

ADDRESS TO:
IOWA ECONOMIC DEVELOPMENT AUTHORITY
1963 BELL AVENUE
DES MOINES IOWA 50315

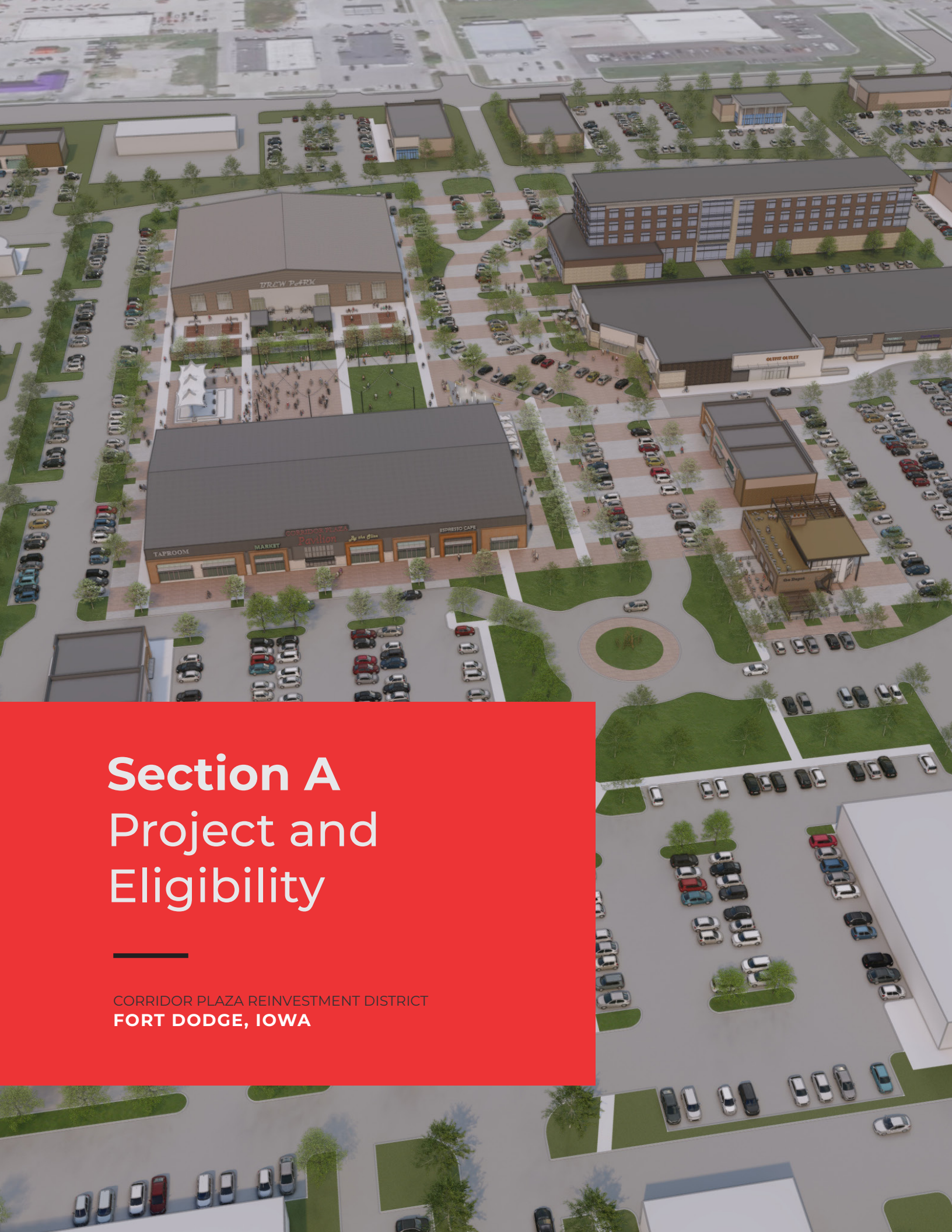


Iowa Reinvestment District Program Final Application

**CORRIDOR PLAZA REINVESTMENT DISTRICT
CITY OF FORT DODGE, IOWA**

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Section A Project and Eligibility

CORRIDOR PLAZA REINVESTMENT DISTRICT
FORT DODGE, IOWA

Section A: Project and Eligibility

Name of Project/District

Corridor Plaza Reinvestment District

Date Submitted

February 11, 2022

Final Application

X

Applicant

City of Fort Dodge

Contact Information

Chad Schaeffer

Chief Development Officer

City of Fort Dodge, Iowa

515.576.4551

515.570.4364 (cell)

cschaeffer@fortdodgeiowa.org

Federal ID Number

42-6004675

Size of Proposed District

38.8 acres

Are the parcels contiguous, physically connected?

Yes. The 38.8-acre district consists of 24 parcels located approximately 0.8 miles east of downtown Fort Dodge, Iowa and specifically within property north of 5th Avenue South and south of 7th Avenue South as shown on page 13.



Please provide an overview of the proposed Iowa Reinvestment District. Please demonstrate in your explanation the real property will be directly and substantially benefited by development.

Fort Dodge, Iowa is located in the center of Webster County, 92 miles Northwest of Des Moines and 65 miles Southwest of Mason City, along the Des Moines River. Fort Dodge represents the only significant retail center in a 65-mile radius.

Crossroads Mall was established in the 1960's as an enclosed retail mall as was the trend at that time. The mall structure and outlying buildings have aged, becoming less energy efficient, and retail establishments were not readily accessible.

The deteriorating Crossroads Mall has lost three key anchor tenants (Sears, JCPenney, and Younkers) over the past several years. Occupancy dropped to only 30% as of early 2020. Not only has the Mall become an eyesore, but the blighted property is becoming a liability for the community and tenants.

Development plans for Corridor Plaza include demolition, redevelopment of a partial existing structure, and new construction with a contemporized concept design, energy efficient features, and accessible parking. The developer has offered assistance to existing tenants who choose to remain with the redevelopment initiative or to relocate to another site.

The City of Fort Dodge and developer team (Corridor Plaza Development, LLC) has re-envisioned an activated destination site with innovative design concepts. The Corridor Plaza Reinvestment District will offer a sustainable, aesthetically appealing retail hub, indoor/outdoor entertainment areas, and energy efficient complex of amenities. The comprehensive concept will create a greater appeal for regional and national brands who will bring quality retail goods and services to the region.

The addition of a public plaza and pavilion to the District will create a dynamic center of activity for entertainment, dining and shopping. The progressive design will incorporate elements to transform and greatly extend the function of spaces supporting year-round activities.

The redevelopment of Crossroads Mall into Corridor Plaza will be a catalyst for continued economic growth through revitalization and reinvestment initiatives from the Corridor Plaza District to the Downtown and Historical Districts. With the support of the Iowa Reinvestment District Program grant, the transformation of Crossroads Mall into the Corridor Plaza District will significantly revitalize real estate in the Fort Dodge community and Northwest Iowa region bolstering the economy, commerce, lifestyle and entertainment options.

The proximity of the Downtown District and the Corridor Plaza District is important to the comprehensive growth and redevelopment opportunities for Fort Dodge. A 1.5-mile major thoroughfare and business corridor (Cross-town Connector) links the Downtown and Corridor Plaza Districts with a variety of retail and services. This business corridor represents a dynamic revitalization opportunity for Fort Dodge. With a strengthened draw for shoppers and visitors to the Corridor Plaza District, the potential positive impact for the business corridor and Downtown District is significant.

Corridor Plaza's ultimate goal is to create a vibrant, walkable retail and entertainment destination that will incentivize visitors, area residents, and business to come to the Corridor Plaza District where multiple, generational interests and needs are satisfied. Space will be available in the pavilion and hotel providing a valuable venue for attracting business meetings, conferences, and special events. Hotel lodging is strategically located adjacent to entertainment, dining and a public gathering place where the convenience and availability of diverse services and amenities are attractive to short-term and extended stay destination and business visitors.

The City of Fort Dodge and Corridor Plaza Development, LLC have been working together since 2019 on the planning and concepting for Corridor Plaza. The project as outlined in this final application is "shovel ready."

Before - Current



After - Proposed Corridor Plaza



Section A1: Resolution

RESOLUTION NO. 22-01-023

A RESOLUTION AUTHORIZING SUBMITTAL OF FINAL APPLICATION TO THE IOWA ECONOMIC DEVELOPMENT AUTHORITY FOR THE IOWA REINVESTMENT DISTRICT PROGRAM

WHEREAS, the Iowa Economic Development Authority has been charged by the Iowa Legislature and Governor Reynolds to administer the Iowa Reinvestment District Program; and

WHEREAS, the Iowa Reinvestment District Program is designed to assist communities in developing transformative projects that improve the quality of life, create and enhance unique opportunities and substantially benefit the community, region and state; and

WHEREAS, said program provides up to \$100 million in new state hotel/motel and sales tax revenues to be “reinvested” within approved districts; and,

WHEREAS, the City of Fort Dodge was awarded provisional approval for \$17 million and now must submit a final application for review and evaluation.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF FORT DODGE, IOWA, that the Mayor is hereby authorized to submit the final application on behalf of the City.

PASSED AND APPROVED by the City Council of the City of Fort Dodge this 24th day of January, 2022

AYE: Flattery, Nelson, Conrad, McCaleb, Alstott, Moehnke and Schuur

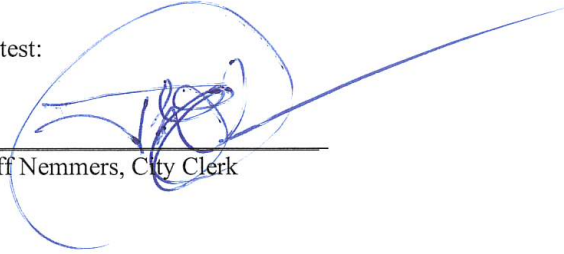
NAY: None

OTHER: None

CITY OF FORT DODGE, IOWA

By: 
Matt Bemrich, Mayor

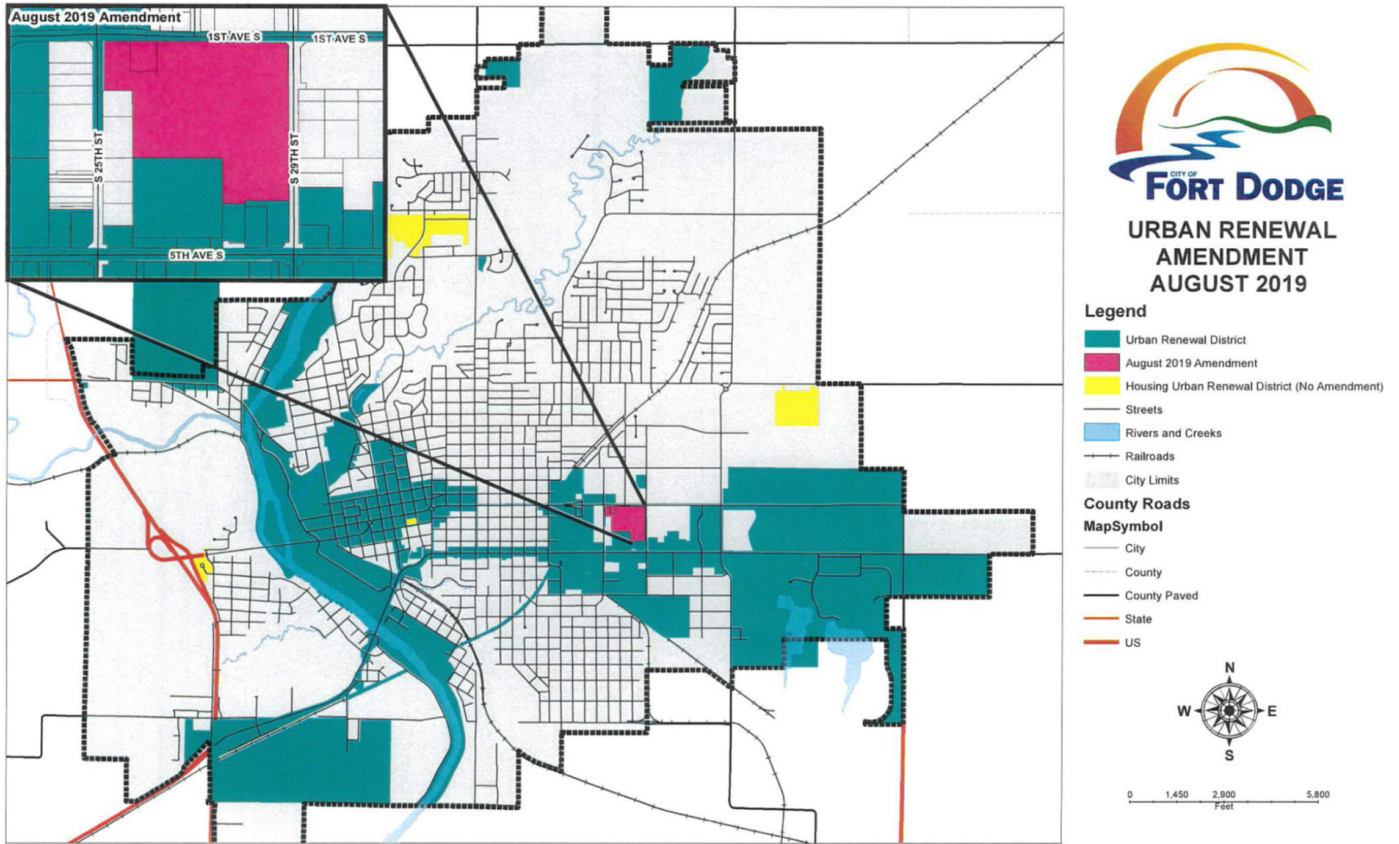
Attest:



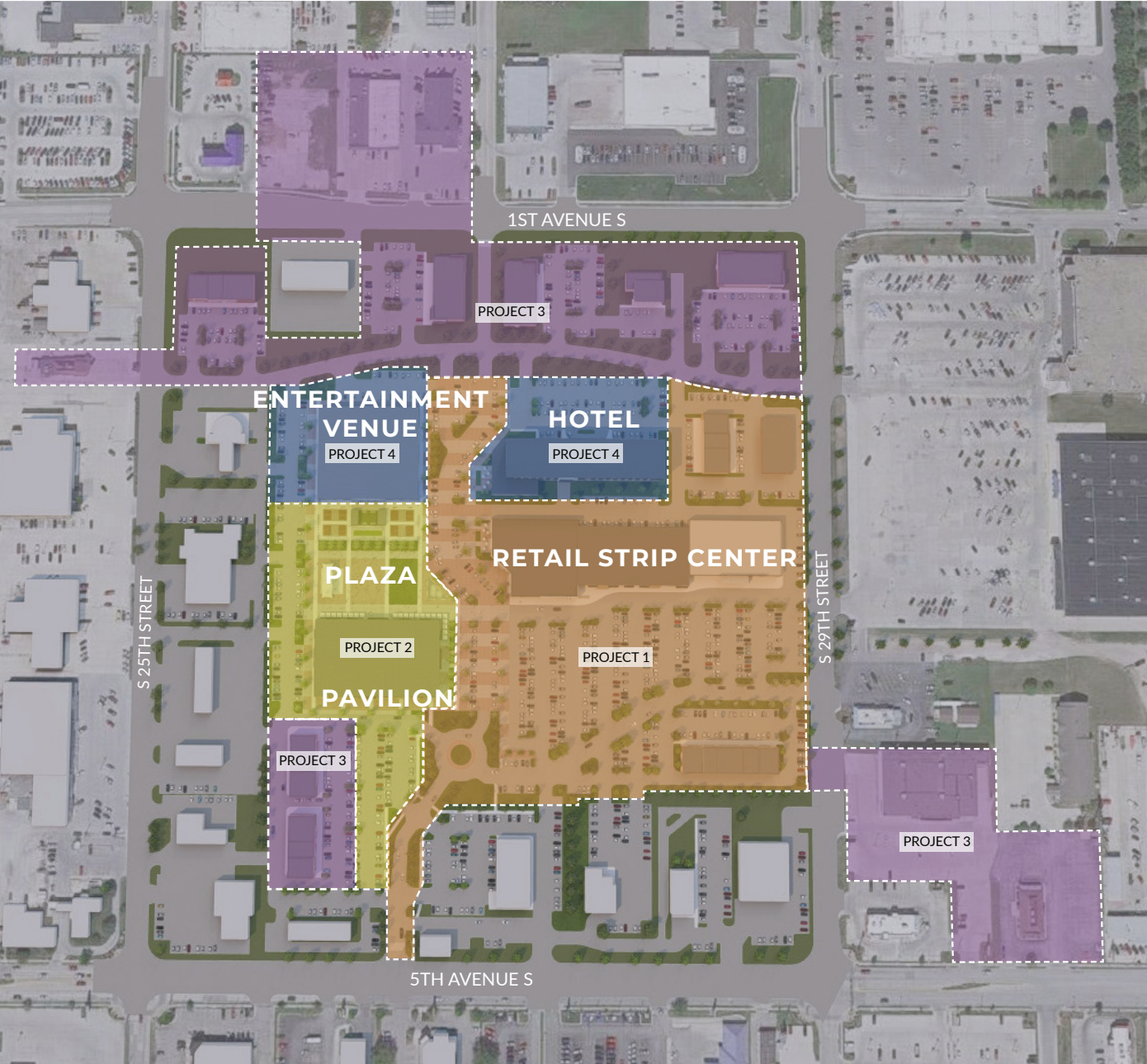
Jeff Nemmers, City Clerk

Section A.2: Zone Documents

The resolution and designation of the urban renewal area was passed in November 2017 and updated on August 12, 2019. Such resolution is shown in the Addenda at the end of this application. The urban renewal location is shown on the updated map below.



Section A.3: Detailed Map – Project Phasing





Looking northwest at the retail strip center (repurposed east wing of former Crossroads Mall)



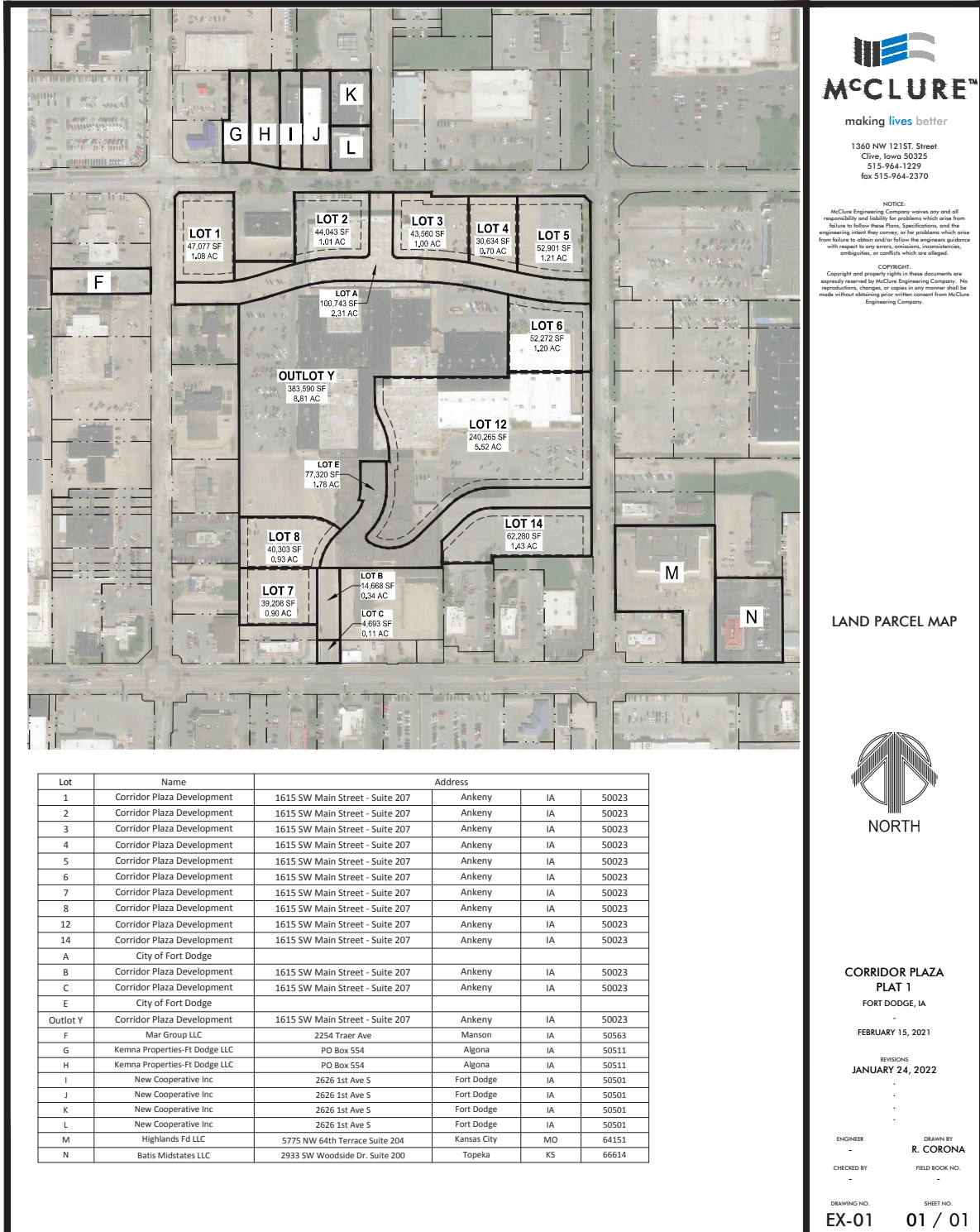
Looking northwest at the Corridor Plaza Pavilion and proposed roundabout with public art



Looking northwest at the public plaza and entertainment venue

Section A.4: Parcel Owners

The Corridor Plaza District consists of twenty-four (24) lots made up of seven (7) landowners: Corridor Plaza Development, LLC and the City of Fort Dodge. Ownership by lot and a map showing the locations of each.



Section A.5: Legal Descriptions

Lots 1, 2, 3, 4, 5, 6, 7, A, B, C, and Outlot X of Corridor Plaza Plat 1, an Official Plat, now included in and forming a part of the City of Fort Dodge, Webster County, Iowa.

NOTE: Lot C described above is formerly described as Parcel "E" being located in Lot 5, County Auditor's Subdivision of the Southeast Quarter of the Southwest Quarter of Section 21, Township 89 North, Range 28 West of the 5th P.M., City of Fort Dodge, Webster County, Iowa, more particularly described on the Plat of Survey recorded September 10, 2020 as Instrument No. 2020-04351 of the Webster County, Iowa, Recorder's Office.

The East 154.05 feet of Lots Nos. Two (2) and Three (3) of the County Auditor's Subdivision of the Northeast Quarter (NE $\frac{1}{4}$) of the Southwest Quarter (SW $\frac{1}{4}$) of Section Twenty-one (21), Township Eighty-nine (89), Range Twenty-eight (28), Lands Inside the City of Fort Dodge, Iowa, except portion condemned for street purposes as described in Deed Record No. 154, page 525, and subject to easements.

The East 154.05 feet of Lots Nos. Two (2) and Three (3) of the County Auditor's Subdivision of the Northeast Quarter (NE $\frac{1}{4}$) of the Southwest Quarter (SW $\frac{1}{4}$) of Section Twenty-one (21), Township Eighty-nine (89), Range Twenty-eight (28), Lands Inside the City of Fort Dodge, Iowa, except portion condemned for street purposes as described in Deed Record No. 154, page 525, and subject to easements.

The West 65 feet of the East 304.05 feet of Lot Nos. 2 and 3 of County Auditor's Sub-division of the NE $\frac{1}{4}$ of the SW $\frac{1}{4}$ of Section 21, Township 89 North, Range 28, Lands Inside the City of Fort Dodge, Iowa.

A part of Lots 2 and 3 of County Auditor's sub-division of the NE $\frac{1}{4}$ of the SW $\frac{1}{4}$ of Section 21-89-28, West of the 5th P.M., Webster County, Iowa, described as follows: Commencing at the Southwest corner of said Lot 2 and thence East along the South line thereof for a distance of 170 feet to the point of beginning, thence East along the South line of said Lot 2, a distance of 150 feet, thence North at right angles to the North of said Lot 3, thence West along the North line of said Lot 3 a distance of 150 feet, thence South to the point of beginning, EXCEPT the West 60 feet thereof, Land Inside the City of Fort Dodge, Iowa.

A part of Lots 2 and 3 of County Auditor's sub-division of the NE $\frac{1}{4}$ of the SW $\frac{1}{4}$ of Section 21-89-28, West of the 5th P.M., Webster County, Iowa, described as follows: Commencing at the Southwest corner of said Lot 2 and thence East along the South line thereof for a distance of 150 feet to the point of beginning, thence East along the South line of said Lot 2, a distance of 80 feet, thence North at right angles to the North of said Lot 3, thence West along the North line of said Lot 3 a distance of 60 feet, thence South parallel to the West line of said Lot 3, a distance of 147.68 feet, thence West 20 feet, thence South parallel with the West line of Lots 2 and 3 to the point of beginning, Land Inside the City of Fort Dodge, Iowa, together with an assignment of all of grantor's interests under that easement recorded September 23, 1997 in Book 236, at Page 723.

The South 75 feet of Lot No. 16, of the County Auditor's Subdivision of the SW $\frac{1}{4}$ of the SW $\frac{1}{4}$ of Section 21, Township 89 North, Range 28, West of the 5th P.M., Webster County, Iowa.

The South 75 feet of Lot No. 16, of the County Auditor's Subdivision of the SW $\frac{1}{4}$ of the SW $\frac{1}{4}$ of Section 21, Township 89 North, Range 28, West of the 5th P.M., Webster County, Iowa.

A parcel of land in the West Half of the Southwest Quarter of the Southwest Quarter of the Southeast Quarter of Section 21, Township 89 North, Range 28 West of the 5th Principal Meridian, Webster County, Iowa, all within the corporate limits of the City of Fort Dodge, Iowa. Said parcel is more particularly described as: Commencing at the south quarter corner of said Section 21, Township 89 North, Range 28 West of the 5th Principal Meridian, Webster County, Iowa; thence East 233.00 feet along the south line of said Southeast Quarter of Section 21; thence North 00 degrees 15 minutes 21 seconds West 55.00 feet to the north right of way line of 5th Avenue South and the point of beginning; thence continuing North 00 degrees 15 minutes 21 seconds West 150.19 feet; thence South 89 degrees 58 minutes 43 seconds West 200.11 feet to the east right of way line of South 29th Street; thence North 00 degrees 18 minutes 17 seconds West 256.32 feet along said right of way line; thence North 89 degrees 58 minutes 02 seconds East 297.25 feet to the east line of said West Half of the Southwest Quarter of the Southwest Quarter of the Southeast Quarter; thence South 00 degrees 19 minutes 18 seconds East 406.61 feet along said east line of the West Half of the Southwest Quarter of the Southwest Quarter of the Southeast Quarter to the north right of way line of 5th Avenue South; thence West 97.39 feet to the point of beginning.

That part of Lot No. 3 of the County Auditors Taxation Plat of the SW $\frac{1}{4}$ of the SE $\frac{1}{4}$ and part of the E $\frac{1}{2}$ of the SW $\frac{1}{4}$ of the SW $\frac{1}{4}$ of the SE $\frac{1}{4}$ of Section 21, Township 89 North, Range 28 West of the 5th P.M., Fort Dodge, Webster County, Iowa, described as follows:

Beginning at the Southwest corner of the E $\frac{1}{2}$ of the SW $\frac{1}{4}$ of the SW $\frac{1}{4}$ of the SE $\frac{1}{4}$ of Said Section 21;

Thence N 00°00'00" E 306.13 feet along the West line of the E $\frac{1}{2}$ of the SW $\frac{1}{4}$ of the SW $\frac{1}{4}$ of the SE $\frac{1}{4}$;

Thence S 89°42'50" E 200.38 feet;

Thence S 00°02'20" E 306.27 feet to the South line of the E $\frac{1}{2}$ of the SW $\frac{1}{4}$ of the SW $\frac{1}{4}$ of the SE $\frac{1}{4}$;

Thence N 89°40'30" W 200.56 feet to the Point of Beginning, and containing 1.40 acres more or less.

Less and except that portion of the above-referenced property conveyed by Realty Income Corporation to the City of Fort Dodge by Warranty Deed dated May 16, 2011, recorded on June 1, 2011, as Instrument No. 2011-02500 in Webster County, Iowa.

Lot 14, Corridor Plaza Plat 2, an Official Plat, included in and forming a part of the City of Fort Dodge, Webster County, Iowa.

Lot 8, Corridor Plaza Plat 2, an Official Plat, included in and forming a part of the City of Fort Dodge, Webster County, Iowa.

Section A.6: Substantiated Benefit

The original Crossroads Mall built in the 1960's was a significant achievement for Fort Dodge as a regional retail hub. Over the years, the mall aged in structure, concept, and function. The traditional, outdated mall's appeal began to lose its luster becoming less attractive to shoppers and tenants, impacting the performance of retailers, limited tenant market rates, and ultimately the loss of national brands.

Plans for the Corridor Plaza District are transformative for Fort Dodge incorporating an innovative concept with a diverse scope of amenities. While the Downtown and Historic Districts offer boutique retail, small businesses, and events, the Corridor Plaza District (formerly Crossroads Mall) represents a complementary yet different purpose and function as a destination with elevated opportunities to attract and sustain a thriving retail center with national and regional retailers.

The new, revitalized concept defines a unique purpose for community and commerce, which satisfies multi-generational interests. Residents and visitors alike will have the opportunity to shop, dine, socialize, stay, and experience the offerings and spirit of Fort Dodge.

Fort Dodge city leaders partnered with the developer group Corridor Plaza Development, LLC to re-envision a thriving, comprehensive complex complete with dining, entertainment, lodging, convenience services, a plaza for outdoor events and recreation activities, and a pavilion where year-round events and celebrations can be held at the heart of this re-envisioned Corridor Plaza District concept. The plaza and pavilion areas represent an opportunity to collaborate with organizations providing an extended space to complement and maximize the successes of existing festivals, celebrations, and events such as the Iowa High School Girls Softball Tournament.

Fort Dodge has an existing robust menu of activities and events. The Corridor Plaza District will be transformative for Fort Dodge to not only support current needs as a vital retail and destination community as well as create opportunities for future growth, job creation and enhanced quality of life.

The Iowa Reinvestment District Program grant supports and creates the opportunity for the revitalization of a vital retail, dining, and entertainment hub. The new design and infrastructure will attract quality retail brands and support a current market rate for tenants. This initiative will spur additional redevelopment, revitalization, and economic development growth from Corridor Plaza District, along a business corridor, to the Downtown and Historic Districts.

The opportunity to reinvest in and revitalize the former Crossroads Mall into the Corridor Plaza District is representative of the pride and belief in Fort Dodge as a vital, regional partner.



Section B District Plan

CORRIDOR PLAZA REINVESTMENT DISTRICT
FORT DODGE, IOWA

Section B: District Plan

In the chart below, please list each proposed project within the district and total capital investment associated with the project. Please provide a name for each project that corresponds with references throughout the application. New retail establishments cannot exceed 50% of the total cost expected for the district. At least one project within the district must have a capital investment of \$10,000,000 or more.

Crossroads Mall Redevelopment - Construction Cost					
Fort Dodge, IA					
Buildings - Commencement July 1, 2023					
Description	Retail / Non-Retail	Square Footage	Square Foot Cost	Line Item Total	
Project 1 - Mall Redevelopment, Retail & Infrastructure					
Land		468,412	\$ 4	\$	1,873,648
Other Cost		85,386	\$ 70	\$	5,973,404
Building Salvage Retail (Site & Shell Only)	Retail	71,785	\$ 121	\$	8,680,791
Phase 2 Streets / Infrastructure	Non-Retail	1	\$ 5,054,244	\$	5,054,244
C-Store	Retail	4,100	\$ 641	\$	2,627,440
Strip Center Retail Lot 14 (Site & Shell Or	Retail	9,500	\$ 209	\$	1,990,156
Phase 3 Streets / Infrastructure	Non-Retail	1	\$ 5,817,260	\$	5,817,260
Project 1 Total:				\$	32,016,943
Project 2 - Indoor/outdoor Event Space & Infrastructure					
Land		192,831	\$ 4	\$	771,324
Other Cost		80,365	\$ 60	\$	4,794,631
Exterior Entertainment Area	Non-Retail	15,000	\$ 77	\$	1,155,000
Pavilion	Non-Retail	53,689	\$ 232	\$	12,457,263
Pavilion Retail (Site & Shell Only)	Retail	5,176	\$ 231	\$	1,197,209
Events Space (Assumed 1 Story)	Retail	6,500	\$ 316	\$	2,054,000
Plaza with Stage	Non-Retail	1	\$ 3,023,646	\$	3,023,646
				\$	25,453,072
Project 3 - Complementary Retail & Infrastructure					
Land		484,297	\$ 4	\$	1,937,188
Other Costs		45,300	\$ 58	\$	2,645,889
Strip Center Retail (Site & Shell Only)	Retail	41,500	\$ 207	\$	8,590,500
QSR	Retail	3,800	\$ 280	\$	1,064,000
				\$	14,237,577
Project 4 - Hotel & Entertainment Venue					
Land		187,236	\$ 4	\$	748,944
Other Costs		68,000	\$ 51	\$	3,481,487
Entertainment	Retail	36,000	\$ 164	\$	5,904,000
Hotel (Assumed 2 Story)	Non-Retail	32,000	\$ 258	\$	8,256,000
				\$	18,390,431
District Total Project Cost:				\$	90,098,022

As shown in the table above, at least one project has a capital investment of \$10,000,000 or more.

The total capital for the new retail establishments within the Corridor Plaza District is 47.33% of the total capital required:

Retail	\$32,105,600	47.33%
Non-Retail	\$35,731,456	52.67%
Total	\$67,837,055	

Amount of State Assistance Needed: \$17,000,000

Provide a description of how the state assistance will be used within the Reinvestment District and identify the gap in financing needed to complete the proposed projects in the district.

The District is divided into three projects. Project 1 will include the mall redevelopment, retail, & infrastructure improvements; Project 2 will include the indoor/outdoor event space and additional infrastructure; Project 3 will include complementary retail and additional infrastructure; and Project 4 will included a hotel and entertainment venue.

Of the \$17,000,000 requested, \$2,000,000 will be directed to financing Project 1, \$14,000,000 will be directed to Project 2, and \$1,000,000 will be directed to Project 3.

Project 1 funds will be used for vertical construction costs of the redeveloped mall space into a Power Center that will house national retailers (for example Dunham’s Sports, Maurice’s, Five Below, Shoe Sensation, etc.). These funds are essential to developing a sustainable product that junior box retailers can afford and have success, which ultimately brings retail shopping experience to the community in which they wouldn’t have otherwise.

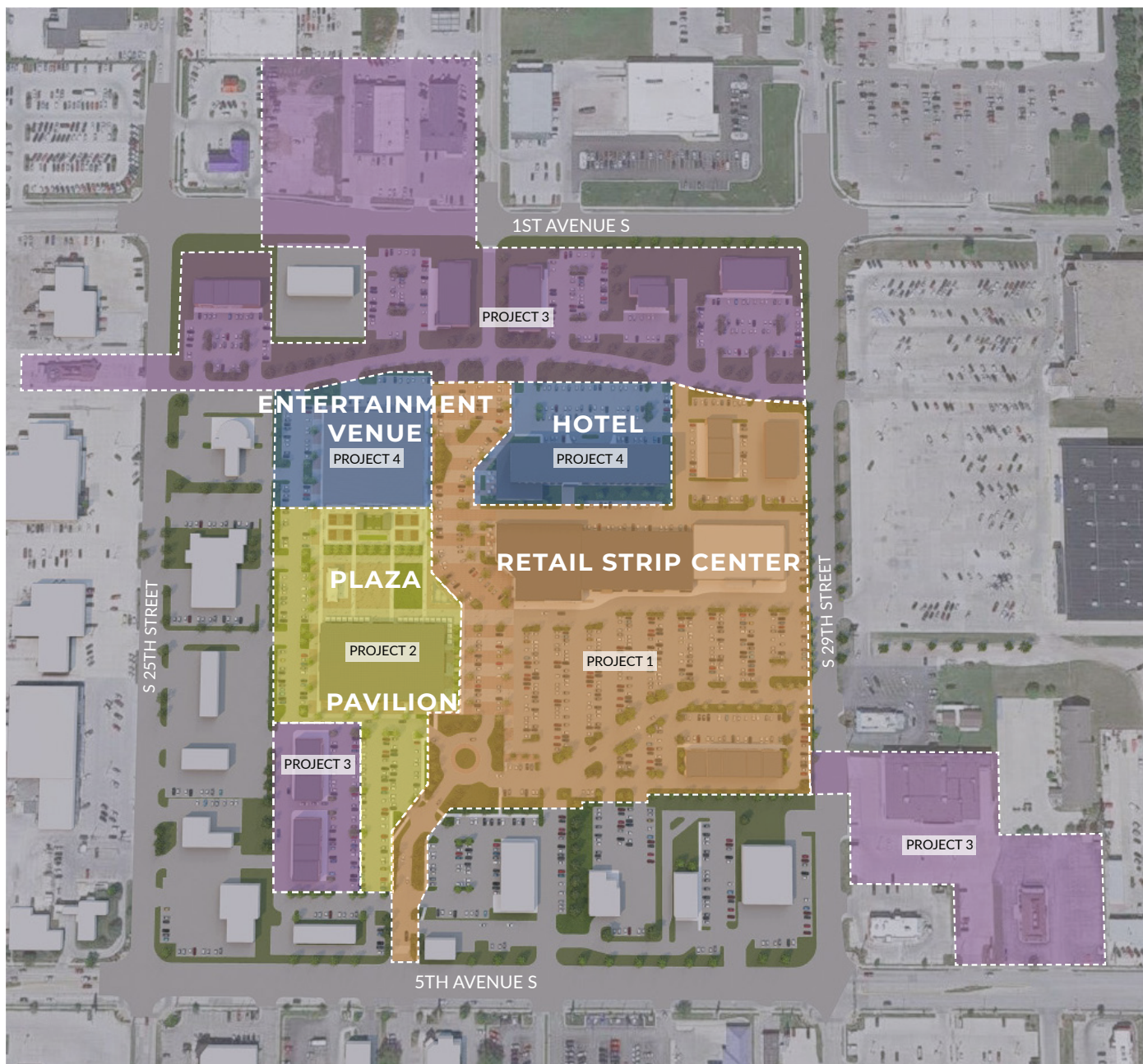
Project 2 funds will pay for the vertical construction indoor/outdoor pavilion and plaza space that will create an activated space for a number of events as detailed in the project description.

Project 3 funds will help offset vertical construction costs for the entertainment venue.

Provide a detailed description of each project listed in the chart above. With the description, copy the project “Funding Sources and Uses” chart provided below for each project and include it with the project description.

The following charts are included in relation to each project included in the Corridor Plaza District.

District Site Map by Project



Section B.1: Project 1 – Mall Redevelopment, Retail & Infrastructure

The Crossroads Mall redevelopment (retail strip center) will be the first project in the phased buildout within the Corridor Plaza District. It will consist of approximately 71,785 SF of retail space, along with infrastructure improvements. This will be the central shopping and eating establishment component. This retail space is a complete redevelopment of a portion of the east wing of the old Crossroads Mall. While the interior and exterior of this space will be completely redone, there are cost savings in utilizing some of the existing structure, which will result in reduced rental rates for tenants.



Looking northwest at the retail strip center (repurposed east wing of former Crossroads Mall)

Crossroads Mall Development - Project 1

Cost Breakdown

Description	Cost	Funding Sources	Funding
Site Preparation	\$ 6,435,048	Reinvestment Act	\$ 2,000,000.00
Site Paving	\$ 2,275,692	City of Fort Dodge TIF*	\$ 4,149,340.00
Site Acquisition	\$ 1,873,648	Private Equity Investment	\$ 9,053,661.03
Building Construction	\$ 13,415,436	Private Debt	\$ 16,813,941.92
Architectural Design	\$ 469,500		
Engineering Design	\$ 438,703		
Construction Admin	\$ 1,135,512		
Other	\$ 5,973,404		
Total Project Budget	\$ 32,016,943	Total Funding Sources	\$ 32,016,943

*TIF funds are used for site acquisition, demo and infrastructure and are 55% upfront in the form of a grant and 45% rebated as a forgivable loan. Details can be found in Section G.4 Development Agreement.

Expected Timeline

Project 1 is the largest project in the District. The anticipated completion date of Project 1 is June 30, 2023.

Detailed Budget

See detailed construction and operation budgets on following page.

Expected Debt & Status of Expected Financing

Project 1 will not move forward unless Iowa Reinvestment District financing is awarded. Of the approximate \$11,000,000 private investment, the developer anticipates to leverage 65-85% with private financing, which has been approved, pending award of the Iowa Reinvestment District.

Expected State Tax Revenue

State sales tax projections over 20 years total \$25,605,041. This number is based on 7% of projected retail sales (see page 162).

Feasibility Study

Projected annual gross revenues: Year 1 (2022) projected gross revenues are \$1,757,000 and \$2,047,000 by year 2026. In Year 20, the annual economic impact of Project 1 is estimated to include \$33,400,000 of total spending, \$5,000,000 in increased earnings, and 65 full-time equivalent (FTE) jobs.

Economic Impact

Please refer to **Johnson Consulting** report in the addenda attached.

Number of Expected Unique Visitors

Total visitors for FY2022 are projected at 178,256 and 188,136 by year 2026.

Unique Characteristics

Noted during the preceding description and Section D.

Project 1 – Construction Budget

Budget for Crossroads Mall Redevelopment - Project 1

Gross Building SF	85,385			
HARD COSTS	\$/GSF	% of Total Cost		
Land Costs	\$/BSF	% Total	Total	
Land Costs	\$ 21.94	5.85%	\$ 1,873,648.00	
Legal	\$ 1.01	0.27%	\$ 86,437.80	
Total Land Costs	\$ 22.96	6.12%	\$ 1,960,085.80	
Design	\$ 10.64	2.84%	\$ 908,203.00	
General Construction	\$ 247.74	66.07%	\$ 21,152,913.00	
Mechanical	\$ 12.09	3.22%	\$ 1,031,890.00	
Electrical	\$ 12.61	3.36%	\$ 1,076,885.00	
Total Construction Costs	\$ 283.07	75.49%	\$ 24,169,891.00	
FF&E	\$ 2.00	0.53%	\$ 170,770.00	
Development Contingency	2.50%	\$ 7.08	1.89%	\$ 604,247.28
TOTAL HARD COSTS	\$ 315.10	2.42%	\$ 26,904,994.08	
SOFT COSTS	Fee Assumption	Total		
Development Costs				
Accounting	0.00%	\$ -	0.00%	\$ -
Marketing	1.00%	\$ 3.15	0.84%	\$ 269,049.94
Survey	0.25%	\$ 0.79	0.21%	\$ 67,262.49
Development Expense	1.00%	\$ 3.15	0.84%	\$ 269,049.94
Finance Structuring & Placement Fee	1.25%	\$ 3.94	1.05%	\$ 336,312.43
Owner's Rep Fee	0.50%	\$ 1.58	0.42%	\$ 134,524.97
Development Fee	2.00%	\$ 6.30	1.68%	\$ 538,099.88
Environmental Consultant	0.25%	\$ 0.79	0.21%	\$ 67,262.49
Geotechnical Consultant	0.25%	\$ 0.79	0.21%	\$ 67,262.49
Technical Services Agreement	0.50%	\$ 1.58	0.42%	\$ 134,524.97
Testing	0.25%	\$ 0.79	0.21%	\$ 67,262.49
Government Impact fees	0.00%	\$ -	0.00%	\$ -
Management & Pre-Opening Expenses	1.00%	\$ 3.15	0.84%	\$ 269,049.94
Real Estate Taxes	0.00%	\$ -	0.00%	\$ -
Total Soft Costs: Development	\$ 26.00	6.93%	\$ 2,219,662.01	
Financing Costs				
Construction LTC	0.00%	\$ -	0.00%	\$ -
Cost of Issuance	2.50%	\$ 7.88	2.10%	\$ 672,624.85
Construction Interest	3.00%	\$ 9.45	2.52%	\$ 807,149.82
Operating Reserve	2.00%	\$ 6.30	1.68%	\$ 538,099.88
Working Capital	2.00%	\$ 6.30	1.68%	\$ 538,099.88
Legal (Lender)	0.50%	\$ 1.58	0.42%	\$ 134,524.97
Transfer Tax plus Local Option	0.00%	\$ -	0.00%	\$ -
Title Insurance	0.25%	\$ 0.79	0.21%	\$ 67,262.49
Inspection Fees	0.25%	\$ 0.79	0.21%	\$ 67,262.49
Construction Disbursements	0.25%	\$ 0.79	0.21%	\$ 67,262.49
Total Soft Costs: Financing	\$ 33.87	9.03%	\$ 2,892,286.86	
TOTAL SOFT COSTS	\$ 59.87	15.97%	\$ 5,111,948.87	
TOTAL COST			\$ 32,016,942.95	

Project 1 – Annual Operations Budget & Projected Revenues

Project 1 Operating Projections (\$000)							
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 10	Year 20
	2022	2023	2024	2025	2026	2031	2041
OPERATING ASSUMPTIONS							
Retail GSF Built	71,800	-	-	-	-	-	-
Accumulative GSF Built/ Available GSF	71,800	71,800	71,800	71,800	71,800	71,800	71,800
Accumulative NSF Built/ Available NSF	85%	61,030	61,030	61,030	61,030	61,030	61,030
Occupied NSF	54,927	56,453	57,979	57,979	57,979	57,979	57,979
Annual Rental Rate	\$10.51	\$10.77	\$11.04	\$11.31	\$11.60	\$13.12	\$16.80
OPERATING REVENUES							
Rental Revenues	\$577	\$608	\$640	\$656	\$672	\$761	\$974
Expense Reimbursements	975	1,027	1,082	1,109	1,136	1,286	1,646
Total	\$1,552	\$1,635	\$1,722	\$1,765	\$1,809	\$2,046	\$2,620
OPERATING EXPENSES							
Operating Expenses	\$10.62	\$801	\$821	\$842	\$863	\$884	\$1,000
Property Taxes, CAM, Insurance	\$6.28	474	486	498	510	523	592
Total		\$1,275	\$1,307	\$1,339	\$1,373	\$1,407	\$2,038
NET OPERATING INCOME		\$277	\$329	\$382	\$392	\$401	\$581

Source: Johnson Consulting

Project 1 Estimated Economic and Fiscal Impact (\$Million)							
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 10	Year 20
	2022	2023	2024	2025	2026	2031	2041
KEY MEASURES OF ACTIVITIES							
Available Retail GSF	71,800	71,800	71,800	71,800	71,800	71,800	71,800
Occupied/ Leased Retail NSF	54,927	56,453	57,979	57,979	57,979	57,979	57,979
Total Sales (\$M)	\$200	\$11.5	\$12.2	\$12.8	\$13.1	\$13.4	\$15.2
Estimated # of Employees (a)	\$120,000	92	94	97	97	97	97
Estimated Salaries and Wages (\$M)	\$26,400	\$2.5	\$2.7	\$2.8	\$2.9	\$3.0	\$3.3
Est. Spending by Employees (\$M) (b)	\$20	\$0.5	\$0.5	\$0.5	\$0.5	\$0.6	\$0.6
Est. Property Value (\$M)	\$17.64	\$18.1	\$18.5	\$19.0	\$19.5	\$20.0	\$22.6
ECONOMIC IMPACT (\$M)							
Direct Spending	<i>Multiplier</i>	\$12.0	\$12.7	\$13.3	\$13.7	\$14.0	\$15.8
Indirect Spending	0.258	3.1	3.3	3.4	3.5	3.6	4.1
Induced Spending	0.196	2.4	2.5	2.6	2.7	2.8	3.1
Total Spending		\$17.5	\$18.4	\$19.4	\$19.9	\$20.4	\$23.0
Increased Earnings	0.216	\$2.6	\$2.7	\$2.9	\$3.0	\$3.0	\$3.4
Employment (FTE Jobs)	4,524	52	53	55	55	55	55
FISCAL IMPACT (\$M)							
	<i>Rate</i>						
Sales Tax	7.0%	\$0.8	\$0.9	\$0.9	\$1.0	\$1.0	\$1.1
Hotel/ Motel Tax	7.0%	-	-	-	-	-	-
State Excise (Hotel/ Motel) Tax	5.0%	-	-	-	-	-	-
Income Tax	6.9%	0.2	0.2	0.2	0.2	0.2	0.3
Property Tax	4.455%	0.8	0.8	0.8	0.9	0.9	1.0
Total		\$1.8	\$1.9	\$2.0	\$2.0	\$2.1	\$2.3
							\$47.9

a) Assumed to be one employee per \$120,000 of sales.

b) Assumed to be \$20 per employee per day, for 5 days a week, 50 weeks a year.

Source: Johnson Consulting

Project 1							
Estimated Total and New Taxable Sales Amounts and Tax Revenues within District Boundaries Only (\$Million)							
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 10	Year 20
	2022	2023	2024	2025	2026	2031	2041
Taxable Sales	\$11.5	\$12.2	\$12.8	\$13.1	\$13.4	\$15.2	\$19.5
Total	\$11.5	\$12.2	\$12.8	\$13.1	\$13.4	\$15.2	\$19.5

Source: Johnson Consulting

Project 1							
Estimated Annual Visitation							
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 10	Year 20
	2022	2023	2024	2025	2026	2031	2041
Total Build-Out							
Retail	71,800 SF	178,256	183,196	188,136	188,136	188,136	188,136

Source: Johnson Consulting

Project 1 – IRD Eligible Tax Projections

Project 1								
Estimated Tax Revenues Generated within District Boundaries only (\$Million)								
		Sales Tax (7%)*		Local Hotel/ Motel Tax on Rooms	Excise Tax on Rooms**	TOTAL	Available to Reinvestment Program as Allowed	Retained by Jurisdictions
		4.0%**	3.0%	7.0%	5.0%		by IRA**	
		(A)	(B)	(C)	(D)	(E)	(F) = (A) + (D)	(G) = (E) - (F)
Year	2022	\$0.506	\$0.379	\$0.000	\$0.000	\$0.885	\$0.506	\$0.379
	2023	0.533	0.400	0.000	0.000	0.933	0.533	0.400
	2024	0.562	0.421	0.000	0.000	0.983	0.562	0.421
	2025	0.576	0.432	0.000	0.000	1.008	0.576	0.432
	2026	0.590	0.443	0.000	0.000	1.033	0.590	0.443
	2027	0.605	0.454	0.000	0.000	1.059	0.605	0.454
	2028	0.620	0.465	0.000	0.000	1.085	0.620	0.465
	2029	0.636	0.477	0.000	0.000	1.112	0.636	0.477
	2030	0.651	0.489	0.000	0.000	1.140	0.651	0.489
	2031	0.668	0.501	0.000	0.000	1.169	0.668	0.501
	2032	0.684	0.513	0.000	0.000	1.198	0.684	0.513
	2033	0.702	0.526	0.000	0.000	1.228	0.702	0.526
	2034	0.719	0.539	0.000	0.000	1.258	0.719	0.539
	2035	0.737	0.553	0.000	0.000	1.290	0.737	0.553
	2036	0.755	0.567	0.000	0.000	1.322	0.755	0.567
	2037	0.774	0.581	0.000	0.000	1.355	0.774	0.581
	2038	0.794	0.595	0.000	0.000	1.389	0.794	0.595
	2039	0.814	0.610	0.000	0.000	1.424	0.814	0.610
	2040	0.834	0.625	0.000	0.000	1.459	0.834	0.625
	2041	0.855	0.641	0.000	0.000	1.496	0.855	0.641
Total thru 2041		\$13.614	\$10.211	\$0.000	\$0.000	\$23.825	\$13.614	\$10.211

*Applied to general retail, food and beverage, parking, and other revenues, but NOT applied to rooms.
 Total tax rate is 7 percent, of which 4 percent is allowed by IRA to be available for Iowa Reinvestment District Program.
 **These tax revenues are available for District Reinvestment Program, as allowed by IRA.
 Source: Johnson Consulting

Project 1 – Visual Aids



Looking northwest at the retail strip center (repurposed east wing of former Crossroads Mall)



Aerial view of Project 1 - Retail Strip Center

Project 2 – Indoor/Outdoor Event Space & Infrastructure

The Pavilion, outdoor plaza, entertainment venue, and infrastructure improvements will be phased in after the Project 1 is started within the Corridor Plaza District.

Project 2 will consist of approximately 5,000 SF of retail space, approximately 54,000 SF of pavilion indoor event space and 15,000 SF of an outdoor plaza with a stage, along with streets and infrastructure improvements. The Pavilion will be the central piece that will hold approximately 500 people for large gatherings or events, including sports, music, arts and crafts festivals, weddings, and other entertainment. On the south side of the Pavilion there will be a few eateries where patrons can stroll up to as they walk along the plaza. The outdoor plaza, potentially including a splash pad, will be a family-friendly venue for a variety of activities.



Looking southeast at the plaza, entertainment venue, pickleball courts, and outdoor patio space

Crossroads Mall Development - Project 2

Cost Breakdown

Description	Cost	Funding Sources	Funding
Site Preparation	\$ 3,782,362	Reinvestment Act*	\$ 15,000,000.00
Site Paving	\$ 386,488	City of Fort Dodge TIF**	\$ 4,940,174.00
Site Acquisition	\$ 771,324	Private Equity Investment	\$ 879,514.39
Building Construction	\$ 13,397,949	Private Debt	\$ 1,633,383.87
Architectural Design	\$ 1,040,752	Private Donations	\$ 3,000,000.00
Engineering Design	\$ 332,090	*City of Fort Dodge will bond for Reinvestment Act funds.	
Construction Admin	\$ 947,477	**TIF funds are used for site acquisition, demo and infrastructure and are 55% upfront in the form of a grant and 45% rebated as a forgivable loan. Details can be found in Section G.3 Development Agreement.	
Other	\$ 4,794,631		
Total Project Budget	\$ 25,453,072	Total Funding Sources	\$ 25,453,072

Expected Timeline

Contingent on application approval, Project 2 is expected to break ground in July 2023 with completion in July 2024.

Detailed Budget

See detailed construction and operation budgets on following page.

Expected Debt & Status of Expected Financing

Project 2 will not move forward unless Iowa Reinvestment District financing is awarded. The Pavilion and the plaza are expected to have very to low to no debt. Of the approximate \$8,600,000 private investment, the developer anticipates to leverage 65-85% with private financing. Financing for the developer has been approved, pending award of the Iowa Reinvestment District financing.

Expected State Tax Revenue

State sales tax projections over 20 years total \$4,309,649. This number is based on 7% of projected retail sales (see page 156).

Feasibility Study

Projected annual gross revenues: Year 3 (2024) projected gross revenues are \$1,951,000 and \$2,056,000 by year 2026. In Year 20 the annual economic impact of Project 2 is estimated to include \$6,100,000 of total spending, \$900,000 in increased earnings, and support 12 FTE jobs.

Economic Impact

Please refer to **Johnson Consulting** report in the addenda attached.

Number of Expected Unique Visitors

Total visitors for FY2024 are projected at 158,000 throughout the projection period.

Unique Characteristics

Noted during the preceding description and Section D.

Project 2 – Construction Budget

Budget for Crossroads Mall Redevelopment - Project 2				
Gross Building SF	80,365			
HARD COSTS		\$/GSF	% of Total Cost	
Land Costs	\$/BSF	% Total	Total	
Land Costs	\$ 9.60	3.03%	\$	771,324.00
Legal	\$ 0.86	0.27%	\$	68,769.00
Total Land Costs	\$ 10.45	3.30%	\$	840,093.00
Design	\$ 17.08	5.39%	\$	1,372,842.00
General Construction	\$ 195.59	61.76%	\$	15,718,864.00
Mechanical	\$ 19.56	6.18%	\$	1,572,002.00
Electrical	\$ 15.22	4.81%	\$	1,223,410.00
Total Construction Costs	\$ 247.46	78.13%	\$	19,887,118.00
FF&E	\$ 2.00	0.63%	\$	160,730.00
Development Contingency	2.50%	\$ 6.24	1.97%	\$ 501,196.20
TOTAL HARD COSTS	\$ 266.15	2.60%	\$	21,389,137.20
SOFT COSTS		Fee Assumption		Total
Development Costs				
Accounting	0.00%	\$ -	0.00%	\$ -
Marketing	1.00%	\$ 2.66	0.84%	\$ 213,891.37
Survey	0.25%	\$ 0.67	0.21%	\$ 53,472.84
Development Expense	1.00%	\$ 2.66	0.84%	\$ 213,891.37
Finance Structuring & Placement Fee	1.25%	\$ 3.33	1.05%	\$ 267,364.22
Owner's Rep Fee	0.50%	\$ 1.33	0.42%	\$ 106,945.69
Development Fee	2.00%	\$ 5.32	1.68%	\$ 427,782.74
Environmental Consultant	0.25%	\$ 0.67	0.21%	\$ 53,472.84
Geotechnical Consultant	0.25%	\$ 0.67	0.21%	\$ 53,472.84
Technical Services Agreement	0.50%	\$ 1.33	0.42%	\$ 106,945.69
Testing	0.25%	\$ 0.67	0.21%	\$ 53,472.84
Government Impact fees	0.00%	\$ -	0.00%	\$ -
Management & Pre-Opening Expenses	1.00%	\$ 2.66	0.84%	\$ 213,891.37
Real Estate Taxes	0.00%	\$ -	0.00%	\$ -
Total Soft Costs: Development	\$ 21.96	6.93%	\$	1,764,603.82
Financing Costs				
Construction LTC	0.00%	\$ -	0.00%	\$ -
Cost of Issuance	2.50%	\$ 6.65	2.10%	\$ 534,728.43
Construction Interest	3.00%	\$ 7.98	2.52%	\$ 641,674.12
Operating Reserve	2.00%	\$ 5.32	1.68%	\$ 427,782.74
Working Capital	2.00%	\$ 5.32	1.68%	\$ 427,782.74
Legal (Lender)	0.50%	\$ 1.33	0.42%	\$ 106,945.69
Transfer Tax plus Local Option	0.00%	\$ -	0.00%	\$ -
Title Insurance	0.25%	\$ 0.67	0.21%	\$ 53,472.84
Inspection Fees	0.25%	\$ 0.67	0.21%	\$ 53,472.84
Construction Disbursements	0.25%	\$ 0.67	0.21%	\$ 53,472.84
Total Soft Costs: Financing	\$ 28.61	9.03%	\$	2,299,332.25
TOTAL SOFT COSTS	\$ 50.57	15.97%	\$	4,063,936.07
TOTAL COST			\$	25,453,073.27

Project 2 – Annual Operations Budget & Projected Revenues

		Project 2 Operating Projections (\$000)						
		Year 1 2022	Year 2 2023	Year 3 2024	Year 4 2025	Year 5 2026	Year 10 2031	Year 20 2041
DEVELOPMENT SCHEDULE		<i>Total Built-Out</i>						
Exterior Entertainment Area	15,000 SF	-	15,000	-	-	-	-	-
Pavilion	53,700 SF	-	53,700	-	-	-	-	-
Pavilion Retail (Site & Shell Only)	- SF	-	-	-	-	-	-	-
Total			68,700					
OPERATING REVENUE (\$000)								
Exterior Entertainment Area		\$0	\$127	\$130	\$134	\$137	\$155	\$198
Pavilion		0	1,757	1,801	1,846	1,893	2,141	2,741
Pavilion Retail (Site & Shell Only)		0	0	0	0	0	0	0
Total		\$0	\$1,885	\$1,932	\$1,980	\$2,029	\$2,296	\$2,939
OPERATING EXPENSES (\$000)								
Exterior Entertainment Area		\$0	\$95	\$98	\$100	\$103	\$116	\$149
Pavilion		0	1,582	1,621	1,662	1,703	1,927	2,467
Pavilion Retail (Site & Shell Only)		0	0	0	0	0	0	0
Total		\$0	\$1,677	\$1,719	\$1,762	\$1,806	\$2,043	\$2,616
NET OPERATING INCOME (\$000)								
Exterior Entertainment Area		\$0	\$32	\$33	\$33	\$34	\$39	\$50
Pavilion		0	176	180	185	189	214	274
Pavilion Retail (Site & Shell Only)		0	0	0	0	0	0	0
Total		\$0	\$208	\$213	\$218	\$223	\$253	\$324

Source: Johnson Consulting

		Project 2 Estimated Economic and Fiscal Impact (\$Million)						
		Year 1 2022	Year 2 2023	Year 3 2024	Year 4 2025	Year 5 2026	Year 10 2031	Year 20 2041
DEVELOPMENT SCHEDULE		<i>Total Built-Out</i>						
Exterior Entertainment Area	15,000 SF	-	15,000	-	-	-	-	-
Pavilion	53,700 SF	-	53,700	-	-	-	-	-
Pavilion Retail (Site & Shell Only)	- SF	-	-	-	-	-	-	-
Est. Property Value (\$M) (upon Opening)	\$33.1	\$0.0	\$34.7	\$35.6	\$36.5	\$37.4	\$42.3	\$54.2
DIRECT SPENDING (\$M)		<i>(project-wide)</i>						
Exterior Entertainment Area		\$0.0	\$0.1	\$0.1	\$0.1	\$0.1	\$0.2	\$0.2
Pavilion		0.0	1.8	1.8	1.8	1.9	2.1	2.7
Pavilion Retail (Site & Shell Only)		0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total		\$0.0	\$1.9	\$1.9	\$2.0	\$2.0	\$2.3	\$2.9
ECONOMIC IMPACT (\$M)								
Direct Spending	<i>Multiplier</i>	\$0.0	\$1.9	\$1.9	\$2.0	\$2.0	\$2.3	\$2.9
Indirect Spending	0.258	0.0	0.5	0.5	0.5	0.5	0.6	0.8
Induced Spending	0.196	0.0	0.4	0.4	0.4	0.4	0.5	0.6
Total Spending		\$0.0	\$2.7	\$2.8	\$2.9	\$3.0	\$3.3	\$4.3
Increased Earnings	0.216	\$0.0	\$0.4	\$0.4	\$0.4	\$0.4	\$0.5	\$0.6
Employment (FTE Jobs)	4,524	-	8	8	8	8	8	8
FISCAL IMPACT (\$M)								
Sales Tax	<i>Rate</i> 7.0%	\$0.0	\$0.1	\$0.1	\$0.1	\$0.1	\$0.2	\$0.2
Hotel/ Motel Tax	7.0%	-	-	-	-	-	-	-
State Excise (Hotel/ Motel) Tax	5.0%	-	-	-	-	-	-	-
Income Tax	6.9%	-	-	-	-	-	-	-
Property Tax	4.455%	-	1.5	1.6	1.6	1.7	1.9	2.4
Total		\$0.0	\$1.7	\$1.7	\$1.8	\$1.8	\$2.0	\$2.6

Source: Johnson Consulting

Project 2 Estimated Total and New Taxable Sales Amounts and Tax Revenues within District Boundaries Only (\$Million)							
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 10	Year 20
	2022	2023	2024	2025	2026	2031	2041
Taxable Sales Amounts							
Exterior Entertainment Area	\$0.0	\$0.1	\$0.1	\$0.1	\$0.1	\$0.2	\$0.2
Pavilion	0.0	1.8	1.8	1.8	1.9	2.1	2.7
Pavilion Retail (Site & Shell Only)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total	\$0.0	\$1.9	\$1.9	\$2.0	\$2.0	\$2.3	\$2.9

Source: Johnson Consulting

Project 2 Estimated Annual Visitation								
		Year 1	Year 2	Year 3	Year 4	Year 5	Year 10	Year 20
	<i>Total Build-Out</i>	2022	2023	2024	2025	2026	2031	2041
Exterior Entertainment Area	15,000 SF	-	14,000	14,000	14,000	14,000	14,000	14,000
Pavilion	53,700 SF	-	144,000	144,000	144,000	144,000	144,000	144,000
Pavilion Retail (Site & Shell Only)	- SF	-	-	-	-	-	-	-
Total		-	158,000	158,000	158,000	158,000	158,000	158,000

Source: Johnson Consulting

Project 2 – IRD Eligible Tax Projections

Project 2								
Estimated Tax Revenues Generated within District Boundaries only (\$Million)								
Year	Sales Tax (7%)*		Local Hotel/Motel Tax on Rooms	Excise Tax on Rooms**	TOTAL	Available to Reinvestment Program as Allowed	Retained by Jurisdictions	
	4.0%** (A)	3.0% (B)	7.0% (C)	5.0% (D)	(E)	by IRA** (F) = (A) + (D)	(G) = (E) - (F)	
2022	(\$0.017)	(\$0.013)	\$0.000	\$0.000	(\$0.030)	(\$0.017)	(\$0.013)	
2023	(0.017)	(0.013)	0.000	0.000	(0.030)	(0.017)	(0.013)	
2024	0.089	0.067	0.000	0.000	0.156	0.089	0.067	
2025	0.092	0.069	0.000	0.000	0.161	0.092	0.069	
2026	0.096	0.072	0.000	0.000	0.167	0.096	0.072	
2027	0.098	0.073	0.000	0.000	0.171	0.098	0.073	
2028	0.100	0.075	0.000	0.000	0.176	0.100	0.075	
2029	0.103	0.077	0.000	0.000	0.180	0.103	0.077	
2030	0.105	0.079	0.000	0.000	0.184	0.105	0.079	
2031	0.108	0.081	0.000	0.000	0.189	0.108	0.081	
2032	0.111	0.083	0.000	0.000	0.194	0.111	0.083	
2033	0.114	0.085	0.000	0.000	0.199	0.114	0.085	
2034	0.116	0.087	0.000	0.000	0.204	0.116	0.087	
2035	0.119	0.089	0.000	0.000	0.209	0.119	0.089	
2036	0.122	0.092	0.000	0.000	0.214	0.122	0.092	
2037	0.125	0.094	0.000	0.000	0.219	0.125	0.094	
2038	0.128	0.096	0.000	0.000	0.225	0.128	0.096	
2039	0.132	0.099	0.000	0.000	0.230	0.132	0.099	
2040	0.135	0.101	0.000	0.000	0.236	0.135	0.101	
2041	0.138	0.104	0.000	0.000	0.242	0.138	0.104	
Total thru 2041	\$1.998	\$1.498	\$0.000	\$0.000	\$3.496	\$1.998	\$1.498	

*Applied to general retail, food and beverage, parking, and other revenues, but NOT applied to rooms.
 Total tax rate is 7 percent, of which 4 percent is allowed by IRA to be available for Iowa Reinvestment District Program.
 **These tax revenues are available for District Reinvestment Program, as allowed by IRA.
 Source: Johnson Consulting

Project 2 – Visual Aids



Looking northeast at the plaza concert stage



Plaza Inspiration, Valparaiso Central Park (Photo Credit: Trevor Mahlmann)



Looking northwest at the splash pad and plaza area

Project 3 – Complementary Retail Infrastructure

The complementary retail and infrastructure will be phased in after Project 1 has begun. Project 3 will be constructed in multiple phases, beginning in late 2022 with an anticipated completion by 2027.

Project 3 consists of approximately 45,300 SF of retail space. Consisting of users like retail establishments, restaurants, quick service restaurants, etc., and include parking and walkways to connect the Corridor Plaza Development.



Looking northwest at the hotel, meeting space, and retail

Crossroads Mall Development - Project 3

Cost Breakdown

Description	Cost	Funding Sources	Funding
Site Preparation	\$ 1,448,175	Reinvestment Act	\$ -
Site Paving	\$ 938,850	City of Fort Dodge TIF*	\$ 2,876,038.00
Site Acquisition	\$ 1,937,188	Private Equity Investment	\$ 3,976,538.48
Building Construction	\$ 6,205,480	Private Debt	\$ 7,385,000.03
Architectural Design	\$ 482,725		
Engineering Design	\$ 96,545		
Construction Admin	\$ 482,725		
Other	\$ 2,645,889		
Total Project Budget	\$ 14,237,577	Total Funding Sources	\$ 14,237,577

*TIF funds are used for site acquisition, demo and infrastructure and are 55% upfront in the form of a grant and 45% rebated as a forgivable loan. Details can be found in Section G.4 Development Agreement.

Expected Timeline

Contingent on application approval, Project 3 is expected to break ground in July 2022 with completion in December 2026.

Detailed Budget

See detailed operation budgets on the following page.

Expected Debt & Status of Expected Financing

Project 3 will not move forward unless Iowa Reinvestment District financing is awarded. Of the approximate \$30,300,000 private investment, the developer anticipates to leverage 65-85% with private financing. Financing for the developer has been approved, pending award of the Iowa Reinvestment District financing.

Expected State Tax Revenue

State sales tax projections over 20 years total \$12,410,594. This number is based on 7% of current retail sales.

Feasibility Study

Projected annual gross revenues: Year 3 (2024) projected gross revenues are \$897,000 and \$1,086,000 by year 2026. In Year 20 the annual economic impact of Project 3 is estimated to include \$17,700,000 of total spending, \$2,600,000 in increased earnings, and support 34 FTE jobs.

Economic Impact

Please refer to **Johnson Consulting** report in the addenda attached.

Number of Expected Unique Visitors

Total visitors for FY2024 are projected at 35,724 and 41,184 by year 2026.

Unique Characteristics

Noted during the preceding description and Section D.

Project 3 – Construction Budget

Budget for Crossroads Mall Redevelopment - Project 3				
Gross Building SF	45,300			
HARD COSTS		\$/GSF	% of Total Cost	
Land Costs	\$/BSF	% Total	Total	
Land Costs	\$ 42.76	13.61%	\$	1,937,188.00
Legal	\$ 0.85	0.27%	\$	38,434.50
Total Land Costs	\$ 43.61	13.88%	\$	1,975,622.50
Design	\$ 12.79	4.07%	\$	579,270.00
General Construction	\$ 172.88	55.01%	\$	7,831,430.00
Mechanical	\$ 17.10	5.44%	\$	774,500.00
Electrical	\$ 10.36	3.30%	\$	469,300.00
Total Construction Costs	\$ 213.12	67.81%	\$	9,654,500.00
FF&E	\$ 2.00	0.64%	\$	90,600.00
Development Contingency	2.50%	\$ 5.38	1.71%	\$ 243,627.50
TOTAL HARD COSTS	\$ 264.11	2.35%	\$	11,964,350.00
SOFT COSTS		Fee Assumption		Total
Development Costs				
Accounting	0.00%	\$ -	0.00%	\$ -
Marketing	1.00%	\$ 2.64	0.84%	\$ 119,643.50
Survey	0.25%	\$ 0.66	0.21%	\$ 29,910.88
Development Expense	1.00%	\$ 2.64	0.84%	\$ 119,643.50
Finance Structuring & Placement Fee	1.25%	\$ 3.30	1.05%	\$ 149,554.38
Owner's Rep Fee	0.50%	\$ 1.32	0.42%	\$ 59,821.75
Development Fee	2.00%	\$ 5.28	1.68%	\$ 239,287.00
Environmental Consultant	0.25%	\$ 0.66	0.21%	\$ 29,910.88
Geotechnical Consultant	0.25%	\$ 0.66	0.21%	\$ 29,910.88
Technical Services Agreement	0.50%	\$ 1.32	0.42%	\$ 59,821.75
Testing	0.25%	\$ 0.66	0.21%	\$ 29,910.88
Government Impact fees	0.00%	\$ -	0.00%	\$ -
Management & Pre-Opening Expenses	1.00%	\$ 2.64	0.84%	\$ 119,643.50
Real Estate Taxes	0.00%	\$ -	0.00%	\$ -
Total Soft Costs: Development	\$ 21.79	6.93%	\$	987,058.88
Financing Costs				
Construction LTC	0.00%	\$ -	0.00%	\$ -
Cost of Issuance	2.50%	\$ 6.60	2.10%	\$ 299,108.75
Construction Interest	3.00%	\$ 7.92	2.52%	\$ 358,930.50
Operating Reserve	2.00%	\$ 5.28	1.68%	\$ 239,287.00
Working Capital	2.00%	\$ 5.28	1.68%	\$ 239,287.00
Legal (Lender)	0.50%	\$ 1.32	0.42%	\$ 59,821.75
Transfer Tax plus Local Option	0.00%	\$ -	0.00%	\$ -
Title Insurance	0.25%	\$ 0.66	0.21%	\$ 29,910.88
Inspection Fees	0.25%	\$ 0.66	0.21%	\$ 29,910.88
Construction Disbursements	0.25%	\$ 0.66	0.21%	\$ 29,910.88
Total Soft Costs: Financing	\$ 28.39	9.03%	\$	1,286,167.63
TOTAL SOFT COSTS	\$ 50.18	15.97%	\$	2,273,226.50
TOTAL COST				\$ 14,237,576.50

Project 3 – Annual Operations Budget & Projected Revenues

		Project 3 Operating Projections (\$000)						
		Year 1 2022	Year 2 2023	Year 3 2024	Year 4 2025	Year 5 2026	Year 10 2031	Year 20 2041
DEVELOPMENT SCHEDULE	<i>Total Built-Out</i>							
Retail	45,300 SF	-	-	41,500	-	3,800	-	-
OPERATING REVENUE (\$000)								
Retail		\$0	\$0	\$897	\$945	\$1,086	\$1,229	\$1,573
Total		\$0	\$0	\$897	\$945	\$1,086	\$1,229	\$1,573
OPERATING EXPENSES (\$000)								
Retail		\$0	\$0	\$737	\$755	\$845	\$956	\$1,224
Total		\$0	\$0	\$737	\$755	\$845	\$956	\$1,224
NET OPERATING INCOME (\$000)								
Retail		\$0	\$0	\$160	\$190	\$241	\$273	\$349
Total		\$0	\$0	\$160	\$190	\$241	\$273	\$349

Source: Johnson Consulting

		Project 3 Estimated Economic and Fiscal Impact (\$Million)						
		Year 1 2022	Year 2 2023	Year 3 2024	Year 4 2025	Year 5 2026	Year 10 2031	Year 20 2041
DEVELOPMENT SCHEDULE	<i>Total Built-Out</i>							
Retail	45,300 SF	-	-	41,500	-	3,800	-	-
Est. Property Value (\$M) (upon Opening)	\$18.9	\$0.0	\$0.0	\$20.3	\$20.8	\$21.3	\$24.1	\$30.9
DIRECT SPENDING (\$M)	<i>(project-wide)</i>							
Retail		\$0.0	\$0.0	\$6.9	\$7.3	\$8.4	\$9.5	\$12.2
Total		\$0.0	\$0.0	\$6.9	\$7.3	\$8.4	\$9.5	\$12.2
ECONOMIC IMPACT (\$M)								
Direct Spending	<i>Multiplier</i>	\$0.0	\$0.0	\$6.9	\$7.3	\$8.4	\$9.5	\$12.2
Indirect Spending	0.258	0.0	0.0	1.8	1.9	2.2	2.5	3.1
Induced Spending	0.196	0.0	0.0	1.4	1.4	1.7	1.9	2.4
Total Spending		\$0.0	\$0.0	\$10.1	\$10.6	\$12.2	\$13.8	\$17.7
Increased Earnings	0.216	\$0.0	\$0.0	\$1.5	\$1.6	\$1.8	\$2.1	\$2.6
Employment (FTE Jobs)	4.524	-	-	29	30	34	34	34
FISCAL IMPACT (\$M)	<i>Rate</i>							
Sales Tax	7.0%	\$0.0	\$0.0	\$0.5	\$0.5	\$0.6	\$0.7	\$0.9
Hotel/ Motel Tax	7.0%	-	-	-	-	-	-	-
State Excise (Hotel/ Motel) Tax	5.0%	-	-	-	-	-	-	-
Income Tax	6.9%	-	-	0.1	0.1	0.1	0.1	0.2
Property Tax	4.455%	-	-	0.9	0.9	1.0	1.1	1.4
Total		\$0.0	\$0.0	\$1.5	\$1.6	\$1.7	\$1.9	\$2.4

Source: Johnson Consulting

Project 3

Estimated Total and New Taxable Sales Amounts and Tax Revenues within District Boundaries Only (\$Million)

	Year 1 2022	Year 2 2023	Year 3 2024	Year 4 2025	Year 5 2026	Year 10 2031	Year 20 2041
Taxable Sales Amounts							
Retail	\$0.0	\$0.0	\$6.7	\$7.0	\$8.1	\$9.1	\$11.7
Total	\$0.0	\$0.0	\$6.7	\$7.0	\$8.1	\$9.1	\$11.7

Source: Johnson Consulting

Project 3

Estimated Annual Visitation

		Year 1 2022	Year 2 2023	Year 3 2024	Year 4 2025	Year 5 2026	Year 10 2031	Year 20 2041
	<i>Total Build-Out</i>							
Retail	45,300 SF	-	-	35,724	36,712	41,184	41,184	41,184
Total		-	-	35,724	36,712	41,184	41,184	41,184

Source: Johnson Consulting

Project 3 – IRD Eligible Tax Projections

Project 3								
Estimated Tax Revenues Generated within District Boundaries only (\$Million)								
	Year	Sales Tax (7%)*		Local Hotel/ Motel Tax on Rooms	Excise Tax on Rooms**	TOTAL	Available to Reinvestment Program as Allowed	Retained by Jurisdictions
		4.0%** (A)	3.0% (B)	7.0% (C)	5.0% (D)	(E)	by IRA** (F) = (A) + (D)	(G) = (E) - (F)
	2022	(\$0.017)	(\$0.013)	\$0.000	\$0.000	(\$0.030)	(\$0.017)	(\$0.013)
	2023	(0.017)	(0.013)	0.000	0.000	(0.030)	(0.017)	(0.013)
	2024	0.249	0.187	0.000	0.000	0.436	0.249	0.187
	2025	0.263	0.197	0.000	0.000	0.460	0.263	0.197
	2026	0.304	0.228	0.000	0.000	0.533	0.304	0.228
	2027	0.312	0.234	0.000	0.000	0.546	0.312	0.234
	2028	0.320	0.240	0.000	0.000	0.560	0.320	0.240
	2029	0.328	0.246	0.000	0.000	0.574	0.328	0.246
	2030	0.336	0.252	0.000	0.000	0.588	0.336	0.252
	2031	0.344	0.258	0.000	0.000	0.603	0.344	0.258
	2032	0.353	0.265	0.000	0.000	0.618	0.353	0.265
	2033	0.362	0.271	0.000	0.000	0.633	0.362	0.271
	2034	0.371	0.278	0.000	0.000	0.649	0.371	0.278
	2035	0.380	0.285	0.000	0.000	0.665	0.380	0.285
	2036	0.390	0.292	0.000	0.000	0.682	0.390	0.292
	2037	0.399	0.299	0.000	0.000	0.699	0.399	0.299
	2038	0.409	0.307	0.000	0.000	0.716	0.409	0.307
	2039	0.420	0.315	0.000	0.000	0.734	0.420	0.315
	2040	0.430	0.323	0.000	0.000	0.753	0.430	0.323
	2041	0.441	0.331	0.000	0.000	0.771	0.441	0.331
	Total thru 2041	\$6.376	\$4.782	\$0.000	\$0.000	\$11.158	\$6.376	\$4.782

*Applied to general retail, food and beverage, parking, and other revenues, but NOT applied to rooms.
 Total tax rate is 7 percent, of which 4 percent is allowed by IRA to be available for Iowa Reinvestment District Program.
 **These tax revenues are available for District Reinvestment Program, as allowed by IRA.
 Source: Johnson Consulting

Project 3 – Visual Aids



Looking northeast at the hotel and meeting center

Project 4 – Hotel & Entertainment Venue

The hotel and infrastructure will be phased in after Project 1 has begun. Project 4 will be constructed in multiple phases, beginning in late July 2023 with an anticipated completion by July 2024.

Project 4 consists of (i) 36,000 SF of entertainment venue for year-round activities, similar to a "Smash Park" facility, (ii) and an 85-room hotel.



Looking northeast at the hotel, meeting space, and retail

Crossroads Mall Development - Project 4

Cost Breakdown

Description	Cost	Funding Sources	Funding
Site Preparation	\$ 2,124,000	Reinvestment Act	\$ -
Site Paving	\$ 1,209,600	City of Fort Dodge TIF*	\$ 1,958,544.00
Site Acquisition	\$ 748,944	Private Equity Investment	\$ 5,751,160.37
Building Construction	\$ 9,268,800	Private Debt	\$ 10,680,726.40
Architectural Design	\$ 708,000		
Engineering Design	\$ 141,600		
Construction Admin	\$ 708,000		
Other	\$ 3,481,487		
Total Project Budget	\$ 18,390,431	Total Funding Sources	\$ 18,390,431

*TIF funds are used for site acquisition, demo and infrastructure and are 55% upfront in the form of a grant and 45% rebated as a forgivable loan. Details can be found in Section G.4 Development Agreement.

Expected Timeline

Contingent on application approval, Project 4 is expected to break ground in July 2023 with completion in July 2024.

Detailed Budget

See detailed operation budgets on the following page.

Expected Debt & Status of Expected Financing

Project 4 will not move forward unless Iowa Reinvestment District financing is awarded. Of the approximate \$30,300,000 private investment, the developer anticipates to leverage 65-85% with private financing. Financing for the developer has been approved, pending award of the Iowa Reinvestment District financing.

Expected State Tax Revenue

State sales tax projections over 20 years total \$12,010,734. An additional \$2,458,143 in State Excise Tax will be added to the State Sales Tax for Total State Tax Revenues of \$14,468,880.

Feasibility Study

Projected annual gross revenues: Year 3 (2024) projected gross revenues are \$3,478,000 and \$4,153,000 by year 2026. In Year 20 the annual economic impact of Project 4 is estimated to include \$21,500,000 of total spending, \$3,200,000 in increased earnings, and support 42 FTE jobs.

Economic Impact

Please refer to **Johnson Consulting** report in the addenda attached.

Number of Expected Unique Visitors

Total visitors for FY2024 are projected at 58,279 and 63,083 by year 2026.

Unique Characteristics

Noted during the preceding description and Section D.

Project 4 – Construction Budget

Budget for Crossroads Mall Redevelopment - Project 4

Gross Building SF		68,000			
HARD COSTS		\$/GSF	% of Total Cost		
Land Costs	\$/BSF	% Total	Total		
Land Costs	\$ 11.01	4.07%	\$	748,944.00	
Legal	\$ 0.76	0.28%	\$	51,799.50	
Total Land Costs	\$ 11.78	4.35%	\$	800,743.50	
Design	\$ 12.49	4.62%	\$	849,600.00	
General Construction	\$ 144.86	53.56%	\$	9,850,400.00	
Mechanical	\$ 32.65	12.07%	\$	2,220,000.00	
Electrical	\$ 18.24	6.74%	\$	1,240,000.00	
Total Construction Costs	\$ 208.24	77.00%	\$	14,160,000.00	
FF&E	\$ 2.00	0.74%	\$	136,000.00	
Development Contingency	2.50%	\$ 5.26	1.94%	\$ 357,400.00	
TOTAL HARD COSTS	\$ 227.27	2.68%	\$	15,454,143.50	
SOFT COSTS		Fee Assumption		Total	
Development Costs					
Accounting	0.00%	\$ -	0.00%	\$ -	
Marketing	1.00%	\$ 2.27	0.84%	\$ 154,541.44	
Survey	0.25%	\$ 0.57	0.21%	\$ 38,635.36	
Development Expense	1.00%	\$ 2.27	0.84%	\$ 154,541.44	
Finance Structuring & Placement Fee	1.25%	\$ 2.84	1.05%	\$ 193,176.79	
Owner's Rep Fee	0.50%	\$ 1.14	0.42%	\$ 77,270.72	
Development Fee	2.00%	\$ 4.55	1.68%	\$ 309,082.87	
Environmental Consultant	0.25%	\$ 0.57	0.21%	\$ 38,635.36	
Geotechnical Consultant	0.25%	\$ 0.57	0.21%	\$ 38,635.36	
Technical Services Agreement	0.50%	\$ 1.14	0.42%	\$ 77,270.72	
Testing	0.25%	\$ 0.57	0.21%	\$ 38,635.36	
Government Impact fees	0.00%	\$ -	0.00%	\$ -	
Management & Pre-Opening Expenses	1.00%	\$ 2.27	0.84%	\$ 154,541.44	
Real Estate Taxes	0.00%	\$ -	0.00%	\$ -	
Total Soft Costs: Development	\$ 18.75	6.93%	\$	1,274,966.84	
Financing Costs					
Construction LTC	0.00%	\$ -	0.00%	\$ -	
Cost of Issuance	2.50%	\$ 5.68	2.10%	\$ 386,353.59	
Construction Interest	3.00%	\$ 6.82	2.52%	\$ 463,624.31	
Operating Reserve	2.00%	\$ 4.55	1.68%	\$ 309,082.87	
Working Capital	2.00%	\$ 4.55	1.68%	\$ 309,082.87	
Legal (Lender)	0.50%	\$ 1.14	0.42%	\$ 77,270.72	
Transfer Tax plus Local Option	0.00%	\$ -	0.00%	\$ -	
Title Insurance	0.25%	\$ 0.57	0.21%	\$ 38,635.36	
Inspection Fees	0.25%	\$ 0.57	0.21%	\$ 38,635.36	
Construction Disbursements	0.25%	\$ 0.57	0.21%	\$ 38,635.36	
Total Soft Costs: Financing	\$ 24.43	9.03%	\$	1,661,320.43	
TOTAL SOFT COSTS	\$ 43.18	15.97%	\$	2,936,287.27	
TOTAL COST				\$ 18,390,430.77	

Project 4 – Annual Operations Budget & Projected Revenues

		Project 4 Operating Projections (\$000)						
		Year 1 2022	Year 2 2023	Year 3 2024	Year 4 2025	Year 5 2026	Year 10 2031	Year 20 2041
DEVELOPMENT SCHEDULE		<i>Total Built-Out</i>						
Retail	36,000 SF	-	-	36,000	-	-	-	-
Hotel	85 rooms	-	-	85	-	-	-	-
OPERATING REVENUE (\$000)								
Retail		\$0	\$0	\$800	\$842	\$863	\$977	\$1,250
Hotel		0	0	2,678	2,974	3,290	3,722	4,765
Total		\$0	\$0	\$3,478	\$3,816	\$4,153	\$4,699	\$6,015
OPERATING EXPENSES (\$000)								
Retail		\$0	\$0	\$639	\$655	\$672	\$760	\$973
Hotel		0	0	1,875	2,082	2,303	2,606	3,336
Total		\$0	\$0	\$2,514	\$2,737	\$2,975	\$3,366	\$4,308
NET OPERATING INCOME (\$000)								
Retail		\$0	\$0	\$161	\$187	\$192	\$217	\$277
Hotel		0	0	803	892	987	1,117	1,429
Total		\$0	\$0	\$964	\$1,079	\$1,178	\$1,333	\$1,707

Source: Johnson Consulting

		Project 4 Estimated Economic and Fiscal Impact (\$Million)						
		Year 1 2022	Year 2 2023	Year 3 2024	Year 4 2025	Year 5 2026	Year 10 2031	Year 20 2041
DEVELOPMENT SCHEDULE		<i>Total Built-Out</i>						
Retail	36,000 SF	-	-	36,000	-	-	-	-
Hotel	85 rooms	-	-	85	-	-	-	-
Est. Property Value (\$M) (upon Opening)	\$14.2	\$0.0	\$0.0	\$14.1	\$14.5	\$15.6	\$17.7	\$22.6
DIRECT SPENDING (\$M)		<i>(project-wide)</i>						
Retail		\$0.0	\$0.0	\$6.2	\$6.5	\$6.7	\$7.6	\$9.7
Hotel		0.0	0.0	2.9	3.2	3.5	4.0	5.1
Total		\$0.0	\$0.0	\$9.1	\$9.7	\$10.2	\$11.6	\$14.8
ECONOMIC IMPACT (\$M)		<i>Multiplier</i>						
Direct Spending		\$0.0	\$0.0	\$9.1	\$9.7	\$10.2	\$11.6	\$14.8
Indirect Spending	0.258	0.0	0.0	2.3	2.5	2.6	3.0	3.8
Induced Spending	0.196	0.0	0.0	1.8	1.9	2.0	2.3	2.9
Total Spending		\$0.0	\$0.0	\$13.2	\$14.1	\$14.8	\$16.8	\$21.5
Increased Earnings	0.216	\$0.0	\$0.0	\$2.0	\$2.1	\$2.2	\$2.5	\$3.2
Employment (FTE Jobs)	4,524	-	-	39	41	42	42	42
FISCAL IMPACT (\$M)		<i>Rate</i>						
Sales Tax	7.0%	\$0.0	\$0.0	\$0.5	\$0.5	\$0.6	\$0.6	\$0.8
Hotel/ Motel Tax	7.0%	-	-	0.1	0.1	0.2	0.2	0.2
State Excise (Hotel/ Motel) Tax	5.0%	-	-	0.1	0.1	0.1	0.1	0.2
Income Tax	6.9%	-	-	0.2	0.2	0.2	0.2	0.3
Property Tax	4.455%	-	-	0.6	0.6	0.7	0.8	1.0
Total		\$0.0	\$0.0	\$1.5	\$1.6	\$1.7	\$1.9	\$2.5

Source: Johnson Consulting

Project 4

Estimated Total and New Taxable Sales Amounts and Tax Revenues within District Boundaries Only (\$Million)

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 10	Year 20
	2022	2023	2024	2025	2026	2031	2041
Taxable Sales Amounts							
Retail	\$0.0	\$0.0	\$5.9	\$6.3	\$6.4	\$7.3	\$9.3
Hotel*	0.0	0.0	2.7	3.0	3.3	3.7	4.8
Total	\$0.0	\$0.0	\$8.6	\$9.2	\$9.7	\$11.0	\$14.1
Taxable Room Revenues from Hotel**	\$0.0	\$0.0	\$1.9	\$2.1	\$2.3	\$2.6	\$3.4

*Excluding room revenues, which is shown separately.

**All room revenues are new, because there is no existing hotel within the District boundaries.

Source: Johnson Consulting

Project 4

Estimated Annual Visitation

		Year 1	Year 2	Year 3	Year 4	Year 5	Year 10	Year 20
	Total Build-Out	2022	2023	2024	2025	2026	2031	2041
Retail	36,000 SF	-	-	35,724	36,712	36,712	36,712	36,712
Hotel	85 rooms	-	-	22,555	24,432	26,371	26,371	26,371
Total		-	-	58,279	61,144	63,083	63,083	63,083

Source: Johnson Consulting

Project 4 – IRD Eligible Tax Projections

Project 4								
Estimated Tax Revenues Generated within District Boundaries only (\$Million)								
	Year	Sales Tax (7%)*		Local Hotel/ Motel Tax on Rooms	Excise Tax on Rooms**	TOTAL	Available to Reinvestment Program as Allowed	Retained by Jurisdictions
		4.0%** (A)	3.0% (B)	7.0% (C)	5.0% (D)	(E)	by IRA** (F) = (A) + (D)	(G) = (E) - (F)
	2022	(\$0.017)	(\$0.013)	\$0.000	\$0.000	(\$0.030)	(\$0.017)	(\$0.013)
	2023	(0.017)	(0.013)	0.000	0.000	(0.030)	(0.017)	(0.013)
	2024	0.327	0.245	0.133	0.095	0.800	0.422	0.378
	2025	0.351	0.263	0.147	0.105	0.867	0.456	0.411
	2026	0.370	0.277	0.163	0.116	0.926	0.486	0.440
	2027	0.379	0.284	0.167	0.119	0.949	0.498	0.451
	2028	0.389	0.292	0.172	0.123	0.975	0.511	0.463
	2029	0.398	0.299	0.176	0.125	0.998	0.523	0.474
	2030	0.408	0.306	0.180	0.129	1.022	0.537	0.486
	2031	0.418	0.314	0.184	0.132	1.048	0.550	0.498
	2032	0.429	0.322	0.190	0.135	1.076	0.564	0.511
	2033	0.439	0.330	0.194	0.138	1.101	0.578	0.523
	2034	0.450	0.338	0.199	0.142	1.129	0.592	0.536
	2035	0.462	0.346	0.204	0.145	1.157	0.607	0.550
	2036	0.474	0.355	0.209	0.149	1.188	0.623	0.564
	2037	0.485	0.364	0.214	0.153	1.215	0.638	0.578
	2038	0.497	0.373	0.219	0.157	1.246	0.654	0.592
	2039	0.510	0.382	0.225	0.161	1.277	0.670	0.607
	2040	0.523	0.392	0.231	0.165	1.311	0.688	0.623
	2041	0.535	0.402	0.236	0.169	1.342	0.704	0.638
	Total thru 2041	\$7.810	\$5.857	\$3.441	\$2.458	\$19.566	\$10.268	\$9.299

*Applied to general retail, food and beverage, parking, and other revenues, but NOT applied to rooms.
 Total tax rate is 7 percent, of which 4 percent is allowed by IRA to be available for Iowa Reinvestment District Program.
 **These tax revenues are available for District Reinvestment Program, as allowed by IRA.
 Source: Johnson Consulting

Project 4 – Visual Aids



Looking northeast at the hotel and meeting center



Section C Economic Impact

CORRIDOR PLAZA REINVESTMENT DISTRICT
FORT DODGE, IOWA

Section C: Economic Impact

The Fort Dodge region has historically been a retail hub within a 90-mile regional area. The Corridor Plaza District will enhance the retail options within the regional area and beyond. The new and unique entertainment facilities will complement the new retail facilities within the District. This development will further benefit other elements of the District including attracting people to stay for more than a day outing but overnight at the new lodging facilities. This is a critical success factor for the community as more visitors stay in the District it is likely they will return often. They will also be an important marketing tool as they talk with their friends and families about the destination of amenities, entertainment and fun.

With this in mind, the District will allow visitors to also explore other unique aspects of the Fort Dodge area, including downtown with the Blanden Memorial Art Museum, boutique shops, and local entertainment. While staying at the District, as a central place to lodge, young professionals, families and young and old alike will be able to explore Fort Dodge's existing amenities such as local wineries and breweries, Lizard Creek kayaking, Gypsum City OHV Park, and mountain bike and snowmobiling trails (with a list of more opportunities shown in Section D).

The existing industrial firms in the Fort Dodge and Webster County region are established and continuing to invest within their facilities and community. One of the critical success factors in implementing these investments and maintaining its facilities is attracting workers and their families to the region, which has been challenging for Fort Dodge. The District will allow diverse and expansive services to meet young professional and families' needs to have access to shopping, entertainment and gathering locations. This is essential for economic development initiatives, retention, and recruitment efforts for employers and prospective employers.

The proposed hotel with smaller meeting rooms available will be a benefit for those industrial and commercial businesses in the community. The District can also offer space with access to these meeting rooms, hotel space and larger meeting space at the Pavilion for trade show and convention events. The District will be a central hub with patrons accessing and purchasing retail products and services.

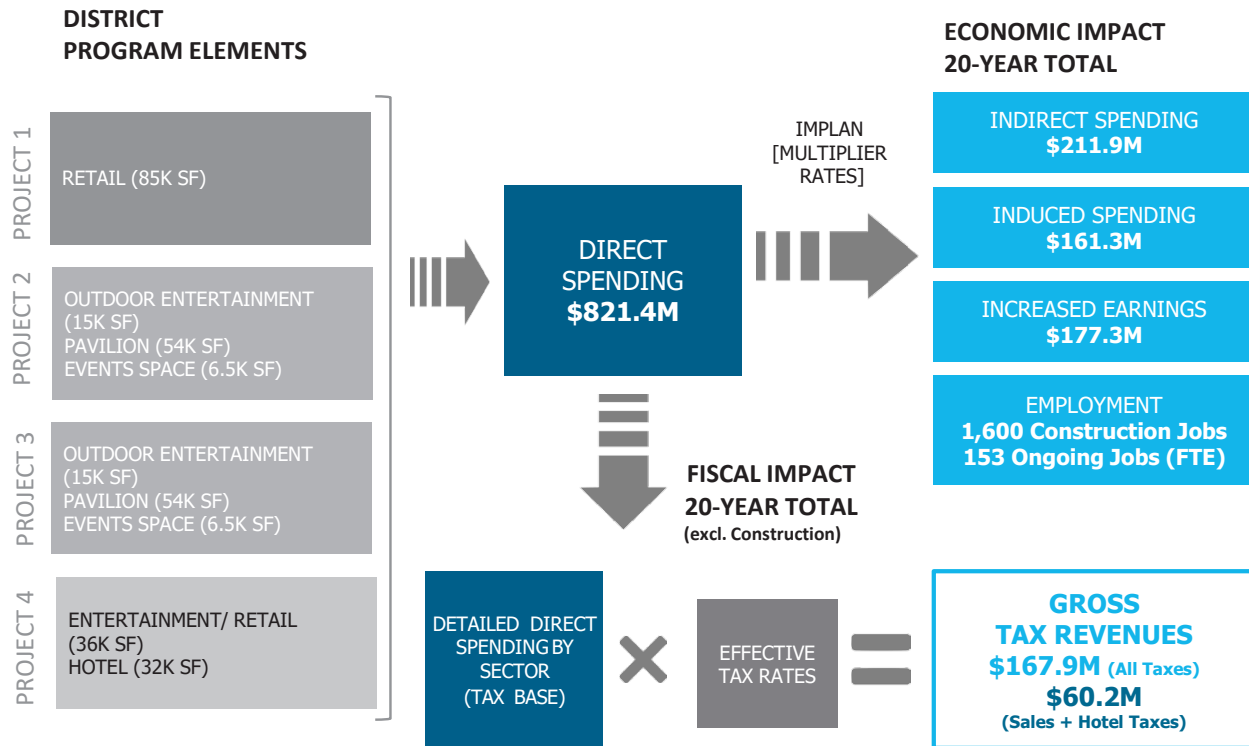
Based upon Johnson Consulting's Market, Financial and Economic Impact Report, it is estimated spending and impacts associated with the proposed Corridor Plaza District over a 20-year period will be accretive to the City of Fort Dodge, the county, the region and the State of Iowa. In Year 20, the annual economic impact of the proposed District is estimated to include \$78,700,000 of total spending, \$11,100,000 in increased earnings, and support 153 FTE jobs. In the same year, the annual fiscal impact is projected to include \$11,400,000 in tax revenues to the state and local governments. Through the 20-year period of operations, the fiscal impact of the District is projected to total \$167,900,000 in tax revenues.

The construction of the various components of the proposed District will create a one-time influx of spending to the market, thereby resulting in a one-time economic and fiscal impact. An estimated construction cost of \$91,300,000 (inflated) for all phases through Year 4. Over the multi-phased construction period (assumed to start in 2021 and end in 2025), the fiscal impact of the construction of the project is estimated to total \$5,800,000 in tax revenues.

Over the 20-year time frame, the District is projected to attract approximately 360,323 unique visitors annually, accounting for the notion that a portion of visitors may visit several destinations within the District in a single trip.

Refer to the following page for economic impact summary chart.

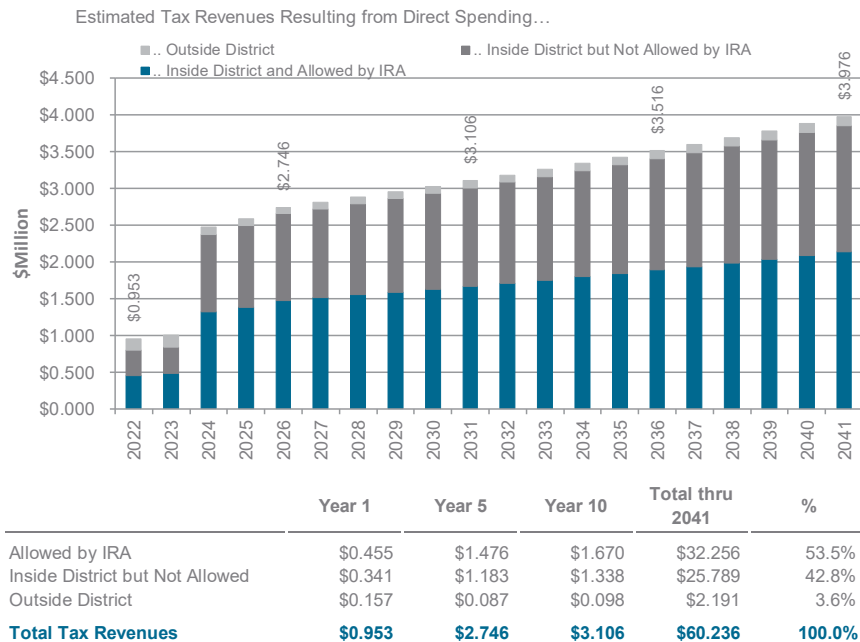
Refer to Johnson Consulting's Market, Financial and Economic Impact Report in the Addenda.



FEASIBILITY SUMMARY

The proposed Corridor Plaza District will play a critical role in enhancing the long-term attractiveness and success of Fort Dodge as a regional hub of activities. Each proposed program element will contribute to this overall success in a variety of ways and the overall impact will be immense. The proposed program of land uses within the Corridor Plaza District is market-driven and market-supportable.

**Corridor Plaza District - Fort Dodge, Iowa
Comparison of Tax Revenues and the Portion Allowed by IRA for Reinvestment District Program (\$Million)**



Source: Johnson Consulting



Section D Unique in Nature

CORRIDOR PLAZA REINVESTMENT DISTRICT
FORT DODGE, IOWA

Section D: Unique in Nature

Dodge the Ordinary

Rich in history, culture, natural amenities, and commerce, Fort Dodge has held a long-established position as a regional hub for commerce, community, culture, and enviro-tourism in North Central Iowa.

Fort Dodge, Iowa is located in the center of Webster County, 92 miles Northwest of Des Moines and 65 miles Southwest of Mason City, along the Des Moines River. Fort Dodge represents the only significant retail center in a 65-mile radius.

Fort Dodge and Webster County are experiential destinations. To fully appreciate the Fort Dodge community, one must see, feel, taste, play, and first-hand experience the natural beauty with 36 miles of multi-modal trails, kayaking along Lizard Creek, fishing in the Des Moines River, ATV and mountain bike trails, outdoor sports, golfing, music and art festivals, history, wineries, breweries, shopping, dining experiences, and public art incorporated in a multitude of parks and landscaped open spaces for all to enjoy. These are just a few of the reasons Fort Dodge was a semifinalist in the America's Best Communities Competition.

Over the past 10 years, the City of Fort Dodge and Webster County have invested significantly in revitalization and reinvestment initiatives, conservation and preservation programs as well as infrastructure. The City's progressive planning includes a commitment to an upgraded fiber optic network serving the Greater Fort Dodge area for residents, visitors, education, and business technology.

History

Initially established as a military post, Fort Dodge evolved as an agricultural and commerce center. Major William Williams, the "Founder of Fort Dodge," led the post at Fort Dodge, establishing the foundation of a thriving community and protector of the region against unfavorable elements with a growing movement to the "wild west."

The early 1900's brought economic growth in gypsum, railroads, and commercial construction. Fort Dodge also earned the nickname "Mineral City" due to the abundant supplies of clay, gypsum, coal, and limestone. Prosperity brought with it the realization of advanced municipal services, infrastructure, telephone and electric systems supporting a desirable community quality of life. These elements also attracted outside investors bringing expanded growth opportunities and exposure to national markets for Fort Dodge.



Fort Dodge has long held a connection to Chicago, often referred to as “Little Chicago.” The market ties with Chicago led Fort Dodge to be considered a model for growth, cultural activities, technology, architecture and city planning - all of which are deeply rooted in Fort Dodge’s successes today. Fort Dodge has always been progressive. In 1916, downtown Fort Dodge had the most skyscrapers (5-stories or more) per capita in the United States. The town’s prosperity attracted business leaders and families looking for an excellent quality of life, a progressive business community, and city with strong leadership.

In the 1990’s following an acquisition by Carnation (now Nestle) of ALPO Pet Food, the Federal Trade Commission required a divestiture in one of their plants threatening the future of the Fort Dodge facility. Even though the plant was highly productive, the threat of having to change ownership was not accepted by the Fort Dodge community and surrounding area. The Fort Dodge and Webster County community united to petition the Federal Trade Commission to reverse the ruling of divestiture. The banding together of public officials, Iowa’s governor and attorney general, multiple Economic Development Corporations, Iowa Central Community College, churches, Scouts, service clubs, retailers, in concert with many individuals and other organizations united the region for a common cause. Today, the Nestle facility is still a vital plant, a significant employer, and continues to invest and expand the facility.

Economic Growth and Comprehensive Impact

A regional center for industry and commerce since the 1850’s, Fort Dodge has become a progressive industrial community expanding beyond mining, agriculture and agri-business to include opportunities in biotechnology and biochemical industries. Iowa State University and Iowa Central Community College have been vital partners in workforce training and the evolution of research and innovation. The growth of high-tech industry has established a higher pay-scale for regional workforce.

The strength of these industries has created great appeal for corporate investments in the local industries and workforce recruitment positioning Fort Dodge as a competitive force in national and global markets. The regional airport provides valuable accessibility for business and destination visitors.



City and county leaders are committed to reinvestment and revitalization initiatives for residential and business communities. This commitment to excellence coupled with the comprehensive impact of industry achievements, retail, education, and diverse menu of activities benefit all quality of life aspects in making Fort Dodge a desirable destination for residents, visitors and workforce. This is essential for economic development initiatives, retention and recruitment efforts for commerce and people.

Fort Dodge is an active, engaged community appreciative of the natural beauty and outdoor activities, culture, historic charm, innovative industrial opportunities and educational partnerships. The redevelopment of Crossroads Mall into Corridor Plaza will be a catalyst for continued economic growth through revitalization and reinvestment initiatives from the Corridor Plaza District to the Downtown and Historical Districts.



The Fort Dodge Downtown District is a certified program member of the Main Street national community supporting boutique retail and small businesses. The 33-block district of business and property owners encompasses the Downtown Historic District and key commercial redevelopment areas including refurbished historic buildings and landscaped public areas. The implementation of the Cross-Town Connector facilitates ease of navigating downtown amenities and incorporates a beautification plan for the Downtown District.

The proximity of the Downtown District and the Corridor Plaza District is important to the comprehensive growth and redevelopment opportunities for Fort Dodge. A 1.5-mile major thoroughfare and business corridor (Cross-town Connector) links the Downtown and Corridor Plaza Districts with a variety of retail and services. This business corridor represents a dynamic revitalization opportunity for Fort Dodge. With a strengthened draw for shoppers and visitors to the Corridor Plaza District, the potential positive impact for the business corridor and Downtown District is significant.

Corridor Plaza District

The Crossroads Mall was established in the 1960's as an enclosed retail mall as was the trend at that time. The mall structure and outlying buildings have aged, becoming less energy efficient, and retail establishments were not readily accessible. The deteriorating Crossroads Mall resulted in losing three key anchor tenants (Sears, JC Penny, and Youngers) over the past several years. Tenancy dropped to only 30% occupancy as of early 2020. The Mall had become an eyesore and existing mall deficiencies posed a liability for the community and tenants. The Crossroads Mall was no longer a desirable place of destination.

The City of Fort Dodge and developer team (Corridor Plaza Development, LLC) re-envisioned a destination site with an innovative design concept for the Corridor Plaza District as a sustainable, aesthetically appealing retail hub, gathering place for all ages and interests, accessible, walkable, and energy efficient complex of amenities. The comprehensive concept will create a greater appeal for regional and national brands bringing quality retail goods to the Corridor Plaza District, offering a destination site that will support a current market rate positively impacting the District's sustainability. The addition of a public plaza and pavilion to the District will create a significant hub for recreational activities, entertainment, dining and shopping. The open, progressive design will incorporate elements to transform and greatly extend the function of spaces supporting year-round activities.

Development plans for Corridor Plaza include demolition, redevelopment of existing structures, and new construction with a contemporized concept design, energy efficient features, and plentiful, accessible parking. The developer has offered assistance to existing tenants who choose to remain with the redevelopment initiative or relocate to another site.

The redevelopment of Crossroads Mall into Corridor Plaza will be a catalyst for continued economic growth through revitalization and reinvestment initiatives from the Corridor Plaza District to the Downtown and Historical Districts. With the support of the Iowa Reinvestment District Program grant, the transformation of Crossroads Mall into the Corridor Plaza District will significantly revitalize real estate in the Fort Dodge community and North Central Iowa region bolstering the economy, commerce, lifestyle and entertainment options.



Fort Dodge has been a vital hub for North Central Iowa for many years. It has grown as a multi-dimensional destination point of resources and activities with retail, business, dining, cultural, sports and outdoor recreational activities. The redevelopment of Crossroads Mall into the Corridor Plaza District is a transformative project further elevating Fort Dodge as a destination point for multi-generational residents and visitors where one may shop, dine and socialize for an extended day or overnight stay. The development concept is built on catering to multiple interests, needs and services offering a scope of amenities and function unmatched by other projects in North Central Iowa.

Corridor Plaza's ultimate goal is to create a vibrant, walkable retail and entertainment destination that will incentivize visitors, area residents, and business to come to the Corridor Plaza District where multiple, generational interests and needs are satisfied. Space will be available in the pavilion and hotel providing a valuable venue for attracting business meetings, conferences, and special events. Hotel lodging is strategically located adjacent to entertainment, dining and a public gathering place where the convenience and availability of diverse services and amenities are attractive to short-term and extended stay destination and business visitors. Consideration is also given to visitors with special needs with the inclusion of a changing station in the plans for public restroom space.

Proposed activities and function of the pavilion and public plaza include a farmer's market, meeting space for business and community, a splash pad or water feature that could become an ice-skating rink in the winter, and a parking area near the plaza that can be utilized as extended event space. The public plaza space includes an outdoor performance stage to host live entertainment, outdoor recreational activities for families and adults, concerts, festivals, wine and beer events, social activities and entertainment for adults and visiting corporate representatives. The public pavilion will be a convertible space extending uses for all seasons. During favorable weather, the pavilion can be opened up to include both indoor/outdoor space, while during the colder months the indoor space can be utilized solely. The pavilion may also be used for business, community meetings and special events (public and private). Collectively, the public plaza, pavilion and outdoor stage offer a significant venue for a multitude of activities and event space.



Community

The Carnation (Nestle) story speaks to the spirit of the Fort Dodge community. The belief in Fort Dodge as a vital hub for the region is core to its growth and successes.

In the same spirit, the Fort Dodge Chamber of Commerce and the Fort Dodge and Webster County Development Corporation merged into the Greater Fort Dodge Growth Alliance. Resources incorporated in this initiative are the Convention and Visitors Bureau, United Way and Community Foundation with the goal of collaborating resources for even more efficient, productive initiatives focused on Fort Dodge's growth and opportunities.

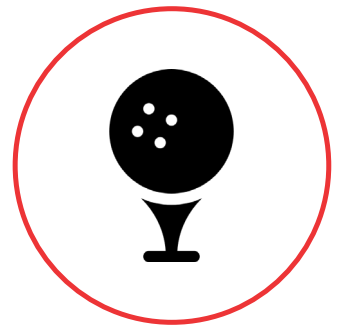
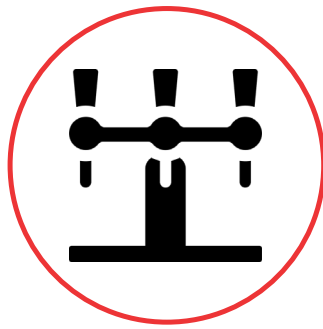
The City of Fort Dodge and Webster County leadership have partnered on numerous initiatives strengthening the ability to accomplish significant strides to improve commerce and quality of life in the region.

There is a mantra in Webster County. Webster begins with "We." To grow and succeed, all of Webster County must work together to realize the greatest potential for all.



Corridor Plaza Inspiration - Valparaiso Central Park

Photo credit: Trevor Mahlmann



A Sampling of Events and Activities in Fort Dodge and Webster County:

- Lizard Creek: a top Iowa destination for kayaking
- Des Moines River fishing
- 500 acres of parks in Webster County for family recreation and eco-tourism
- 36 miles of multi-modal paths
- Gypsum City OHV Park (largest in Iowa)
- Blanden Memorial Art Museum and Art Festival
- Music concerts, performing arts, art festivals, and parades
- Local wineries and breweries
- Harlan Rogers Sports Complex
- Iowa High School Girls Softball Tournament
- Iowa High School State Cross Country Meet
- Downtown and Historic Districts
- Main Street's Farm to Fork
- Fort Museum
- Crown Victoria Cruiser Club
- Rosedale Rapids Aquatic Center
- Multiple golf venues
- Mountain Bike and Snowmobile trails
- Historic neighborhoods
- Webster County Fairgrounds (rodeo, figure 8 racing, demolition derby)



Des Moines River Fishing



Blanden Festival



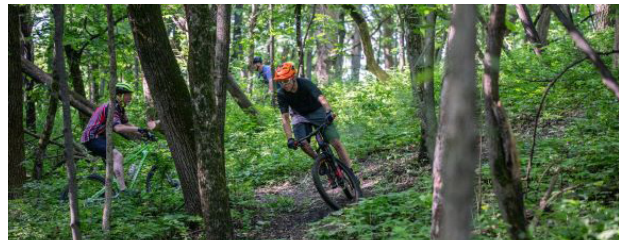
Iowa Central Community College Concert



Fort Dodge Police Department Lipsync



Gypsum City OHV Park



Lizard Creek Mountain Bike Trails



Dining at Willow Ridge



Girls State Softball Championship



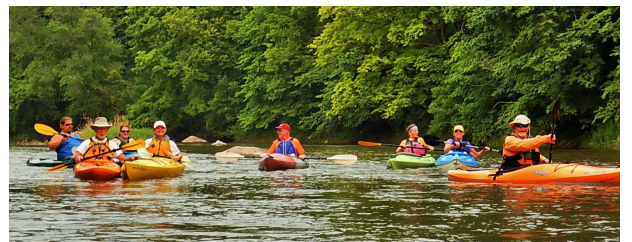
Main Street Fort Dodge, Farm to Fork Dinner



River Hops October



Crown Victoria Club at Fort Museum



Lizard Creek Kayaking



Section E

Certification and Release of Information

CORRIDOR PLAZA REINVESTMENT DISTRICT
FORT DODGE, IOWA

Certification and Release of Information

I hereby give permission to the Iowa Economic Development Authority (IEDA) to engage in due diligence, make credit checks, contact the applicant's financial institutions, insurance carriers, and perform other related activities necessary for reasonable evaluation of this application. I also hereby authorize the Iowa Department of Revenue to provide to IEDA state tax information pertinent to the state income tax, sales and use tax, and state tax credits involved with the Iowa Reinvestment District.

I understand that all information submitted to IEDA related to this application is subject to Iowa's Open Record Law (Iowa Code, Chapter 22).

I understand that IEDA reserves the right to negotiate the financial assistance.

I understand this application is subject to final approval by IEDA.

I hereby certify that all representations, warranties, or statements made or furnished to IEDA in connection with this application are true and correct in all material respect. I understand that it is a criminal violation under Iowa law to engage in deception and knowingly make, or cause to be made, directly or indirectly, a false statement in writing for the purpose of procuring economic development assistance from a state agency or subdivision.

FOR THE APPLICANT:



Chad Schaeffer, Chief Development Officer

2/22/21

Date



Section F

Letters of Support

CORRIDOR PLAZA REINVESTMENT DISTRICT
FORT DODGE, IOWA

TIM KRAAYENBRINK
STATE SENATOR
Fifth District
Statehouse: (515) 281-3371

HOME ADDRESS
1561 National Ave
Port Dodge, IA 50501
H: (515) 576-0417
C: (515) 408-4770
O: (515) 576-0444
F: (515) 576-1638
tim.kraayenbrink@legis.iowa.gov
tim.kbrink@gmail.com



The Senate
State of Iowa
Eighty-Ninth General Assembly
STATEHOUSE
Des Moines, IA 50319

COMMITTEES

Appropriations, Chair
Education

February 15, 2021

*Mayor Matt Bemrich
City of Fort Dodge
819 1st Ave. South
Fort Dodge, IA 50501*

RH: City of Fort Dodge's Iowa Reinvestment District Program Pre-Application

Dear Mayor Bemrich,

I am writing to express my strong enthusiasm for the Corridor Plaza transformative Project for Fort Dodge, Webster County, and Northwest Iowa. This project is the unique repurposing of the former mall property in Fort Dodge to continue to be the "Retail Hub" of Northwest Iowa. The Retail Hub will consist of a mix of retail strip centers and outlets, a medical building, office space, restaurants, hotel, green space, entertainment options, and a pavilion for craft shows, festivals, farmers markets, business incubator space, etc.

Support for this project through the Iowa Reinvestment District Program would be of great value for Fort Dodge and the surrounding area. I know you are well aware of the community betterment and economic development benefits associated with this project. With all the amenities offered through the Corridor Plaza, we could expect many new visitors to our community.

The Corridor Plaza Development will serve as a revitalization of the Greater Fort Dodge area, bringing a fresh look and new businesses. I will do all I can to assist and support this visionary project for our community and the state.

Sincerely,

A handwritten signature in black ink that reads "Tim Kraayenbrink". The signature is stylized and written in cursive.

*Senator Tim Kraayenbrink
Iowa District 5*

Ann Meyer
STATE REPRESENTATIVE
Ninth District
Statehouse: (515) 281-3221
e-mail – ann.meyer@legis.iowa.gov
Cell: 515-570-6610

HOME ADDRESS
1948 Stadium Drive
Fort Dodge, Iowa 50501



House of Representatives
State of Iowa
Eighty-Ninth General Assembly
STATEHOUSE
Des Moines, Iowa 50319

COMMITTEES
Human Resources, Chair
Appropriations
State Government
Transportation

APPROPRIATIONS SUBCOMMITTEE
Health and Human Services

February 11, 2021

Dear Mayor Matt Bemrich,

I enthusiastically offer my support for the City of Fort Dodge's Iowa Reinvestment District Program Pre-Application for the Corridor Plaza Transformation project in Fort Dodge. This innovative project will repurpose the former Crossroads shopping mall into a mix of retail shops in strip centers and outlots, restaurants, entertainment options, and a year-round pavilion. This will allow Fort Dodge to remain the "Retail Hub" of Northwest Iowa.

This innovative project will be a wonderful economic development boost to our region, providing exponential job growth in Webster County.

I will do all I can to support this project; please reach out to me for any assistance I can offer to ensure the success of this exciting venture.

Sincerely,

Representative Ann Meyer
Iowa House District 9



Webster County Board of Supervisors

701 Central Ave., 2nd Floor
Fort Dodge, Iowa 50501

Email: supervisors@webstercountyiowa.org

Phone # (515) 573-7175

Fax # (515) 574-3714

February 16, 2021

Mayor Matt Bemrich
City of Fort Dodge
819 1st Ave South
Fort Dodge, IA 50501

Dear Mayor Bemrich,

I write today in support of Fort Dodge's Corridor Plaza redevelopment with the diverse scope of proposed amenities that can help support Fort Dodge's position as a regional hub. The Webster County Supervisors understand that amenities such as those included in this redevelopment help enhance the quality of life for not just Fort Dodge residents, but Webster County as a whole.

I value the relationship between our County and City leaders and look forward to this project benefiting the Fort Dodge region, as I am aware of the community betterment and economic development benefits associated with the redevelopment of Corridor Plaza.

Please let me know how the Webster County Supervisors can assist with this project for the benefit of our region.

Sincerely,

Mark Campbell
Chairman, Webster County Supervisor

Mark Campbell
District 2



819 1st Avenue South
Fort Dodge, IA 50501
(515) 576-4551

February 19, 2021

Mayor Matt Bemrich
City of Fort Dodge
819 1st Ave South
Fort Dodge, IA 50501

RE: Community Reinvestment Act Application/Corridor Plaza

Dear Mayor Bemrich,

On behalf of the Development Corporation of Greater Fort Dodge, I would like to show our support for the Community Reinvestment Act application included. We are a non-profit development corporation that provides grants, low interest, and subordinated finance to businesses in our Central Business District. It is our belief that the Plaza Corridor project will complement and enhance our efforts and hope you will support its approval.

Sincerely,

A handwritten signature in black ink, appearing to read 'Mike McCarville', with a long horizontal flourish extending to the right.

Mike McCarville, President
Development Corporation of Greater Fort Dodge



Community Development
Economic Development
Code Enforcement
Engineering
Planning

February 9, 2021

Honorable Mayor Matt Bemrich
And Fort Dodge City Council
Municipal Building
Fort Dodge, IA 50501

RE: City of Fort Dodge's Iowa Reinvestment District Pre-Application

Dear Mayor and City Council Members:

I am writing this letter on behalf of the City of Fort Dodge Plan and Zoning Commission, who is in support of the Corridor Plaza redevelopment. As a Commission, we have supported the redevelopment since receiving the preliminary plan and plat, as it directly aligns with the goals of the City's Comprehensive Plan – Re-Envision 2030.

Re-Envision 2030 identifies the need for reinvestment into the area that is today known as Corridor Plaza. The Plan supports the incorporation of a variety of uses to spur activity, interest and engagement within a key district of our community.

Please consider the City's application for the Iowa Reinvestment District Program. We will continue to support this redevelopment and look forward to the many improvements to come!

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Mike Doyle".

Mike Doyle, Chair
Fort Dodge Plan and Zoning Commission



February 19, 2021

Mayor Matt Bemrich
City of Fort Dodge
819 1st Ave South
Fort Dodge, IA 50501

RE: Community Reinvestment Act Application/Corridor Plaza

Dear Mayor Bemrich,

I am writing in support the City of Fort Dodge's Community Reinvestment Act application on the Corridor Plaza redevelopment project. We are the economic development and chamber for the county and the city of Fort Dodge. This project is integral to the Greater Fort Dodge Growth Alliance economic development efforts for Webster County and the region. Workforce is a primary focus as a result of exponential job growth over the last 5-6 years. The redevelopment of this major mixed use and comparison-shopping area is extremely important to that end. This project needs reinvestment act incentives and therefore the Greater Fort Dodge Growth Alliance is in full support of its approval.

Sincerely,

A handwritten signature in black ink that reads "Dennis A. Plautz". The signature is written in a cursive style and is located below the "Sincerely," text.

Dennis A. Plautz, CEO
Greater Fort Dodge Growth Alliance

FORT DODGE C-SSMID
(CORRIDOR SELF-SUPPORTED MUNICIPAL IMPROVEMENT DISTRICT)
617 CENTRAL AVENUE | FORT DODGE, IA 50501
(515) 576-7237

February 2, 2021

The Honorable Mayor Bemrich
City of Fort Dodge
819 1st Avenue South
Fort Dodge, IA 50501

DEAR MAYOR BEMRICH,

I am writing in support of Fort Dodge's Iowa Reinvestment District application for the Corridor Plaza redevelopment. Corridor Plaza complements and builds upon the efforts of the adjacent 5th Avenue South Corridor Self-Supported Municipal Improvement District (C-SSMID) - the Board for which I Chair.

The C-SSMID is a District of properties along the 5th Avenue South Corridor of Commerce that incur an additional tax used for public improvements within our District. 5th Avenue South serves as an important route of travel to Corridor Plaza and we feel the proposed improvements for Corridor Plaza will directly support our efforts to continue to enhance our community.

We are excited to see the transformation of Corridor Plaza and appreciate the communication and support we have received as a Board. Please let me know how our Board can provide any additional support for this project.

Best regards,


Matt Johnson

Chair, Fort Dodge Commercial Self-Supported Municipal Improvement District (C-SSMID)

FORT DODGE CONVENTION AND VISITORS BUREAU

...DODGE THE ORDINARY

February 10, 2021

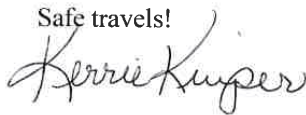
Mayor Matt Bemrich
819 1st Avenue South
Fort Dodge, Iowa 50501

The Fort Dodge Convention & Visitor Bureau supports projects that increase Fort Dodge's ability to be the "Retail Hub" of Northwest Iowa and create additional event programming potential. The Corridor Plaza is a transformative project for Fort Dodge's community, taking an aged property and redeveloping it into a mix of retail, hospitality, and entertainment options. This redevelopment project can keep local or regional dollars in the community as our residents will not need to travel to larger communities to shop or eat at familiar national brands.

For tourism, this new mix of retail, hospitality, and entertainment may extend visitors' stay in the community, create more reasons for a visit, and ultimately encourage more visitor spending.

The Fort Dodge Convention and Visitors Bureau supports the City of Fort Dodge's Iowa Reinvestment District Program Pre-Application.

Safe travels!



Kerrie Kuiper
Executive Director
Fort Dodge Convention and Visitors Bureau

24 North 9th Street, Suite C,
Fort Dodge, IA 50501
Phone: (515) 573-4282
or 888) 573-4282 Toll Free

Website: www.fortdodgecvb.com

Kerrie Kuiper-Executive Director: kkuiper@fortdodgeiowa.org

Connie Lind-Visitor Services Coordinator: cvbfd@frontier.com





February 12, 2021

Mayor Matt Bemrich
819 1st Ave South
Fort Dodge, IA 50501

Dear Mayor Bemrich,

I write on behalf of the City of Fort Dodge and its partners to support the Corridor Plaza Project and application to become an Iowa Reinvestment District. In direct action to the slum and blight within the project area and almost vacant Cross Roads Mall, the City of Fort Dodge invested in the redevelopment of the former Crossroads Mall property now called Corridor Plaza. This is a transformative project for Fort Dodge, Webster County and Northwest Iowa. Unique repurposing of the former mall property enables Fort Dodge to ensure it remains the "Retail Hub" of Northwest Iowa.

Main Street Fort Dodge supports the effort to strengthen our economic base, retail offerings, and entice tourists to visit Fort Dodge. The project consists of a mix of retail strip centers and outlets, restaurants, hotel, entertainment options (indoor and outdoor, year-round), pavilion (craft shows, festivals, farmers markets, business incubator space, etc.). Enriching the quality of life of our residents and business community is of utmost importance to Main Street and imperative to sustain our population.

This innovative concept has the potential to drive our housing market, increase developer interest in other sections of our community, and keep our residents shopping local. This project needs the support of the Iowa Economic Development Authority to become a Reinvestment District, enabling Fort Dodge and the developers of the Corridor Plaza Project to generate a sustainable and expanding retail area.

We believe that funding for this project is critical to long-term sustainability of the Corridor Plaza area. It is for these reasons that we respectfully ask for your full and fair consideration of the Corridor Plaza Project application for funding through the Iowa Reinvestment District program.

Sincerely,

Kris Patrick
Executive Director

MAIN STREET FORT DODGE
24 North 9th Street Suite D Fort Dodge, IA 50501
Phone: 515.573.3172 kris@mainstreetfd.org
www.mainstreetfd.org



515-576-7201 / 800-362-2793
www.iowacentral.edu

February 16, 2021

Mayor Matt Bemrich
City of Fort Dodge
819 1st Ave South
Fort Dodge, IA 50501

Dear Mayor Bemrich,

I am writing to express my support of the Corridor Plaza redevelopment project in Fort Dodge, which will serve to enhance existing Fort Dodge amenities and provide an enhancement to the quality of life for residents in our region. Acquiring and retaining a talented workforce is an important focus for Fort Dodge, and a redevelopment like the Corridor Plaza will provide opportunities for workforce development and training with the public meeting spaces, leading to more utilization by current and future businesses.

The amenities proposed in this project offer more attractive options for individuals visiting our community due to sports, special events, and any other extended stay opportunity. I offer my support for this redevelopment and look forward to the future of the Corridor Plaza and strengthening Fort Dodge's position as a regional hub.

Sincerely,

A handwritten signature in black ink that reads 'Jim Kersten'.

Jim Kersten
Vice President of External Relations and Government Affairs,
Iowa Central Community College

FORT DODGE CENTER
One Triton Circle
Fort Dodge, IA 50501
515-576-7201 / 800-362-2793
www.iowacentral.edu

STORM LAKE CENTER
916 N. Russell Street
Storm Lake, IA 50588
712-732-2991 / 800-362-2793
www.iowacentral.edu

WEBSTER CITY CENTER
1725 Beach Street
Webster City, IA 50595
515-832-1632 / 800-362-2793
www.iowacentral.edu

FORT DODGE BETTERMENT FOUNDATION

February 19, 2021

Mayor Matt Bemrich
City of Fort Dodge
819 1st Ave South
Fort Dodge, IA 50501

RE: Community Reinvestment Act Application/Corridor Plaza

Dear Mayor Bemrich,

I am Phil Gunderson, current President of the Fort Dodge Betterment Foundation. We are a land assembly and holding non-profit that have built a number of industrial parks as well as assembled land for workforce housing, Iowa Central Community College, Friendship Haven and other community needs since 1946.

The Corridor Plaza project is a very important part of our economic development initiatives so we want to whole heartedly support the Community Reinvestment Act application for this project.

Sincerely,

A handwritten signature in black ink that reads "Phil Gunderson". The signature is fluid and cursive, with a long horizontal flourish extending to the right.

Phil Gunderson, President
Fort Dodge Betterment Foundation

February 19, 2021

Mayor Matt Bemrich
City of Fort Dodge
819 1st Ave South
Fort Dodge, IA 50501

RE: Community Reinvestment Act Application/Corridor Plaza

Dear Mayor Bemrich,

I am President of the Webster County Improvement Corporation, which is a 501(C)3 corporation set up to eliminate slum and blight, promote recreational opportunity, economic development and promote quality of life in Webster County.

The Corridor Plaza project meets all those goals so therefore we are 100% in support of the project. We are also aware that a needed part is the Community Reinvestment Act approval. Therefore, on behalf of the Webster County Improvement Corporation, I ask your approval of the attached application.

Sincerely,

A handwritten signature in cursive script that reads "Dennis A. Plautz".

Dennis A. Plautz, President
Webster County Improvement Corporation



February 12, 2021

City of Fort Dodge
Attn: Mayor Matt Bemrich
819 1st Ave S
Fort Dodge, IA 50501

Subject: City of Fort Dodge's Iowa Reinvestment District Program Pre-Application

Dear Mr. Bemrich:

I am writing to express my strong support of the City of Fort Dodge's Iowa Reinvestment District Pre-Application for the redevelopment of the former Crossroads Plaza.

The proposed project, known as the Corridor Plaza Transformative project, will be a unique repurposing of the former mall property, allowing it to become the "retail hub" of northwest Iowa. The project will consist of a mix of retail strip centers and outlets, restaurants, lodging, entertainment options, and a pavilion for local and regional events (craft shows, festivals, farmers markets, business incubator space, etc.).

The proposed project is an important measure in revitalizing and growing the economies of both Fort Dodge and the region. Pathfinders Strategic Partners strongly supports the application and believes it is worthy of funding from the Iowa Reinvestment District Program.

Please let us know if we can be of any assistance with this important project.

Sincerely,

Kathryn Pfiffner
Executive Director

602 1st Avenue South · Fort Dodge, Iowa 50501 · Main Office (515) 576-7183 · Transit (515) 573-8145
www.pathfinderssp.com

PATHFINDERS STRATEGIC PARTNERS IS AN EQUAL OPPORTUNITY EMPLOYER AND PROVIDER



Section G Addenda

CORRIDOR PLAZA REINVESTMENT DISTRICT
FORT DODGE, IOWA

Section G.1: Urban Renewal Resolutions

August 2, 2019

From: Vickie Reeck
To: Mayor Bemrich and City Council
Subject: Resolution to Approve and Amendment to the City's Center City and Industrial Park Urban Renewal Plan and Area



APPROVED BY COUNCIL

on 8-12 2019

Minute Book 44 Page _____

ACTION: For Vote Monday, August 12, 2019

City Clerk JN

Brief History

The City Council previously created the Center City and Industrial Park Urban Renewal Areas (the "Urban Renewal Areas") by resolution and adopted an Urban Renewal Plan (the "Plan") for the governance of projects and initiatives within the Areas. In order to contribute TIF funds to a project, the project site must be located within the Urban Renewal Area. In addition, the Urban Renewal Plan must reflect the proposed expenditures.

Analysis of Issue

The proposed amendment to the Urban Renewal Area and Plan would add the property described in Exhibit "A" of the attached resolution and facilitate the use of Tax Increment Financing in connection with the acquisition of certain commercial real estate and the demolition and redevelopment of structures and buildings thereon.

Budget Impact

It is anticipated that the City will pay for the Commercial Redevelopment Project with either borrowed funds and/or proceeds of an internal advance of City funds on-hand. The City's obligation will be repaid with incremental property tax revenues derived from the Urban Renewal Areas and will not exceed \$5,000,000.

FY 2017-2018 Strategic Plan Impact

Policy C.1.5: The rehabilitation, reuse, or removal of currently unused or underutilized structures, sites and infrastructure shall be accomplished.

Policy C.2.1: The important economic, tourism, and community image benefits of attractive major travel corridors through the area shall be recognized. Such entryway corridors shall receive priority attention for improved appearance and development standards, including landscaping, signage, tree preservation, underground utilities, streetlights, and sidewalks.

Existing Plan Impact

Consistent with the Envision 2030 Plan and the Urban Renewal Plan.

Staff Conclusions / Recommendations

Staff recommends approval of the attached amendment to the Urban Renewal Area and Plan.

Alternatives

The only alternative would be to not approve the amendment to the Plan and Area, which would then prohibit the use of TIF funds for the above-referenced project.

Implementation and Accountability

If approved, staff of the Department of Business Affairs and Community Growth will oversee the project.

Approved By:

David Fierke, City Manager
Chad Schaeffer, Director of
Development Services

Department:

City Manager's Office
BACGEI

Status:

Approved - 05 Aug 2019
Approved - 07 Aug 2019

ADDITION TO THE URBAN RENEWAL
AREA DESIGNATION AND PLAN
HEARING

419414-140

Fort Dodge, Iowa

August 12, 2019

The City Council of the City of Fort Dodge, Iowa, met on August 12, 2019, at 6:00 o'clock, p.m., at the Municipal Building, in the City for the purpose of conducting a public hearing on the designation of the expanded Center City and Industrial Park Urban Renewal Areas and on urban renewal plan amendment. The Mayor presided and the roll being called the following members of the Council were present and absent:

Present: Flattery, Halter, Conrad, Schuur, Alstott, Moehnke and Hill.

Absent: None.

The City Council investigated and found that notice of the intention of the Council to conduct a public hearing on the designation of an urban renewal area and on a proposed urban renewal plan amendment had been published according to law and as directed by the Council and that this is the time and place at which the Council shall receive oral or written objections from any resident or property owner of the City. All written objections, statements, and evidence heretofore filed were reported to the Council, and all oral objections, statements, and all other exhibits presented were considered.

The following named persons presented oral objections, statements, or evidence as summarized below; filed written objections or statements, copies of which are attached hereto; or presented other exhibits, copies of which are attached hereto:

(Here list all persons presenting written or oral statements or evidence and summarize each presentation.) NONE

There being no further objections, comments, or evidence offered, the Mayor announced the hearing closed.

Council Member Flattery moved the adoption of a resolution entitled “Resolution to Declare Necessity and Establish an Urban Renewal Area, Pursuant to Section 403.4 of the Code of Iowa and Approve Urban Renewal Plan Amendment for the Center City and Industrial Park Urban Renewal Areas,” seconded by Council Member Alstott. After due consideration, the Mayor put the question on the motion and the roll being called, the following named Council Members voted:

Ayes: Flattery, Halter, Conrad, Schuur, Alstott, Moehnke and Hill.

Nays: None.

Whereupon, the Mayor declared the resolution duly adopted and signed approval thereto.

RESOLUTION NO. 19-08-186

Resolution to Declare Necessity and Establish an Urban Renewal Area, Pursuant to Section 403.4 of the Code of Iowa and to Approve an Urban Renewal Plan Amendment for the Center City and Industrial Park Urban Renewal Areas

WHEREAS, as a preliminary step to exercising the authority conferred upon Iowa cities by Chapter 403 of the Code of Iowa (the "Urban Renewal Law"), a municipality must adopt a resolution finding that one or more slums, blighted or economic development areas exist in the municipality and that the development of such area or areas is necessary in the interest of the public health, safety or welfare of the residents of the municipality; and

WHEREAS, the City Council (the "Council") of the City of Fort Dodge (the "City") has previously created the Center City and Industrial Park Urban Renewal Areas (the "Urban Renewal Areas") and adopted an urban renewal plan (the "Plan") for the governance of projects and initiatives therein; and

WHEREAS, a proposal has been made which shows the desirability of expanding the Urban Renewal Areas to add and include all the property (the "Property") lying within the legal description set out in Exhibit A hereto; and

WHEREAS, the proposal demonstrates that sufficient need exists to warrant finding the Property to be an area in need of economic development and blight prevention/elimination; and

WHEREAS, an amendment (the "Amendment") to the Plan has been prepared which (1) covers the addition of the Property to the Urban Renewal Areas; and (2) authorizes the undertaking of a new urban renewal project in the Urban Renewal Areas consisting of using tax increment financing in connection with the acquisition of certain commercial real estate and the demolition and redevelopment of structures and buildings thereon; and

WHEREAS, notice of a public hearing by the City Council of the City on the question of establishing the Property as an urban renewal area and on the proposed Amendment for the Center City and Industrial Park Urban Renewal Areas was heretofore given in strict compliance with the provisions of Chapter 403 of the Code of Iowa, and the Council has conducted said hearing on August 12, 2019; and

WHEREAS, the Planning and Zoning Commission of the City has reviewed and commented on the proposed Amendment; and

WHEREAS, copies of the urban renewal plan amendment, notice of public hearing and notice of a consultation meeting with respect to the Amendment were mailed to Webster County and the Fort Dodge Community School District; the consultation meeting was held on the 29th day of July, 2019; and responses to any comments or recommendations received following the consultation meeting were made as required by law;

NOW, THEREFORE, It Is Resolved by the City Council of the City of Fort Dodge, Iowa, as follows:

Section 1. A combined economic development and blight prevention/elimination area as defined in Chapter 403 of the Code of Iowa, is found to exist in the City of Fort Dodge on the Property.

Section 2. The Property is hereby declared to be an urban renewal area, in conformance with the requirements of Chapter 403 of the Code of Iowa, and is hereby designated the August, 2019 Addition to the Center City and Industrial Park Urban Renewal Areas.

Section 3. The development of the Property is necessary in the interest of the public health, safety or welfare of the residents of the City.

Section 4. It is hereby determined by this City Council as follows:

A. The proposed Amendment and the projects and initiatives described therein conform to the general plan of the municipality as a whole;

B. The proposed economic development project described in the Amendment is necessary and appropriate to facilitate the proper growth and development of the City in accordance with sound planning standards and local community objectives.


C. Proposed blight alleviation and prevention projects described in the Amendment are necessary to restore the Property to its highest and best use and to prevent the spread of urban blight; and

D. It is not anticipated that relocation of families will be an issue in connection with the projects and programs described in the Amendment. To the extent that such relocation is necessary, provision will be made to assist any impacted families.

Section 5. The Amendment attached hereto and made a part hereof, is hereby in all respects approved.

Section 6. All resolutions or parts thereof in conflict herewith are hereby repealed, to the extent of such conflict.

Passed and approved August 12, 2019.


Matt Bemrich, Mayor

Attest:


Dawn Siebken, Deputy City Clerk

(Attach copy of the urban renewal plan amendment to this resolution.)

EXHIBIT A
Legal Description
August, 2019 Addition to the Center City and Industrial Park Urban Renewal Areas

Certain real property situated in the City of Fort Dodge, Webster County, State of Iowa, more particularly described as follows:


LOT ONE (1) AND LOT NINE (9) OF THE COUNTY AUDITOR'S SUBDIVISION OF THE NORTHEAST QUARTER OF THE SOUTHWEST QUARTER (NE1/4 SW1/4) OF SECTION TWENTY-ONE (21), TOWNSHIP EIGHTY-NINE (89) NORTH, RANGE TWENTY-EIGHT (28) WEST OF THE 5TH PRINCIPAL MERIDIAN, CITY OF FORT DODGE, WEBSTER COUNTY, IOWA AND LOT FOUR (4), EXCEPT THE SOUTH 87.73 FEET THEREOF, LOT SIX (6), LOT SEVEN (7), LOT EIGHT (8), LOT NINE (9), LOT ELEVEN (11), EXCEPT THE SOUTH 36.5 FEET THEREOF, AND LOT TWELVE (12), EXCEPT THE SOUTH 320 FEET THEREOF, ALL BEING IN THE COUNTY AUDITOR'S SUBDIVISION OF THE SOUTHEAST QUARTER OF THE SOUTHWEST QUARTER (SE1/4 SW1/4) OF SECTION TWENTY-ONE (21), TOWNSHIP EIGHTY-NINE (89) NORTH, RANGE TWENTY-EIGHT (28) WEST OF THE 5TH PRINCIPAL MERIDIAN, CITY OF FORT DODGE, WEBSTER COUNTY, IOWA, OR MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHEAST CORNER OF SAID LOT 9 OF COUNTY AUDITOR'S SUBDIVISION OF THE NORTHEAST QUARTER OF THE SOUTHWEST QUARTER, SAID POINT ALSO BEING THE SOUTHWEST CORNER OF THE INTERSECTION OF 1ST AVENUE SOUTH AND SOUTH 29TH STREET, CITY OF FORT DODGE, IOWA, THENCE SOUTH 00°05'30" EAST 1084.66 FEET ALONG THE WEST RIGHT OF WAY LINE OF SOUTH 29TH STREET; THENCE SOUTH 89°58'22" WEST 295.90 FEET; THENCE SOUTH 00°07'00" WEST 20.00 FEET; THENCE SOUTH 00°05'30" EAST 263.50 FEET; THENCE SOUTH 89°57'15" WEST 150.00 FEET; THENCE NORTH 00°06'00" WEST 575.04 FEET THENCE SOUTH 89°53'10" WEST 603.14 FEET; THENCE NORTH 00°01'20" WEST 460.66 FEET; THENCE SOUTH 89°53'10" WEST 200.17 FEET TO EAST RIGHT OF WAY LINE OF SOUTH 25TH STREET; THENCE NORTH 00°01'00" WEST 333.46 FEET ALONG THE EAST RIGHT OF WAY LINE OF SAID SOUTH 25TH STREET TO THE SOUTHEAST CORNER OF THE INTERSECTION OF SOUTH 25TH STREET AND 1ST AVENUE SOUTH; THENCE NORTH 90°00'00" EAST 1248.32 FEET ALONG THE SOUTH RIGHT OF WAY LINE OF THE SAID 1ST AVENUE SOUTH TO THE POINT OF BEGINNING, ALL IN THE SOUTHWEST QUARTER OF SECTION 21 TOWNSHIP 89 NORTH, RANGE 28 WEST OF THE 5TH PRINCIPAL MERIDIAN, CITY OF FORT DODGE, WEBSTER COUNTY, IOWA.

EXCLUDING THEREFROM THE SOUTH 300 FEET OF LOT 11, EXCEPT THE SOUTH 36.5 FEET THEREOF, IN THE COUNTY AUDITOR'S SUBDIVISION OF THE SOUTHEAST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 21, TOWNSHIP 89 NORTH, RANGE 28 WEST OF THE FIFTH PRINCIPAL MERIDIAN IN FORT DODGE, WEBSTER COUNTY, IOWA.

....

Upon motion and vote, the meeting adjourned.



Matt Bemrich, Mayor

Attest:



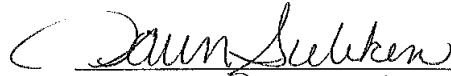
Dawn Siebken, Deputy City Clerk

STATE OF IOWA
COUNTY OF WEBSTER
CITY OF FORT DODGE

SS:

I, the undersigned, do hereby certify that I am the duly appointed, qualified and acting City Clerk of the City of Fort Dodge, and that as such I have in my possession or have access to the complete corporate records of the City and of its officers; and that I have carefully compared the transcript hereto attached with the aforesaid records and that the attached is a true, correct and complete copy of the corporate records relating to the action taken by the City Council preliminary to and in connection with designating an urban renewal area and approving the urban renewal plan amendment for the Center City and Industrial Park Urban Renewal Areas in the City.

WITNESS MY HAND this 30th day of August, 2019.


City Clerk *Deputy Clerk*

(Please attach to this certificate a copy of the minutes or a resolution of the Planning and Zoning Commission showing the action taken by that Commission with respect to the urban renewal plan amendment.)

**MINUTES OF THE MEETING OF THE
FORT DODGE PLAN AND ZONING COMMISSION
CITY COUNCIL CHAMBERS
MONDAY, AUGUST 12th, 2019**

COMMISSIONERS PRESENT: Lisa Wilson, Jim Kesterson, Steve Kersten, Denny Crimmins, and Mike Doyle.

COMMISSIONERS ABSENT: Kim Motl and Jamie Lara

STAFF PRESENT: Chad Schaeffer, Vickie Reeck, Maggie Murray, and Paige Wheeler

Lisa Wilson, Chair of the Plan and Zoning Commission, called the August 12th, 2019 meeting of the Plan and Zoning Commission to order at 12:00 p.m. The minutes of the June 25th, 2019 meeting were reviewed. Upon review, Mike made a motion to approve the minutes. Jim seconded the motion. A vote was taken and carried by all.

Communications – None

Report of Officers and Committees – None

Old Business – None

New Business – None

1. **Planning – None**

2. **Zoning - None**

Other

a.) **P & Z Review – August 2019 Urban Renewal Amendment**

Chad presented the proposed Amendment to the Urban Renewal Map to include Parcels 0721376027 and 0721376028. By amending the current map, TIF may be used to purchase and demo this property, expanding and assembling potential future redevelopment land that includes the Crossroads Mall area. As developments may occur, these parcels would already be included in the Urban Renewal Map. A potential master plan for the entire area including the Sears property could be paid for by TIF dollars.

Lisa asked if the mall owners were aware of this proposed Amendment. Chad stated no, this does not really affect them.

Mike asked why all of the business along South 25th Street were not included in the 2019 August Urban Renewal Amendment. Chad replied that those properties were functioning existing businesses that would probably not need TIF dollars, not that there couldn't be redevelopment in that area. Vickie added that the process would need to be restarted if those additional properties were added as public hearings have been set and consultation with other taxing authorities have been completed for only the current proposed Amendment. The adjacent properties could be considered at any time.

Jim asked if staff was aware that the Mall had appealed its tax assessment. Chad answered yes.

Jim made a motion to approve the August 2019 Urban Renewal Amendment as proposed in the staff report and map. Denny seconded the motion. Steve asked for a record that he is abstaining. Vote was taken and approved by all present, with Steve abstaining.

Adjournment

Steve made a motion to adjourn. Mike seconded the motion. Meeting adjourned at 12:07 p.m.

CITY OF FORT DODGE, IOWA
URBAN RENEWAL PLAN AMENDMENT
CENTER CITY AND INDUSTRIAL PARK URBAN RENEWAL AREAS

August, 2019

The Urban Renewal Plans (the "Plans") for the Center City and Industrial Park Urban Renewal Areas (the "Urban Renewal Areas") are being amended for the purposes of (1) adding property to the Urban Renewal Areas; and (2) identifying a new urban renewal project to be undertaken therein.

1) Addition of Property. The real property (the "Property") legally described on Exhibit A hereto is, by virtue of this Amendment, being added as the August, 2019 Addition to the Urban Renewal Areas. With the adoption of this Amendment, the City will designate the Property as a blighted and an economic development area. The Property will become subject to the provisions of the Plans for the Urban Renewal Areas. It is anticipated that the City will adopt an ordinance providing for the division of property tax revenues, as set forth in Section 403.19 of the Code of Iowa, with respect to the Property.

An investigation has been conducted the results of which indicate that conditions of blight, as described in Section 403.17(5) of the Code of Iowa exist on the Property as a result of the deterioration of private properties, faulty land use and lot layout conditions, dilapidation and developing failure of public infrastructure and utility connections (the "Blighted Conditions"). The Blighted Conditions are further described on Exhibit B hereto. Furthermore the City Council has determined that need exists to undertake projects for the promotion of economic development on the Property proposed for inclusion in the Urban Renewal Area.

2) Identification of Projects. By virtue of this amendment, the list of authorized urban renewal projects in the Plans is hereby amended to include the following project description:

Name of Project: Commercial Property Redevelopment Project (the "Commercial Redevelopment Project")

Name of Urban Renewal Area: Center City and Industrial Park Urban Renewal Areas

Date of Council Approval of Project: August 12, 2019

Description of Project and Project Site: The Commercial Redevelopment Project will consist of the provision of City support for the acquisition, site clearance and planning for redevelopment of the Property (as defined in Section 1 hereof). The City will use tax increment financing and other urban renewal authority to either directly undertake the Commercial Redevelopment Project or to work with private entities for its facilitation.

The costs incurred by the City in providing tax increment financing support will include legal and administrative fees (the "Admin Fees") in an amount not to exceed \$18,000.

Description of Properties to be Acquired in Connection with Project: If necessary, the City will acquire the Property and such easement territory and rights-of-way as are necessary to successfully undertake the Commercial Redevelopment Project.

Description of Use of TIF for the Project: It is anticipated that the City will pay for the Commercial Redevelopment Project with either borrowed funds and/or the proceeds of an internal advance of City funds on-hand. In any case, the City's obligation will be repaid with incremental property tax revenues derived from the Urban Renewal Areas. It is anticipated that the City's use of incremental property tax revenues for the Commercial Redevelopment Project will not exceed \$5,000,000.

3) Required Financial Information. The following information is provided in accordance with the requirements of Section 403.17 of the Code of Iowa:

Constitutional debt limit of the City:	<u>\$57,192,661</u>
Outstanding general obligation debt of the City:	<u>\$34,910,000</u>
Proposed debt to be incurred under the August, 2019 Amendment*:	<u>\$ 5,000,000</u>

*It is anticipated that some or all of the debt incurred hereunder will be subject to annual appropriation by the City Council.

EXHIBIT A
Legal Description
Expanded Center City and Industrial Park Urban Renewal Areas
(August, 2019 Addition)

Certain real property situated in the City of Fort Dodge, Webster County, State of Iowa more particularly described as follows:

LOT ONE (1) AND LOT NINE (9) OF THE COUNTY AUDITOR'S SUBDIVISION OF THE NORTHEAST QUARTER OF THE SOUTHWEST QUARTER (NE1/4 SW1/4) OF SECTION TWENTY-ONE (21), TOWNSHIP EIGHTY-NINE (89) NORTH, RANGE TWENTY-EIGHT (28) WEST OF THE 5TH PRINCIPAL MERIDIAN, CITY OF FORT DODGE, WEBSTER COUNTY, IOWA, AND LOT FOUR (4), EXCEPT THE SOUTH 87.73 FEET THEREOF, LOT SIX (6), LOT SEVEN (7), LOT EIGHT (8), LOT NINE (9), LOT ELEVEN (11), EXCEPT THE SOUTH 36.5 FEET THEREOF, AND LOT TWELVE (12), EXCEPT THE SOUTH 320 FEET THEREOF, ALL BEING IN THE COUNTY AUDITOR'S SUBDIVISION OF THE OF THE SOUTHEAST QUARTER OF THE SOUTHWEST QUARTER (SE1/4 SW1/4) OF SECTION TWENTY-ONE (21), TOWNSHIP EIGHTY-NINE (89) NORTH, RANGE TWENTY-EIGHT (28) WEST OF THE 5TH PRINCIPAL MERIDIAN, CITY OF FORT DODGE, WEBSTER COUNTY, IOWA, OR MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHEAST CORNER OF SAID LOT 9 OF THE COUNTY AUDITOR'S SUBDIVISION OF THE NORTHEAST QUARTER OF THE SOUTHWEST QUARTER, SAID POINT ALSO BEING THE SOUTHWEST CORNER OF THE INTERSECTION OF 1ST AVENUE SOUTH AND SOUTH 29TH STREET, CITY OF FORT DODGE, IOWA, THENCE SOUTH 00°05'30" EAST 1084.66 FEET ALONG THE WEST RIGHT OF WAY LINE OF SOUTH 29TH STREET; THENCE SOUTH 89°58'22" WEST 295.90 FEET; THENCE SOUTH 00°07'00" WEST 20.00 FEET; THENCE SOUTH 00°05'30" EAST 263.50 FEET; THENCE SOUTH 89°57'15" WEST 150.00 FEET; THENCE NORTH 00°06'00" WEST 575.04 FEET; THENCE SOUTH 89°53'10" WEST 603.14 FEET; THENCE NORTH 00°01'20" WEST 460.66 FEET; THENCE SOUTH 89°53'10" WEST 200.17 FEET TO EAST RIGHT OF WAY LINE OF SOUTH 25TH STREET; THENCE NORTH 00°01'00" WEST 333.46 FEET ALONG THE EAST RIGHT OF WAY LINE OF SAID SOUTH 25TH STREET TO THE SOUTHEAST CORNER OF THE INTERSECTION OF SOUTH 25TH STREET AND 1ST AVENUE SOUTH; THENCE NORTH 90°00'00" EAST 1248.32 FEET ALONG THE SOUTH RIGHT OF WAY LINE OF THE SAID 1ST AVENUE SOUTH TO THE POINT OF BEGINNING, ALL IN THE SOUTHWEST QUARTER OF SECTION 21, TOWNSHIP 89 NORTH, RANGE 28 WEST OF THE 5TH PRINCIPAL MERIDIAN, CITY OF FORT DODGE, WEBSTER COUNTY, IOWA.

EXCLUDING THEREFROM THE SOUTH 300 FEET OF LOT 11, EXCEPT THE SOUTH 36.5 FEET THEREOF, IN THE COUNTY AUDITOR'S SUBDIVISION OF THE SOUTHEAST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 21, TOWNSHIP 89 NORTH, RANGE 28 WEST OF THE FIFTH PRINCIPAL MERIDIAN IN FORT DODGE, WEBSTER COUNTY, IOWA;



CITY OF FORT DODGE
URBAN RENEWAL AMENDMENT
AUGUST 2019

- Legend**
- Urban Renewal District
 - August 2019 Amendment
 - Housing Urban Renewal District (No Amendment)
 - Streets
 - Rivers and Creeks
 - Railroads
 - City Limits
- County Roads**
- MapSymbol**
- City
 - County
 - County Paved
 - State
 - US

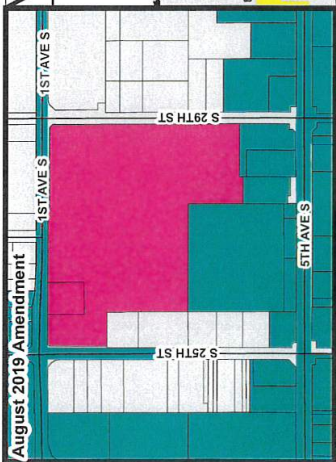
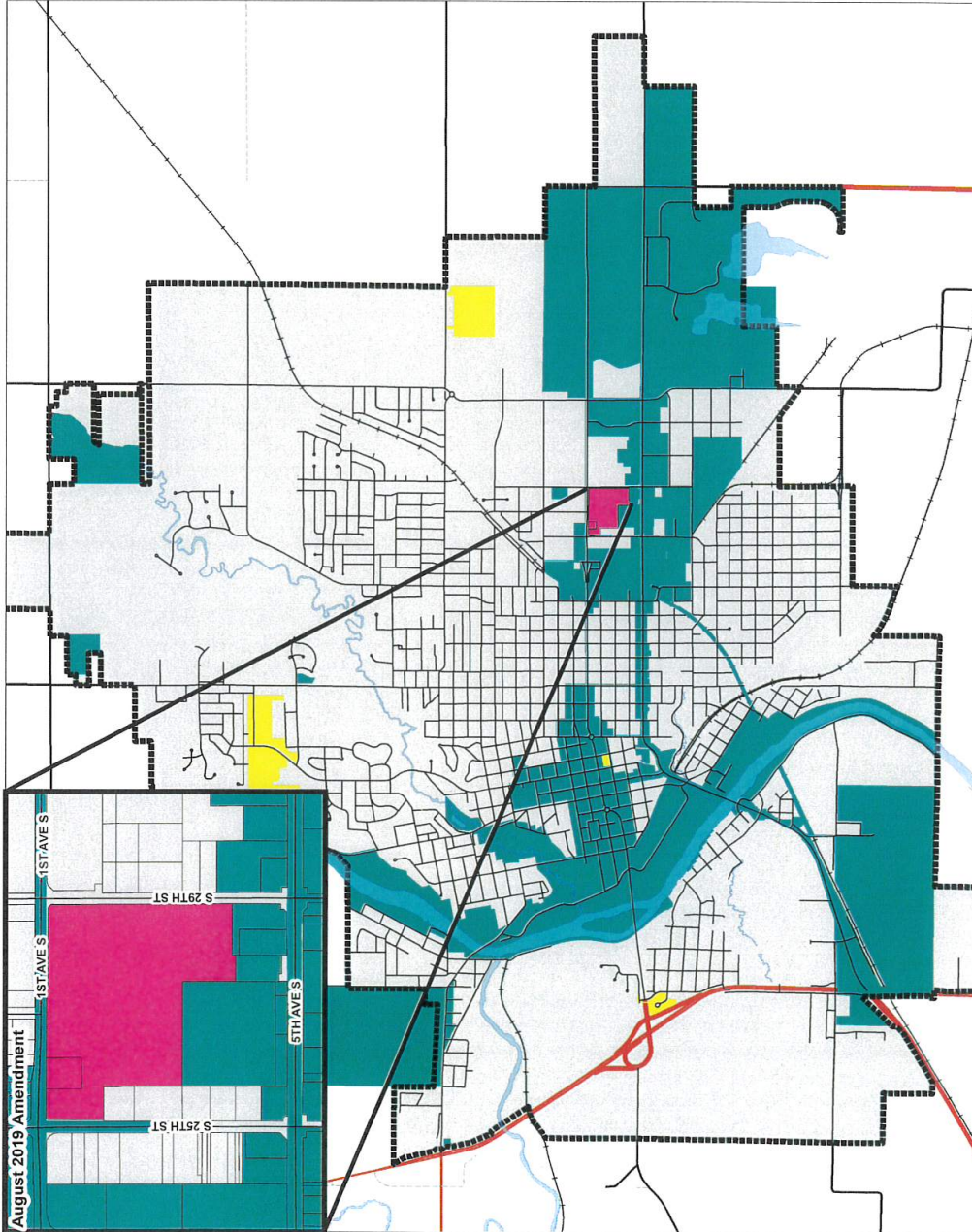
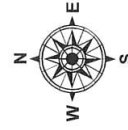


EXHIBIT B

Description of Blighted Conditions on and near the Property

The area being added to the Urban Renewal area has been identified as having deteriorated or deteriorating structures creating a condition that impairs the sound growth of the municipality and creating an economic liability in their present condition.

November 20, 2017

From: Vickie Reeck
To: Mayor Bemrich and City Council
Subject: Resolution to Approve an Amendment to the City's Center City and Industrial Park Urban Renewal Plan



APPROVED BY COUNCIL

on 11-27 2017

ACTION: For Vote Monday, November 27, 2017

Minute Book 43 Page

City Clerk JN

Brief History

The City Council previously created the Center City and Industrial Park Urban Renewal Areas (the "Urban Renewal Areas") by resolution and adopted an Urban Renewal Plan (the "Plan") for the governance of projects and initiatives within the Areas.

In order to contribute TIF funds to a project, the project site must be located within the Urban Renewal Area. In addition, the Urban Renewal Plan must reflect the proposed expenditures.

Analysis of Issue

The proposed amendment to the Urban Renewal Plan would facilitate the undertaking of the following new urban renewal projects:

- Using tax increment financing in support of the demolition and environmental remediation at the proposed site of the new People's Credit Union facilities;
- Using tax increment financing in support of Main Street, Fort Dodge, Inc.;
- Using tax increment financing in support of the Corridor Self-Supported Municipal Improvement District;
- Using tax increment financing in support of the Downtown Self-Supported Municipal Improvement District;

Budget Impact

Incentive payments for the People's Credit Union Project would be paid from the increment produced from the proposed project.

Payments in support of the Corridor and Downtown Self Supported Municipal Improvement Districts would come from the additional taxes imposed upon the properties that are in the proposed CSSMID and the existing Downtown SSMID that are also within the existing TIF District.

Payments in support of Main Street, Fort Dodge, Inc. will be paid from incremental property tax revenues derived from the Urban Renewal Areas.

FY 2017-2018 Strategic Plan Impact

Policy C.1.5: The rehabilitation, reuse, or removal of currently unused or underutilized structures, sites and infrastructure shall be accomplished.

Policy C.2.1: The important economic, tourism, and community image benefits of attractive major travel corridors through the area shall be recognized. Such entryway corridors shall receive priority attention for improved appearance and development standards, including landscaping, signage, tree preservation, underground utilities, streetlights, and sidewalks.

Existing Plan Impact

Consistent with the Envision 2030 Plan and the Urban Renewal Plan.

Staff Conclusions / Recommendations

Staff recommends approval of an amendment to the Urban Renewal Area and Plan.

Alternatives

The only alternative would be to not approve the amendment to the Plan, which would then prohibit the use of TIF funds for the above-referenced projects.

Implementation and Accountability

If approved, staff of the Department of Business Affairs and Community Growth will oversee the above-referenced projects.

Approved By:

David Fierke, City Manager
Chad Schaeffer, City Engineer

Department:

City Manager's Office
BACGEI

Status:

Approved - 20 Nov 2017
Approved - 21 Nov 2017

ADDITION TO THE URBAN RENEWAL
AREA DESIGNATION AND PLAN
HEARING

419414-121

Fort Dodge, Iowa

November 27, 2017

The City Council of the City of Fort Dodge, Iowa, met on November 27, 2017, at 6:00 o'clock, p.m., at the Municipal Building, 819 1st Avenue South, in the City for the purpose of conducting a public hearing on the designation of the expanded Center City and Industrial Park Urban Renewal Areas and on urban renewal plan amendment. The Mayor presided and the roll being called the following members of the Council were present and absent:

Present: Flattery, Halter, Conrad, Fritz, Alstott, Moehnke and Hill.

Absent: None.

The City Council investigated and found that notice of the intention of the Council to conduct a public hearing on the designation of an urban renewal area and on a proposed urban renewal plan amendment had been published according to law and as directed by the Council and that this is the time and place at which the Council shall receive oral or written objections from any resident or property owner of the City. All written objections, statements, and evidence heretofore filed were reported to the Council, and all oral objections, statements, and all other exhibits presented were considered.

The following named persons presented oral objections, statements, or evidence as summarized below; filed written objections or statements, copies of which are attached hereto; or presented other exhibits, copies of which are attached hereto:

(Here list all persons presenting written or oral statements or evidence and summarize each presentation.) None

There being no further objections, comments, or evidence offered, the Mayor announced the hearing closed.

Council Member Flattery moved the adoption of a resolution entitled “Resolution to Declare Necessity and Establish an Urban Renewal Area, Pursuant to Section 403.4 of the Code of Iowa and Approve Urban Renewal Plan Amendment for the Center City and Industrial Park Urban Renewal Areas”, seconded by Council Member Moehnke. After due consideration, the Mayor put the question on the motion and the roll being called, the following named Council Members voted:

Ayes: Flattery, Halter, Conrad, Fritz, Alstott, Moehnke and Hill.

Nays: None.

Whereupon, the Mayor declared the resolution duly adopted and signed approval thereto.

RESOLUTION NO. 17-11-242

Resolution to Declare Necessity and Establish an Urban Renewal Area, Pursuant to Section 403.4 of the Code of Iowa and to Approve an Urban Renewal Plan Amendment for the Center City and Industrial Park Urban Renewal Areas

WHEREAS, as a preliminary step to exercising the authority conferred upon Iowa cities by Chapter 403 of the Code of Iowa (the "Urban Renewal Law"), a municipality must adopt a resolution finding that one or more slums, blighted or economic development areas exist in the municipality and that the development of such area or areas is necessary in the interest of the public health, safety or welfare of the residents of the municipality; and

WHEREAS, the City Council (the "Council") of the City of Fort Dodge (the "City") has previously created the Center City and Industrial Park Urban Renewal Areas (the "Urban Renewal Areas") and adopted an urban renewal plan (the "Plan") for the governance of projects and initiatives therein; and

WHEREAS, a proposal has been made which shows the desirability of expanding the Urban Renewal Areas to add and include all the property (the "Property") lying within the legal description set out in Exhibit A hereto; and

WHEREAS, the proposal demonstrates that sufficient need exists to warrant finding the Property to be an economic development area; and

WHEREAS, an amendment (the "Amendment") to the Plan has been prepared which (1) covers the addition of the Property to the Urban Renewal Areas; and (2) authorizes the undertaking of new urban renewal projects in the Urban Renewal Areas consisting of: (a) using tax increment financing to support Main Street Fort Dodge, Inc. as it carries out programs and activities to promote the City as a Main Street Iowa community; (b) using tax increment financing to support Peoples Credit Union in connection with the redevelopment of blighted property into a new commercial banking facility; (c) using tax increment financing in support of improvements and economic development initiatives in the Fort Dodge Corridor Self Supported Municipal Improvement District; and (d) using tax increment financing in support of improvements and economic development initiatives in the Downtown Fort Dodge Self Supported Municipal Improvement District; and

WHEREAS, notice of a public hearing by the City Council of the City on the question of establishing the Property as an urban renewal area and on the proposed Amendment for the Center City and Industrial Park Urban Renewal Areas was heretofore given in strict compliance with the provisions of Chapter 403 of the Code of Iowa, and the Council has conducted said hearing on November 27, 2017; and

WHEREAS, the Planning and Zoning Commission of the City has reviewed and commented on the proposed Amendment; and

WHEREAS, copies of the urban renewal plan amendment, notice of public hearing and notice of a consultation meeting with respect to the Amendment were mailed to Webster County and the Fort Dodge Community School District; the consultation meeting was held on the 8th day of November, 2017; and responses to any comments or recommendations received following the consultation meeting were made as required by law;

NOW, THEREFORE, It Is Resolved by the City Council of the City of Fort Dodge, Iowa, as follows:

Section 1. An economic development area as defined in Chapter 403 of the Code of Iowa, is found to exist in the City of Fort Dodge on the Property.

Section 2. The Property is hereby declared to be an urban renewal area, in conformance with the requirements of Chapter 403 of the Code of Iowa, and is hereby designated the November, 2017 Addition to the Center City and Industrial Park Urban Renewal Areas.

Section 3. The development of the Property is necessary in the interest of the public health, safety or welfare of the residents of the City.

Section 4. It is hereby determined by this City Council as follows:


A. The proposed Amendment and the projects and initiatives described therein conform to the general plan of the municipality as a whole;

B. The proposed economic development project described in the Amendment is necessary and appropriate to facilitate the proper growth and development of the City in accordance with sound planning standards and local community objectives.

Section 5. The Amendment attached hereto and made a part hereof, is hereby in all respects approved.

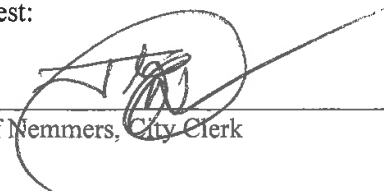
Section 6. All resolutions or parts thereof in conflict herewith are hereby repealed, to the extent of such conflict.

Passed and approved November 27, 2017.



Matt Bemrich, Mayor

Attest:



Jeff Nemmers, City Clerk

(Attach copy of the urban renewal plan amendment to this resolution.)

CITY OF FORT DODGE, IOWA
URBAN RENEWAL PLAN AMENDMENT
CENTER CITY AND INDUSTRIAL PARK URBAN RENEWAL AREAS

November, 2017

The Urban Renewal Plans (the "Plans") for the Center City and Industrial Park Urban Renewal Areas (the "Urban Renewal Areas") are being amended for the purposes of (1) adding property to the Urban Renewal Areas; and (2) identifying new urban renewal projects to be undertaken therein.

1) Addition of Property. The real property (the "Property") legally described on Exhibit A hereto is, by virtue of this Amendment, being added as the November, 2017 Addition to the Urban Renewal Areas. With the adoption of this Amendment, the City will designate the Property as a blighted and an economic development area. The Property will become subject to the provisions of the Plans for the Urban Renewal Areas. It is anticipated that the City will adopt an ordinance providing for the division of property tax revenues, as set forth in Section 403.19 of the Code of Iowa, with respect to the Property.

2) Identification of Projects. By virtue of this amendment, the list of authorized urban renewal projects in the Plans is hereby amended to include the following project descriptions:

A)

Name of Project: People's Credit Union Redevelopment Project

Name of Urban Renewal Areas: Center City and Industrial Park Urban Renewal Areas

Date of Council Approval of Project: November 27, 2017

Description of Project and Project Site: People's Credit Union (the "Credit Union") will acquire the real property situated at 1723 5th Avenue South and a City-owned lot situated adjacent thereto (the "Redevelopment Property"). The Credit Union will undertake the demolition of existing structures, the remediation of environmental issues, and the construction of a new building for use in the Credit Union's business operations on the Redevelopment Property (the "Redevelopment Project").

It has been requested that the City provide tax increment financing assistance to the Credit Union in support of the Credit Union's efforts to complete the Redevelopment Project.

The costs incurred by the City in providing tax increment financing assistance to the Credit Union will include legal and administrative fees (the "Admin Fees") in an amount not to exceed \$4,000.

Description of Public Infrastructure: The City will not install any public infrastructure in connection with the Redevelopment Project.

Description of Properties to be Acquired in Connection with the Project: It is not anticipated that the City will acquire any property in connection with the Redevelopment Project.

Description of Use of TIF: The City intends to enter into a Development Agreement with the Credit Union in connection with the Redevelopment Property and to provide annual appropriation economic development payments (the "Payments") to the Credit Union thereunder. The Payments will be funded with incremental property tax revenues to be derived from the Redevelopment Property. It is anticipated that the City's total commitment of incremental property tax revenues with respect to the Redevelopment Project will not exceed \$40,000, plus the Admin Fees.

B)

Name of Project: Main Street Fort Dodge, Inc. Support Program

Name of Urban Renewal Areas: Center City and Industrial Park Urban Renewal Areas

Date of Council Approval of Project: November 27, 2017

Description of the Program: The City Council acknowledges the importance of Main Street Fort Dodge, Inc. to the promotion of economic development in the Urban Renewal Areas. The City intends to provide annual support payments to Main Street Fort Dodge, Inc. for a period of three (3) fiscal years (the "Main Street Fort Dodge Support Program"). In return for said support payments, Main Street Fort Dodge, Inc. will commit to continuing its efforts to promote the City as a Main Street Iowa community.

Description of Use of TIF: It is anticipated that the City will pay for the Main Street Fort Dodge Support Program with the proceeds of internal advances of City funds on-hand and through an economic development agreement with negotiated annual appropriation payments (the "Payments"). The Payments will be repaid with incremental property tax revenues derived from the Urban Renewal Areas. The amount of incremental property tax revenues to be expended by the City in connection with the Main Street Iowa Support Program will not exceed \$60,000 over the course of the City's 2019 and 2020 fiscal years or \$30,000 in any given fiscal year.

C)

Name of Project: Fort Dodge Corridor Self-Supported Municipal Improvement District Support Program

Name of Urban Renewal Areas: Center City and Industrial Park Urban Renewal Areas

Date of Council Approval of Project: November 27, 2017

Description of the Program: The City Council acknowledges the importance of the Fort Dodge Corridor Self-Supported Municipal Improvement District to the promotion of economic development in the Urban Renewal Areas. The City intends to provide annual support payments to the Fort Dodge Corridor Self-Supported Municipal Improvement District for a period of ten (10) fiscal years (the "Corridor SSMID Support Program"). In return for said support payments, the Fort Dodge Corridor Self-Supported Municipal Improvement District will commit to continuing its efforts to promote economic development in the Urban Renewal Areas.

Description of Use of TIF: It is anticipated that the City will pay for the Corridor SSMID Support Program with the proceeds of internal advances of City funds on-hand and/or through an economic development agreement with negotiated annual appropriation payments. In either case, the City's obligations will be repaid with incremental property tax revenues derived from the Urban Renewal Areas. The amount of incremental property tax revenues to be expended by the City in connection with the Corridor SSMID Support Program will not exceed \$100,000 over the course of the City's 2018 through 2027 fiscal years.

D)

Name of Project: Downtown Fort Dodge Self-Supported Municipal Improvement District Support Program

Name of Urban Renewal Areas: Center City and Industrial Park Urban Renewal Areas

Date of Council Approval of Project: November 27, 2017

Description of the Program: The City Council acknowledges the importance of the Downtown Fort Dodge Self-Supported Municipal Improvement District to the promotion of economic development in the Urban Renewal Areas. The City intends to provide annual support payments to the Downtown Fort Dodge Self-Supported Municipal Improvement District for a period of seven (7) fiscal years (the "Downtown SSMID Support Program"). In return for said support payments, the Downtown Fort Dodge Self-Supported Municipal Improvement District will commit to continuing its efforts to promote economic development in the Urban Renewal Areas.

Description of Use of TIF: It is anticipated that the City will pay for the Downtown SSMID Support Program with the proceeds of internal advances of City funds on-hand and/or through an economic development agreement with negotiated annual appropriation payments. In either case, the City's obligations will be repaid with incremental property tax revenues derived from the Urban Renewal Areas. The amount of incremental property tax revenues to be expended by the City in connection with the Downtown SSMID Support Program will not exceed \$250,000 over the course of the City's 2018 through 2024 fiscal years.

3) Required Financial Information. The following information is provided in accordance with the requirements of Section 403.17 of the Code of Iowa:

Constitutional debt limit of the City:	<u>\$54,548,943</u>
Outstanding general obligation debt of the City:	<u>\$22,395,000</u>
Proposed debt to be incurred under the November, 2017 Amendment*:	<u>\$ 450,000</u>

*It is anticipated that some or all of the debt incurred hereunder will be subject to annual appropriation by the City Council.

EXHIBIT A
Legal Description
Expanded Center City and Industrial Park Urban Renewal Areas
(November, 2017 Addition)

Certain real property situated in the City of Fort Dodge, Webster County, State of Iowa, more particularly described as follows:

Those parcels bearing the following Webster County property tax identification numbers as of November 1, 2017:

0729203003;
0729228013;
0721352024;
0721352025;
0721376008;
0721376009;
0721376026;
0721376025;
0721376014;
0721376015;
0721376016;
0728126002;
0728126003;
0728126004;
0728126025;
0728126026;
0728126007;
0721451011;
0721451010;
0721451014;
0721451034;
0721451021;
0721451020; and
0721451022.

EXHIBIT A
Legal Description
November, 2017 Addition to the Center City and Industrial Park Urban Renewal Areas

Certain real property situated in the City of Fort Dodge, Webster County, State of Iowa, more particularly described as follows:

- (1) Lot One (1) except the North Two (2) feet, all of lots Two (2), Three (3), Four (4) and Thirteen (13) and the South 48' of Lot Fourteen (14), and the south 98' of the North 100' of the N/S alley, all in Block Thirteen (13), Fairview Addition to Fort Dodge, Iowa; and
- (2) Those parcels bearing the following Webster County property tax identification numbers as of November 1, 2017:

0729203003;
0729228013;
0721352024;
0721352025;
0721376008;
0721376009;
0721376026;
0721376025;
0721376014;
0721376015;
0721376016;
0728126002;
0728126003;
0728126004;
0728126025;
0728126026;
0728126007;
0721451011;
0721451010;
0721451014;
0721451034;
0721451021;
0721451020; and
0721451022.

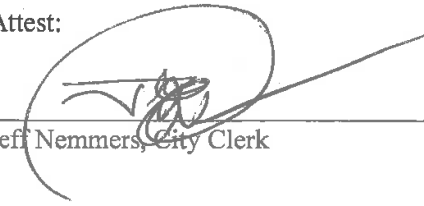
....

Upon motion and vote, the meeting adjourned.



Matt Bemrich, Mayor

Attest:



Jeff Nemmers, City Clerk

STATE OF IOWA
COUNTY OF WEBSTER SS:
CITY OF FORT DODGE

I, the undersigned, do hereby certify that I am the duly appointed, qualified and acting City Clerk of the City of Fort Dodge, and that as such I have in my possession or have access to the complete corporate records of the City and of its officers; and that I have carefully compared the transcript hereto attached with the aforesaid records and that the attached is a true, correct and complete copy of the corporate records relating to the action taken by the City Council preliminary to and in connection with designating an urban renewal area and approving the urban renewal plan amendment for the Center City and Industrial Park Urban Renewal Areas in the City.

WITNESS MY HAND this 4th day of December, 2017.



City Clerk

(Please attach to this certificate a copy of the minutes or a resolution of the Planning and Zoning Commission showing the action taken by that Commission with respect to the urban renewal plan amendment.)

**MINUTES OF THE MEETING OF THE
FORT DODGE PLAN AND ZONING COMMISSION
CITY COUNCIL CHAMBERS
TUESDAY, November 14th, 2017**

COMMISSIONERS PRESENT: Jim Kesterson, Denny Crimmins, Jamie Lara, Lisa Wilson, Kim Motl, and Steve Kersten

COMMISSIONERS ABESENT: Mike Doyle

STAFF PRESENT: Maggie Carlin

Jim Kesterson, Chair of the Plan and Zoning Commission, called the November 14th, 2017 meeting of the Plan and Zoning Commission to order at 4:00 p.m. The minutes of the October 3rd meeting were reviewed. Upon review, Kim made a motion to approve the minutes. Lisa seconded the motion. A vote was taken and carried by all.

Communications- None

Report of Officers and Committees – None

Old Business - None

New Business – None

Other –

- a.) November Urban Renewal Amendment 1.

Maggie presented the staff report, which was prepared by Vickie Reeck, Community and Economic Development Manager. The first amendment being considered to the Urban Renewal Plan is an amendment to the City's Center City and Industrial Park Urban Renewal Areas, for the following items:

1. **Peoples Credit Union** – Peoples Credit Union will be constructing a redevelopment project between the 17th and 18th Streets along 5th Avenue South. The amendment is to allow for funding of up to \$40,000 to help with redevelopment costs associated with demolition of the existing vacant gas station and environmental remediation, as well as an additional up to \$4,000 in legal/administrative fees.
2. **Main Street Fort Dodge** – Maggie noted that City Council pledged support for Main Street Fort Dodge program's first 3 years. This amendment would include a \$30,000 annual contribution for these years.

3. **Corridor SSMID** – not to exceed \$100,000 for up to 10 years. This amendment is for transfer of funds from monies collected into the TIF account to be transferred over to the CSSMID account (if approved by Council on November 27th).
4. **Downtown SSMID** – not to exceed \$250,000 for 7 years. Similar to the CSSMID amendment, this one would be a transfer of funds collected into the TIF account to the transferred over to the Downtown SSMID/Main Street account.

Denny made a motion for recommended Urban Renewal Amendment approval up to Council for the amendment 1 as proposed. Jamie seconded the motion. Vote was taken and recommendation was approved by all present.

b.) Urban Renewal Amendment 2.

Maggie presented the staff report, which was prepared by Vickie Reeck, Community and Economic Development Manager. The second amendment being considered to the Urban Renewal Plan is an amendment to the City's Housing Urban Renewal Area for the following project:

1. Williams Bend – Northwest Iowa Building Co, LLC. The City intends to enter into a development agreement with the developer to provide annual appropriation economic development payments not to exceed \$300,000 in total payments. This amendment is also for approval of borrowing/advancing \$1.5 million for public infrastructure within project area. It is anticipated the City's total commitment will not exceed \$2,601,151.

Steve Kersten noted he will be abstaining from conversation and vote due to a conflict of interest.

Maggie noted that this amendment being considered today by the P&Z is for the Northwest Iowa Building Co, LLC's agreement only and does not include the other development group that will be building in the east side of Williams Bend.

Kim made a motion for recommended approval of the Housing Urban Renewal Amendment up to Council as proposed. Denny seconded the motion. Vote was taken and recommendation was approved by all present, with Steve Kersten abstaining from vote.

Adjournment

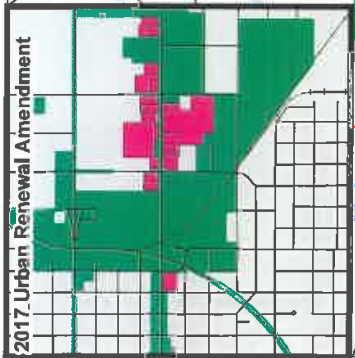
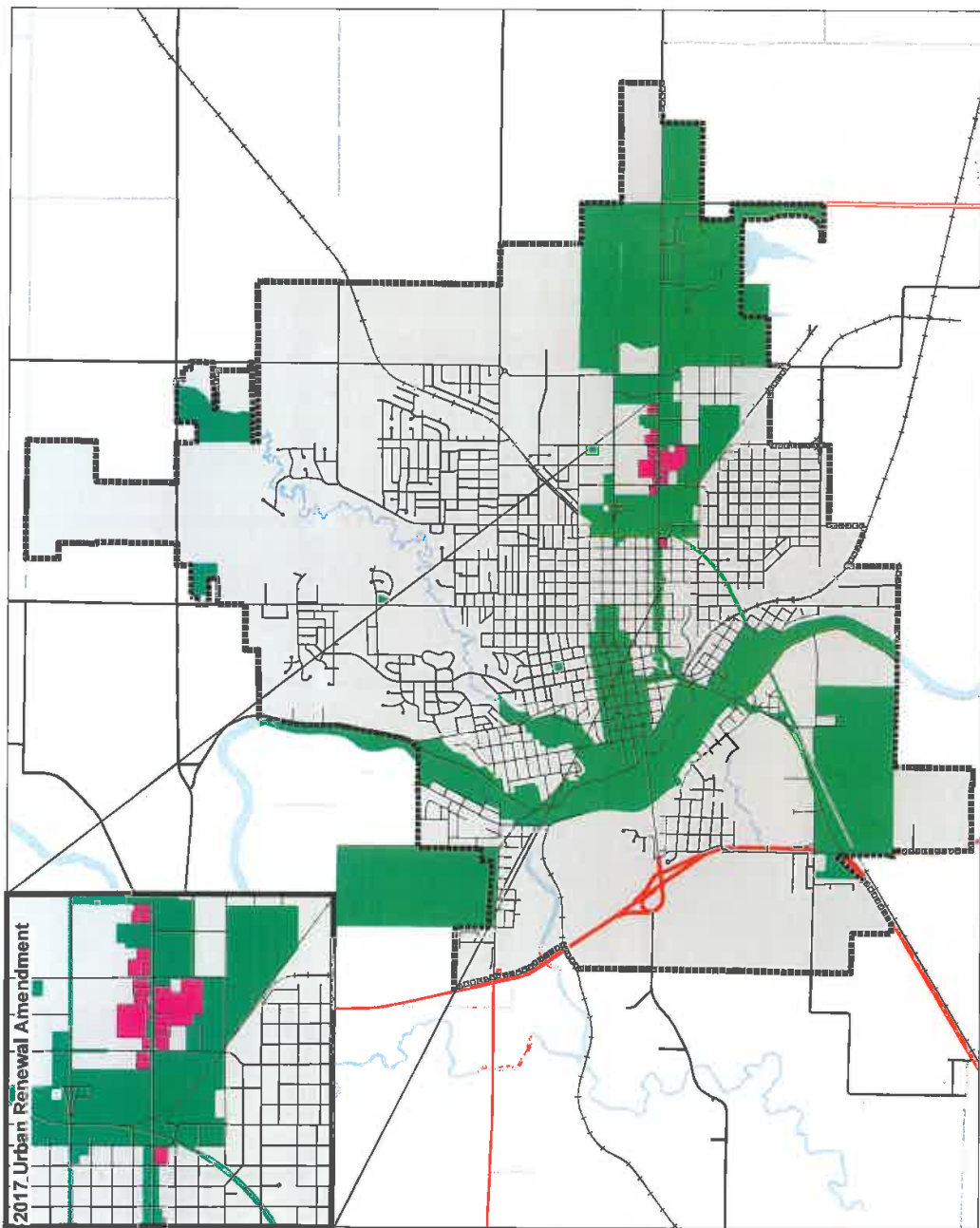
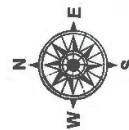
Steve made a motion to adjourn. Denny seconded the motion. Meeting adjourned at 4:12 p.m.



**URBAN RENEWAL
AMENDMENT
NOVEMBER 2017**

Legend

- Urban Renewal District
- Urban Renewal Amendment - Nov 2017
- streets
- Rivers and Creeks
- Railroads
- City Limits
- County Roads
- MapSymbol
 - City
 - County
 - County Paved
 - State
 - US



Section G.2: Phase 1 – Feasibility Study

PHASE 1: FEASIBILITY STUDY CORRIDOR PLAZA DISTRICT

SUBMITTED TO
City of Fort Dodge

SUBMITTED BY
Johnson Consulting

DATE
February 2022





February 24, 2022

Mr. Chad Schaeffer
Chief Development Officer
City of Fort Dodge
cschaeffer@fortdodgeiowa.org

Re: Corridor Plaza District – Phase 1: Feasibility Study

Dear Chad,

Johnson Consulting is pleased to submit this report regarding the proposed Corridor Plaza District. Pursuant to our engagement, this report provides an analysis of the economic and demographic characteristics of the local and regional markets; reviews key market trends in the retail, hotel and event/entertainment sectors; provides an assessment of the feasibility of various proposed land uses within the District; and presents financial projections for the preliminary proposed development program. Phase 2 of our analysis provides an economic and fiscal impact analysis of the proposed District, including specific calculations to support City's application under the State of Iowa's Reinvestment Act (IRA) Iowa Reinvestment District Program.

Johnson Consulting has no responsibility to update this report for events and circumstances occurring after the date of this report. As the scale of the global COVID-19 pandemic impact is still uncertain, our report outlines our assumptions based on experience from previous economic disruptions, but the actual impact will not be known for the foreseeable future. The findings presented herein reflect analyses of primary and secondary sources of information. Johnson Consulting used sources deemed to be reliable, but cannot guarantee their accuracy. Moreover, some of the estimates and analyses presented in this study are based on trends and assumptions, which can result in differences between projected results and actual results. Because events and circumstances frequently do not occur as expected, those differences may be material. This report is intended for the Clients' internal use and cannot be used for project underwriting purposes without Johnson Consulting's written consent.

We have enjoyed serving you on this engagement and look forward to providing you with continuing service.

Sincerely,

C.H. Johnson Consulting, Inc.

C.H. JOHNSON CONSULTING, INC.

6 East Monroe Street | Fifth Floor | Chicago, Illinois 60603 | Phone: 312.447.2010

www.chjc.com

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INTRODUCTION AND EXECUTIVE SUMMARY



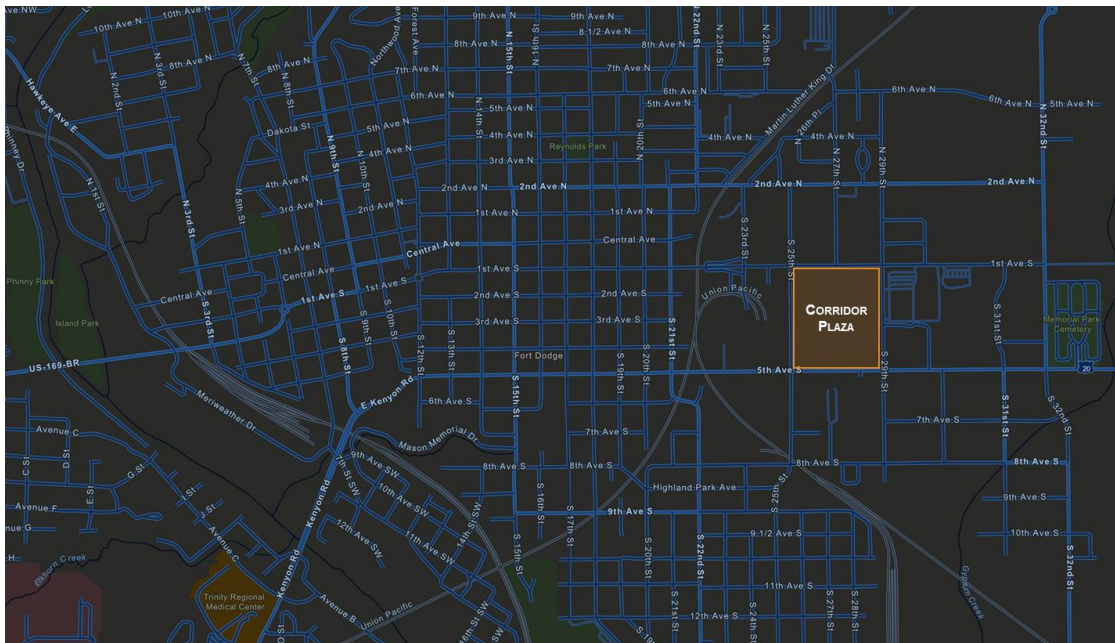
INTRODUCTION

Johnson Consulting was retained by ATI Group, on behalf of the City of Fort Dodge, to prepare an analysis of the impact of the proposed redevelopment of the Crossroads Mall site on local, regional, and state economies. This report will support the City of Fort Dodge’s application under the State of Iowa’s Reinvestment Act (IRA) Reinvestment District Program to establish the Corridor Plaza District. Specifically, our engagement is comprised of 2 phases of work:

- **Phase 1: Feasibility Study** focusing on the proposed redevelopment of the Crossroads Mall site and providing recommendations regarding the program and establishment of the Corridor Plaza District.
- **Phase 2: Economic and Fiscal Impact Analysis** of all development within the proposed Corridor Plaza District.

This report serves as Phase 1 and focuses on the redevelopment of the approximately 32-acre Crossroads Mall site (the redevelopment with encompass 35.31 acres). Figure 1 - 1 highlights the location of the subject site.

Figure 1 - 1



Source: Johnson Consulting



Figure 1 - 2 shows the preliminary proposed development program for the site, highlighting 4 project areas (Project 1, Project 2, Project 3 and Project 4). The redeveloped site will be known as Corridor Plaza.

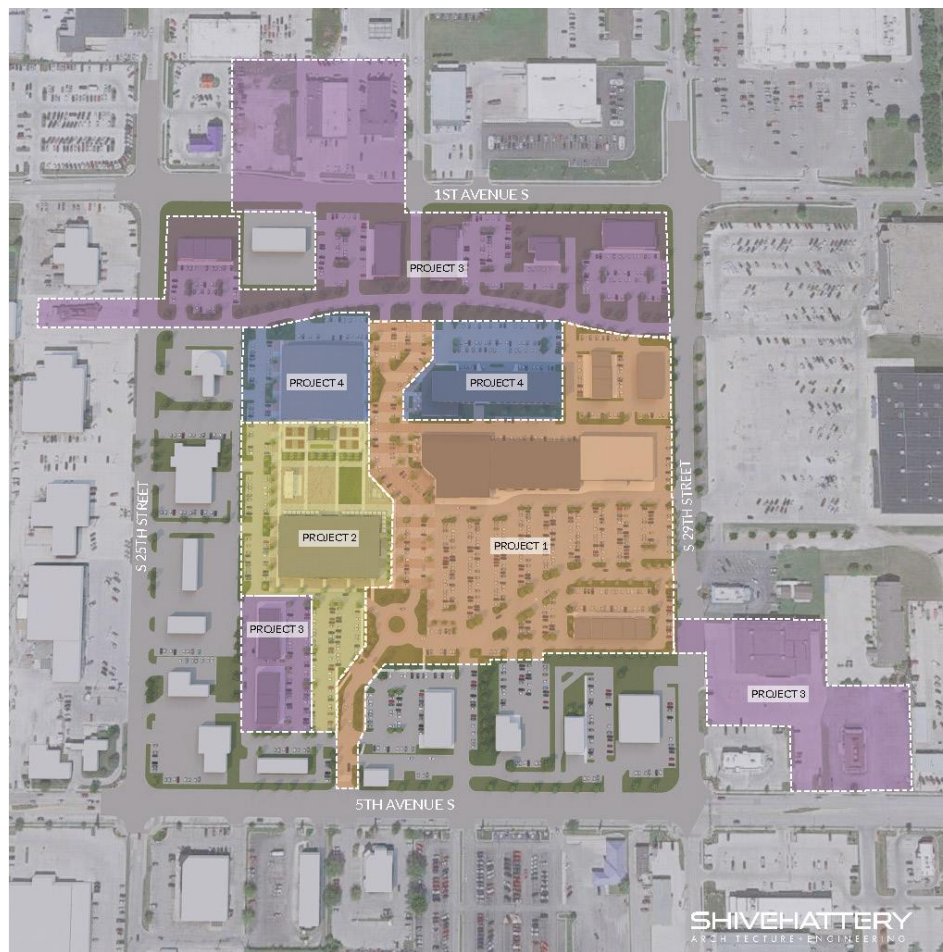
Figure 1 - 2

Corridor Plaza District - Fort Dodge, Iowa Summary of Development Program							
	Opening Year	Retail SF	Hotel Keys	Hotel SF	Entertainment SF	Plaza SF	Total SF
Project 1							
Land	2022	-	-	-	-	-	-
Other Cost	2022	-	-	-	-	-	-
Building Salvage Retail (Site & Shell Only)	2022	71,785	-	-	-	-	71,785
Phase 2 Streets / Infrastructure	2022	-	-	-	-	-	-
C-Store	2022	4,100	-	-	-	-	4,100
Strip Center Retail (Site & Shell Only)	2022	9,500	-	-	-	-	9,500
North connection road	2022	-	-	-	-	-	-
Phase 3 Streets / Infrastructure	2023	-	-	-	-	-	-
Phase 3 Street Pavers	2023	-	-	-	-	-	-
Project 1 Total		85,385	-	-	-	-	85,385
Project 2							
Land	2024	-	-	-	-	-	-
Other Cost	2024	-	-	-	-	-	-
Exterior Entertainment Area	2024	-	-	-	-	15,000	15,000
Pavilion	2024	-	-	-	53,689	-	53,689
Pavilion Retail (Site & Shell Only)	2024	5,176	-	-	-	-	5,176
Events Space (Assumed 1 Story)	2024	-	-	-	6,500	-	6,500
Plaza with Stage	2024	-	-	-	-	-	-
Project 2 Total		5,176	-	-	60,189	15,000	80,365
Project 3							
Land	2023	-	-	-	-	-	-
Other Costs	2023	-	-	-	-	-	-
Strip Center Retail (Site & Shell Only)	2024	41,500	-	-	-	-	41,500
QSR	2026	3,800	-	-	-	-	3,800
Project 3 Total		45,300	-	-	-	-	45,300
Project 4							
Entertainment	2024	36,000	-	-	-	-	36,000
Hotel (Assumed 2 Story)	2024	-	85	32,000	-	-	32,000
Project 4 Total		36,000	85	32,000	-	-	68,000
TOTAL		171,861	85	32,000	60,189	15,000	279,050

Source: ATI, Johnson Consulting

The vision is to create a focal point for retail in the community and reinstate Fort Dodge as a regional hub for retail activities. It is intended that complementary entertainment, event and hotel uses on the reimagined Crossroads Mall site will create a regional draw and contribute to enhanced quality of life for residents of the community. Figure 1 - 3 shows the preliminary site plan for Corridor Plaza, highlighting Project 1, Project 2, Project 3, and Project 4.

Figure 1 - 3



Source: Shive Hattery

STUDY OBJECTIVES

The key objectives of our study are to:

- A. Analyze key market characteristics as they relate to the potential to support the proposed land uses on the subject site.
- B. Provide an independent review of the program and concepts prepared by the developer of the proposed project and/ or the City, as appropriate.
- C. Assess the feasibility of the proposed project.
- D. Define a District boundary to support the City's application to the State's Reinvestment District Program.



METHODOLOGY

In order to complete the analysis required for Phase 1, Johnson Consulting performed the following tasks:

1. Reviewed materials developed by, or on behalf of, the City and the developer in relation to the proposed development site.
2. Analyzed local market characteristics, based upon published sources of data and information.
3. Provided an independent assessment of the proposed product mix.
4. Projected the market performance of the proposed project over a 20-year period, in terms of absorption and pricing structure.
5. Provided recommendations regarding the boundaries of the proposed Corridor Plaza District to support the City's application to the State's Reinvestment Districts Program.

Phase 2 will provide economic and fiscal impact estimates associated with proposed development and activities within the Corridor Plaza District.

EXECUTIVE SUMMARY

The preliminary proposed development program for the redeveloped Crossroads Mall site includes a mix of land uses, as follows:

- A. **Retail:** 171,900 SF of retail stores and restaurants.
- B. **Hotel:** 32,000 SF including approximately 85 keys.
- C. **Multi-Purpose Entertainment/ Event Space:** 53,700 SF indoor multi-purpose entertainment/ recreation venue, a supplemental 6,500 SF indoor event space, and 15,000 SF outdoor events plaza/ park.

The District is divided into 4 Projects – Project 1 will include retail space and streets and infrastructure improvement; Project 2 will include indoor and outdoor event space; Project 3 will include retail and restaurant space; and Project 4 will include multi-purpose entertainment/ recreation space and a hotel.

Based upon our assessment of key demographic and socioeconomic characteristics of Fort Dodge, and trends in the retail, hotel and event/ entertainment/ recreation markets, it is our opinion that the current program of land uses proposed for the redeveloped Crossroads Mall site is reasonable and market-supportable. Figure 1 - 4 provides a summary of our assessment of the proposed land use program.



Figure 1 - 4

Assessment of Market Potential Corridor Plaza - Fort Dodge, IA						
	Proposed Program	Vacancy Trend	5 Year Av. Annual Absorption	New Supply Outside District	Market-Supportable	Observations
Retail Space (SF)	171,900 SF	↓	40,000 SF	0 SF	✓	Estimate 2-3 years absorption (accounting for 5-year average absorption and positive net absorption in 2020 and 2021); Onsite residential development will drive additional demand to retailers.
Hotel (SF)	32,000 SF	-	-	0 SF	✓	Limited new supply added in 2019; Modest occupancies but overall sound fundamentals.
Entertainment/ Event Space (SF)	53,700 SF 15,000 SF 6,500 SF	-	-	0 SF	✓	Both indoor and outdoor space will activate site by attracting visitors and also creating a unique community asset; Limited indoor multi-purpose venues and outdoor entertainment of

Source: ATI, CoStar, Johnson Consulting

Figure 1 - 5 summarizes the financial projections for all land uses proposed within the Corridor Plaza District, presented by Project.

Figure 1 - 5

Corridor Plaza District - Fort Dodge, Iowa ALL PROJECTS Operating Projections (\$000)												
	Year 1 2022	Year 2 2023	Year 3 2024	Year 4 2025	Year 5 2026	Year 6 2027	Year 7 2028	Year 8 2029	Year 9 2030	Year 10 2031	Year 15 2036	Year 20 2041
DEVELOPMENT SCHEDULE	<i>Total Built-Out</i>											
Project 1	85,385 SF	-	-	-	-	-	-	-	-	-	-	-
Project 2	80,365 SF	-	80,365	-	-	-	-	-	-	-	-	-
Project 3	45,300 SF	-	41,500	-	3,800	-	-	-	-	-	-	-
Project 4	68,000 SF	-	68,000	-	-	-	-	-	-	-	-	-
Total	85,385	-	189,865	-	3,800	-	-	-	-	-	-	-
OPERATING REVENUE (\$000)												
Project 1	\$1,757	\$1,851	\$1,949	\$1,997	\$2,047	\$2,098	\$2,151	\$2,205	\$2,260	\$2,316	\$2,621	\$2,965
Project 2	0	0	1,951	2,002	2,056	2,107	2,160	2,214	2,269	2,326	2,632	2,977
Project 3	0	0	897	945	1,086	1,113	1,141	1,170	1,199	1,229	1,390	1,573
Project 4	0	0	3,478	3,816	4,153	4,257	4,373	4,473	4,584	4,699	5,328	6,015
Total	\$1,757	\$1,851	\$8,275	\$8,761	\$9,342	\$9,576	\$9,825	\$10,061	\$10,312	\$10,570	\$11,971	\$13,531
OPERATING EXPENSES (\$000)												
Project 1	\$1,443	\$1,479	\$1,516	\$1,554	\$1,593	\$1,633	\$1,673	\$1,715	\$1,758	\$1,802	\$2,039	\$2,307
Project 2	0	0	1,728	1,771	1,816	1,861	1,907	1,955	2,004	2,054	2,324	2,629
Project 3	0	0	737	755	845	866	888	910	933	956	1,082	1,224
Project 4	0	0	2,514	2,737	2,975	3,049	3,132	3,204	3,284	3,366	3,816	4,308
Total	\$1,443	\$1,479	\$6,495	\$6,817	\$7,228	\$7,409	\$7,601	\$7,784	\$7,979	\$8,178	\$9,261	\$10,469
NET OPERATING INCOME (\$000)												
Project 1	\$314	\$372	\$433	\$443	\$454	\$466	\$477	\$489	\$502	\$514	\$582	\$658
Project 2	0	0	222	231	240	246	252	259	265	272	308	348
Project 3	0	0	160	190	241	247	253	260	266	273	309	349
Project 4	0	0	964	1,079	1,178	1,208	1,241	1,269	1,301	1,333	1,512	1,707
Total	\$314	\$372	\$1,780	\$1,943	\$2,114	\$2,167	\$2,224	\$2,277	\$2,334	\$2,392	\$2,710	\$3,062

Source: Johnson Consulting

As shown, the proposed Projects within the District are projected to achieve a net operating income of \$314,000 in 2022 (Year 1 of District operations), increasing to \$2.1 million in 2026 (Year 5 and completion of full build-out), and to \$3.0 million in 2041 (Year 20).

MARKET ANALYSIS

MARKET ANALYSIS

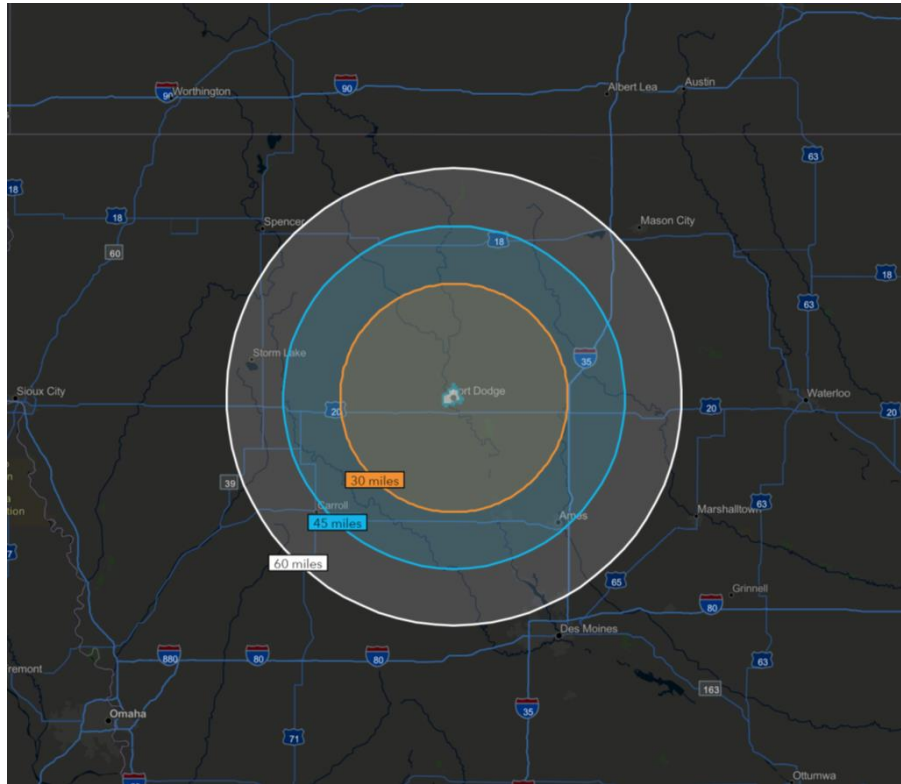
In order to analyze the market opportunity for the proposed redevelopment of the Crossroads Mall site and establishment of the Corridor Plaza District, Johnson Consulting undertook a detailed analysis of market conditions in Fort Dodge and the broader region. The key objectives of our analysis were to identify structural factors, strengths and weaknesses that may affect the market's ongoing competitive position and to gauge the level of support that exists for new development and activities on the subject site.

While characteristics such as population, employment, and income are not strict predictors of the performance of real estate developments, nor of economic development and tourism potential, they provide insight into the capacity of the market to provide ongoing support for real estate assets and activities. In addition, the size and role of a marketplace, its civic leadership, corporate presence, proximity to other metropolitan areas, land use patterns, transportation concentrations, and amenities and attractions directly influence the scale and quality of development that can be supported within that particular market.

DEMOGRAPHIC AND ECONOMIC CHARACTERISTICS

The following analysis highlights key demographic and socio-economic characteristics of Fort Dodge, as well as populations within a 30-, 45-, and 60-mile radius of the subject site, as shown in Figure 2 - 1. These reflect the estimated primary, secondary and tertiary catchment areas for the project, reflecting the regional draw of Fort Dodge for a variety of activities, including retail, medical, and employment, among others. Within a 60-mile radius, there is access to a population of more than 431,000 persons, which is a significant demand pool that can potentially be attracted to various land uses on the redeveloped Crossroads Mall site and throughout the Corridor Plaza District.

Figure 2 - 1



Source: Esri BAO, Johnson Consulting

POPULATION

The 2021 resident population of Fort Dodge was 24,047 persons. Since 2010, the population of Fort Dodge has decreased slightly at an average annual rate of (0.4) percent, which is in contrast to the positive rate of growth observed throughout the State of Iowa (0.5 percent per annum) and the U.S. (0.7 percent). Within a 30-mile radius of the project site, the resident population is estimated to be 79,233 persons, increasing to 225,270 persons within a 45-mile radius and to 427,551 persons within a 60-mile radius.

Since 2010, population growth within the 30-mile catchment has mirrored the rate of population decline recorded in Fort Dodge, decreasing at an average annual rate of (0.3) percent, while the population within the 45-mile radius has remained relatively stable (increasing at an average annual rate of 0.1 percent) and the rate of growth within the 60-mile catchment area has more closely aligned with the State average (0.5 percent growth per annum). These historic and current population trends are shown in Figure 2 - 2.



Figure 2 - 2

Historic & Current Population - Fort Dodge, IA (2010-2021)			
	2010	2021	CAGR* 2010-2021
Fort Dodge	25,206	24,047	(0.4%)
30 mile radius	82,102	79,233	(0.3%)
45 mile radius	222,558	225,270	0.1%
60 mile radius	406,938	427,551	0.5%
Iowa	3,046,355	3,215,590	0.5%
U.S.	308,745,538	333,934,112	0.7%

* Compounded Annual Growth Rate
 Note: Radius measured from Subject Site
 Source: Esri BAO, Johnson Consulting

Going forward, the population of Fort Dodge is projected to further decline to 23,579 persons by 2026. This represents an average annual decrease of (0.4) percent over 2021 and is again in contrast to the forecast rate of growth throughout the State of Iowa (0.5 percent per annum) and the U.S. (0.7 percent). Within a 30-mile radius of the project site, similar rates of decline are forecast at (0.5) percent per annum, while the population within a 45-mile radius is projected to remain stable (0.0 percent forecast growth) and within a 60-mile radius, the growth rate is projected to be more in line with the State average (0.4 percent per annum). Figure 2 - 3 shows current and forecast population growth within the various geographies.

Figure 2 - 3

Projected Population - Fort Dodge, IA (2021-2026)			
	2021	2026	CAGR* 2021-2026
Fort Dodge	24,047	23,579	(0.4%)
30 mile radius	79,233	77,731	(0.4%)
45 mile radius	225,270	225,217	0.0%
60 mile radius	427,551	436,885	0.4%
Iowa	3,215,590	3,299,250	0.5%
U.S.	333,934,112	345,887,495	0.7%

* Compounded Annual Growth Rate
 Note: Radius measured from Subject Site
 Source: Esri BAO, Johnson Consulting



AGE CHARACTERISTICS

In 2021, the median age of residents of Fort Dodge was 39.4 years, which was consistent with the State of Iowa (39.4 years) but slightly older than the national average (38.8 years). The median age of residents within a 30-mile radius of the project site is also older than the national average (43.7 years), while younger median ages are reported throughout the 45-mile (37.2 years) and 60-mile (38.8 years) catchment areas.

Going forward, the median age of residents of Fort Dodge is expected to increase to 40.0 years by 2026, representing an increase of 1.5 percent over 2021 figures, which is consistent with the rate of growth forecast for the State of Iowa (1.5 percent) and generally consistent with the rate of growth forecast for the U.S. (1.8 percent). The median age of residents within a 30-mile radius is projected to increase by 0.9 percent between 2021 and 2026, with rates of growth within the 45-mile and 60-mile catchments are forecast to be more in line with the State average (both 1.3 percent). Figure 2 - 4 shows the median age characteristics of the City of Fort Dodge and catchment areas relative to the State of Iowa and the U.S.

Figure 2 - 4

Median Age - Fort Dodge, IA (2010-2026)					
	2010	2021	2026	% Growth 2010-2021	% Growth 2021-2026
Fort Dodge	36.9	39.4	40.0	6.8%	1.5%
30 mile radius	42.2	43.7	44.1	3.6%	0.9%
45 mile radius	36.5	37.2	37.7	1.9%	1.3%
60 mile radius	37.8	38.6	39.1	2.1%	1.3%
Iowa	38.0	39.4	40.0	3.7%	1.5%
U.S.	37.1	38.8	39.5	4.6%	1.8%

Note: Radius measured from Subject Site
 Source: Esri BAO, Johnson Consulting

EDUCATIONAL ATTAINMENT

Residents of Fort Dodge are generally well educated, with 34.2 percent of residents aged 25 years and older holding an Associate’s degree or higher, although this figure is lower than the State (41.6 percent) and national (42.3 percent) averages. Within a 30-mile radius of the subject site, 35.7 percent of residents aged 25 years and older hold an Associate’s degree or higher, while educational attainment levels within a 45- and 60-mile radius exceed the State and national averages (both 44.6 percent). Figure 2 - 5 provides a breakdown of educational attainment levels in Fort Dodge and the defined catchment areas, relative to State and national averages.



Figure 2 - 5

Educational Attainment 25+ Years - Fort Dodge, IA (2021)												
	Fort Dodge		30 mile radius		45 mile radius		60 mile radius		Iowa		U.S.	
	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%
Less than High School	1,626	9.9%	4,302	7.6%	8,079	5.5%	17,114	6.0%	158,340	7.2%	25,592,746	11.1%
High School Graduate	4,551	27.7%	17,266	30.5%	38,340	26.1%	73,877	25.9%	595,976	27.1%	52,799,449	22.9%
GED/Alternative Credential	1,051	6.4%	2,774	4.9%	5,288	3.6%	9,413	3.3%	85,768	3.9%	9,222,611	4.0%
Some College, No Degree	3,565	21.7%	12,058	21.3%	29,526	20.1%	57,333	20.1%	446,432	20.3%	45,651,925	19.8%
Associate's Degree	2,136	13.0%	8,435	14.9%	19,684	13.4%	37,652	13.2%	263,901	12.0%	20,059,179	8.7%
Bachelor's Degree	2,546	15.5%	8,718	15.4%	29,526	20.1%	60,756	21.3%	439,835	20.0%	47,496,447	20.6%
Graduate Degree	936	5.7%	3,057	5.4%	16,306	11.1%	28,809	10.1%	211,121	9.6%	29,973,486	13.0%
TOTAL	16,429		56,611		146,898		285,240		2,199,173		230,565,279	

Note: Radius measured from Subject Site
 Source: Esri BAO, Johnson Consulting

HOUSEHOLD INCOME

In 2021, the median household income in Fort Dodge was \$44,097 per annum, which is lower than the median household incomes within 30-, 45-, and 60-mile radii of the project site, as well as State (\$60,413 per annum) and national (\$64,730 per annum) averages. By 2026, the median household income in the City of Fort Dodge is expected to reach \$46,467 per annum, representing an average annual increase of 1.1 percent. This growth rate is lower than the State (1.6 percent) and national (2.4 percent) averages, as well as forecast growth within the 60-mile catchment area (1.6 percent), but generally consistent with the rates of growth forecast throughout the 30- and 45-mile catchment areas (1.0 and 1.2 percent, respectively). Figure 2 - 6 shows the current and projected median household incomes within the defined geographies.

Figure 2 - 6

Median Household Income - Fort Dodge, IA (2021-2026)			
	2021	2026	CAGR* 2021-2026
Fort Dodge	\$44,097	\$46,467	1.1%
30 mile radius	\$52,264	\$55,060	1.0%
45 mile radius	\$54,511	\$57,911	1.2%
60 mile radius	\$60,059	\$65,054	1.6%
Iowa	\$60,413	\$65,307	1.6%
U.S.	\$64,730	\$72,932	2.4%

* Compounded Annual Growth Rate
 Note: Radius measured from Subject Site
 Source: Esri BAO, Johnson Consulting



ENTERTAINMENT, RECREATION AND SPORTS SPEND

Residents of Fort Dodge and the 30-, 45-, and 60-mile radii catchment areas spend less on entertainment, recreation and sports than the average spending across the U.S. In Fort Dodge, residents spend an average of \$72.15 annually on fees for participant sports (representing 63.0 percent of the national average spending), \$52.51 on theaters, operas, and concert tickets (65.0 percent of the U.S. average), \$33.90 on tickets to movies (61.0 percent of the U.S. average), \$20.65 on tickets to museums and parks (61.0 percent of the U.S. average), \$42.07 on admission to sporting events (65.0 percent of the U.S. average), and \$79.28 on fees for recreational lessons (56.0 percent of the U.S. average). Slightly lower spending levels across most categories are reported in the 30-mile catchment area, while higher spending across all categories are reported in the 45- and 60-mile catchment areas, which has positive implications for Fort Dodge given its role as a regional hub. Figure 2 - 7 shows rates of spending in the County and catchment areas.

Figure 2 - 7

Average Spending on Entertainment - Fort Dodge, IA (2021)								
Spending Category	Fort Dodge		30 mile radius		45 mile radius		60 mile radius	
	Average Spend *	Index**	Average Spend *	Index**	Average Spend *	Index**	Average Spend *	Index**
Fees for Participant Sports	\$72.15	63	\$69.86	61	\$75.70	66	\$85.99	75
Tickets to Theater/ Operas/ Concerts	\$52.51	65	\$50.34	62	\$55.06	68	\$59.93	74
Tickets to Movies	\$33.90	61	\$33.57	60	\$38.82	70	\$42.66	77
Tickets to Museums/ Parks	\$20.65	61	\$23.11	68	\$25.15	74	\$27.98	82
Admission to Sporting Events	\$42.07	65	\$43.43	67	\$46.12	72	\$51.70	80
Fees for Recreational Lessons	\$79.28	56	\$79.66	57	\$87.01	62	\$99.47	71
TOTAL	\$300.56	-	\$299.97	-	\$327.86	-	\$367.73	-

Note: Radius measured from Subject Site
 * Average spend per person, per annum
 ** National Average = 100
 Source: Esri ArcGIS BAO, Johnson Consulting

EMPLOYMENT

Data from the Bureau of Labor Statistics (BLS) is only available for the largest 50 cities in the U.S. As such, the following analysis relates to Webster County, in which the City of Fort Dodge is located. In 2020, which is the most current annual data available, the predominant industries of employment in Webster County were Trade, Transportation and Utilities (25.7 percent of employed persons aged 16 years and older), Government (16.7 percent), and Education and Health Services (15.5 percent). Between 2019 and 2020, almost all industries saw a decrease in employment, which is largely attributed to the ongoing pandemic, with the exception of Professional and Business Services, which reported a slight increase of 1.6 percent. Figure 2 - 8 shows employment by industry in Webster County.

Figure 2 - 8

Non-Farm Employment by Industry - Webster County, IA (2019-2020)			
Industry	2019	2020	Growth Rate 2019-2020
Natural Resources and Mining	158	145	(8.2%)
<i>% of Total</i>	0.9%	0.8%	
Construction	1,406	1,315	(6.5%)
<i>% of Total</i>	7.7%	7.7%	
Manufacturing	2,532	2,365	(6.6%)
<i>% of Total</i>	13.9%	13.8%	
Trade, Transportation, and Utilities	4,553	4,398	(3.4%)
<i>% of Total</i>	25.0%	25.7%	
Information	324	252	(22.2%)
<i>% of Total</i>	1.8%	1.5%	
Financial Activities	488	461	(5.5%)
<i>% of Total</i>	2.7%	2.7%	
Professional and Business Services	882	896	1.6%
<i>% of Total</i>	4.8%	5.2%	
Education and Health Services	2,810	2,657	(5.4%)
<i>% of Total</i>	15.4%	15.5%	
Leisure and Hospitality	1,572	1,385	(11.9%)
<i>% of Total</i>	8.6%	8.1%	
Other Services	475	369	(22.3%)
<i>% of Total</i>	2.6%	2.2%	
Government	3,017	2,854	(5.4%)
<i>% of Total</i>	16.6%	16.7%	
TOTAL	18,217	17,097	(6.1%)

Source: BLS, Johnson Consulting

UNEMPLOYMENT

Figure 2 - 9 shows the annual unemployment rates in Webster County and Iowa, relative to the U.S., for the period of 2015 through 2020. As shown, between 2015 and 2019 the unemployment rate in Webster County trended downwards and generally tracked slightly above the State average but below the national average. In 2020, the unemployment rates across the County, State and U.S. increased significantly, resulting from the ongoing pandemic.

Figure 2 - 9

Unemployment Rate - Webster County, IA (2015-2020)						
	Webster County		Iowa		U.S.	
	Rate	Change	Rate	Change	Rate	Change
2015	4.3%	-	3.8%	-	5.3%	-
2016	4.0%	(0.3)	3.6%	(0.2)	4.9%	(0.4)
2017	3.8%	(0.2)	3.1%	(0.5)	4.4%	(0.5)
2018	3.4%	(0.6)	2.6%	(1.2)	3.9%	(1.4)
2019	3.1%	(0.7)	2.7%	(0.9)	3.7%	(1.2)
2020	5.2%	1.4	5.3%	1.7	8.1%	3.2

Source: BLS, Johnson Consulting

MARKET ATTRIBUTES

LOCATION AND ACCESS

The strategic location of Fort Dodge in the greater north central Iowa region means that is accessible via various modes of transport:

- **AIR:** Fort Dodge Regional Airport (FOD) is located immediately north of the City limits. FOD serves 14,000-15,000 passengers annually, with non-stop flights to destinations throughout the Midwest, including Minneapolis and St. Louis. The closest international airport is Des Moines International Airport (DSM), which is located 95 miles to the south of Fort Dodge. DSM serves approximately 3 million passengers annually, via 6 airlines.
- **RAIL:** While Fort Dodge does not have a passenger rail station, Fort Dodge was historically a rail hub for the trade of gypsum and other minerals. Fort Dodge still has several rail corridors that continue to support the gypsum trade and transportation of other products throughout the region.
- **BUS:** Fort Dodge has a Greyhound bus station located on the west side of the city with service across the region and country.
- **ROAD:** With Highway 169 running through the west side of Fort Dodge and Highway 20 running just south of the City limits, the community is well connected to the Interstate Highway system. In

Fort Dodge, the recent completion of the Cross-Town Connector, an east-west transit corridor, has brought a significant amount of traffic to downtown and surrounds, and has increased visibility for businesses.

- **TRAILS:** The Fort Dodge trail system is regarded as a community asset and has increased resident access to, and engagement with, the Des Moines River, which runs through Fort Dodge and abuts the downtown core. While the trail system is currently used primarily for recreation, there is a desire from residents to expand the trail system to downtown and commercial areas in Fort Dodge. With its trails, parks, and riverfront access, Fort Dodge has many opportunities for residents to access green space for recreation and transportation purposes.

EDUCATIONAL INSTITUTIONS

Fort Dodge is home to the main campus of Iowa Central Community College, a public community college with satellite campuses in Webster City and Storm Lake. Iowa Central offers over 100 programs of study, including 60 career and technical programs, and has 1,200 students who reside on-campus.

The Fort Dodge Community School District serves Fort Dodge, as well as the surrounding communities of Badger, Coalville, and Otho. The District has over 3,000 students enrolled at one high school, one middle school, and four elementary schools.

CORPORATE PRESENCE

A strong corporate and business presence can be an important factor in the success of any real estate development, because local businesses offer support by attracting residents to the area and providing disposable income, through their requirement for meeting and event space, and through donations, advertising, and sponsorships opportunities, depending on the nature of the project. Figure 2 - 10 shows the largest employers in Fort Dodge, indicating that the largest employers are concentrated within the healthcare, education and science and technology industries.

Figure 2 - 10

Largest Employers - Fort Dodge, IA (150+ Employees)		
Employer	Industry	# Employees
Trinity Regional Medical Center - UnityPoint Health	Healthcare	1,254
Iowa Central Community College	Education	689
Elanco	Science & Technology	509
Fort Dodge Community Schools	Education	500
New Co-op	Agriculture	373
Friendship Haven	Healthcare	351
Fort Dodge Correctional Facility	Public Administration	272
Decker Truck Line	Transportation	228
Nestle Purina PetCare Products	Retail	225
CJ BioAmerica	Science & Technology	182

Source: Greater Fort Dodge Growth Alliance, Johnson Consulting

Fort Dodge is well-positioned to be a state leader in manufacturing, particularly in the biotechnical/biochemical and food industries. Webster County is responsible for producing 67.0 percent of the State of Iowa’s gypsum, 48.0 percent of metal can, and 33.0 percent of biological manufacturing output. The 500-acre Webster County AG-Industrial Center, known as “Iowa’s Crossroads of Global Innovation”, is located 7 miles to the west of Fort Dodge. This industrial center is home to Cargill, Valero, and CJ BioAmerica. In addition to its strong manufacturing sector, Fort Dodge has an active retail market, with investment clustered around key corridors including 1st and 5th Avenues.

OBSERVATIONS

Fort Dodge has many of the key demographic and socioeconomic conditions necessary to support the redevelopment of the Crossroads Mall site. The proposed program, which includes retail, office, residential, entertainment, event and hotel uses, will be a significant draw to Fort Dodge and specifically to the East Side commercial district, an area of the city that experiencing a resurgence. The recent completion of the Cross-Town Connector has significantly improved connectivity with Fort Dodge’s commercial corridors. Given the synergistic opportunities that exist between transportation networks and commercial corridors, along with the desire to revitalize downtown Fort Dodge, the Crossroads Mall site is ideally located to serve as a major regional draw with the right mix of unique amenities and activities.

MARKET TRENDS AND FEASIBILITY ASSESSMENT

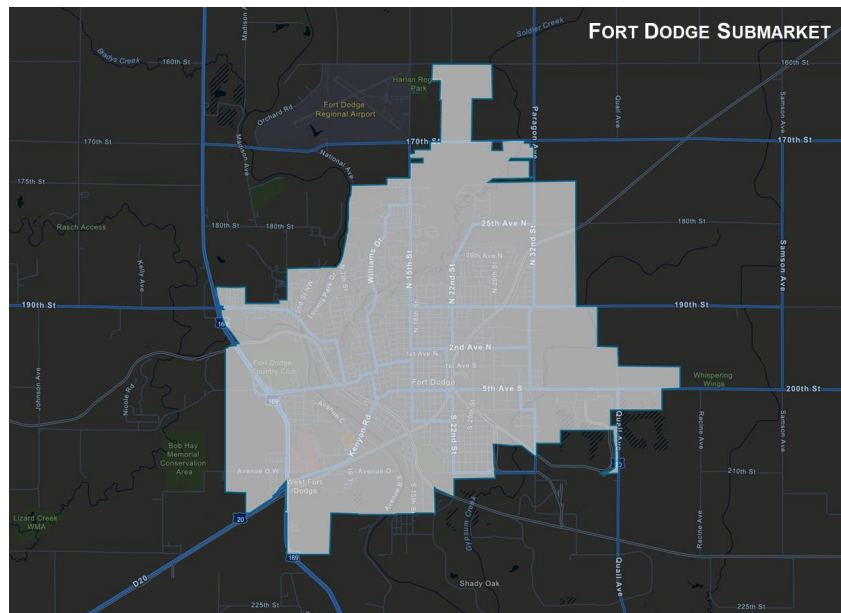


MARKET TRENDS AND FEASIBILITY ASSESSMENT

The following analysis considers market fundamentals for land uses that are proposed on the redeveloped Crossroads Mall site. The analysis is based upon the most current sources of published data available at the time of this study (primarily CoStar, which maintains a database of commercial real estate information that is widely regarded in the industry, LoopNet, which is a sales database also maintained by CoStar, and Smith Travel Research, which is an independent hotel research firm whose statistics are widely used within the industry).

Figure 3 - 1 shows the Fort Dodge submarket, as defined by CoStar, and within which the subject site is located.

Figure 3 - 1



Source: CoStar, Johnson Consulting

In order to gauge likely future conditions in the marketplace, it is important to consider the current position in the business cycle and the broader outlook for the economy. Of the 4 stages of the business cycle – 1) Recession; 2) Trough; 3) Expansion; and 4) Peak – the Federal Reserve indicated that the U.S. economy started 2020 in the expansion stage but the pandemic caused a major economic disruption. Economic activity has gained momentum throughout 2021 and while the outlook remains uncertain, there are positive signs of recovery, albeit along an elongated curve – most likely a “U” shape meaning that the Trough stage of the business cycle is projected to be elongated.



PROPOSED PROGRAM LAND USES

As described in the introduction to this report, the proposed redevelopment of the Crossroads Mall site includes a mix of land uses, as follows:

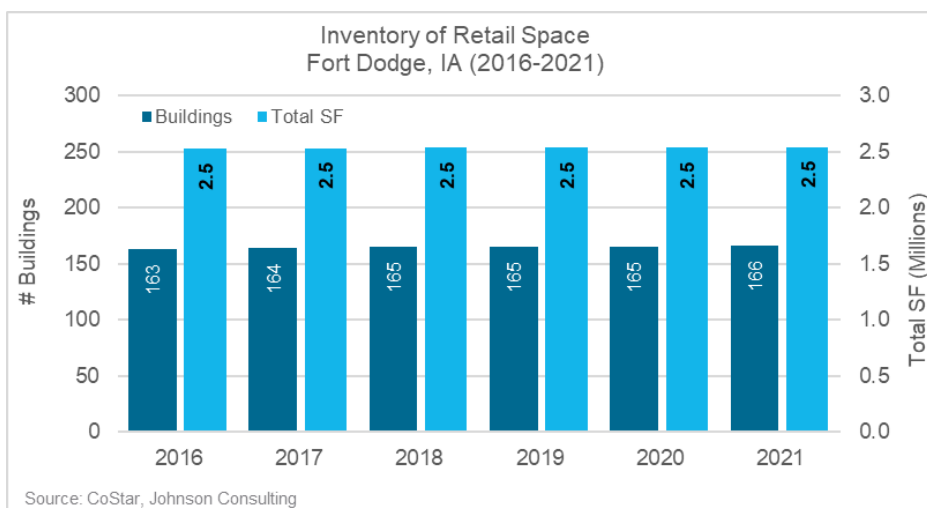
- A. **Retail:** 171,900 SF of retail stores and restaurants..
- B. **Hotel:** 32,000 SF including approximately 85 keys.
- C. **Multi-Purpose Entertainment/ Event Space:** 53,700 SF indoor multi-purpose entertainment/ recreation venue, a supplemental 6,500 SF indoor event space, and 15,000 SF outdoor events plaza/ park.

The following analysis provides a high-level feasibility assessment of the inclusion of these uses on the subject site, as proposed.

A. RETAIL

INVENTORY: In 2021 the Fort Dodge retail submarket was comprised of 166 retail properties totaling 2.5M SF. Figure 3 - 2 shows the total retail space inventory in the submarket since 2016, indicating that the inventory has remained relatively stable, with the total number of buildings increasing at an average annual rate of 0.3 percent and the total inventory of space increasing at an average annual rate of 0.1 percent between 2016 and 2021.

Figure 3 - 2





Community Centers represent the preponderance of retail properties in the Fort Dodge submarket, accounting for 1.7M SF of the total inventory (2.5M SF). Neighborhood and Strip Centers account for the balance of the retail inventory. Figure 3 - 3 provides definitions of these 3 types of retail centers, as provided by the International Shopping Centers Council (ICSC), an industry leader in retail analysis. It is noted that although these types of retail centers have relatively small trade areas by definition, Fort Dodge serves as a regional hub for retail activity, as described in the preceding section of this report and discussed in greater detail at the conclusion of this subsection.

Figure 3 - 3

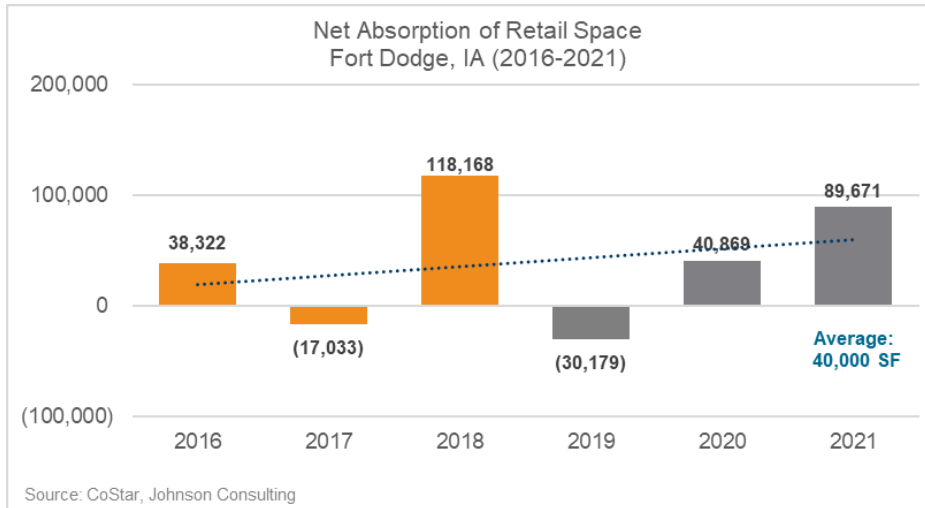
Retail Center Definitions			
Center Type	Concept	Typical Type of Anchors	Trade Area Size
Convenience/ Strip	Attached row of stores or service outlets managed by a coherent retail entity, with on-site parking usually located in front of the stores. Open canopies may connect the store fronts, but a strip center does not have enclosed walkways linking the stores. A strip center may be configured in a straight line, or have an "L" or "U" shape. A convenience center is among the smallest of the centers, whose tenants provide a narrow mix of goods and personal services to a very limited trade area.	Convenience store, such as a mini-mart.	< 1 mile
Neighborhood	Convenience-oriented.	Supermarket.	3 miles
Community	General merchandise or convenience-oriented offerings. Wider range of apparel and other soft goods offerings than neighborhood centers. The center is usually configured in straight line as a strip, or may be laid out in an "L" or "U" shapes, depending on site and design.	Discount store, supermarket, drug, large-specialty discount (toys, books, electronics, home improvement/ furnishings or sporting goods, etc).	3-6 miles

Source: ICSC, Johnson Consulting

ABSORPTION: 2021 data indicates that the Fort Dodge retail submarket reported a positive net absorption of 89,671 SF (whereby net absorption is defined as occupied space less vacated space). This continues the positive net absorption trend observed in 2020 (40,869 SF). Between 2016 and 2021, the submarket reported an average positive net absorption of 40,000 SF per annum, as shown in Figure 3 - 4.

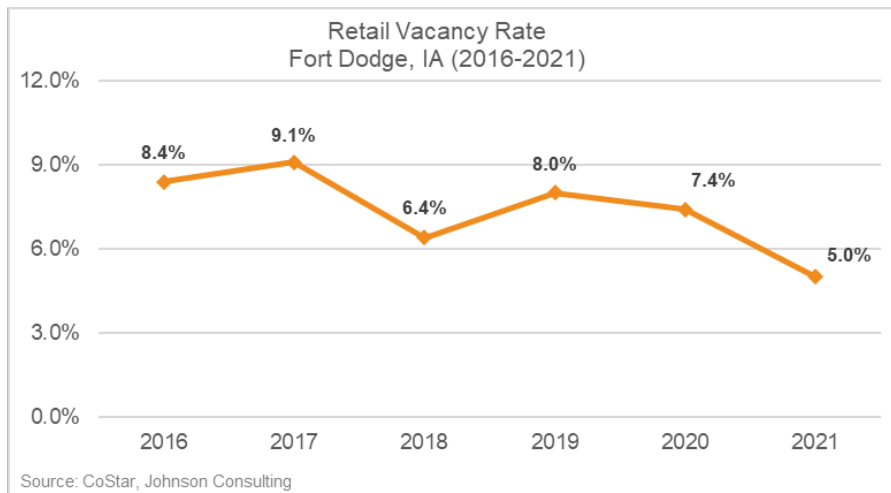


Figure 3 - 4



VACANCY: The vacancy rate in the Fort Dodge retail submarket has trended downwards from the most recent peak of 9.1 percent in 2017, contracting to 5.0 percent in 2021, which is the lowest vacancy reported since 2016. Figure 3 - 5 shows the vacancy rate in the Fort Dodge retail submarket since 2016, across all retail classifications.

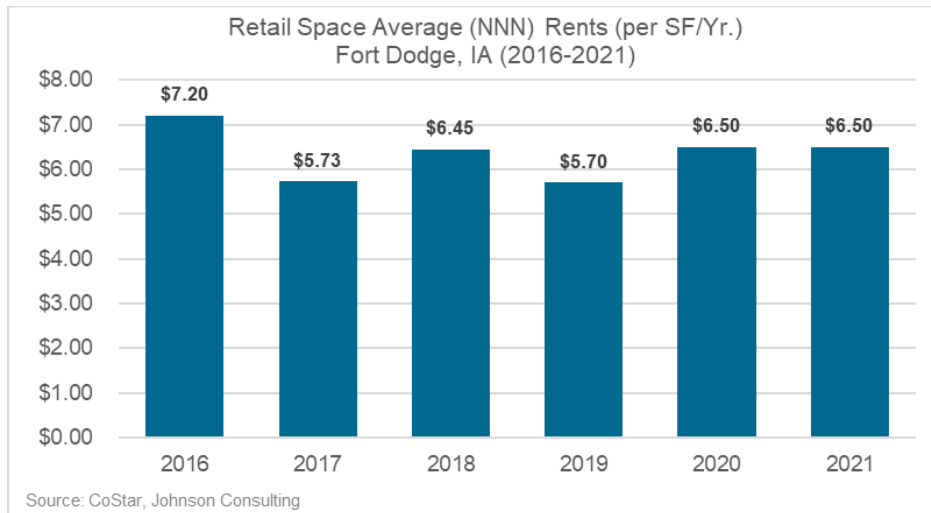
Figure 3 - 5





LEASE RATES: In 2021 the average (NNN) retail rent in the Fort Dodge submarket remained steady at \$6.50 per SF per annum. Between 2016 and 2021, rents contracted slightly at an average annual rate of (1.7) percent, as shown in Figure 3 - 6. This can be largely attributed to the closure of poor retail offerings, which has set the stage for demolition and new product, with little increases in net supply.

Figure 3 - 6



NEW INVENTORY AND PIPELINE DEVELOPMENT: Based upon data from LoopNet and CoStar, there is currently minimal to no retail space under construction or proposed in the Fort Dodge submarket, excluding the proposed project.

ASSESSMENT OF MARKET POTENTIAL: The Fort Dodge retail submarket is large relative to the overall population base, reflecting its role as a regional hub, and reports low vacancies, growing rents, and increasing absorption, with no inventory currently under construction or planned. Figure 3 - 7 presents a gap analysis, based upon current retail spend potential and reported retail sales in the Fort Dodge submarket, reflecting data from ESRI that includes retail classifications per the National American Industry Classification System (NAICS).



Figure 3 - 7

Retail Market Spend Leakage and Supportable Space Assessment Fort Dodge Submarket				
Retail Category*	Demand	Supply (Retail Sales)	Surplus/ Leakage	Supportable SF**
Motor Vehicles and Parts Dealers	\$56,343,930	\$69,085,107	(\$12,741,177)	-
Furniture & Home Furnishing Stores	\$7,152,893	\$23,481,562	(\$16,328,669)	-
Electronics & Appliance Stores	\$8,599,866	\$6,517,059	\$2,082,807	6,900
Building Materials, Garden Equipment & Supply Stores	\$15,593,678	\$34,332,253	(\$18,738,575)	-
Food & Beverage Stores	\$49,948,134	\$46,451,317	\$3,496,817	11,700
Health & Personal Care Stores	\$15,774,212	\$24,620,076	(\$8,845,864)	-
Gasoline Stations	\$27,309,329	\$20,937,894	\$6,371,435	21,200
Clothing & Clothing Accessories Stores	\$8,866,304	\$17,399,909	(\$8,533,605)	-
Sports Goods, Hobby, Book & Music Stores	\$6,352,140	\$10,609,698	(\$4,257,558)	-
General Merchandise Stores	\$44,516,293	\$128,886,541	(\$84,370,248)	-
Miscellaneous Store Retailers ¹	\$11,978,622	\$15,251,955	(\$3,273,333)	-
Non-Store Retailers ²	\$5,282,803	\$296,032	\$4,986,771	16,600
Food Services & Drinking Places	\$24,814,810	\$50,447,018	(\$25,632,208)	-
Total Supportable SF				56,400

* Major categories from NAICS.

** Assumes average retail sales per square foot of \$300

1. Includes florists, office supplies, stationary and gift stores, used merchandise stores.

2. Includes electronic shopping and mail-order houses, vending machine operators, and direct selling establishments.

Source: ESRI, Johnson Consulting

The data presented in Figure 3 - 7 confirms that Fort Dodge has a large retail inventory relative to its population base, reflecting its role as a regional hub of retail activity. Surplus spending is identified in the categories of Electronics and Appliance Stores, Food and Beverage Stores, Gasoline Stations and Non-Store Retailers (such as online shopping, vending machine operators, and direct selling establishments), with sufficient demand to support an estimated 56,400 SF of retail space, reflecting an average retail sales assumption of \$300 per SF. This is net new sales capture potential, and does not reflect replacement of existing inventory, which is the case for the subject property.



When Fort Dodge's regional draw is considered, an even larger retail spending surplus is identified. Anecdotal information from various client and stakeholder representatives indicates that the City's retail catchment area extends between 30 and 60 miles. In the interest of being conservative but realistic, Figure 3 - 8 presents a gap analysis, based upon current retail spend potential and reported retail sales within a 45-mile trade area from Fort Dodge.

Figure 3 - 8

Retail Market Spend Leakage and Supportable Space Assessment 45-Mile Radius of Subject Site				
Retail Category*	Demand	Supply (Retail Sales)	Surplus/ Leakage	Supportable SF**
Motor Vehicles and Parts Dealers	\$663,622,317	\$476,379,986	\$187,242,331	624,100
Furniture & Home Furnishing Stores	\$74,102,608	\$56,985,055	\$17,117,553	57,100
Electronics & Appliance Stores	\$92,008,151	\$52,218,768	\$39,789,383	132,600
Building Materials, Garden Equipment & Supply Stores	\$181,673,613	\$151,312,603	\$30,361,010	101,200
Food & Beverage Stores	\$554,814,273	\$654,450,873	(\$99,636,600)	-
Health & Personal Care Stores	\$176,321,725	\$134,681,247	\$41,640,478	138,800
Gasoline Stations	\$313,135,900	\$320,521,424	(\$7,385,524)	-
Clothing & Clothing Accessories Stores	\$91,904,421	\$67,902,985	\$24,001,436	80,000
Sports Goods, Hobby, Book & Music Stores	\$68,995,058	\$63,716,669	\$5,278,389	17,600
General Merchandise Stores	\$483,520,109	\$560,992,485	(\$77,472,376)	-
Miscellaneous Store Retailers ¹	\$138,634,910	\$71,876,869	\$66,758,041	222,500
Non-Store Retailers ²	\$59,046,243	\$41,245,391	\$17,800,852	59,300
Food Services & Drinking Places	\$263,003,435	\$244,867,669	\$18,135,766	60,500
Total Supportable SF				1,493,700

* Major categories from NAICS.

** Assumes average retail sales per square foot of \$300

1. Includes florists, office supplies, stationary and gift stores, used merchandise stores.

2. Includes electronic shopping and mail-order houses, vending machine operators, and direct selling establishments.

Source: ESRI, Johnson Consulting

As shown, within a 45-mile trade area, surplus spending is identified in almost all categories, with sufficient demand to support an estimated 1.5M SF of retail space, reflecting an average retail sales assumption of \$300 per SF (national average). This is consistent with the findings presented in the 2019 analyses prepared by The Retail Coach on behalf of the City.

Figure 3 - 9 summarizes our assessment of market-driven demand for the proposed retail uses on the redeveloped Crossroads Mall site.



Figure 3 - 9

Assessment of Retail Market Potential Corridor Plaza - Fort Dodge, IA							
	Proposed Program	Vacancy Trend	5 Year Av. Annual Absorption	Demand Potential	New Supply	Market-Supportable	
Retail Space (SF)	171,900 SF	↓	40,000	Market 56,400 SF	0 SF	✓	
				Trade Area* 1,493,700 SF			

Notes:		
Planned Retail	0 SF	(Excluding Proposed Project)

Observations: Estimate 2-3 years absorption (accounting for 5-year average absorption and positive net absorption in 2020 and 2021); Onsite residential development will drive additional demand to retailers.

* 45-mile radius.

Source: ATI, CoStar, Johnson Consulting

B. HOTEL

INVENTORY: Data from Smith Travel Research (STR), which is an independent hotel research firm whose statistics are widely used within the industry, indicates that there are 14 hotel properties located in Fort Dodge, all of which are within a 3.5-mile radius of the project site totaling 835 guest rooms. As shown in Figure 3 - 10, the largest hotels in the market are the 99-room Best Western Starlite Village and the 89-room Quality Inn Fort Dodge. Only 4 hotels offer meeting space, with the largest inventories being at Best Western Starlite Village (6,373 SF) and Quality Inn Fort Dodge (5,172 SF).



Figure 3 - 10

Hotel Inventory - Fort Dodge, IA (2021)					
Hotel	Distance from Subject Site (Miles)	Chain Scale*	Year Opened	Guest Rooms	Meeting Space (SF)
Baymont Inn & Suites Fort Dodge	0.3	Midscale	1994	44	-
Days Inn Fort Dodge	0.4	Economy	1984	67	-
Economy Inn	0.5	Independent	1951	24	-
Holiday Inn Express & Suites Fort Dodge	0.5	Upper Midscale	2014	82	675
Brookstone Inn & Suites	0.7	Independent	2019	64	-
Country Inn & Suites Fort Dodge	0.8	Upper Midscale	1998	60	576
Cobblestone Inn & Suites Fort Dodge	1.5	Upper Midscale	2014	45	-
Super 8 Fort Dodge	1.6	Economy	2003	45	-
Budget Traveler's Inn	1.6	Independent	1960	59	-
Sleep Inn & Suites Fort Dodge	2.6	Midscale	2016	65	-
AmericInn Lodge & Suites Fort Dodge	2.7	Midscale	2006	57	-
Quality Inn Fort Dodge	2.9	Midscale	1971	90	5,172
Countryside Inn	2.9	Independent	1955	44	-
Best Western Starlite Village	3.2	Midscale	1964	99	6,373
Total				845	12,796

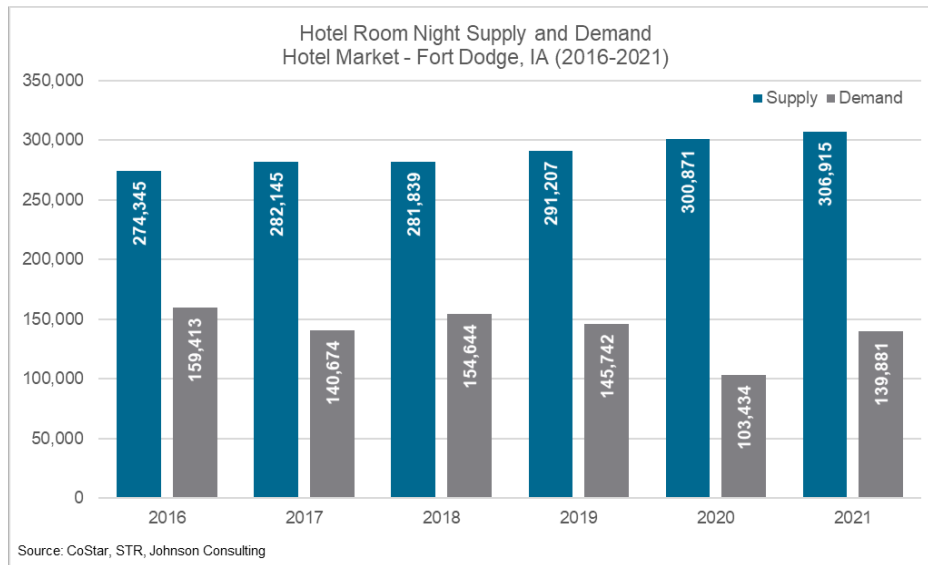
* Chain scale defined by Smith Travel Research (STR) whereby 1) Upscale are typically full-service hotel properties with a variety of onsite amenities, such as restaurants, meeting spaces, exercise rooms or spas; 2) Upper Midscale, Midscale and Economy are typically limited-service properties that offer limited facilities and amenities, typically without a full-service restaurant; 3) Independent are properties that are not affiliated with a chain and are independently operated.

Source: CoStar, STR, Johnson Consulting

MARKET TRENDS: Figure 3 - 11 shows key supply and demand statistics for the Fort Dodge hotel market, indicating that supply totaled 306,915 room nights in 2021, while demand totaled 139,881 room nights, despite the impact of the ongoing COVID-19 pandemic. Overall, between 2016 and 2019, room night supply increased at an average annual rate of 2.0 percent, while room night demand contracted at an average annual rate of (2.9) percent. It is noted that demand is fairly steady throughout the calendar year, with slight upticks observed during the summer months (May through September).



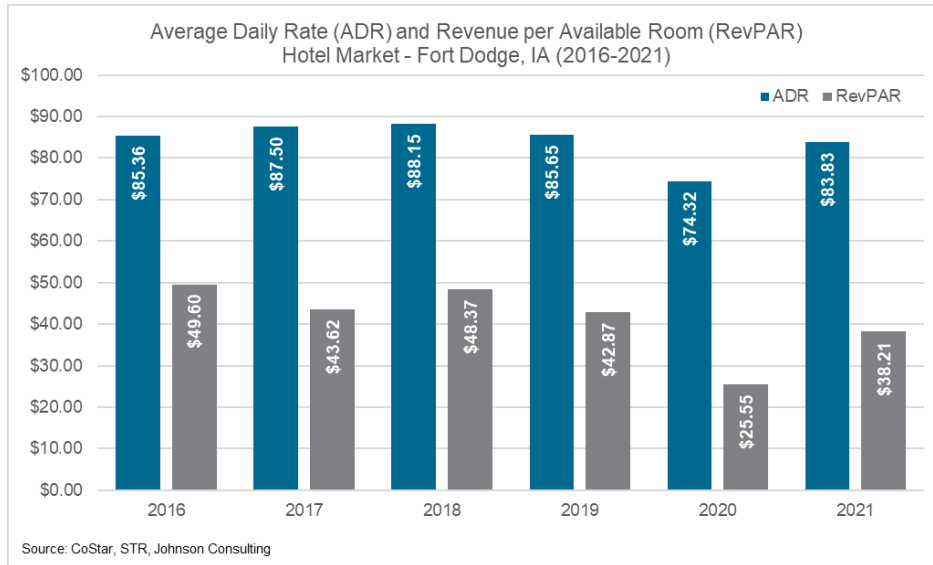
Figure 3 - 11



In 2021, the Fort Dodge hotel market recorded an Average Daily Rate (ADR) of \$83.83 and Revenue per Available Room (RevPAR) of \$38.21, representing an improvement over 2020 when the market reported an ADR of \$74.32 and a RevPAR of \$25.55. By comparison, in 2019 the market reported an ADR of \$85.65 and a RevPAR of \$42.87. Figure 3 - 12 shows ADR and RevPAR in the Fort Dodge hotel market between 2016 and 2021, indicating that ADR held relatively steady prior to the current pandemic, while RevPAR fluctuated somewhat.



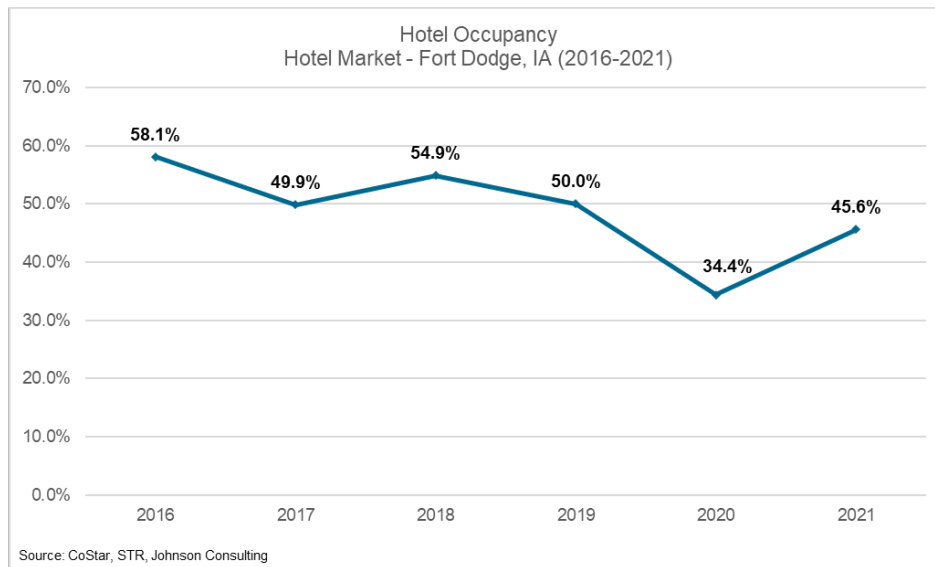
Figure 3 - 12



In 2020, the Fort Dodge hotel market recorded an occupancy of 34.4 percent, improving to 45.6 percent in 2021. This is in comparison to an occupancy of 50.0 percent in 2019 and is impacted significantly by the ongoing COVID-19 pandemic, although it is noted that occupancies have otherwise generally trended downwards since 2016. This may be in part attributed to a relative lack of new inventory. Figure 3 - 13 shows occupancies in the Fort Dodge hotel market since 2016, with an average occupancy of 53.2 percent reported between 2016 and 2019.



Figure 3 - 13



NEW INVENTORY AND PIPELINE DEVELOPMENT: There are currently no hotel properties under construction or planned in the Fort Dodge market, excluding the proposed development.

ASSESSMENT OF MARKET POTENTIAL: The Fort Dodge hotel market is characterized by modest occupancies but overall sound fundamentals. The recently opened Brookstone Inn and Suites, adjacent to Fort Frenzy, was the first hotel to come online since 2016. This suggests unmet demand and given the relatively small size of the new hotel (approximately 85 rooms), it is anticipated that there is sufficient demand to support an additional hotel in the market, particularly given the supporting amenities that are proposed for the balance of the redeveloped Crossroads Mall site.

Hotel occupancy rates nationally, and worldwide, have plummeted due to the COVID-19 pandemic. While the American Hotel and Lodging Association projects that travel and hotel business will not return to 2019 levels until 2024, STR indicates that the Iowa hotel market, and similar less-business and travel-centric markets nationally, ended 2020 with occupancy rates close to normal seasonal lows. Given the proposed timing of the hotel property within the Corridor Plaza District, beginning in 2023, it is anticipated that market trends should be closely aligned with 2018 and 2019 performance metrics.



Notwithstanding this, it is recommended that the hotel be designed to differentiate itself from existing supply in the market. This could be achieved by providing the proposed inventory of meeting space, which should ideally include a ballroom, and/ or through a dual brand, which would include some extended stay accommodation. This would be particularly attractive to the transient workforce. Figure 3 - 14 summarizes our assessment of market-driven demand for the proposed hotel rooms on the redeveloped Crossroads Mall site.

Figure 3 - 14

Assessment of Hotel Market Potential Corridor Plaza - Fort Dodge, IA			
	Proposed Program	New Supply	Market-Supportable
Hotel (Keys)	85 Keys	0 Keys	✓

Notes: Proposed Hotels	0 SF	Observations: Limited new supply added in 2019; Modest occupancies but overall sound fundamentals.
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Source: ATI, CoStar, STR, Johnson Consulting

C. MULTI-PURPOSE ENTERTAINMENT/ EVENT SPACE

INVENTORY: Fort Dodge has a relatively small inventory of (non-hotel) meeting and event spaces, as shown in Figure 3 - 15. The largest venues are the West Wing of the Auditorium Building at the Webster County Fairgrounds, with capacity for 600 attendees (note: the East Wing has capacity for 400 attendees and is connected to the West Wing by a hallway but is not truly contiguous), and the Lizard Creek Ranch and Event Center, with capacity for a maximum of 575 guests. Both of these venues also offer outdoor event space, as does the Willow Ridge Golf Course.



Figure 3 - 15

Event Venues - Fort Dodge, IA			
Venue	Type	Distance from Subject Site (Miles)	Max. Capacity (Persons)*
Tea Thyme	Event Center	0.6	49
Fort Frenzy Cardiff Center	Event Center	0.8	400
Fort Dodge Public Library	Meeting Room	2.0	n/a
Fort Museum Opera House	Auditorium/ Theatre	2.6	400
Iowa Central Community College - East Campus	Multi-Purpose Room	2.1	500
Fort Dodge Regional Airport Meeting Room	Meeting Room	4.5	100
Willow Ridge Golf Course	Event Center; Outdoor Space	4.6	200
Webster County Fairgrounds	Event Center (Fairgrounds); Outdoor Space	4.9	600
Lizard Creek Ranch and Event Center	Event Center; Outdoor Space	7.3	575

* Max. capacity of largest event space

Source: Pollstar, Fort Dodge CVB, Relevant Facilities, Johnson Consulting

As it relates to indoor sports facilities, the Fort Dodge market is primarily served by the Fort Dodge Community Recreation Center, which is located 1 mile to the west of the subject site, and facilities at Iowa Central Community College, which are located 3 miles to the southwest of the subject site.

ASSESSMENT OF MARKET POTENTIAL: The vision for the multi-purpose entertainment/ event space on the redeveloped Crossroads Mall site is a multi-use indoor venue that can accommodate sports and recreation activities (up to 4 basketball courts) as well as meetings, consumer/ public events, concerts, and similar, supplemented by an outdoor park/ plaza that will serve as an informal community gathering place, and also accommodate organized activities, such as live music, farmers markets, and food trucks, among others.

The indoor multi-purpose entertainment space will provide an attractive amenity for on-site tenants and residents, serve as a community asset and help to drive overall visitation and demand to the subject site. As proposed, it will be large enough to accommodate some tournament use, capitalizing on sports participation rates in the local market. Data from ESRI indicates a market potential index of 97 for basketball, which is generally consistent with the national average (whereby the U.S. has a market potential index of 100) and of 110 for volleyball. The outdoor space will also fill a void in the local market. While there are numerous outdoor recreation opportunities, Fort Dodge has a limited inventory of programmable outdoor gathering and event spaces. Figure 3 - 16 summarizes our assessment of market-driven demand for the proposed multi-purpose entertainment/ event space on the redeveloped Crossroads Mall site.



Figure 3 - 16

Assessment of Multi-Purpose Entertainment/ Event Space Market Potential Corridor Plaza - Fort Dodge, IA				
	Proposed Program	Demand Potential	New Supply	Market-Supportable
Multi-Purpose Entertainment Space (SF)	53,700 SF			
Outdoor Event Space/ Plaza (SF)	15,000 SF	Community and Visitors	0 SF	✓
Event Space (SF)	6,500 SF			

Notes:				
Planned Entertainment/ Event Venues	0 SF			

Observations:	Both indoor and outdoor space will activate site by attracting visitors and also creating a unique community asset; Limited indoor multi-purpose venues and outdoor entertainment offerings in Fort Dodge.			
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Source: ATI, Relevant Facilities, Johnson Consulting

SUMMARY OF MARKET-SUPPORTABLE USES

Based upon the preceding analysis, it is our opinion that the current program of land uses proposed for the redeveloped Crossroads Mall site is reasonable and market-supportable. Figure 3 - 17 provides a summary of our assessment of the proposed land use program.

Figure 3 - 17

Assessment of Market Potential Corridor Plaza - Fort Dodge, IA						
	Proposed Program	Vacancy Trend	5 Year Av. Annual Absorption	New Supply Outside District	Market-Supportable	Observations
Retail Space (SF)	171,900 SF	↓	40,000 SF	0 SF	✓	Estimate 2-3 years absorption (accounting for 5-year average absorption and positive net absorption in 2020 and 2021); Onsite residential development will drive additional demand to retailers.
Hotel (SF)	32,000 SF	-	-	0 SF	✓	Limited new supply added in 2019; Modest occupancies but overall sound fundamentals.
Entertainment/ Event Space (SF)	53,700 SF 15,000 SF 6,500 SF	-	-	0 SF	✓	Both indoor and outdoor space will activate site by attracting visitors and also creating a unique community asset; Limited indoor multi-purpose venues and outdoor entertainment of

Source: ATI, CoStar, Johnson Consulting

FINANCIAL ANALYSIS

FINANCIAL ANALYSIS

This section presents projections of market performance of the proposed land uses on the redeveloped Crossroads Mall site, within the Corridor Plaza District, over a 20-year period. Also provided is an examination that determines whether the overall development program is financially feasible as a real estate business, providing retail space for lease by commercial tenants, lodging accommodations for overnight visitors, and event space and multi-purpose entertainment uses for local residents and visitors, in which feasibility is measured by net operating income (or loss).

DEVELOPMENT PROGRAM

Various land uses of differing size and scale are proposed to be developed in multi-year phases on the Crossroads Mall site. Figure 4 - 1 summarizes the development program, planned opening year, and construction cost estimates associated with each proposed program element, based on preliminary information provided by the developer.

Figure 4 - 1

Corridor Plaza District - Fort Dodge, Iowa Summary of Development Program								
	Opening Year	Retail SF	Hotel Keys	Hotel SF	Entertainment SF	Plaza SF	Total SF	Construction Cost
Project 1								
Land	2022	-	-	-	-	-	-	\$1,155,440
Other Cost	2022	-	-	-	-	-	-	3,290,517
Building Salvage Retail (Site & Shell Only)	2022	71,785	-	-	-	-	71,785	8,680,791
Phase 2 Streets / Infrastructure	2022	-	-	-	-	-	-	5,054,244
C-Store	2022	4,100	-	-	-	-	4,100	2,648,600
Strip Center Retail (Site & Shell Only)	2022	9,500	-	-	-	-	9,500	1,966,500
North connection road	2022	-	-	-	-	-	-	-
Phase 3 Streets / Infrastructure	2023	-	-	-	-	-	-	5,785,303
Phase 3 Street Pavers	2023	-	-	-	-	-	-	-
Project 1 Total		85,385	-	-	-	-	85,385	\$28,581,395
Project 2								
Land	2024	-	-	-	-	-	-	\$1,031,324
Other Cost	2024	-	-	-	-	-	-	5,481,960
Exterior Entertainment Area	2024	-	-	-	-	15,000	15,000	1,155,000
Pavilion	2024	-	-	-	53,689	-	53,689	12,457,263
Pavilion Retail (Site & Shell Only)	2024	5,176	-	-	-	-	5,176	1,197,209
Events Space (Assumed 1 Story)	2024	-	-	-	6,500	-	6,500	2,054,000
Plaza with Stage	2024	-	-	-	-	-	-	3,023,646
Project 2 Total		5,176	-	-	60,189	15,000	80,365	\$26,400,401
Project 3								
Land	2023	-	-	-	-	-	-	\$3,144,340
Other Costs	2023	-	-	-	-	-	-	6,053,029
Strip Center Retail (Site & Shell Only)	2024	41,500	-	-	-	-	41,500	8,590,500
QSR	2026	3,800	-	-	-	-	3,800	1,064,000
Project 3 Total		45,300	-	-	-	-	45,300	\$18,851,869
Project 4								
Entertainment	2024	36,000	-	-	-	-	36,000	\$5,904,000
Hotel (Assumed 2 Story)	2024	-	85	32,000	-	-	32,000	8,256,000
Project 4 Total		36,000	85	32,000	-	-	68,000	\$14,160,000
TOTAL		171,861	85	32,000	60,189	15,000	279,050	\$87,993,665

Source: ATI, Johnson Consulting



FINANCIAL PROJECTIONS

The following analysis provides 20-year operating projections for all proposed retail, hotel, and event/entertainment uses, by Project. Projections are presented annually for Years 1 through 10 and then in 5-year increments through Year 20. All values are inflated at a conservative rate of 2.5 percent per annum.

PROJECT 1

As shown in Figure 4 - 1, Project 1 comprises 85,385 SF of retail space, and streets and infrastructure improvements. The following financial projections encompass the retail space only (the streets and infrastructure improvements are accounted for in the impact analysis presented in our Phase 2 report).

Key assumptions are summarized as follows:

- VACANCY:** An opening year vacancy rate of 10.0 percent is assumed, and a stabilized vacancy rate of 5.0 percent is applied in Year 3 of operations. This metric is intended to be conservative, as it is noted that the vacancy rate in the Fort Dodge retail submarket was 5.0 percent at the end of 2021.
- LEASE RATES:** Assumed to be \$10.51 per SF per annum in Year 1, reflecting reported lease rates in the Fort Dodge retail submarket, inflated to Year 1, and accounting for the anticipated quality of the new development.

Figure 4 - 2 provides a 20-year operating proforma for Project 1 within the proposed Corridor Plaza District.

Figure 4 - 2

Corridor Plaza District - Fort Dodge, Iowa Project 1 Operating Projections (\$000)												
	Year 1 2022	Year 2 2023	Year 3 2024	Year 4 2025	Year 5 2026	Year 6 2027	Year 7 2028	Year 8 2029	Year 9 2030	Year 10 2031	Year 15 2036	Year 20 2041
OPERATING ASSUMPTIONS												
Retail GSF Built	85,385	-	-	-	-	-	-	-	-	-	-	-
Accumulative GSF Built/ Available GSF	85,385	85,385	85,385	85,385	85,385	85,385	85,385	85,385	85,385	85,385	85,385	85,385
Accumulative NSF Built/ Available NSF	85%	72,577	72,577	72,577	72,577	72,577	72,577	72,577	72,577	72,577	72,577	72,577
Occupied NSF	65,320	67,134	68,948	68,948	68,948	68,948	68,948	68,948	68,948	68,948	68,948	68,948
Annual Rental Rate	\$10.00	\$10.25	\$10.51	\$10.77	\$11.04	\$11.31	\$11.60	\$11.89	\$12.18	\$12.49	\$14.13	\$15.99
OPERATING REVENUES												
Rental Revenues	\$653	\$688	\$724	\$742	\$761	\$780	\$800	\$820	\$840	\$861	\$974	\$1,102
Expense Reimbursements	1,104	1,163	1,224	1,255	1,286	1,318	1,351	1,385	1,420	1,455	1,646	1,863
Total	\$1,757	\$1,851	\$1,949	\$1,997	\$2,047	\$2,098	\$2,151	\$2,205	\$2,260	\$2,316	\$2,621	\$2,965
OPERATING EXPENSES												
Operating Expenses	\$10.62	\$907	\$929	\$953	\$977	\$1,001	\$1,026	\$1,052	\$1,078	\$1,105	\$1,132	\$1,281
Property Taxes, CAM, Insurance	\$6.28	536	550	563	577	592	607	622	637	653	670	758
Total	\$1,443	\$1,479	\$1,516	\$1,554	\$1,593	\$1,633	\$1,673	\$1,715	\$1,758	\$1,802	\$2,039	\$2,307
NET OPERATING INCOME	\$314	\$372	\$433	\$443	\$454	\$466	\$477	\$489	\$502	\$514	\$582	\$658

Source: Johnson Consulting

As shown, Project 1 within the proposed Corridor Plaza District is projected to generate a net operating income of \$314,000 in Year 1 (opening year). By Year 20, the net operating income is projected to total \$658,000.

PROJECT 2

Project 2 comprises a 53,700 SF indoor multi-purpose entertainment/ recreation venue (pavilion), a supplemental 6,500 SF indoor event space, and a 15,000 SF outdoor events plaza, along with 5,200 SF of retail space. The following financial projections encompass the event/ entertainment space only (the streets and infrastructure improvements are accounted for in the impact analysis presented in our Phase 2 report).

Key assumptions are summarized as follows:

1. **EVENT/ ENTERTAINMENT DEMAND:** The indoor multi-purpose pavilion is assumed to host 80 events annually and outdoor plaza is conservatively assumed to host 20 events per annum (during the summer months) of varying attendance reflecting the multitude of different event types that the venues are expected to attract. The programming vision for these 2 venues may yield higher demand than is included in these projections.

Figure 4 - 3 provides a 20-year operating proforma for Project 2 within the proposed Corridor Plaza District.

Figure 4 - 3

Corridor Plaza District - Fort Dodge, Iowa Project 2 Operating Projections (\$000)												
	Year 1 2022	Year 2 2023	Year 3 2024	Year 4 2025	Year 5 2026	Year 6 2027	Year 7 2028	Year 8 2029	Year 9 2030	Year 10 2031	Year 15 2036	Year 20 2041
DEVELOPMENT SCHEDULE	<i>Total Built-Out</i>											
Exterior Entertainment Area	-	-	15,000	-	-	-	-	-	-	-	-	-
Pavilion	-	-	53,689	-	-	-	-	-	-	-	-	-
Events Space (Assumed 1 Story)	-	-	6,500	-	-	-	-	-	-	-	-	-
Pavilion Retail (Site & Shell Only)	-	-	5,176	-	-	-	-	-	-	-	-	-
Total	-	-	80,365	-	-	-	-	-	-	-	-	-
OPERATING REVENUE (\$000)												
Exterior Entertainment Area	\$0	\$0	\$124	\$127	\$130	\$134	\$137	\$140	\$144	\$147	\$167	\$189
Pavilion & Events Space	0	0	1,715	1,757	1,801	1,846	1,893	1,940	1,988	2,038	2,306	2,609
Pavilion Retail (Site & Shell Only)	0	0	112	118	124	127	130	134	137	140	159	180
Total	\$0	\$0	\$1,951	\$2,002	\$2,056	\$2,107	\$2,160	\$2,214	\$2,269	\$2,326	\$2,632	\$2,977
OPERATING EXPENSES (\$000)												
Exterior Entertainment Area	\$0	\$0	\$93	\$95	\$98	\$100	\$103	\$105	\$108	\$111	\$125	\$141
Pavilion & Events Space	0	0	1,543	1,582	1,621	1,662	1,703	1,746	1,790	1,834	2,075	2,348
Pavilion Retail (Site & Shell Only)	0	0	92	94	97	99	101	104	107	109	124	140
Total	\$0	\$0	\$1,728	\$1,771	\$1,816	\$1,861	\$1,907	\$1,955	\$2,004	\$2,054	\$2,324	\$2,629
NET OPERATING INCOME (\$000)												
Exterior Entertainment Area	\$0	\$0	\$31	\$32	\$33	\$33	\$34	\$35	\$36	\$37	\$42	\$47
Pavilion & Events Space	0	0	171	176	180	185	189	194	199	204	231	261
Pavilion Retail (Site & Shell Only)	0	0	20	24	28	28	29	30	30	31	35	40
Total	\$0	\$0	\$222	\$231	\$240	\$246	\$252	\$259	\$265	\$272	\$308	\$348

Source: Johnson Consulting

As shown, Project 2 within the proposed Corridor Plaza District is projected to generate a net operating income of \$222,000 in Year 3 (opening year). By Year 20, the net operating income is projected to total \$348,000.



PROJECT 3

Project 3 comprises 45,300 SF of retail and restaurant space. Supplemental retail will be constructed when tenant negotiations occur.

Key assumptions are summarized as follows:

- RETAIL VACANCY AND LEASE RATES:** Consistent with Projects 1 and 2, for all retail premises in Project 3, an opening year vacancy rate of 10.0 percent is assumed, and a stabilized vacancy rate of 5.0 percent is applied in Year 3 of operations, and lease rates are assumed to be \$10.51 per SF per annum in Year 1.

Figure 4 - 4 provides a 20-year operating proforma for Project 3 within the proposed Corridor Plaza District.

Figure 4 - 4

Corridor Plaza District - Fort Dodge, Iowa Project 3 Operating Projections (\$000)												
	Year 1 2022	Year 2 2023	Year 3 2024	Year 4 2025	Year 5 2026	Year 6 2027	Year 7 2028	Year 8 2029	Year 9 2030	Year 10 2031	Year 15 2036	Year 20 2041
DEVELOPMENT SCHEDULE	<i>Total Built-Out</i>											
Retail	45,300 SF											
			41,500	-	3,800	-	-	-	-	-	-	-
OPERATING REVENUE (\$000)												
Retail	\$0	\$0	\$897	\$945	\$1,086	\$1,113	\$1,141	\$1,170	\$1,199	\$1,229	\$1,390	\$1,573
Total	\$0	\$0	\$897	\$945	\$1,086	\$1,113	\$1,141	\$1,170	\$1,199	\$1,229	\$1,390	\$1,573
OPERATING EXPENSES (\$000)												
Retail	\$0	\$0	\$737	\$755	\$845	\$866	\$888	\$910	\$933	\$956	\$1,082	\$1,224
Total	\$0	\$0	\$737	\$755	\$845	\$866	\$888	\$910	\$933	\$956	\$1,082	\$1,224
NET OPERATING INCOME (\$000)												
Retail	\$0	\$0	\$160	\$190	\$241	\$247	\$253	\$260	\$266	\$273	\$309	\$349
Total	\$0	\$0	\$160	\$190	\$241	\$247	\$253	\$260	\$266	\$273	\$309	\$349

Source: Johnson Consulting

As shown, Project 3 within the proposed Corridor Plaza District is projected to generate a net operating income of \$160,000 in Year 3 (opening year). By Year 20, the net operating income is projected to total \$349,000.



PROJECT 4

Project 4 comprises 36,000 SF of multi-purpose entertainment/ recreation space and an approximately 85-room hotel. It is understood that an entertainment-oriented tenant will be sought for one of the larger retail premises.

Key assumptions are summarized as follows:

1. **HOTEL OCCUPANCY:** An opening year average occupancy rate of 53.0 percent is assumed, and a stabilized occupancy rate of 68.0 percent is at stabilization (assumed to be Year 5). This metric is intended to be conservative, as it is noted that the market-wide hotel occupancy rate in Fort Dodge was 55.0 percent at the end of 2019.
2. **HOTEL AVERAGE DAILY RATE (ADR):** Assumed to be \$108.00 per room night in Year 1, reflecting the reported ADR in the Fort Dodge hotel market in 2019, inflated to Year 1, and accounting for the anticipated quality and supporting amenities of the new development, as well as inflation.

Figure 4 - 5 provides a 20-year operating proforma for Project 4 within the proposed Corridor Plaza District.

Figure 4 - 5

Corridor Plaza District - Fort Dodge, Iowa Project 4 Operating Projections (\$000)													
		Year 1 2022	Year 2 2023	Year 3 2024	Year 4 2025	Year 5 2026	Year 6 2027	Year 7 2028	Year 8 2029	Year 9 2030	Year 10 2031	Year 15 2036	Year 20 2041
DEVELOPMENT SCHEDULE	<i>Total Built-Out</i>												
Retail	36,000 SF	-	-	36,000	-	-	-	-	-	-	-	-	-
Hotel	85 rooms	-	-	85	-	-	-	-	-	-	-	-	-
OPERATING REVENUE (\$000)													
Retail		\$0	\$0	\$800	\$842	\$863	\$885	\$907	\$930	\$953	\$977	\$1,105	\$1,250
Hotel		0	0	2,678	2,974	3,290	3,372	3,466	3,543	3,632	3,722	4,223	4,765
Total		\$0	\$0	\$3,478	\$3,816	\$4,153	\$4,257	\$4,373	\$4,473	\$4,584	\$4,699	\$5,328	\$6,015
OPERATING EXPENSES (\$000)													
Retail		\$0	\$0	\$639	\$655	\$672	\$688	\$706	\$723	\$741	\$760	\$860	\$973
Hotel		0	0	1,875	2,082	2,303	2,361	2,426	2,480	2,542	2,606	2,956	3,336
Total		\$0	\$0	\$2,514	\$2,737	\$2,975	\$3,049	\$3,132	\$3,204	\$3,284	\$3,366	\$3,816	\$4,308
NET OPERATING INCOME (\$000)													
Retail		\$0	\$0	\$161	\$187	\$192	\$196	\$201	\$206	\$211	\$217	\$245	\$277
Hotel		0	0	803	892	987	1,012	1,040	1,063	1,089	1,117	1,267	1,429
Total		\$0	\$0	\$964	\$1,079	\$1,178	\$1,208	\$1,241	\$1,269	\$1,301	\$1,333	\$1,512	\$1,707

Source: Johnson Consulting

As shown, Project 4 within the proposed Corridor Plaza District is projected to generate a net operating income of \$964,000 in Year 3 (opening year). By Year 20, the net operating income is projected to total \$1.7 million.



SUMMARY

Figure 4 - 6 summarizes the financial projections for all Projects within the Corridor Plaza District.

Figure 4 - 6

Corridor Plaza District - Fort Dodge, Iowa												
ALL PROJECTS												
Operating Projections (\$000)												
	Year 1 2022	Year 2 2023	Year 3 2024	Year 4 2025	Year 5 2026	Year 6 2027	Year 7 2028	Year 8 2029	Year 9 2030	Year 10 2031	Year 15 2036	Year 20 2041
DEVELOPMENT SCHEDULE	<i>Total Built-Out</i>											
Project 1	85,385 SF	85,385	-	-	-	-	-	-	-	-	-	-
Project 2	80,365 SF	-	-	80,365	-	-	-	-	-	-	-	-
Project 3	45,300 SF	-	-	41,500	-	3,800	-	-	-	-	-	-
Project 4	68,000 SF	-	-	68,000	-	-	-	-	-	-	-	-
Total		85,385	-	189,865	-	3,800	-	-	-	-	-	-
OPERATING REVENUE (\$000)												
Project 1	\$1,757	\$1,851	\$1,949	\$1,997	\$2,047	\$2,098	\$2,151	\$2,205	\$2,260	\$2,316	\$2,621	\$2,965
Project 2	0	0	1,951	2,002	2,056	2,107	2,160	2,214	2,269	2,326	2,632	2,977
Project 3	0	0	897	945	1,086	1,113	1,141	1,170	1,199	1,229	1,390	1,573
Project 4	0	0	3,478	3,816	4,153	4,257	4,373	4,473	4,584	4,699	5,328	6,015
Total	\$1,757	\$1,851	\$8,275	\$8,761	\$9,342	\$9,576	\$9,825	\$10,061	\$10,312	\$10,570	\$11,971	\$13,531
OPERATING EXPENSES (\$000)												
Project 1	\$1,443	\$1,479	\$1,516	\$1,554	\$1,593	\$1,633	\$1,673	\$1,715	\$1,758	\$1,802	\$2,039	\$2,307
Project 2	0	0	1,728	1,771	1,816	1,861	1,907	1,955	2,004	2,054	2,324	2,629
Project 3	0	0	737	755	845	866	888	910	933	956	1,082	1,224
Project 4	0	0	2,514	2,737	2,975	3,049	3,132	3,204	3,284	3,366	3,816	4,308
Total	\$1,443	\$1,479	\$6,495	\$6,817	\$7,228	\$7,409	\$7,601	\$7,784	\$7,979	\$8,178	\$9,261	\$10,469
NET OPERATING INCOME (\$000)												
Project 1	\$314	\$372	\$433	\$443	\$454	\$466	\$477	\$489	\$502	\$514	\$582	\$658
Project 2	0	0	222	231	240	246	252	259	265	272	308	348
Project 3	0	0	160	190	241	247	253	260	266	273	309	349
Project 4	0	0	964	1,079	1,178	1,208	1,241	1,269	1,301	1,333	1,512	1,707
Total	\$314	\$372	\$1,780	\$1,943	\$2,114	\$2,167	\$2,224	\$2,277	\$2,334	\$2,392	\$2,710	\$3,062

Source: Johnson Consulting

As shown, the proposed Projects within the District are projected to achieve a net operating income of \$314,000 in 2022 (Year 1 of District operations), increasing to \$2.1 million in 2027 (Year 5 and completion of full build-out), and to \$3.0 million in 2041 (Year 20).



CONCLUSION

The proposed Corridor Plaza project will play a critical role in enhancing the long-term attractiveness and success of Fort Dodge as a regional hub of activities. Each proposed land use will contribute to this overall success in a variety of ways, as follows:

1. **Retail:** Provides new and attractive retail opportunities for residents and visitors alike. This will serve to enhance the overall image of Fort Dodge and provide necessary amenities to drive demand to the local area.
2. **Hotel:** The new hotel property will serve to strengthen the image of Fort Dodge as a destination for corporate, group and leisure travelers. It will also increase the critical mass of hotel rooms, thereby helping to drive up Average Daily Rates (ADR) and Revenue per Available Room (RevPAR) at existing properties. The proposed hotel at Corridor Plaza will also provide the support necessary to allow businesses and entertainment/ cultural entities to advance.
3. **Multipurpose Entertainment/ Event Space:** Fills a gap in the market and provides synergistic, new and attractive amenities for residents and visitors. The outdoor plaza in particular will help to activate the site, thereby driving additional demand to retail premises and other proposed uses within the District.

Section G.3: Phase 2 – Impact Analysis

PHASE 2: IMPACT ANALYSIS CORRIDOR PLAZA DISTRICT

SUBMITTED TO
City of Fort Dodge

SUBMITTED BY
Johnson Consulting

DATE
February 2022





February 24, 2022

Mr. Chad Schaeffer
Chief Development Officer
City of Fort Dodge
cschaeffer@fortdodgeiowa.org

Re: Corridor Plaza District – Phase 2: Impact Analysis

Dear Chad,

Johnson Consulting is pleased to submit this report regarding the proposed Corridor Plaza District. Pursuant to our engagement, this report provides an economic and fiscal impact analysis of the proposed District, including specific calculations to support City's application under the State of Iowa's Reinvestment Act (IRA) Iowa Reinvestment District Program.

Johnson Consulting has no responsibility to update this report for events and circumstances occurring after the date of this report. As the scale of the global COVID-19 pandemic impact is still uncertain, our report outlines our assumptions based on experience from previous economic disruptions, but the actual impact will not be known for the foreseeable future. The findings presented herein reflect analyses of primary and secondary sources of information. Johnson Consulting used sources deemed to be reliable, but cannot guarantee their accuracy. Moreover, some of the estimates and analyses presented in this study are based on trends and assumptions, which can result in differences between projected results and actual results. Because events and circumstances frequently do not occur as expected, those differences may be material. This report is intended for the Clients' internal use and cannot be used for project underwriting purposes without Johnson Consulting's written consent.

We have enjoyed serving you on this engagement and look forward to providing you with continuing service.

Sincerely,

C.H. Johnson Consulting, Inc.

C.H. JOHNSON CONSULTING, INC.

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INTRODUCTION AND EXECUTIVE SUMMARY

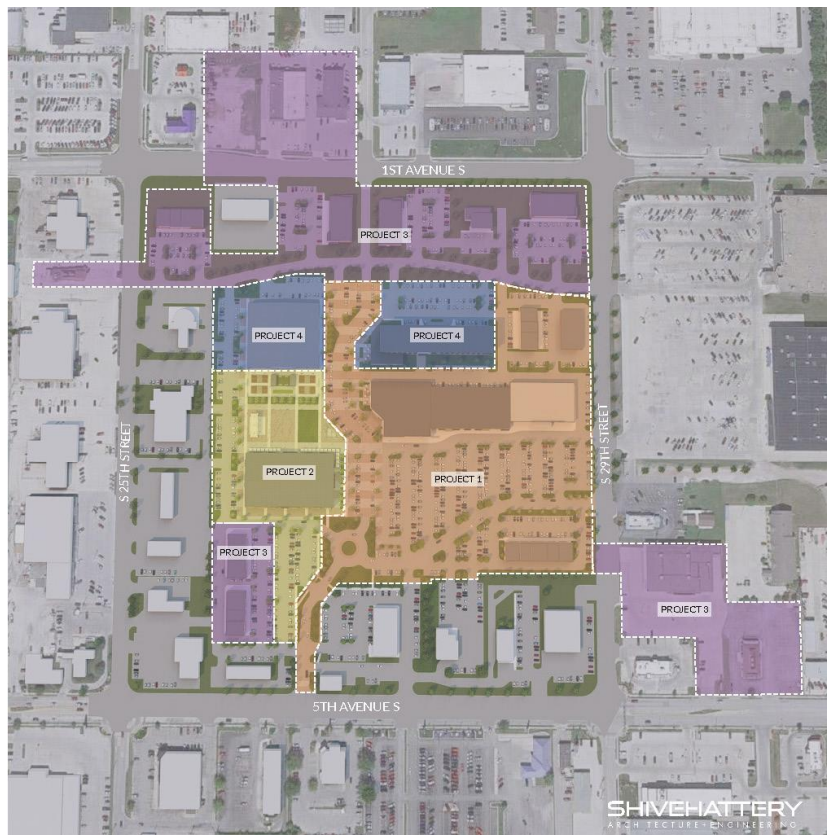
INTRODUCTION

Johnson Consulting was retained by ATI Group, on behalf of the City of Fort Dodge, to prepare an analysis of the impact of the proposed Corridor Plaza development on local, regional, and state economies. This report will support the City of Fort Dodge's application under the State of Iowa's Reinvestment Act (IRA) Iowa Reinvestment District Program to establish the Corridor Plaza District. Specifically, our engagement is comprised of 2 phases of work:

- **Phase 1: Feasibility Study** focusing on proposed projects within the District.
- **Phase 2: Economic and Fiscal Impact Analysis** of all development within the proposed Corridor Plaza District, as defined by the City.

This report serves as Phase 2 and provides estimates of the economic and fiscal impact of proposed development and activities within the Crossroads Plaza District. Figure 1 - 1 shows the proposed District boundary, highlighting 3 project areas (Project 1, Project 2, Project 3 and Project 4).

Figure 1 - 1



Source: Shive Hattery



REINVESTMENT DISTRICT PROGRAM

Following the model established in many states, and pursuant to the Iowa Reinvestment Act (IRA), via a competitive process, the Iowa Reinvestment District Program “provides for as much as a total of \$100 million in new tax revenues generated by revenue-generating projects in certain districts to be ‘reinvested’ within those districts.” To be eligible to compete for a portion of these funds, under the program, the potential district must meet the following requirements:

- The area must consist only of parcels of real property that the governing body of the municipality determines will be directly and substantially benefited by development in the potential district,
- The area must be in whole or in part either an economic development enterprise zone or an urban renewal area, designated under the Iowa Code, and
- The area must consist of contiguous parcels and must not exceed 75 acres in total (for projects approved after July 1, 2020).

Applicants are required to submit a district plan that must be approved by the governing body of the municipality and must clearly state the governing body’s intention to establish a district. Feasibility and economic impact analyses are also required, including:

- The amount of gross revenues expected to be collected in the district as a result of the potential project for each year that the district is in existence.
- Detailed explanation of the manner and extent to which the potential project will contribute to the economic development of the State and the municipality, including an analysis of the project’s economic impact.
- Estimate of the number of visitors or customers the potential project will generate during each year that the district exists.
- Description of the unique characteristics of the potential project.
- Detailed analysis of the financial benefit of the potential district to the economy of the State and the municipality.
- Identification of one or more projected market areas in which the district can reasonably be expected to have substantial economic impact.
- Assessment of the fiscal and financial impact of the potential district on businesses or on other economic development projects within the projected market area.



Additional conditions that must be met by the potential district include:

- The projects proposed to be undertaken in the district must be of a unique nature and must be likely to have a substantial beneficial impact on the economy of the State and the economy of the municipality. “Unique nature” is defined as “a quality or qualities of the projects to be developed in the district which, when considered in the entirety, will substantially distinguish the district’s projects from other existing or potential developments in the State.” Projects will be evaluated based on whether they will either: (i) permanently transform the aesthetics or infrastructure of a local community for the better, or (ii) contribute substantially more to the State’s economy or quality of life than other similar projects in the State.
- The potential funding sources for each potential project must be feasible.
- At least one of the projects proposed to be undertaken in the district must include a capital investment of at least \$10 million.
- The total amount of potential funding from new tax revenues to be remitted to the municipality from the fund for all potential projects in the potential district plan must not exceed 35 percent of the total cost of all potential projects in the potential district plan.
- The amount of potential capital investment within the potential district related to retail businesses in the potential district must not exceed 50 percent of the total capital investment for all potential projects in the proposed district plan.
- The applicant is not requesting a plan amendment to increase the maximum benefit amount for an already approved district.

STUDY OBJECTIVES

Pursuant to the requirements of the IRA application process, the key objectives of this study are to:

- A. Determine the amount of State sales and hotel/ motel tax revenues expected to be collected in the District, as a result of the proposed project as identified in Phase 1 of this study, for each year that the District is in existence.
- B. Assess the manner and extent to which the projects will contribute to the economic development of the State and the municipality, including an analysis of the economic and fiscal impact of the proposed developments.
- C. Estimate of the number of visitors or customers the project will attract during each year that the District exists.



METHODOLOGY

In order to determine how the proposed Crossroads Plaza District will impact Fort Dodge and the State of Iowa, and building upon the feasibility analysis conducted in Phase 1, Johnson Consulting performed the following tasks:

1. Performed an economic and fiscal impact analysis of the proposed District by its project components, using an IMPLAN input-output model specifically purchased from IMPLAN Group, LLC. IMPLAN is a nationally recognized model commonly used to estimate economic impacts. An input-output model analyzes the commodities and income that normally flow through the various sectors of the economy.
2. Calculated the tax revenues by jurisdiction over a 20-year time period, including a specific estimation of the potential tax revenues from the District that will be available to support the Reinvestment District Program as allowed by IRA.

EXECUTIVE SUMMARY

Figure 1 - 2 summarizes the estimated spending and impacts associated with the proposed Corridor Plaza District over a 20-year period. In Year 20, the annual economic impact of the proposed District is estimated to include \$78.7 million of total spending, \$11.7 million in increased earnings, and support 153 FTE jobs. In the same year, the annual fiscal impact is projected to include \$11.1 million in tax revenues to the state and local governments. Through the 20-year period of operations, the fiscal impact of the District is projected to total \$167.9 million in tax revenues.

Figure 1 - 2

Corridor Plaza District - Fort Dodge, Iowa ALL PROJECTS Estimated Economic and Fiscal Impact (\$Million)													
		Year 1 2022	Year 2 2023	Year 3 2024	Year 4 2025	Year 5 2026	Year 6 2027	Year 7 2028	Year 8 2029	Year 9 2030	Year 10 2031	Year 15 2036	Year 20 2041
DIRECT SPENDING (\$M)	<i>Total Built-Out</i>												
Project 1	85,385 SF	\$13.6	\$14.3	\$15.1	\$15.5	\$15.9	\$16.3	\$16.7	\$17.1	\$17.5	\$17.9	\$20.3	\$23.0
Project 2	80,365 SF	0.0	0.0	2.7	2.8	2.9	3.0	3.0	3.1	3.2	3.3	3.7	4.2
Project 3	45,300 SF	0.0	0.0	6.9	7.3	8.4	8.6	8.8	9.1	9.3	9.5	10.8	12.2
Project 4	68,000 SF	0.0	0.0	9.1	9.7	10.2	10.5	10.7	11.0	11.3	11.6	13.1	14.8
Total		\$13.6	\$14.3	\$33.8	\$35.3	\$37.4	\$38.3	\$39.3	\$40.2	\$41.2	\$42.3	\$47.8	\$54.1
ECONOMIC IMPACT (\$M)	<i>Multiplier</i>												
Direct Spending		\$13.6	\$14.3	\$33.8	\$35.3	\$37.4	\$38.3	\$39.3	\$40.2	\$41.2	\$42.3	\$47.8	\$54.1
Indirect Spending	0.258	3.5	3.7	8.7	9.1	9.6	9.9	10.1	10.4	10.6	10.9	12.3	14.0
Induced Spending	0.196	2.7	2.8	6.6	6.9	7.3	7.5	7.7	7.9	8.1	8.3	9.4	10.6
Total Spending		\$19.8	\$20.8	\$49.2	\$51.4	\$54.3	\$55.7	\$57.1	\$58.5	\$60.0	\$61.5	\$69.6	\$78.7
Increased Earnings	0.216	\$2.9	\$3.1	\$7.3	\$7.6	\$8.1	\$8.3	\$8.5	\$8.7	\$8.9	\$9.1	\$10.3	\$11.7
Employment (FTE Jobs)	4.524	62	63	146	148	153	153	153	153	153	153	153	153
FISCAL IMPACT (\$M)	<i>Rate</i>												
Sales Tax	7.0%	\$1.0	\$1.0	\$2.2	\$2.3	\$2.5	\$2.5	\$2.6	\$2.7	\$2.7	\$2.8	\$3.2	\$3.6
Hotel/ Motel Tax	7.0%	-	-	0.1	0.1	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2
State Excise (Hotel/ Motel) Tax	5.0%	-	-	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.2
Income Tax	6.9%	0.2	0.2	0.5	0.5	0.6	0.6	0.6	0.6	0.6	0.6	0.7	0.8
Property Tax	4.455%	1.3	1.3	4.1	4.2	4.4	4.5	4.6	4.7	4.8	4.9	5.6	6.3
Total		\$2.4	\$2.5	\$7.1	\$7.3	\$7.7	\$7.9	\$8.1	\$8.3	\$8.5	\$8.7	\$9.8	\$11.1
20-Year Total Fiscal Impact =													\$167.9

Source: Johnson Consulting



ESTIMATED TAX REVENUES ALLOWED FOR IRA FUNDING

Pursuant to the Reinvestment District Program, reinvestment districts may be eligible for 4 percent (of the 6 percent) Sales Tax revenues on new taxable sales and 5 percent of Excise Tax revenues on new hotel rooms. Figure 1 - 3 shows the total new sales and hotel/ motel tax revenues that are expected to be generated by activities within the District and presents a calculation of the portion that is eligible pursuant to the requirements of the Program, over a 20-year period.

Figure 1 - 3

Corridor Plaza District - Fort Dodge, Iowa Estimated Tax Revenues Generated within District Boundaries only (\$Million)								
	Year	Sales Tax (7%)*		Local Hotel/ Motel Tax on Rooms	Excise Tax on Rooms**	TOTAL	Available to Reinvestment Program as Allowed by IRA**	Retained by Jurisdictions
		4.0%**	3.0%	7.0%	5.0%			
		(A)	(B)	(C)	(D)	(E)	(F) = (A) + (D)	(G) = (E) - (F)
	2022	\$0.455	\$0.341	\$0.000	\$0.000	\$0.796	\$0.455	\$0.341
	2023	0.481	0.361	0.000	0.000	0.842	0.481	0.361
	2024	1.227	0.920	0.133	0.095	2.375	1.322	1.053
	2025	1.282	0.962	0.147	0.105	2.496	1.387	1.109
	2026	1.360	1.020	0.163	0.116	2.659	1.476	1.183
	2027	1.394	1.045	0.167	0.119	2.725	1.513	1.212
	2028	1.429	1.072	0.172	0.123	2.795	1.552	1.243
	2029	1.464	1.098	0.176	0.125	2.863	1.590	1.274
	2030	1.501	1.126	0.180	0.129	2.935	1.629	1.306
	2031	1.538	1.154	0.184	0.132	3.008	1.670	1.338
	2032	1.577	1.183	0.190	0.135	3.085	1.713	1.372
	2033	1.616	1.212	0.194	0.138	3.161	1.755	1.406
	2034	1.657	1.242	0.199	0.142	3.240	1.798	1.441
	2035	1.698	1.274	0.204	0.145	3.321	1.843	1.477
	2036	1.741	1.306	0.209	0.149	3.405	1.890	1.515
	2037	1.784	1.338	0.214	0.153	3.489	1.937	1.552
	2038	1.829	1.371	0.219	0.157	3.576	1.985	1.591
	2039	1.874	1.406	0.225	0.161	3.665	2.035	1.630
	2040	1.922	1.441	0.231	0.165	3.759	2.087	1.672
	2041	1.969	1.477	0.236	0.169	3.851	2.138	1.713
	Total thru 2041	\$29.797	\$22.348	\$3.441	\$2.458	\$58.045	\$32.256	\$25.789

*Applied to general retail, food and beverage, parking, and other revenues, but NOT applied to rooms.
 Total tax rate is 7 percent, of which 4 percent is allowed by IRA to be available for Iowa Reinvestment District Program.
 **These tax revenues are available for District Reinvestment Program, as allowed by IRA.
 Source: Johnson Consulting



ELIGIBLE IRA FUNDING ALLOCATION

While the eligible sales and hotel/ motel tax amounts are projected to total \$32.3 million over 20 years, the Reinvestment District Program imposes a limit on funding whereby eligible funding cannot exceed 35 percent of the total cost of all proposed projects within the District plan. Based on the estimated construction cost of \$91.3 million (inflated over a phased construction period), total funding potential is limited to \$32.0 million. This represents the upper limit of eligible funding for the Corridor Plaza District, and exceeds the eligible tax revenues, as shown in Figure 1 - 4.

Figure 1 - 4

Corridor Plaza District - Eligible IRA Funding Allocation			
Eligible Tax Revenues			Allocation Amount (\$M)
	<u>20-yr Total</u>	<u>Max. Allocation per IRA</u>	
	<u>(\$M)</u>		
Total Potential Allocation			
New Sales Tax ¹	\$52.1	57% ²	\$29.8
State Excise (Hotel/ Motel) Tax	\$2.5	100%	\$2.5
Total			\$32.3³
Max. Funding Allowance⁴	<u>Project Cost</u>	<u>Max. %</u>	
based on Project Cost	\$91.3	35%	\$32.0
Eligible Funding			\$32.0

1. Only new sales are eligible. New sales are those over the baseline sales amount prior to the District commencement.

2. Reflecting the 4% portion of the total 7% sales tax rate. Only 4% of new sales are allowed for funding.

3. The amount corresponds to the total shown in Figure 2-11

4. Total funding must not exceed 35% of total project cost

Source: ATI, IRA, Johnson Consulting

IMPACT ANALYSIS

IMPACT ANALYSIS

When construction of the proposed projects on the priority development sites is complete, retail space is leased and hotel rooms are occupied, various transactions occurring within the Corridor Plaza District will generate ongoing, annual economic and fiscal impacts to the local and regional economies. Initial transactions occurring within each project element will ‘ripple out’ and generate indirect spending, induced spending, increased earnings, and employment, as well as various tax revenues for the local economy.

DEFINITIONS

ECONOMIC IMPACT

Economic impact is defined as incremental new spending in an economy that is the direct result of certain activities, facilities, or events. The levels of impacts are defined as follows:

- **DIRECT SPENDING** – is an expression of the spending that occurs as a direct result of the project being developed. For example, expenditures by shoppers, diners, and other business patrons at the various retail premises on the subject site are direct spending.
- **INDIRECT SPENDING** – consists of re-spending of the initial or direct expenditures, or, the supply of goods and services resulting from the initial direct spending at the project. For example, a shopper’s direct expenditure on a retail purchase causes the store to purchase goods and other items from suppliers. The portion of these store purchases that come from within the local, regional, or state economies is counted as indirect spending.
- **INDUCED SPENDING** – represents changes in local consumption due to the personal spending by employees whose incomes are affected by direct and indirect spending. For example, a waiter at the restaurant may spend more because he/she earns more. The amount of the increased income the waiter spends in the local economy is called induced spending.
- **INCREASED EARNINGS** – measures increased employee and worker compensation related to the project being developed. This figure represents increased payroll expenditures, including benefits paid to workers locally. It also expresses how the employees of local businesses share in the increased outputs.
- **EMPLOYMENT** – measures the number of jobs supported in the study area related to the spending at the development. Employment impact is stated in the number of full-time equivalent jobs.

Indirect and induced spending, increased earnings, and employment are estimated using a set of multiplier rates shown in the Figure 2 - 1.



Figure 2 - 1

Corridor Plaza District - Fort Dodge, Iowa Economic Impact Multipliers		
	Rate	
Indirect Spending	0.258	per \$1 of direct spending
Induced Spending	0.196	per \$1 of direct spending
Increased Earnings	0.216	per \$1 of direct spending
Employment (FTE Jobs)	4.524	per \$1 million of direct spending

Source: Johnson Consulting

FISCAL IMPACT ANALYSIS

Fiscal impact analysis measures the estimated tax revenues resulting from direct spending on certain activities, facilities, or events. For this analysis, the fiscal impact estimates focus on major categories of tax revenues that are directly affected by a worker or visitor’s activity – sales tax, hotel/ motel tax or bed tax, corporate income tax, and property tax. The current applicable tax rates are summarized in Figure 2 - 2.

Figure 2 - 2

Corridor Plaza District - Fort Dodge, Iowa Applicable Tax Rates	
	Rates
Sales Tax	7.0%
Hotel/ Motel Tax	7.0%
State Excise (Hotel/ Motel) Tax	5.0%
Income Tax	6.9%*
Property Tax	4.455%

*Reflecting an effective rate

Source: Iowa Department of Revenue, City of Fort Dodge



IMPACT OF PROJECT 1

Figure 2 - 3 summarizes the estimated spending and impacts associated with Project 1, which is planned to comprise 85,385 SF of retail space, commencing Year 1, along with streets and infrastructure improvements. As shown, in Year 20 the annual economic impact of Project 1 is estimated to include \$33.4 million of total spending, \$5.0 million in increased earnings, and 65 full-time equivalent (FTE) jobs. In the same year, the annual fiscal impact is projected to include \$4.0 million in tax revenues to the state and local governments. Cumulatively, over a 20-year period, the fiscal impact of Project 1 is projected to total \$63.7 million in tax revenues.

Figure 2 - 3

Corridor Plaza District - Fort Dodge, Iowa Project 1 Estimated Economic and Fiscal Impact (\$Million)												
	Year 1 2022	Year 2 2023	Year 3 2024	Year 4 2025	Year 5 2026	Year 6 2027	Year 7 2028	Year 8 2029	Year 9 2030	Year 10 2031	Year 15 2036	Year 20 2041
KEY MEASURES OF ACTIVITIES												
Available Retail GSF	85,385	85,385	85,385	85,385	85,385	85,385	85,385	85,385	85,385	85,385	85,385	85,385
Occupied/ Leased Retail NSF	65,320	67,134	68,948	68,948	68,948	68,948	68,948	68,948	68,948	68,948	68,948	68,948
Total Sales (\$M)	\$200	\$13.1	\$13.8	\$14.5	\$14.8	\$15.2	\$15.6	\$16.0	\$16.4	\$16.8	\$17.2	\$19.5
Estimated # of Employees (a)	\$120,000	109	112	115	115	115	115	115	115	115	115	115
Estimated Salaries and Wages (\$M)	\$27,800	\$3.0	\$3.2	\$3.4	\$3.4	\$3.5	\$3.6	\$3.7	\$3.8	\$3.9	\$4.0	\$4.5
Est. Spending by Employees (\$M) (b)	\$20	\$0.5	\$0.6	\$0.6	\$0.6	\$0.6	\$0.7	\$0.7	\$0.7	\$0.7	\$0.7	\$0.8
Est. Property Value (\$M)	\$28.58	\$28.6	\$29.3	\$30.0	\$30.8	\$31.5	\$32.3	\$33.1	\$34.0	\$34.8	\$35.7	\$40.4
ECONOMIC IMPACT (\$M)												
Direct Spending	<i>Multiplier</i>	\$13.6	\$14.3	\$15.1	\$15.5	\$15.9	\$16.3	\$16.7	\$17.1	\$17.5	\$17.9	\$20.3
Indirect Spending	0.258	3.5	3.7	3.9	4.0	4.1	4.2	4.3	4.4	4.5	4.6	5.2
Induced Spending	0.196	2.7	2.8	3.0	3.0	3.1	3.2	3.3	3.4	3.4	3.5	4.0
Total Spending		\$19.8	\$20.8	\$21.9	\$22.5	\$23.1	\$23.6	\$24.2	\$24.8	\$25.5	\$26.1	\$29.5
Increased Earnings	0.216	\$2.9	\$3.1	\$3.3	\$3.3	\$3.4	\$3.5	\$3.6	\$3.7	\$3.8	\$3.9	\$4.4
Employment (FTE Jobs)	4.524	62	63	65	65	65	65	65	65	65	65	65
FISCAL IMPACT (\$M)												
Sales Tax	<i>Rate</i>	7.0%	\$1.0	\$1.0	\$1.1	\$1.1	\$1.1	\$1.2	\$1.2	\$1.2	\$1.3	\$1.4
Hotel/ Motel Tax	7.0%	-	-	-	-	-	-	-	-	-	-	-
State Excise (Hotel/ Motel) Tax	5.0%	-	-	-	-	-	-	-	-	-	-	-
Income Tax	6.9%	0.2	0.2	0.2	0.2	0.2	0.3	0.3	0.3	0.3	0.3	0.4
Property Tax	4.455%	1.3	1.3	1.3	1.4	1.4	1.4	1.5	1.5	1.6	1.6	1.8
Total		\$2.4	\$2.5	\$2.6	\$2.7	\$2.8	\$2.9	\$3.0	\$3.0	\$3.1	\$3.5	\$4.0

a) Assumed to be one employee per \$120,000 of sales.
 b) Assumed to be \$20 per employee per day, for 5 days a week, 50 weeks a year.
 Source: Johnson Consulting

20-Year Total Fiscal Impact = **\$63.7**



IMPACT OF PROJECT 2

Figure 2 - 4 summarizes the estimated spending and impacts associated with Project 2 within the District, which is planned to comprise a 53,700 SF of indoor multi-purpose entertainment/ recreating space, a supplemental 6,500 SF indoor event space, and a 15,000 SF of outdoor entertainment space, all of which will be developed in Year 3. As shown, in Year 20 the annual economic impact of Project 2 is estimated to include \$6.1 million of total spending, \$900,000 in increased earnings, and support 12 FTE jobs. In the same year, the annual fiscal impact is projected to include \$2.2 million in tax revenues to the state and local governments. Over a 20-year period, the fiscal impact of Project 2 is projected to total \$32.3 million in tax revenues.

Figure 2 - 4

Corridor Plaza District - Fort Dodge, Iowa Project 2 Estimated Economic and Fiscal Impact (\$Million)													
		Year 1 2022	Year 2 2023	Year 3 2024	Year 4 2025	Year 5 2026	Year 10 2031	Year 11 2032	Year 12 2033	Year 13 2034	Year 14 2035	Year 15 2036	Year 20 2041
DEVELOPMENT SCHEDULE		<i>Total Built-Out</i>											
Exterior Entertainment Area	15,000 SF	-	-	15,000	-	-	-	-	-	-	-	-	-
Pavilion	53,689 SF	-	-	53,689	-	-	-	-	-	-	-	-	-
Events Space (Assumed 1 Story)	6,500 SF	-	-	6,500	-	-	-	-	-	-	-	-	-
Pavilion Retail (Site & Shell Only)	5,176 SF	-	-	5,176	-	-	-	-	-	-	-	-	-
Est. Property Value (\$M) (upon Opening)	\$26.40	\$0.0	\$0.0	\$27.7	\$28.4	\$29.1	\$33.0	\$33.8	\$34.6	\$35.5	\$36.4	\$37.3	\$42.2
DIRECT SPENDING (\$M)		<i>(project-wide)</i>											
Exterior Entertainment Area		\$0.0	\$0.0	\$0.1	\$0.1	\$0.1	\$0.1	\$0.2	\$0.2	\$0.2	\$0.2	\$0.2	\$0.2
Pavilion & Events Space		0.0	0.0	1.7	1.8	1.8	2.0	2.1	2.1	2.2	2.2	2.3	2.6
Pavilion Retail (Site & Shell Only)		0.0	0.0	0.9	0.9	1.0	1.1	1.1	1.1	1.2	1.2	1.2	1.4
Total		\$0.0	\$0.0	\$2.7	\$2.8	\$2.9	\$3.3	\$3.4	\$3.4	\$3.5	\$3.6	\$3.7	\$4.2
ECONOMIC IMPACT (\$M)		<i>Multiplier</i>											
Direct Spending		\$0.0	\$0.0	\$2.7	\$2.8	\$2.9	\$3.3	\$3.4	\$3.4	\$3.5	\$3.6	\$3.7	\$4.2
Indirect Spending	0.258	0.0	0.0	0.7	0.7	0.7	0.8	0.9	0.9	0.9	0.9	1.0	1.1
Induced Spending	0.196	0.0	0.0	0.5	0.5	0.6	0.6	0.7	0.7	0.7	0.7	0.7	0.8
Total Spending		\$0.0	\$0.0	\$3.9	\$4.1	\$4.2	\$4.8	\$4.9	\$5.0	\$5.1	\$5.3	\$5.4	\$6.1
Increased Earnings	0.216	\$0.0	\$0.0	\$0.6	\$0.6	\$0.6	\$0.7	\$0.7	\$0.7	\$0.8	\$0.8	\$0.8	\$0.9
Employment (FTE Jobs)	4,524	-	-	12	12	12	12	12	12	12	12	12	12
FISCAL IMPACT (\$M)		<i>Rate</i>											
Sales Tax	7.0%	\$0.0	\$0.0	\$0.2	\$0.2	\$0.2	\$0.2	\$0.2	\$0.2	\$0.2	\$0.3	\$0.3	\$0.3
Hotel/ Motel Tax	7.0%	-	-	-	-	-	-	-	-	-	-	-	-
State Excise (Hotel/ Motel) Tax	5.0%	-	-	-	-	-	-	-	-	-	-	-	-
Income Tax	6.9%	-	-	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Property Tax	4.455%	-	-	1.2	1.3	1.3	1.5	1.5	1.5	1.6	1.6	1.7	1.9
Total		\$0.0	\$0.0	\$1.4	\$1.5	\$1.5	\$1.7	\$1.8	\$1.8	\$1.8	\$1.9	\$1.9	\$2.2
20-Year Total Fiscal Impact =												\$32.3	

Source: Johnson Consulting



IMPACT OF PROJECT 3

Figure 2 - 5 summarizes the estimated spending and impacts associated with Project 3 within the District, which is planned to comprise 45,300 SF of retail space, commencing with 41,500 SF in Year 3. As shown, in Year 20 the annual economic impact of Project 3 is estimated to include \$17.7 million of total spending, \$2.6 million in increased earnings, and support 34 FTE jobs. In the same year, the annual fiscal impact is projected to include \$2.4 million in tax revenues to the state and local governments. Over a 20-year period, the fiscal impact of Project 3 is projected to total \$35.4 million in tax revenues.

Figure 2 - 5

Corridor Plaza District - Fort Dodge, Iowa Project 3 Estimated Economic and Fiscal Impact (\$Million)													
		Year 1 2022	Year 2 2023	Year 3 2024	Year 4 2025	Year 5 2026	Year 6 2027	Year 7 2028	Year 8 2029	Year 9 2030	Year 10 2031	Year 15 2036	Year 20 2041
DEVELOPMENT SCHEDULE	<i>Total Built-Out</i>												
Retail	45,300 SF	-	-	41,500	-	3,800	-	-	-	-	-	-	-
Est. Property Value (\$M) (upon Opening)	\$18.85	\$0.0	\$0.0	\$20.3	\$20.8	\$21.3	\$21.9	\$22.4	\$23.0	\$23.5	\$24.1	\$27.3	\$30.9
DIRECT SPENDING (\$M)	<i>(project-wide)</i>												
Retail		\$0.0	\$0.0	\$6.9	\$7.3	\$8.4	\$8.6	\$8.8	\$9.1	\$9.3	\$9.5	\$10.8	\$12.2
Total		\$0.0	\$0.0	\$6.9	\$7.3	\$8.4	\$8.6	\$8.8	\$9.1	\$9.3	\$9.5	\$10.8	\$12.2
ECONOMIC IMPACT (\$M)													
Direct Spending	<i>Multiplier</i>	\$0.0	\$0.0	\$6.9	\$7.3	\$8.4	\$8.6	\$8.8	\$9.1	\$9.3	\$9.5	\$10.8	\$12.2
Indirect Spending	0.258	0.0	0.0	1.8	1.9	2.2	2.2	2.3	2.3	2.4	2.5	2.8	3.1
Induced Spending	0.196	0.0	0.0	1.4	1.4	1.7	1.7	1.7	1.8	1.8	1.9	2.1	2.4
Total Spending		\$0.0	\$0.0	\$10.1	\$10.6	\$12.2	\$12.5	\$12.9	\$13.2	\$13.5	\$13.8	\$15.7	\$17.7
Increased Earnings	0.216	\$0.0	\$0.0	\$1.5	\$1.6	\$1.8	\$1.9	\$1.9	\$2.0	\$2.0	\$2.1	\$2.3	\$2.6
Employment (FTE Jobs)	4,524	-	-	29	30	34	34	34	34	34	34	34	34
FISCAL IMPACT (\$M)	<i>Rate</i>												
Sales Tax	7.0%	\$0.0	\$0.0	\$0.5	\$0.5	\$0.6	\$0.6	\$0.6	\$0.6	\$0.6	\$0.7	\$0.8	\$0.9
Hotel/ Motel Tax	7.0%	-	-	-	-	-	-	-	-	-	-	-	-
State Excise (Hotel/ Motel) Tax	5.0%	-	-	-	-	-	-	-	-	-	-	-	-
Income Tax	6.9%	-	-	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.2	0.2
Property Tax	4.455%	-	-	0.9	0.9	1.0	1.0	1.0	1.0	1.0	1.1	1.2	1.4
Total		\$0.0	\$0.0	\$1.5	\$1.6	\$1.7	\$1.7	\$1.8	\$1.8	\$1.8	\$1.9	\$2.1	\$2.4
Source: Johnson Consulting												20-Year Total Fiscal Impact =	\$35.4



IMPACT OF PROJECT 4

Figure 2 - 6 summarizes the estimated spending and impacts associated with Project 4 within the District, which is planned to comprise 36,000 SF of multi-purpose entertainment/ recreation space, commencing in Year 3, and an 85-room hotel, also to be developed in Year 3. As shown, in Year 20 the annual economic impact of Project 4 is estimated to include \$21.5 million of total spending, \$3.2 million in increased earnings, and support 42 FTE jobs. In the same year, the annual fiscal impact is projected to include \$2.5 million in tax revenues to the state and local governments. Over a 20-year period, the fiscal impact of Project 4 is projected to total \$36.5 million in tax revenues.

Figure 2 - 6

Corridor Plaza District - Fort Dodge, Iowa Project 4 Estimated Economic and Fiscal Impact (\$Million)													
		Year 1 2022	Year 2 2023	Year 3 2024	Year 4 2025	Year 5 2026	Year 6 2027	Year 7 2028	Year 8 2029	Year 9 2030	Year 10 2031	Year 15 2036	Year 20 2041
DEVELOPMENT SCHEDULE	<i>Total Built-Out</i>												
Retail	36,000 SF	-	-	36,000	-	-	-	-	-	-	-	-	-
Hotel	85 rooms	-	-	85	-	-	-	-	-	-	-	-	-
Est. Property Value (\$M) (upon Opening)	\$14.16 <i>(project-wide)</i>	\$0.0	\$0.0	\$14.1	\$14.5	\$15.6	\$16.0	\$16.4	\$16.8	\$17.3	\$17.7	\$20.0	\$22.6
DIRECT SPENDING (\$M)													
Retail		\$0.0	\$0.0	\$6.2	\$6.5	\$6.7	\$6.9	\$7.0	\$7.2	\$7.4	\$7.6	\$8.6	\$9.7
Hotel		0.0	0.0	2.9	3.2	3.5	3.6	3.7	3.8	3.9	4.0	4.5	5.1
Total		\$0.0	\$0.0	\$9.1	\$9.7	\$10.2	\$10.5	\$10.7	\$11.0	\$11.3	\$11.6	\$13.1	\$14.8
ECONOMIC IMPACT (\$M)													
Direct Spending	<i>Multiplier</i>	\$0.0	\$0.0	\$9.1	\$9.7	\$10.2	\$10.5	\$10.7	\$11.0	\$11.3	\$11.6	\$13.1	\$14.8
Indirect Spending	0.258	0.0	0.0	2.3	2.5	2.6	2.7	2.8	2.8	2.9	3.0	3.4	3.8
Induced Spending	0.196	0.0	0.0	1.8	1.9	2.0	2.1	2.1	2.2	2.2	2.3	2.6	2.9
Total Spending		\$0.0	\$0.0	\$13.2	\$14.1	\$14.8	\$15.2	\$15.6	\$16.0	\$16.4	\$16.8	\$19.0	\$21.5
Increased Earnings	0.216	\$0.0	\$0.0	\$2.0	\$2.1	\$2.2	\$2.3	\$2.3	\$2.4	\$2.4	\$2.5	\$2.8	\$3.2
Employment (FTE Jobs)	4,524	-	-	39	41	42	42	42	42	42	42	42	42
FISCAL IMPACT (\$M)	<i>Rate</i>												
Sales Tax	7.0%	\$0.0	\$0.0	\$0.5	\$0.5	\$0.6	\$0.6	\$0.6	\$0.6	\$0.6	\$0.6	\$0.7	\$0.8
Hotel/ Motel Tax	7.0%	-	-	0.1	0.1	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2
State Excise (Hotel/ Motel) Tax	5.0%	-	-	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.2
Income Tax	6.9%	-	-	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.3
Property Tax	4.455%	-	-	0.6	0.6	0.7	0.7	0.7	0.7	0.8	0.8	0.9	1.0
Total		\$0.0	\$0.0	\$1.5	\$1.6	\$1.7	\$1.8	\$1.8	\$1.9	\$1.9	\$1.9	\$2.2	\$2.5
Source: Johnson Consulting												20-Year Total Fiscal Impact =	\$36.5



TOTAL IMPACT OF DISTRICT

Figure 2 - 7 summarizes the estimated spending and impacts associated with the proposed Corridor Plaza District over a 20-year period. In Year 20, the annual economic impact of the proposed District is estimated to include \$78.7 million of total spending, \$11.7 million in increased earnings, and support 153 FTE jobs. In the same year, the annual fiscal impact is projected to include \$11.1 million in tax revenues to the state and local governments. Through the 20-year period of operations, the fiscal impact of the District is projected to total \$167.9 million in tax revenues.

Figure 2 - 7

Corridor Plaza District - Fort Dodge, Iowa ALL PROJECTS Estimated Economic and Fiscal Impact (\$Million)													
		Year 1 2022	Year 2 2023	Year 3 2024	Year 4 2025	Year 5 2026	Year 6 2027	Year 7 2028	Year 8 2029	Year 9 2030	Year 10 2031	Year 15 2036	Year 20 2041
DIRECT SPENDING (\$M)	<i>Total Built-Out</i>												
Project 1	85,385 SF	\$13.6	\$14.3	\$15.1	\$15.5	\$15.9	\$16.3	\$16.7	\$17.1	\$17.5	\$17.9	\$20.3	\$23.0
Project 2	80,365 SF	0.0	0.0	2.7	2.8	2.9	3.0	3.1	3.2	3.3	3.3	3.7	4.2
Project 3	45,300 SF	0.0	0.0	6.9	7.3	8.4	8.6	8.8	9.1	9.3	9.5	10.8	12.2
Project 4	68,000 SF	0.0	0.0	9.1	9.7	10.2	10.5	10.7	11.0	11.3	11.6	13.1	14.8
Total		\$13.6	\$14.3	\$33.8	\$35.3	\$37.4	\$38.3	\$39.3	\$40.2	\$41.2	\$42.3	\$47.8	\$54.1
ECONOMIC IMPACT (\$M)													
Direct Spending	<i>Multiplier</i>	\$13.6	\$14.3	\$33.8	\$35.3	\$37.4	\$38.3	\$39.3	\$40.2	\$41.2	\$42.3	\$47.8	\$54.1
Indirect Spending	0.258	3.5	3.7	8.7	9.1	9.6	9.9	10.1	10.4	10.6	10.9	12.3	14.0
Induced Spending	0.196	2.7	2.8	6.6	6.9	7.3	7.5	7.7	7.9	8.1	8.3	9.4	10.6
Total Spending		\$19.8	\$20.8	\$49.2	\$51.4	\$54.3	\$55.7	\$57.1	\$58.5	\$60.0	\$61.5	\$69.6	\$78.7
Increased Earnings	0.216	\$2.9	\$3.1	\$7.3	\$7.6	\$8.1	\$8.3	\$8.5	\$8.7	\$8.9	\$9.1	\$10.3	\$11.7
Employment (FTE Jobs)	4.524	62	63	146	148	153	153	153	153	153	153	153	153
FISCAL IMPACT (\$M)	<i>Rate</i>												
Sales Tax	7.0%	\$1.0	\$1.0	\$2.2	\$2.3	\$2.5	\$2.5	\$2.6	\$2.7	\$2.7	\$2.8	\$3.2	\$3.6
Hotel/ Motel Tax	7.0%	-	-	0.1	0.1	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2
State Excise (Hotel/ Motel) Tax	5.0%	-	-	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.2
Income Tax	6.9%	0.2	0.2	0.5	0.5	0.6	0.6	0.6	0.6	0.6	0.6	0.7	0.8
Property Tax	4.455%	1.3	1.3	4.1	4.2	4.4	4.5	4.6	4.7	4.8	4.9	5.6	6.3
Total		\$2.4	\$2.5	\$7.1	\$7.3	\$7.7	\$7.9	\$8.1	\$8.3	\$8.5	\$8.7	\$9.8	\$11.1

Source: Johnson Consulting

20-Year Total Fiscal Impact = **\$167.9**



ONE-TIME IMPACT OF CONSTRUCTION

The construction of the various components of the proposed District will create a one-time influx of spending to the market, thereby resulting in a one-time economic and fiscal impact. Figure 2 - 8 shows the estimated construction impact, reflecting an estimated construction cost of \$91.3 million (inflated over a multi-phase construction period) for all phases through Year 4. As shown, over the multi-phased construction period (assumed to start in 2021 and end in 2025), the fiscal impact of the construction of the project is estimated to total \$5.8 million in tax revenues.

Figure 2 - 8

Corridor Plaza District - Fort Dodge, Iowa ALL PROJECTS Estimated Economic and Fiscal Impact from Construction (\$Million)							
	2021	Year 1 2022	Year 2 2023	Year 3 2024	Year 4 2025	Year 5 2026	TOTAL
CONSTRUCTION SPENDING							
Project 1	\$14.3	\$14.3	\$0.0	\$0.0	\$0.0	\$0.0	\$28.6
Project 2	0.0	13.2	13.5	0.0	0.0	0.0	26.7
Project 3	0.0	8.9	9.1	0.9	0.9	0.0	19.6
Project 4	0.0	7.7	7.8	0.4	0.4	0.0	16.3
Total	\$14.3	\$44.0	\$30.4	\$1.3	\$1.3	\$0.0	\$91.3
DETAILED BREAKDOWN							
Spending on Labor (Wages)	55.0%	\$7.9	\$24.2	\$16.7	\$0.7	\$0.7	\$50.2
# of Construction Jobs	\$30,000	269	807	545	22	22	1,664
Spending on Material	45.0%	\$6.4	\$19.8	\$13.7	\$0.6	\$0.6	\$41.1
Direct Material Spending in Ft Dodge	80.0%	\$5.1	\$15.8	\$11.0	\$0.5	\$0.5	\$32.9
ECONOMIC IMPACT (\$M)							
Direct Spending	<i>Multiplier</i>	\$5.1	\$15.8	\$11.0	\$0.5	\$0.5	\$32.9
Indirect Spending	0.258	1.3	4.1	2.8	0.1	0.1	8.5
Induced Spending	0.196	1.0	3.1	2.2	0.1	0.1	6.5
Total Spending		\$7.5	\$23.0	\$15.9	\$0.7	\$0.7	\$47.8
Increased Earnings	0.216	\$1.1	\$3.4	\$2.4	\$0.1	\$0.1	\$7.1
Employment (FTE Jobs)	4.524	24	72	48	2	2	148
FISCAL IMPACT (\$M)							
Sales Tax	<i>Rate</i> 7.0%	\$0.4	\$1.1	\$0.8	\$0.0	\$0.0	\$2.3
Hotel/ Motel Tax	7.0%	-	-	-	-	-	-
State Excise (Hotel/ Motel) Tax	5.0%	-	-	-	-	-	-
Income Tax	6.9%	0.5	1.7	1.2	0.0	0.0	3.5
Property Tax	4.455%	-	-	-	-	-	-
Total		\$0.9	\$2.8	\$1.9	\$0.1	\$0.1	\$5.8

Source: Johnson Consulting

VISITATION ESTIMATES

Figure 2 - 9 provides estimates of visitation to the proposed Projects within the Corridor Plaza District. As shown, by Year 20, the District is projected to attract approximately 360,320 unique visitors, accounting for the notion that a portion of visitors may visit several destinations within the District in a single trip.



Figure 2 - 9

Corridor Plaza District - Fort Dodge, Iowa													
ALL PROJECTS													
Estimated Annual Visitation													
		Year 1	Year 2	Year 3	Year 4	Year 5	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	Year 20
		2022	2023	2024	2025	2026	2031	2032	2033	2034	2035	2036	2041
	<i>Total Built-Out</i>												
Project 1	85,385 SF	178,256	183,196	188,136	188,136	188,136	188,136	188,136	188,136	188,136	188,136	188,136	188,136
Project 2	80,365 SF	0	0	158,000	158,000	158,000	158,000	158,000	158,000	158,000	158,000	158,000	158,000
Project 3	45,300 SF	0	0	35,724	36,712	41,184	41,184	41,184	41,184	41,184	41,184	41,184	41,184
Project 4	68,000 SF	0	0	58,279	61,144	63,083	63,083	63,156	63,083	63,083	63,083	63,156	63,083
Total		178,256	183,196	440,139	443,992	450,403	450,403	450,476	450,403	450,403	450,403	450,476	450,403
Possible % Overlap	20%	0	(36,639)	(88,028)	(88,798)	(90,081)	(90,081)	(90,095)	(90,081)	(90,081)	(90,081)	(90,095)	(90,081)
Total Unique Visitors		178,256	146,557	352,111	355,194	360,323	360,323	360,380	360,323	360,323	360,323	360,380	360,323

Source: Johnson Consulting

IRA ELIGIBILITY ASSESSMENT

Pursuant to the IRA Districts Program, reinvestment districts may be eligible for a portion of new State sales and excise (hotel/ motel) tax revenues that are generated within the district boundaries, as follows:

- 4 percent (of the total 7 percent) Sales Tax on food and beverage, parking, and other revenues, but NOT on hotel guest rooms, and;
- 5 percent Excise (hotel/ motel) Tax on guest rooms.

The term “new” refers to the revenues over and above an established baseline amount from the 12-month period prior to the District commencement.

ESTIMATED BASELINE SALES WITHIN DISTRICT

In the absence of actual receipts of historical sales within the District boundaries (prior to District commencement), the baseline sales amount is estimated based on historical City-wide sales, apportioned based on the acreage that is proposed to be included in the Corridor Plaza District. The land area of the City of Fort Dodge is 16.05 square miles (10,272 acres) and the proposed Corridor Plaza District is 35.31 acres, representing 0.3 percent of the total land area.

Figure 2 - 10 shows the estimated historical sales within the District boundaries between 2012 and 2019, and estimated taxable sales for 2020, indicating baseline sales of \$1.7 million.



Figure 2 - 10

The City of Fort Dodge, Iowa Historical Taxable Sales		
	Within the City of Fort Dodge	Within Corridor Plaza
Land Area (acres)	10,272	35.31
2012	\$465,960,980	\$1,601,741
2013	\$475,599,533	\$1,634,873
2014	\$492,410,241	\$1,692,660
2015	\$497,219,498	\$1,709,192
2016	\$498,952,751	\$1,715,150
2017	\$490,471,044	\$1,685,994
2018	\$497,323,602	\$1,709,550
2019	\$488,787,834	\$1,680,208
CAGR*	0.7%	0.7%
2020 (Est.)		\$1,691,727

*CAGR = Compounded Annual Growth Rate, from 2012 thru 2019

Source: Iowa State

ESTIMATED NEW SALES AND THE RESULTING TAX REVENUES

Figure 2 - 11 shows the estimated new sales and resulting tax revenues generated within the District.

Figure 2 - 11

Corridor Plaza District - Fort Dodge, Iowa ALL PROJECTS Estimated Total and New Taxable Sales Amounts and Tax Revenues within District Boundaries Only (\$Million)												
	Year 1 2022	Year 2 2023	Year 3 2024	Year 4 2025	Year 5 2026	Year 6 2027	Year 7 2028	Year 8 2029	Year 9 2030	Year 10 2031	Year 15 2036	Year 20 2041
Taxable Sales Amounts												
1 Project 1	\$13.1	\$13.8	\$14.5	\$14.8	\$15.2	\$15.6	\$16.0	\$16.4	\$16.8	\$17.2	\$19.5	\$22.0
2 Project 2	0.0	0.0	2.7	2.8	2.9	3.0	3.1	3.2	3.2	3.2	3.7	4.1
3 Project 3	0.0	0.0	6.7	7.0	8.1	8.3	8.5	8.7	8.9	9.1	10.3	11.7
4 Project 4*	0.0	0.0	8.6	9.2	9.7	10.0	10.2	10.5	10.7	11.0	12.4	14.1
5 Total	\$13.1	\$13.8	\$32.5	\$33.9	\$35.9	\$36.8	\$37.7	\$38.6	\$39.6	\$40.6	\$45.9	\$51.9
6 Less Baseline Sales Amounts	\$1.7 / year	\$1.7	\$1.8	\$1.8	\$1.9	\$1.9	\$2.0	\$2.0	\$2.1	\$2.1	\$2.4	\$2.7
7 New Taxable Sales Amounts	\$11.4	\$12.0	\$30.7	\$32.1	\$34.0	\$34.8	\$35.7	\$36.6	\$37.5	\$38.5	\$43.5	\$49.2
8 Taxable Room Revenues from Hotel**	\$0.0	\$0.0	\$1.9	\$2.1	\$2.3	\$2.4	\$2.5	\$2.5	\$2.6	\$2.6	\$3.0	\$3.4
New Tax Revenues												
9 Sales Tax	7.0% of Line 7	\$0.8	\$0.8	\$2.1	\$2.2	\$2.4	\$2.4	\$2.5	\$2.6	\$2.6	\$2.7	\$3.0
10 Hotel/ Motel Tax	7.0% of Line 8	0.0	0.0	0.1	0.1	0.2	0.2	0.2	0.2	0.2	0.2	0.2
11 State Excise (Hotel/ Motel) Tax	5.0% of Line 8	0.0	0.0	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.2
12 Total	\$0.8	\$0.8	\$2.4	\$2.5	\$2.7	\$2.7	\$2.8	\$2.9	\$2.9	\$3.0	\$3.4	\$3.9

*Excluding room revenues, which is shown separately.

**All room revenues are new, because there is no existing hotel within the District boundaries.

Source: Johnson Consulting

As shown, sales and hotel/ motel tax revenues resulting from new sales within the District are projected to amount to \$800,000 in Year 1 and growing to \$3.9 million in Year 20.



ESTIMATED TAX REVENUES ALLOWED FOR IRA FUNDING

As stated previously, pursuant to the Reinvestment District Program, reinvestment districts may be eligible for 4 percent (of the 6 percent) Sales Tax revenues on new taxable sales and 5 percent of Excise Tax revenues on new hotel rooms. Figure 2 - 12 shows the total new sales and hotel/ motel tax revenues that are expected to be generated by activities within the District and presents a calculation of the portion that is eligible pursuant to the requirements of the Program, over a 20-year period.

Figure 2 - 12

Corridor Plaza District - Fort Dodge, Iowa Estimated Tax Revenues Generated within District Boundaries only (\$Million)								
	Year	Sales Tax (7%)*		Local Hotel/ Motel Tax on Rooms	Excise Tax on Rooms**	TOTAL (E)	Available to Reinvestment Program as Allowed by IRA** (F) = (A) + (D)	Retained by Jurisdictions (G) = (E) - (F)
		4.0%**	3.0%	7.0%	5.0%			
		(A)	(B)	(C)	(D)			
2022	\$0.455	\$0.341	\$0.000	\$0.000	\$0.796	\$0.455	\$0.341	
2023	0.481	0.361	0.000	0.000	0.842	0.481	0.361	
2024	1.227	0.920	0.133	0.095	2.375	1.322	1.053	
2025	1.282	0.962	0.147	0.105	2.496	1.387	1.109	
2026	1.360	1.020	0.163	0.116	2.659	1.476	1.183	
2027	1.394	1.045	0.167	0.119	2.725	1.513	1.212	
2028	1.429	1.072	0.172	0.123	2.795	1.552	1.243	
2029	1.464	1.098	0.176	0.125	2.863	1.590	1.274	
2030	1.501	1.126	0.180	0.129	2.935	1.629	1.306	
2031	1.538	1.154	0.184	0.132	3.008	1.670	1.338	
2032	1.577	1.183	0.190	0.135	3.085	1.713	1.372	
2033	1.616	1.212	0.194	0.138	3.161	1.755	1.406	
2034	1.657	1.242	0.199	0.142	3.240	1.798	1.441	
2035	1.698	1.274	0.204	0.145	3.321	1.843	1.477	
2036	1.741	1.306	0.209	0.149	3.405	1.890	1.515	
2037	1.784	1.338	0.214	0.153	3.489	1.937	1.552	
2038	1.829	1.371	0.219	0.157	3.576	1.985	1.591	
2039	1.874	1.406	0.225	0.161	3.665	2.035	1.630	
2040	1.922	1.441	0.231	0.165	3.759	2.087	1.672	
2041	1.969	1.477	0.236	0.169	3.851	2.138	1.713	
Total thru 2041	\$29.797	\$22.348	\$3.441	\$2.458	\$58.045	\$32.256	\$25.789	

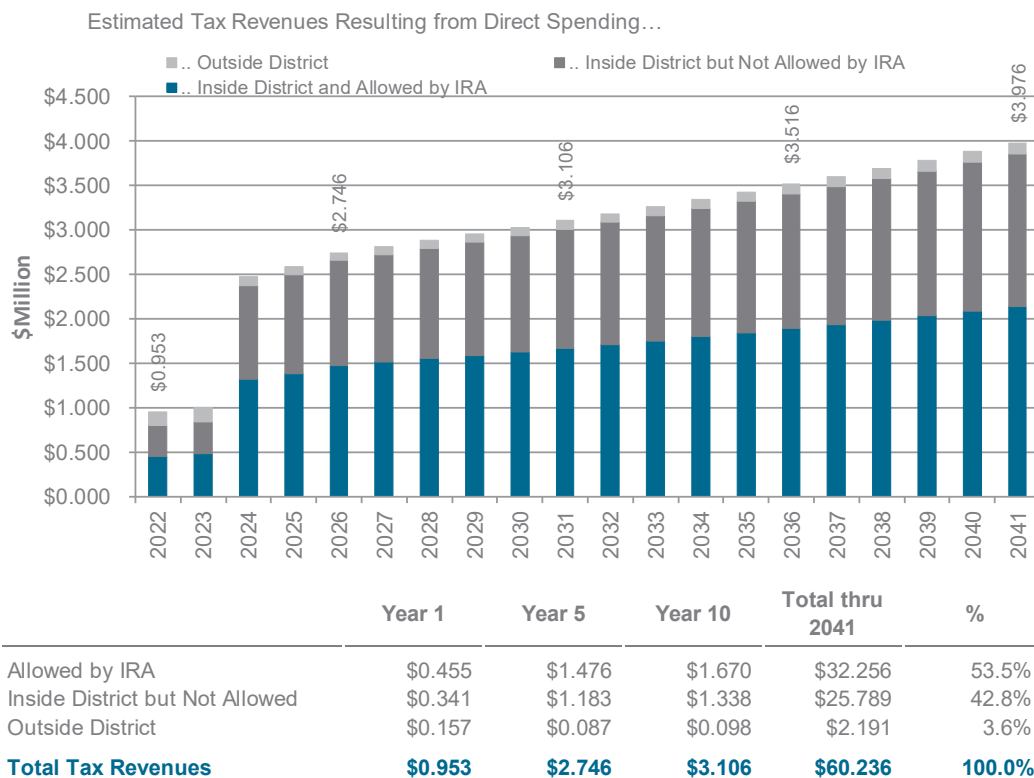
*Applied to general retail, food and beverage, parking, and other revenues, but NOT applied to rooms.
 Total tax rate is 7 percent, of which 4 percent is allowed by IRA to be available for Iowa Reinvestment District Program.
 **These tax revenues are available for District Reinvestment Program, as allowed by IRA.
 Source: Johnson Consulting

As shown, the Corridor Plaza District is expected to generate approximately \$58.0 million in 20 years from sales tax, hotel/ motel tax, and excise taxes, combined. The portion of eligible State taxes amounts to approximately \$32.3 million in 20 years – approximately 55.5 percent of total sales, hotel/ motel, and excise tax collections from within the District boundaries.

Figure 2 - 13 provides a comparison of total sales and hotel/ motel tax revenues resulting from direct spending by District visitors and the portion, highlighting the eligible portion pursuant to the Reinvestment District Program, and also taking into account tax revenues outside of the District.

Figure 2 - 13

**Corridor Plaza District - Fort Dodge, Iowa
 Comparison of Tax Revenues and the Portion Allowed by IRA for Reinvestment
 District Program (\$Million)**



Source: Johnson Consulting

The chart shows that the eligible tax revenues amounting to \$32.3 million over 20 years, are approximately 53.5 percent of the total sales and hotel/ motel tax collections from inside and outside of the District (totaling \$60.2 million in 20 years). This indicates that the State and local jurisdictions still retain 46.5 percent of total sales and hotel/ motel tax collections.



ELIGIBLE IRA FUNDING ALLOCATION

While the eligible sales and hotel/ motel tax amounts are projected to total \$32.3 million over 20 years, the Reinvestment District Program imposes a limit on funding whereby eligible funding cannot exceed 35 percent of the total cost of all proposed projects within the District plan. Based on the estimated construction cost of \$91.3 million (inflated over a phased construction period), total funding potential is limited to \$32.0 million. This represents the upper limit of eligible funding for the Corridor Plaza District, and exceeds the eligible tax revenues, as shown in Figure 2 - 14.

Figure 2 - 14

Corridor Plaza District - Eligible IRA Funding Allocation			
Eligible Tax Revenues			Allocation Amount (\$M)
Total Potential Allocation	<u>20-yr Total (\$M)</u>	<u>Max. Allocation per IRA</u>	
New Sales Tax ¹	\$52.1	57% ²	\$29.8
State Excise (Hotel/ Motel) Tax	\$2.5	100%	\$2.5
Total			\$32.3³
Max. Funding Allowance⁴ based on Project Cost	<u>Project Cost</u>	<u>Max. %</u>	
	\$91.3	35%	\$32.0
Eligible Funding			\$32.0

1. Only new sales are eligible. New sales are those over the baseline sales amount prior to the District commencement.

2. Reflecting the 4% portion of the total 7% sales tax rate. Only 4% of new sales are allowed for funding.

3. The amount corresponds to the total shown in Figure 2-11

4. Total funding must not exceed 35% of total project cost

Source: ATI, IRA, Johnson Consulting

Section G.4: Developer Agreement

DEVELOPMENT AGREEMENT

This Agreement is entered into between the City of Fort Dodge, Iowa (the “City”) and Crossroads Plaza Development, LLC (the “Developer”) as of the 13th day of January, 2020 (the “Commencement Date”).

WHEREAS, the City has established the Center City and Industrial Park Urban Renewal Areas (the “Urban Renewal Areas”), and has adopted a tax increment ordinance for the Urban Renewal Areas; and

WHEREAS, the Developer has acquired certain real property situated at 307 South 25th Street in Urban Renewal Areas and more particularly described on Exhibit A hereto (the “Sears Property”);

WHEREAS, the Developer has proposed to acquire certain real property situated at 217 South 25th Street in Urban Renewal Areas and more particularly described on Exhibit A hereto (the “Mall Property” and together with the Sears Property, the “Redevelopment Property”);

WHEREAS, the Developer has further proposed to undertake the redevelopment of the Redevelopment Property including the (i) the demolition of the existing Sears building (the “Sears Building”) and the demolition of the existing Crossroads Mall building (the “Mall Building”) on the Redevelopment Property and the site clearance and preparation (the “Demolition and Site Preparation Project”) necessary for future mixed-use development thereon; (ii) the construction of public infrastructure improvements (the “Infrastructure Project”) necessary for future mixed-use development on the Redevelopment Property; and (iii) the promotion of future mixed-use development on the Redevelopment Property;

WHEREAS, the Developer has requested that the City provide financial assistance in the form of an economic development grant (the “Grant”) and an economic development forgivable loan (the “Forgivable Loan”) to be used by the Developer in paying the costs of acquiring the Redevelopment Property, undertaking the Demolition and Site Preparation Project and undertaking the Infrastructure Project; and

WHEREAS, Chapter 15A of the Code of Iowa authorizes cities to provide grants, loans, guarantees, tax incentives and other financial assistance to or for the benefit of private persons;

NOW THEREFORE, the parties hereto agree as follows:

A. Developer’s Covenants

1. **Property Acquisition; Operation of Existing Crossroads Mall.** The Developer agrees to acquire the Mall Property (the “Real Estate Transaction”) by no later than March 15, 2020. Upon completion of the Real Estate Transaction, the Developer agrees to submit documentation (the “Real Estate Transaction Documentation”) to the satisfaction of the City demonstrating that the Real Estate Transaction has been completed.

Upon acquisition of the Mall Property, the Developer agrees to own and operate the existing Crossroads Mall (“Crossroads Mall”) as a shopping mall until such time that all of the leases (the “Leases,” and individually, each a “Lease”) with the existing tenants of Crossroads Mall have been terminated and Crossroads Mall is no longer open for business. Further, until such time that such Leases are terminated, the Developer agrees to comply with all provisions of such Leases that are applicable to the Developer as the owner of Crossroads Mall. The Developer agrees that it will not enter in to any new long-term leases that extend beyond January 31, 2021, for the use by tenants of storefronts or other spaces in Crossroads Mall without the prior written consent of the City. The Developer further agrees to use its best efforts to relocate existing tenants of Crossroads Mall and terminate the Leases as soon as reasonably practicable.

The Developer shall continue to own the Mall Building and keep the Mall Building and the Mall Property in good condition and repair until such time that the Mall Building is demolished pursuant to this Agreement.

2. Master Plan for Redevelopment. The Developer agrees to prepare a master plan for redevelopment (the “Master Redevelopment Plan”) of the Redevelopment Property by no later than March 1, 2020. The Master Redevelopment Plan shall address the elements as set forth on Exhibit B hereto. The Developer agrees that the Master Redevelopment Plan shall be subject to City Council approval. Upon approval by the City Council, the Master Redevelopment Plan shall be attached to Exhibit B hereto.

It is anticipated that the Master Redevelopment Plan will be modified and refined by the Developer over time in order to facilitate the redevelopment of the Redevelopment Property. The Developer shall not make any substantial modifications to the Master Redevelopment Plan until such changes are approved by the City Council. Upon such approval, modifications shall be made to Exhibit B to update the Master Redevelopment Plan. The date of City Council approval shall be noted on each modification to Exhibit B.

The Developer agrees to promote the development of the Redevelopment Property to its highest and best use in conformance with the Master Redevelopment Plan.

3. Demolition and Site Preparation Project. The Developer agrees to undertake the Demolition and Site Preparation Project on the Property, as follows

a. The Developer agrees to complete the demolition of the Sears Building and the related site clearance and preparation (the “Site Clearance and Preparation Work”) on the Redevelopment Property by no later than January 1, 2020.

b. The Developer agrees to complete the demolition of the Mall Building and the related Site Clearance and Preparation Work on the Redevelopment Property by the date the earlier of which is (i) eight (8) months after the final Lease is terminated with existing tenants of Crossroads Mall; or (ii) December 31, 2024.

c. The Developer agrees that the Site Clearance and Preparation Work on the Redevelopment Property shall minimally include the removal of all debris related to the demolition of the Sears Building and the Mall Building. Further the Developer agrees that the

Site Clearance and Preparation Work shall include all work necessary for future development of the Redevelopment Property in accordance with the Master Redevelopment Plan.

4. Infrastructure Project Construction. The Developer agrees to construct the Infrastructure Project in phases in accordance with the Master Redevelopment Plan. Prior to constructing any phase of the Infrastructure Project, the Developer will submit copies of all engineering documents (the “Engineering Documents”), including the plans and specifications and timeline for construction, related to the proposed Infrastructure Project to the City for the applicable phase. The City may request reasonable changes in such documents, to ensure compliance with any applicable ordinances or regulations and the Master Redevelopment Plan. The Developer agrees to construct each phase of the Infrastructure Project in accordance with the Engineering Documents as approved by the City Council and the Master Redevelopment Plan.

The City shall retain all rights to inspect each phase of the Infrastructure Project for quality of work and full compliance with City Code. Nothing in this subsection shall be interpreted as limiting the City’s rights to not accept the work if any phase of the Infrastructure Project is not completed to the satisfaction of the City.

Upon completion of each phase of the Infrastructure Project, provided that (i) such improvements are of the type ordinarily dedicated to the City; (ii) the City confirms to the Developer in writing that such completed improvements meet City requirements; and (iii) the City accepts such phase of the Infrastructure Project in accordance with State law, the Developer will provide the City with either a deed or permanent easement to the improvements and related right-of-way comprising such phase of the Infrastructure Project, which shall thereafter be maintained by the City.

5. Grant Disbursement Requests The Developer agrees to submit periodic Grant disbursement requests (each, a “Grant Disbursement Request”) to the City. The Developer further agrees that it will submit no more than one (1) Grant Disbursement Request per month to the City.

Each Grant Disbursement Request submitted under this Section A.5 shall be in the form attached hereto as Exhibit C. Further, Each Grant Disbursement Request will be accompanied by invoices, and such other documentation as is reasonably requested by the City (1) confirming that the costs (the “Demolition Phase Costs”) detailed in such Grant Disbursement Request were in fact incurred in the acquisition of the Sears Property, the acquisition of the Mall Property and/or the completion of the Demolition and Site Preparation Project; and/or (2) confirming that the costs (the “Infrastructure Project Costs”) detailed in such Grant Disbursement Request were in fact incurred in the completion of the Infrastructure Project and that such Infrastructure Projects Costs are of an amount reasonably to have been expected with respect to thereto. Each Grant Disbursement Request submitted by the Developer should reflect the total amount of Demolition Phase Costs and/or Infrastructure Project Costs incurred by the Developer during the period prior to the submission of such Grant Disbursement Request. Further, the final Grant Disbursement Request submitted to the City must demonstrate that the Site Clearance and Preparation Project has been completed.

The Demolition Phase Costs may include all costs relating to acquisition of the Sears Property and the Mall Property (including commissions), demolishing the Sears Building and the Mall Building, costs incurred during the Site Clearance and Preparation Work, interest expense and other costs of financing, engineering fees, development management fees (such development management fees shall not exceed an amount equal to five percent (5%) of the Demolition Phase Costs plus the Infrastructure Project Costs), construction management fees, legal fees, accounting, insurance/permits, bonds, property taxes and other reasonably related costs of carrying out the acquisition of the Sears Property and the Mall Property and the Site Clearance and Preparation Work.

The Infrastructure Project Costs may include all infrastructure-related land acquisition costs, cost of planning, designing and constructing the Infrastructure Project, landscaping and grading all land for the Infrastructure Project, interest expense and other costs of financing, costs for public parking, public utilities, public lighting and other reasonably related costs of carrying out the Infrastructure Project.

6. Economic Development Grant. The Developer agrees to receive the proceeds of the Grant in accordance with the schedule set forth in Section B.3 below, and the Developer further agrees to apply the proceeds of the Grant to the reimbursement of the Demolition Phase Costs and, if applicable, to the Infrastructure Project Costs.

7. Forgivable Loan Disbursement Requests. The Developer agrees to periodically submit Forgivable Loan disbursement requests (each a “Forgivable Loan Disbursement Request”) to the City for reimbursement of the Infrastructure Project Costs not covered by the proceeds of the Grant. Further, the Developer agrees to submit each Forgivable Loan Disbursement Request at least four (4) months in advance of the date that the Developer would like to receive the proceeds of a Forgivable Loan Disbursement (as hereinafter defined) from the City. Each Forgivable Loan Disbursement Request shall be in the form attached hereto as Exhibit D. Each Forgivable Loan Disbursement Request must meet the following requirements:

a. The Forgivable Loan Disbursement Request must be accompanied by invoices, and such other documentation as is reasonably requested by the City confirming that the Infrastructure Project Costs detailed in such Forgivable Loan Disbursement Request were in fact incurred in the completion of the Infrastructure Project and that such Infrastructure Projects Costs are of an amount reasonably to have been expected with respect to thereto.

b. The Forgivable Loan Disbursement Request must identify one or more enterprises that have constructed facilities (the “Facilities”) on the Redevelopment Property, and the Forgivable Loan Disbursement Request must demonstrate that the nature of such Facilities conforms to the Master Redevelopment Plan.

c. The Forgivable Loan Disbursement Request must demonstrate that the total taxable valuation of the Facilities identified in the Forgivable Loan Disbursement Request have increased the taxable valuation of the Redevelopment Property.

d. The Forgivable Loan Disbursement Request must be accompanied by an estimate of the amount of Incremental Property Tax Revenues (as hereinafter defined) anticipated to be produced by the Facilities on an annual basis for a period of twenty (20) fiscal years.

For purposes of this Agreement, Incremental Property Tax Revenues are calculated by: (1) determining the consolidated property tax levy (city, county, school, etc.) then in effect with respect to taxation of the portion of the Redevelopment Property on which the Facilities have been constructed; (2) subtracting (a) the debt service levies of all taxing jurisdictions, (b) the school district instructional support and physical plant and equipment levies and (c) any other levies which may be exempted from such calculation by action of the Iowa General Assembly; (3) multiplying the resulting modified consolidated levy rate times any incremental growth in the taxable valuation of the portion of the Redevelopment Property on which the Facilities have been constructed, as shown on the property tax rolls of Webster County, above and beyond the Base Valuation (as defined in the Forgivable Loan Agreement); and (4) deducting any property tax credits which shall be available with respect to the incremental valuation of the portion of the Redevelopment Property on which the Facilities have been constructed.

e. The Forgivable Loan Disbursement Request is accompanied by a Minimum Assessment Agreement in substantially the form attached hereto as Exhibit E that has been executed recorded by the owner or owners of the portion of the Redevelopment Property on which the Facilities identified in the Forgivable Loan Disbursement Request have been constructed.

f. The Forgivable Loan Disbursement Request must demonstrate that there have been no Events of Default under any Forgivable Loan Agreements (as hereinafter defined) that have been entered into between the City and the Developer pursuant to this Agreement.

The Developer agrees that it will submit a maximum of eight (8) Forgivable Loan Disbursement Requests for reimbursement of the Infrastructure Project Costs.

8. Forgivable Loan. The Developer acknowledges that the City will fund the Forgivable Loan through a series of disbursements (the “Forgivable Loan Disbursements” and, each, individually a “Forgivable Loan Disbursement”), and the City will use its best efforts to sell bond or notes (the “Bonds”) in order fund each Forgivable Loan Disbursement. The Developer agrees that the City will not advance the proceeds of the Forgivable Loan Disbursement to the Developer until (i) the City receives the proceeds from the issuance of the Bonds; (ii) the Developer and the City have executed an Economic Development Forgivable Loan Agreement (the “Forgivable Loan Agreement”) in substantially the form attached hereto as Exhibit F; and (iii) the Developer has executed and delivered a promissory note to the City in the form attached to Forgivable Loan Agreement as Exhibit ___ evidencing the developer’s obligation to repay the Forgivable Loan under the Forgivable Loan Agreement.

The Developer agrees to apply the proceeds of the Forgivable Loan to the reimbursement of the costs of the Project.

9. Property Taxes. While the Developer retains ownership of the Redevelopment Property, the Developer agrees to make timely payment of all property taxes as

they come due with respect to the Redevelopment Property and, at the request of the City, to submit a receipt or cancelled check in evidence of each such payment.

10. Conveyance of Redevelopment Property.

a. City Acquisition Option. To the extent that any portion of the Redevelopment Property is not “Improved with Facilities” (as defined below) (such portion of the Redevelopment Property referred to herein as the “Unimproved Property”) by January 1, 2035 (the “Trigger Date”), then, in accordance with the terms and conditions of this Section 10, the City shall have the option (the “Acquisition Option”) to acquire from the Developer all or any part of the Unimproved Property as determined by the City (the “Option Parcel”). For purposes of this section, “Improved with Facilities” means with respect to such portion of the Redevelopment Property that (i) entitlements and permits for construction of Facilities consistent with the Master Redevelopment Plan have been issued by City and (ii) actual physical construction of such Facilities has commenced. For avoidance of doubt, commencement or completion of any portion of the Infrastructure Project will not, alone, cause any portion of the Redevelopment Property to be Improved with Facilities for purposes of the Acquisition Option. At any time after the Trigger Date and before the Option Parcel has been Improved with Facilities, the City shall have the right, but not the obligation, to exercise its Acquisition Option by written notice to the Developer. The closing of the Acquisition Option will occur no later than fifteen (15) days after such notice (the “City Closing Date”). If necessary, the Developer shall, at its sole cost and expense, cause the Option Property to be a legally subdivided land parcel and the City Closing Date may be extended by the City as reasonably necessary to finalize such subdivision.

b. Option Closing. On the City Closing Date, the City and Developer shall close on the City’s acquisition of the Option Parcel by executing and/or delivering, as applicable, the following items:

- i. the City will pay the Developer \$1.00 as consideration for acquiring the Option Parcel pursuant to the City Deed (defined below);
- ii. the Developer will convey the Option Parcel to the City by special warranty deed (the “City Deed”) free and clear of all encumbrances, except such encumbrances which the City has previously approved in writing;
- iii. the Developer will assign to the City any such contract(s) related to the design, development, and construction of the Property as the City may request; such assignment to be pursuant to an assignment agreement in a form required by the City;
- iv. the Developer will execute and deliver to the City and the City’s title company a standard “seller’s affidavit” stating under oath, inter alia, that the Developer has paid for all work performed or supplies ordered or delivered with respect to the Option Parcel;
- v. the Developer shall deliver, at the Developer’s sole cost and expense, an updated title insurance commitment to the City evidencing the status of title to the Option Parcel;

vi. the Developer shall pay with respect to the Option Parcel and/or the transfer thereof (A) any closing fee or charge imposed by the City's title company, (B) all state deed tax or transfer tax or fee, (C) special assessments, if any, (D) real estate taxes applicable to the period prior to the City Closing Date, prorated as of such date.

c. Memorandum of Acquisition Option. By no later than five (5) days after the Commencement Date, the Developer and the City shall execute a recordable memorandum of the Acquisition Option, in a form reasonably acceptable to the City, and the Developer shall cause the same to be recorded against the Redevelopment Property in the office of the Webster County Recorder.

d. Survival. The Acquisition Right shall survive the termination of this Agreement.

e. Tax Exempt Bonds. In the event that the City has issued tax-exempt bonds or notes (the "Tax-Exempt Obligations") in order to fund the Grant under this Agreement, the City shall not exercise the Acquisition Option under this section A.10 until such time that such Tax-Exempt Obligations are paid or defeased in full both as to principal and interest.

11. Default Provisions. The following shall be "Events of Default" under this Agreement, and the term "Event of Default" shall mean, whenever it is used in this Agreement (unless otherwise provided), any one or more of the following events:

a. Failure by the Developer to carry out the Real Estate Transaction as required by Section A.1 of this Agreement.

b. Failure by the Developer to complete the Demolition and Site Preparation Project pursuant to the terms and conditions of this Agreement.

c. Failure by the Developer to complete the Infrastructure Project pursuant to the terms and conditions of this Agreement. .

d. Failure by the Developer to observe or perform any other material covenant on its part, to be observed or performed hereunder.

Whenever any Event of Default described in this Agreement occurs, the City shall provide written notice to the Developer describing the cause of the default and the steps that must be taken by the Developer in order to cure the default. The Developer shall have thirty (30) days after receipt of the notice to cure the default or to provide assurances satisfactory to City that the default will be cured as soon as reasonably possible. If the Developer fails to cure the default or provide assurances, City shall then have the right to:

a. Pursue any action available to it, at law or in equity, in order to enforce the terms of this Agreement.

b. Withhold the Grant Disbursements provided for under Section B.3 of this Agreement.

c. Withhold the Forgivable Loan Disbursements provided for under Section B.5 of this Agreement.

B. City's Obligations

1. **Master Plan for Redevelopment.** The City agrees to cooperate with the Developer in the preparation of the Master Redevelopment Plan. Further, the City agrees to reasonably consider any modifications to the Master Redevelopment Plan requested by the Developer. Further, the City agrees to cooperate with the Developer in promoting the highest and best use of the Redevelopment Property in accordance with the Master Redevelopment Plan, including considering in good faith the provision of additional incentives funded with Incremental Property Tax Revenues to be derived therefrom.

2. **Review of Grant Disbursement Requests.** The City staff will review each Grant Disbursement Request upon receipt from the Developer. If the City staff determines that a Grant Disbursement Request satisfies the requirements of Section A.5 above, the City shall record a summary of the date, amount and nature of the accepted Demolition Phase Costs or the accepted Public Infrastructure Costs (such accepted Demolition Phase Costs and accepted Public Infrastructure Costs are collectively, referred to as the “Accepted Grant Phase Costs”) on the Summary of Accepted Grant Phase Costs attached hereto as Exhibit G. The Summary of Accepted Grant Phase Costs shall be the official record of Accepted Grant Phase Costs for purposes of tallying the maximum amount of the Grant Disbursements (as hereinafter defined) allowed to the Developer under this Agreement.

In the event that the City determines that a Grant Disbursement Request received from the Developer does not meet the requirements of Section A.5 above, the City shall notify the Developer within fifteen (15) days of such determination.

3. **Economic Development Grant Disbursements.** The City hereby agrees to fund the Grant through a series of disbursements (the “Grant Disbursements” and, each, individually a “Grant Disbursement”) to the Developer, in an aggregate maximum amount equal to the lesser of (i) the Accepted Grant Phase Costs, or (ii) \$10,000,000, in accordance with this Section B.3.

Initial Grant Disbursement Phase The Initial Grant Disbursement Phase shall begin on the Commencement Date and continue until such time that the City has made Grant Disbursements to the Developer in an amount equal to \$3,500,000. Within thirty (30) days of receipt from the Developer of an acceptable Grant Disbursement Request, the City agrees to make a Grant Disbursement to the Developer in an amount equal to the Accepted Grant Phase Costs reflected in such Grant Disbursement Request, provided, however, that the aggregate amount of Grant Disbursements made by the City to the Developer during the Initial Grant Disbursement Phase shall not exceed \$3,500,000. In the event that the Accepted Grant Phase Costs reflected in the Grant Disbursements submitted by the Developer during the Initial Grant Disbursement Phase exceed \$3,500,000, such additional Accepted Grant Phase Costs (the “Additional Initial Grant Phase Costs”) shall be used in tallying the maximum amount of the Grant Disbursements made to the Developer during the Second Grant Disbursement Phase.

Second Grant Disbursement Phase The City will use its best efforts to sell bond or notes (the “Grant Disbursement Bonds”) in order to fund Grant Disbursements during the Second Grant Disbursement Phase by no later than June 30, 2021. The Second Grant Disbursement Phase shall begin within thirty (30) days of the date on which the City issues its Grant Disbursement Bonds and continue until such time that the City has made Grant Disbursements to

the Developer in an amount equal to \$5,500,000. Within thirty (30) days of the issuance by the City of its Grant Disbursement Bonds, the City agrees to make a Grant Disbursement to the Developer in an amount equal to the Additional Initial Grant Phase Costs. Thereafter during the Second Grant Disbursement Phase, within thirty (30) days of receipt from the Developer of an acceptable Grant Disbursement Request, or the City agrees to make a Grant Disbursement to the Developer in an amount equal to the Accepted Grant Phase Costs reflected in the Grant Disbursement Request, provided, however, that the aggregate amount of Grant Disbursements made by the City to the Developer during the Second Grant Disbursement Phase shall not exceed \$5,500,000. In the event that the Accepted Grant Phase Costs reflected in the Second Grant Disbursement exceed \$5,500,000, such additional Accepted Grant Phase Costs (the "Additional Second Grant Phase Costs") shall be used in tallying the maximum amount of the final Grant Disbursement.

Final Grant Disbursement Within thirty (30) days of receipt from the Developer of an acceptable Final Grant Disbursement Request, the City agrees to make a Grant Disbursement to the Developer in an amount equal to the lesser of (i) the sum of the Accepted Grant Phase Costs reflected in the Final Grant Disbursement Request plus the Additional Second Grant Phase Costs, or (ii) \$1,000,000.

4. Review of Forgivable Loan Disbursement Requests. The City staff will review each Forgivable Loan Disbursement Request upon receipt from the Developer. If the City staff determines that a Forgivable Loan Disbursement Request satisfies the requirements of Section A.7 above, the City agrees to do the following:

a. The City shall record a summary of the date, amount and nature of the accepted Public Infrastructure Costs (the "Accepted Forgivable Loan Phase Costs") on the Summary of Accepted Forgivable Loan Phase Costs attached hereto as Exhibit _____. The Summary of Accepted Forgivable Loan Phase Costs shall be the official record of Accepted Forgivable Loan Phase Costs for purposes of tallying the maximum amount of the Forgivable Loan.

In the event that the City determines that a Forgivable Loan Disbursement Request received from the Developer does not meet the requirements of Section A.7 above, the City shall notify the Developer within fifteen (15) days of such determination.

b. The City will use its best efforts to enter into a Forgivable Loan Agreement and to issue Bonds within four (4) months of approval by the City of each Forgivable Loan Disbursement Request in order to fund the Forgivable Loan Disbursement requested therein. The principal amount of the Bonds will not exceed an amount equal to the lesser of (i) the Accepted Forgivable Loan Phase Costs reflected in the Developer's Forgivable Loan Disbursement Request; or (ii) an amount (the "TIF Debt Service Amount") that can be repaid, as to principal and interest, over a period of twenty (20) years from the estimated Incremental Property Tax Revenues reflected in the Developer's Forgivable Loan Disbursement Request. In the event that the Accepted Forgivable Loan Phase Costs reflected in a Forgivable Loan Request exceed the TIF Debt Service Amount, the Developer can request that the City fund a Forgivable Loan Disbursement for such excess Forgivable Loan Phases Costs in the next succeeding Forgivable Loan Disbursement Request.

5. **Economic Development Forgivable Loan Disbursements.** The City hereby agrees to fund the Forgivable Loan through a series of Forgivable Loan Disbursements to the Developer. Each Forgivable Loan Disbursement shall be in an amount equal to the principal amount of the Bonds issued by the City pursuant to Section B.4.b above, provided, however, that the maximum aggregate amount of the Forgivable Loan Disbursements shall not exceed the lesser of (i) the Accepted Forgivable Loan Phase Costs, or (ii) \$8,200,000.

C. **Administrative Provisions**

1. **Amendment and Assignment.** Neither party may cause this Agreement to be amended, assigned, assumed, sold or otherwise transferred without the prior written consent of the other party.

2. **Successors.** This Agreement shall inure to the benefit of and be binding upon the successors and assigns of the parties.

3. **Term.** The term (the “Term”) of this Agreement shall commence on the Commencement Date and end on June 30, 2035.

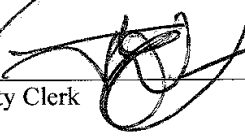
4. **Choice of Law.** This Agreement shall be deemed to be a contract made under the laws of the State of Iowa and for all purposes shall be governed by and construed in accordance with laws of the State of Iowa.

The City and the Developer have caused this Agreement to be signed, in their names and on their behalf by their duly authorized officers, all as of the day and date written above.

CITY OF FORT DODGE, IOWA

By: 
Mayor

Attest:


City Clerk

CROSSROADS PLAZA DEVELOPMENT,
LLC
By: 
Its: Manager

EXHIBIT A
LEGAL DESCRIPTION OF THE REDEVELOPMENT PROPERTY

Description of Sears Property:

LOTS FIVE (5) AND TEN (10) OF COUNTY AUDITOR'S SUBDIVISION OF THE SE ¼ OF THE SW ¼ OF SECTION 21-89-28, WEST OF THE 5TH P.M., ACCORDING TO THE RECORDED PLAT THEREOF, EXCEPT THE SOUTH 72 FEET THEREOF.

Description of Mall Property:

LOT ONE (1) AND LOT NINE (9) OF THE COUNTY AUDITOR'S SUBDIVISION OF THE NORTHEAST QUARTER OF THE SOUTHWEST QUARTER (NE¼ SW¼) OF SECTION TWENTY-ONE (21), TOWNSHIP EIGHTY-NINE (89) NORTH, RANGE TWENTY-EIGHT (28) WEST OF THE 5TH PRINCIPAL MERIDIAN, CITY OF FORT DODGE, WEBSTER COUNTY, IOWA, AND LOT FOUR (4), EXCEPT THE SOUTH 87.73 FEET THEREOF, LOT SIX (6), LOT SEVEN (7), LOT EIGHT (8), LOT NINE (9), LOT ELEVEN (11), EXCEPT THE SOUTH 36.5 FEET THEREOF, AND LOT TWELVE (12), EXCEPT THE SOUTH 320 FEET THEREOF, ALL BEING IN THE COUNTY AUDITOR'S SUBDIVISION OF THE SOUTHEAST QUARTER OF THE SOUTHWEST QUARTER (SE¼ SW¼) OF SECTION TWENTY-ONE (21), TOWNSHIP EIGHTY-NINE (89) NORTH, RANGE TWENTY-EIGHT (28) WEST OF THE 5TH PRINCIPAL MERIDIAN, CITY OF FORT DODGE, WEBSTER COUNTY, IOWA, OR MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHEAST CORNER OF SAID LOT 9 OF THE COUNTY AUDITOR'S SUBDIVISION OF THE NORTHEAST QUARTER OF THE SOUTHWEST QUARTER, SAID POINT ALSO BEING THE SOUTHWEST CORNER OF THE INTERSECTION OF 1ST AVENUE SOUTH AND SOUTH 29TH STREET, CITY OF FORT DODGE, IOWA, THENCE SOUTH 00°05'30" EAST 1084.66 FEET ALONG THE WEST RIGHT OF WAY LINE OF SOUTH 29TH STREET; THENCE SOUTH 89°58'22" WEST 295.90 FEET; THENCE SOUTH 00°07'00" WEST 20.00 FEET; THENCE SOUTH 00°05'30" EAST 263.50 FEET; THENCE SOUTH 89°57'15" WEST 150.00 FEET; THENCE NORTH 00°06'00" WEST 575.04 FEET; THENCE SOUTH 89°53'10" WEST 603.14 FEET; THENCE NORTH 00°01'20" WEST 460.66 FEET; THENCE SOUTH 89°53'10" WEST 200.17 FEET TO EAST RIGHT OF WAY LINE OF SOUTH 25TH STREET; THENCE NORTH 00°01'00" WEST 333.46 FEET ALONG THE EAST RIGHT OF WAY LINE OF SAID SOUTH 25TH STREET TO THE SOUTHEAST CORNER OF THE INTERSECTION OF SOUTH 25TH STREET AND 1ST AVENUE SOUTH ; THENCE NORTH 90°00'00" EAST 1248.32 FEET ALONG THE SOUTH RIGHT OF WAY LINE OF THE SAID 1ST AVENUE SOUTH TO THE POINT OF BEGINNING, ALL IN THE SOUTHWEST QUARTER OF SECTION 21, TOWNSHIP 89 NORTH, RANGE 28 WEST OF THE 5TH PRINCIPAL MERIDIAN, CITY OF FORT DODGE, WEBSTER COUNTY, IOWA.

EXCLUDING THEREFROM THE SOUTH 300 FEET OF THE LOT 11, EXCEPT THE SOUTH 36.5 FEET THEREOF, IN THE COUNTY AUDITOR'S SUBDIVISION OF THE SOUTHEAST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 21, TOWNSHIP 89 NORTH, RANGE 28 WEST OF THE 5TH PRINCIPAL MERIDIAN IN FORT DODGE, WEBSTER COUNTY, IOWA.

EXHIBIT B
ELEMENTS OF MASTER REDEVELOPMENT PLAN

The Master Redevelopment Plan shall be the initial site plan for redevelopment of the Redevelopment Property and shall address the following elements:

1. Unique title or name, date, scale, north arrow and aerial background showing surrounding development.
2. Name and address of the owner and person preparing the Plan.
3. Boundary line of the Plan area.
4. Names and locations of adjacent streets and alleys.
5. Zoning classifications, existing and proposed, for the Plan area.
6. Location and width of rights-of-way and grounds to be dedicated for public use.
7. Proposed names of all public streets.
8. Proposed size, location and arrangement of buildings.
9. Proposed types of uses.
10. Proposed height and bulk information of buildings.
11. Proposed parking areas, stall arrangements and drive aisles.
12. Entrance and exit locations.
13. Development of up to four (4) acres of public spaces on the Redevelopment Property.

[Attach final Master Redevelopment Plan upon approval by City Council]

EXHIBIT C
FORM OF GRANT DISBURSEMENT REQUEST

Date submitted: _____

Submitted by: _____

Contact information: _____

Grant Amount Requested \$ _____

Index of Invoices/Statements Attached to substantive request:

I, the undersigned hereby certify that the costs shown on the documents referred in the index above are (i) legitimate costs reasonably incurred in the undertaking of the Project; and (ii) distinct from and additional to all other costs previously associated with a prior grant request.

CROSSROADS PLAZA DEVELOPMENT, LLC

By: _____

Title: _____

Reviewed and accepted by the City of Fort Dodge, Iowa this ____ day of _____, 20__.

By: _____

City Manager

C-1

4843-7603-0381\5

EXHIBIT D
FORM OF FORGIVABLE LOAN DISBURSEMENT REQUEST

Date submitted: _____

Submitted by: _____

Contact information: _____

Forgivable Loan Disbursement Amount Requested \$ _____

Index of Invoices/Statements of Public Infrastructure Costs Attached to substantive request:

(Attach Invoices/Statements)

Name of Enterprise that as constructed Facilities
on the Redevelopment Property: _____

Total Taxable Valuation of Facilities: _____

Estimate of Incremental Property Tax Revenues (Use form attached)

Attach recorded Minimum Assessment Agreement

I, the undersigned hereby certify that the costs shown on the documents referred in the index above are (i) legitimate costs reasonably incurred in the undertaking of the Project; and (ii) distinct from and additional to all other costs previously associated with a prior grant request.

CROSSROADS PLAZA DEVELOPMENT, LLC

By: _____

Title: _____

Reviewed and accepted by the City of Fort Dodge, Iowa this ____ day of _____, 20__.

By: _____

City Manager

D-1

4843-7603-0381\5

EXHIBIT D-1
ESTIMATE OF INCREMENTAL PROPERTY TAX REVENUES

- (1) Date of Preparation _____, 20____.
- (2) Assessed Taxable Valuation of Property as of January 1, 20____:
\$ _____.
- (3) Base Taxable Valuation of Property:
\$ _____.
- (4) Incremental Taxable Valuation of Property (2 minus 3):
\$ _____ (the "TIF Value").
- (5) Current City fiscal year consolidated property tax levy rate for purposes of calculating Incremental Property Tax Revenues (the "Adjusted Levy Rate"):
\$ _____ per thousand of value.
- (6) The TIF Value (4) factored by the Adjusted Levy Rate (5).
\$ _____ x \$ _____ /1000 = \$ _____ (the "TIF Estimate")
- (7) Total TIF Value = (6) x 20 years
\$ _____ x 20 years = \$ _____ (the "Total TIF Estimate")

EXHIBIT E
FORM OF MINIMUM ASSESSMENT AGREEMENT

4843-7603-0381\5

E-1

MINIMUM ASSESSMENT AGREEMENT

Preparer Information:

Taxpayer Information:

Legal Description: See Exhibit A

THIS AGREEMENT, dated as of the ___ day of _____, 20___, by and among the City of Fort Dodge, Iowa (the “City”), _____ (the “Property Owner”), and the County Assessor of Webster County (the “Assessor”).

WITNESSETH

WHEREAS, the Property Owner owns the real property, the legal description of which is contained in Exhibit A attached hereto (the “Property”), which is located in the Fort Dodge Urban Renewal Area in the City; and

WHEREAS, the Property Owner has undertaken the construction of **[identify type of building/facilities have been constructed]** on the Property; and

WHEREAS, a development agreement (the “Development Agreement”), dated _____, 2020, has been executed between the City and Crossroads Plaza Development, LLC in connection with the redevelopment of the Property; and

WHEREAS, pursuant to Section 403.6(19) of the Code of Iowa, the City and the Property Owner desire to establish a minimum taxable value for the Property and the improvements to be constructed thereon, which shall be effective as of January 1, 20___, and from then until this Agreement is terminated pursuant to the terms herein and which is intended to reflect the minimum market value of the land and improvements;

NOW, THEREFORE, the parties to this Agreement, in consideration of the promises, covenants and agreements made by each other, do hereby agree as follows:

1. Effective January 1, 20___, the minimum actual value which shall be assessed for the Property, taking into account the improvements to be constructed thereon, shall be _____ Dollars (\$ _____) until termination of this Agreement.

2. The Property Owner hereby agrees that the assessed valuation (hereinafter referred to as the “Minimum Actual Value”) set forth in Section 1 above shall become and remain effective as of January 1, 20___, and throughout the term of this Agreement, regardless of the actual degree of completion or incompletion of the Project, even if construction of the Project is not commenced by such date. Furthermore, the Property Owner acknowledges that the City has changed its position in reliance on the timeliness of such increase in valuation as set forth in the Development Agreement.

3. The Property Owner agrees to pay when due, all taxes and assessments, general or special, and all other charges whatsoever levied upon or assessed or placed against the Property, subject to any limitations set forth in the Development Agreement. The Property Owner further agrees that until this Agreement is terminated they will not seek administrative or judicial review of the applicability, enforceability, or constitutionality of this Agreement or the obligation to be taxed based upon the Minimum Actual Value or to raise any such argument by way of defense in any proceedings, including delinquent tax proceedings.

4. The Property Owner further agrees that until this Agreement is terminated it will not seek any tax exemption or abatement either presently or prospectively authorized under any State, federal or local law with respect to taxation of the Property including causing or allowing the property to be leased, sold, transferred to or otherwise used by an entity that is exempt from property taxes under the laws of the State of Iowa.

5. This Agreement, and the minimum assessed valuation established herein, shall be effective until December 31, 20____.

6. Nothing herein shall be deemed to waive the Property Owner's rights under Section 403.6(19) Code of Iowa, (2019) or otherwise, to contest that portion of any actual value assignment made by the Assessor in excess of the Minimum Actual Value.

7. This Agreement shall be promptly recorded with the Webster County Recorder, along with a copy of Iowa Code Section 403.6.

8. Neither the preamble nor provisions of this Agreement are intended to, nor shall they be construed as, modifying the terms of any other contract between the City and the Property Owner, including the Development Agreement.

[Remainder of page intentionally left blank.]

This Agreement shall inure to the benefit of and be binding upon the successors and assigns of the parties.

CITY OF FORT DODGE, IOWA

By: _____
Mayor

Attest:

City Clerk

[NAME OF PROPERTY OWNER]

By: _____

STATE OF IOWA)
)
COUNTY OF WEBSTER)

SS:

The foregoing instrument was acknowledged before me this ____ day of _____, 2020, by _____ and _____, the Mayor and City Clerk, respectively, of Fort Dodge, Iowa, a municipal corporation of the State of Iowa, on behalf of the City.

Notary Public

STATE OF IOWA)
)
COUNTY OF WEBSTER)

SS:

The foregoing instrument was acknowledged before me this ___ day of _____,
2020 by _____ the _____ of [Name of
Property Owner, [an Iowa limited liability company] [an Iowa corporation].

Notary Public

EXHIBIT A TO MINIMUM ASSESSMENT AGREEMENT

CERTIFICATION BY ASSESSOR

The undersigned Assessor, being legally responsible for the assessment of the above described property upon completion of improvements to be made on it, hereby certifies that the actual value assigned to such land and improvements upon completion, shall be not less than _____ Dollars (\$ _____) until termination of the Agreement.

County Assessor for Webster County,
State of Iowa

Subscribed and sworn to before me this _____ day of _____, 2020.

Notary Public

LIENHOLDER'S CONSENT, IF ANY

In consideration of one dollar and other valuable consideration, the receipt of which is hereby acknowledged, and notwithstanding anything in any loan or security agreement to the contrary, the undersigned ratifies, approves, consents to and confirms the Assessment Agreement entered into between the parties, and agrees to be bound by its terms. This provision shall be binding on the parties and their respective successors and assigns.

[NAME OF LIENHOLDER]

By: _____
Signature

Date: _____

STATE OF IOWA)
) SS:
COUNTY OF WEBSTER)

The foregoing instrument was acknowledged before me this _____ day of _____, 20__ by _____ the _____ of _____.

Notary Public

[Add additional pages for each Lienholder]

[If no Lienholders exist, this consent will not be completed]

EXHIBIT F
FORM OF ECONOMIC DEVELOPMENT FORGIVABLE LOAN AGREEMENT
ECONOMIC DEVELOPMENT FORGIVABLE LOAN AGREEMENT

This Agreement is entered into between the City of Fort Dodge, Iowa (the “City”) and Crossroads Plaza Development, LLC (the “Developer”) as of the ___ day of _____, 20__ (the “Commencement Date”).

WHEREAS, the City has established the Center City and Industrial Park Urban Renewal Areas (the “Urban Renewal Areas”), and has adopted a tax increment ordinance for the Urban Renewal Area; and

WHEREAS, pursuant to a certain Development Agreement (the “Redevelopment Agreement”) entered into between the City and the Developer, dated _____, 2020, the Developer has undertaken the redevelopment (the “Redevelopment Project”) of certain real property (the “Redevelopment Property”) which is situated in the City and lies within the Urban Renewal Area; and

WHEREAS, pursuant to the Redevelopment Agreement, the Developer has undertaken certain public infrastructure improvements (the “Infrastructure Project”) on a portion of the Redevelopment Property which is more specifically described on Exhibit A hereto (the “Improved Property”); and

WHEREAS, certain [**commercial/multiresidential**] buildings have been constructed (the [**“Commercial Project”**] or [**“Multiresidential Project”**]) on the Improved Property; and

WHEREAS, pursuant to the Redevelopment Agreement the Developer has requested that the City provide financial assistance in the form of a forgivable loan (the “Forgivable Loan”) to be used by the Developer in paying the costs of constructing the Infrastructure Project; and

WHEREAS, the City has issued its _____ Bonds, dated, Series 20__ (the “Bonds”) in order to fund the Forgivable Loan; and

WHEREAS, the base valuation of the Property for purposes of calculating Incremental Property Tax Revenues, as herein defined, under this Agreement and Section 403.19 of the Code of Iowa is \$_____ (the “Base Valuation”); and

WHEREAS, Chapter 15A of the Code of Iowa authorizes cities to provide grants, loans, guarantees, tax incentives and other financial assistance to or for the benefit of private persons;

NOW THEREFORE, the parties hereto agree as follows:

A. Developer’s Covenants

1. **Forgivable Loan** The Developer agrees that the City will not advance the proceeds of the Forgivable Loan to the Developer until the Developer has delivered to the City an executed promissory note (the “Promissory Note”) in the form attached hereto as Exhibit B.

The Developer agrees to apply the proceeds of the Forgivable Loan to the reimbursement of the costs of the Infrastructure Project.

The Developer’s obligation to repay the Forgivable Loan shall be evidenced the Promissory Note. All principal advanced under the Forgivable Loan, plus accrued interest thereon, shall be due and owing to the City at City Hall by Noon on June 30, 20___, unless sooner forgiven in accordance with the terms of this Agreement or made subject to acceleration in accordance with Section A.3 of this Agreement.

The Forgivable Loan shall bear interest at a per annum rate equal to the yield on the Bonds calculated from the date of the Forgivable Loan Disbursement by the City to the Developer under Section B.2 of this Agreement until paid. A schedule reflecting the interest rate and the debt service payments on the Bonds is attached hereto as Exhibit C. Interest shall be calculated on the basis of the actual 365-day or 366-day calendar year, whichever is appropriate.

Nothing herein shall prohibit the Developer from forfeiting the right to loan forgiveness, as set forth in Section B.3 of this Agreement by prepaying on the Forgivable Loan at any time. All prepayments shall be applied first to accrued interest and then to outstanding principal. Prepaid principal shall cease to bear interest at the time of such prepayment.

2. **Property Taxes.** While the Developer retains ownership of the Improved Property, the Developer agrees to make or ensure timely payment of all property taxes as they come due with respect to the Improved Property with the completed [**“Commercial Project”**] or [**“Multiresidential Project”**] thereon throughout the Term, as hereinafter defined, and, at the request of the City, to submit a receipt or cancelled check in evidence of each such payment.

If the Developer does not retain ownership of the Improved Property, the Developer further acknowledges that failure by the property owner of such Improved Property to make or ensure timely payment of all property taxes as they come due with respect to the Property with the completed [**“Commercial Project”**] or [**“Multiresidential Project”**] thereon throughout the Term, as hereinafter defined, will result in an Event of Default of this Agreement under Section A.3 below.

3. **Default Provisions.** The following shall be “Events of Default” under this Agreement, and the term “Event of Default” shall mean, whenever it is used in this Agreement (unless otherwise provided), any one or more of the following events:

- e. Failure by the owner of the Improved Property to fully and timely remit payment of property taxes when due and owing.
- f. Failure by the Developer to observe or perform any other material covenant on its part, to be observed or performed hereunder or under the Redevelopment Agreement.

Whenever any event of default described in this Agreement occurs, the City shall provide written notice to the Developer describing the cause of the default and the steps that must be taken by the Developer in order to cure the default. The Developer shall have thirty (30) days after receipt of the notice to cure the default or to provide assurances satisfactory to City that the default will be cured as soon as reasonably possible. If the Developer fails to cure the default or provide assurances, the City shall then have the right to:

- a) Pursue any action available to it, at law or in equity, in order to enforce the terms of this Agreement.
- b) Accelerate the due date of the then unforgiven principal amount of the Forgivable Loan, which amount shall become due and owing within 30-days of the provision of a written notice of such acceleration from the City to the Developer. In the event of acceleration of the Forgivable Loan, the provisions with respect to loan forgiveness as set forth in section B.2 of this Agreement shall not apply.

Whenever any event of default described in this Agreement occurs and the City shall employ attorneys or incur other expenses for the collection of payments due or to become due or for the enforcement or performance or observance of any obligation or agreement on the part of the Developer herein contained, and the City prevails in an action to enforce this Agreement, the Developer agrees that it shall, on demand therefor, pay to the City the reasonable fees of such attorneys and such other expenses as may be reasonably and appropriately incurred by the City in connection therewith.

B. City's Obligations

1. Forgivable Loan Disbursement. The City hereby agrees to advance the proceeds of the Forgivable Loan in an amount equal to \$_____ within fifteen (15) days of receipt of the executed Promissory Note.

2. Loan Forgiveness. Principal of and accrued interest on the Forgivable Loan shall be forgiven annually on each May 1 (herein referred to a "Forgiveness Date"), during the Term, as hereinafter defined, of this Agreement, commencing May 1, 20__ and continuing to, and including, May 1, 20__. The amount of forgiveness on each Forgiveness Date shall be in an amount equal to eighty percent (80%) the amount of Incremental Property Tax Revenues that are received by the City from the Webster County Treasurer that are attributable to the Property during the twelve (12) month period immediately preceding each Forgiveness Date. Loan forgiveness shall first be applied to accrued interest and then to outstanding principal.

For purposes of this Agreement, Incremental Property Tax Revenues are calculated by: (1) determining the consolidated property tax levy (city, county, school, etc.) then in effect with respect to taxation of the Improved Property; (2) subtracting (a) the debt service levies of all taxing jurisdictions, (b) the school district instructional support and physical plant and equipment levies, and (c) any other levies which may be exempted from such calculation by action of the Iowa General Assembly; (3) multiplying the resulting modified consolidated levy rate times any incremental growth in the taxable valuation of the Improved Property, as shown on the property tax rolls of Webster County, above and beyond the Base Valuation; and (4) deducting any

property tax credits which shall be available with respect to taxable incremental valuation of the Improved Property.

C. Administrative Provisions

1. Amendment and Assignment. Neither party may cause this Agreement to be amended, assigned, assumed, sold or otherwise transferred without the prior written consent of the other party.

2. Successors. This Agreement shall inure to the benefit of and be binding upon the successors and assigns of the parties.

3. Term. The term (the "Term") of this Agreement shall commence on the Commencement Date and end on June 1, 20____.

4. Choice of Law. This Agreement shall be deemed to be a contract made under the laws of the State of Iowa and for all purposes shall be governed by and construed in accordance with laws of the State of Iowa.

The City and the Developer have caused this Agreement to be signed, in their names and on their behalf by their duly authorized officers, all as of the day and date written above.

CITY OF FORT DODGE, IOWA

By: _____
Mayor

Attest:

City Clerk

CROSSROADS PLAZA DEVELOPMENT,
LLC

By: _____

EXHIBIT A
DESCRIPTION OF THE IMPROVED PROPERTY

EXHIBIT B
PROMISSORY NOTE

MAXIMUM PRINCIPAL AMOUNT: \$ _____

Dated: _____, 20__

Maturity Date: June 30, 20__

Crossroads Plaza Development, LLC (the "Borrower") for value received, promises to pay, to the City of Fort Dodge, Iowa (the "City"), its successors or assigns, the principal sum of _____ Dollars (\$ _____), in lawful money of the United States of America, on June 30, 20__, with interest on the outstanding principal hereof, at the rate per annum specified above, from the date of this Note, payable on the Maturity Date, or upon prepayment of this instrument, as hereinafter provided. Interest shall be calculated on the basis of the actual 365-day or 366-day calendar year, as appropriate.

The City has made a forgivable loan (the "Forgivable Loan") to the Borrower in the principal amount of _____ Dollars (\$ _____) under this Promissory Note (the "Note") and under a certain Development Agreement (the "Agreement") between the City and the Borrower dated _____, 20__, and reference is hereby made to the Agreement for a more complete description of the rights and obligations of the parties hereof.

The Forgivable Loan, or a portion thereof, may be forgiven by the City in accordance with the terms and schedule set forth in the Agreement, and all amounts forgiven shall be recorded on the Schedule of Forgiveness hereon.

Payment of principal of the Forgivable Loan, and accrued interest thereon, shall be made to the City of Fort Dodge at the Office of the City Clerk, City Hall, 819 1st Avenue S., Fort Dodge, Iowa 50501 by Noon on June 30, 20__, unless sooner forgiven in accordance with the Agreement.

The Borrower reserves the right to prepay principal of this Note, in whole or in part, without penalty, at any time prior to maturity.

In the event of a default under the Agreement which has not been cured in accordance with the terms of the Agreement, including the failure to repay principal of the Forgivable Loan under the terms of the Agreement, the Borrower agrees to pay all costs and expenses of collection, including reasonable attorney's fees. The Borrower waives demand, presentment, notice of non-payment, protest, notice of protest and notice of dishonor.

This Note is secured, and its maturity is subject to acceleration in each case upon the terms provided in the Agreement.

The validity, construction and enforceability of this Note shall be governed by the internal laws of the State of Iowa without giving effect to the conflict of laws principles thereof.

CROSSROADS PLAZA DEVELOPMENT,
LLC

By: _____
Title: _____

SCHEDULE OF FORGIVENESS

<u>Date of Forgiveness</u>	<u>Amount Forgiven</u>	<u>Signature of City Clerk</u>
_____	\$ _____	_____
_____	\$ _____	_____
_____	\$ _____	_____
_____	\$ _____	_____
_____	\$ _____	_____
_____	\$ _____	_____
_____	\$ _____	_____
_____	\$ _____	_____
_____	\$ _____	_____
_____	\$ _____	_____
_____	\$ _____	_____

**EXHIBIT C
DEBT SERVICE SCHEDULE**

4843-7603-0381\5

Section G.5: Financing



10 N 29th Street
Fort Dodge, IA 50501
PHONE: 515.955.3331
FAX: 515.955.3360

March 9, 2022

www.NW.bank

RE: Crossroads Plaza Development, LLC
1615 SW Main Street Suite 207
Ankeny, Iowa 50023

Iowa Economic Development Authority
1963 Bell Avenue Suite 200
Des Moines, Iowa 50315

To Whom It May Concern:

This letter is to introduce you to Crossroads Plaza Development, LLC who has a banking relationship with Northwest Bank located at 10 North 29th Street, Fort Dodge, Iowa 50501. The Bank has had a relationship with Crossroads Plaza Development, LLC since 2019. Northwest Bank has had a long-standing relationship with the primary individual owner of Crossroads Plaza Development for over 20 years. Northwest Bank has been a partner on this project since the infancy stage of acquiring the properties into the Phase I and II of the demolition / new infrastructure of the 31-acre redevelopment of the Crossroads Mall located in the core business sector of Fort Dodge. Northwest Bank has an excellent partnership with Crossroads Plaza Development and the City of Fort Dodge with the vision for this redevelopment with several future projects in mind for the site such as:

- Overall Corridor Plaza redevelopment (acquisition of mall site, demo, and new infrastructure)
- Project 1 – Mall Redevelopment Retail & Infrastructure
- Project 2 – Indoor/Outdoor Event Space & Infrastructure
- Project 3 – Complementary Retail & Infrastructure
- Project 4 – Hotel & Entertainment Venue

This letter does not serve as a term sheet or formal financing commitment for the overall project or individual projects mentioned throughout the letter as each of those are dependent upon formal credit underwriting at the time of application. Please feel free to contact me at 515-955-1176 with any further questions regarding our relationship. Thank you.

Regards,

A handwritten signature in black ink, appearing to read "Sharon K. Hotz".

Sharon K. Hotz
Executive Vice President

SKH



Commitment you can bank on.

