	\$300	\$300	\$300	\$300	\$3,600	\$3,780.00	\$3,969.00
Audit/CPA	\$250	\$250	\$250	\$250	\$250	\$250	\$250	\$250	\$250	\$250	\$250	\$250	\$3,000	\$3,150.00	\$3,307.50
Legal Fees	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$1,200	\$1,260.00	\$1,323.00
													<b>\$17,292</b>	<b>\$18,156.60</b>	<b>\$19,064.43</b>
<b>Marketing</b>															
Advertising	\$400	\$400	\$400	\$400	\$400	\$400	\$400	\$400	\$400	\$400	\$400	\$400	\$4,800	\$5,040.00	\$5,292.00
Printing	\$184	\$184	\$184	\$184	\$184	\$184	\$184	\$184	\$184	\$184	\$184	\$184	\$2,208	\$2,318.40	\$2,434.32
													<b>\$7,008</b>	<b>\$7,358.40</b>	<b>\$7,726.32</b>
<b>Utilities</b>															
Electric	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$18,000	\$18,900.00	\$19,845.00
Water	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$6,000	\$6,300.00	\$6,615.00
Phone/Internet	\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$2,400	\$2,520.00	\$2,646.00
Elevator Maintenance	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0.00	\$0.00
													<b>\$26,400</b>	<b>\$27,720.00</b>	<b>\$29,106.00</b>
<b>Total Expenses</b>													<b>\$101,690</b>	<b>\$106,775</b>	<b>\$112,113</b>
<b>Income</b>															
Programming	\$199	\$199	\$199	\$199	\$199	\$199	\$199	\$199	\$199	\$199	\$199	\$199	\$2,390	\$2,509.50	\$2,634.98
Market Rentals	\$6,633	\$6,633	\$6,633	\$6,633	\$6,633	\$6,633	\$6,633	\$6,633	\$6,633	\$6,633	\$6,633	\$6,633	\$79,600	\$83,580.00	\$87,759.00
Summer Camps	\$0	\$0	\$0	\$0	\$380	\$380	\$380	\$0	\$0	\$0	\$0	\$0	\$1,140	\$1,197.00	\$1,256.85
Special Events Rentals	\$200	\$200	\$200	\$200	\$400	\$400	\$400	\$400	\$200	\$200	\$200	\$200	\$3,200	\$3,360.00	\$3,528.00
													<b>\$83,130</b>	<b>\$87,286.50</b>	<b>\$91,650.83</b>
<b>Fundraising</b>															
Corporate Gifts	\$2,500	\$0	\$0	\$0	\$0	\$0	\$2,500	\$0	\$0	\$0	\$0	\$5,000	\$10,000	\$10,500.00	\$11,025.00
Programming Sponsorships	\$0	\$0	\$2,500	\$0	\$0	\$0	\$0	\$2,500	\$0	\$0	\$0	\$2,500	\$7,500	\$7,875.00	\$8,268.75
Individual Gifts	\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$1,000	\$3,200	\$3,360.00	\$3,528.00
Grants/Foundations	\$0	\$1,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,000	\$0	\$0	\$2,000	\$2,100.00	\$2,205.00
Special Event	\$0	\$0	\$0	\$0	\$0	\$0	\$5,000	\$0	\$0	\$0	\$0	\$0	\$5,000	\$5,250.00	\$5,512.50
Endowment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
													<b>\$27,700</b>	<b>\$29,085.00</b>	<b>\$30,539.25</b>
<b>Total Earned Revenue</b>													<b>\$83,130</b>	<b>\$87,287</b>	<b>\$91,651</b>
<b>Total Unearned Revenue</b>													<b>\$27,700</b>	<b>\$29,085</b>	<b>\$30,539</b>
<b>Total Income</b>													<b>\$110,830</b>	<b>\$116,372</b>	<b>\$122,190</b>
<b>Grand Total</b>													<b>\$9,140</b>	<b>\$9,597</b>	<b>\$10,077</b>



# Appendix G:

## Creative Center Business Plan

### CAMPS

Camp	Ages	Cost	Attendees	Revenue	Day	Session	Session	Instructor	Length	Pay/Day	Days	Total Pay	Net Revenue
Clay Creations	Grades K-2	\$ 40	7	\$ 280	1	7	1	7.0	1.50	\$ 23	2	\$ 45	\$ 235
Clay Creations	Grades 3-6	\$ 50	7	\$ 350	1	7	1	7.0	2.50	\$ 38	2	\$ 75	\$ 275
Clay Creations	Grades 7-12	\$ 65	7	\$ 455	1	7	1	7.0	4.00	\$ 60	3	\$ 180	\$ 275
Art Exploration	Grades K-2	\$ 40	12	\$ 480	1	12	1	12.0	1.50	\$ 23	2	\$ 45	\$ 435
Art Exploration	Grades 3-6	\$ 50	12	\$ 600	1	12	1	12.0	2.50	\$ 38	2	\$ 75	\$ 525
Drawing	Grades K-2	\$ 40	10	\$ 400	1	10	1	10.0	1.50	\$ 23	2	\$ 45	\$ 355
Drawing	Grades 3-6	\$ 50	10	\$ 500	1	10	1	10.0	2.50	\$ 38	2	\$ 75	\$ 425
Drawing	Grades 7-12	\$ 65	10	\$ 650	1	10	1	10.0	4.00	\$ 60	3	\$ 180	\$ 470
Watercolor	Grades K-2	\$ 40	7	\$ 280	1	7	1	7.0	1.50	\$ 23	2	\$ 45	\$ 235
Watercolor	Grades 3-6	\$ 50	7	\$ 350	1	7	1	7.0	2.50	\$ 38	2	\$ 75	\$ 275
Watercolor	Grades 7-12	\$ 65	7	\$ 455	1	7	1	7.0	4.00	\$ 60	3	\$ 180	\$ 275
Painting	Grades K-2	\$ 40	8	\$ 320	1	8	1	8.0	1.50	\$ 23	2	\$ 45	\$ 275
Painting	Grades 3-6	\$ 50	8	\$ 400	1	8	1	8.0	2.50	\$ 38	2	\$ 75	\$ 325
Painting	Grades 7-12	\$ 65	8	\$ 520	1	8	1	8.0	4.00	\$ 60	3	\$ 180	\$ 340
Fabrics	Grades K-2	\$ 40	6	\$ 240	1	6	1	6.0	1.50	\$ 23	2	\$ 45	\$ 195
Fabrics	Grades 3-6	\$ 50	6	\$ 300	1	6	1	6.0	2.50	\$ 38	2	\$ 75	\$ 225
Fabrics	Grades 7-12	\$ 65	8	\$ 520	1	8	1	8.0	4.00	\$ 60	3	\$ 180	\$ 340
Art in Nature	Grades K-2	\$ 40	12	\$ 480	1	12	1	12.0	1.50	\$ 23	2	\$ 45	\$ 435
Art in Nature	Grades 3-6	\$ 50	12	\$ 600	1	12	1	12.0	2.50	\$ 38	2	\$ 75	\$ 525
Art in Nature	Grades 7-12	\$ 65	10	\$ 650	1	10	1	10.0	4.00	\$ 60	3	\$ 180	\$ 470
Digital Art	Grades K-2	\$ 40	10	\$ 400	1	10	1	10.0	1.50	\$ 23	2	\$ 45	\$ 355
Digital Art	Grades 3-6	\$ 50	10	\$ 500	1	10	1	10.0	2.50	\$ 38	2	\$ 75	\$ 425
Digital Art	Grades 7-12	\$ 65	12	\$ 780	1	12	1	12.0	4.00	\$ 60	3	\$ 180	\$ 600
Animation Camp	Grades 7-12	\$ 100	6	\$ 600	1	6	1	6.0	4.00	\$ 60	3	\$ 180	\$ 420
			<b>250</b>	<b>\$ 11,110</b>								<b>\$ 2,400</b>	<b>\$ 8,710</b>

### CLASSES

Class	Week	Attendee	Revenue	Week	# Weeks	Session	Pay/	/ Year	Revenue	Gross Pay	Revenue	Cost/PP
Animation 1	\$ 12	5	\$ 60	1	6	\$ 360	\$ 90	2	\$ 720	\$ 180	\$ 540	\$ 72
Animation 2	\$ 12	3	\$ 36	1	8	\$ 288	\$ 120	1	\$ 288	\$ 120	\$ 168	\$ 96
Bookmaking 1	\$ 12	5	\$ 60	1	6	\$ 360	\$ 90	2	\$ 720	\$ 180	\$ 540	\$ 72
Bookmaking 2	\$ 12	3	\$ 36	1	8	\$ 288	\$ 120	1	\$ 288	\$ 120	\$ 168	\$ 96
Calligraphy 1	\$ 12	10	\$ 120	1	6	\$ 720	\$ 90	2	\$ 1,440	\$ 180	\$ 1,260	\$ 72
Calligraphy 2	\$ 12	5	\$ 60	1	8	\$ 480	\$ 120	1	\$ 480	\$ 120	\$ 360	\$ 96
Ceramics 1	\$ 12	5	\$ 60	1	6	\$ 360	\$ 90	2	\$ 720	\$ 180	\$ 540	\$ 72
Ceramics 2	\$ 12	3	\$ 36	1	8	\$ 288	\$ 120	1	\$ 288	\$ 120	\$ 168	\$ 96
Drawing 1	\$ 12	8	\$ 96	1	6	\$ 576	\$ 90	2	\$ 1,152	\$ 180	\$ 972	\$ 72
Drawing 2	\$ 12	4	\$ 48	1	8	\$ 384	\$ 120	1	\$ 384	\$ 120	\$ 264	\$ 96
Fabric Dying 1	\$ 12	10	\$ 120	1	6	\$ 720	\$ 90	2	\$ 1,440	\$ 180	\$ 1,260	\$ 72
Fabric Dying 2	\$ 12	5	\$ 60	1	8	\$ 480	\$ 120	1	\$ 480	\$ 120	\$ 360	\$ 96
Jewelry Making 1	\$ 12	5	\$ 60	1	6	\$ 360	\$ 90	2	\$ 720	\$ 180	\$ 540	\$ 72
Jewelry Making 2	\$ 12	3	\$ 36	1	8	\$ 288	\$ 120	1	\$ 288	\$ 120	\$ 168	\$ 96
Mosaics 1	\$ 12	5	\$ 60	1	6	\$ 360	\$ 90	2	\$ 720	\$ 180	\$ 540	\$ 72
Mosaics 2	\$ 12	3	\$ 36	1	8	\$ 288	\$ 120	1	\$ 288	\$ 120	\$ 168	\$ 96
Painting 1	\$ 12	8	\$ 96	1	6	\$ 576	\$ 90	2	\$ 1,152	\$ 180	\$ 972	\$ 72
Painting 2	\$ 12	4	\$ 48	1	8	\$ 384	\$ 120	1	\$ 384	\$ 120	\$ 264	\$ 96
Photography 1	\$ 12	8	\$ 96	1	6	\$ 576	\$ 90	2	\$ 1,152	\$ 180	\$ 972	\$ 72
Photography 2	\$ 12	4	\$ 48	1	8	\$ 384	\$ 120	1	\$ 384	\$ 120	\$ 264	\$ 96
Printmaking 1	\$ 12	6	\$ 72	1	6	\$ 432	\$ 90	2	\$ 864	\$ 180	\$ 684	\$ 72
Printmaking 1	\$ 12	4	\$ 48	1	8	\$ 384	\$ 120	1	\$ 384	\$ 120	\$ 264	\$ 96
Sculpture 1	\$ 12	5	\$ 60	1	6	\$ 360	\$ 90	2	\$ 720	\$ 180	\$ 540	\$ 72
Sculpture 2	\$ 12	3	\$ 36	1	8	\$ 288	\$ 120	1	\$ 288	\$ 120	\$ 168	\$ 96
Wine & Canvas	\$ 22	7	\$ 154	1	1	\$ 154	\$ 15	40	\$ 6,160	\$ 600	\$ 5,560	\$ 22
						<b>\$ 10,138</b>	<b>\$ 2,535</b>		<b>\$ 21,904</b>	<b>\$ 4,200</b>	<b>\$ 17,704</b>	<b>Total Class Revenue</b>

## MEMBERSHIP

Type	Cost	# Memberships	Revenue
Individual - Student	\$ 100	30	\$ 3,000
Individual - Adult	\$ 175	20	\$ 3,500
Family	\$ 350	30	\$ 10,500
			<b>\$ 17,000 Annual Revenue</b>

## MARKETING

Item	Monthly Cost	
<i>Advertising</i>		
Social Media Ads	\$ 200	
Radio	\$ 100	
	<b>\$ 300</b>	Monthly Advertising Expenses
	<b>\$ 3,600</b>	Annual Advertising Expenses
<i>Printing</i>		
Posters	\$ 75	
	<b>\$ 75</b>	Monthly Printing Expenses
	<b>\$ 900</b>	Annual Printing Expenses

## STAFFING

Staff Type	Salary
Managing Director *	\$ 12,000
Marketing Director **	N/A
	<b>\$ 12,000</b>

\* Quarter-time

\*\* Contract employee

## FULL BUDGET

	Jan	Feb	Mar	Apr	May	June	July	Aug	Sep	Oct	Nov	Dec	Total	Year 2 (5%)	Year 3 (5%)
<b>Staff</b>															
Staff	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$12,000	\$12,600.00	\$13,230.00
Payroll Taxes	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$1,200	\$1,260.00	\$1,323.00
Contract Staff	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0.00	\$0.00
													<b>\$13,200</b>	<b>\$13,860.00</b>	<b>\$14,553.00</b>
<b>Programming</b>															
Camps	\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$2,400	\$2,520.00	\$2,646.00
Classes	\$211	\$211	\$211	\$211	\$211	\$211	\$211	\$211	\$211	\$211	\$211	\$211	\$2,535	\$2,661.75	\$2,794.84
													<b>\$4,935</b>	<b>\$5,181.75</b>	<b>\$5,440.84</b>
<b>Administration</b>															
Copy Machine	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$1,200	\$1,260.00	\$1,323.00
Office Supplies	\$75	\$75	\$75	\$75	\$75	\$75	\$75	\$75	\$75	\$75	\$75	\$75	\$900	\$945.00	\$992.25
Bank Fees	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$1,200	\$1,260.00	\$1,323.00
QuickBooks	\$75	\$75	\$75	\$75	\$75	\$75	\$75	\$75	\$75	\$75	\$75	\$75	\$900	\$945.00	\$992.25
Newsletter	\$50	\$50	\$50	\$50	\$50	\$50	\$50	\$50	\$50	\$50	\$50	\$50	\$600	\$630.00	\$661.50
Technology	\$50	\$50	\$50	\$50	\$50	\$50	\$50	\$50	\$50	\$50	\$50	\$50	\$600	\$630.00	\$661.50
Web Support	\$50	\$50	\$50	\$50	\$50	\$50	\$50	\$50	\$50	\$50	\$50	\$50	\$600	\$630.00	\$661.50
Misc./Contingency	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$12,000	\$12,600.00	\$13,230.00
													<b>\$18,000</b>	<b>\$18,900</b>	<b>\$19,845</b>
<b>Insurance/Pro Fees</b>															
Insurance	\$700	\$700	\$700	\$700	\$700	\$700	\$700	\$700	\$700	\$700	\$700	\$700	\$8,400	\$8,820.00	\$9,261.00
Audit/CPA	\$250	\$250	\$250	\$250	\$250	\$250	\$250	\$250	\$250	\$250	\$250	\$250	\$3,000	\$3,150.00	\$3,307.50
Legal Fees	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$1,200	\$1,260.00	\$1,323.00
													<b>\$12,600</b>	<b>\$13,230.00</b>	<b>\$13,891.50</b>
<b>Marketing</b>															
Advertising	\$300	\$300	\$300	\$300	\$300	\$300	\$300	\$300	\$300	\$300	\$300	\$300	\$3,600	\$3,780.00	\$3,969.00
Printing	\$75	\$75	\$75	\$75	\$75	\$75	\$75	\$75	\$75	\$75	\$75	\$75	\$900	\$945.00	\$992.25
													<b>\$4,500</b>	<b>\$4,725.00</b>	<b>\$4,961.25</b>
<b>Utilities</b>															
Electric	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$12,000	\$12,600.00	\$13,230.00
Water	\$250	\$250	\$250	\$250	\$250	\$250	\$250	\$250	\$250	\$250	\$250	\$250	\$3,000	\$3,150.00	\$3,307.50
Phone/Internet	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$1,200	\$1,260.00	\$1,323.00
													<b>\$16,200</b>	<b>\$17,010.00</b>	<b>\$17,860.50</b>
<b>Total Expenses</b>													<b>\$69,435</b>	<b>\$72,907</b>	<b>\$76,552</b>
<b>Income</b>															
Camps	\$926	\$926	\$926	\$926	\$926	\$926	\$926	\$926	\$926	\$926	\$926	\$926	\$11,110	\$11,665.50	\$12,248.78
Classes	\$1,475	\$1,475	\$1,475	\$1,475	\$1,475	\$1,475	\$1,475	\$1,475	\$1,475	\$1,475	\$1,475	\$1,475	\$17,704	\$18,589.20	\$19,518.66
Membership	\$1,417	\$1,417	\$1,417	\$1,417	\$1,417	\$1,417	\$1,417	\$1,417	\$1,417	\$1,417	\$1,417	\$1,417	\$17,000	\$17,850.00	\$18,742.50
													<b>\$45,814</b>	<b>\$48,104.70</b>	<b>\$50,509.94</b>
<b>Rentals</b>															
Rentals	\$300	\$300	\$300	\$300	\$300	\$300	\$300	\$300	\$300	\$300	\$300	\$300	\$3,600	\$3,780.00	\$3,969.00
													<b>\$3,600</b>	<b>\$3,780</b>	<b>\$3,969</b>
<b>Fundraising</b>															
Corporate Gifts			\$2,000			\$2,500			\$2,500			\$2,500	\$9,500	\$9,975.00	\$10,473.75
Programming Sponsorships			\$1,500					\$2,000				\$2,000	\$5,500	\$5,775.00	\$6,063.75
Individual Gifts	\$250	\$250	\$250	\$250	\$250	\$250	\$250	\$250	\$250	\$250	\$250	\$250	\$3,000	\$3,150.00	\$3,307.50
Grants/Foundations			\$1,500					\$1,500				\$1,500	\$4,500	\$4,725.00	\$4,961.25
													<b>\$22,500</b>	<b>\$23,625.00</b>	<b>\$24,806.25</b>
<b>Total Earned Revenue</b>													<b>\$49,414</b>	<b>\$51,885</b>	<b>\$54,479</b>
<b>Total Unearned Revenue</b>													<b>\$22,500</b>	<b>\$23,625</b>	<b>\$24,806</b>
<b>Total Income</b>													<b>\$71,914</b>	<b>\$75,510</b>	<b>\$79,285</b>
<b>Grand Total</b>													<b>\$2,479</b>	<b>\$2,603</b>	<b>\$2,733</b>

# Appendix H:

## Sports Academy Business Plan

### CAMPS

Camp/Clinic	Ages	Cost	Attendees	Revenue	Day	Session	Session	Coach	Length	Pay/Day	Days	Total Pay	Net Revenue
Baseball Fundamentals	7-11	\$ 85	30	\$ 2,550	2	15	2	7.5	3.00	\$ 180	2	\$ 360	\$ 2,190
Baseball Fundamentals	12-22	\$ 85	30	\$ 2,550	2	15	2	7.5	3.00	\$ 180	2	\$ 360	\$ 2,190
Baseball Hitting Clinic	7-11	\$ 65	36	\$ 2,340	3	12	2	6.0	2.00	\$ 180	1	\$ 180	\$ 2,160
Baseball Hitting Clinic	12-22	\$ 65	36	\$ 2,340	3	12	2	6.0	2.00	\$ 180	1	\$ 180	\$ 2,160
Basketball Dribbling Camp	Grades 3-12	\$ 60	24	\$ 1,440	3	8	1	8.0	2.00	\$ 90	1	\$ 90	\$ 1,350
Basketball Junior High Skills Camp	Grades 6-9	\$ 75	24	\$ 1,800	2	12	2	6.0	3.00	\$ 180	2	\$ 360	\$ 1,440
Basketball Position Development Camp	Grades 6-12	\$ 100	50	\$ 5,000	2	25	4	6.3	3.00	\$ 360	3	\$ 1,080	\$ 3,920
Basketball Shooting Camp	Grades 3-12	\$ 50	24	\$ 1,200	2	12	2	6.0	2.00	\$ 120	1	\$ 120	\$ 1,080
Basketball Skills Clinic	Grades 6-12	\$ 50	35	\$ 1,750	1	35	5	7.0	3.00	\$ 225	1	\$ 225	\$ 1,525
Basketball Team Camp	Grades 9-12	\$ 350	9 teams	\$ 3,150	1	54	4	13.5	8.00	\$ 480	1	\$ 480	\$ 2,670
Football Position Development Camp	Grades 9-12	\$ 110	40	\$ 4,400	2	20	4	5.0	3.00	\$ 360	3	\$ 1,080	\$ 3,320
Football Punt, Pass, and Kick Competition	Grades 3-8	\$ 35	30	\$ 1,050	1	30	5	6.0	2.00	\$ 150	1	\$ 150	\$ 900
Football Senior One Day Camp	Grades 12	\$ 45	40	\$ 1,800	2	20	4	5.0	4.00	\$ 480	1	\$ 480	\$ 1,320
Football Youth Camp	Grades 3-6	\$ 85	54	\$ 4,590	2	27	5	5.4	3.00	\$ 450	3	\$ 1,350	\$ 3,240
Football Youth Camp	Grades 7-9	\$ 85	54	\$ 4,590	2	27	5	5.4	3.00	\$ 450	3	\$ 1,350	\$ 3,240
Golf Fundamentals	Grades 3-12	\$ 125	24	\$ 3,000	2	12	2	6.0	2.00	\$ 120	2	\$ 240	\$ 2,760
Soccer Fundamentals	Grades 3-8	\$ 75	20	\$ 1,500	1	20	3	6.7	2.00	\$ 90	3	\$ 270	\$ 1,230
Soccer Fundamentals	Grades 9-12	\$ 75	20	\$ 1,500	1	20	3	6.7	2.00	\$ 90	3	\$ 270	\$ 1,230
Soccer Goal Keeping Academy	Grades 9-12	\$ 90	12	\$ 1,080	1	12	2	6.0	1.25	\$ 38	3	\$ 113	\$ 968
Softball Fundamentals	7-11	\$ 85	24	\$ 2,040	2	12	2	6.0	3.00	\$ 180	2	\$ 360	\$ 1,680
Softball Fundamentals	12-22	\$ 85	24	\$ 2,040	2	12	2	6.0	3.00	\$ 180	2	\$ 360	\$ 1,680
Softball Hitting Clinic	7-11	\$ 60	36	\$ 2,160	3	12	2	6.0	2.00	\$ 180	1	\$ 180	\$ 1,980
Softball Hitting Clinic	12-22	\$ 60	36	\$ 2,160	3	12	2	6.0	2.00	\$ 180	1	\$ 180	\$ 1,980
Tennis Fundamentals	Grades 3-8	\$ 125	20	\$ 2,500	2	10	2	5.0	3.00	\$ 180	3	\$ 540	\$ 1,960
Tennis Fundamentals	Grades 9-12	\$ 125	20	\$ 2,500	2	10	2	5.0	3.00	\$ 180	3	\$ 540	\$ 1,960
Track and Field Field Event Academy	Grades 7-12	\$ 60	18	\$ 1,080	1	18	2	9.0	2.00	\$ 60	3	\$ 180	\$ 900
Track and Field Hurdling Academy	Grades 7-12	\$ 60	12	\$ 720	1	12	2	6.0	2.00	\$ 60	3	\$ 180	\$ 540
Track and Field Running Camp	Grades 3-8	\$ 60	36	\$ 2,160	1	36	4	9.0	2.00	\$ 120	3	\$ 360	\$ 1,800
Track and Field Running Camp	Grades 9-12	\$ 60	36	\$ 2,160	1	36	4	9.0	2.00	\$ 120	3	\$ 360	\$ 1,800
Volleyball Individual Camp	Grades 3-8	\$ 85	36	\$ 3,060	2	18	3	6.0	3.00	\$ 270	3	\$ 810	\$ 2,250
Volleyball Individual Camp	Grades 9-12	\$ 85	36	\$ 3,060	2	18	3	6.0	3.00	\$ 270	3	\$ 810	\$ 2,250
Volleyball Position Development Camp	Grades 6-12	\$ 85	30	\$ 2,550	3	10	2	5.0	2.00	\$ 180	3	\$ 540	\$ 2,010
Volleyball Serving Camp	Grades 6-12	\$ 75	24	\$ 1,800	2	12	2	6.0	1.25	\$ 75	3	\$ 225	\$ 1,575
Wrestling Fundamentals	Grades 3-8	\$ 80	24	\$ 1,920	2	12	2	6.0	3.00	\$ 180	2	\$ 360	\$ 1,560
Wrestling Fundamentals	Grades 9-12	\$ 80	24	\$ 1,920	2	12	2	6.0	3.00	\$ 180	2	\$ 360	\$ 1,560
			<b>1,073</b>	<b>\$ 81,460</b>						<b>\$ 6,998</b>		<b>\$ 15,083</b>	<b>\$ 66,378</b>

### CLASSES

Class	Ages	Cost	Attendees	Revenue	Week	Week	Pay	Net Revenue
CrossFit	Adults	\$ 20	7	\$ 140	2	\$ 280	\$ 30	\$ 250
Dance Academy	3-11	\$ 15	7	\$ 105	1	\$ 105	\$ 15	\$ 90
Dance Academy	12-18	\$ 15	7	\$ 105	1	\$ 105	\$ 15	\$ 90
Dance Academy	4-11	\$ 15	7	\$ 105	1	\$ 105	\$ 15	\$ 90
Dance Academy	12-18	\$ 15	7	\$ 105	1	\$ 105	\$ 15	\$ 90
Gymnastics 1	3-11	\$ 15	7	\$ 105	1	\$ 105	\$ 15	\$ 90
Gymnastics 2	12-18	\$ 15	7	\$ 105	1	\$ 105	\$ 15	\$ 90
Martial Arts 1	3-11	\$ 15	7	\$ 105	1	\$ 105	\$ 15	\$ 90
Martial Arts 2	12-18	\$ 15	7	\$ 105	1	\$ 105	\$ 15	\$ 90
Yoga (Youth)	5-18	\$ 10	7	\$ 70	1	\$ 70	\$ 15	\$ 55
Yoga (Adults)	Adults	\$ 10	7	\$ 70	2	\$ 140	\$ 30	\$ 110
					<b>\$ 1,330</b>	<b>\$ 195</b>	<b>\$</b>	<b>1,135 Weekly Class Revenue</b>
							<b>\$</b>	<b>45,400 Yearly Class Revenue (40 weeks)</b>
							<b>\$ 650</b>	<b>Monthly Expenses</b>
							<b>\$</b>	<b>53,200 Gross Annual Revenue</b>

# MEMBERSHIP

Type	Cost	Memberships	Revenue
Individual - Student	\$ 150	24	\$ 3,600
Individual - Adult	\$ 200	30	\$ 6,000
Family Gold	\$ 375	12	\$ 4,500
Family Platinum	\$ 500	10	\$ 5,000
			<b>\$ 19,100 Annual Revenue</b>

# MARKETING

Item	Monthly Cost
<i>Advertising</i>	
Social Media Ads	\$ 200
Radio	\$ 100
Print	\$ 75
	<b>\$ 375 Monthly Advertising Expenses</b>
	<b>\$ 4,500 Annual Advertising Expenses</b>

Item	Monthly Cost
<i>Printing</i>	
Brochures	\$ 75
Posters	\$ 75
	<b>\$ 150 Monthly Printing Expenses</b>
	<b>\$ 1,800 Annual Printing Expenses</b>

# STAFFING

Staff Type	Salary
Executive Director	\$ 42,000
Managing Director	\$ 30,000
Marketing Director *	\$ 5,000
	<b>\$ 77,000</b>

\* Contract employee \$ 72,000

# FULL BUDGET

	Jan	Feb	Mar	Apr	May	June	July	Aug	Sep	Oct	Nov	Dec	Total	Year 2 (5%)	Year 3 (5%)
<b>Staff</b>															
Staff	\$6,167	\$6,167	\$6,167	\$6,167	\$6,167	\$6,167	\$6,167	\$6,167	\$6,167	\$6,167	\$6,167	\$6,167	\$74,000	\$77,700.00	\$81,585.00
Payroll Taxes	\$617	\$617	\$617	\$617	\$617	\$617	\$617	\$617	\$617	\$617	\$617	\$617	\$7,400	\$7,770.00	\$8,158.50
Health Insurance	\$600	\$900	\$900	\$900	\$900	\$900	\$900	\$900	\$900	\$900	\$900	\$900	\$10,500	\$11,025.00	\$11,576.25
Contract Staff	\$417	\$417	\$417	\$417	\$417	\$417	\$417	\$417	\$417	\$417	\$417	\$417	\$5,000	\$5,250.00	\$5,512.50
													<b>\$96,900</b>	<b>\$101,745.00</b>	<b>\$106,832.25</b>
<b>Programming</b>															
Camps	\$1,257	\$1,257	\$1,257	\$1,257	\$1,257	\$1,257	\$1,257	\$1,257	\$1,257	\$1,257	\$1,257	\$1,257	\$15,083	\$15,836.63	\$16,628.46
Classes	\$650	\$650	\$650	\$650	\$650	\$650	\$650	\$650	\$650	\$650	\$650	\$650	\$7,800	\$8,190.00	\$8,599.50
													<b>\$22,883</b>	<b>\$24,026.63</b>	<b>\$25,227.96</b>
<b>Administration</b>															
Copy Machine	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$1,200	\$1,260.00	\$1,323.00
Office Supplies	\$75	\$75	\$75	\$75	\$75	\$75	\$75	\$75	\$75	\$75	\$75	\$75	\$900	\$945.00	\$992.25
Bank Fees	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$1,200	\$1,260.00	\$1,323.00
QuickBooks	\$75	\$75	\$75	\$75	\$75	\$75	\$75	\$75	\$75	\$75	\$75	\$75	\$900	\$945.00	\$992.25
Printing Expense	\$250	\$250	\$250	\$250	\$250	\$250	\$250	\$250	\$250	\$250	\$250	\$250	\$3,000	\$3,150.00	\$3,307.50
Newsletter	\$50	\$50	\$50	\$50	\$50	\$50	\$50	\$50	\$50	\$50	\$50	\$50	\$600	\$630.00	\$661.50
Technology	\$50	\$50	\$50	\$50	\$50	\$50	\$50	\$50	\$50	\$50	\$50	\$50	\$600	\$630.00	\$661.50
Postage	\$25	\$25	\$25	\$25	\$25	\$25	\$25	\$25	\$25	\$25	\$25	\$25	\$300	\$315.00	\$330.75
Web Support	\$75	\$75	\$75	\$75	\$75	\$75	\$75	\$75	\$75	\$75	\$75	\$75	\$900	\$945.00	\$992.25
Misc/Contingency	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$12,000	\$12,600.00	\$13,230.00
													<b>\$21,600</b>	<b>\$22,680</b>	<b>\$23,814</b>
<b>Insurance/Pro Fees</b>															
Insurance	\$750	\$750	\$750	\$750	\$750	\$750	\$750	\$750	\$750	\$750	\$750	\$750	\$9,000	\$9,450.00	\$9,922.50
Workers Comp	\$41	\$41	\$41	\$41	\$41	\$41	\$41	\$41	\$41	\$41	\$41	\$41	\$492	\$516.60	\$542.43
Audit/CPA	\$250	\$250	\$250	\$250	\$250	\$250	\$250	\$250	\$250	\$250	\$250	\$250	\$3,000	\$3,150.00	\$3,307.50
Legal Fees	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$1,200	\$1,260.00	\$1,323.00
													<b>\$13,692</b>	<b>\$14,376.60</b>	<b>\$15,095.43</b>
<b>Marketing</b>															
Advertising	\$375	\$375	\$375	\$375	\$375	\$375	\$375	\$375	\$375	\$375	\$375	\$375	\$4,500	\$4,725.00	\$4,961.25
Printing	\$150	\$150	\$150	\$150	\$150	\$150	\$150	\$150	\$150	\$150	\$150	\$150	\$1,800	\$1,890.00	\$1,984.50
													<b>\$6,300</b>	<b>\$6,615.00</b>	<b>\$6,945.75</b>
<b>Utilities</b>															
Electric	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000	\$36,000	\$37,800.00	\$39,690.00
Water	\$700	\$700	\$700	\$700	\$700	\$700	\$700	\$700	\$700	\$700	\$700	\$700	\$8,400	\$8,820.00	\$9,261.00
Phone/Internet	\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$2,400	\$2,520.00	\$2,646.00
													<b>\$46,800</b>	<b>\$49,140.00</b>	<b>\$51,597.00</b>
<b>Total Expenses</b>													<b>\$208,175</b>	<b>\$218,583</b>	<b>\$229,512</b>
<b>Income</b>															
Camps	\$6,788	\$6,788	\$6,788	\$6,788	\$6,788	\$6,788	\$6,788	\$6,788	\$6,788	\$6,788	\$6,788	\$6,788	\$81,460	\$85,533.00	\$89,809.65
Classes	\$4,433	\$4,433	\$4,433	\$4,433	\$4,433	\$4,433	\$4,433	\$4,433	\$4,433	\$4,433	\$4,433	\$4,433	\$53,200	\$55,860.00	\$58,653.00
Membership	\$1,592	\$1,592	\$1,592	\$1,592	\$1,592	\$1,592	\$1,592	\$1,592	\$1,592	\$1,592	\$1,592	\$1,592	\$19,100	\$20,055.00	\$21,057.75
													<b>\$153,760</b>	<b>\$161,448.00</b>	<b>\$169,520.40</b>
<b>Rentals</b>															
Rentals	\$250	\$250	\$250	\$250	\$250	\$250	\$250	\$250	\$250	\$250	\$250	\$250	\$3,000	\$3,150.00	\$3,307.50
													<b>\$3,000</b>	<b>\$3,150</b>	<b>\$3,308</b>
<b>Fundraising</b>															
Corporate Gifts			\$2,500			\$2,500			\$2,500			\$2,500	\$10,000	\$10,500.00	\$11,025.00
Programming Sponsorships			\$5,000					\$5,000				\$5,000	\$15,000	\$15,750.00	\$16,537.50
Individual Gifts	\$400	\$400	\$400	\$400	\$400	\$400	\$400	\$400	\$400	\$400	\$400	\$400	\$8,400	\$8,820.00	\$9,261.00
Grants/Foundations			\$5,000					\$15,000				\$15,000	\$35,000	\$36,750.00	\$38,587.50
													<b>\$68,400</b>	<b>\$71,820.00</b>	<b>\$75,411.00</b>
<b>Total Earned Revenue</b>													<b>\$156,760</b>	<b>\$164,598</b>	<b>\$172,828</b>
<b>Total Unearned Revenue</b>													<b>\$68,400</b>	<b>\$71,820</b>	<b>\$75,411</b>
<b>Total Income</b>													<b>\$225,160</b>	<b>\$236,418</b>	<b>\$248,239</b>
<b>Grand Total</b>													<b>\$16,986</b>	<b>\$17,835</b>	<b>\$18,727</b>

# Appendix I:

## Four-Step Land Disposal Process

### Four-Step Excess Land Disposal Process

#### Step 1: Comply with purchase preference per Iowa Code § 306.23

- Determine the owner(s) at the time of acquisition
- Determine the present owner(s) of the remaining tract of land (if pursuing a partial acquisition)
- Send an Offer to Buy (OTB) by certified mail and allow 60 days for a response
- Sell if received OTB is at or higher than the approved appraised value of the land
- If no acceptable OTB is received within the allotted time frame, then proceed to the next step

#### Step 2: Offer to other government agencies

- These include state agencies, school districts, conservation boards, counties, and cities
- The purpose must be for permanent public use
- All 30 days to receive a response
- Sell if the received OTB is at or higher than the approved appraised value of the land

#### Step 3: Offer to abutting land owners

- These are owners of land that is contiguous to the parcel of land
- Allow 30 days to receive a response
- Sell if the received OTB is at or higher than the approved appraised value of the land
- If no acceptable OTB is received within the allotted time frame, then proceed to the next step.

#### Step 4: Conduct a public sale

- The selection of an approved auction company is managed by the Office of Purchasing
- The Iowa DOT reserves the right to refuse any and all bids if no acceptable offer is received
- Once the public auction has ended and the auction company receives at least 10 percent funding from the winning bidder, the auction company forwards all of the necessary contact and possession information to the Iowa DOT.



# Appendix J:

## Hardin County Brewery Business Plan

### SUMMARY

This paper includes a preliminary business plan for a brewery in Iowa Falls, Hardin County, Iowa. It was prepared after reviewing demographic and cultural information about the community and surrounding area and takes into account additional development opportunities that are currently in planning. It gives an overview of the brewing industry structure, the recommendations for business model, high level plans for products and marketing, and basic financial projections.

### MARKET OBSERVATIONS & ANALYSIS

For the purposes of this report, we will use the Brewer's Association definition of a craft brewery. An American craft brewer is small, independent, and traditional.

- Small: Annual production of 6 million barrels of beer or less (approximately 3 percent of U.S. annual sales). Beer production is attributed to the rules of alternating proprietorships.
- Independent: Less than 25 percent of the craft brewery is owned or controlled (or equivalent economic interest) by an alcohol industry member that is not itself a craft brewer.
- Traditional: A brewer that has a majority of its total beverage alcohol volume in beers whose flavor derives from traditional or innovative brewing ingredients and their fermentation. Flavored malt beverages (FMBs) are not considered beers.

Craft brewers are small brewers with a distinct focus on innovation and unique takes on traditional styles. They focus on high quality ingredients with a traditional base of malted barley and may enhance it with non-traditional ingredients but only to add distinct flavor. Craft breweries often become the epicenter of a community becoming involved in local charities and events through donations of time, money, and awareness building. Craft brewers are artists with a high degree of technical skill and are keenly aware of the integrity of their craft and how they go to market.

Within the craft brewery definition, there are different operating models that include:

- Brewpub: A restaurant-brewery that sells 25 percent or more of its beer on site. The beer is brewed primarily for sale in the restaurant and bar. The beer is often dispensed directly from the brewery's storage tanks. Where allowed by law, brewpubs often sell beer "to go" and/or distribute to off-site accounts. Note: Brewer's Association re-categorizes a company as a microbrewery if its off-site (distributed) beer sales exceed 75 percent.
- Microbrewery: A brewery that produces less than 15,000 barrels (17,600 hectoliters) of beer per year with 75 percent or more of its beer sold off-site. Microbreweries sell to the public by one or more of the following methods: the traditional three-tier system (brewer to wholesaler to retailer to consumer); the two-tier system (brewer acting as wholesaler to retailer to consumer); and, directly to the consumer through carry-outs and/or on-site taproom or restaurant sales.
- Nano-Brewery: A brewery that produces a very small amount of beer, typically won a 1-3bbl brew system, and sells direct to consumer on site at their brewery.
- Contract Brewing Company: A business that hires another brewery to produce its beer. It can also be a brewery that hires another brewery to produce additional beer. The contract brewing company handles marketing, sales, and distribution of its beer, while generally leaving the brewing and packaging to its producer-brewery (which, confusingly, is also sometimes referred to as a contract brewery).

Each state has different licensing laws that grant different permissions for how breweries go to market and operate their businesses. Iowa generally has a very favorable licensing environment and grants two types of licenses:

- Brewpub (a retail license with manufacturing privileges)
- Allowed to serve beer, produced on site or not, wine and liquor
- May sell growlers for off-site consumption
- May serve food or not

- Must use a distributor to sell beer to other retailers or to sell packaged beer and kegs for off-site consumption
- May have multiple location licenses.
- May add on high proof beer privilege.
- Microbrewery (a manufacturer with retail and wholesale privileges)
- Allowed to sell beer, produced on site or not, and wine.
- May sell growlers for off-site consumption
- May also be a restaurant
- May self distribute to outside accounts but is only allowed one location license.

Iowa Falls appears to follow Iowa Code Ch. 123 for all licensing with no further restrictions on minors in establishments or other items that would inhibit a brewery business in town. Many breweries become community gathering spaces and tourism stops, therefore it is important to allow families to gather.

## FEASIBILITY OF BREWERY IN IOWA FALLS

Hardin County's population is about 17,000 and, specifically, Iowa Falls has a population of about 5,300. Approximately 74 percent of residents are over the age of 21 with, and about 12 percent over the age of 75. Assuming 5 percent of the local population would frequent the business, it would be important to draw people from outside the area to a taproom to make it financially viable. The biggest risk to this plan is lack of local support for a craft brewery taproom. To mitigate this, the owner would need to be willing to adapt to a more general tavern and potentially forgo the brewing aspect of the business.

Iowa has 70 craft breweries and ranks 14th for number of breweries per capita at 3.2. However, Iowa ranks 41st for production per capita at 0.9 gallons per year. While Iowa Falls and Hardin County have a small population that may be difficult to support a brewery, they do have Ellsworth Community College. Iowa Falls and the surrounding communities in Hardin County are well positioned to welcome visitors to the beautiful water trails and natural amenities. Being only one hour from Waterloo, Ames, and Mason City provides the area a viable evening and weekend visitor population. Additionally, with the future housing development, the area is poised for growth.

Currently, there are no breweries within 10 miles, however there are breweries within 50 miles, including Old Main and Alluvial in Ames, Mason City Brewing and Fat Hills in Mason City, and Single Speed, Lark, and Second State in Cedar Falls/Waterloo.

The general craft beer industry is still growing, although we are starting to see more crowded shelves at grocery stores and tap lines. However, there is still room in Iowa to produce more beer, and the trend is toward hyper-local. Taprooms are still popular gathering spots, and, as the industry grows, so do the potential beer knowledgeable customers.

## BUSINESS MODEL DESCRIPTION

The purpose of the business is to enhance the quality of life in Hardin County by providing a space for the community and visitors to gather. This business will help to attract and retain new residents and add another point of interest for nearby tourism activities and visitors to the college. The brewery can add value to a currently underused property as well as provide a new entrepreneurial business to the community that will provide income for one or two full time staff and a handful of part time staff. The plan is that this will become an anchor for a new development.

Of course, with any business, the goal is to make a return for the owners. While this type of small-scale business may not make anyone independently wealthy, I think there is opportunity in Hardin County to have a profitable business and also provide a great lifestyle career for an aspiring brewer.

The best model for Iowa Falls is a taproom operating under a native microbrewery license to keep costs low and allow flexibility for distribution. I would keep the focus on high quality beer and make sure you have a qualified commercial brewer as an owner or key employee. A nearby restaurant and other strategic partnerships would

enhance the business. Light snacks could be offered regularly with more substantial food options for delivery or during limited business hours.

I would not recommend a full packaging operation due to cost and the difficulties getting to market at this time. However, selling beer to go in growlers or crowlers would be important as would some limited draft self-distribution to key accounts, both local and strategic, to create awareness of the new brewery. Crowlers, large cans that can be sealed and potentially, resealed, would make great take aways to the local water trail and other recreational opportunities.

I would recommend a 3-5 barrel brew house that could easily produce 300-500 barrels per year, enough for the taproom and limited distribution with brewing only twice a week. It could be a steam fired or electric unit depending on utility options and space planning giving some flexibility to the operation. This could also be managed by one brewer, with some time left over for other duties if needed. I would emphasize hiring a professional brewer with formal training and some experience in a commercial setting. The entire operation hinges on quality beer, and the importance of someone who knows what they are doing cannot be overstated. We have seen many successful home brewers struggle when confronted with brewing consistently for paying consumers. The front of house would need a strong lead bartender or manager to make sure standards for hospitality are set. However, for such a small operation, I would recommend the taproom manager also have bartending hours as well to keep costs low.

Because of the agricultural nature of the area, a farm to glass concept would make the Iowa Falls location unique in Iowa. While hop production is labor intensive and uncertain, the brewery could source at least part of its hop bill from the local area. Additionally, an orchard and area farmers markets would create ample opportunities to collaborate with small farmers for unique inputs such as honey, fruits, or herbs.

The potential owners of the business will need to determine company structure and financing options. It will be very important to have an ownership structure with good backgrounds running a business, brewing, and service and hospitality – or else make sure they hire staff that are experts in their field.

## **PRODUCTS AND SERVICES**

The Hardin County Brewery will produce and serve craft beer and soda. Craft beer has been on the rise for the last several years and is seen as a beverage with value that is best enjoyed in a social environment and often generates community building just by its nature. Brewing our own beer adds to the uniqueness of the service establishment and creates a reason for people to visit. It would be important to have 15-30 draft lines for the variety expected by the craft beer consumer.

The brews will need to be an authentic reflection of the brewer and must have a high focus on quality and originality. As more and more brewers enter the market, quality and authenticity will be what sets new breweries apart. With the history of the land and focus on local foods, it would be a great way to set apart this brewery by focusing on procuring what they can locally.

While I am not an expert in hop production, there are many resources available that could help the new brewery explore this as a unique aspect of their plan. Hops are a beautiful plant that grow on bines that reach 30 feet each year. This would be an attractive visual feature but also provide a unique input for the brews. By simple calculations, if there were 3,200 square feet of ground available for a hop yard nearby, there would be enough space to produce enough hops for 150 barrels of beer per year. Of course, there would be some cost and labor in the growing, harvesting, and preserving of this crop for its commercial use.

Prices for craft beer tend toward the premium level due to the handcrafted, small batch nature of the product. Ingredient costs are often higher due to quality and the inability to purchase in large quantities. The brewery will also be able to serve beer from other breweries to round out their selection and keep the tap lines full during times of slower production.

In addition to beer, the native brewery status in Iowa now allows brewers to serve wine. This may be an important

addition in a small market like Hardin County to attract mixed parties of beer and wine consumers. Cider is also a great option for customers, and it is getting easier to find more quality local producers.

Finally, I would propose that the brewery offer alternative beverages such as house made soda for non- drinkers and minors to keep it family friendly. Kombucha or other gluten free or low alcohol offerings also allow for variety to keep groups happy and returning.

A potential add-on opportunity would be to incorporate coffee service either by offering only cold brew or a combination of cold and hot brews, which would allow the business to expand their hours and generate revenue at alternative times of day. This could be done as a sublease to a coffee business or as an addition to the current business depending on the owner and staff competencies.

Additionally, if the market does not support the craft beer focus, this could be converted into a cocktail bar by changing the licensing to a brewpub, which would allow liquor to be served. I would not recommend this in the beginning, but it's important to have options should the original plan not be as successful as planned.

While food can be an important part of a brewery experience, I would stay away from putting in a full restaurant in this model. I would recommend partnering with local businesses to provide delivery or temporary food service, such as pop-up catering or a food truck. With the plan calling for a local market and restaurant in the vicinity, there should be great opportunities to partner.

## **MARKETING PLAN**

The Hardin County brewery will attract customers by offering a space to gather regularly for the local community as well as to host visitors from near and far. The interest in craft beer will drive a certain amount of traffic to the brewery naturally. Locally brewed craft beer is an attractor by itself and will help the establishment stand out among other drinking establishments. The quality of the products will become a main tool to attract and retain new customers, especially those very interested and willing to travel for craft beer.

Locally, I would market to the community to become a gathering space that offers beer, cider, wine, and non-alcoholic sodas. I would promote the space as a meeting point to gather after work or on the weekends with friends and family. A great draw for tourism are the local water trails, which attract a similar demographic to typical craft beverage consumers. Partnering with other local businesses to enhance the experience of visiting Hardin County will be a great benefit.

The advertising budget is small due to the scale of the business, but social media and networking provide low cost means of marketing the business. It is important to become a part of the community by joining the Chamber of Commerce and working with nonprofit organizations that are meaningful to the owners and staff both as a way to give back but also as a way to create awareness for the brewery. Beer is a great connector and using it to enhance the community is a great marketing tool.

Depending on the skill set of the owners/managers of the brewery, it may be important to engage contract marketing services to aid in promoting the brewery to potential customers. While the most important thing in a craft brewery is making quality beer, you also need to make sure it's presented in a way that will draw people to you, from your logo to the look and feel of the taproom; aesthetics are an important signal to the market. Once more is known about the owners and brewer, it will be very important to flesh out the branding and marketing plan to reflect the true nature of the business.

## **MANAGEMENT AND OPERATIONS**

It will be important to work with legal and accounting professionals to set up the company and ownership structure correctly. Involving a trusted banker and insurance agent will also be key for the start up. The structure will greatly depend on the investors and management team assembled for this new venture.

It's imperative to understand that this is a capital-intensive business, and owners may need to provide some unpaid experience and expertise to get the company going before staff can be hired to manage all aspects of the business.

Since the business will be founded around creating and selling craft beer, I cannot over-emphasize the importance of hiring a capable brewer with professional experience – or at least an owner who has professional brewing experience who can oversee the brewer. The industry has seen a lot of home brewers that think they can transition into commercial brewing without any experience working in a commercial setting before opening their own shop. While it is sometimes successful, often there are many struggles with quality and consistency not to mention a hobby might not be so much fun when your livelihood depends on it. Planning production and efficiently turning out product are important skills to make the brewery financially feasible.

Additionally, it will be important to have a qualified staff member to run the front of house operations to make sure guests are taken care of appropriately. If the beer is great, but service is not, the business will not succeed. Hiring a taproom manager who can train and develop wait staff is very important. Additionally, this person will need to be able to drive business in the taproom through cultivating customers and the community. They will need to have the ability to organize events. Finally, they will need to be able to set up and run a point of sale system, handle the financial transactions of the business, and manage the retail sales.

We expect that in addition to a brewer and full-time manager, the business will need to have 5-10 part-time bartenders. Having a good human resources program is important, as your employees will be what makes or breaks the business. They are responsible for beer quality and how it is presented to the consumer. Making sure you get the right people on board and retaining them is of great importance, even for part-time bartenders. Additionally, help will be needed with accounting, human resources administration, and marketing. Since this is a fairly small operation, it may be worthwhile to hire outside help or have the ownership group contribute these skills and hours. The chart below is a budget of staff number and hours:

## HARDIN CO. STAFF PLAN AND BUDGET

Hours	Mon	Tues	Wed	Thur	Fri	Sat	Sun	Total		
11am-5pm						1				
1-6pm							1			
3-9pm						1	1			
4-10pm				1	1					
5-11pm		1	1	1	1	1				
Floater					1	1				
Daily shifts		1	1	2	3	4	2			
Daily hours		6	6	12	18	24	12	78		
Less half taproom manager time (20 hours)								58	3016	\$18,096
									Taproom Manager:	\$25,000
									Brewer:	\$35,000
									Total:	\$78,096

This assumes we will pay bartenders at \$6.00 per hour plus tips. The taproom manager would be expected to spend about half of their time bartending with the other half spent on managerial duties. The brewer salary is based on Brewer's Association average wage for a brewery this size. If the brewer is also an owner, some compensation can come in the form of shareholder distributions. If not, it may be wise to work in a profit sharing plan once the



business is established. If you can find the right person, they may be able to perform both the brewing and taproom management functions and supplement this with strong service staff for some cost savings.

The beer business is highly regulated, and, in addition to normal payroll and sales tax, it also requires regular state and federal tax reports and payments. It is important to set up a system early to track all aspects of the brewing and selling processes so the business can efficiently stay in compliance. I would recommend one of the commercially available software programs for small breweries that are now available to help manage the processes of purchasing, inventory management, brew house tracking, invoicing, and tax reporting. Additionally, the business will need to have a mechanism for accepting payments and tracking retail sales. Again, there are many small business point of sale options that can automate much of this function and coordinate with a small business accounting system, such as QuickBooks or Xero.

The brewery will need to identify suppliers of raw materials and supplies for the brew house and taproom. Most suppliers will require payment at time of order until the business can establish credit. Suppliers can be found through the trade industry organizations Iowa Brewer's Guild and the Brewer's Association on a national level.

With regard to operating hours, it's important to maintain a consistent opening schedule. In a small town like Iowa Falls, opening from mid to late afternoon and staying open until 10 or 11 pm should be sufficient 5 days a week. I am a proponent of expanded business hours if it makes sense, as your overhead is there 24 hours a day. However, reserving a night or two for private events is also a worthwhile consideration and gives your staff and facility a break each week.

Before opening, the owner/manager will need to work through the appropriate licensing processes. It is important to understand the requirements and timelines so as to not delay the business start up or alter the structure of the business. For example, to be a native brewery in Iowa, no owner can have a stake of more than 10 percent in any other establishment with a liquor license or you need to change to a brewpub classification and give up self-distribution rights. Additionally, it can take 4-8 months to obtain a Brewer's Notice from the Alcohol and Tobacco Tax and Trade Bureau (TTB). After start up, it is important to maintain the licenses and comply with the requirements set forth.

Licenses/permits required for a new brewery include:

- Federal-TTB Brewer's Notice
- Federal Tax ID
- State-Iowa Alcoholic Beverages Division Native Brewery License
- Department of Inspections and Appeals Food Service License (whether serving food or not) Sales tax permit
- Unemployment Insurance account
- City permits as required

In addition to licensing, the business will need general insurance for property and liability as would any business. However, there are also requirements for bonds for the State of Iowa liquor license as well as Dram Shop insurance before licensing can commence.

It will also be worthwhile to engage an attorney familiar with trademark and trade practices to ensure you have the proper protection for the name of your brewery and any flagship beers you will produce. This can become an important asset to the brewery and should be protected. Additionally, should you begin to distribute and use any distribution partners, it's imperative to ensure that you enter these relationships understanding the binding nature of franchise law with regard to beer wholesale.

## FINANCIAL PLAN

No plan is complete without the financial structure to make it happen. This analysis is built on industry data, local costs of buildings and construction, and personal experience. Many of the assumptions may be changed depending on start up capital available, owner and manager skills and abilities, and final business structure and operating

plans.

Appendix 1 shows the initial start up costs for build out, initial equipment, inventory, and soft costs. These are conservative estimates and assume purchasing all new equipment. Savings are to be had by sourcing used equipment; however, these may not be realized if you do not have experienced staff to rebuild and make operational. I have separated this into building owner remodel and tenant improvements. This could be done by one entity or a separate building owner and brewery operator. The Profit & Loss (P & L) will show both owning the building and renting. There are benefits to each and will depend on the structure of the company and investors. It can be difficult to obtain bank financing on tenant improvements, so this needs to be considered when deciding how to handle the building and build out if there are separate parties involved.

The benefits of an owner-occupied building include:

- Asset against which to borrow
- Alignment of financial goals of brewery and building owner
- Building improvements are more easily financed
- Control over building remodel details

The benefits of renting include:

- Less upfront cost for brewery start up
- Ability to pay rent to building owner as an expense and capture income in a lower tax bracket (as landlord if related party owns building)
- Can focus on brewery business and off load building risk and maintenance (if other party)

Appendix 2 shows the pro forma P & L including cash flow under both building ownership and building rental options. The income assumptions are based on estimating the amount of traffic the business could expect and then using a multiplier of 2.5 pints per customer, which is a good industry standard for average consumption. Additionally, a nominal amount was added for wholesale sales. The 5-barrel brew house should be able to comfortably produce about 500 barrels of beer annually, allowing excess to be sold wholesale or to grow the taproom business.

## SALES ESIMATE WORKSHEET

	Number of Turns	Patrons (65 Seats)	#Pints (avg 2.5)
Tuesday	0.25	16.25	40.625
Wednesday	0.25	16.25	40.625
Thursday	0.75	48.75	121.875
Friday	2	130	325
Saturday	2	130	325
Sunday	0.5	32.5	81.25
		Pints per Week	934.375
		Pints per Year	48587.5
		Annual revenue (*\$5)	\$242,938
		Annual BBls	196
		Wholesale BBls	200

Expenses are determined using experience and additional industry research. Rental assumes paying \$10/square foot as well as utilities and expenses and financing 80 percent of the start up costs and tenant build out

with the landlord contributing 50 percent of the improvements cost. The owned building assumes financing the 80 percent of the purchase, remodel, and start up costs. Again, these are conservative numbers, and the construction budget may be altered after final plans are drawn and bid.

## NEXT STEPS

The next steps to create a brewery in Hardin County include:

- Finding ownership and investor options and working with attorney and accountant for business formation
- Architectural plans for remodel
- Secure contractor for build out
- Reworking business plan based on building ownership/investment options and firm construction costs
- Secure financing as well as city or state development incentives
- Source brewer if not one of the original investors/owners
- Select brewery name and logo design
- Create realistic timeline for permitting and construction completion
- Equipment sourcing and ordering within lead time specifications
- Furnishings and décor selection
- Apply for Federal Brewer’s Notice (this can take up to 6 months for approval)
- Signage
- Recipe creation and beer names for core brands
- Hire taproom manager
- Brewer and taproom manager along with owners, can create business implementation plan

### Startup Costs

	Taproom	Brewhouse*	Building/Tenant Improvements	Soft Costs		
<b>Bar</b>		Brewhouse (5bbl)	\$ 89,000	Building	\$ 85,000	Building Design/Planning \$ 15,000
Draft System	\$ 3,000	Fermenter 5bbl 2 @ \$6200	\$ 12,400	Remodel Costs @150 sq ft	\$ 300,000	Branding/Logo \$ 5,000
Triple Sink	\$ 600	Fermenter 10bbl 2 @9600	\$ 19,200			3 months’ Rent/Payments \$ 3,600
Drip Tray	\$ 1,200	Brite 5bbl 2 @ \$6200	\$ 12,400			Staff Startup Cost \$ 6,000
Optional Glasswasher	\$ 4,000	Mill	Included			Insurance \$ 2,000
Bar Stools 12@ \$300	\$ 3,600	Auger	Included			Licensing \$ 1,000
Hand Sink	\$ 300	Chiller	Included	Tenant Improv. @99 sq. ft	\$ 198,000	Legal/Accounting \$ 2,500
<b>Taproom</b>		Pump and Fittings	\$ 5,000	Landlord Contribution		Advertising/Marketing \$ 2,400
Tables (14) @160	\$ 2,240	Shipping	\$ 5,000			
Chairs (70) @50	\$ 3,500	Glycol Panel	Included			
Art/Décor	\$ 2,000	Control Panel	Included			
Glassware (400)	\$ 2,000	Hoses	\$ 2,000			
Optional Sample Trays	\$ 500	Keg Washer	\$ 5,000			
Lounge Furniture	\$ 2,000	Inventory (brewing)	\$ 5,000			
Cleaning Supplies	\$ 500	<b>Brewhouse/Kitchen</b>				
Paper Products	\$ 500	Triple Sink-Big Stainless	\$ 1,500			
TV’s 2	\$ 2,000	Dishwasher	\$ 3,500			
Point of Sale	\$ 2,000	Work Tables	\$ 1,000			
Computer	\$ 1,500	Walk-in Cooler	\$ 15,000			
Music/Sound	\$ 2,500					
Outdoor Furniture	\$ 2,000					
<b>General Business</b>						
Signage	\$ 5,000					
Inventory (taproom)	\$ 5,000					
Web Site	\$ 3,000					
<b>Total</b>	<b>\$ 48,940</b>		<b>\$ 176,000</b>		<b>\$ 583,000</b>	<b>\$ 37,500 \$ 845,440</b>

\*assumes new, may find used

Hardin Brewery Pro Forma P&L (rent)

	Year 1	Year 2	Year 3	year 1 monthly
<b>Income</b>				
		5% growth	5% growth	
Taproom Sales	\$ 242,000	\$ 254,100	\$ 266,805	\$ 20,166.67
Merch sales	\$ 4,000	\$ 4,200	\$ 4,410	\$ 333.33
Wholesale	\$ 30,000	\$ 31,500	\$ 33,075	\$ 2,500.00
<b>Total Taproom Sales</b>	<b>\$ 276,000</b>	<b>\$ 289,800</b>	<b>\$ 304,290</b>	<b>\$ 23,000.00</b>
Cost of Goods Sold Taproom	\$ 60,500	\$ 63,525	\$ 66,701	\$ 5,041.67
COGS Wholesale	\$ 12,000	\$ 12,600	\$ 13,230	\$ 1,000.00
COGS Merch	\$ 1,800	\$ 1,890	\$ 1,985	\$ 150.00
Merchant Account Fees	\$ 2,460	\$ 2,898	\$ 3,043	\$ 205.00
<b>Total Cost of Goods Sold</b>	<b>\$ 76,760</b>	<b>\$ 80,913</b>	<b>\$ 84,959</b>	<b>\$ 6,396.67</b>
<b>Gross Profit</b>	<b>\$ 199,240</b>	<b>\$ 208,887</b>	<b>\$ 219,331</b>	<b>\$ 16,603.33</b>
<b>Expenses</b>				
Advertising and Promotion	\$ 4,800	\$ 4,800	\$ 4,800	\$ 400.00
Business Licenses and Permits	\$ 2,000	\$ 2,000	\$ 2,000	\$ 166.67
Computer and Internet Expenses	\$ 2,400	\$ 2,640	\$ 2,904	\$ 200.00
Insurance	\$ 2,500	\$ 2,750	\$ 3,025	\$ 208.33
Interest Expense	\$ 21,185	\$ 20,243	\$ 19,243	\$ 1,765.39
Janitorial Expense	\$ 2,400	\$ 2,400	\$ 2,400	\$ 200.00
Office Supplies	\$ 1,200	\$ 1,200	\$ 1,200	\$ 100.00
health	\$ 3,600	\$ 1,320	\$ 1,452	\$ 100.00
Simple IRA Match	\$ 1,050	\$ 3,960	\$ 4,356	\$ 300.00
Taxes	\$ 6,248	\$ 6,435	\$ 6,628	\$ 87.50
Wages	\$ 78,096	\$ 80,439	\$ 82,852	\$ 520.64
Repairs and Maintenance	\$ 3,000	\$ 3,780	\$ 3,969	\$ 6,508.00
Rent	\$ 19,992	\$ 19,992	\$ 19,992	\$ 250.00
Building maintenance	\$ 3,000	\$ 3,000	\$ 3,000	\$ 1,666.00
Sales Tax	\$ 17,220	\$ 18,081	\$ 18,985	\$ 250.00
TTB/State Tax	\$ 2,800	\$ 2,100	\$ 2,200	\$ 1,435.00
Taproom Expense	\$ 2,400	\$ 2,520	\$ 2,646	\$ 233.33
Live Music	\$ 3,600	\$ 6,000	\$ 6,000	\$ 200.00
Taproom Decor	\$ 1,200	\$ 1,260	\$ 1,323	\$ 300.00
Taproom Food & Beverage	\$ 3,600	\$ 3,780	\$ 3,969	\$ 100.00
Security	\$ 1,200	\$ 1,200	\$ 1,200	\$ 300.00
Utilities	\$ 6,000	\$ 6,300	\$ 6,615	\$ 100.00
Telephone	\$ 1,200	\$ 1,260	\$ 1,323	\$ 500.00
Transportation Expense	\$ 600	\$ 600	\$ 600	\$ 100.00
<b>Total Expenses</b>	<b>\$ 191,290</b>	<b>\$ 198,060</b>	<b>\$ 202,682</b>	<b>\$ 50.00</b>
<b>Net Operating Income</b>	<b>\$ 7,950</b>	<b>\$ 10,827</b>	<b>\$ 16,649</b>	<b>\$ 15,940.86</b>

add back interest	\$ 21,185	\$ 20,243	\$ 19,243
minus loan payment	-\$ 18,288	-\$ 18,288	-\$ 18,288
Cash Flow	\$ 10,846	\$ 12,782	\$ 17,604

Hardin Brewery Pro Forma P&L (own building)

	Year 1	Year 2	Year 3	year 1 monthly
<b>Income</b>				
Taproom Sales	\$ 242,000	\$ 254,100	\$ 266,805	\$ 20,166.67
Merch sales	\$ 4,000	\$ 4,200	\$ 4,410	\$ 333.33
Wholesale	\$ 30,000	\$ 31,500	\$ 33,075	\$ 2,500.00
<b>Total Taproom Sales</b>	<b>\$ 276,000</b>	<b>\$ 289,800</b>	<b>\$ 304,290</b>	<b>\$ 23,000.00</b>
<b>Cost of Goods Sold Taproom</b>	<b>\$ 60,500</b>	<b>\$ 63,525</b>	<b>\$ 66,701</b>	<b>\$ 5,041.67</b>
COGS Wholesale	\$ 12,000	\$ 12,600	\$ 13,230	\$ 1,000.00
COGS Merch	\$ 1,800	\$ 1,890	\$ 1,985	\$ 150.00
Merchant Account Fees	\$ 2,460	\$ 2,898	\$ 3,043	\$ 205.00
<b>Total Cost of Goods Sold</b>	<b>\$ 76,760</b>	<b>\$ 80,913</b>	<b>\$ 84,959</b>	<b>\$ 6,396.67</b>
<b>Gross Profit</b>	<b>\$ 199,240</b>	<b>\$ 208,887</b>	<b>\$ 219,331</b>	<b>\$ 16,603.33</b>
<b>Expenses</b>				
Advertising and Promotion	\$ 4,800	\$ 4,800	\$ 4,800	\$ 400.00
Business Licenses and Permits	\$ 2,000	\$ 2,000	\$ 2,000	\$ 166.67
Computer and Internet Expenses	\$ 2,400	\$ 2,640	\$ 2,904	\$ 200.00
Insurance	\$ 3,600	\$ 3,960	\$ 4,356	\$ 300.00
Interest Expense	\$ 29,400	\$ 28,100	\$ 26,726	\$ 2,450.00
Depreciation expense	\$ 32,000	\$ 28,800	\$ 25,920	\$ 2,666.67
Janitorial Expense	\$ 2,400	\$ 2,400	\$ 2,400	\$ 200.00
Office Supplies	\$ 1,200	\$ 1,200	\$ 1,200	\$ 100.00
health	\$ 3,600	\$ 3,960	\$ 4,356	\$ 300.00
retirement Match	\$ 1,050	\$ 1,155	\$ 1,271	\$ 87.50
Taxes	\$ 6,248	\$ 6,498	\$ 6,757	\$ 520.64
Wages	\$ 78,096	\$ 81,220	\$ 84,469	\$ 6,508.00
Repairs and Maintenance	\$ 6,000	\$ 6,000	\$ 6,000	\$ 500.00
Property tax	\$ 3,000	\$ 3,000	\$ 3,000	\$ 250.00
Sales Tax	\$ 17,220	\$ 20,286	\$ 21,300	\$ 1,435.00
TTB/State Tax	\$ 2,800	\$ 2,800	\$ 2,800	
Taproom Expense	\$ 2,400	\$ 2,520	\$ 2,646	\$ 200.00
Live Music	\$ 3,600	\$ 3,600	\$ 3,600	\$ 300.00
Taproom Decor	\$ 1,200	\$ 1,260	\$ 1,323	\$ 100.00
Taproom Food & Beverage	\$ 3,600	\$ 3,780	\$ 3,969	\$ 300.00
Security	\$ 1,200	\$ 1,200	\$ 1,200	\$ 100.00
Utilities	\$ 6,000	\$ 6,300	\$ 6,615	\$ 500.00
Telephone	\$ 1,200	\$ 1,260	\$ 1,323	\$ 100.00
Transportation Expense	\$ 600	\$ 600	\$ 600	\$ 50.00
<b>Total Expenses</b>	<b>\$ 215,614</b>	<b>\$ 219,338</b>	<b>\$ 221,535</b>	<b>\$ 17,967.81</b>
<b>Net Operating Income</b>	<b>\$ 16,374</b>	<b>-\$ 10,451</b>	<b>-\$ 2,204</b>	<b>\$ (1,364.47)</b>
add back depreciation	\$ 32,000	\$ 28,800	\$ 25,920	
add back interest	\$ 29,400	\$ 28,100	\$ 26,726	
minus loan payment	-50631	-50631	-50631	
<b>Cash flow</b>	<b>-\$ 5,605</b>	<b>-\$ 4,182</b>	<b>-\$ 189</b>	



# Appendix K:

## Hardin County Brewery Business Plan

Iowa Falls Riverside Restaurant  
Prepared by Jessica Dunker & Joe McConville  
Iowa Restaurant Association

### Executive Summary

In November 2017, members of the Iowa Restaurant Association visited Iowa Falls to evaluate the market potential for a renovated riverside restaurant in the location that once housed Camp David. In its prime, Camp David had been a successful destination restaurant, featuring a smokehouse menu and wilderness lodge ambiance. The location was, and remains, a prime spot for a hospitality venue. The building has a number of unique natural and décor features that could be retooled relatively easily to fully utilize the spaciousness of the building, as well as its proximity to the river and also to better leverage the beauty of the view overlooking the bluffs of the Iowa River.

The Iowa Restaurant Association met with the building owner and toured the property, as well as a potential sister recreational property 7 miles west along the Iowa River in Alden. The team felt strongly that given the demographics of the area, the current Iowa Falls property is too large to successfully house a single restaurant concept (regardless of menu type or price point.) However, this nearly 10,000 square foot property does have strong potential to be refurbished as an incredibly interesting multi-concept development—blending retail, restaurant and recreational opportunities. This one-of-a-kind location could be utilized as a river recreation hub for Hardin County and draw people from across Central Iowa.

The team was intrigued by the idea of pairing the Iowa Falls property with a river-based kayaking, biking, hiking, or tubing experience launched from Alden. That idea, while beyond the scope of the Iowa Restaurant Association’s mission, is reflected in this plan, which includes recommendations for not one but two food and beverage concepts within the Camp David building, as well as a partner rental river recreation business at the Alden “outpost.” The Association team also felt that the non-river facing side of the building could remain partitioned off for a small retail space—separate from the hospitality operations.

### Concept

#### OVERVIEW

This document outlines a business strategy for a proposed multi-use development with two distinct food and beverage concepts, linked to a retail and river recreational rental network. Research from the National Restaurant Association’s Household Survey shows that 61 percent of adults would rather spend money on an experience, such as a restaurant or other activity, compared to purchasing an item from a store. This proposed multi-use riverside hospitality venue fully invests in this notion by combining a current food and beverage strategy with a unique regional recreational activity.

For the purpose of this multi-use proposal, the primary restaurant will be called the Iowa River Supper Club. This casual “throwback” table service restaurant and bar will pay homage to the supper clubs of days gone by but without the pretense. It will occupy a significant portion of the upper level of the current Camp David Restaurant located at 115 Main Street in Iowa Falls.

The lower level of the building will house a second independent hospitality concept called The Exchange Swim Grill. In addition to partnering with an outpost location in Alden to provide recreational river and trail rentals, it will have healthy grab-and-go items and quick-fire foods. There also will be a small retail space offering goods needed for river fun (sunscreen, hats, shirts, packaged soda and beer to-go, Gatorade, Cliff Bars, etc.). There will be riverwalk

seating for those who have taken a break from being on the river and stopped for a bite, as well locals who want to overlook the water and enjoy a casual meal or a drink. This “shabby chic” bar and grill also will pay homage to nostalgia with an ambiance reminiscent of a camp canteen but with decidedly better food and adult beverage offerings. Finally, a third sister venue will be housed in Alden. Called The Outpost, this could use the existing home structure currently owned by the Krough family and serve as a lodge for river rentals and grab-and-go packaged food and beverage items for those kayaking, biking or hiking between venues. With its close proximity to the campground, the river and various attractions (the River itself, the Empress Riverboat, etc.) and Iowa Falls, the cross-marketing possibilities are endless.

## VALUE PROPOSITION

Supper clubs became popular in the 1920s and 30s as upscale “destinations” where patrons would spend the whole evening, from cocktail hour thru nightclub-style entertainment after dinner. An alternative supper club model was, and still is, popular in a number of Midwest states (particularly Wisconsin and Minnesota.) This less-swanky approach is well known as off-the-beaten-path “finds” for travelers. Often beloved for their kitschy décor and neon road signs, they provide high value dining and hyper local fare (e.g., featuring local fish or game and/or regional cuisine). The Iowa River Supper Club will adopt a blended approach to the supper club—providing something that is part social club and part food and beverage experience. This type of throwback concept has captured the imaginations of arguably the most important restaurant demographic: Millennials, who are both economically powerful and view dining out as a social event (chance to connect).

Research shows that Millennials are attracted to nostalgia but not tradition. Creating a successful supper club will require blending a retro vibe with a modern approach to food and beverage. The current Camp David space lends itself well to offering exactly this ambiance. If an appropriate operator can be identified, Iowa Falls could have a destination establishment that draws from a 60+ mile radius for those seeking one or more river, trail or bike activities, and a unique food experience.

Currently, there is no nearby table service restaurant fully integrating the draw and natural beauty of riverside views while offering a locally-focused eating and drinking experience. The Iowa River Supper Club will do both, making it an attractive option for regular local customers and visitors alike.

The canteen style Exchange Swim Grill, which will be housed on the lower level, also will tap into this nostalgic vibe. It will provide a respite with great food and drink for people enjoying the river or local trails as well as a nice outdoor lunch spot for locals.

In combination, these food and beverage concepts will serve as both a culinary destination and either the end or midpoint of a river or bike journey down the Iowa River or across Hardin County.

## FACILITY

Currently there is too much going on in the interior of this enormous hospitality structure. That being said, nearly all of the elements are in place to renovate and create a clean and contemporary prairie style (reminiscent of Frank Lloyd Wright) aesthetic that intertwines the natural beauty of the bluffs with the interior.

- Specific interior recommendations include:
- Pull up all of the carpet and have a simple polished concrete floor
- Paint all metal black; fresh paint of natural sage or browns with pops of green, red, orange and yellow for accent
- Remove the bar along the glass windows to open up the river views
- Wall off the north area and use as kiosk for bike and river tours
- Extend the smaller bar on north end to seat 12 and develop area north of entrance as bar
- Add high back booths around the perimeter with tables in the middle creating seating for 80
- In the bar area, accommodate 12 bar seats and add four high top tables with seating for 16 more
- In Fireplace lounge have 2-3 living room sets (seating for 15-20) for those waiting or finishing cocktails after eating

Specific exterior recommendations include:

- Remove patio awning and replace with umbrellas

- Add garage doors
- Transition west patio area into “chef’s table” seating area with kitchen view
- Include shared seating for 16 as part of the “chef’s table” concept outside kitchen window
- Add additional outdoor seating (8 tables along railing with seating for 6 at each)

While operationally related, the two concepts will operate independently day in and day out, with different menus, hours, and value propositions depending on the ownership.

## Operating Hours

The Iowa River Supper Club will focus on a solid lunch and strong dinner sales to locals, as well as a marketing themselves as a key element for those recreating on the river. The Exchange Swim Grill, while offering a nice seasonal alternative to locals, will need to tie itself directly into a recreational model for long-term viability. Weekends will be the revenue sweet spot for both concepts. The Supper Club can limit dinner service hours but should keep a limited menu available at the bar. The Swim Grill can change hours of operations seasonally.

Iowa River Supper Club hours of operation:

Monday	11AM–9PM
Tuesday	11AM–9PM
Wednesday	11AM–9PM
Thursday	11AM–9PM
Friday	11AM–10PM
Saturday	11AM–10PM
Sunday	9AM–2PM

The Exchange Swim Grill hours of operation:

9 a.m. to 6 p.m. Daily, extended Saturday Hours during summer recreation season

### GUEST EXPERIENCE

The Iowa River Supper Club is envisioned as a hybrid, creating varied spaces for social experiences and tying a culinary story to an Iowa mainstay: Pork. This could create a natural local sourcing and promotion partner with nearby Iowa Select Farms or select farmers.

The Club will offer multiple dining experiences under one roof—a chef’s table style dinner overlooking the kitchen, high top booths around the perimeter of the main dining room, and a mix of private and shared tables in the center. The bar also will have a handful of high top tables. Additionally, a lounge with living room-style seating will be situated in one corner. The menu will give a nod to nostalgia with offerings such as a relish tray as well as fresh approaches to pork favorites such as medallions and tenderloin. The bar will offer a contemporary twist on classic cocktails and feature local craft beer.

### RECREATIONAL EXPERIENCE

With the adoption of the notion of a river recreation hub, the three venues will work together to purchase a transport van to help patrons of the river activities return to their vehicles, as well as to transport kayaks and bikes. The team suggests reaching out a local green company for sponsorship, such as Cargill, and brand the experience as ecotourism. This will be an interesting draw for people from across the state and beyond. The three hospitality concepts will leverage a natural regional recreational attraction with high-quality local food and beverage experiences that community members also can enjoy independently of the river activities.

The Supper Club and Exchange Grill location also should install a dock for canoes and kayaks. They may consider a large pontoon boat for river cruises and returning passengers and kayaks up river. Different pricing on tours (bike

only, river only, both, etc.) could help drive revenue.

The Outpost in Alden would require additional thought and investment. However, the team envisioned using the existing home structure as lodge and kiosk for river rentals, as well as showers and a small lounge/game area. With its proximity to the Circle C Campground, it could be a wonderful family food and recreation weekend. Equipment needs would include a pontoon, van with trailer, kayak (12), canoe (6), 8-person raft (4), bikes (24), bike racks, and a dock.

Beyond creating a unique river experience of its own, the Supper Club and Exchange Grill can partner with attractions already in the area, including the Empress Riverboat, by offering a post-tour meal special. They might also consider menu items named for notable river landmarks like the “swinging bridge.” By fully embracing the natural draw of the Iowa River, partnering with a network of recreational offerings, and, if possible, creating partner relationships with green energy and local food suppliers, in short order, the Iowa River Supper Club and The Exchange Swim Grill can become vibrant additions to the Iowa Falls and Hardin County hospitality and tourism scenes.

### SAMPLE MENUS

The proposed menu appears a bit “old school,” but each recipe would offer a stepped up, slightly modernized version of traditional fare (not a full-fledged re-examination of classic cuisine.) This would help straddle the fence between “local favorite” and “culinary destination.” As a contemporary supper club menu with a “pork focus,” the menu will feature as much locally-sourced product as possible.

#### Iowa River Supper Club

##### Appetizers(6-8 Items)

Shrimp Cocktail	\$10
Relish Tray	\$7
Stuffed Mushroom	\$8 (boursin with bacon)
Deviled Eggs	\$6
Crab Salad with Toast	\$8
Chicken livers in marsala	\$7
Frog Legs	\$8

##### Soup/Salad(4-6 items)

Iowa Onion(using pork/chicken Stock)	\$4
Wisconsin Cheese	\$4
Cobb Salad	\$6
Chef’s Salad	\$6
Caesar salad(Shrimp or Chicken)	\$6
Dressings- Ranch, Bleu Cheese, Italian, French, Red Wine Vinegar	

##### Features(12-15 items) with 1 side

Prime Rib 8oz or 12oz	\$12/18
Iowa Chop 10 oz	\$14
New York Strip 12 oz	\$16
Stuffed Pork Tenderloin (bacon, dried fruits, blue cheese)	\$16

½ Rack of Pork Ribs	\$12
Ham Steak(with pineapple casserole)	\$14
Duck Breast with Brandied Cherries	\$14
Chicken Cordon Bleu	\$12
Crab Legs	\$20

Pork Medallions (DeBurgo)	\$16
Pork Shank	\$13
Fried Chicken(Thigh and Leg)	\$10
Walleye Amandine	\$14
Seafood Linguine	\$12

##### Sides (6-8 items)

Dinner Salad
Baked Potato
White Bean Ragù
Fries
Green Bean Amandine
Mushrooms in herb butter
Carrots in dill honey

##### Dessert (4-6 items)

Cheesecake
Chess Pie
Bread Pudding
Chocolate Cake
Bananas Foster
Pie a la Mode

Lunch Menu served with Fries, salad or soup -- average lunch price \$7.95

French Dip with Pork use Iowa Onion for jus  
Hamburger  
BLT  
Fish Sandwich

Prime Rib Sandwich  
Chicken Salad Sandwich  
Ham and Cheese

Cobb Salad  
Caesar

Chef's Salad  
Soups

Kid's Menu

Grilled Cheese  
Ham and Cheese  
Hot Dog

Chicken Nuggets  
Hamburger  
Salad

The Iowa River Supper Club bar will offer a range of craft brews on tap, classic cocktails, and wines by the glass. With its multiple seating options, it will be a great place to gather before or after dinner or as a standalone outing.

The Exchange Swim Grill

The swim grill would have deli and grill favorites with an average cost of \$5.95. This would include:

- Salads
- Grilled Cheese
- Hot Dogs
- Chicken Salad Sandwich
- Deli Sandwich
- Veggie Tray
- Smoothies
- Shakes

## PRICING

The average table check in the Supper Club will be \$25 per person. This assumes a 60/40 percent alcohol to food mix. The price of the craft beers will be \$6, signature cocktails \$6 to \$8, and wines by the glass \$5 to \$9. The average table check in the Exchange Grill will be \$10, with both beer on-tap and by the can for river coolers, as well as limited mixed drinks being offered.

## The Market

### TARGET CUSTOMERS

Although Iowa Falls has just north of 5,000 residents, both the Iowa River Supper Club and Exchange Swim Grill should be attractive options for both the 400+ on-campus residents of Ellsworth Community College as well as the 500+ commuter students and faculty. Its unique ambiance also will make it a regular destination for many of the 17,000+ Hardin County residents.

When compared to much of the state, Hardin County also has a relatively young, solid income population (average age 41, average income just shy of \$50,000) who are a prime target market for local cuisine along with craft beer and cocktails, wrapped around some regional activities.

That being said, the Iowa Supper Club and Exchange Swim Grill will both offer enough variety that they will be "family friendly." The lounge will not play to the "college bar" audience, with the beverage experience and the prices reflective of that expectation.



## COMPETITIVE ANALYSIS

There are just over a dozen establishments in Iowa Falls that meet the technical definition of being in the “restaurant industry” (def: all meals/snacks prepared away from home, including all takeout meals and beverages). The community, though, does appear to have several gaps in its food service offerings. Three of the food venues are convenience stores. Another four are quick service or chain establishments, and several others are snack or specialty foods. When Casey’s is included, there are plenty of pizza options, which is no surprise given the 400 college students living in Iowa Falls. In reviewing the current restaurant options in the Iowa Falls community, it would appear there is both a desire and need for another table service restaurant with a markedly more upscale menu concept and high value pricing.

Research in small Iowa communities always shows there is an interest by consumers in a steak house and in fresh food. Residents often point to chains with national advertising campaigns, such as Olive Garden, as examples of what they’re interested in. That being said, their thresholds for table checks remain in the “value” category, meaning these residents want large portions and low/reasonable costs. The Supper Club model may well hold the key to attracting these local residents back multiple times per year as well as providing a culinary tourism outlet. If Iowa Falls can capture the interest of those weekend day visitors from across the state by combining an upscale retro food experience and a potential recreational draw, they might well be able to draw people from as far away as Des Moines. The groundwork for this has been laid by the Empress Riverboat and the Princess Grill & Pizzeria, which already offers an experiential retro dining experience, although not tied to the river. The Iowa River Supper Club and the Exchange Swim Grill could help better establish Iowa Falls’ culinary tourism attractiveness by collaborating with the Princess to solidify the quaint culinary experience that celebrates nostalgia through food and drink without being stuck in the past.

## The Strategy

### MARKETING STRATEGY

The Iowa River Supper Club and the Exchange Swim Grill will need outreach strategies for both locals and potential culinary tourists. Because Iowa Falls is a small community, it will not take long for the locals to know it is open. The key to building and retaining repeat local business is to ensure the guest experience delivers and locals feel appreciated through retention marketing and support of the community.

Because it is a “club,” the Iowa River Supper Club should institute some sort of local loyalty card program for birthdays and other special occasions such as birthdays. This will be an interesting balancing act because the kiss of death will be being framed as a special occasion restaurant. The Iowa River Supper Club will have just high enough a price point that it will need to proactively entice residents of Hardin County and Iowa Falls to come in multiple times per month.

The Exchange Swim Grill also will want to encourage repeat local business, with loyalty incentives for food or shakes, especially for younger people and families. They also might tap into repeat business through rental incentives, lessons, or occasional planned excursions.

Beyond a river recreation strategy and traditional loyalty program, there are other cost-effective ways to create a strong social pull with the Supper Club model. For example, guests who visit the Iowa River Supper Club should always be encouraged to sign a guest book—a throwback for sure but also a great way to collect demographic and contact information. When special events are coming, don’t just send emails or post to Facebook; mail actual postcards.

Today, the average table-service restaurants derive one-third of their annual sales from tourists. A tourist or traveler is defined as an individual that travels more than 50 miles one-way away from home in search of leisure or entertainment activities. That economic impact on restaurant sales may sound surprising, but, if one stops to think about how long Iowans are willing to drive to try the state’s Best Burger or Best Tenderloin, it seems like less of a stretch.

Culinary tourism is no longer a niche market. Developed properly, culinary tourism tells the story of the heritage, the people, and the landscape of a geographic area. It reflects place, enriches experiences, and can be a valuable tool to boost economic, social, and community development. Obviously, the tie to the Iowa River is a natural fit.

Restaurants generally have an advantage over many other elements of the tourism industry. Travelers may not spend

the night, buy souvenirs, or visit all of the attractions, but there's a pretty good likelihood they will eat at least one or two meals away from home. The Iowa River Supper Club needs to reach these travelers.

## MARKETING TACTICS

With such a limited community and county population, it will be essential that the Iowa River Supper Club and the Exchange Swim Grill focus on both retention/loyalty marketing and programs to acquire/bring in new people. As previously mentioned, loyalty programs will be essential. Additionally, building an online presence will be critical to both restaurants. This means creating a responsive design-based website that automatically sizes appropriately to the format of the screen (phone, tablet, or computer). Too often, small restaurants and bars think Facebook is enough. It is not.

It is imperative to have that URL, make a website, and claim the Iowa River Supper Club's name and address on key search sites such as Google Places, Yelp, and TripAdvisor. The Exchange Swim Grill should have its own online presence, including website. The sites can link to one another but not be one and the same.

Creating these two websites, Facebook pages, and claiming Google Places, etc., needs to be done prior to opening and include all the critical components: Directions, menus, and hours. Truly that is all that REALLY matters. From day one, both restaurant staffs will gather email addresses and, when possible, mailing addresses to create an e-newsletter and postcard mailings. Initially, marketing will be conducted using a free package from MailChimp. Postcards will be created using online templates, printers, and mail services from GotPrint or Vista Print. Most restaurants don't make the time or financial investment to leverage basic public relations tools. Both restaurants will want to have printed materials and incentives (coupons) at the Calkins Nature Center, the Scenic Empress Riverboat, and at any retail store in Iowa Falls. Partner. Partner. Partner.

It will be important to get information to Travel Iowa, which provides free excursion and promotion for tourism opportunities across the state.

Work with websites like "Only in Your State," which features off-the-beaten path restaurants, activities, and hidden treasures across the country.

Given the demographics of Iowa Falls, Facebook also will be an important marketing tool. Facebook is the most popular social media site in the United States, with 53 percent of U.S. online users accessing Facebook several times per day. Facebook also was the most popular social media app of Millennials, but what's more interesting is that Facebook crosses all demographic groups in significant numbers. It also has a high degree of sustained engagement.

In 2014, U.S. users spent an average of 39 minutes on the site every day. The social network has become a part of daily online usage for millions of users. Facebook has hugely benefited from the mobile social growth in recent years, with mobile users also showing strong engagement rates compared to other social media apps.

In addition to actively posting on a Facebook page, Facebook advertising is recommended. Facebook advertising is especially effective for micro targeting key groups by location, interest, age, gender, and purchase patterns for both retention and acquisition purposes for as little as \$5 per day. Facebook ads that reach bike enthusiasts in a 60-mile radius between the ages of 34 and 55 will be highly effective.

## OPERATIONS

Identifying an owner/operator with a blend of both culinary expertise and strong operations experience will be key to long-term success in this location. Attracting and retaining qualified workforce will be an ongoing issue for all parts of this operation.

Because the restaurant and its tie to the river and supper club appeal will be the key to its value proposition, a strong operator with both front of the house and back of the house restaurant experience will be key. It is not suggested that the restaurant be built around the image or reputation of a chef but rather as part of a full experience.

That being said, the Supper Club will want to provide a high-touch, quality dining experience for its guests and will need to have a versatile, knowledgeable, and skilled staff.

Estimated staff need is approximately six staff per shift. For Front of House (FOH), there should be one staff member for every five to six tables per shift. For the Back of House (BOH), there should be four staff per peak shift. There also should be one to two supporting staff members (bussers, dishwasher) per shift.

Overall, there should be three salaried managers: General, kitchen, and service. General and service managers may be one role. An experienced bartender also will be key.

Peak staffing- Servers 5, Kitchen 4-5, Bar 1, Host 1,  
Lunch and slower nights - Servers 2, Kitchen 2, Bar/Host 1

All staff will initially be paid relative to the prevailing wage (\$10 to \$14 per hour depending on their role and experience) and will be eligible for merit-based raises after three months and then annually. Service staff will be paid the state server wage of \$4.35 per hour plus tips. They will likely average \$15+ per hour. Because there is usually some error in hiring during the first weeks of any operation, if possible, slightly overstaffing initially is important. This way, if some of the staff members don't work out, there are still adequate numbers of trained personnel to provide a strong first impression.

The owner/operator will need to develop detailed operations manuals for FOH and BOH staff as part of the restaurant development process. These manuals will be used for training and ongoing assessment of operations, and will be adapted as the restaurant matures to reflect best practices.

#### PURCHASING/SUPPLY CHAIN

As locally sourced protein and produce will be signature ingredients, having reliable sources of high quality product will be important to the success of the restaurants. Therefore, it will be important to develop relationships with local farmers, particularly to purchase pork and seasonal vegetables. Because native breweries are able to self-distribute, it also will be important to explore Iowa breweries and establish relationships with brewers as well as a beer distributor. Ongoing food items and other products will be bid and sourced by one or more of the major food purveyors such as Reinhart, Sysco, or Martin Brothers.

## Project Sources and Uses of Cash

### SOURCES OF CASH:

Equity Contributions	\$ 0
Loan Financing	<u>240,050</u>
<b>TOTAL SOURCES OF CASH</b>	<b>\$ 240,050</b>

### USES OF CASH:

Land & Building	0
Leasehold Improvements	0
Bar / Kitchen Equipment	115,000
Bar / Dining Room Furniture	45,000
Professional Services	3,000
Organizational & Development	4,350
Interior Finishes & Equipment	10,700
Exterior Finishes & Equipment	20,500
Pre-Opening Expenses	41,500
Working Capital & Contingency	<u>0</u>
<b>TOTAL USES OF CASH</b>	<b>\$ 240,050</b>

# Capital Budget

	TOTAL COST	Detail	Classification						
			Building	Leasehold	Equipment	Start Up	Expense	Non-Ded.	
<b>LAND &amp; BUILDING</b>	0								
Land								0	
Building - Construction / Contractor Fees			0						
<b>LEASEHOLD IMPROVEMENTS</b>	0			0					
Construction Contract		0							
Landlord Contribution									
<b>BAR / KITCHEN EQUIPMENT</b>	115,000				115,000				
<b>BAR / DINING ROOM FURNITURE</b>	45,000				45,000				
<b>PROFESSIONAL SERVICES</b>	3,000			3,000					
Architect & Engineering		0							
Legal (lease & incorporation)		1,500							
Project Consultant		0							
Accounting & Tax		0							
Name, Logo & Graphic Design		1,500							
<b>ORGANIZATIONAL &amp; DEVELOPMENT</b>	4,350								
Deposits (utilities, sales tax, etc.)		0						0	
Insurance Binder (property, casualty, liability)		0				0			
Workers Comp. Binder		0				0			
Liquor License		2,500			2,500				
Building Permits		0							
Other Licenses & Permits		350	350						
Utility Deposits (gas, electric, water)		0						0	
Change, Operating Banks & Petty Cash		1,000						1,000	
Menus / Menu Boards		500			500				
Lease Deposit		0						0	
Travel, Research, Concept Development		0			0				
<b>INTERIOR FINISHES &amp; EQUIPMENT</b>	10,700								
Kitchen Smallwares		5,000			5,000				
Artwork & Specialty Décor		2,000		2,000					
Security System		0		0					
Music/Sound/Audio-Visual Systems		2,000		2,000					
Cash Register / Point of Sale		0		0					
Phone System		200		200					
Office Equipment / Computer		750		750					
Office Supplies		500			500				
Interior Signs		250		250					
<b>EXTERIOR FINISHES &amp; EQUIPMENT</b>	20,500			20,500					
Landscaping		1,500							
Exterior Signs & Decorations		7,500							
Resurfacing		10,000							
Parking Bumpers		0							
Parking Lot Striping		1,500							
<b>PRE-OPENING EXPENSES</b>	41,500				41,500				
Construction Period Utilities		0							
Construction Period Building Lease		0							
Construction Period Interest		0							
Uniforms		0							
<b>Opening Inventories -</b>									
Food		15,000							
Beer, Liquor & Wine		10,000							
Paper & Other Supplies		5,000							
<b>Marketing -</b>									
Advertising		0							
Public Relations		0							
Opening Parties		0							
<b>Personnel -</b>									
Management & Chef		10,000							
Hourly Employees		1,500							
Payroll Taxes & Employee Benefits		0							
<b>WORKING CAPITAL &amp; CONTINGENCY</b>	0								
Working Capital		0						0	
Contingency		0						0	
<b>TOTAL PROJECT COST</b>	<b>\$ 240,050</b>		<b>\$ 0</b>	<b>\$ 23,850</b>	<b>\$ 165,200</b>	<b>\$ 50,000</b>	<b>\$ 0</b>	<b>\$ 1,000</b>	<b>0</b>
			Building	Leasehold	Equipment	Start Up	Expense	Non-Ded.	

Project Cost Per Square Foot	\$69
Project Cost Per Seat	\$3,001

# Sales Projection

Number of Seats 80

		Table Turns	Covers	Daily Sales By Category				Total	% of Week
				Food	Liquor	Beer	Wine		
Monday	Breakfast	0.0	0	0	0	0	0	0	
	Lunch	0.5	40	356	20	16	20	412	
	Dinner	0.5	40	646	20	80	20	766	
	Day Totals			1,002	40	96	40	1,178	7.9%
Tuesday	Breakfast	0.0	0	0	0	0	0	0	
	Lunch	0.5	40	356	20	16	20	412	
	Dinner	0.5	40	646	20	80	20	766	
	Day Totals			1,002	40	96	40	1,178	7.9%
Wednesday	Breakfast	0.0	0	0	0	0	0	0	
	Lunch	0.5	40	356	20	16	20	412	
	Dinner	1.0	80	1,291	40	160	40	1,531	
	Day Totals			1,647	60	176	60	1,943	13.0%
Thursday	Breakfast	0.0	0	0	0	0	0	0	
	Lunch	1.0	80	712	40	32	40	824	
	Dinner	1.0	80	1,291	40	160	40	1,531	
	Day Totals			2,003	80	192	80	2,355	15.8%
Friday	Breakfast	0.0	0	0	0	0	0	0	
	Lunch	1.0	80	712	40	32	40	824	
	Dinner	1.5	120	1,937	60	240	60	2,297	
	Day Totals			2,649	100	272	100	3,121	20.9%
Saturday	Breakfast	0.0	0	0	0	0	0	0	
	Lunch	1.0	80	712	40	32	40	824	
	Dinner	2.0	160	2,582	80	320	80	3,062	
	Day Totals			3,294	120	352	120	3,886	26.1%
Sunday	Breakfast	0.5	40	363	20	16	20	419	
	Lunch	1.0	80	712	40	32	40	824	
	Dinner	0.0	0	0	0	0	0	0	
	Day Totals			1,075	60	48	60	1,243	8.3%
WEEK TOTALS (restaurant only)	Totals in \$			12,671	500	1,232	500	14,903	
	Sales Mix %			85.0%	3.4%	8.3%	3.4%	100.0%	
Special Events (banquets, parties, catering)	Ave. # of Banquets, Parties/ Week			0.0					
	Ave. # of Guests			15					
	Per Person Average \$			\$20.00					
	Sales Mix %			25%	25%	25%	25%	100%	
Special Event Sales Per Week			0	0	0	0	0		
WEEK TOTALS - All Sales	Totals in \$			12,671	500	1,232	500	14,903	
	Sales Mix %			85.0%	3.4%	8.3%	3.4%	100.0%	

RECAP: Key Sales Numbers:	
Annual Sales	\$774,930
Average Monthly Sales	\$64,578
Annual Sales Per Square Foot	\$221
Annual Sales Per Seat	\$9,687



# Sales Projection Continued

Calculate Per Person Check Average:

Breakfast	Ave. Price Point	% Ordered	# of Orders	Ave. CK Food	Ave CK Bev	Ave CK
<b>Food -</b>						
Entrée	10.00	60%	1.0	6.00		
Appetizer	8.00	20%	1.0	1.60		
Dessert	4.00	20%	1.0	0.80		
<b>Beverages -</b>						
Non-Alcoholic	2.25	30%	1.0	0.68		
Tap Water	0.00	40%	1.0			
Liquor	5.00	10%	1.0		0.50	
Beer	4.00	10%	1.0		0.40	
Wine	5.00	10%	1.0		0.50	
<b>TOTALS</b>		<b>100%</b>		<b>9.08</b>	<b>1.40</b>	<b>10.48</b>

Lunch	Ave. Price Point	% Ordered	# of Orders	Ave. CK Food	Ave CK Bev	Ave CK
<b>Food -</b>						
Entrée	8.00	100%	1.0	8.00		
Appetizer	0.00	0%	1.0	0.00		
Dessert	0.00	0%	1.0	0.00		
<b>Beverages -</b>						
Non-Alcoholic	2.25	40%	1.0	0.90		
Tap Water	0.00	30%	1.0			
Liquor	5.00	10%	1.0		0.50	
Beer	4.00	10%	1.0		0.40	
Wine	5.00	10%	1.0		0.50	
<b>TOTALS</b>		<b>100%</b>		<b>8.90</b>	<b>1.40</b>	<b>10.30</b>

Dinner	Ave. Price Point	% Ordered	# of Orders	Ave. CK Food	Ave CK Bev	Ave CK
<b>Food -</b>						
Entrée	18.00	75%	1.0	13.50		
Appetizer	8.00	20%	1.0	1.60		
Dessert	5.00	5%	1.0	0.25		
<b>Beverages -</b>						
Non-Alcoholic	2.25	35%	1.0	0.79		
Tap Water	0.00	20%	1.0			
Liquor	5.00	10%	1.0		0.50	
Beer	4.00	25%	2.0		2.00	
Wine	5.00	10%	1.0		0.50	
<b>TOTALS</b>		<b>100%</b>		<b>16.14</b>	<b>3.00</b>	<b>19.14</b>

# Sales Projection

<b>- EARLY -</b>																
<b>(breakfast &amp; lunch)</b>		<b>Monday</b>		<b>Tuesday</b>		<b>Wednesday</b>		<b>Thursday</b>		<b>Friday</b>		<b>Saturday</b>		<b>Sunday</b>		<b>WEEK</b>
<b>Covers</b>		40		40		40		80		80		80		120		480
<b>Total Restaurant Sales</b>		\$412		\$412		\$412		\$824		\$824		\$824		\$1,243		\$4,951
<b>Position</b>	<b>Rate</b>	<b>Hours</b>	<b>#</b>	<b>Hours</b>	<b>#</b>	<b>Hours</b>	<b>#</b>	<b>Hours</b>	<b>#</b>	<b>Hours</b>	<b>#</b>	<b>Hours</b>	<b>#</b>	<b>Hours</b>	<b>#</b>	<b>Labor \$</b>
<b>Kitchen -</b>																
Dishroom	\$ 8.00	7.0	0	7.0	0	7.0	0	7.0	0	7.0	0	7.0	0	7.0	0	0
Prep Cooks	\$ 8.00	7.0	0	7.0	0	7.0	0	7.0	1	7.0	1	7.0	1	7.0	1	224
Line Cooks	\$ 10.00	7.0	2	7.0	1	7.0	1	7.0	1	7.0	2	7.0	2	7.0	2	770
Expo	\$ 0.00	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0
Other	\$ 0.00	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0
Other	\$ 0.00	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0
<b>Dining Room -</b>																
Servers	\$ 4.35	6.0	1	6.0	2	6.0	1	6.0	2	6.0	2	6.0	3	6.0	3	365
Host / Hostess	\$ 10.00	6.0	0	6.0	0	6.0	0	6.0	0	6.0	0	6.0	0	6.0	0	0
Bussers	\$ 0.00	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0
Bartenders	\$ 4.35	7.0	0	7.0	0	7.0	0	7.0	0	7.0	0	7.0	0	7.0	0	0
Cashiers	\$ 0.00	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0
Other	\$ 0.00	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0
Other	\$ 0.00	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0
<b>Labor Cost Per Shift - \$</b>		166		122		96		178		248		274		274		1,359
<b>Labor Cost Per Shift - %</b>		40.3%		29.7%		23.3%		21.6%		30.1%		33.3%		22.1%		27.5%
<b>- LATE -</b>																
<b>(dinner only)</b>		<b>Monday</b>		<b>Tuesday</b>		<b>Wednesday</b>		<b>Thursday</b>		<b>Friday</b>		<b>Saturday</b>		<b>Sunday</b>		<b>WEEK</b>
<b>Covers</b>		40		40		80		80		120		160		0		520
<b>Total Restaurant Sales</b>		\$766		\$766		\$1,531		\$1,531		\$2,297		\$3,062		\$0		\$9,952
<b>Position</b>	<b>Rate</b>	<b>Hours</b>	<b>#</b>	<b>Hours</b>	<b>#</b>	<b>Hours</b>	<b>#</b>	<b>Hours</b>	<b>#</b>	<b>Hours</b>	<b>#</b>	<b>Hours</b>	<b>#</b>	<b>Hours</b>	<b>#</b>	<b>Labor \$</b>
<b>Kitchen -</b>																
Dishroom	\$ 8.00	7.0	0	7.0	0	7.0	0	7.0	1	7.0	1	8.0	1	8.0	0	176
Prep Cooks	\$ 8.00	0.0	1	0.0	1	0.0	1	0.0	0	0.0	0	0.0	0	0.0	0	0
Line Cooks	\$ 10.00	7.0	1	7.0	1	7.0	1	7.0	2	7.0	2	7.0	2	7.0	0	630
Expo	\$ 0.00	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0
Other	\$ 0.00	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0
Other	\$ 0.00	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0
<b>Dining Room -</b>																
Servers	\$ 4.35	6.0	1	6.0	1	6.0	1	6.0	2	6.0	3	8.0	3	6.0	0	313
Host / Hostess	\$ 8.00	6.0	0	6.0	0	6.0	1	6.0	1	6.0	1	6.0	1	6.0	0	192
Bussers	\$ 0.00	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0
Bartenders	\$ 4.35	7.0	1	7.0	1	7.0	1	7.0	1	7.0	1	7.0	1	7.0	0	183
Cashiers	\$ 0.00	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0
Other	\$ 0.00	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0
Other	\$ 0.00	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0
<b>Labor Cost Per Shift - \$</b>		127		127		175		327		353		387		0		1,494
<b>Labor Cost Per Shift - %</b>		16.5%		16.5%		11.4%		21.3%		15.4%		12.6%		#DIV/0!		15.0%
<b>- DAY / WEEK TOTALS - RESTAURANT LABOR -</b>																
<b>Hourly Labor - \$</b>		293		249		271		505		601		661		274		2,853
<b>Hourly Labor Cost - %</b>		24.9%		21.1%		13.9%		21.4%		19.3%		17.0%		22.1%		19.1%

<b>- SPECIAL EVENT LABOR -</b>				
<b>Average # of Guests</b>		15		
<b>Per Person Average \$</b>		\$20		
<b>Average Sales Per Event</b>		\$300		
<b>Position</b>	<b>Rate</b>	<b>Hours</b>	<b>#</b>	<b>Labor Cost \$</b>
Sales Person Commission %	0.0%			0
Supervision	\$ 0.00	0.0	0	0
Chef	\$ 0.00	0.0	0	0
Cooks	\$ 0.00	0.0	0	0
Servers	\$ 0.00	0.0	0	0
Bartenders	\$ 0.00	0.0	0	0
Drivers	\$ 0.00	0.0	0	0
Attendants	\$ 0.00	0.0	0	0
Other	\$ 0.00	0.0	0	0
Other	\$ 0.00	0.0	0	0
<b>Ave. Labor Cost Per Event - \$</b>		0		
<b>Ave. Labor Cost Per Event - %</b>		0.0%		

<b>RECAP - HOURLY LABOR COST</b>		
	<b>Week</b>	<b>Annual</b>
<b>Sales:</b>		
Restaurant	14,903	774,930
Special Events	0	0
<b>Total</b>	<b>14,903</b>	<b>774,930</b>
<b>Hourly Labor Cost:</b>		
Restaurant	2,853	148,372 19.1%
Special Events	0	0 #DIV/0!
<b>Total</b>	<b>2,853</b>	<b>148,372 19.1%</b>

# Assumptions

Sales (from "Sales Projection" worksheet)	Weekly Ave	Annual	
Food	12,671	658,866	85.0%
Liquor	500	26,000	3.4%
Beer	1,232	64,064	8.3%
Wine	500	26,000	3.4%
<b>Total Sales</b>	<b>14,903</b>	<b>774,930</b>	<b>100.0%</b>

## Cost of Sales

			Annual \$	% of Sales
1. Food Cost %	25.0%	of food sales	164,717	
2. Liquor Cost %	17.0%	of liquor sales	4,420	
3. Beer Cost %	20.0%	of beer sales	12,813	
4. Wine Cost %	33.0%	of wine sales	8,580	
<b>Total Cost of Sales</b>			<b>190,529</b>	<b>24.6%</b>

## Management Salaries (Annual)

		% of Sales
1. General Manager	40,000	5.2%
2. Chef/Kitchen Manager	35,000	4.5%
3. Assistant Manager	0	0.0%
4. Assistant Manager	0	0.0%
5. Other	0	0.0%
<b>Total Management Salaries</b>	<b>75,000</b>	<b>9.7%</b>

Hourly Labor Cost (from "Hourly Labor" worksheet)	Weekly Ave	Annual	%
Restaurant Only	2,853	148,372	
Special Events	0	0	
<b>Total Hourly Labor Cost</b>	<b>2,853</b>	<b>148,372</b>	<b>19.1%</b>
<b>Total Management Salaries</b>		<b>75,000</b>	<b>9.7%</b>
<b>Total Gross Payroll</b>		<b>223,372</b>	<b>28.8%</b>

## Employee Benefits

	Monthly \$	Annual \$	% of Sales
1. FICA Taxes - as a % of Gross Payroll	15.50%	34,623	
2. State Unemployment-as a % of Gross P/R	5.00%	11,169	
3. Federal Unemployment-as a % of Gross P/R	5.00%	11,169	
4. Other Payroll Taxes-as a % of Gross P/R	5.00%	11,169	
5. Worker's Comp. - as a % of Gross P/R	0.0%	0	
6. Group Medical Ins.-cost per employee	0	0	
7. Group Medical Ins.-# of employees covered	0		
8. Disability & Life Insurance	0	0	
9. 401k Plan - per month	0	0	
10. Employee Meals - per month	0	0	
11. Employee Education - per month	0	0	
12. Awards & Prizes - per month	0	0	
13. Employee Christmas & Other Parties	500	6,000	
14. Transportation & Housing	0	0	
<b>Total Employee Benefits</b>		<b>74,128</b>	<b>9.6%</b>

## Direct Operating Expenses

	Monthly \$	% of Sales	Annual \$	% of Sales
1. Auto Expense	0		0	
2. Catering & Banquet Supplies	0		0	
3. Cleaning Supplies	500		6,000	
4. Contract Cleaning	0		0	
5. Extermination	120		1,440	
6. Flowers & Decorations	0		0	
7. Kitchen Utensils	0		0	
8. Laundry & Linen	400		4,800	
9. Licenses & Permits	200		2,400	
10. Menus & Wine Lists	0		0	
11. Miscellaneous	1,000		12,000	
12. Paper Supplies (enter monthly amount or cost as a % of food sales)	500	0.00%	6,000	
13. Security System	250		3,000	
14. Tableware & Smallwares	0		0	
15. Uniforms	0		0	
<b>Total Direct Operating Expenses</b>			<b>35,640</b>	<b>4.6%</b>

## Music & Entertainment -

	Monthly \$	Annual \$	% of Sales
1. Musicians	0	0	
2. Musak & Sound System	100	1,200	
3. Other	0	0	
<b>Total Music &amp; Entertainment</b>		<b>1,200</b>	<b>0.2%</b>

## Assumptions Continued

Marketing -	Monthly \$	Annual \$	% of Sales
1. Selling & Promotions	0	0	
2. Advertising	500	6,000	
3. Printed Materials	100	1,200	
4. Research	0	0	
<b>Total Marketing</b>		<b>7,200</b>	<b>0.9%</b>

Utilities -	Monthly \$	Annual \$	% of Sales
1. Electricity	1,000	12,000	
2. Gas	1,000	12,000	
3. Water	1,000	12,000	
4. Trash Removal	300	3,600	
<b>Total Utilities</b>		<b>39,600</b>	<b>5.1%</b>

General & Administrative -	Monthly \$	Annual \$	% of Sales
1. Accounting Services	200	2,400	
2. Bank Charges	200	2,400	
3. Bank Deposit Services	100	1,200	
4. Cash (Over) / Short	0	0	
5. Credit Card Charges		0	
6. Dues & Subscriptions	0	0	
7. Miscellaneous	0	0	
8. Office Supplies	100	1,200	
9. Payroll Processing	100	1,200	
10. Postage	50	600	
11. Professional Fees	250	3,000	
12. Protective Services	0	0	
13. Telephone	200	2,400	
14. Training Materials	0	0	
<b>Total General &amp; Administrative</b>		<b>14,400</b>	<b>1.9%</b>

Credit Card Charges:	
Percentage of Credit Card Sales	80.0%
Average Discount Percentage	0.0%

Repairs & Maintenance	Monthly \$	Annual \$	% of Sales
1. Building Repairs & Maint.	1,000	12,000	
2. Equipment Repairs & Maint.	1,000	12,000	
3. Grounds, Landscaping & Parking Lot	500	6,000	
<b>Total Repairs &amp; Maintenance</b>		<b>30,000</b>	<b>3.9%</b>

Occupancy Costs:	Monthly \$	Annual \$	% of Sales
1. Base (minimum) Rent	2,500	30,000	
2. Percentage Rent -		0	
Percentage amount	0.0%		
On annual sales above	0		
3. Common Area Maintenance (CAM)	1,000	12,000	
4. Equipment Rental	400	4,800	
5. Real Estate Taxes	0	0	
6. Personal Property Taxes	0	0	
7. Insurance on Building & Contents	1,500	18,000	
8. Liquor Liability	500	6,000	
<b>Total Occupancy Costs</b>		<b>70,800</b>	<b>9.1%</b>

Depreciation & Amortization:	Basis	Period	Per Year	% of Sales
1. Building	0	30 years	0	
2. Leasehold Improvements	23,850	39.5 years	604	
3. Furniture & Equipment	165,200	7 years	23,600	
4. Pre-Opening Costs	50,000	5 years	10,000	
<b>Total Depreciation &amp; Amortization</b>			<b>34,204</b>	<b>4.4%</b>

Other Income	Monthly \$	Annual \$
1. Vending & Telephone Commissions	0	0
2. Grease Sales	0	0
3. Misc Other Income	0	0

Other Expense	Monthly \$	Annual \$
1. Interest	945	11,335
2. Misc Other Expense	0	0

# Assumptions Continued

## Loan Financing

Principle Amount	240,050
Rate	5.0%
Term	7 years
Monthly Payment	3,393 monthly pmt. <span style="float: right;">Annual \$ 40,714</span>

Loan Amortiation Schedule					
Period	Loan Balance	Interest	Principal	Annual Totals	
				Interest	Prin Repmt
1	240,050	1,000	2,393		
2	237,657	990	2,403		
3	235,255	980	2,413		
4	232,842	970	2,423		
5	230,419	960	2,433		
6	227,987	950	2,443		
7	225,544	940	2,453		
8	223,091	930	2,463		
9	220,627	919	2,474		
10	218,154	909	2,484		
11	215,670	899	2,494		
12	213,176	888	2,505	11,335	29,379
13	210,671	878	2,515		
14	208,156	867	2,526		
15	205,631	857	2,536		
16	203,095	846	2,547		
17	200,548	836	2,557		
18	197,991	825	2,568		
19	195,423	814	2,579		
20	192,844	804	2,589		
21	190,255	793	2,600		
22	187,655	782	2,611		
23	185,044	771	2,622		
24	182,422	760	2,633	9,832	30,882
25	179,789	749	2,644		
26	177,146	738	2,655		
27	174,491	727	2,666		
28	171,825	716	2,677		
29	169,148	705	2,688		
30	166,460	694	2,699		
31	163,761	682	2,711		
32	161,050	671	2,722		
33	158,328	660	2,733		
34	155,595	648	2,745		
35	152,851	637	2,756		
36	150,095	625	2,767	8,252	32,462
37	147,327	614	2,779		
38	144,548	602	2,791		
39	141,758	591	2,802		
40	138,956	579	2,814		
41	136,142	567	2,826		
42	133,316	555	2,837		
43	130,479	544	2,849		
44	127,630	532	2,861		
45	124,769	520	2,873		
46	121,896	508	2,885		
47	119,011	496	2,897		
48	116,114	484	2,909	6,591	34,123
49	113,205	472	2,921		
50	110,283	460	2,933		
51	107,350	447	2,946		
52	104,405	435	2,958		
53	101,447	423	2,970		
54	98,477	410	2,983		
55	95,494	398	2,995		
56	92,499	385	3,007		
57	89,492	373	3,020		
58	86,472	360	3,033		
59	83,439	348	3,045		

## Assumptions Continued

60	80,394	335	3,058	4,846	35,868	Year 5
61	77,336	322	3,071			
62	74,266	309	3,083			
63	71,182	297	3,096			
64	68,086	284	3,109			
65	64,977	271	3,122			
66	61,855	258	3,135			
67	58,720	245	3,148			
68	55,571	232	3,161			
69	52,410	218	3,174			
70	49,236	205	3,188			
71	46,048	192	3,201			
72	42,847	179	3,214	3,011	37,704	Year 6
73	39,633	165	3,228			
74	36,405	152	3,241			
75	33,164	138	3,255			
76	29,909	125	3,268			
77	26,641	111	3,282			
78	23,359	97	3,296			
79	20,063	84	3,309			
80	16,754	70	3,323			
81	13,431	56	3,337			
82	10,094	42	3,351			
83	6,744	28	3,365			
84	3,379	14	3,379	1,082	39,633	Year 7
85	0	0	3,393			

## P&L Detailed

	MONTHLY AVE		ANNUAL	
<b>Sales:</b>				
Food	\$ 54,906	85.0%	\$ 658,866	85.0%
Liquor	2,167	3.4%	26,000	3.4%
Beer	5,339	8.3%	64,064	8.3%
Wine	2,167	3.4%	26,000	3.4%
TOTAL SALES	64,578	100.0%	774,930	100.0%
<b>Cost of Sales:</b>				
Food	13,726	25.0%	164,717	25.0%
Liquor	368	17.0%	4,420	17.0%
Beer	1,068	20.0%	12,813	20.0%
Wine	715	33.0%	8,580	33.0%
TOTAL COST OF SALES	15,877	24.6%	190,529	24.6%
<b>Gross Profit</b>	48,700	75.4%	584,401	75.4%
<b>Payroll:</b>				
Salaries & Wages -				
Management	6,250	9.7%	75,000	9.7%
Hourly Employees	12,364	19.1%	148,372	19.1%
Total Salaries & Wages	18,614	28.8%	223,372	28.8%
Employee Benefits -				
Payroll Taxes - Mgt. Incentive	5,677	8.8%	68,128	8.8%
Worker's Comp.	0	0.0%	0	0.0%
Group Medical Insurance	0	0.0%	0	0.0%
Other	500	0.8%	6,000	0.8%
Total Employee Benefits	6,177	9.6%	74,128	9.6%
TOTAL PAYROLL	24,792	38.4%	297,500	38.4%
<b>PRIME COST</b>	<b>40,669</b>	<b>63.0%</b>	<b>488,029</b>	<b>63.0%</b>



## P&L Detailed Continued

### Other Controllable Expenses:

Direct Operating Expenses				
Auto Expense	0	0.0%	0	0.0%
Catering & Banquet Expenses	0	0.0%	0	0.0%
Cleaning Supplies	500	0.8%	6,000	0.8%
Contract Cleaning	0	0.0%	0	0.0%
Extermination	120	0.2%	1,440	0.2%
Flowers & Decorations	0	0.0%	0	0.0%
Kitchen Utensils	0	0.0%	0	0.0%
Laundry & Linen	400	0.6%	4,800	0.6%
Licenses & Permits	200	0.3%	2,400	0.3%
Menus & Wine Lists	0	0.0%	0	0.0%
Miscellaneous	1,000	1.5%	12,000	1.5%
Paper Supplies	500	0.8%	6,000	0.8%
Security System	250	0.4%	3,000	0.4%
Tableware & Smallwares	0	0.0%	0	0.0%
Uniforms	0	0.0%	0	0.0%
<b>Total Direct Operating Expenses</b>	<b>2,970</b>	<b>4.6%</b>	<b>35,640</b>	<b>4.6%</b>
Music & Entertainment -				
Musicians	0	0.0%	0	0.0%
Musak & Sound System	100	0.2%	1,200	0.2%
Other	0	0.0%	0	0.0%
<b>Total Music &amp; Entertainment</b>	<b>100</b>	<b>0.2%</b>	<b>1,200</b>	<b>0.2%</b>
Marketing -				
Selling & Promotions	0	0.0%	0	0.0%
Advertising	500	0.8%	6,000	0.8%
Printed Materials	100	0.2%	1,200	0.2%
Research	0	0.0%	0	0.0%
<b>Total Marketing</b>	<b>600</b>	<b>0.9%</b>	<b>7,200</b>	<b>0.9%</b>
Utilities -				
Electrical	1,000	1.5%	12,000	1.5%
Gas	1,000	1.5%	12,000	1.5%
Water	1,000	1.5%	12,000	1.5%
Trash Removal	300	0.5%	3,600	0.5%
<b>Total Utilities</b>	<b>3,300</b>	<b>5.1%</b>	<b>39,600</b>	<b>5.1%</b>
General & Administrative -				
Accounting Services	200	0.3%	2,400	0.3%
Bank Charges	200	0.3%	2,400	0.3%
Bank Deposit Services	100	0.2%	1,200	0.2%
Cash (Over) / Short	0	0.0%	0	0.0%
Credit Card Charges	0	0.0%	0	0.0%
Dues & Subscriptions	0	0.0%	0	0.0%
Miscellaneous	0	0.0%	0	0.0%
Office Supplies	100	0.2%	1,200	0.2%
Payroll Processing	100	0.2%	1,200	0.2%
Postage	50	0.1%	600	0.1%
Legal & Professional Fees	250	0.4%	3,000	0.4%
Protective Services	0	0.0%	0	0.0%
Telephone	200	0.3%	2,400	0.3%
Training Costs	0	0.0%	0	0.0%
<b>Total General &amp; Administrative</b>	<b>1,200</b>	<b>1.9%</b>	<b>14,400</b>	<b>1.9%</b>
Repairs & Maintenance -				
Building Repairs & Maint.	1,000	1.5%	12,000	1.5%
Equipment Repairs & Maint.	1,000	1.5%	12,000	1.5%
Grounds, Landscaping & Parking Lot	500	0.8%	6,000	0.8%
<b>Total Repairs &amp; Maintenance</b>	<b>2,500</b>	<b>3.9%</b>	<b>30,000</b>	<b>3.9%</b>

## P&L Detailed Continued

<b>CONTROLLABLE PROFIT</b>	<b>13,238</b>	<b>20.5%</b>	<b>158,861</b>	<b>20.5%</b>
<b>Occupancy Costs &amp; Depreciation</b>				
Occupancy Costs -				
Rent & Common Area Maintenance	2,500	3.9%	30,000	3.9%
Percentage Rent	0	0.0%	0	0.0%
Common Area Maintenance (CAM)	1,000	1.5%	12,000	1.5%
Equipment Rental	400	0.6%	4,800	0.6%
Real Estate Taxes	0	0.0%	0	0.0%
Personal Property Taxes	0	0.0%	0	0.0%
Insurance on Building & Contents	1,500	2.3%	18,000	2.3%
Liquor Liability	500	0.8%	6,000	0.8%
Total Occupancy Costs	5,900	9.1%	70,800	9.1%
Depreciation & Amortization -				
Building	0	0.0%	0	0.0%
Leasehold Improvements	50	0.1%	604	0.1%
Furniture & Equipment	1,967	3.0%	23,600	3.0%
Pre-Opening Costs	833	1.3%	10,000	1.3%
Total Depreciation	2,850	4.4%	34,204	4.4%
TOTAL OCCUPANCY & DEPREC.	8,750	13.6%	105,004	13.6%
Other (Income) Expense -				
Vending & Telephone Commissions	0	0.0%	0	0.0%
Grease Sales	0	0.0%	0	0.0%
Misc Other Income	0	0.0%	0	0.0%
Interest	945	1.5%	11,335	1.5%
Misc Other Expense	0	0.0%	0	0.0%
Total Other (Income) Expense	945	1.5%	11,335	1.5%
<b>NET INCOME BEFORE INCOME TAXES</b>	<b>\$ 3,543</b>	<b>5.5%</b>	<b>\$ 42,522</b>	<b>5.5%</b>
ADD BACK:				
Depreciation & Amortization	2,850	4.4%	34,204	4.4%
DEDUCT:				
Loan Principal Payments	(2,448)	(45.5%)	(29,379)	(3.8%)
<b>CASH FLOW BEFORE INCOME TAXES</b>	<b>\$ 3,946</b>	<b>6.1%</b>	<b>\$ 47,347</b>	<b>6.1%</b>

## Summary P&L

	MONTHLY AVE		ANNUAL	
<b>Sales:</b>				
Food	\$ 54,906	85.0%	\$ 658,866	85.0%
Beverage	9,672	15.0%	116,064	15.0%
<b>TOTAL SALES</b>	<b>64,578</b>	<b>100.0%</b>	<b>774,930</b>	<b>100.0%</b>
<b>Cost of Sales:</b>				
Food	13,726	25.0%	164,717	25.0%
Beverage	2,151	22.2%	25,813	22.2%
<b>TOTAL COST OF SALES</b>	<b>15,877</b>	<b>24.6%</b>	<b>190,529</b>	<b>24.6%</b>
<b>Gross Profit</b>	<b>48,700</b>	<b>75.4%</b>	<b>584,401</b>	<b>75.4%</b>
<b>Payroll:</b>				
Salaries & Wages	18,614	28.8%	223,372	28.8%
Employee Benefits	6,177	9.6%	74,128	9.6%
<b>TOTAL PAYROLL</b>	<b>24,792</b>	<b>38.4%</b>	<b>297,500</b>	<b>38.4%</b>
<b>PRIME COST</b>	<b>40,669</b>	<b>63.0%</b>	<b>488,029</b>	<b>63.0%</b>
<b>Other Controllable Expenses:</b>				
Direct Operating Expenses	2,970	4.6%	35,640	4.6%
Music & Entertainment	100	0.2%	1,200	0.2%
Marketing	600	0.9%	7,200	0.9%
Utilities	3,300	5.1%	39,600	5.1%
General & Administrative Expenses	1,200	1.9%	14,400	1.9%
Repairs & Maintenance	2,500	3.9%	30,000	3.9%
<b>TOTAL OTHER CONTROLLABLE EXP.</b>	<b>10,670</b>	<b>16.5%</b>	<b>128,040</b>	<b>16.5%</b>
<b>CONTROLLABLE PROFIT</b>	<b>13,238</b>	<b>20.5%</b>	<b>158,861</b>	<b>20.5%</b>
<b>Occupancy Costs &amp; Depreciation</b>				
Occupancy Costs	5,900	9.1%	70,800	9.1%
Depreciation & Amortization	2,850	4.4%	34,204	4.4%
<b>Other (Income) Expenses</b>				
Other (Income)	0	0.0%	0	0.0%
Interest Expense	945	1.5%	11,335	1.5%
Other Expense	0	0.0%	0	0.0%
<b>NET INCOME BEFORE INCOME TAXES</b>	<b>\$ 3,543</b>	<b>5.5%</b>	<b>\$ 42,522</b>	<b>5.5%</b>
<b>ADD BACK:</b>				
Depreciation & Amortization	2,850	4.4%	34,204	4.4%
<b>DEDUCT:</b>				
Loan Principal Payments	(2,448)	(3.8%)	(29,379)	(3.8%)
<b>CASH FLOW BEFORE INCOME TAXES</b>	<b>\$ 3,946</b>	<b>6.1%</b>	<b>\$ 47,347</b>	<b>6.1%</b>

<b>KEY RATIOS:</b>	
Sales Per Square Foot	\$221
Sales Per Seat	\$9,687
Sales to Investment	3.2

# 5 Year P&Ls

	Year 1	Year 2	Year 3	Year 4	Year 5
<b>Sales:</b>					
Food	\$ 658,866	\$ 658,866	\$ 658,866	\$ 658,866	\$ 658,866
Beverage	116,064	116,064	116,064	116,064	116,064
<b>TOTAL SALES</b>	<b>774,930</b>	<b>774,930</b>	<b>774,930</b>	<b>774,930</b>	<b>774,930</b>
	85.0%	85.0%	85.0%	85.0%	85.0%
	15.0%	15.0%	15.0%	15.0%	15.0%
	100.0%	100.0%	100.0%	100.0%	100.0%
<b>Cost of Sales:</b>					
Food	164,717	0	0	0	0
Beverage	25,813	0	0	0	0
<b>TOTAL COST OF SALES</b>	<b>190,529</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
	24.6%	0.0%	0.0%	0.0%	0.0%
	75.4%	100.0%	100.0%	100.0%	100.0%
<b>Gross Profit</b>	<b>584,401</b>	<b>774,930</b>	<b>774,930</b>	<b>774,930</b>	<b>774,930</b>
	28.8%	28.8%	28.8%	28.8%	28.8%
	9.6%	9.6%	9.6%	9.6%	9.6%
<b>Payroll:</b>					
Salaries & Wages	223,372	223,372	223,372	223,372	223,372
Employee Benefits	74,128	74,128	74,128	74,128	74,128
<b>TOTAL PAYROLL</b>	<b>297,500</b>	<b>297,500</b>	<b>297,500</b>	<b>297,500</b>	<b>297,500</b>
	38.4%	38.4%	38.4%	38.4%	38.4%
<b>PRIME COST</b>	<b>488,029</b>	<b>297,500</b>	<b>297,500</b>	<b>297,500</b>	<b>297,500</b>
	63.0%	38.4%	38.4%	38.4%	38.4%
<b>Other Controllable Expenses:</b>					
Direct Operating Expenses	35,640	35,640	35,640	35,640	35,640
Music & Entertainment	1,200	1,200	1,200	1,200	1,200
Marketing	7,200	7,200	7,200	7,200	7,200
Utilities	39,600	39,600	39,600	39,600	39,600
General & Administrative Expenses	14,400	14,400	14,400	14,400	14,400
Repairs & Maintenance	30,000	30,000	30,000	30,000	30,000
<b>TOTAL OTHER CONTROLLABLE EXP.</b>	<b>128,040</b>	<b>128,040</b>	<b>128,040</b>	<b>128,040</b>	<b>128,040</b>
	16.5%	16.5%	16.5%	16.5%	16.5%
<b>CONTROLLABLE PROFIT</b>	<b>158,861</b>	<b>349,390</b>	<b>349,390</b>	<b>349,390</b>	<b>349,390</b>
	20.5%	45.1%	45.1%	45.1%	45.1%
<b>Occupancy Costs &amp; Depreciation</b>					
Occupancy Costs	70,800	70,800	70,800	70,800	70,800
Depreciation & Amortization	34,204	34,204	34,204	34,204	34,204
<b>Other (Income) Expenses</b>					
Other (Income)	0	0	0	0	0
Interest Expense	11,335	9,832	8,252	6,591	4,846
Other Expense	0	0	0	0	0
<b>NET INCOME BEFORE INCOME TAXES</b>	<b>\$ 42,522</b>	<b>\$ 234,554</b>	<b>\$ 236,134</b>	<b>\$ 237,795</b>	<b>\$ 239,541</b>
	5.5%	30.3%	30.5%	30.7%	30.9%
ADD BACK:					
Depreciation & Amortization	34,204	34,204	34,204	34,204	34,204
DEDUCT:					
Loan Principal Payments	(29,379)	(30,882)	(32,462)	(34,123)	(35,868)
<b>CASH FLOW BEFORE INCOME TAXES</b>	<b>\$ 47,347</b>	<b>\$ 237,876</b>	<b>\$ 237,876</b>	<b>\$ 237,876</b>	<b>\$ 237,876</b>
	6.1%	30.7%	30.7%	30.7%	30.7%

# Break-Even Worksheet

Fixed Costs		Annual	Monthly
Total Management Salaries		\$ 75,000	\$ 6,250
Minimum Hourly Labor	0%	\$ -	\$ -
Employee Benefits		\$ 28,875	\$ 2,406
Direct Operating Expenses		\$ 35,640	\$ 2,970
Music & Entertainment -		\$ 1,200	\$ 100
Marketing -		\$ 7,200	\$ 600
Utilities -		\$ 39,600	\$ 3,300
General & Administrative -		\$ 14,400	\$ 1,200
Repairs & Maintenance		\$ 30,000	\$ 2,500
Occupancy Costs:		\$ 70,800	\$ 5,900
Interest		\$ 11,335	\$ 945
Misc Other Expense		\$ -	\$ -
Loan Principal Payments		\$ 29,379	\$ 2,448
		<b>\$ 343,429</b>	<b>\$ 28,619</b>

Variable Costs	% of Sales	\$
Cost of Sales	24.6%	\$ 13,954
Hourly Labor	19.1%	\$ 10,866
Employee Benefits	5.8%	\$ 3,314
Credit Card Expense	0.0%	\$ -
Paper Supplies	0.0%	\$ -
	<b>49.6%</b>	<b>\$ 28,134</b>

	Annual	Monthly
Percentage Rent	\$ -	\$ -

	Annual	Monthly	Weekly
Break-even Sales	\$ 681,039	\$ 56,753	\$ 13,097

Sales Break-Down:		Annual	Monthly	Weekly
Food	\$	579,037	\$ 48,253	\$ 11,135
Liquor	\$	22,850	\$ 1,904	\$ 439
Beer	\$	56,302	\$ 4,692	\$ 1,083
Wine	\$	22,850	\$ 1,904	\$ 439
<b>Total</b>	<b>\$</b>	<b>681,039</b>	<b>\$ 56,753</b>	<b>\$ 13,097</b>

## Break-Even P&L Summary

	MONTHLY		ANNUAL	
<b>Sales:</b>				
Food	\$ 48,253	85.0%	\$ 579,037	85.0%
Beverage	8,500	15.0%	102,002	15.0%
<b>TOTAL SALES</b>	<b>56,753</b>	<b>100.0%</b>	<b>681,039</b>	<b>100.0%</b>
<b>Cost of Sales:</b>				
Food	12,063	25.0%	144,759	25.0%
Beverage	1,890	22.2%	22,685	22.2%
<b>TOTAL COST OF SALES</b>	<b>13,954</b>	<b>24.6%</b>	<b>167,445</b>	<b>24.6%</b>
<b>Gross Profit</b>	<b>42,800</b>	<b>75.4%</b>	<b>513,594</b>	<b>75.4%</b>
<b>Payroll:</b>				
Salaries & Wages	17,116	30.2%	205,395	30.2%
Employee Benefits	5,720	10.1%	68,645	10.1%
<b>TOTAL PAYROLL</b>	<b>22,837</b>	<b>40.2%</b>	<b>274,040</b>	<b>40.2%</b>
<b>PRIME COST</b>	<b>36,790</b>	<b>64.8%</b>	<b>441,485</b>	<b>64.8%</b>
<b>Other Controllable Expenses:</b>				
Direct Operating Expenses	2,970	5.2%	35,640	5.2%
Music & Entertainment	100	0.2%	1,200	0.2%
Marketing	600	1.1%	7,200	1.1%
Utilities	3,300	5.8%	39,600	5.8%
General & Administrative Expenses	1,200	2.1%	14,400	2.1%
Repairs & Maintenance	2,500	4.4%	30,000	4.4%
<b>TOTAL OTHER CONTROLLABLE EXP.</b>	<b>10,670</b>	<b>18.8%</b>	<b>128,040</b>	<b>18.8%</b>
<b>CONTROLLABLE PROFIT</b>	<b>9,293</b>	<b>16.4%</b>	<b>111,514</b>	<b>16.4%</b>
<b>Occupancy Costs &amp; Depreciation</b>				
Occupancy Costs	5,900	10.4%	70,800	10.4%
Depreciation & Amortization	2,850	5.0%	34,204	5.0%
<b>Other (Income) Expenses</b>				
Other (Income)	0	0.0%	0	0.0%
Interest Expense	945	1.7%	11,335	1.7%
Other Expense	0	0.0%	0	0.0%
<b>NET INCOME BEFORE INCOME TAXES</b>	<b>(\$402)</b>	<b>(0.7%)</b>	<b>(\$4,825)</b>	<b>(0.7%)</b>
<b>ADD BACK:</b>				
Depreciation & Amortization	2,850	5.0%	34,204	5.0%
<b>DEDUCT:</b>				
Loan Principal Payments	(2,448)	(4.3%)	(29,379)	(4.3%)
<b>CASH FLOW BEFORE INCOME TAXES</b>	<b>\$ 0</b>	<b>0.0%</b>	<b>\$ 0</b>	<b>0.0%</b>

BREAK-EVEN SALES	
Week	\$13,097
Month	\$56,753
Year	\$681,039



