

QUARTERLY REPORT

JANUARY 2015

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Capital Crossroads is **a bold but achievable vision** pushing Central Iowans to dream big, not settle for good enough, think long term, and work together.

CAPITAL CORE

Mary O'Keefe and Scott Sanders

The Capital Core strategies are based on the philosophy that a strong, growing region needs a healthy central city in order to thrive. The Capital Core work focuses on three main areas: neighborhoods, downtown Des Moines, and public safety.

The **Neighborhood Improvement** subcommittee has completed work on an implementation plan that was formally endorsed by the Des Moines City Council on May 5th. Since that time, City Manager and Capital Core co-chair Rick Clark retired, and Scott Sanders has been hired as his successor. One of Sanders' priorities is improving the quality of Des Moines' neighborhoods.

Habitat for Humanity and the City of Des Moines partnered on a pilot Neighborhood Blitz project pairing code enforcement with volunteer clean-up assistance and Rock the Block™ home repairs in July 2014. In the last quarter, the group completed extensive research on land banks across the United States, including their structure, purpose, funding, enabling legislation, and programs. The team also completed extensive research on property condition and occupancy. They found there are over 5,300 properties identified as being in below normal, poor, or very poor condition in Des Moines. Over 650 of these also have tax delinquency issues; nearly 200 are considered to be public nuisance properties. Most of the properties with multiple issues (poor condition and tax delinquent) are found within ½ mile of schools. Utilizing the tax sale process to acquire strategic properties for redevelopment will be a focus on a limited basis in 2015 to determine its efficacy. The City is looking at local option sales tax as one potential revenue source for the initiative. First, a legislative change is being pursued to allow a single jurisdiction to vote for local option sales tax rather than requiring a county-wide vote.

The City of Des Moines is looking for additional ways it can move the plan forward through policy changes and targeted programs, and through ongoing neighborhood revitalization work like the SW 9th Corridor initiative, Viva East Bank!, and various streetscape projects. Non-profit partners continue to play a critical role in advancing these and other neighborhood improvement projects.

The City of Des Moines' upcoming Comprehensive Plan update will create new guidance for investing in neighborhood commercial areas and for aligning that investment with public improvements like transit and streetscaping. The process is set to begin in February.

The **Downtown Des Moines** team has been charged with continuing efforts to gain state funding for a 25-acre downtown reinvestment district; advancing the projects catalyzed by the Des Moines Redevelopment Corporation and other key entities; continuing the refurbishment of key downtown infrastructure; and, supporting the ongoing evolution of downtown Des Moines as a 24-7-365 district.

The opening of the Wellmark YMCA in the former Polk County Convention Complex, in which the Des Moines Redevelopment Corporation played a key role, was a major accomplishment in the last quarter. With the opening of the Des Moines Building apartments in fall 2014, over 700,000 square feet of vacant commercial space has been converted to residential; future planned conversions will bring this total to over 1 million square feet. Valuations for completed conversion projects have increased from \$4.65 million in 2006 to over \$65 million in 2014. The first phase of Greater Des Moines Botanical Gardens renovations also was completed.

The final application to the State's Iowa Reinvestment Act for the convention hotel is due in March, with announcement of final award expected from the Iowa Economic Development Authority by mid-2015. The Des Moines City Council will take action on moving forward with the demolition and redevelopment of the 7th & Grand and former YWCA sites on Grand Avenue, adjacent to Principal Financial's ongoing projects to reinvest over \$285 million in its campus. Spring construction throughout downtown on many of the "key development sites" identified in the Downtown Core implementation plan includes:

- AC Hotel in the East Village;
- 201 E. Locust (full block redevelopment including extended stay hotel and market rate housing);
- 420 Court (Hy-Vee and market rate housing);
- Hotel and housing in Gray's Landing;
- Artisan Row townhomes;
- Polk County Courts district;
- R&T Lofts (conversion of former Register Building to affordable and market rate housing);
- Randolph Hotel conversion to market rate housing;
- Cowles Commons; and,
- Greater Des Moines Botanical Gardens.

BUSINESS CAPITAL

Kathryn Kunert, Mark Miller, and Mike Crum

The Business Capital is focused on four key components: targeted industry, partners, entrepreneurship, and international. The team has been aggressively pursuing these areas over the last quarter. Top accomplishments include:

- Kemin Industries Inc.'s groundbreaking for a new manufacturing facility on Des Moines' east side;
- The Global Insurance Accelerator received \$2.1 million in funding commitments from seven insurance companies; and,
- Dr. Lisa Lorenzen, Executive Director of the Iowa State University Research Foundation, discussed changes that the university has made in licensing its technology and conducting contract research.

Specifics on these and other accomplishments from the past quarter are as follows:

On October 1st, the Advance Manufacturing Council met on Wednesday at John Deere Des Moines Works. Eric Johnson, Senior Staff Manufacturing Engineer out of Moline, gave a presentation on additive manufacturing (3D printing). There was a great turnout with more than 20 manufacturing representatives at the meeting.

On October 15th, the Cultivation Corridor, Partnership, and Iowa Economic Development Authority hosted a dinner for agribusiness executives attending the Borlaug Dialogue Series. Approximately 30 people attended. Debi Durham and Iowa State University President Dr. Steven Leath were the guest speakers.

Kemin Industries Inc. broke ground on November 5th for a new manufacturing facility on Des Moines' east side. The new facility, to be located adjacent to the Southeast Connector that is now under construction from Southeast 15th Street to Southeast 30th Street, will be the most recent development of the company's five-year expansion plan following the opening of its Molecular Advancement Center in Des Moines in August 2013. The new manufacturing facility will be used to increase Kemin's production of encapsulated amino acids that are used in feed to increase the efficiency of livestock such as dairy cows. Earlier this year, Kemin revised its five-year expansion plan for its corporate headquarters, raising the total jobs created estimate to 139 from 98, and total capital investment to \$125.5 million, up from an initial \$39.6 million.

In November, the Partnership joined the International Economic Development Council's (IEDC) Economic Development Research Partners (EDRP) program. Most of the top economic development organizations in the country are part of the EDRP program. The Partnership's participation in the EDRP program opens doors to concepts and people in a way like no other. The Partners work together in a think-tank environment that supports practical research. They work toward solutions on key contemporary issues, such as:

- Metrics for high performing economic development organizations;
- Finding complementary partners and resources;
- Seeking new ways to capitalize on foreign markets;
- Integrating regional businesses into the global economy;
- Capitalizing on new technologies, networks and software;
- Identifying and accessing talent for communities;
- Strengthening workforce systems;
- Responding to population and demographic changes; and,
- Preparing for risk and unforeseen challenges.

On November 13th, Dr. Lisa Lorenzen, Executive Director of the Iowa State University Research Foundation, discussed changes that the university has made in licensing its technology and conducting contract research. The university's changes are intended to make licensing and contract research easier and more straightforward for businesses. More than 50 people attended. Her remarks can be seen at <http://vimeo.com/111981505>.

The Global Insurance Accelerator received \$2.1 million in funding commitments from seven insurance companies. This will provide operating and equity capital for three years of operation. Governance is controlled by the seven insurance companies. They have selected office space in the Northwest Hotel in East Village as home for the Global Insurance Accelerator. On December 16th, the Accelerator has announced the appointment of Brian Hemesath, a well-known serial entrepreneur, to the role of Managing Director (MD) beginning in mid-December. He replaces interim MD Tej Dhawan.

The role of the MD is crucial to the Accelerator in many ways. The MD is the key person managing the 100 day long class of startup companies, helping them get the most out of the opportunity. The MD is ultimately responsible for maximizing the startup companies' success. Hemesath will lead the mentor process, leveraging potentially more than 100 mentors to provide the best feedback and direction possible for the startups. One measure of success will be the ability to attract capital investment in the startups; in his role, Hemesath will be working directly with both local and national investors.

In the fourth quarter, the Partnership held meetings with four visiting international businesses/delegations from Japan, Kosovo, Italy, and Ukraine.

During the fourth quarter, the Partnership along with local economic development partners in Central Iowa exhibited at six target industry trade shows. In addition, Partnership staff conducted a marketing trip to Atlanta and met with site selection consultants, corporate headquarter firms and other companies.

In December, the Partnership joined the Iowa Economic Development Authority, Greater Dubuque Development Corporation and Cedar Rapids Metro Economic Alliance on a marketing trip to New York City which was led by Governor Branstad and IEDA Director Debi Durham. There were meetings with corporate headquarter firms with operations in Iowa. Also, Insurance Commissioner Nick Gerhart conducted a luncheon insurance seminar. In addition, a dinner was held with site selection consultants.

CULTIVATION CORRIDOR

John May

The Cultivation Corridor is focused on completing the build-out of the initiative and on maximizing its impact moving forward. Over the last two quarters, the Cultivation Corridor has:

- Recruited and seated CEO-level board of directors representing wide swaths of Iowa's ag and bioscience economy, including commodity production, plant science, nutrition, advanced manufacturing, and biorenewables;
- Closed first round of fundraising to capitalize the work plan and place the organization on strong financial footing;
- Traversed nearly 24,000 miles in taking the Corridor message to ten national markets through trade show and recruitment trips;
- Developed the first phase of digital and physical collateral, including CultivationCorridor.org;
- Featured in 121 unique media articles which bore a total of 13.1 million unique visitors;
- Carried the Corridor message through remarks to 29 state and local groups totaling roughly 1,400 people;
- Established physical office space in Des Moines and Ames communities and instituted necessary legal, financial, administrative, and operational protocols;
- Assembled the Iowa Project Partnership, a multidisciplinary task force charged with developing a statewide agriculture and biotechnology asset database;
- Visited 31 Corridor communities and met with community groups or leaders there;
- Developed a number of quality new agbioscience economic development leads, several of which we are work on presently; and,
- Hired a Corridor Communications Intern, ISU Public Relations Student Dana Melcher.

The top accomplishments for the group include the successful closure of Year 1 fundraising goals and the corresponding seating of the board; drafting, receiving board approval, and distributing a three-year strategic, a one-year tactical, and a marketing plan; and, internal (statewide) media penetration at higher than projected rates.

In the second quarter of 2015, the Cultivation Corridor will launch a coordinated campaign for brand adoption/promotion by internal stakeholders. In the second and third quarters, the Cultivation Corridor will work on a Statewide AgBio Asset Inventory with partners the Iowa Biotechnology Association, Iowa State University, the University of Iowa, and the Iowa Economic Development Authority. The Cultivation Corridor also will address a handful of policy initiatives in 2015.

WELLNESS CAPITAL

Laura Jackson and Sheila Laing

The Wellness Capital is focused on developing a Healthy Community Toolkit, ensuring effective coordination, and conducting a Wellness and Community Study. During the past quarter, the group accomplished several key items for Central Iowa:

- The new Wellmark YMCA opened;
- The Urban Land Institute hosted the Healthy People Healthy Places conference;
- The Des Moines Area Metropolitan Planning Organization was awarded a grant for Policy Development and Tactical Starts to implement Complete Streets policies across the metro; and,
- The Greater Des Moines Partnership launched the GetActive Workplace Wellness Toolkit for small businesses. The toolkit includes tips to share with staff, a poster to print and hang in the break room, a letter from the CEO, and so on. Businesses wanting to use the toolkit can download it at www.desmoinesmetro.com/getactive.

Additionally, 300,000 Iowans participated in the Start Somewhere Walk in October. A unique health partnership was formed with local companies Wellmark Blue Cross Blue Shield, Hy-Vee, and UnityPoint to bring a reward-for-healthy-behavior approach to an insurance product. Finally, the Wellmark Foundation recently announced its grant cycle for 2015. There are two competitive grant programs that are focused on Healthy Communities; these are grants for which communities in the Capital Crossroads geography could apply. The applications are available at http://www.wellmark.com/foundation/news/20141229_RFP.html.

HUMAN CAPITAL

Dave Wilkerson and Chris Littlefield

The Human Capital is divided into two focus areas: 1) a comprehensive Cradle thru Career approach to education and talent preparation called EDGE – Education Drives our Great Economy; and 2) talent retention & attraction. The EDGE initiative is a collaboration of the Business Education Alliance and the Greater Des Moines Partnership and is under the direction of the EDGE Board of Director. The talent attraction & retention work is being directed and implemented through the Partnership's Workforce Development/Education Board and staff.

Top accomplishments for the **EDGE initiative** from the last quarter include:

- Dr. Brad Buck, Director of the State of Iowa Department of Education, spoke to the EDGE board of directors regarding Iowa CORE and Common CORE in an effort to raise awareness of the state's standards and how the state has incorporated national standards. This understanding is

not only important for Iowa students but ultimately impacts the human talent pipeline for employers.

- The first session of the three EDGE strategic layers (advocacy, PreK-20, and lifelong learning) was held that engaged over 40 stakeholders. The session included the practice of community collaboration and structure to achieve shared community outcomes. Stakeholders gave input on challenges their organization were facing as well as the community as a whole. The session stressed community collaboration, creating a common language, and a shared set of collaborative frameworks.
- Developed numerous grant proposals and met with key business leaders regarding ongoing funding support for EDGE in 2015.

Over the last quarter, the ***talent attraction and retention*** team:

- Launched the CarpeDM Career Center. Through employer postings and “scraping” from Indeed.com, the team is averaging approximately 10,000 Central Iowa job postings. Being unable to transfer previous resume posts, the team started at zero and now has over 300 active resumes.
- Enhanced national marketing efforts through targeted social media placements. In the fourth quarter of 2014, user sessions on the site increased by 250 percent to over 29,000.
- Entered into Sponsorship Agreement with Iowa College Access Network (ICAN). This sponsorship will provide the opportunity to interact with hundreds of thousands of high school students in Central Iowa through in-person college/career planning events and the Iowa College Fair, in addition to a series of on-line activities such as videos, career tips, job trends data, and links to Greater Des Moines Partnership websites and resources.

As part of its retention efforts, this team will have a “Welcome to Des Moines Reception” in early March.

SOCIAL CAPITAL

Angie Dethlefs-Trettin and Phil Hodgkin

The Social Capital team is focused on leadership, diversity, and civility. The committee has subgroups for the Regional Leadership Council, Community Connect, the Diversity & Inclusion Council, the Civility Initiative, and the Emerging Leaders Collaborative; their respective reports are as follows.

The Regional Leadership Council has continued to meet every-other-month to share best practices and discuss ways to create synergy in programming, etc. A United Way tool has been identified to launch a matching tool for leadership positions throughout Central Iowa; the group will begin working more diligently on this process in 2015. The RLC also prepared its initial submission to host the Association of Leadership Programs' regional conference in Des Moines in 2016. Finally, the RLC was ahead of schedule, as it planned and hosted the first "Converge" gathering for current and alumni of leadership programs in October. Approximately 70 attendees were present, and plans are underway for an event in 2015. The group also successfully got a listing of the member leadership programs included in the Book of Lists along with basic program information including start dates and contact information.

The Community Connect program transitioned to the Greater Des Moines Leadership Institute mid-year and has enhanced the curriculum by increasing the tie to participants understanding their purpose and

personal brand within the community. Along with the strong mentor component, this self-discovery will facilitate their engagement with organizations that match their passions. Community Connect is increasing its outreach and marketing to diverse groups, such as the Asian Alliance, start-ups, etc. The Community Foundation created an implementation guide for other areas to reference. The next program will begin in mid-February. Community Connect leadership passed along its thanks to Capital Crossroads leaders for graciously participating in many of the sessions.

The Diversity & Inclusion Council continues its work to create inclusive corporate cultures by mobilizing the regional business community towards a broad vision that incorporates all people as valued community members and customers at its monthly meetings. The Council offered educational resources about inclusion at a number of events, including the 2nd Annual Executive Forum on Diversity & Inclusion (attended by over 300 business professionals), Diversity & Inclusion Roundtable discussions, webinars, and a Multicultural Career Fair that allowed 34 organizations to directly market their opportunities; over 200 job seekers attended the event. The Council presented its Inclusion Award as well. The Council hosted quarterly multicultural receptions in conjunction with Nationwide, Wellmark, UnityPoint, and John Deere, drawing over 1,200 participants in the process. Finally, 50,000 copies of INclusion magazine were published in November.

The Civility Initiative Committee has developed and delivered modules to Central Iowa chambers of commerce, launched the Show Some Respect campaign, continued to develop capacity, and began to use social media to for outreach to potential program adoptees. The Committee now has a list of resources and topic areas to enable the website to provide new content throughout the year and has designated a staff member from one of the partner organizations to organize the Show Some Respect campaign.

The Emerging Leaders Collaborative continues to meet and discuss the sharing of resources and how the leadership groups can actively collaborate on efforts and reduce redundancy. The ELC hosted a number of speakers over the last quarter; many of their organizations now have seen a real positive impact thanks to this exposure. The ELC has resulted in increased communication and more strategic planning between young professional groups.

CULTURAL CAPITAL

Mary Cownie and Brian Laurenzo

Arts and culture have long been a consideration for community planning in Greater Des Moines. A number of organizations play key roles in building the community as a leader in developing and promoting cultural assets. The Cultural Capital team has built a shared vision among these organizations.

Top accomplishments for the last quarter include:

- The Iowa Department of Cultural Affairs has been named the primary agency to administer a new quality of life investment program called Iowa Next. This program has been recommended to receive \$26 million dollars in fiscal year 2016. This is a huge opportunity for the State of Iowa to continue to strengthen its quality of life; Cultural Capital is a key ingredient to building vibrant and sustainable communities. With a comprehensive strategy like Iowa Next, Iowa can become

a leader among other states, and more highly competitive in the effort to bring jobs, companies and talent to our state. The Governor also recommended \$65 million for the State Historical Building revitalization, which could serve as a strong cultural hub for the State of Iowa, downtown Des Moines, and the Capitol Complex;

- Bravo Greater Des Moines just completed their strategic plan, which sets goals for the regional cultural community; and,
- Locally, great new projects are coming online: Progress on the Botanical Gardens outdoor gardens, selection of the Sixth Avenue Corridor (Des Moines) and the Raccoon River Valley Trail (Waukee) as two of Iowa’s Great Places (also under the Department of Cultural Affairs), and the tremendous support for DesMoinesArts, Inc., Justin Mandlebaum’s project to provide affordable work space for individual artists.

The Cultural Capital team met in October, both reviewing the initial intent of the Cultural Capital and discussing its current status. The team was initially positioned as part of efforts to “create quality of place that retains and attracts top talent.” Initial goals included capacity and coordination, infrastructure and events, and community building; the revised goals relate to communication, collaboration, and sustainable funding and capacity.

In light of major accomplishments in the sector over the last several years, the Cultural Capital agreed priorities need to be revisited and revised in the context of larger community cultural objectives.

The co-chairs continue to refine the focus of the remaining work. Based on committee feedback and the recent completion of strategic plans for the Iowa Department of Cultural Affairs and Bravo Greater Des Moines, possible focus areas include:

1. Communication
 - Clearly define value of arts and cultural assets as critical to economic, community, tourism and quality of life development.
 - Shift from messaging that arts are “nice to have” to idea that arts are a critical asset.
 - Regional impact/ownership.
 - Develop more centralized, coordinated, and enhanced arts marketing, promotion, and attendance-building strategies that target Central Iowa residents, business leaders, and visitors.
2. Sustainable Funding through Advocacy
 - Formalize an arts advocacy campaign for Central Iowa.
 - Position a key plank of the proposed arts advocacy campaign on increasing state and local contributions to support growth in the arts economy.
 - Advocate for additional public venues to display the work of regional artists.
3. Education
 - Build strong case for the value of moving from STEM to STEAM.
 - Work with educators and administrators to connect existing ACH program opportunities with existing curriculum requirements – make it easy for schools to participate.
 - Diversity and inclusion.

Additional committee and community input is required to affirm these priorities, and the co-chairs will continue to move forward with efforts to secure support and set direction.

PHYSICAL CAPITAL

Angela Connolly and Dave Caris

The Physical Capital committee is focused on three key components: transportation, stormwater and flood control, and communications. The team has made great strides during the last quarter, and its accomplishments have pushed the Capital Crossroads agenda forward in multiple areas. The following is a list of those accomplishments and a brief description.

- **Airport study:** The airport terminal expansion study is steadily progressing. A consultant has recently been hired to assist in the process.
- **Watershed management:** Three watershed management authorities have been established. While the Four-Mile Creek authority was created in 2010, Mud, Camp, and Spring Creek and the Walnut Creek Watershed Management Authorities were established more recently. The latter two also recently received DNR grants to go toward the creation of a comprehensive watershed management plan for each of the areas. Mud, Camp, and Spring received a \$78,850 grant, and Walnut Creek received a \$123,150 grant for the work.
- **MPO tool:** The MPO has developed an online tool that maps natural resources in the metro area. The tool will be great for development moving forward. The tool's series of maps include pavement condition; surface width; rail; modal – street, highway, and transit; bicycle and pedestrian; environmentally sensitive areas; and, Transportation Improvement Program projects.
- **DART 2035** continues to be implemented.
- The Des Moines Area Metropolitan Planning Organization has completed its latest long-range transportation plan.

GOVERNANCE CAPITAL

Gretchen Tegeler and Bob Andeweg

The Governance Capital committee is focused on reinvigorating the MAC, identifying opportunities to regionalize certain public services, and maintaining the momentum of the Local Government Collaboration Project.

During the last quarter, the Governance Capital identified and implemented strategies to reinforce buy-in from city managers and elected officials for the local government collaboration project. All 16 communities are participating financially again, as are Polk and Warren Counties. The Committee participated in the kick-off meetings for the two new project areas: (1) parks & recreation; and (2) law enforcement. A modification to the process was made to incorporate a review of the "problem-solving" process at the end of each project in order to better equip team members to use the techniques again in the future. The co-chairs have proposed a MAC strategy session with key players in order to begin assessing options, and several potential regional initiatives were discussed with agreement that libraries will be the area of focus.

Top accomplishments include:

- Teams from two new functional areas (parks and recreation and law enforcement) have chosen specific improvement projects and are close to completion of development work on these four projects;
- Specific area chosen for pursuit of regional initiative; and,
- New members identified for the committee.

NATURAL CAPITAL

Fred Hubbell and Bob Riley

The Natural Capital component of Capital Crossroads has become a “collection area” for current and potential environmental initiatives, coalescing regional knowledge-bases, raising awareness of efforts, and spurring enthusiasm from the environmental and conservation communities. Specifically, the Natural Capital committee is focused on land use, zoning, and climate; outdoor recreation and trails; air/water/soil; and, marketing and education.

Over the last quarter, the **Urban Land Institute Iowa District Council** partnered with AARP and the Greater Des Moines Partnership to host the Healthy People Healthy Places event. ULI Iowa continues planning numerous events for 2015 and will focus on enacting National Association of City Transportation Officials (NACTO) standards; enhancing walkability; and, river access.

The **Marketing and Education** team is 95 percent done with the Environmental Educators Strategic Plan. After wrapping up this work, a priority for this group will be the marketing of the greenways and parks and recreation network.

The **Air/Water/Soil** continues to support the formation of Watershed Management Authorities (WMAs) around the region. The Mud, Camp, and Spring Creek WMA received a \$78,850 grant from the Iowa Department of Natural Resources to develop a comprehensive watershed management plan, while the Walnut Creek WMA received a \$123,150 grant to do the same.

The **Outdoor Recreation and Trails** has prioritized securing funding for the Natural Resources and Outdoor Recreation Trust Fund and has been working diligently to do so. Developing Water Works Park is significant for this group, and enhancing the greenways system in terms of connectivity (in terms of both trails and land mass) and easements and/or purchases continues to be a priority as well.