

COUNCIL ACTION FORM

SUBJECT: IOWA REINVESTMENT DISTRICT PROJECT APPLICATION FOR MIXED-USE DEVELOPMENT ALONG SOUTHEAST 16TH STREET

BACKGROUND:

City staff has been working with Mr. Rick Worner from Leawood, Kansas, who represents the Iowa Destination Developers, LLC. Mr. Worner approached the City with a desire to take advantage of newly passed state funding legislation to build a mixed-use development along the south side of S.E. 16th Street between South Duff Avenue and Dayton Avenue.

The Project

The proposed \$48,416,196 development (See Attachment I) includes the following elements:

- a new Menards store (165,000 square feet)
- a new restaurant (5,000 square feet)
- a new hotel facility (150 beds)
- a new Field Station Dinosaurs Museum/Camp (4 acres)

The Iowa Reinvestment District Program

In the last State Legislative session, a bill was passed creating the Iowa Reinvestment District Program. This program is administered by the Iowa Economic Development Authority (IEDA), and is designed to assist communities in "developing transformative projects that will improve the quality of life, create and enhance unique opportunities, and substantially benefit the community, region and state."

The Incentive

If approved by the State, the incentive granted by the State is the remittance of the new State sales and hotel/motel taxes generated in the established Reinvestment District. The funds are remitted to a city for up to 20 years or as long as it takes for the amount approved for the developer to be collected, whichever comes first. A separate agreement is required between a city and the developer to make sure the incentive funds are transmitted to the developer, and to insure that the total project promised by the developer is completed.

According to information verified by Alaina Santizo, the IEDA staff member who administers this program, no local sales or hotel/motel taxes will be included in the incentive. **Consequently, the City of Ames itself will not be providing any incentives to this project.**

According to the pre-application prepared by the developer's representative, \$14,745,587 is being requested to be remitted from new State sales and hotel/motel taxes generated in the proposed district. The Iowa Reinvestment District Program has a total of \$100 million for distribution across the entire state.

The breakdown for the projected use of the incentive funds is provided in Attachment II.

Minimum Requirements

In order to qualify for this incentive program, the following requirements must be met:

- The application for participation in this program must be made by a city (not the developer).
- The proposed district cannot exceed 25 acres in size.
- New retail establishments cannot exceed 50 percent of the total proposed capital investment.
- At least one of the new proposed projects within the district must reach a total capital investment of \$10 million.
- The total amount of new tax revenues generated in the district cannot exceed 35 percent of the total cost of all proposed projects in the district plan.
- The reinvestment district must be within an Enterprise Zone or Urban Renewal Area approved by the City Council.

The Application Process

- A pre-application must be submitted to the State by March 15, 2014.
- The pre-applications will be scored and provisional approval made by the IEDA Board no later than June 30.
- Final application materials are due prior to the next year's application filing window.
- The final application will be re-scored in the same manner as the pre-application, if changes are made.
- The Board's final funding decision may be different from the provisional funding decision, based on the final application.
- Upon formal approval by the IEDA Board, a municipality may then adopt an ordinance establishing the reinvestment district to facilitate the project.

Scoring Criteria For Applications

The IEDA will utilize the following criteria to score applications:

Uniqueness:	25 points
Economic impact:	25 points
Project feasibility:	10 points
Capital investment:	10 points
Funding leverage:	10 points
Nonretail focus:	10 points
Additional factors:	10 points (readiness for development, geographic diversity, and funding need)

Excerpts from draft application are attached to help Council better understand this application and the Iowa Redevelopment District Program. (Attachments III & IV)

ALTERNATIVES:

1. The City Council can approve the attached resolution (Attachment V) that:
 - a) finds that the area in the proposed Reinvestment District is suitable for redevelopment;
 - b) declares the City Council's interest in establishing a Reinvestment District under the Iowa Reinvestment Act;
 - c) expresses the City Council's support for the pre-application for the proposed Reinvestment District Project;
 - d) authorizes the City Manager to submit the pre-application; and
 - e) commits the City Council to initiate consideration for the creation of an urban renewal area for the proposed Reinvestment District Project following the submission of the pre-application to the Iowa Economic Development Authority.
2. The City Council can decide not to proceed with the submittal of a pre-application for the Iowa Reinvestment District Program for the first round of the IEDA application process.

The City Council might want to select this alternative if it is believed that a different project should be pursued for this State incentive program. However, at this time there is no indication that program funding will be available for a second round.

MANAGER'S RECOMMENDED ACTION:

It is highly unusual to ask the City Council to make such an important decision on the same night you are first being introduced to this program and project. However, the Council should understand that this State program and this request from Iowa Destination Developers, LLC have been fast-tracked so that normal backgrounding was not possible. The administrative rules for the program were not finalized until December, and the pre-application forms were not available until the end of that same month. The application material and supporting documentation were not received by the staff until **Wednesday, February 26**. The IEDA's deadline for pre-applications is March 15, 2014.

There are, at least, three philosophical questions that should be considered prior to the City Council authorizing submittal of a pre-application for this program.

Question 1

Even though there are no City incentive funds involved, does the City Council want to facilitate incentives for this project?

Staff Comments: Attachment III indicates the State incentives would benefit the dinosaur museum/camp totally and the hotel partially.

Question 2

Even though there are no City incentive funds involved, does the City Council want to facilitate incentives for construction in this flood-prone area.

Staff Comments: The land in the proposed project that lies outside of the floodway is zoned appropriately for this type of development. Furthermore, the City Council previously invested in the road and bridge infrastructure along S.E. 16th Street to encourage development in this area. After a period of time, Council also provided local incentives to the Deery Brothers project to jump start development in this area.

Question 3

Was this new incentive program considered for financing the new proposed convention facility?

Staff Comments: Julie Weeks indicated that this program was explored as a possible funding stream for the renovations and expansion to the Scheman complex. Since the district would have needed to be contiguous with the Scheman Building, however, and could be no larger than 25 acres, there would not have been sufficient additional State sales and hotel/motel tax revenues generated within this boundary to help finance the proposed improvements. As a frame of reference, the area between Lincoln Way and Center Drive and between Beach Avenue and University Boulevard is 41 acres.

The existence of the Iowa Reinvestment District Program offers a unique opportunity for the City to encourage a \$48 million development project without offering any City of Ames incentives. In keeping with previous City Council actions to support development in this area, it is the recommendation of the City Manager that the City Council adopt Alternative 1, thereby approving the attached resolution (Attachment V) that takes the following actions:

- a) Finds that the area in the proposed Reinvestment District is suitable for redevelopment;
- b) Declares the City Council's interest in establishing a Reinvestment District under the Iowa Reinvestment Act;
- c) Expresses the City Council's support for the pre-application for the proposed Reinvestment District Project;
- d) Authorizes the City Manager to submit the pre-application; and
- e) Commits the City Council to initiate consideration for the creation of an urban renewal area for the proposed Reinvestment District Project following the submission of the pre-application to the Iowa Economic Development Authority.

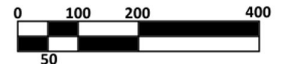
Attachment I



— STARBOND DISTRICT 24.4 AC

MENARD'S & FIELD STATION DINOSAURS Ames, IA

Scale: 1" = 200'
2/27/2014



Attachment II

IOWA REINVESTMENT ACT - AMES, IOWA PROJECT

Construction Budget

Land Acquisition			Cost	Public	Private
Ames Property		\$	4,000,000	\$ 1,704,918	\$ 2,295,082
	<i>Acquisition Subtotal</i>	\$	4,000,000	\$ 1,704,918	\$ 2,295,082
Hard Construction Costs and Site Prep			Cost	Public	Private
Site Preparation/Infrastructure		\$	3,528,360	\$ 2,520,257	\$ 1,008,103
Menards		\$	15,000,000	\$ -	\$ 15,000,000
Field Station Dinosaurs		\$	4,100,000	\$ 4,100,000	\$ -
Restaurant		\$	1,000,000	\$ -	\$ 1,000,000
Lodging/Dormitory/Parking & Signage		\$	15,250,000	\$ 3,476,493	\$ 11,773,507
	<i>Hard Costs Subtotal</i>	\$	38,878,360	\$ 10,096,750	\$ 28,781,610
Soft Costs			Cost	Public	Private
Architecture, Engineering & Survey		\$	500,000	\$ 250,000	\$ 250,000
Legal & Accounting		\$	400,000	\$ 350,000	\$ 50,000
Financing Fees, Costs, and Insurance		\$	250,000	\$ 75,000	\$ 175,000
Miscellaneous Soft Costs		\$	100,000	\$ 75,000	\$ 25,000
Development Fees		\$	250,000	\$ 175,000	\$ 75,000
	<i>Soft Costs Subtotal</i>	\$	1,500,000	\$ 925,000	\$ 575,000
Contingency			Cost	Public	Private
Hard Cost Contingency	10.00%	\$	3,887,836	\$ 1,943,918	\$ 1,943,918
Soft Cost Contingency	10.00%	\$	150,000	\$ 75,000	\$ 75,000
	<i>Contingency Subtotal</i>	\$	4,037,836	\$ 2,018,918	\$ 2,018,918
TOTAL PROJECT COSTS			\$ 48,416,196	\$ 14,745,587	\$ 33,670,609



Debi V. Durham, Director
Iowa Economic Development Authority

Iowa Reinvestment District Program Application

Business Finance - Business Development Division
Iowa Economic Development Authority
200 East Grand Avenue
Des Moines, Iowa 50309-1819
www.iowaeconomicdevelopment.com
Telephone: 515.725.3197 Email: businessfinance@iowa.gov

Introduction

The Iowa Economic Development Authority (IEDA) Board has been charged by the Iowa Legislature and Governor with evaluating projects and making funding decisions for the Iowa Reinvestment District Program. The Board will fund projects that are most likely to improve the quality of life, create and enhance unique opportunities, and substantially benefit the municipality, the surrounding region, and the state as a whole.

Eligible applicants include municipalities. An eligible project within an Iowa Reinvestment District is a vertical improvement constructed or substantially improved within a district. Operations located outside of the district are not eligible. Buildings that are in whole, or in part, used to conduct gambling, or a hotel or motel connected to, or operated in conjunction with, a gambling facility are not eligible.

Iowa Reinvestment District plans must include tax revenues generated by “*new retail establishments*” and “*new lessors*” (see definitions). New retail establishments cannot exceed 50% of the total proposed capital investment. At least one of the new proposed projects within the district must reach a total capital investment of \$10 million, to be eligible in this program. And, the total amount of new tax revenues to be remitted to the municipality cannot exceed 35% of the total cost of all proposed projects in the district plan.

Prior to submitting a pre-application, please contact Alaina Santizo at the Iowa Economic Development Authority at 515.725.3197 or alaina.santizo@iowa.gov to review your project and obtain application guidance. Also, please review the administrative rules.

The application process has two phases. The pre-application must be submitted within the annual filing window of March 1 – 15. The pre-application should include as much of the requested information as possible. The pre-application process is designed to allow applicants to make reasonable changes to the proposed district plan before the final application is considered. The pre-applications will be scored and provisional approval made by the IEDA Board, no later than June 30. The provisional funding decision is designed to provide practical feedback for municipalities interested in creating a reinvestment district, but is not final or binding. Following the provisional approval, application materials will be placed on the Authority’s website within 10 days for public viewing.

Final application materials are due prior to the next year’s application filing window. All of the application requirements must be met for the IEDA Board to consider the final application. The applicant may amend any part of the pre-application to represent changes to the proposed projects within the district. The final application will be re-scored in the same manner as the pre-application, if changes are made. The Board’s final funding decision may be different from the provisional funding decision based on the final application.

Upon formal approval by the IEDA Board, a municipality may adopt an ordinance to establish a reinvestment district. The Iowa Department of Revenue is charged with collecting the tax revenues used to fund projects under the program. Following the necessary

approvals and “*commencement date*” (see definitions), the department will deposit 4% of the of the retail sales, subject to the state sales tax, and 5% of the sales subject to the state hotel and motel tax collected within the district.

Applications will be scored on the following criteria:

Uniqueness: 25 points. The program requires that the projects proposed to be undertaken must be of a unique nature. Therefore, the proposed district plan will be evaluated on this criterion in order to quantify the extent to which the projects in the proposed district plan are of a unique nature. The more unique the projects are, the more points will be received under this criterion.

Economic impact: 25 points. The program requires that the projects proposed to be undertaken must have a substantial beneficial impact on the economy of the state and the economy of the municipality. Therefore, the proposed district plan will be evaluated on this criterion in order to quantify the extent to which the projects in the proposed district plan will benefit the economy. The greater the economic impact of the proposed district plan, the more points will be received under this criterion.

Project feasibility: 10 points. The program requires that funding sources for projects must be feasible. Therefore, the proposed district plan will be evaluated on this criterion in order to quantify the extent to which the funding sources of the proposed projects are feasible. The more feasible the funding sources for the proposed projects are, the more points will be received under this criterion.

Capital investment: 10 points. The program requires that at least one project with a capital investment of \$10 million or more be proposed. To the extent that the proposed district plan exceeds this minimum level of capital investment, more points will be received under this criterion.

Funding leverage: 10 points. The program limits the amount of new tax revenues that can be received to 35 percent of the total cost of all proposed projects in the proposed district plan. To the extent that a proposed district plan includes a financing plan in which the percentage of new tax revenues to be received is less than 35 percent of the total cost, more points will be received under this criterion.

Nonretail focus: 10 points. The program limits the amount of proposed capital investment in the district related to retail businesses to 50 percent of the total capital investment for all proposed projects in the proposed district. To the extent that a proposed district plan includes projects that provide cultural amenities, tourist attractions and accommodations, infrastructure, or quality of life improvements, more points will be received under this criterion.

Additional factors: 10 points. The board will consider the following additional factors:

(1) Readiness for development. The closer a municipality is to beginning development on a proposed district plan, the more points may be received under the additional factors criterion.

(2) Geographic diversity. To the extent that a proposed district is located in a region of the state not already funded under the program, more points may be received under the additional factors criterion. A proposed district plan that would create an additional district within a municipality or a request to increase the maximum benefit amount of an already approved district will not be viewed as enhancing geographic diversity and may receive fewer points under the additional factors criterion.

(3) Funding need. To the extent that a funding gap exists in the proposed district plan’s financing, more points may be received under the additional factors criterion.

An evaluation committee to be appointed by the IEDA Director will evaluate the applications on the above listed criteria. In order to receive funding, the application must receive an average score of 70 or more. However, a score of 70 does not guarantee funding.

Important definitions

“*Commencement date*” means the date established for each district by the board pursuant to rule 261—200.7(15J) upon which the calculation of new state sales tax and new state hotel and motel tax revenue shall begin pursuant to rule 701—237.3(15J) and after which the department will make deposits in the fund pursuant to rule 701—237.4(15J).

“*New lessor*” means a lessor, as defined in Iowa Code section 423A.2, operating a business in the district that was not in operation in the area of the district before the effective date of the ordinance establishing the district, regardless of ownership. “*New lessor*” also includes any lessor, as defined in Iowa Code section 423A.2, operating a business in the district if the place of business for that business is the subject of a project that was approved by the board.

“*New retail establishment*” means a business operated in the district by a retailer, as defined in Iowa Code section 423.1, that was not in operation in the area of the district before the effective date of the ordinance establishing the district, regardless of ownership. “*New retail establishment*” also includes any business operated in the district by a retailer, as defined in Iowa Code section 423.1, if the place of business for that retail establishment is the subject of a project that was approved by the board.

“*Project*” means a vertical improvement constructed or substantially improved within a district using new tax revenues. “*Project*” does not include any of the following:

1. A building, structure, or other facility that is in whole or in part used or intended to be used to conduct gambling games under Iowa Code chapter 99F.
2. A building, structure, or other facility that is in whole or in part used or intended to be used as a hotel or motel if such hotel or motel is connected to or operated in conjunction with a building, structure, or other facility described in paragraph "1" above.

"Retail business" means any business engaged in the business of selling tangible personal property or taxable services at retail in this state that is obligated to collect state sales or use tax under Iowa Code chapter 423. However, for the purposes of this chapter, "retail business" does not include a new lessor.

"Unique nature" means a quality or qualities of the projects to be developed in a district which, when considered in the entirety, will substantially distinguish the district's projects from other existing or proposed developments in the state. For purposes of this chapter, whether a project is of a unique nature is a subjective and contextual determination that will be made by the board. In determining whether a project is of a unique nature, the board will not necessarily require a project to be entirely without precedent or to be the only one of its kind in the state, but rather the board will evaluate whether the projects to be undertaken in a district will either (1) permanently transform the aesthetics or infrastructure of a local community for the better, including by preserving important historical structures or neighborhoods; or (2) contribute substantially more to the state's economy or quality of life than other similar projects in the state.

"Vertical improvement" means a building that is wholly or partially above grade and all appurtenant structures to the building.

Application Instructions:

1. Before filling out this application form, please read all applicable sections of the Iowa Code and Iowa Administrative Code (rules) <https://www.legis.iowa.gov/docs/aco/chapter/261.200.pdf> and contact the Iowa Economic Development Authority with questions.
2. Only typed or computer-generated applications will be accepted and reviewed. Any material change to the format, questions, or wording of questions presented in this application will render the application invalid and it will not be accepted.
3. Complete Sections A through E of the application fully. If questions are left unanswered or required attachments are not submitted, an explanation must be included.
 - a. It is recommended that hard copies be provided tabbed and bound.
 - b. If you are submitting the pre-application, please submit as much information and analysis as possible, as all pre-applications will be scored for provisional funding decisions.
 - c. If you are submitting the final application, all requested information and attachments must be provided for formal approval.
4. Use clear and concise language.
5. Any inaccurate information of a significant nature may disqualify the application from consideration.
6. The following must be submitted to IEDA, during the annual filing window (March 1 -15) in order to initiate the review process:
 - One original, signed application form and all required attachments
 - 9 hard copies
 - One electronic copy of the application form and all required attachments. Please title the attachment documents with the corresponding instructions.

SECTION A – Project and Eligibility

Name of Project/District: Ames Dinosaur Field Station

Date Submitted: 3/5/2014 Pre-application Final application

Applicant: (must be a municipality): City of Ames, Iowa

Contact Name: Duane Pitcher, Finance Director, City of Ames, Iowa

Address: 515 Clark Ave City: Ames State: Iowa Zip: 50010

Telephone: (515) 239-5114 Email: dpitcher@city.ames.ia.us

Federal Identification Number: 42-6004218

Size of Proposed District: 24.4 acres (no more than 25 acres)

Are the parcels contiguous, physically connected? Yes No

Please describe: See Exhibits A3-A5

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

The proposed Iowa Reinvestment District consists of approximately 24 acres of vacant, unused and blighted land in the south section of the City of Ames, Iowa, and the property is currently under contract with the proposed developers of the project. The vacant property is located in an area of Ames with ample visibility and traffic. The property is located directly north of Iowa Highway 30, northeast of the Ames Municipal Airport, and approximately 1-2 miles west of Interstate 35. The proposed property is surrounded by commercial and public development, including the Hunziker Youth Sports Complex, the Ames Dog Park, and the Iowa State University Veterinary School. Consequently, because the property is currently vacant and not being put to its highest and best use, given both proximity to other commercial development and traffic flow, the property provides little or no benefit to the City of Ames or the tax base of the community.

The proposed Iowa Reinvestment District will consist of a mixed-use development, serving as 1 project with 4 separate uses. When fully developed, the District will function as an entertainment, educational, lodging and retail experience not currently available in central Iowa. Led by the unique family attraction provided by the Field Station Dinosaurs, the District will serve a regional and national market with a principal market area within approximately a 5-hour drive time.

- Retail space to be occupied by Menards or a similar tenant

A Menards store will occupy 13 acres on the district's western portion. The store is designed for 165,000 square feet of building area under roof and a 35,000 square foot garden center. A family-owned company started in 1960, Menards is headquartered in Eau Claire, Wisconsin and has 280 home improvement stores located in Illinois, Indiana, Iowa, Kansas, Kentucky, Michigan, Minnesota, Missouri, Nebraska, North Dakota, Ohio, South Dakota, Wisconsin and Wyoming. Most Menards stores carry a complete selection of name brand merchandise for all home improvement needs including tools and hardware, building materials, appliances, home decor, lawn and garden supplies, and home and patio furniture. Menards creates employment opportunities and economic growth while fulfilling the various home improvement needs of local homeowners, tenants, and business owners

- Destination attraction, consisting of a 4 acre Field Station-Dinosaurs park

Field Station: Dinosaur park will be similar to its sister site on the east coast. It will feature an indoor museum and outdoor displays and exhibits. Visitors will be able to see up close and life size the dinosaurs that once ruled the Earth. Museum features may include life size dinosaurs, fossil dig, bone yard, skeleton garden, playground, picnic area and gift shop. The planned 4-acre outdoor prehistoric theme park is designed to resemble a dinosaur dig site within the first few weeks of a discovery. The original Field Station: Dinosaur concept was built by Guy Gsell and features a ¾-mile walking tour with 31 life-size animatronic dinosaurs along with interactive exhibits designed to educate children about dinosaurs within the context of the local ecosystem. Local, regional and national scientists will work to ensure that the exhibits encompass the latest theories and discoveries in the fields of paleontology, geology and environmental studies. During the first two seasons of operation at its east coast site, Field Station reported attendance of 113,118 to 135,605 visitors.

A base camp serves as the entry point to Field Station. Visitors receive their “credentials”, a passport which is stamped as they visit and participate in the various games, workshops and shows throughout the park. The Outback Steakhouse Amphitheater is an open area adjacent to the Fire Pit performance space. It features several shows that are performed throughout the day featuring a 15-foot dinosaur puppet. Other amenities are proposed that will be available at this destination and are unique to this location, including zip lines, ropes courses, miniature golf, and babysitting services during Iowa State University events.

The Quarry features a dig site where children dig for fossils. Children discover how to fit fossils together at the Lego tent, and make their own interpretation of what color the dinosaurs may have been at the Crayola tent.

3. Lodging space for use as either a Hotel or dorm-style lodging for overnight and guest trips to the destination attraction.

The 150-room limited-service hotel will primarily support the Field Station: Dinosaurs attraction by providing lodging to out-of-town visitors. Limited-service hotels generally provide such amenities and services as a lobby area, business center, fitness room, small meeting rooms, indoor or outdoor pool and whirlpool, market pantry, guest laundry, free internet access and a complimentary continental breakfast. Limited-service hotels cater primarily to price-sensitive commercial and leisure travelers. Examples of limited-service hotel chains include Fairfield Inn by Marriott, Hampton Inn and Holiday Inn Express.

Again, the 150-room limited-service hotel will support the projected annual attendance at Field Station: Dinosaurs, which is presently forecast at 84,000 during the first year and 112,000 during the second year. At full operation in Year 2 an estimated 65 percent of all visitors to the Field Station: Dinosaurs attraction will be from out of town, or 72,800 people. Out of town visitors will be comprised of 60 percent overnight visitors (43,680 visitors) and 40 percent day trip visitors (29,120 visitors).

Based on a stabilized occupancy rate of 68 percent and an average of 1.8 persons per room, the 150-room hotel will host up to 67,000 guests per year. An estimated 65 percent of the overnight visitors staying at the hotel are expected to visit the Field Station: Dinosaurs attraction, or 43,680 visitors.

4. A restaurant to be occupied by a to-be-named tenant.

This 1+ acre out parcel is planned in front of the hotel along 16th Street. The out parcel is designed to accommodate a freestanding restaurant that would be ideally positioned to cater to District visitors, travelers along U.S. Highway 30 and area residents.

The proposed project will have a direct and substantial benefit on the underlying property for a number of reasons, the primary reason being that the currently vacant property will be transformed into both a regional commercial hub and a regional destination attraction, drawing a large number of visitors to Ames and the proposed development. The proposed development is unique: there is only one development of its kind located on the east coast. It will serve as both a catalyst to additional tourist visits and a compliment to the hosts of other destination attractions within the City of Ames, Story County, and the State of Iowa.

The proposed development also provides significant economic returns to the City, the County and the State. This is because a primary objective of the proposed development is to foster economic growth for central Iowa by creating a unique tourism destination capable of catering to a statewide and regional trade area. By elevating Ames and central Iowa's status as a tourism destination, other related businesses and attractions in the area are expected to benefit from the opportunity to capture the increased visitation and spending generated by the Project.

The direct economic impact from the Field Station: Dinosaur, hotel and retail combined are estimated at \$18.1 million at full operational levels. These economic impacts represent net new impacts generated by visitors to the destination attraction and the capture of that new demand by the hotel from the destination attraction, additional hotel guests (not related to the destination attraction), and the new home improvement center. These impacts represent the use proposed uses intended for the property, and mark a stark contrast to the current condition of the vacant property.

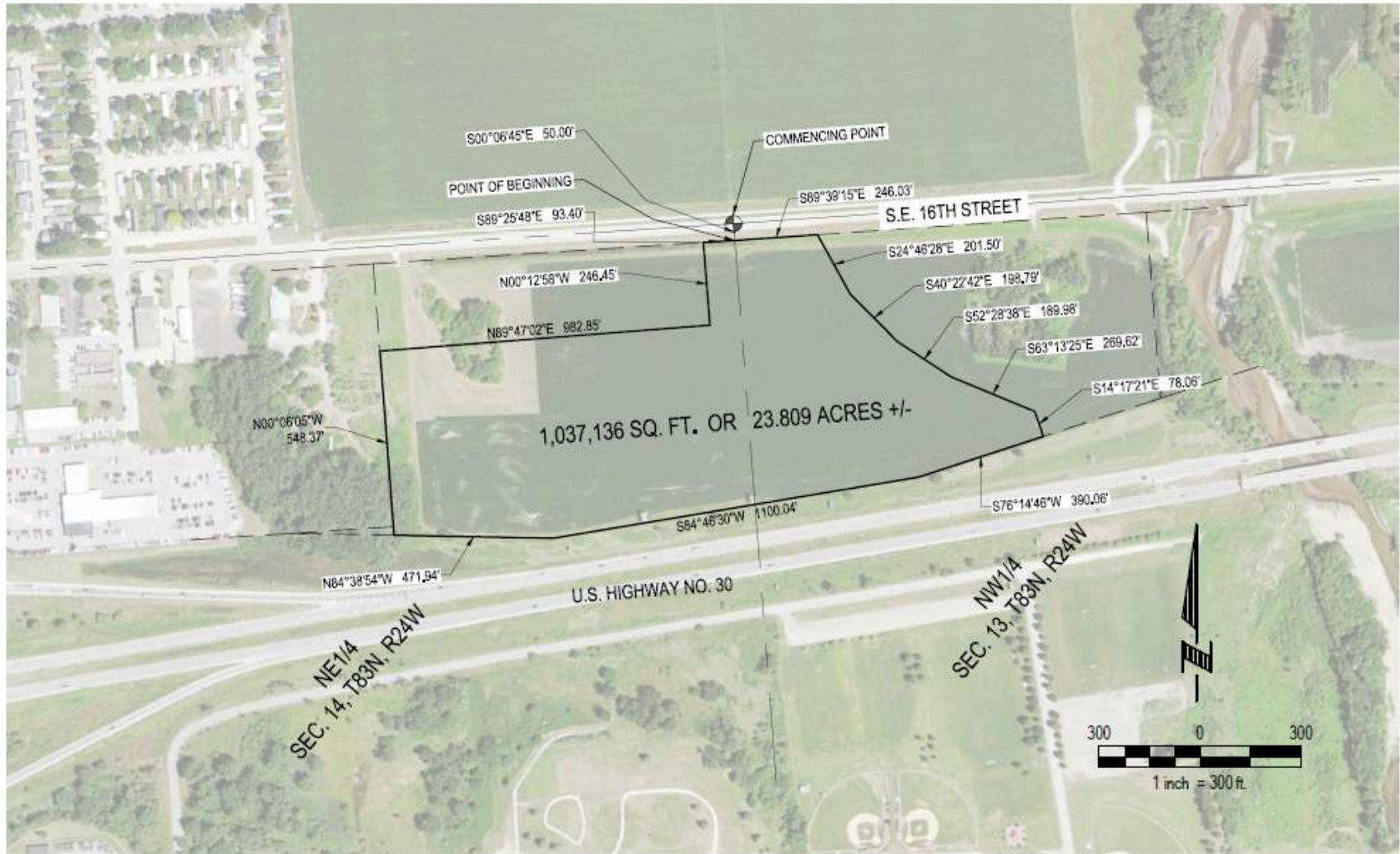
In addition, development of the proposed project would generate non-recurring construction impacts. The total capital investment for the project is estimated at approximately \$44.5 million, including land costs. Of this total, an estimated \$36.4 million would generate local economic impacts, as further outlined in the economic impact study. The construction activity, which is anticipated to occur over a one year period, would generate an economic impact of \$50.8 million in Ames and Story County and \$59.7 million statewide, including direct construction costs. This level of activity could support about 430 jobs and \$22.4 million in payroll.

All total, at full operating levels which are anticipated by the second year the project is in full operation, as planned, could create an annual economic impact of \$32.7 million on Ames and Story County and \$37.3 million on the State of Iowa. From these impacts, the District could directly and indirectly support about 440 jobs locally and 480 jobs statewide as well as \$10.5 to \$12.0 million in annual payroll, including jobs and payroll at the Field Station: Dinosaurs attraction, hotel and retail development, as well as jobs created at other local businesses that benefit from visitor spending and from supplier and employee spending. The on-site tax revenues generated from this project are located on Attachment A6.

Following your description, please provide the following attachments:

- A1 – Resolution by the governing body which contains the following: intent to establish an Iowa Reinvestment District, approval of the district plan, and a finding that the area in the proposed district is an area suitable for development
- A2 – Documentation that the district is located within an economic development Enterprise Zone or Urban Renewal area. This should include maps of the existing zone or area and the resolution or ordinance establishing the zone or area.
- A3 – Detailed map of the proposed Iowa Reinvestment District depicting the existing parcels of real estate located in the proposed district. The area must consist of physically connected parcels.
- A4 - A list of the names and addresses of the owners of record of the parcels to be included in the proposed district
- A5 - A legal description of the real estate forming the boundaries of the area to be included in the proposed district
- A6 – Documentation substantiating the explanation that real property will be directly and substantially benefited. This could include expected increase in valuation or other relevant data that lends itself to a quantitative assessment.

ATTACHMENT A3
MAP OF PROPOSED DISTRICT



E & A CONSULTING GROUP, INC. Engineering • Planning • Environmental & Civil Services 330 North 11th Street, Omaha, NE 68154 Phone: 402.465.4300 Fax: 402.465.2886 www.eandag.com	
 Engineering Answers	MEYER & STATION DINO SAUERS A.M.E.S., I.C.M.A.
DISTRICT BOUNDARY	
DATE: 08/14/14 DRAWN BY: [Signature] CHECKED BY: [Signature] SCALE: AS SHOWN	SHEET NO. 1 OF 1

ATTACHMENT A4

NAMES AND ADDRESSES OF OWNERS OF RECORD

Name of Current Owner: Hickory Park Inc.

Address of Current Owner: Hickory Park Inc.
PO Box 765
Ames, Iowa 50010-0765

Name of Contract Purchaser: MDDS Development, LLC, or assigns

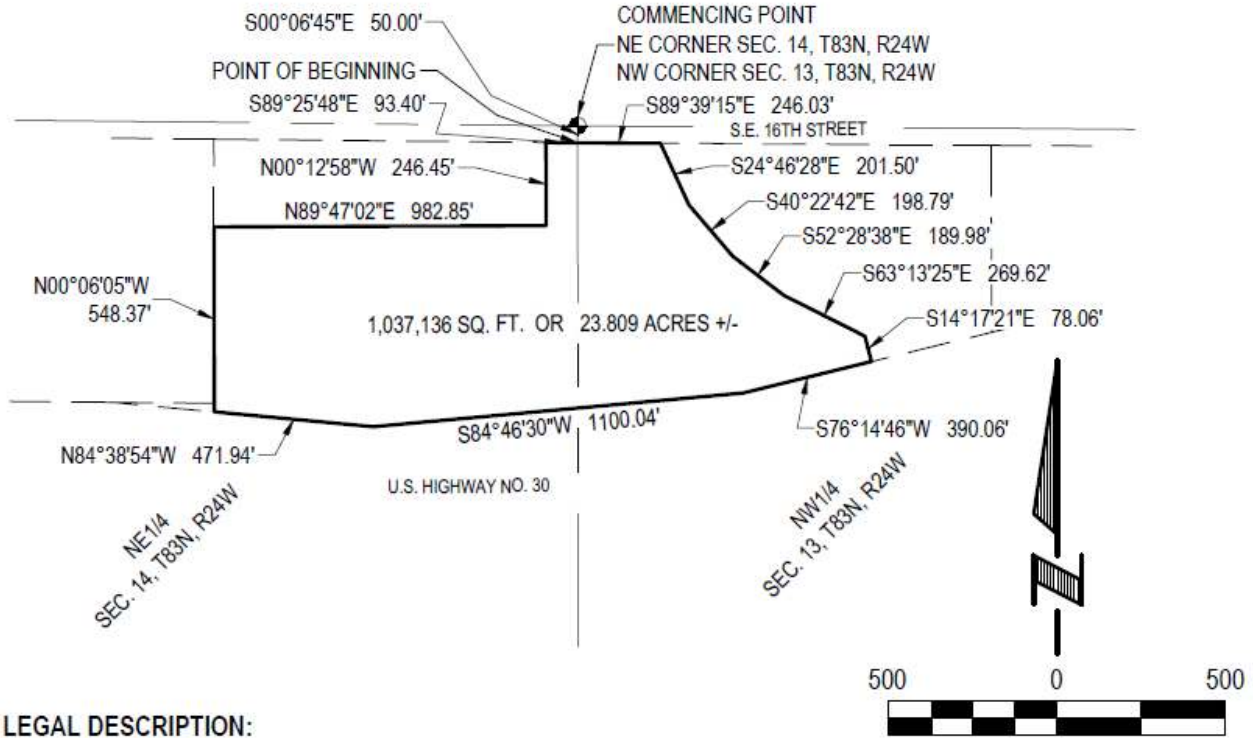
Address of Contract Purchaser: MDDS Development, LLC
c/o Drew Snyder / Matt Dennis
Woodsonia Real Estate Group
2414 North 147th Street
Omaha, Nebraska 68116
drew@woodsonia.net
(402) 669-1163

Name of Assignee: Iowa Destination Developers, LLC

Address of Assignee: Iowa Destination Developers, LLC
c/o Rick Worner
10601 Mission Road
Leawood, Kansas 66206

ATTACHMENT A5

LEGAL DESCRIPTION



LEGAL DESCRIPTION:

A TRACT OF LAND BEING PART OF THE NE 1/4 OF SECTION 14 AND ALSO PART OF THE NW 1/4 OF SECTION 13, ALL LOCATED IN TOWNSHIP 83 NORTH, RANGE 24 WEST OF THE 5TH P.M., STORY COUNTY, IOWA, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NE CORNER OF SAID SECTION 14, SAID POINT ALSO BEING THE NW CORNER SAID SECTION 13; THENCE S00°06'45"E (ASSUMED BEARING) ALONG THE EAST LINE OF SAID NE 1/4 OF SECTION 14, SAID LINE ALSO BEING THE WEST LINE OF SAID NW 1/4 OF SECTION 13, A DISTANCE OF 50.00 FEET TO A POINT ON THE SOUTHERLY RIGHT-OF-WAY LINE OF S.E. 16TH STREET, SAID POINT ALSO BEING THE POINT OF BEGINNING; THENCE S89°39'15"E ALONG SAID SOUTHERLY RIGHT-OF-WAY LINE OF S.E. 16TH STREET, A DISTANCE OF 246.03 FEET; THENCE S24°46'28"E, A DISTANCE OF 201.50 FEET; THENCE S40°22'42"E, A DISTANCE OF 198.79 FEET; THENCE S52°28'38"E, A DISTANCE OF 189.98 FEET; THENCE S63°13'25"E, A DISTANCE OF 269.62 FEET; THENCE S14°17'21"E, A DISTANCE OF 78.06 FEET TO A POINT ON THE NORTHERLY RIGHT-OF-WAY LINE OF U.S. HIGHWAY NO. 30; THENCE S76°14'46"W ALONG SAID NORTHERLY RIGHT-OF-WAY LINE OF U.S. HIGHWAY NO. 30, A DISTANCE OF 390.06 FEET; THENCE S84°46'30"W ALONG SAID NORTHERLY RIGHT-OF-WAY LINE OF U.S. HIGHWAY NO. 30, A DISTANCE OF 1100.04 FEET; THENCE N84°38'54"W ALONG SAID NORTHERLY RIGHT-OF-WAY LINE OF U.S. HIGHWAY NO. 30, A DISTANCE OF 471.94 FEET; THENCE N00°06'05"W, A DISTANCE OF 548.37 FEET; THENCE N89°47'02"E, A DISTANCE OF 982.85 FEET; THENCE N00°12'58"W, A DISTANCE OF 246.45 FEET TO A POINT ON SAID SOUTHERLY RIGHT-OF-WAY LINE OF S.E. 16TH STREET; THENCE S89°25'48"E, ALONG SAID SOUTHERLY RIGHT-OF-WAY LINE OF S.E. 16TH STREET, A DISTANCE OF 93.40 FEET TO THE POINT OF BEGINNING.

SAID TRACT OF LAND CONTAINS AN AREA OF 1,037,136 SQUARE FEET OR 23.809 ACRES MORE OR LESS.



E & A CONSULTING GROUP, INC.

Engineering • Planning • Environmental & Field Services
330 North 117th Street Omaha, NE 68154 Phone: 402.895.4700 Fax: 402.895.3599

Job No.: P2013.493.001

Date: 02/28/14

Drawn by: FCE

Scale: 1" = 500'

Sht: 1 of 1

PART OF THE
NE 1/4 SEC. T83N, R24W
AND ALSO THE
NW 1/4 SEC. 13, T83N, R24W
STORY COUNTY, IOWA

ATTACHMENT A6

DIRECT AND SUBSTANTIAL BENEFIT DOCUMENTATION

PROPERTY VALUE INCREASE

Year	Taxable Value		Taxable Value after Development			Total Taxable	Total Added	City Tax
	Base	Dinosaur Camp	Hotel	Restaurant	Menards	Value	Value	Revenues \$0.01085538
1	\$48,127	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2	\$50,052	\$3,339,250	\$8,122,500	\$1,128,125	\$11,168,438	\$23,758,313	\$23,708,261	\$237,583
3	\$50,052	\$3,339,250	\$8,122,500	\$1,128,125	\$11,168,438	\$23,758,313	\$23,708,261	\$237,583
4	\$51,053	\$3,406,035	\$8,284,950	\$1,150,688	\$11,391,807	\$24,233,480	\$24,182,427	\$242,335
5	\$51,053	\$3,406,035	\$8,284,950	\$1,150,688	\$11,391,807	\$24,233,480	\$24,182,427	\$242,335
6	\$52,074	\$3,474,156	\$8,450,649	\$1,173,702	\$11,619,643	\$24,718,150	\$24,666,076	\$247,181
7	\$52,074	\$3,474,156	\$8,450,649	\$1,173,702	\$11,619,643	\$24,718,150	\$24,666,076	\$247,182
8	\$53,115	\$3,543,639	\$8,619,662	\$1,197,176	\$11,852,036	\$25,212,513	\$25,159,398	\$252,125
9	\$53,115	\$3,543,639	\$8,619,662	\$1,197,176	\$11,852,036	\$25,212,513	\$25,159,398	\$252,125
10	\$54,177	\$3,614,512	\$8,792,055	\$1,221,120	\$12,089,077	\$24,716,764	\$24,662,587	\$247,168
11	\$54,177	\$3,614,512	\$8,792,055	\$1,221,120	\$12,089,077	\$25,716,764	\$25,662,587	\$257,168
12	\$55,261	\$3,686,802	\$8,967,896	\$1,245,542	\$12,330,859	\$26,231,099	\$26,175,838	\$262,311
13	\$55,261	\$3,686,802	\$8,967,896	\$1,245,542	\$12,330,859	\$26,231,099	\$26,175,838	\$262,311
14	\$56,366	\$3,760,538	\$9,147,254	\$1,270,453	\$12,577,476	\$26,755,721	\$26,699,355	\$267,557
15	\$56,366	\$3,760,538	\$9,147,254	\$1,270,453	\$12,577,476	\$26,755,721	\$26,699,355	\$267,557
16	\$57,493	\$3,835,749	\$9,330,199	\$1,295,862	\$12,829,026	\$27,290,836	\$27,233,342	\$272,908
17	\$57,493	\$3,835,749	\$9,330,199	\$1,295,862	\$12,829,026	\$27,290,836	\$27,233,342	\$272,908
18	\$58,643	\$3,912,464	\$9,516,803	\$1,321,779	\$13,085,607	\$27,836,653	\$27,778,010	\$278,367
19	\$58,643	\$3,912,464	\$9,516,803	\$1,321,779	\$13,085,607	\$27,836,653	\$27,778,010	\$278,367
20	\$59,816	\$3,990,713	\$9,707,139	\$1,348,215	\$13,347,319	\$28,393,386	\$28,333,570	\$283,934
Total								\$4,909,004

Assumptions: Current taxable value is based on the most recent property tax bill. To arrive at assessed value estimates for the District's hotel and retail components after completion of the Project, comparable valuations were used. Current assessed values for such comparable properties in Ames were researched including the 115,664 square foot Lowe's store valued at \$70.50 per square foot and the Country Inn & Suites, Fairfield Inn & Suites, Hampton Inn and Holiday Inn Express limited-service hotels valued at \$34,167 to \$52,763 per room, and Applebee's, Perkins, Red Lobster and Texas Roadhouse valued at \$220 to \$254 per square foot. The assessed value upon completion is estimated at \$3.7 million for the Field Station Dinosaurs, \$9.0 million for the hotel (\$60,000 per room), \$1.25 million for the restaurant (\$250 per square foot) and \$12,375,000 for Menards (\$75 per square foot). At a "rollback" of 90 percent the taxable values are estimated at \$3,339,250 for the Field Station Dinosaurs, \$8,122,500 for the hotel, \$1,128,125 for the restaurant and \$11,168,438 for Menards. Taxable values were escalated at 2.0 percent on odd-numbered years with 2016 the base year.

ATTACHMENT A6

DIRECT AND SUBSTANTIAL BENEFIT DOCUMENTATION

CITY RETAIL SALES REVENUE

Year	Retail Sales				Utility Costs				Total Sales & Utilities	City Tax Revenue %		
	Dinosaur Camp	Restaurant	Menards	Total Sales	Dinosaur Camp	Hotel	Restaurant	Menards			Total Utilities	
1	\$2,100,000	\$1,800,000	\$32,000,000	\$35,900,000	\$168,000	\$159,000	\$15,000	\$222,750	\$564,750	\$36,464,750	\$364,648	
2	\$2,800,000	\$2,000,000	\$35,000,000	\$39,800,000	\$171,360	\$180,000	\$15,300	\$227,205	\$593,865	\$40,393,865	\$403,939	
3	\$2,856,000	\$2,040,000	\$35,700,000	\$40,596,000	\$174,787	\$183,600	\$15,606	\$231,749	\$605,742	\$41,201,742	\$412,017	
4	\$2,913,120	\$2,080,800	\$36,414,000	\$41,407,920	\$178,283	\$187,272	\$15,918	\$236,384	\$617,857	\$42,025,777	\$420,258	
5	\$2,971,382	\$2,122,416	\$37,142,280	\$42,236,078	\$181,849	\$191,017	\$16,236	\$241,112	\$630,214	\$42,866,292	\$428,663	
6	\$3,030,810	\$2,164,864	\$37,885,126	\$43,080,800	\$185,486	\$194,838	\$16,561	\$245,934	\$642,819	\$43,723,619	\$437,236	
7	\$3,091,426	\$2,208,162	\$38,642,828	\$43,942,416	\$189,195	\$198,735	\$16,892	\$250,853	\$655,675	\$44,598,091	\$445,981	
8	\$3,153,255	\$2,252,325	\$39,415,685	\$44,821,265	\$192,979	\$202,709	\$17,230	\$255,870	\$668,788	\$45,490,053	\$454,901	
9	\$3,216,320	\$2,297,371	\$40,203,998	\$45,717,689	\$196,839	\$206,763	\$17,575	\$260,987	\$682,164	\$46,399,853	\$463,999	
10	\$3,280,646	\$2,343,319	\$41,008,078	\$46,632,043	\$200,776	\$210,899	\$17,926	\$266,207	\$695,807	\$47,327,850	\$473,279	
11	\$3,346,259	\$2,390,185	\$41,828,240	\$47,564,684	\$204,791	\$215,117	\$18,285	\$271,531	\$709,724	\$48,274,408	\$482,744	
12	\$3,413,184	\$2,437,989	\$42,664,805	\$48,515,978	\$208,887	\$219,419	\$18,651	\$276,962	\$723,918	\$49,239,896	\$492,399	
13	\$3,481,448	\$2,486,749	\$43,518,101	\$49,486,298	\$213,065	\$223,807	\$19,024	\$282,501	\$738,396	\$50,224,694	\$502,247	
14	\$3,551,077	\$2,536,484	\$44,388,463	\$50,476,024	\$217,326	\$228,284	\$19,404	\$288,151	\$753,164	\$51,229,188	\$512,292	
15	\$3,622,099	\$2,587,213	\$45,276,232	\$51,485,544	\$221,672	\$232,849	\$19,792	\$293,914	\$768,228	\$52,253,772	\$522,538	
16	\$3,694,541	\$2,638,958	\$46,181,757	\$52,515,256	\$226,106	\$237,506	\$20,188	\$299,792	\$783,592	\$53,298,848	\$532,988	
17	\$3,768,431	\$2,691,737	\$47,105,392	\$53,565,560	\$230,628	\$242,256	\$20,592	\$305,788	\$799,264	\$54,364,824	\$543,648	
18	\$3,843,800	\$2,745,571	\$48,047,500	\$54,636,871	\$235,241	\$247,101	\$21,004	\$311,904	\$815,249	\$55,452,120	\$554,521	
19	\$3,920,676	\$2,800,483	\$49,008,450	\$55,729,609	\$239,945	\$252,043	\$21,424	\$318,142	\$831,554	\$56,561,163	\$565,612	
20	\$3,999,089	\$2,856,492	\$49,988,619	\$56,844,200	\$244,744	\$257,084	\$21,852	\$324,505	\$848,185	\$57,692,385	\$576,924	
Total												\$9,590,832

ATTACHMENT A6

DIRECT AND SUBSTANTIAL BENEFIT DOCUMENTATION

STATE RETAIL SALES REVENUE

Year	Retail Sales				Utility Costs					Total Sales & Utilities	State Tax Revenue 6%
	Dinosaur Camp	Restaurant	Menards	Total Sales	Dinosaur Camp	Hotel	Restaurant	Menards	Total Utilities		
1	\$2,100,000	\$1,800,000	\$32,000,000	\$35,900,000	\$168,000	\$159,000	\$15,000	\$222,750	\$564,750	\$36,464,750	\$2,187,885
2	\$2,800,000	\$2,000,000	\$35,000,000	\$39,800,000	\$171,360	\$180,000	\$15,300	\$227,205	\$593,865	\$40,393,865	\$2,423,632
3	\$2,856,000	\$2,040,000	\$35,700,000	\$40,596,000	\$174,787	\$183,600	\$15,606	\$231,749	\$605,742	\$41,201,742	\$2,472,105
4	\$2,913,120	\$2,080,800	\$36,414,000	\$41,407,920	\$178,283	\$187,272	\$15,918	\$236,384	\$617,857	\$42,025,777	\$2,521,547
5	\$2,971,382	\$2,122,416	\$37,142,280	\$42,236,078	\$181,849	\$191,017	\$16,236	\$241,112	\$630,214	\$42,866,292	\$2,571,978
6	\$3,030,810	\$2,164,864	\$37,885,126	\$43,080,800	\$185,486	\$194,838	\$16,561	\$245,934	\$642,819	\$43,723,619	\$2,623,417
7	\$3,091,426	\$2,208,162	\$38,642,828	\$43,942,416	\$189,195	\$198,735	\$16,892	\$250,853	\$655,675	\$44,598,091	\$2,675,885
8	\$3,153,255	\$2,252,325	\$39,415,685	\$44,821,265	\$192,979	\$202,709	\$17,230	\$255,870	\$668,788	\$45,490,053	\$2,729,403
9	\$3,216,320	\$2,297,371	\$40,203,998	\$45,717,689	\$196,839	\$206,763	\$17,575	\$260,987	\$682,164	\$46,399,853	\$2,783,991
10	\$3,280,646	\$2,343,319	\$41,008,078	\$46,632,043	\$200,776	\$210,899	\$17,926	\$266,207	\$695,807	\$47,327,850	\$2,839,671
11	\$3,346,259	\$2,390,185	\$41,828,240	\$47,564,684	\$204,791	\$215,117	\$18,285	\$271,531	\$709,724	\$48,274,408	\$2,896,464
12	\$3,413,184	\$2,437,989	\$42,664,805	\$48,515,978	\$208,887	\$219,419	\$18,651	\$276,962	\$723,918	\$49,239,896	\$2,954,394
13	\$3,481,448	\$2,486,749	\$43,518,101	\$49,486,298	\$213,065	\$223,807	\$19,024	\$282,501	\$738,396	\$50,224,694	\$3,013,482
14	\$3,551,077	\$2,536,484	\$44,388,463	\$50,476,024	\$217,326	\$228,284	\$19,404	\$288,151	\$753,164	\$51,229,188	\$3,073,751
15	\$3,622,099	\$2,587,213	\$45,276,232	\$51,485,544	\$221,672	\$232,849	\$19,792	\$293,914	\$768,228	\$52,253,772	\$3,135,226
16	\$3,694,541	\$2,638,958	\$46,181,757	\$52,515,256	\$226,106	\$237,506	\$20,188	\$299,792	\$783,592	\$53,298,848	\$3,197,931
17	\$3,768,431	\$2,691,737	\$47,105,392	\$53,565,560	\$230,628	\$242,256	\$20,592	\$305,788	\$799,264	\$54,364,824	\$3,261,889
18	\$3,843,800	\$2,745,571	\$48,047,500	\$54,636,871	\$235,241	\$247,101	\$21,004	\$311,904	\$815,249	\$55,452,120	\$3,327,127
19	\$3,920,676	\$2,800,483	\$49,008,450	\$55,729,609	\$239,945	\$252,043	\$21,424	\$318,142	\$831,554	\$56,561,163	\$3,393,670
20	\$3,999,089	\$2,856,492	\$49,988,619	\$56,844,200	\$244,744	\$257,084	\$21,852	\$324,505	\$848,185	\$57,692,385	\$3,461,543
Total											\$57,544,991

Assumptions: During the first year of operation retail sales for the District are estimated at \$2.1 million for the Field Station: Dinosaurs attraction, \$1,800,000 for the restaurant, and \$32.0 million for Menards. At full operation in Year 2 retail sales generated by the businesses within the District are estimated at \$2.8 million for the Field Station: Dinosaurs attraction, \$2,000,000 for the restaurant and \$35.0 million for Menards. Throughout the remainder of the projection period retail sales were escalated at an average annual rate of 2.0 percent. Water, sewer, storm sewer and electric would be provided to businesses operating within the District and are subject to sales tax. Natural gas is provided by Alliant Energy and is subject to sales tax. First year utility costs are estimated at \$168,000 for the Field Station: Dinosaurs, 4.5 percent of gross revenues translating to \$159,000 for the hotel, \$3.00 per square foot for the restaurant translating to \$15,000, and \$1.35 per square foot translating to \$222,750 for Menards. Year 2 utility costs for the hotel are estimated at \$180,000. Throughout the remainder of the projection period utility costs were escalated at an average annual rate of 2.0 percent.

ATTACHMENT A6

DIRECT AND SUBSTANTIAL BENEFIT DOCUMENTATION

CITY HOTEL/MOTEL TAX REVENUES

Year	Room Revenue	Hotel/Motel Tax Revenue 7%	Distributions		
			Ames CVB 5%	Local Tax Option 1%	General Fund 1%
1	\$3,350,000	\$234,500	\$167,500	\$33,500	\$33,500
2	\$3,800,000	\$266,000	\$190,000	\$38,000	\$38,000
3	\$3,876,000	\$271,320	\$193,800	\$38,760	\$38,760
4	\$3,953,520	\$276,746	\$197,676	\$39,535	\$39,535
5	\$4,032,590	\$282,281	\$201,630	\$40,326	\$40,326
6	\$4,113,242	\$287,927	\$205,662	\$41,132	\$41,132
7	\$4,195,507	\$293,685	\$209,775	\$41,955	\$41,955
8	\$4,279,417	\$299,559	\$213,971	\$42,794	\$42,794
9	\$4,365,006	\$305,550	\$218,250	\$43,650	\$43,650
10	\$4,452,306	\$311,661	\$222,615	\$44,523	\$44,523
11	\$4,541,352	\$317,895	\$227,068	\$45,414	\$45,414
12	\$4,632,179	\$324,253	\$231,609	\$46,322	\$46,322
13	\$4,724,822	\$330,738	\$236,241	\$47,248	\$47,248
14	\$4,819,319	\$337,352	\$240,966	\$48,193	\$48,193
15	\$4,915,705	\$344,099	\$245,785	\$49,157	\$49,157
16	\$5,014,019	\$350,981	\$250,701	\$50,140	\$50,140
17	\$5,114,300	\$358,001	\$255,715	\$51,143	\$51,143
18	\$5,216,586	\$365,161	\$260,829	\$52,166	\$52,166
19	\$5,320,917	\$372,464	\$266,046	\$53,209	\$53,209
20	\$5,427,336	\$379,914	\$271,367	\$54,273	\$54,273
Total		\$6,310,089	\$4,507,206	\$901,441	\$901,441

STATE HOTEL/MOTEL TAX REVENUES

Year	Room Revenue	State of Iowa
		Hotel/Motel Tax Revenue 5%
1	\$3,350,000	\$167,500
2	\$3,800,000	\$190,000
3	\$3,876,000	\$193,800
4	\$3,953,520	\$197,676
5	\$4,032,590	\$201,630
6	\$4,113,242	\$205,662
7	\$4,195,507	\$209,775
8	\$4,279,417	\$213,971
9	\$4,365,006	\$218,250
10	\$4,452,306	\$222,615
11	\$4,541,352	\$227,068
12	\$4,632,179	\$231,609
13	\$4,724,822	\$236,241
14	\$4,819,319	\$240,966
15	\$4,915,705	\$245,785
16	\$5,014,019	\$250,701
17	\$5,114,300	\$255,715
18	\$5,216,586	\$260,829
19	\$5,320,917	\$266,046
20	\$5,427,336	\$271,367
Total		\$4,507,206

ASSUMPTIONS: During the first year of operation room revenues for the 150-room limited-service hotel planned for the District are estimated at \$3.35 million. At stabilized occupancy in Year 2, room revenues are estimated at \$3.8 million. Throughout the remainder of the projection period retail sales were escalated at an average annual rate of 2.0 percent.

ATTACHMENT A6

DIRECT AND SUBSTANTIAL BENEFIT DOCUMENTATION

TOTAL BENEFIT SUMMARY OF TAX REVENUES TO CITY AND STATE

Year	City of Ames			Total	State of Iowa			Total
	Retail Sales & Utilities	Hotel/Motel Tax	Real Property Tax	City Tax Revenues	Retail Sales & Utilities	Hotel/Motel Tax	Personal Income Tax	State Tax Revenues
1	\$364,648	\$234,500	\$0	\$599,148	\$2,187,885	\$167,500	\$190,909	\$2,546,294
2	\$403,939	\$266,000	\$237,583	\$907,522	\$2,423,632	\$190,000	\$194,727	\$2,808,359
3	\$412,017	\$271,320	\$237,583	\$920,921	\$2,472,105	\$193,800	\$198,622	\$2,864,527
4	\$420,258	\$276,746	\$242,335	\$939,339	\$2,521,547	\$197,676	\$202,594	\$2,921,817
5	\$428,663	\$282,281	\$242,335	\$953,279	\$2,571,978	\$201,630	\$206,646	\$2,980,254
6	\$437,236	\$287,927	\$247,181	\$972,344	\$2,623,417	\$205,662	\$210,779	\$3,039,858
7	\$445,981	\$293,685	\$247,182	\$986,847	\$2,675,885	\$209,775	\$214,994	\$3,100,654
8	\$454,901	\$299,559	\$252,125	\$1,006,585	\$2,729,403	\$213,971	\$219,294	\$3,162,668
9	\$463,999	\$305,550	\$252,125	\$1,021,674	\$2,783,991	\$218,250	\$223,680	\$3,225,921
10	\$473,279	\$311,661	\$247,168	\$1,032,107	\$2,839,671	\$222,615	\$228,154	\$3,290,440
11	\$482,744	\$317,895	\$257,168	\$1,057,807	\$2,896,464	\$227,068	\$232,717	\$3,356,249
12	\$492,399	\$324,254	\$262,311	\$1,078,964	\$2,954,394	\$231,609	\$237,371	\$3,423,374
13	\$502,247	\$330,738	\$262,311	\$1,095,296	\$3,013,482	\$236,241	\$242,119	\$3,491,842
14	\$512,292	\$337,352	\$267,557	\$1,117,201	\$3,073,751	\$240,966	\$246,961	\$3,561,678
15	\$522,538	\$344,099	\$267,557	\$1,134,194	\$3,135,226	\$245,785	\$251,900	\$3,632,911
16	\$532,988	\$350,981	\$272,908	\$1,156,878	\$3,197,931	\$250,701	\$256,938	\$3,705,570
17	\$543,648	\$358,001	\$272,908	\$1,174,558	\$3,261,889	\$255,715	\$262,077	\$3,779,681
18	\$554,521	\$365,162	\$278,367	\$1,198,050	\$3,327,127	\$260,829	\$267,318	\$3,855,274
19	\$565,612	\$372,464	\$278,367	\$1,216,442	\$3,393,670	\$266,046	\$272,665	\$3,932,381
20	\$576,924	\$379,914	\$283,934	\$1,240,772	\$3,461,543	\$271,367	\$278,118	\$4,011,028
Totals	\$9,590,832	\$6,310,089	\$4,909,004	\$20,809,925	\$57,544,991	\$4,507,206	\$4,638,583	\$66,690,780

*See market study and feasibility study for personal income tax projections

Project Name: Ames Destination Development Project			
Funding Uses		Funding Sources	
Site Preparation	\$3,528,360.00	Private Financing	\$33,670,609.00
Building Acquisition	\$4,000,000.00	Tax Revenue Financing	\$14,745,587.00
Building Construction	\$39,237,836.00		
Building Remodeling			
Fixtures			
Architectural Design	\$250,000.00		
Engineering Design	\$250,000.00		
Construction Admin.	\$250,000.00		
Other	\$900,000.00		
Total Project Budget	\$48,416,196.00	Total Funding Sources	\$48,416,196.00

Following your project descriptions and sources and uses, please attach the following:

B1, B2, B3... - A project plan for each project proposed within the district. The project plan should include comprehensive details relating to the project including but not limited to:

- Description and type of project (i.e. new lessor, new retail establishment, public improvement, etc.)
- Expected Timeline
- Detailed budget for the project
- Expected debt associated with each project
- Status of expected financing and financing gap
- Expected state hotel/motel tax and/or state sales tax projections over 20 years. (Provide assumptions and detail related to these projections.)
- Visual aids which enhance the understanding of the project
- Feasibility study conducted by an independent professional
 - Each project feasibility study should include the following, as well as any other pertinent information:
 - Projected annual gross revenues expected as a result of the proposed project
 - Detailed explanation of the economic impact expected as a result of the project
 - Estimate of the number of visitors or customers the project is expected to generate
 - A description of the unique characteristics of the project within the context of the “unique nature” (defined on page 2 of this application)

Project Plans should be numbered and titled attachments to this section. Titles should be consistent with project references throughout the application. Plans should be as thorough as possible.

Legal Tests	Summary	Passed (Y/N)		
50% Test	New Retail Costs must not exceed 50% of Total Project Costs	New Retail	Total Costs	YES
		\$ 20,100,000	\$ 48,416,196	42%
\$10M Test	At least one of the new proposed projects within district must have \$10M in capital investment	Menards	Requirement	YES
		\$ 15,000,000	\$ 10,000,000	
35% Test	Total Amount of Remitted Tax Revenues cannot exceed 35% of Total Project Costs	State Financing	Total Costs	YES
		\$ 14,745,587	\$ 48,416,196	30%

4. Expect debt associated with each project

DEBT ASSOCIATED WITH PROJECT			
Public Financing	Private Debt	Private Equity	Total
\$ 14,745,587	\$ 23,569,426.30	\$ 10,101,182.70	\$ 48,416,196

5. Status of expected financing and financing gap

Status of Financing:

We have received preliminary interest from lenders who are excited about the proposed project and have expressed an interest to provide financing for the redevelopment. The developers have developed a number of similar projects and have a number of lenders who are interested in providing financing for this type of destination attraction.

Gap Analysis:

With a substantial amount of space being dedicated to a destination attraction run by a 501C3 non-profit, there is a significant gap in financing. With a few exceptions (e.g., Disney World), this is a common with all destination developments. Hence, why these types of attractions are rare. Although these attractions can operate successfully, they require significant subsidies to develop and construct. Therefore, the project presently has two financing gaps:

First, the costs associated with Field Station: Dinosaurs requires a full subsidy. In order to allow the project to operate successfully, it cannot be burdened with capital debt. Thus, land, infrastructure, hard construction costs, and soft construction costs attributable to the Field Station: Dinosaurs attraction must be covered by public financing.

Second, although limited-service hotels can and do operate with capital debt and without subsidy, a partial subsidy is needed in order to enable successful operations of the destination attraction. In other words, a limited-service hotel that caters to a destination attraction loses room nights and room values to accommodate the destination attraction. For example, room nights will need to be blocked off to support events at the Field Station: Dinosaurs attraction. Subsidies will need to be provided in order to accommodate attraction events, such as summer camps and similar lodging requirements, and for higher capital costs for the facility based on features outside of the scope of traditional limited-service hotels, such as enhanced dining room features based on the camp component to accommodate Field Station: Dinosaurs visitors. Consequently, normal hotel operations are disrupted and a partial subsidy is required to allay and minimize lost revenues in order to accommodate the destination attraction.

6. Expected state hotel/motel tax and/or state sales tax projections over 20 years. (Provide assumptions and detail related to these projections.)

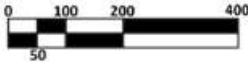
7. Visual aids which enhance the understanding of the project



STARBOND DISTRICT 24.4 AC

MENARD'S & FIELD STATION DINOSAURS
Ames, IA

Scale: 1" = 200'
2/27/2014





Stegosaurus

The Heartland Dinosaur Museum

Produced by Field Station: Dinosaurs
An Opportunity 65 Million Years in the Making



Opening July 15, 2015

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- 3. Executive Summary
- 4. Our Demographic
- 5. The Right Team
- 6. Museum Location and Plan
- 8. Production Schedule
- 9. Shared Objectives and Responsibilities
- 11. The Story and Science of Dinosaurs
- 15. Annual Paleo Festival and National Dinosaur Camp
- 18. Management
- 20. Conclusion



The Heartland Dinosaur Museum

will be a world-class science museum that explores the paleontological history of Iowa and the Midwest.

The museum's mission is to teach children and their families lessons about the world today using the science and story of the dinosaurs and to create the next generation of great American scientists.

Working with scientists from Iowa State University, the University of Iowa, the University of Kansas, and the Academy of Natural Sciences in Philadelphia, we will create an immersive, interactive and entertaining scientific exhibition that appeals to family audiences while highlighting the mystery and adventure of scientific discovery.

Field Station: Dinosaurs, in collaboration with Oppenheimer & Co, Inc, will produce a major regional, not-for-profit science museum and park in Ames IA designed to attract tourism and drive business to local hotels, retail stores and restaurants. The Museum will be a community asset designed to serve the educational needs of the region.

Field Station: Dinosaurs is the ideal partner for this project; our management team has created, produced and launched some of the best known and highly acclaimed science-themed exhibits and attractions in the country, including the World Science Festival, Discovery Times Square and Field Station: Dinosaurs. Guy Gsell, our executive producer, has 20+ years in not-for-profit management and fundraising including a successful \$21 million capital campaign at the Two River Theater in Red Bank, NJ.

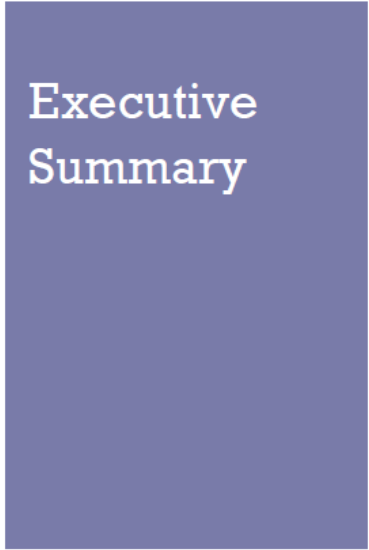
The Heartland Dinosaur Museum will be designed with a firm foundation in the world of science, an understanding of a child's imagination and a Broadway producer's flare for spectacle.

The Story and Science of Dinosaurs

The Heartland Dinosaur Museum will feature a 7,000 square foot science exhibit titled "On the Shores of the Great Inland Sea" which will explore the rich dinosaur history of the Midwest. The Museum will also house an outdoor dinosaur exhibit with 24 meticulously crafted, full-sized dinosaurs with state-of-the-art, robotics, a "paleontologist training center" featuring a ropes course and dig site. Each summer the Museum will host The Annual Paleo Festival and National Dinosaur Camp - an outdoor scientific adventure created specifically for curious children and their families.

Field Station: Dinosaurs is one of the most recognized dinosaur brands in the country and has been featured on *Good Morning, America, Nightline, Fox & Friends* and in press outlets ranging from *The New York Times, The Wall Street Journal* and *Businessweek* to *The Huffington Post* and *Maxim*.

Our success is based on our company's ability to conceptualize and produce high quality dinosaur attractions at a competitive price and to support the exhibitions with educational programming, technical assistance, and proven marketing strategies and collateral. In addition to the Museum in Ames, Field Station: Dinosaurs is producing an attraction at Six Flags Great Escape theme park in 2015 with plans to expand into additional Six Flags affiliated properties over the next five years.



Executive Summary



Our Demographic Families with children

We define our market as families with children between the ages of three and eleven. Our programming will serve students from pre-K -8th Grade, summer camp groups and daycare centers. *The Heartland Dinosaur Museum* will attract guests from an expanded regional base. Based on our experience at Field Station: Dinosaurs in Secaucus, NJ, we expect visitors to be predominately wealthy (49% report HHI over \$100K), educated (51% with a college degree or higher).

Field Stations: Dinosaurs will aid the Museum in the preparation of the marketing and public relations plan, including an extensive grassroots and regional media campaign, to promote the exhibition and camp to visitors aligned with its key demographic audience, while reaching out to underserved and economically disadvantaged populations.

The Right Team.

Executive Producer

The Museum's development team will be led by Field Station: Dinosaur's Executive Producer Guy Gsell. Mr. Gsell has produced educationally themed theater, live events, and exhibits in a career that spans thirty years and three continents.

As the Executive Producer of Field Station: Dinosaurs, Mr. Gsell developed a world-class, science theme park that combines live entertainment, animatronic dinosaurs and educational programming. In its first two years, the park has welcomed over 250,000 visitors representing all fifty states, Europe, Asia and Africa.

As founding director of Discovery Times Square in Manhattan, Mr. Gsell was responsible for all aspects of the venue's start-up from conceptualization, through construction and launch - creating from scratch a major New York tourist attraction.

For six years, Mr. Gsell was Managing Director of the not-for-profit Two River Theater Company in Red Bank, New Jersey, where he took a small professional theater with an annual audience of 8,000 and operating budget of less than \$1 million and turned it into a major regional entertainment center with an audience of 54,000 and annual operating budget of \$4.2 million.

Mr. Gsell will lead a team that includes some of the most creative design and engineering minds in the country, with extensive experience in theme parks (Six Flags), museums (The Field Museum, Denver Museum of Nature & Science), Broadway (*Shrek*, *Addams Family*), network television (NFL Draft, *Good Morning, America*), film (*A Beautiful Mind*, *Tower Heist*) and live entertainment (Radio City Music Hall, Fox TV live events.)



Site Plan for The Museum



Using grain bins and army temper tents for learning and playing space, we will create a science-theme exhibit and family attraction that is unlike any other and fits perfectly in the heartland.



Production Schedule

With an accelerated production schedule, we will open to the public within 400 days. With the completion of the hotel, we will celebrate the Grand Opening of *The Heartland Dinosaur Museum* on Wednesday, July 15, 2015.

	Task	Duration	Business Days	Start	Finish
1	Field Station: Dinosaurs - Ames, IA	380		Tues, July 1, 2014	Wed, July 15, 2015
2	Conceptual Plans	34	23	Tues, July 1, 2014	Sun, Aug 3, 2014
3	Preliminary Plans and Specs	49	34	Mon, Aug 4, 2014	Sun, Sept 21, 2014
4	Final Plans	49	34	Mon, Sept 22, 2014	Sun, Nov 9, 2014
5	Permits	84	55	Mon, Nov 10, 2014	Sun, Feb 1, 2015
6	Construction	105	90	Mon, Feb 2, 2015	Sun, May 17, 2015
7	Attraction Installation	56	48	Mon, May 4, 2015	Sun, June 28, 2015
8	Scenic Elements and Dressing	14	12	Mon, June 22, 2015	Sun, July 5, 2015
9	Staff Training and Press Events	9	7	Mon, July 6, 2015	Tues, July 14, 2015
10	Grand Opening			Wed, July 15, 2015	Wed, July 15, 2015
		400	303		

Task	Duration	Business Days	Start	Finish	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	March	April	May	June	July
					2014	2014	2014	2014	2014	2014	2015	2015	2015	2015	2015	2015	2015
				days until opening	379	348	318	287	257	226	195	167	136	106	75	45	15
1 Field Station: Dinosaurs - Ames, IA	380		Tues, July 1, 2014	Wed, July 15, 2015	[Gantt bar spanning from July 2014 to July 2015]												
2 Conceptual Plans	34	23	Tues, July 1, 2014	Sun, Aug 3, 2014	[Gantt bar from July 2014 to Aug 2014]												
3 Preliminary Plans and Specs	49	34	Mon, Aug 4, 2014	Sun, Sept 21, 2014	[Gantt bar from Aug 2014 to Sept 2014]												
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5 Permits	84	55	Mon, Nov 10, 2014	Sun, Feb 1, 2015	[Gantt bar from Nov 2014 to Feb 2015]												
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7 Attraction Installation	56	48	Mon, May 4, 2015	Sun, June 28, 2015	[Gantt bar from May 2015 to June 2015]												
8 Scenic Elements and Dressing	14	12	Mon, June 22, 2015	Sun, July 5, 2015	[Gantt bar from June 2015 to July 2015]												
9 Staff Training and Press Events	9	7	Mon, July 6, 2015	Tues, July 14, 2015	[Gantt bar from July 2015 to July 2015]												
10 Grand Opening			Wed, July 15, 2015	Wed, July 15, 2015	[Gantt bar for a single day in July 2015]												
	400	303															

Shared Objectives

1. Produce a world class, family-friendly, not-for-profit Museum and interactive dinosaur attraction using state-of-the-art robotic technology
2. Create a regional educational entertainment destination for young families, schools and camps
3. Build an overnight dinosaur science camp for children and their families
4. Deliver a quality educational experience for students and families from throughout the greater Ames-Des Moines area
5. Ensure that the attraction is responsibly planned and designed to be economically operated, maintained and easily managed
6. Design and implement a marketing and public relations plan for the exhibition that builds national awareness of the National Dinosaur Camp, and establishes Ames as a destination for family learning and entertainment
7. Design and implement an operational plan for the exhibition that encourages guests to shop, dine and stay in Ames during their visit

Responsibilities

Field Station: Dinosaurs

1. Design, build and install a unique, world-class indoor and outdoor Museum featuring life-sized animatronic dinosaurs, exhibit lay-outs, scenic elements, aural environments and other materials necessary for the creation of an exciting, immersive and interactive experience
2. Establish a not-for-profit organization by forming a board of trustees, securing key employees, and identifying grant opportunities and potential funders.
3. Create an Annual Paleo Festival and National Dinosaur Camp – an overnight science adventure camp for children and their families
4. Develop and implement the marketing and promotional plans for the Museum with attention towards maximizing attendance, building regional awareness of *The Heartland Dinosaur Museum* and National Dinosaur Camp as a family educational destination
5. Provide an educational experience aligned with the CORE curriculum standards of Iowa and the US Department of Education’s current STEM recommendations for students grade K-8
6. Prepare the Start-up and Operational budgets for the Museum
7. Act as consultants and advisors to the staff and board of trustees for the first year of the Museum’s operation.
8. Consult, communicate and work cooperatively with area educators, community leaders and local government on all aspects of the project

The Story and Science of Dinosaurs



The Heartland Dinosaur Museum

The Heartland Dinosaur Museum will be a world-class dinosaur exhibition, educational center and family attraction with a firm foundation in the world of science, an understanding of a child's imagination and a Broadway producer's flair for spectacle.

We will build a unique dinosaur exhibition featuring:

- artistically rendered animatronic dinosaurs with state of the art robotics,
- an indoor exhibit with dinosaur skeletons and fossils
- an annual summer Paleo Festival with overnight science adventure camp for children and their families
- educational programming aligned with Iowa's core curriculum,
- a family picnic area with a fire pit,
- a movie tent,
- a gift shop, and
- a fossil dig-site.

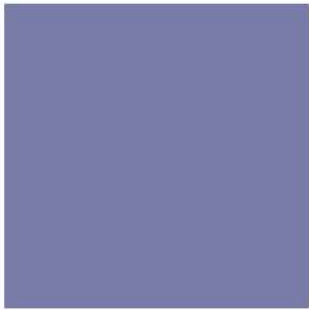
We will create an immersive, fun, educational, and entertaining experience for every visitor.



The Dinosaurs

The dinosaurs at *The Heartland Dinosaur Museum* in Ames will be an enhanced version of the same magnificent, beautifully rendered dinosaurs that have been wowing children and generating press at *Field Station: Dinosaurs* in New Jersey.





Field Station: Dinosaurs

One of the most recognized dinosaur brands in the country.

Featured on:

- Good Morning, America
- Nightline
- Fox & Friends
- *The New York Times*
- *The Wall Street Journal*
- *Businessweek*
- The Huffington Post

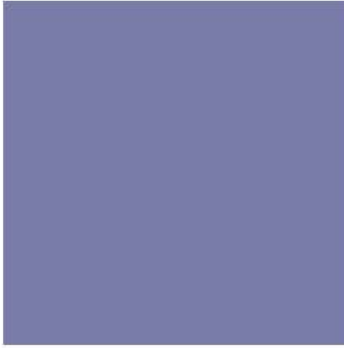


New Jersey, Iowa, and upstate New York

Our success is based on our company's ability to conceptualize and produce high quality dinosaur family attractions at a competitive price and to support the exhibitions with educational programming, technical assistance, and proven marketing strategies and collateral.

In addition to our flagship park in New Jersey and *The Heartland Dinosaur Museum* in Ames, Field Station: Dinosaurs is producing an attraction at Six Flags Great Escape theme park in 2015 with plans to expand into additional Six Flags properties over the next five years.





Annual Paleo Festival and National Dinosaur Camp

The dinosaurs come alive each June as *The Heartland Dinosaur Museum* kicks off the summer with its [Annual Paleo Festival](#).



This 10-week summer celebration features special guest scientists and paleontologists from Iowa State University and the University of Kansas. Fun and engaging Trail Talks will cover the topics of environmental science, geology and paleontology. The Dinosaur Troubadour will lead the singing (and the dancing) while teaching kids about everything from what the dinosaurs ate to the link between dinosaurs and birds.

[National Dinosaur Camp](#) will be an adventure-filled summer jam-packed with outdoor exploring and scientific discoveries. Dinosaur Camp includes:

- Paleontology Training
- Plaster Casting of Fossils
- Geology and Dinosaur History of Iowa
- Fossil Hunting at the Fossil and Prairie Park Preserve and Center in Floyd County
- River tubing in the beautiful Des Moines River Valley
- Dinosaur Games including Raptor Feud and Mesozoic Concentration plus Nighttime Flashlight Scavenger Hunt
- Campfire with s'mores, songs and the Dinosaur Dance Party
- Daily morning swim in the Hotel pool

National Dinosaur Camp is open all summer with new campers arriving each week. Children camp during the week or bring their families along for the weekend. Children Campers sleep over five nights in the Hotel (Sun-Fri) and Family Campers stay for two nights (Fri-Sun).



Jason Schein
Paleontologist
NJ State Museum



Educational Programming

Educational programming designed for *The Heartland Dinosaur Museum* will be aligned with the Core Curriculum Content Standards in Science Practices, Life Science and Earth Systems Science for the State of Iowa.

Modeled on our successful collaboration with the New Jersey State Museum, we will work closely with scientists and paleontologists from Iowa State University and the University of Kansas to ensure quality in our educational programming and overnight camp.

Teachers are talking...

After 10 years of teaching kindergarten, I have finally found a class trip that my entire class truly enjoyed! They LOVED every moment of the trip. Our tour guide was patient and professional. The facility was cleaned and well maintained. We could have spent hours more there! We will be back!" - Christ the King, Manville, NJ

"We wanted to tell you what a WONDERFUL time we had on our field trip yesterday. It was so well organized, thanks to the terrific staff! It was a pleasure working with you in planning this awesome field trip for our third grade classes." - Lynn Crest School, Colonia, NJ



More than just Dinosaurs

In addition to the dinosaur exhibition and dinosaur camp, *The Heartland Dinosaur Museum* will feature a fossil dig site, a picnic area and Fire Pit, a gift shop and movie tent.

The Heartland Dinosaur Museum will host school groups, summer camps and special events like Scout Day and birthday parties.

Ropes Course

With double levels, the Sky Trail Navigator stands 32' high and features a zip track for those daring enough. Sky Tykes, a smaller rope course created specifically for children ages 2 to 7 years old, tucks in below the Navigator for maximum family participation and maximum use of space.

Fossil Dig-Site

Buried treasures await discovery in the Museum's dig site. Giant dinosaur skeletons and prehistoric fossils lurk beneath the surface just waiting to be unearthed by our youngest scientists - ages 2 through 8.

Dinosaur Movies

The Heartland Dinosaur Museum will have a movie venue that will seat 50-60 guests. Each week, campers will be entertained by one of the best dinosaur movies of all time.



Guy Gsell
Executive Producer

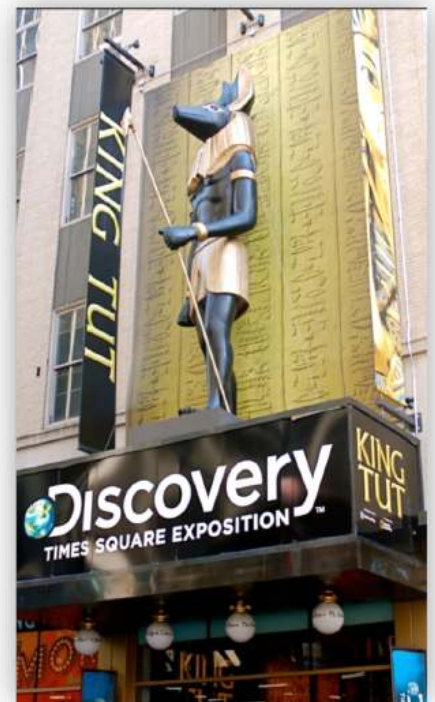


The management team is led by Executive Producer Guy Gsell, the founder of Field Station: Dinosaurs, a science theme park in Secaucus, New Jersey.

Mr. Gsell has produced educationally themed theater, live events, and exhibits in a career that spans thirty years and three continents.

Mr. Gsell created Field Station: Dinosaurs, a world-class, family friendly science theme park. The Field Station has been named the Best Local Theme Park by *Time Out/NY* and the second best Dinosaur Theme Park in the world by *Fox News*.

As founding director of Discovery Times Square, a 40,000sf exhibition hall in the former New York Times building in Manhattan, Mr. Gsell was responsible for all aspects of the venue's start-up from conceptualization, through construction and launch - creating from scratch a major New York tourist attraction.



Mr. Gsell was a Producer at the prestigious World Science Festival in New York City.

As Managing Director of the not-for-profit Two River Theater Company he took a small professional theater with an operating budget of less than \$1 million and turned it into a major regional entertainment center with an audience of 54,000 and annual operating budget of \$4.2 million.

While in Red Bank, Mr. Gsell oversaw the planning, construction and launch of the new state-of-the-art \$21,000,000 Two River Theater building.



Our management team has a track record of success developing and managing similar projects in the entertainment and exhibition industry. Our dinosaur educational programs and exhibition are unlike any other in the country. The audience is demographically suited to *The Heartland Dinosaur Museum* in Ames.

Field Station: Dinosaurs will set up the not-for-profit organization, establish the board of trustees and key staff, and develop relationships with area educators, community leaders, local government, and potential funders to secure a successful launch of the museum.

Field Station: Dinosaurs will produce and oversee the management of the first season, the Annual Paleo Festival and National Dinosaur Camp for the Museum. Field Station: Dinosaurs will commit the full weight of its marketing and press team for the successful launch of *The Heartland Dinosaur Museum* in Ames, Iowa.

Conclusion



**Sixty five million years ago dinosaurs ruled the earth.
We're bringing them back!**

Field Station: Dinosaurs
973.748.4561 • fieldstationdinosaurs.com
Office: 365 Broad Street, Bloomfield, NJ 07003
Park: One Dinosaur Way, Secaucus, NJ 07094



**ECONOMIC IMPACTS
OF THE AMES REINVESTMENT AREA**

PREPARED BY:

**APPLIED ECONOMICS
11209 N. TATUM BOULEVARD, SUITE 225
PHOENIX, AZ 85028**

February 2014

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1.0 INTRODUCTION	1
2.0 IMPACT SUMMARY	2
3.0 ECONOMIC IMPACT RESULTS	4

1.0 INTRODUCTION

Applied Economics was retained by Canyon Research Southwest to prepare an economic impact analysis of the proposed Ames Reinvestment District in Ames, Iowa. The impact analysis includes the economic impacts of the operations of the Field Station: Dinosaurs attraction, a hotel and new retail space, as well as visitor impacts associated with off-site spending at other establishments in the county.

The proposed 24 acre project would include a 150 room limited service hotel, 200,000 square feet of retail space that would be occupied by a Menards home improvement center, a 5,000 square foot restaurant and a 4 acre Field Station: Dinosaurs attraction with both indoor and outdoor exhibit space. All total, the proposed development could create an annual economic impact of \$32.2 million on Story County and \$36.6 million on the State of Iowa at full operational levels. This includes the impact of operations at the Field Station: Dinosaurs, hotel and retail space in the project, as well as the impacts of new visitor spending in the surrounding area.

The analysis presented here details the impacts of the proposed project on Story County and also on the State of Iowa. It includes the economic impacts of construction and operations.

The information and observations contained in this report are based on our present knowledge of the components of development, and of the current physical, socioeconomic and fiscal conditions of the affected areas. Estimates made in this analysis are based on hypothetical assumptions, and the current economic structure of the region. However, even if the assumptions outlined in this report were to occur, there will usually be differences between the estimates and the actual results because events and circumstances frequently do not occur as expected. This analysis is based on the best available information and is intended to aid in quantifying the project's impacts on the local economy. In no way will Applied Economics be held responsible or have any liability or be subject to damages as a result of this analysis. This report may be used only for the purposes that it was intended.

2.0 IMPACT SUMMARY

The proposed development detailed in this analysis would provide significant economic and revenue benefits to the region and state. These positive impacts include the following:

- All total, the project could have an economic impact of over \$32.2 million on Story County at full operating levels, which are anticipated by the second year. Economic impacts measure the effects of economic stimuli or new demand for goods and services in the local economy. New demand in this case is created by the dinosaur attraction and hotel, and the additional visitor spending they will support. The secondary impacts of supplier expenditures by these businesses, employee spending and visitor spending are called multiplier effects. Multiplier effects are a way of representing the larger effects on the local economy of an initial increase in demand.
- This project could directly and indirectly support about 430 jobs locally and 460 jobs statewide as well as \$9.3 to \$10.8 million in annual payroll, including jobs and payroll at the Dinosaur Camp, hotel and retail development, as well as jobs created at other local businesses that benefit from visitor spending and from supplier and employee spending.
- The Field Station: Dinosaurs would operate from April through October and directly employ approximately 20 people, including three year round staff, with an estimated payroll of \$278,000 per year. The hotel would directly employ about 25 people with an estimated payroll of \$605,000 per year. The home improvement center would support an additional 200 employees and \$3.3 million in payroll, and the restaurant would have 20 employees with a payroll of \$400,000. The direct annual economic impacts at the Field Station: Dinosaurs, hotel, restaurant and retail combined are estimated at \$18.5 million at full operational levels. These economic impacts represent net new impacts generated by visitors to the dinosaur attraction and the capture of that new demand by the hotel, additional hotel guests not related to the dinosaur attraction, and the new home improvement center.
- The businesses in the Ames Reinvestment District would make local supplier purchases that would support additional economic activity beyond the direct impacts listed above. Also, their employees would spend a portion of their income locally, creating economic impacts at other local businesses. The new demand created by supplier purchases and employee spending would result in annual indirect and induced impacts of \$8.5 million in Story County, supporting about 70 jobs total. This is over and above the direct impacts of the project.
- In addition, the visitors to the Field Station: Dinosaurs and other guests at the hotel would spend money in the community on retail, restaurants and entertainment. Annual off-site visitor spending is estimated at \$3.7 million. This spending would create an economic impact of \$5.3 million, in addition to the operations impact of the hotel, dinosaur attraction and home improvement center.
- The project would also generate non-recurring construction impacts. Construction costs for the project are estimated at \$44.5 million, including land costs. Of this total, an estimated \$36.4 million would generate local economic impacts. This construction activity, which is anticipated to occur over a one year period, would generate an economic impact of \$50.8 million in Story County and \$59.7 million statewide, including direct construction costs. This level of activity could support about 430 jobs and \$22.4 million in payroll.

**FIGURE 1
SUMMARY OF RESULTS
AMES REINVESTMENT DISTRICT**

Development Profile	
Hotel Rooms	150
Retail Space (Sq Ft)	200,000
Restaurant (Sq Ft)	5,000
Field Station: Dinosaurs (Acres)	4
Direct Jobs	265
Direct Annual Payroll	\$4,553,000
Annual Visitor Impacts	
Annual Dinosaur Camp Overnight Vistors	43,680
Annual Dinosaur Camp Day Trip Vistors	29,120
Other Hotel Guests	23,334
On-Site Annual Spending ¹	\$8,440,796
Off-Site Annual Visitor Spending ¹	\$3,731,749
Annual Economic Impacts of Operations*	
Total Output	\$32,195,233
Total Personal Income	\$9,334,436
Total Jobs	434
Construction Impacts *	
Direct Construction Expenditures	\$36,350,000
Total Economic Impacts of Construction	
Output	\$50,787,618
Personal Income	\$9,881,243
Jobs	353

Source: Applied Economics.

*Represents impacts on Story County.

¹ Off-Site visitor spending refers to spending at restaurants, retail, etc. outside the development. On-Site spending refers to spending by dinosaur camp visitors for retail and entertainment within the development.

3.0 ECONOMIC IMPACT RESULTS

The economic benefits resulting from the proposed hotel, retail and entertainment development in Ames include one-time construction impacts, on-going operations impacts and visitor impacts. These impacts are quantified in terms of direct and indirect jobs, personal income and economic activity, or output, that would be generated by the project. Economic impacts measure the effects of economic stimuli or expenditures in the local economy. Indirect impacts are the result of the multiplier effect and capture supported supplier and consumer businesses and their employees in Ames and statewide that benefit from this economic stimuli.

Construction Impacts

Total personal income, or payroll, from construction and the total increase in economic activity from new construction expenditures are shown in Figure 2. These impacts are projected to occur during the construction phase of the project.

The project would result in total constructions costs of about \$44.5 million, of which \$36.4 million would create local economic impacts. The multiplier effect of this construction spending on the county could result in a total increase in economic activity of about \$50.8 million, or an increase of \$59.7 million statewide. The approximately 350 local direct and indirect jobs created by this construction project could result in close to \$9.9 million in personal income generated in Story County during the construction period. Total construction impacts include local supplier purchases and employee spending impacts.

**FIGURE 2
CONSTRUCTION IMPACTS OF AMES REINVESTMENT DISTRICT**

	Direct			Total		
	Construction Expenditures	Jobs	Personal Income	Output	Jobs	Personal Income
Story County						
Hotel	\$15,250,000	98	\$6,787,051	\$21,291,575	152	\$3,974,950
Restaurant	\$1,000,000	6	\$445,053	\$1,396,169	10	\$260,652
Home Improvement Store	\$15,000,000	96	\$6,675,788	\$20,942,533	150	\$3,909,787
Dinosaur Camp	\$4,100,000	26	\$1,824,715	\$5,724,292	41	\$1,068,675
Soft Costs	\$1,000,000	10	\$518,911	\$1,433,050	14	\$667,178
Total	\$36,350,000	227	\$16,251,517	\$50,787,618	353	\$9,881,243
State of Iowa						
Hotel	\$15,250,000	98	\$6,787,051	\$25,057,510	186	\$9,313,516
Restaurant	\$1,000,000	6	\$445,053	\$1,643,115	12	\$610,722
Home Improvement Store	\$15,000,000	96	\$6,675,788	\$24,646,731	183	\$9,160,835
Dinosaur Camp	\$4,100,000	26	\$1,824,715	\$6,736,773	50	\$2,503,962
Soft Costs	\$1,000,000	10	\$518,911	\$1,625,932	15	\$762,428
Total	\$36,350,000	227	\$16,251,517	\$59,710,062	430	\$22,351,462

Source: Applied Economics.

* Soft costs excludes development fees, taxes and insurance that do not create local economic impacts. Land costs are also excluded.

Operations Impacts

The operations analysis captures the impacts of operations for the Field Station: Dinosaurs, hotel and home improvement center. The economic impact results presented here are grouped into direct impacts; visitor spending at establishments outside the development; and indirect and induced impacts. Direct impacts include employment, payroll and sales at the businesses within the development. These businesses will also make some supplier purchases in the local area, and in other parts of the state, and their employees will make local purchases that are captured in the indirect and induced impact estimates. Off-site visitor spending will also create direct and indirect impacts at local retail, restaurants and hospitality businesses outside the development. The total impact includes both the direct impacts and the secondary or indirect impacts created by other local businesses and their employees.

The secondary impacts of supplier expenditures, employee and visitor spending are called multiplier effects. Multiplier effects are a way of representing the larger economic effects on the local economy. The multiplier effects translate an increase in output (loosely defined for service industries as sales, less profits) into a corresponding increase in jobs and personal income. In essence, the multiplier effect represents the recycling of local spending. This recycling process creates new business opportunities.

The multipliers used in this analysis are from IMPLAN, a nationally recognized vendor of economic impact software, and are specific to Story County and the State of Iowa. IMPLAN software is used to create detailed social accounting matrices and multiplier models of local economies. IMPLAN is used by more than 1,000 public and private institutions and is well respected within the academic community as a tool for creating local economic multipliers.

The operations of the proposed Field Station: Dinosaurs could create direct annual impacts of \$2.8 million in Story County each year, supporting about 20 jobs. These estimates reflect long term stabilized levels. The hotel and restaurant combined will directly support about 45 jobs and \$6.0 million in annual sales or output. An additional 200 jobs and \$9.7 million in direct output would be created by the home improvement center. Through the multiplier effect created by local supplier and employee spending, the operations of the Field Station: Dinosaurs attraction, hotel and retail would indirectly support an additional 70 jobs, \$8.5 million in output and \$2.8 million in annual payroll throughout the county with additional impacts in other parts of the state.

Visitor Impacts

The other component of the economic impact would be from visitor spending on goods and services off-site, or outside the development. This would include expenditures for restaurants, retail, entertainment and local transportation by visitors to the Field Station: Dinosaurs and other guests at the hotel. The Field Station: Dinosaurs would bring a significant number of additional visitors to Ames who will spend money in the community. Based on visitor levels at similar attractions in other parts of the county, the camp could bring an estimated 112,000 new visitors per year, including both day trip and overnight patrons. An estimated 60 percent of those visitors would be from outside the local area, and 65 percent of those non-local visitors would likely stay at the hotel in the development.

Based on expected occupancy rates, the hotel in the development could attract approximately 67,014 guests per year at 68 percent occupancy and 1.8 persons per room (Figure 3), of which 43,680 would also be visitors to the dinosaur attraction. The remaining 23,334 annual hotel guests would be in Ames for other reasons.

**FIGURE 3
ANNUAL VISITOR TRENDS**

Year	Dinosaur Camp Visitors	Dinosaur Camp Non-Local	Dinosaur Camp Hotel Guests
Year 1	84,000	54,600	32,760
Year 2	112,000	72,800	43,680

*Hotel visitor estimates assume 1.8 persons per room.

According to the Iowa Tourism Office, the average visitor to the state spends about \$114 per day on lodging, retail, restaurants, entertainment and local transportation. These spending levels were adjusted to account for known spending on lodging, which is already included in the direct impacts of the hotel. Adjustments were also made for on-site spending on admission and gift shop purchases at the Field Station: Dinosaurs that are included in the operations impact for the camp. Further, it is assumed that one third of total spending at restaurants by Field Station: Dinosaurs visitors staying at the hotel would be captured off-site. For other hotel guests, it is assumed that half of their restaurant spending would be off-site.

This resulted in average per person per day spending of \$88 on-site and \$39 off-site for the 96,100 annual non-local visitors to the dinosaur attraction and other hotel guests. The results shown in Figure 4 provide detail for on-site and off-site visitor spending by type. In total, non-local visitors to the dinosaur attraction and other hotel guests would spend an estimated \$8.4 million per year on-site (or within the development) on lodging, food, retail and admission fees and \$3.7 million off-site (outside the development) at other local businesses. The off-site spending forms the basis for the visitor impacts.

**FIGURE 4
ANNUAL VISITOR EXPENDITURES**

Type of Expenditure	On-Site		Off-Site	
	Expenditures	Distribution	Expenditures	Distribution
Lodging	\$3,800,000	45%	\$0	0%
Food & Beverage*	\$1,576,196	19%	\$843,304	23%
Local Transportation	\$0	0%	\$1,429,705	38%
Entertainment	\$2,800,000	33%	\$293,635	8%
Retail*	\$264,600	3%	\$1,165,105	31%
Total	\$8,440,796	100%	\$3,731,749	100%
Total Visitor Days	96,134		96,134	
Average Expenditure per Day	\$88		\$39	

Source: Iowa Tourism Office, 2013; Applied Economics.

*Off-site food and beverage and retail expenditures exclude sales to hotel guests at restaurants and retail in Dinosaur Camp and hotel.

Industry-specific multipliers were applied to each category of visitor expenditures. As a result of the multiplier effect, the indirect impacts of this spending are spread to local suppliers. All total, the \$3.7 million in new off-site visitor spending would result in a total economic impact of \$5.3 million per year in Story County (Figure 5). This would support \$2.0 million in annual personal income and about 100 jobs at local retail, restaurant and entertainment establishments.

**FIGURE 5
OFF-SITE VISITOR SPENDING IMPACTS
AMES REINVESTMENT DISTRICT**

	Direct			Indirect			Induced			Total Impacts		
	Visitor Spending	Jobs	Personal Income	Output	Jobs	Personal Income	Output	Jobs	Personal Income	Output	Jobs	Personal Income
Story County												
Year 1	\$3,740,830	81	\$1,509,434	\$755,790	6	\$237,284	\$778,168	7	\$251,339	\$5,274,788	95	\$1,998,057
Year 2	\$3,731,749	81	\$1,519,991	\$760,278	6	\$238,782	\$783,487	8	\$253,058	\$5,275,515	95	\$2,011,831
State of Iowa												
Year 1	\$3,740,830	81	\$1,509,434	\$994,145	7	\$316,059	\$1,260,176	11	\$408,767	\$5,995,151	100	\$2,234,260
Year 2	\$3,731,749	81	\$1,519,991	\$997,140	7	\$317,461	\$1,266,996	11	\$410,980	\$5,995,885	99	\$2,248,433

Note: Visitor spending excludes spending for hotel, and the portion of retail, entertainment and food sales that are included in the direct impacts of the project.

Combined Economic Impacts

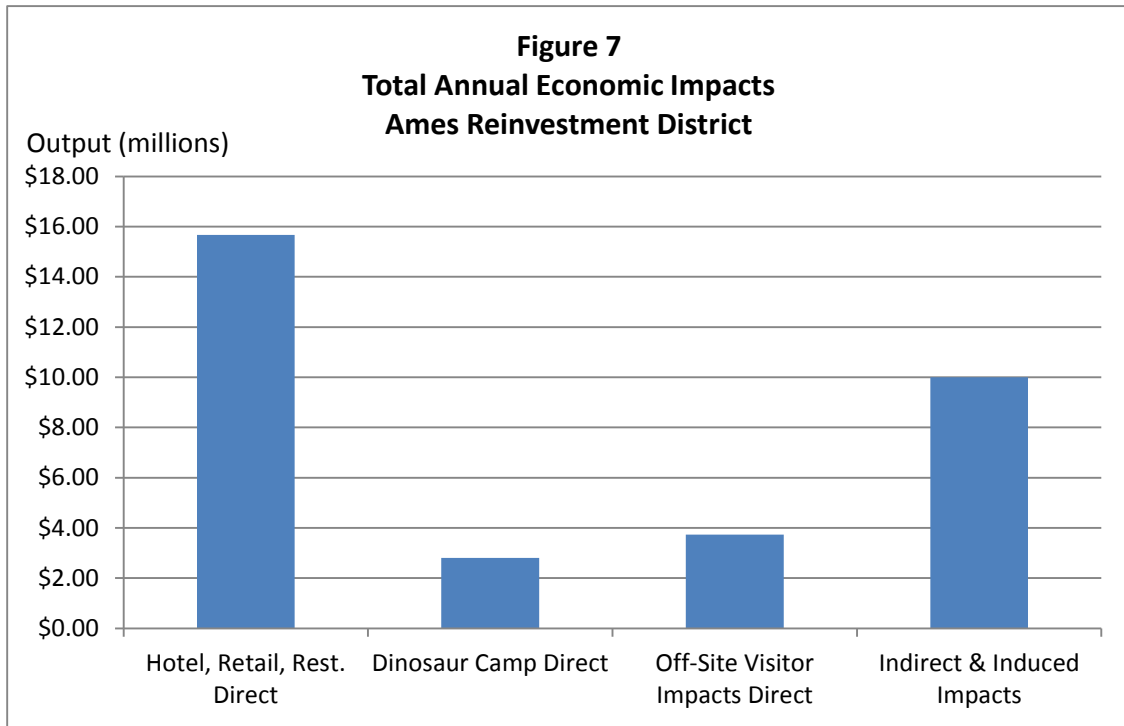
The operations and visitor impacts can be combined to estimate the total on-going economic impacts resulting from the proposed development. These combined impacts are detailed in Figures 6 and 7. All total, the project would create an annual economic impact of \$32.2 million to Story County, or \$36.6 million statewide, including impacts in Story County. The project would directly and indirectly support about 430 local jobs and \$9.3 million in annual payroll in Story County. This would represent a significant increase in economic activity in the city.

**FIGURE 6
OPERATIONS IMPACT OF AMES REINVESTMENT DISTRICT**

	Direct Impacts			Indirect Impacts (Local Suppliers)			Induced Impacts (Employee Spend)			Total Impacts		
	Output	Jobs	Income	Output	Jobs	Income	Output	Jobs	Income	Output	Jobs	Income
Story County												
Hotel	\$4,000,000	25	\$605,000	\$1,303,135	12	\$456,225	\$574,128	6	\$185,426	\$5,877,263	43	\$1,246,651
Home Improvement Store	\$9,667,434	200	\$3,270,000	\$1,970,125	16	\$621,461	\$2,279,539	22	\$736,220	\$13,917,099	238	\$4,627,681
Restaurant	\$2,000,000	20	\$400,000	\$388,493	3	\$121,077	\$354,315	3	\$114,437	\$2,742,808	26	\$635,514
Dinosaur Camp												
Year 1	\$2,100,000	20	\$272,000	\$1,413,303	10	\$480,198	\$121,810	1	\$39,171	\$3,635,113	31	\$791,369
Year 2	\$2,800,000	20	\$278,000	\$1,458,051	11	\$494,724	\$124,497	1	\$40,035	\$4,382,549	32	\$812,760
Off-Site Visitor Spending												
Year 1	\$3,740,830	81	\$1,509,434	\$755,790	6	\$237,284	\$778,168	7	\$251,339	\$5,274,788	95	\$1,998,057
Year 2	\$3,731,749	81	\$1,519,991	\$760,278	6	\$238,782	\$783,487	8	\$253,058	\$5,275,515	95	\$2,011,831
Year 1 Total	\$21,508,264	346	\$5,656,434	\$5,830,846	48	\$1,795,169	\$4,107,960	39	\$1,212,155	\$31,447,070	434	\$8,663,758
Year 2 Total	\$22,199,183	346	\$6,072,991	\$5,880,083	49	\$1,932,269	\$4,115,967	39	\$1,329,176	\$32,195,233	434	\$9,334,436
State of Iowa (incl Story County)												
Hotel	\$4,000,000	25	\$605,000	\$1,539,234	13	\$531,103	\$1,047,834	9	\$339,876	\$6,587,068	47	\$1,475,979
Home Improvement Store	\$9,667,434	200	\$3,270,000	\$2,335,335	18	\$780,297	\$3,663,106	32	\$1,188,184	\$15,665,876	250	\$5,238,481
Restaurant	\$2,000,000	20	\$400,000	\$661,291	4	\$186,604	\$585,324	5	\$189,860	\$3,246,615	29	\$776,464
Dinosaur Camp												
Year 1	\$2,100,000	20	\$272,000	\$1,949,814	14	\$646,580	\$182,362	2	\$58,962	\$4,232,176	36	\$977,541
Year 2	\$2,800,000	20	\$278,000	\$2,078,312	15	\$687,024	\$186,385	2	\$60,262	\$5,064,697	37	\$1,025,287
Off-Site Visitor Spending												
Year 1	\$3,740,830	81	\$1,509,434	\$994,145	7	\$316,059	\$1,260,176	11	\$408,767	\$5,995,151	100	\$2,234,260
Year 2	\$3,731,749	81	\$1,519,991	\$997,140	7	\$317,461	\$1,266,996	11	\$410,980	\$5,995,885	99	\$2,248,433
Year 1 Total	\$21,508,264	346	\$6,056,434	\$7,479,819	57	\$2,460,642	\$6,738,803	59	\$2,185,648	\$35,726,886	462	\$10,702,725
Year 2 Total	\$22,199,183	346	\$6,072,991	\$7,611,313	58	\$2,502,489	\$6,749,645	59	\$2,189,162	\$36,560,141	463	\$10,764,643

Source: Applied Economics; IMPLAN.

Note: All figures are in current dollars.



Summary

The Field Station: Dinosaurs and surrounding hotel and retail development in the Ames Reinvestment District would create significant economic benefits, not only in the region but throughout the state, with annual local economic impacts of \$32.2 million, or \$289.0 million over the next ten years. The project would directly support an estimated 265 new retail and hospitality jobs that would benefit the local community. It would also significantly increase the number of leisure visitors in the area who would in turn spend money at other local establishments and create additional economic activity. The supported employees at the Field Station: Dinosaurs, hotel and retail development within the project, and at other local businesses where visitors associated with the Field Station: Dinosaurs and hotel would make purchases, could also generate substantial purchasing power in Ames and in the surrounding communities.

RESOLUTION NO. _____

**RESOLUTION SUPPORTING THE SUBMISSION OF A PRE-APPLICATION
FOR A REINVESTMENT DISTRICT PROJECT TO BE CREATED FOR THE
IOWA DESTINATION DEVELOPER'S PROPOSED DESTINATION
ATTRACTION AND RETAIL DEVELOPMENT AND AUTHORIZING THE CITY
MANAGER TO SUBMIT THE PRE-APPLICATION**

WHEREAS, during its 2013 session, the Iowa General Assembly passed HF 641, the Iowa Reinvestment Act ("IRA"), which allows for the creation of redevelopment districts, where the district would remit certain new state sales tax and hotel/motel tax revenues for unique redevelopment projects that have a value of over \$10 million and are located in either an enterprise zone or an urban renewal area of the City;

WHEREAS, the IRA is administered by the Iowa Economic Development Authority ("IEDA"), pursuant to which the IDEA has the discretion to approve applications submitted by cities and the IDEA has the authority to and has directed that any potential project submit a pre-application, a feasibility study, an independent economic impact study, and other information to the IDEA for pre-approval of potential projects;

WHEREAS, Iowa Destination Developers, LLC (the "Developer") desires to work with the City to submit an IRA pre-application and create an urban renewal area to encompass a proposed district located on 16th Street near Highway 30 and Duff Avenue, with the expenses required for the filing of the pre-application, including the required financing feasibility study and independent economic impact analysis, to be paid by the Developer;

NOW, THEREFORE, BE IT RESOLVED, by the City Council for the City of Ames, Iowa, that

1. The City hereby finds that the area in the proposed Reinvestment District is suitable for development and hereby states its interest in establishing a district under the Iowa Reinvestment Act.
2. The City hereby supports the filing of the pre-application prepared by the Iowa destination Developers, LLC for the Reinvestment District Project reflected on the proposed site plan as attached hereto as Exhibit A and authorizes the City Manager to submit such pre-application to the Iowa Economic Development Authority.
3. The City further hereby states it will initiate consideration for the creation of an urban renewal area for the proposed Reinvestment District Project following the submission of the pre-application to the Iowa Economic Development Authority.

Adopted this 4th day of March , 2014.

Ann H. Campbell, Mayor