



The Return on Product Development

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Vision Iowa Program

- State program created to financially assist recreational, cultural, educational and entertainment attractions
 - Vision Iowa Fund
 - Community Attraction and Tourism (CAT)
 - River Enhancement Community Attraction and Tourism (RECAT)
 - Community Attraction and Tourism Marketing



Vision Iowa Fund



- Bonds issued in the amount of \$228.5 million, in 2001
- Reserved for projects with a *minimum* cost of \$20 million
- Final funds awarded in 2008
 - 14 projects statewide
 - Leveraged \$228.5 Million into \$1 Billion in direct project investment



Community Attraction and Tourism (CAT) Fund

- No minimum or maximum total project cost
- Standing appropriation of \$12 million per year, starting in 2000 *
 - 347 projects
 - In 231 communities and 94 (of 99) Iowa counties
- Leveraged \$131.3 Million into \$916.4 Million into direct project investment

* Funding reduced in FY '12 to \$5.32 Million



River Enhancement Community Attraction and Tourism (RECAT)

- Provides financial assistance for recreational and entertainment attractions that connect with, and enhance a river, lake, or river corridor
- No minimum or maximum total project cost
- Total of \$9.2 million appropriated over two years
 - 8 Projects
 - Leveraged \$9.2 Million into \$48.3 Million into direct project investment



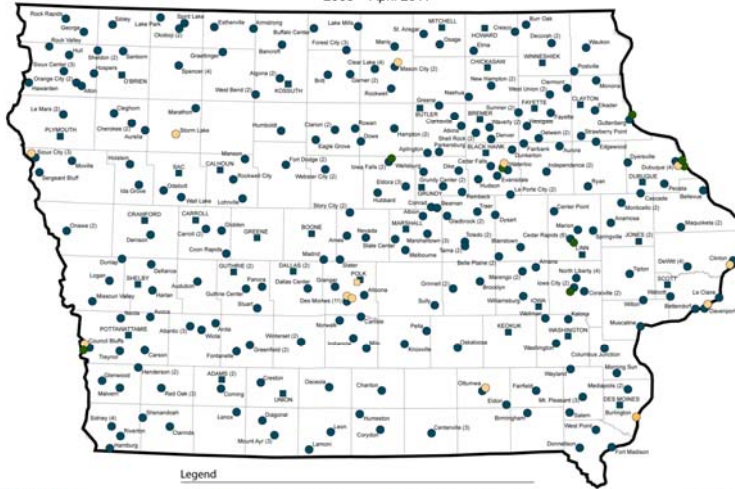
CAT Marketing Funds

- Allocates \$100,000 per year of each annual CAT allocation to marketing facilities that received Vision Iowa or CAT funding
- The following number of projects received financial support for marketing efforts:
 - FY 2009: 9
 - FY 2010: 16
 - FY 2011: 15



Project Diversity

Vision Iowa, Community Attraction & Tourism (CAT)
 & River Enhancement Community Attraction & Tourism (RECAT) Awards
 2000 - April 2011



- Legend
- Vision Iowa Award (city)
 - CAT Award (city)
 - RECAT Award (city)
 - Vision Iowa Award (county)
 - CAT Award (county)
 - RECAT Award (county)



After Eleven Years...

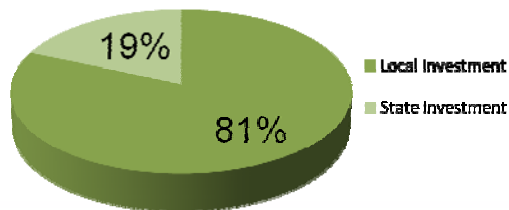
\$369 Million – State Investment

\$1.99 Billion – Direct Leveraged Investment

Projects Funded: 369

Communities Impacted: 231

Counties Impacted: 94 (out of 99)



Policies for SUCCESS (at the State level)

➤ Vision Iowa is Last Dollar In \$\$\$

- It is recommended that more than the minimum 50% be secured at the time of application
- Plan for completing fundraising required before an award is made
- Vision Iowa funds are not released until fundraising is complete



Policies for SUCCESS (at the State level)

➤ Holding the Award Recipient to the proposed project

- Incentive for community to make a realistic proposal, and follow through
- If the total project cost is not spent, the full award will not be received
 - If you experience cost savings, the Board will share in those savings



Policies for SUCCESS (at the State level)

➤ Leverage State Funds

- Board reviews the applicants financial statements to assess financial position
- Capacity of the community's ability to raise money is considered
- Average award is 19% of the total project cost (State funding never exceeds 50%)



Policies for SUCCESS (at the State level)

➤ Independent Board of Directors

- Members actively participate and make funding decisions
- Politically balanced – not influenced by statewide politics



Policies for SUCCESS (at a community level)

- Broad Public Support
 - Financial
 - Volunteers
 - Elected bodies
- Vision for Community
- Ample project planning
- *Connection with other local attractions and resources*



Featured Communities



Mason City Project



- \$9 million Vision Iowa Award
 - Rehabilitate the only remaining hotel in the world that was designed by Frank Lloyd Wright
 - Construct a new Historic Architectural Interpretive Center
 - Renovate the Mason City Public Library
 - And, make various improvement to the downtown streetscape and parking
- Total Project Cost: \$31,818,387



Mason City Results

- The Historic Park Inn Hotel
 - Opened in August 2011
 - Visitors from 25 states and 7 countries already ¹



¹ According to Wright on the Park, Inc. officials

Des Moines Projects



- Total Vision Iowa awards: **\$83,205,000**
- 14 projects
- Leveraged Total Investment: **\$479,258,723**



Des Moines – Key Projects

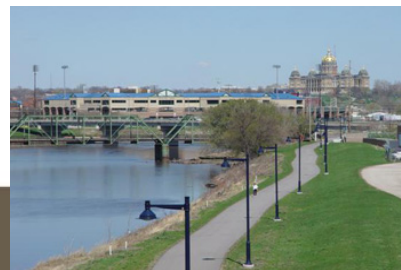
- Capital Vision Project – awarded \$70 million for a \$338 million project
- Included:
 - Science Center of Iowa
 - Iowa Events Center
 - Downtown Des Moines Public Library



IOWA
economic DEVELOPMENT

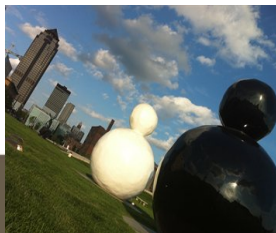
Des Moines – Key Projects

- Principal Riverwalk - awarded \$4 million for a \$38.9 million project
 - 1.2 mile promenade on both sides of the Des Moines River
 - 2 pedestrian bridges and additional trails
 - Ice skating plaza



Des Moines Key Projects

- John and Mary Pappajohn Sculpture Park - awarded \$1 million for a \$31.5 million project
 - Installation of 21 works of art into Gateway Park



Des Moines Results

- Des Moines welcomes 2.9 million visitors annually ¹
- Visitors generate \$1.5 billion in expenditures annually
 - Up from \$970 million in 2001, and \$1.1 billion in 2003 ²
- Reasons for success –
 - Multiple attractions
 - Affordability

¹ According to the Greater Des Moines Convention and Visitors Bureau

² Economic Impact of Travel Study, 2001, 2003, and 2009

<http://travelliowa.com/travelindustryresearch.aspx>



Decorah Projects

- Trout Run Trail - awarded \$1.6 million for a \$5 million project
 - 12-mile loop trail around Decorah
 - Cross the trout streams 5 times
 - Includes public art and access to the Upper Iowa River



Decorah Results

- Hotel/Motel Tax increased by 52.5% between 2001 and 2011 ¹
- Increased web traffic over the last five years to www.visitdecorah.com ²
 - Helped by worldwide audience of Decorah eaglets
- Increased local volunteerism and enthusiasm ²
 - Attractions enhance the natural resources of the area



¹ According to data provided by the City of Decorah
² According to the Winneshiek Development, Inc.



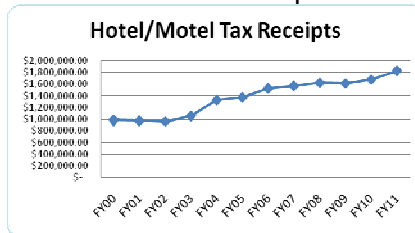
Dubuque Projects

- Total Vision Iowa awards: \$52,795,000
 - National Mississippi River Museum & Aquarium
 - Great Rivers Center & RiverMax Theater
 - Dubuque Community Ice Area
 - E.B. Lyons Interpretive Center
 - Mississippi Plaza and Riverfront Marina
 - Bee Branch Creek Restoration and Amenities
- Leveraged Total Investment: \$174,911,720



Dubuque Results

- \$400 million has been invested in the Port of Dubuque following the first major project ¹
- Visitors generate \$254 million annually
 - Up from \$175 million 2001, and \$186 million in 2003 ²
- Hotel/Motel Tax receipts have steadily increased ³



¹ According to the Dubuque Convention & Visitors Bureau
² Economic Impact of Travel on Iowa Counties , 2001, 2003, and 2009 <http://www.visitiowa.com/visit/iowaresearch.aspx>
³ Iowa Department of Revenue <http://www.iowa.gov/taxservices/centralmailroom.aspx>



A case for funding leisure activities

“Beautiful City: Leisure Amenities and Urban Growth”

- Quantifies the return on investment for a city’s leisure amenities
- Authors: Albert Saiz, real estate professor at Wharton and Gerald Carlino, Federal Reserve Bank of Philadelphia (September, 2008)
- Results:
 - Spending on leisure and cultural activities may offer long-range advantages
 - Correlation found between public investments in recreational projects and the cities relative attractiveness to leisure visitors.
 - Growth rates in the 1990’s increased in places that leisure visits increased significantly

<http://real.wharton.upenn.edu/~saiz/BEAUTIFUL%20CITY.pdf>



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