

Committee for Iowa's Recreation, Tourism and Leisure

State of Iowa

TERRY E. BRANSTAD
GOVERNOR

RECREATION, TOURISM AND LEISURE INTERIM STUDY COMMITTEE APPOINTED BY THE LEGISLATIVE COUNCIL

LEGISLATIVE RECOMMENDATIONS
PREPARED BY THE
LEGISLATIVE STUDY COMMITTEE
ON THE FUTURE OF
IOWA'S RECREATION, TOURISM AND LEISURE
DELIVERY SYSTEM

DECEMBER 17, 1985

COMMITTEE MEMBERS: Chair: Gerry Schnepf, Executive Director, Iowa Natural Heritage Foundation
Vice-Chair: Representative William Sullivan
Senators: Don Gettings, Norman Goodwin, Hurley Hall, Alvin Miller, Forrest Schwengels, Richard Vande Moef
Representatives: Dennis Black, Clifford Branstad, Marvin Diemer, David Osterberg, Donald Paulin, Andy McKean
Iowa Conservation Commission: Richard Thornton
Iowa Development Commission: Karen Memck
Governor's Office: David Roederer
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December 4, 1985

REVISED DECEMBER 17, 1985 BASED ON RTL COMMITTEE ACTION OF
DECEMBER 12, 1985

PARTNERSHIP STRATEGIES AND ACTION PLANNING PROGRAM

ACTION TAKEN BY RTL COMMITTEE: Approve Option described below and request Legislative Council for interim funding for the preparation of the INFORMATION DELIVERY SYSTEM PLAN and the STATEWIDE MARKETING PLAN.

TOPIC B: PARTNERSHIP STRATEGIES AND ACTION PLANNING of INTERIM REPORT NO. 2 describes the needs for long range, statewide planning programs for making improvements and advancements in the overall RTL delivery system of the state. The completion of 5 basic Partnership Strategies and 12 specific Action Plans was recommended and 4 options for undertaking these tasks are suggested in Interim Report No.2. A fifth option, presented below, addresses the concerns expressed by Committee members and it is this option that is now being recommended for approval by the RTL Committee.

Of the 12 Actions Plans, two emerge as being most important in terms of providing immediate benefits and economic return with a relatively low public investment. These are the INFORMATION DELIVERY SYSTEM PLAN and the STATEWIDE MARKETING PLAN.

The challenges, opportunities and problems these plans would address, as described in the Appendix of Interim Report No. 2, cut across the boundaries of more state agencies, local governments and private organizations than do any of the other Action Plans in making improvements to the RTL delivery system. For this and other reasons, it is recommended that a Tourism Marketing Plan Task Force be established to assist and direct and preparation of these two plans. The Task Force would be comprised of equal representation of the RTL Committee, the private sector and State agencies. The Development Commission would act as the principle state agency for the preparation of the plan, provide the contracting authority for retaining professional services and provide limited staff support. The RTL Committee Project Director would provide limited support services for the Tourism Marketing Plan Task Force.

Building on the groundwork formed 3 years ago in the Davidson/- Peterson Marketing Research and Planning Study, the INFORMATION DELIVERY SYSTEM PLAN and the STATEWIDE MARKETING PLAN are needed to provide the following:

- A. Prepare criteria for classifying Iowa's attractions- (public and private) as to their national, midwest, statewide regional and local significance.
- B. Establish a data bank of information for Iowa's national, midwest, statewide and regional attractions.
- C. Classify Iowa's attractions as to their national, midwest, statewide, regional and local significance.
- D. Identify specific "images" of Iowa which provide positive marketing opportunities.
- E. Given the general markets identified by the Davidson/- Peterson work, pinpoint specific geographic, demographic and psychographic target markets for Iowa's various attractions and images.
- F. Identify specific, cost-effective methods and alternatives for promoting Iowa's major and unique attractions and Iowa as a general destination region to target markets. Project cost effectiveness for each method and alternative.
- G. Identify specific marketing functions for the Development Commission, convention and visitor bureaus, travel regions, private attractions and others.
- H. Examine how conditions in Iowa have changed since the preparation of the Davidson/Peterson study and how Midwest and national tourism and travel indicators are projected to change over the next 5 years and affect Iowa.
- I. Identify how key travel and tourism indicators can be measured and adequate estimates be prepared of the economic impacts which result from tourism in Iowa. Measurements and estimates should address the economic changes which result from the state's marketing effort.
- J. The STATEWIDE MARKETING PLAN should present specific program activities for a two-year period and general directions for the following three years. A process for two-year updates should also be developed.
- K. Others.

The preparation of the INFORMATION DELIVERY SYSTEM PLAN and the STATEWIDE MARKETING PLAN would be contracted to consultant(s) with specialized and professional experience in these areas. The State's share of funding these services would not exceed \$100,000 and matching funds would be sought to appropriately reduce the State's share of the funding and/or expand the scope of the work if needed. Recommended final source of the State's share of this funding would be the next available funds allocated to the "JOBS NOW" Account of the Iowa Plan Fund or from the first appropriation to the Iowa Tourism Marketing Account (see legislative recommendations). To provide a timely start for these studies, interim funding should now be granted by the Legislative Council.

The recommended approach for the remaining 10 Action Plans is to identify lead state agencies as well as participating state agencies and private organizations to prepare each.

The lead agency would suggest modifications to the proposed scope for each Action Plan and prepare a cost estimate for "in-house" and/or consultant services for preparing the plans. The refined scopes of work and cost estimates would be then used to secure funding from a variety of sources

Once funding has been secured, the lead agency would proceed with preparation of the assigned plans. During that process, periodic reports would be made by lead agencies to the RTL Committee for review and comment.

The following Actions Plans should be completed in 1986:

LOCAL AND REGIONAL MARKETING PLANS
STATEWIDE TRAILS PLAN

These Action Plans should be completed in late 1986 and early 1987:

INTERSTATE MARKETING COORDINATION
WELCOME AND SERVICE CENTER PLAN
REGIONAL "CONSERVATION AND ENVIRONMENTAL EDUCATION CENTERS"
AND CULTURAL CENTERS" PLAN
STATEWIDE OPEN SPACE AND PUBLIC RECREATION OPPORTUNITY PLAN
STATEWIDE NATURAL RESOURCES PLAN

These Action Plans would be scheduled for completion in 1987:

STATEWIDE ARCHEOLOGICAL AND HISTORICAL RESOURCES PLAN
STATEWIDE ARTS AND CULTURAL DEVELOPMENT PLAN

LEGISLATIVE ACTIONS FOR THE 1986 SESSION

ACTION TAKEN BY RTL COMMITTEE: REQUEST DRAFT BILL PREPARATION FOR EACH LEGISLATIVE ACTION DESCRIBED BELOW AND SUBMIT FOR LEGISLATIVE APPROVAL

ACTION: APPROPRIATE FUNDS AND DIRECT THE CONSERVATION COMMISSION TO ACQUIRE CERTAIN PROPERTIES FOR RECREATION TRAILS

This action would be designed to create and sustain future public use of economically important recreation trails in Iowa through public acquisition of privately held portion of the property associated with these trails.

This bill would authorize and direct the Conservation Commission to acquire areas for recreation trails including but not limited to abandoned railroad rights of way. An initial pilot program shall be the acquisition of the privately owned parcels of the Cedar Valley Nature Trail in Black Hawk, Buchanan, Benton and Linn Counties; the Heritage Trail in Dubuque County; and the Comet Trail in Grundy County. Estimated cost for acquisition is \$500,000 annually for five years. Optional sources of state funds include General Fund, Iowa Plan Fund or amended real estate transfer tax. Encourage Department of Transportation to provide the Conservation Commission with technical assistance for the acquisition proceedings.

Three "Payback" analyses are provided on the following pages for a scenario of adding 200 miles of new recreation trails in Iowa. While these studies are not specifically for the sites mentioned above they do illustrate the potential economic benefits derived from this type of project.

Variations in acquisition, development and marketing investments; visitor use; visitor spending; operating costs; public employment and private employment are presented in these three models. Line No. 40 indicates the number of years for initial and ongoing public investments to be "paid back" or a point when accumulated sales and income tax revenue generated directly by the project exceeds the combined cost of the initial investments, salaries and operating costs. Numbers in parentheses are negative values.

1	2	3	4
1 PUBLIC PROJECT NAME:	Trails Program		
2 PROJECT DESCRIPTION:	New trails on 200+ miles of abandoned		
3	railroad ROW-conservative usage est.		
4	Conservative development & operations		
5 ACQUISITION: Y OR N			Y
6 DEVELOPMENT: Y OR N			Y
7 MARKETING: Y OR N			N
8			
9 TOTAL PUBLIC INVESTMENT AMOUNT:			\$3,000,000.00
10 ACQUISITION INVESTMENT AMOUNT:			\$1,000,000.00
11 DEVELOPMENT INVESTMENT AMOUNT:			\$2,000,000.00
12 MARKETING INVESTMENT AMOUNT:			\$0.00
13 ANNUAL PROPERTY TAX LOSS OR REPAYMENT:			\$14,000.00
14 LOCAL TURNAROUND FACTOR FOR DEVELOPMENT INVESTMENT:			2
15 NET STATE TAX RATE:			4
16 ST. TAX REVENUE GENERATED BY DEVELOPMENT INVESTMENT:			\$80,000.00
17			
18 ANNUAL INCREASE IN VISITATION TO SITE AND AREA:			200000
19 ON-SITE SPENDING PER VISIT (ENT. OR USER FEES):			\$0.00
20 TOTAL ANNUAL ON-SITE SPENDING:			\$0.00
21 OFF-SITE SPENDING PER VISIT:			\$15.00
22 TOTAL ANNUAL OFF-SITE SPENDING:			\$3,000,000.00
23 LOCAL ECONOMIC MULTIPLIER FOR OFF-SITE SPENDING			2.9
24 NET STATE TAX RATE:			4
25 ANNUAL STATE TAX REVENUE GENERATED BY INCREASED SPENDING:			\$348,000.00
26			
27 ANNUAL OPERATING COSTS:			\$15,000.00
28			
29 INCREASE IN PUBLIC FTE EMPLOYMENT:			5
30 LOCAL EMPLOYMENT MULTIPLIER :			2
31 AVE. ANNUAL FTE SALARY:			\$12,000.00
32 INCOME TAX RATE:			3
33 ANNUAL STATE INCOME TAX REVENUE GENERATED BY EMPLOYMENT:			\$3,600.00
34 ANNUAL PUBLIC EMPLOYMENT COST:			\$66,000.00
35			
36 ANNUAL STATE TAX REVENUE FROM SPENDING AND EMPLOYMENT:			\$351,600.00
37			
38 ANNUAL GROSS TAX REVENUE LESS PROPERTY TAX LOSS:			\$337,600.00
39			
40 APPROX. NO. OF YEARS TO REPAY PUBLIC INVESTMENT:			12.4
41			
42 ONE YEAR BALANCE:			(\$2,934,000.00)
43 TWO YEAR BALANCE:			(\$2,677,400.00)
44 THREE YEAR BALANCE:			(\$2,420,800.00)
45 FIVE YEAR BALANCE:			(\$1,907,600.00)
46 TEN YEAR BALANCE:			(\$624,600.00)
47 FIFTEEN YEAR BALANCE:			\$658,400.00
48			
49			
50 ANNUAL CASH FLOW			\$256,600.00

1	2	3	4
1 PUBLIC PROJECT NAME:	Trails Program		
2 PROJECT DESCRIPTION:	New trails on 200+ miles of abandoned		
3	railroad ROW-moderate usage est.		
4	Moderate development & operations		
5 ACQUISITION: Y OR N		Y	
6 DEVELOPMENT: Y OR N		Y	
7 MARKETING: Y OR N		Y	
8			
9 TOTAL PUBLIC INVESTMENT AMOUNT:			\$3,510,000.00
10 ACQUISITION INVESTMENT AMOUNT:			\$1,000,000.00
11 DEVELOPMENT INVESTMENT AMOUNT:			\$2,500,000.00
12 MARKETING INVESTMENT AMOUNT:			\$10,000.00
13 ANNUAL PROPERTY TAX LOSS OR REPAYMENT:			\$14,000.00
14 LOCAL TURNAROUND FACTOR FOR DEVELOPMENT INVESTMENT:			2
15 NET STATE TAX RATE:			4
16 ST. TAX REVENUE GENERATED BY DEVELOPMENT INVESTMENT:			\$100,000.00
17			
18 ANNUAL INCREASE IN VISITATION TO SITE AND AREA:			400000
19 ON-SITE SPENDING PER VISIT (ENT. OR USER FEES):			\$1.00
20 TOTAL ANNUAL ON-SITE SPENDING:			\$400,000.00
21 OFF-SITE SPENDING PER VISIT:			\$18.00
22 TOTAL ANNUAL OFF-SITE SPENDING:			\$7,200,000.00
23 LOCAL ECONOMIC MULTIPLIER FOR OFF-SITE SPENDING			2.9
24 NET STATE TAX RATE:			4
25 ANNUAL STATE TAX REVENUE GENERATED BY INCREASED SPENDING:			\$851,200.00
26			
27 ANNUAL OPERATING COSTS:			\$20,000.00
28			
29 INCREASE IN PUBLIC FTE EMPLOYMENT:			8
30 LOCAL EMPLOYMENT MULTIPLIER :			2.5
31 AVE. ANNUAL FTE SALARY:			\$14,000.00
32 INCOME TAX RATE:			3
33 ANNUAL STATE INCOME TAX REVENUE GENERATED BY EMPLOYMENT:			\$8,400.00
34 ANNUAL PUBLIC EMPLOYMENT COST:			\$123,200.00
35			
36 ANNUAL STATE TAX REVENUE FROM SPENDING AND EMPLOYMENT:			\$859,600.00
37			
38 ANNUAL GROSS TAX REVENUE LESS PROPERTY TAX LOSS:			\$845,600.00
39			
40 APPROX. NO. OF YEARS TO REPAY PUBLIC INVESTMENT:			4.1
41			
42 ONE YEAR BALANCE:			(\$3,424,000.00)
43 TWO YEAR BALANCE:			(\$2,321,600.00)
44 THREE YEAR BALANCE:			(\$1,219,200.00)
45 FIVE YEAR BALANCE:			\$985,600.00
46 TEN YEAR BALANCE:			\$6,497,600.00
47 FIFTEEN YEAR BALANCE:			\$12,009,600.00
48			
49			
50 ANNUAL CASH FLOW			\$1,102,400.00

1	2	3	4
1 PUBLIC PROJECT NAME:	Trails Program		
2 PROJECT DESCRIPTION:	New trails on 200+ miles of abandoned		
3	railroad ROW-liberal usage est.		
4	liberal development & operations		
5 ACQUISITION: Y OR N		Y	
6 DEVELOPMENT: Y OR N		Y	
7 MARKETING: Y OR N		Y	
8			
9 TOTAL PUBLIC INVESTMENT AMOUNT:			\$4,025,000.00
10 ACQUISITION INVESTMENT AMOUNT:			\$1,000,000.00
11 DEVELOPMENT INVESTMENT AMOUNT:			\$3,000,000.00
12 MARKETING INVESTMENT AMOUNT:			\$25,000.00
13 ANNUAL PROPERTY TAX LOSS OR REPAYMENT:			\$14,000.00
14 LOCAL TURNAROUND FACTOR FOR DEVELOPMENT INVESTMENT:			2
15 NET STATE TAX RATE:			4
16 ST. TAX REVENUE GENERATED BY DEVELOPMENT INVESTMENT:			\$120,000.00
17			
18 ANNUAL INCREASE IN VISITATION TO SITE AND AREA:			600000
19 ON-SITE SPENDING PER VISIT (ENT. OR USER FEES):			\$1.00
20 TOTAL ANNUAL ON-SITE SPENDING:			\$600,000.00
21 OFF-SITE SPENDING PER VISIT:			\$25.00
22 TOTAL ANNUAL OFF-SITE SPENDING:			\$15,000,000.00
23 LOCAL ECONOMIC MULTIPLIER FOR OFF-SITE SPENDING			2.9
24 NET STATE TAX RATE:			4
25 ANNUAL STATE TAX REVENUE GENERATED BY INCREASED SPENDING:			\$1,764,000.00
26			
27 ANNUAL OPERATING COSTS:			\$50,000.00
28			
29 INCREASE IN PUBLIC FTE EMPLOYMENT:			12
30 LOCAL EMPLOYMENT MULTIPLIER :			2.5
31 AVE. ANNUAL FTE SALARY:			\$16,000.00
32 INCOME TAX RATE:			3
33 ANNUAL STATE INCOME TAX REVENUE GENERATED BY EMPLOYMENT:			\$14,400.00
34 ANNUAL PUBLIC EMPLOYMENT COST:			\$211,200.00
35			
36 ANNUAL STATE TAX REVENUE FROM SPENDING AND EMPLOYMENT:			\$1,778,400.00
37			
38 ANNUAL GROSS TAX REVENUE LESS PROPERTY TAX LOSS:			\$1,764,400.00
39			
40 APPROX. NO. OF YEARS TO REPAY PUBLIC INVESTMENT:			2.9
41			
42 ONE YEAR BALANCE:			(\$3,919,000.00)
43 TWO YEAR BALANCE:			(\$1,815,800.00)
44 THREE YEAR BALANCE:			\$287,400.00
45 FIVE YEAR BALANCE:			\$4,493,800.00
46 TEN YEAR BALANCE:			\$15,009,800.00
47 FIFTEEN YEAR BALANCE:			\$25,525,800.00
48			
49			
50 ANNUAL CASH FLOW			\$2,103,200.00

LEGISLATIVE ACTIONS FOR THE 1986 SESSION

ACTION: APPROPRIATE FUNDS AND DIRECT THE HISTORICAL DEPARTMENT TO ACQUIRE BLOOD RUN NATIONAL HISTORIC LANDMARK PROPERTIES

This action is intended to protect and make available for public use and education a nationally significant archaeological site through public acquisition of private properties associated with the Blood Run National Historic Landmark in Lyon County. This action is presently needed to eliminate ongoing resource degradation on this property caused by existing private land use and management.

This bill would authorize and direct the Historical Department to acquire by negotiated sale an initial stage of private properties in Iowa needed to protect and provide interim access to the Landmark site. Cost for acquisition is pending completion of property appraisals and initial appropriation would be set at \$250,000.

The action would also encourage the State of South Dakota to join with Iowa in protecting; making this important site available to the citizens of both states and world travelers to the area; and developing long term development, management and interpretation plans for the property. Additionally, the action would appropriate \$50,000 to the state archaeologist for development planning and the next phase of archaeological field study. Optional sources of state funds include General Fund, Iowa Plan Fund or amended real estate transfer tax.

Three "Pay back" analyses are presented on the following pages for the Blood Run property. With the assumptions used for the first analysis the project would "pay back" in 43 years. The second one illustrates a possible situation where annual salary and operating expenses are generally offset (\$240 annual surplus) by annual income and sales tax revenue but the initial investment for acquisition and development are never recouped. The third illustration is for a set of assumptions that never "repay" themselves from a strict dollar standpoint.

1	2	3	4
1 PUBLIC PROJECT NAME:	BLOOD RUN SITE		
2 PROJECT DESCRIPTION:	MAX. DEVELOPMENT AND USE AND MAX. ATTENDANCE		
4			
5 ACQUISITION: Y OR N		Y	
6 DEVELOPMENT: Y OR N		Y	
7 MARKETING: Y OR N		Y	
8			
9 TOTAL PUBLIC INVESTMENT AMOUNT:			\$10,600,000.00
10 ACQUISITION INVESTMENT AMOUNT:			\$500,000.00
11 DEVELOPMENT INVESTMENT AMOUNT:			\$10,000,000.00
12 MARKETING INVESTMENT AMOUNT:			\$100,000.00
13 ANNUAL PROPERTY TAX LOSS OR REPAYMENT:			\$9,000.00
14 LOCAL TURNAROUND FACTOR FOR DEVELOPMENT INVESTMENT:			2.5
15 NET STATE TAX RATE:			4
16 ST. TAX REVENUE GENERATED BY DEVELOPMENT INVESTMENT:			\$600,000.00
17			
18 ANNUAL INCREASE IN VISITATION TO SITE AND AREA:			100000
19 ON-SITE SPENDING PER VISIT (ENT. OR USER FEES):			\$5.00
20 TOTAL ANNUAL ON-SITE SPENDING:			\$500,000.00
21 OFF-SITE SPENDING PER VISIT:			\$29.00
22 TOTAL ANNUAL OFF-SITE SPENDING:			\$2,900,000.00
23 LOCAL ECONOMIC MULTIPLIER FOR OFF-SITE SPENDING			2.9
24 NET STATE TAX RATE:			4
25 ANNUAL STATE TAX REVENUE GENERATED BY INCREASED SPENDING:			\$356,400.00
26			
27 ANNUAL OPERATING COSTS:			\$200,000.00
29 INCREASE IN PUBLIC FTE EMPLOYMENT:			20
30 LOCAL EMPLOYMENT MULTIPLIER :			2
31 AVE. ANNUAL FTE SALARY:			\$20,000.00
32 INCOME TAX RATE:			4
33 ANNUAL STATE INCOME TAX REVENUE GENERATED BY EMPLOYMENT:			\$32,000.00
34 ANNUAL PUBLIC EMPLOYMENT COST:			\$440,000.00
35			
36 ANNUAL STATE TAX REVENUE FROM SPENDING AND EMPLOYMENT:			\$388,400.00
37			
38 ANNUAL GROSS TAX REVENUE LESS PROPERTY TAX LOSS:			\$379,400.00
39			
40 APPROX. NO. OF YEARS TO REPAY PUBLIC INVESTMENT:			42.8
41			
42 ONE YEAR BALANCE:			(\$10,009,000.00)
43 TWO YEAR BALANCE:			(\$9,769,600.00)
44 THREE YEAR BALANCE:			(\$9,530,200.00)
45 FIVE YEAR BALANCE:			(\$9,051,400.00)
46 TEN YEAR BALANCE:			(\$7,854,400.00)
47 FIFTEEN YEAR BALANCE:			(\$6,657,400.00)
48			
49			
50 ANNUAL CASH FLOW			\$239,400.00

1	2	3	4
1 PUBLIC PROJECT NAME:	BLOOD RUN SITE		
2 PROJECT DESCRIPTION:	MED. DEVELOPMENT AND USE AND		
3	MED. ATTENDANCE		
4			
5 ACQUISITION: Y OR N		Y	
6 DEVELOPMENT: Y OR N		Y	
7 MARKETING: Y OR N		Y	
8			
9 TOTAL PUBLIC INVESTMENT AMOUNT:			\$8,930,000.00
10 ACQUISITION INVESTMENT AMOUNT:			\$400,000.00
11 DEVELOPMENT INVESTMENT AMOUNT:			\$8,500,000.00
12 MARKETING INVESTMENT AMOUNT:			\$30,000.00
13 ANNUAL PROPERTY TAX LOSS OR REPAYMENT:			\$8,000.00
14 LOCAL TURNAROUND FACTOR FOR DEVELOPMENT INVESTMENT:			2.5
15 NET STATE TAX RATE:			4
16 ST. TAX REVENUE GENERATED BY DEVELOPMENT INVESTMENT:			\$510,000.00
17			
18 ANNUAL INCREASE IN VISITATION TO SITE AND AREA:			60000
19 ON-SITE SPENDING PER VISIT (ENT. OR USER FEES):			\$3.00
20 TOTAL ANNUAL ON-SITE SPENDING:			\$180,000.00
21 OFF-SITE SPENDING PER VISIT:			\$24.00
22 TOTAL ANNUAL OFF-SITE SPENDING:			\$1,440,000.00
23 LOCAL ECONOMIC MULTIPLIER FOR OFF-SITE SPENDING			2.9
24 NET STATE TAX RATE:			4
25 ANNUAL STATE TAX REVENUE GENERATED BY INCREASED SPENDING:			\$174,240.00
26			
27 ANNUAL OPERATING COSTS:			\$125,000.00
28			
29 INCREASE IN PUBLIC FTE EMPLOYMENT:			13
30 LOCAL EMPLOYMENT MULTIPLIER :			2.5
31 AVE. ANNUAL FTE SALARY:			\$17,000.00
32 INCOME TAX RATE:			4
33 ANNUAL STATE INCOME TAX REVENUE GENERATED BY EMPLOYMENT:			\$22,100.00
34 ANNUAL PUBLIC EMPLOYMENT COST:			\$243,100.00
35			
36 ANNUAL STATE TAX REVENUE FROM SPENDING AND EMPLOYMENT:			\$196,340.00
37			
38 ANNUAL GROSS TAX REVENUE LESS PROPERTY TAX LOSS:			\$188,340.00
39			
40 APPROX. NO. OF YEARS TO REPAY PUBLIC INVESTMENT:			35.117.7
41			
42 ONE YEAR BALANCE:			(\$8,428,000.00)
43 TWO YEAR BALANCE:			(\$8,427,760.00)
44 THREE YEAR BALANCE:			(\$8,427,520.00)
45 FIVE YEAR BALANCE:			(\$8,427,040.00)
46 TEN YEAR BALANCE:			(\$8,425,840.00)
47 FIFTEEN YEAR BALANCE:			(\$8,424,640.00)
48			
49			
50 ANNUAL CASH FLOW			\$240.00

1	2	3	4
1 PUBLIC PROJECT NAME:	BLOOD RUN SITE		
2 PROJECT DESCRIPTION:	MIN. DEVELOPMENT AND USE AND MIN. ATTENDANCE		
5 ACQUISITION: Y OR N		Y	
6 DEVELOPMENT: Y OR N		Y	
7 MARKETING: Y OR N		Y	
8			
9 TOTAL PUBLIC INVESTMENT AMOUNT:			\$5,410,000.00
10 ACQUISITION INVESTMENT AMOUNT:			\$400,000.00
11 DEVELOPMENT INVESTMENT AMOUNT:			\$5,000,000.00
12 MARKETING INVESTMENT AMOUNT:			\$10,000.00
13 ANNUAL PROPERTY TAX LOSS OR REPAYMENT:			\$7,500.00
14 LOCAL TURNAROUND FACTOR FOR DEVELOPMENT INVESTMENT:			2.5
15 NET STATE TAX RATE:			4
16 ST. TAX REVENUE GENERATED BY DEVELOPMENT INVESTMENT:			\$300,000.00
17			
18 ANNUAL INCREASE IN VISITATION TO SITE AND AREA:			40000
19 ON-SITE SPENDING PER VISIT (ENT. OR USER FEES):			\$2.00
20 TOTAL ANNUAL ON-SITE SPENDING:			\$80,000.00
21 OFF-SITE SPENDING PER VISIT:			\$18.00
22 TOTAL ANNUAL OFF-SITE SPENDING:			\$720,000.00
23 LOCAL ECONOMIC MULTIPLIER FOR OFF-SITE SPENDING			2.9
24 NET STATE TAX RATE:			4
25 ANNUAL STATE TAX REVENUE GENERATED BY INCREASED SPENDING:			\$86,720.00
26			
27 ANNUAL OPERATING COSTS:			\$75,000.00
28			
29 INCREASE IN PUBLIC FTE EMPLOYMENT:			6
30 LOCAL EMPLOYMENT MULTIPLIER :			2
31 AVE. ANNUAL FTE SALARY:			\$15,000.00
32 INCOME TAX RATE:			4
33 ANNUAL STATE INCOME TAX REVENUE GENERATED BY EMPLOYMENT:			\$7,200.00
34 ANNUAL PUBLIC EMPLOYMENT COST:			\$99,000.00
35			
36 ANNUAL STATE TAX REVENUE FROM SPENDING AND EMPLOYMENT:			\$93,920.00
37			
38 ANNUAL GROSS TAX REVENUE LESS PROPERTY TAX LOSS:			\$86,420.00
39			
40 APPROX. NO. OF YEARS TO REPAY PUBLIC INVESTMENT:			-674.1
41			
42 ONE YEAR BALANCE:			(\$5,117,500.00)
43 TWO YEAR BALANCE:			(\$5,125,080.00)
44 THREE YEAR BALANCE:			(\$5,132,660.00)
45 FIVE YEAR BALANCE:			(\$5,147,820.00)
46 TEN YEAR BALANCE:			(\$5,185,720.00)
47 FIFTEEN YEAR BALANCE:			(\$5,223,620.00)
48			
49			
50 ANNUAL CASH FLOW			(\$7,580.00)

LEGISLATIVE ACTIONS FOR THE 1986 SESSION

ACTION: ESTABLISH GUIDELINES AND REQUIREMENTS FOR APPROPRIATING FUNDS FOR TOURISM MARKETING

The intention of this action would be to establish an Iowa Tourism Marketing Account which is funded fifty percent from the General Fund (or from other state revenue sources) and fifty percent from the private sector. Conditions governing the Iowa Tourism Marketing Account include:

- A. Annual General Fund appropriation to the Iowa Tourism Marketing Account would be equal to four percent (4%) of the total state tax revenue generated from "Travel Related Expenditures" in Iowa as estimated by the U. S. Travel Data Center; (At current levels of travel-related expenditures, four percent of the total state tax revenue would equal approximately \$2.4 million.)
- B. Private sector match would be a hard cash or in-kind services provided by the private sector for out-of-state marketing activities approved by the Tourism Section of the Development Commission;
- C. Funds appropriated to the Iowa Tourism Marketing Account would not be spent until the full private sector match is provided or pledged;
- D. The guideline appropriation, set initially at 4% of the total states tax revenue generated from travel related expenditures, should be evaluated once every four years as part of a periodic update of the statewide marketing Action plan. Adjustments should then be made to the guideline appropriation if the evaluation indicates that a higher rate of return on public marketing investment can be achieved with a different level of appropriation to the Iowa Tourism Marketing Account.
- E. The Iowa Tourism Marketing Account should be established for FY 86-87 with an initial appropriation of \$1.5 million. The new STATEWIDE MARKETING PLAN should be completed by January 1, 1987, and it would provide a specific recommendation for the appropriation guideline for the next four fiscal years. During FY 86-87, private sector match would be provided on a voluntary basis and starting in FY 87-88 the annual appropriation should be increased to the \$2.5 million level or that recommended by the STATEWIDE MARKETING PLAN and the private sector match would then be required.