

Economic Development

“In our seeking for economic and political progress, we all go up - or else we all go down.”

- Franklin D. Roosevelt

Economic development is the process of creating jobs, tax base and general wealth by coordinating physical community development with private or public business ventures to produce marketable goods and services. Marshalltown is an important service center for the region, meeting the employment, health care, service and shopping needs of a wider trade area. The Economic Development chapter provides an overview of current economic conditions, things the City can do to support and retain existing businesses and

financial tools available to support these efforts.

To maintain a strong economy and workforce it is important to think about overall economic health of the community in a more sustainable approach in the following ways:

- Economy – a sustainable economy means that residents can find employment and afford to live in the community; that a broad spectrum of businesses are able and encouraged to start, remain and expand in the community; and that quality city services and infrastructure are available.
- Environment – the overall economic health of a community helps to support enhancement of natural resources through the ability to generate revenue that support city programs.
- Human – the overall economic health of the community directly relates to the affordability and ability of residents to be self-sufficient.

Guiding Principles:

Marshalltown recognizes the challenges in the current economy and also identifies that economic vitality is the foundation of community's progress and livability. To achieve these ends, the City will:

- Work to maintain Marshalltown's significance in the region as a desirable place to live, work and recreate;
- Strive to effectively plan and manage for redevelopment while also strengthening existing businesses and the downtown core;
- Actively target companies that can support existing business while also expanding the diversity in the workforce.



This chapter discusses the role employment plays in achieving an economically healthy city and livable community. This chapter will provide focus on:

- The City's goals and policies with respect to economic development
- Provide an overview of the employment and economic conditions in Marshalltown;
- Describe the potential areas of infill and redevelopment;
- Describe the array of economic development tools and techniques available to the City;

Goals

Numerous public engagement sessions were held with the Steering Committee, Chamber of Commerce, high school students and the public at the start of this update to understand what residents and business owners believe are the strengths of Marshalltown, together with the weakness and opportunities for the future. The kick off meeting with the Chamber of Commerce focused on these questions as related to businesses and doing business in Marshalltown. A summary of the results includes:

STRENGTHS

Business leaders care (10)

Geographic location (7)

Medical and health care facility (5)

Volunteer base (5)

WEAKNESSES

Reality and perceptions of school district (10)

Attitude – community (9)

Appearance (7)

Retail offerings (7)

OPPORTUNITIES

Resident retention (9)

Beautification (6)

Downtown development (5)

Roundabouts and traffic flow (4)

Tallcorn Towers (4)

THREATS

Major employer leaves (11)

Lowering standards / expectations (7)

Health care reform (4)

Unskilled, uneducated, work force (4)

From these responses, and many others, a collection of goals and policies have been created for elements of this plan including economic development. The full set of goals for the City is included in Appendix B to this Plan, but the following are economic development goals that correlate strongly with land use activities and efforts the city can employ to maintain existing businesses while also encouraging new business and industry in Marshalltown.

These goals, as are all the goals in this Plan, are intended to support the vision and "7 Big Ideas" of Imagine 2011 including the following two related to economic development:

- Revitalization and strengthen downtown
- Target on Beautification



Land Use – Commercial

Goal 1: Expand and diversify the City's tax base by supporting existing businesses and the redevelopment of existing commercial properties and encouraging new commercial development to enable Marshalltown to fulfill its role as a regional trade and service center.

Rationale: Support for existing businesses and continued growth of commercial businesses through redevelopment supports the City's residential population with jobs and services, provides an increased tax base, and attracts new residents and businesses.

Policy 1: Provide for sufficient commercial land to accommodate growth and business expansion.

Policy 2: Promote and seek to expand a broad range of, retailing, entertainment, retail and service uses within the commercial areas of Marshalltown.

Policy 3: Proactively understand existing business and recognize their needs and create ways to support and retain these existing businesses.

Policy 4: Promote the redevelopment and expansion of existing businesses within the City to obtain a higher level of sales and business attraction.

Policy 5: Promote private reinvestment in the commercial properties by offering assistance, when appropriate, to facilitate the private investment.

Policy 6: Support the expansion, growth and relocation needs of all businesses.

Policy 7: Promote pedestrian walkways and green spaces with commercial zones.

Goal 2: Encourage the redevelopment of commercial sites that display building deterioration, obsolete site design, land use compatibility issues and a high level of vacancies.

Rationale: Aged retail areas offer a great opportunity for redevelopment that not only provides for new goods and services for residents to enjoy, but increased tax base utilizing existing infrastructure.

Policy 1: Identify and coordinate redevelopment efforts of underutilized commercial areas to create site designs that promote attractive shopping environments, easy accessibility, and wide range of business users. Site specific redevelopment planning efforts should include the mall, 13th Street retail area, sites along Center Street, North Third Avenue, Linn Creek/Center Street Area and Iowa Avenue and other scattered commercial nodes throughout the city.

Policy 2: Encourage through redevelopment efforts, specific retail and service providers that would complement the existing commercial land uses.

Policy 3: Consider mixed use alternatives in redevelopment of commercial sites to create a higher level of activity, community gathering spaces and appropriate residential land uses.

Policy 4: Create an enforce city ordinances for all commercial areas including building and signage design guidelines, streetscaping, and the inclusion of green space, trails and sidewalks that connect commercial areas to neighborhoods.

Goal 3: Improve and enhance Downtown Marshalltown in its role as the hub of the City.

Rationale: Downtown is an important historical and commercial core of the City that provides a unique setting and community identity.

Policy 1: Promote downtown as the center of commercial activity and social interaction through support of existing business and the attraction of new businesses and events to downtown.

Policy 2: Develop strategies, including financing mechanisms, to stimulate rehabilitation or redevelopment of under-utilized or vacant sites in the downtown.

Policy 3: Inventory and coordinate the planning of all parking facilities within the downtown, including consideration for safe and attractive pedestrian and biking routes.

Policy 4: Continue to implement City Center plan for providing housing opportunities in the downtown area.

Policy 5: Promote revitalization of Tall Corn Towers for housing, retail and conference space.

Land Use – Industrial

Goal 1: Retain and expand Marshalltown's industrial land uses to ensure a diverse tax base and local employment opportunities.

Rationale: Marshalltown's existing industrial uses are an essential provider of jobs and tax base to the local economy.

Policy 1: Encourage and facilitate the expansion of existing industries.

Policy 2: Examine and modify city ordinances as a means of providing site design flexibility to accommodate existing industrial expansion.

Policy 3: Protect industrial land from incompatible encroachment and development.

Policy 4: Enhance communication between MEDIC, City and County with local industries to track available building space and changing industrial needs.

Policy 5: Require site design to ensure high quality industrial construction, building durability, an aesthetically attractive appearance and pedestrian and bicycle accessibility.

Policy 6: Attract new industrial businesses to fully utilize the City's industrial areas.

Economic Overview

The economic health of a community plays a critical role to encourage and maintain a high standard of living and a desirable place to live for existing residents but even more importantly for attracting new residents. The city has experienced continued growth that is forecasted to continue. The following information and tables identifies current employment trends and other applicable factors.

EMPLOYERS AND EMPLOYEES

There are several major employers within the community as shown in Table 7-1. The largest employer in the community by far is JBS (often called JBS Swift) with 2,300 total employees. Other major employers include Emerson/Fisher, Marshalltown Community Schools, Iowa Veterans Home, and Lennox Industries.

TABLE 7-1: MAJOR EMPLOYERS

Business	Products/Services	Employees
JBS	food processing	2,300
Emerson Process Management Fisher Division	manufacturing	1,200
Marshalltown Community School District	education	1,002
Iowa Veterans Home	health care	1,000
Lennox Industries	manufacturing	800
Marshalltown Medical & Surgical Center	health care	715
Hy-Vee Food and Drug Store	retail/grocery	340
Wal-Mart	retail/grocery	325
Marshalltown Community College	education	245
McFarland Clinic P.C.	health care	223
Mid-Iowa Community Action	non-profit	180
City of Marshalltown	government	178
Marshall County	government	172
Packaging Corporation of America	manufacturing	110
Mid-Iowa Workshop	manufacturing	100
Interface Sealing Solutions	manufacturing	88
Marshalltown Company	manufacturing	85
Ryerson	manufacturing	65
Handy Industries	manufacturing	52
Mechdyne Corporation	software	50

Sources: marshalltownworks.com, October 2012; Dunn & Bradstreet, Million Dollar Database

According to the Iowa Workforce Development, there were 17,968 employed, non-farm workers in Marshall County as of 4th Quarter 2010. Table 7-2 demonstrates the number of employees per industry. The industries most heavily represented in Marshall County are manufacturing (28%) and public administration (19%). Clearly, the JBS operation has a profound impact on Marshalltown. In Iowa, for example, which represents a more diversified economy, manufacturing represents only 14 percent of employed workers.

Between 2000 and 2010, employment in Marshall County declined by 1,300 workers or 7 percent. This is not surprising since most of the country underwent a recession between 2007 and 2009. Industries that experienced the sharpest employment declines over the last decade, include trade, transportation, and utilities (-20%), construction (-17%), manufacturing (-10%), information (-10%), leisure and hospitality (-9%), and professional and business services (-9%). Conversely, the only industry sector to experience employment increases was health and education services (+17%).

TABLE 7-2: NUMBER OF EMPLOYEES BY INDUSTRY, 2000 and 2010

INDUSTRY	Marshall County		Change 01-10		Distribution		Iowa		Change 01-10		Distribution	
	2001	2010	No.	Pct.	2001	2010	2001	2010	No.	Pct.	2001	2010
Goods Producing Domains												
Natural Resources & Mining	226	226	-	-	1.2%	1.3%	13,756	18,148	4,392	31.9%	1.0%	1.3%
Construction	634	524	(110)	-17.4%	3.3%	2.9%	66,417	63,095	(3,322)	-5.0%	4.7%	4.4%
Manufacturing	5,572	5,011	(561)	-10.1%	28.9%	27.9%	232,445	203,322	(29,123)	-12.5%	16.3%	14.0%
Service Producing Domains												
Trade, Transportation, & Utilities	3,645	2,926	(719)	-19.7%	18.9%	16.3%	309,864	301,325	(8,539)	-2.8%	21.7%	20.8%
Information	214	193	(21)	-9.8%	1.1%	1.1%	36,322	28,451	(7,871)	-21.7%	2.5%	2.0%
Financial Activities	516	494	(22)	-4.3%	2.7%	2.7%	93,129	101,257	8,128	8.7%	6.5%	7.0%
Professional & Business Services	1,188	1,087	(101)	-8.5%	6.2%	6.0%	105,558	124,671	19,113	18.1%	7.4%	8.6%
Health & Education Services	1,964	2,301	337	17.2%	10.2%	12.8%	175,777	202,885	27,108	15.4%	12.3%	14.0%
Leisure & Hospitality	1,281	1,163	(118)	-9.2%	6.6%	6.5%	120,978	126,757	5,779	4.8%	8.5%	8.7%
Other Services	603	599	(4)	-0.7%	3.1%	3.3%	39,994	42,072	2,078	5.2%	2.8%	2.9%
Public Administration	3,429	3,444	15	0.4%	17.8%	19.2%	231,822	238,081	6,259	2.7%	16.3%	16.4%
Total, All Industries	19,272	17,968	(1,304)	-6.8%	100%	100%	1,426,062	1,450,064	24,002	1.7%	100%	100%

Source: Iowa Workforce Development

COMMUTING

Table 7-3 identifies the mode of transportation that Marshalltown workers use to access their jobs. A majority of residents (78%) travel to work alone by car, truck or van. Because Marshalltown is an important employment center, a significant number of residents regularly commute to work by carpooling (13%). Additional modes of commuting to work include walking (3%), bicycling (0.9%), and public transportation (0.8%). Another 4% of residents work from home. This is in contrast to Iowa, which has lower rates of carpooling, but higher rates of walking and working from home.

TABLE 7-3: MEANS OF TRANSPORTATION TO WORK, 2009

Means of Transportation	Marshalltown		Iowa	
	Number of Workers	Percent	Number of Workers	Percent
Car, truck, or van - drove alone	8,507	77.9%	1,189,600	78.7%
Car, truck, or van - carpooled	1,422	13.0%	155,042	10.3%
Walked	350	3.2%	58,939	3.9%
Worked at home	386	3.5%	71,405	4.7%
Bicycle	93	0.9%	6,960	0.5%
Public Transportation	89	0.8%	15,674	1.0%
Other means	67	0.6%	13,027	0.9%
Workers age 16 and over in 2000	10,914	100.0%	1,510,647	100.0%

Source: U.S. Census, 2005-2009 American Community Survey

Table 7-4 demonstrates the travel time of Marshalltown residents who do not work at home. Many of Marshalltown's residents work in the city, resulting in considerably shorter commute times than residents in neighboring communities. The average worker spends less than 12 minutes commuting to their place of employment. More impressive is that more than 40 percent of Marshalltown residents spend less than 10 minutes commuting to work. This is in contrast to the State in which roughly 26 percent of residents spend less than 10 minutes commuting to work.

TABLE 7-4: COMMUTE TIME, 2009

Travel Time to Work	Marshalltown		Iowa	
	Number of Workers	Percent	Number of Workers	Percent
Workers who did not work at home	10,528	100.0%	1,439,242	100.0%
Less than 5 minutes	765	7.3%	109,727	7.6%
5 to 9 minutes	3,455	32.8%	270,516	18.8%
10 to 14 minutes	3,247	30.8%	271,037	18.8%
15 to 19 minutes	1,014	9.6%	238,913	16.6%
20 to 24 minutes	539	5.1%	195,529	13.6%
25 to 29 minutes	163	1.5%	77,417	5.4%
30 to 34 minutes	265	2.5%	120,467	8.4%
35 to 39 minutes	116	1.1%	26,218	1.8%
40 to 44 minutes	141	1.3%	28,698	2.0%
45 to 59 minutes	375	3.6%	53,791	3.7%
60 to 89 minutes	262	2.5%	29,113	2.0%
90 or more minutes	186	1.8%	17,816	1.2%
Mean travel time to work (minutes)	11.6	(X)	16.4	(X)
Source: U.S. Census, 2005-2009 American Community Survey				

HOUSEHOLD INCOME

The following tables describe the income levels of households in Marshalltown as of 2009. As shown in Table 7-5, approximately 43 percent of households in Marshalltown make less than \$35,000 a year, 39 percent make between \$35,000 and \$75,000, and 19 percent make more than \$75,000 a year. The proportion of middle income households is similar to the State. However, the proportion of lower income households is higher in Marshalltown and, conversely, the proportion of higher income households is lower, suggesting that despite Marshalltown’s position as an important center for employment it tends to lack higher paying jobs.

TABLE 7-5: HOUSEHOLD INCOME, 2009

Income	Marshalltown		Iowa	
	Households	Percent	Households	Percent
Less than \$10,000	541	5.3%	78,921	6.5%
\$10,000 to \$14,999	838	8.2%	73,103	6.0%
\$15,000 to \$19,999	825	8.1%	69,744	5.7%
\$20,000 to \$24,999	516	5.1%	72,809	6.0%
\$25,000 to \$29,999	936	9.2%	71,117	5.8%
\$30,000 to \$34,999	658	6.5%	69,469	5.7%
\$35,000 to \$39,999	594	5.8%	68,173	5.6%
\$40,000 to \$44,999	417	4.1%	67,341	5.5%
\$45,000 to \$49,999	506	5.0%	60,549	5.0%
\$50,000 to \$59,999	1187	11.7%	112,802	9.3%
\$60,000 to \$74,999	1206	11.9%	140,982	11.6%
\$75,000 to \$99,999	928	9.1%	154,623	12.7%
\$100,000 to \$124,999	455	4.5%	81,227	6.7%
\$125,000 to \$149,999	249	2.5%	37,978	3.1%
\$150,000 to \$199,999	128	1.3%	30,281	2.5%
\$200,000 or more	176	1.7%	26,851	2.2%
Total	10,160	100.0%	1,215,970	100.0%

Source: U.S. Census, 2005-2009 American Community Survey

As demonstrated in Table 7-6, the 2009 median household income in Marshalltown is lower than the median incomes of Marshall County and the State of Iowa. The median household income in Marshalltown is \$41,374, which is 90 percent of the Marshall County median income of \$45,052 and 86% of the Iowa median income of \$48,052.

TABLE 7-6: COMPARISON OF MEDIAN HOUSEHOLD INCOMES, 2009

	Marshalltown	Marshall County	% of County	State of IA	% of State
Median income	\$41,374	\$45,870	90%	\$48,052	86%

Source: U.S. Census, 2005-2009 American Community Survey

CONSTRUCTION

Table 7-7 shows the annual number of housing units permitted for construction in Marshalltown since 1990. Residential construction has averaged about 53 units per year since 1990, and it has been equally split between single-family units and multifamily units. Most of the 1990s was characterized by stable levels of single-family construction from year-to-year. In the 2000s, however, the pace of construction significantly picked up, and in 2003 78 single-family homes were built, roughly triple the annual average of the past 20 years. By 2008, though, construction has dropped off substantially and by 2010 only six single-family homes were permitted for construction. During 2011 residential permits increased to 11 single-family and two multifamily.

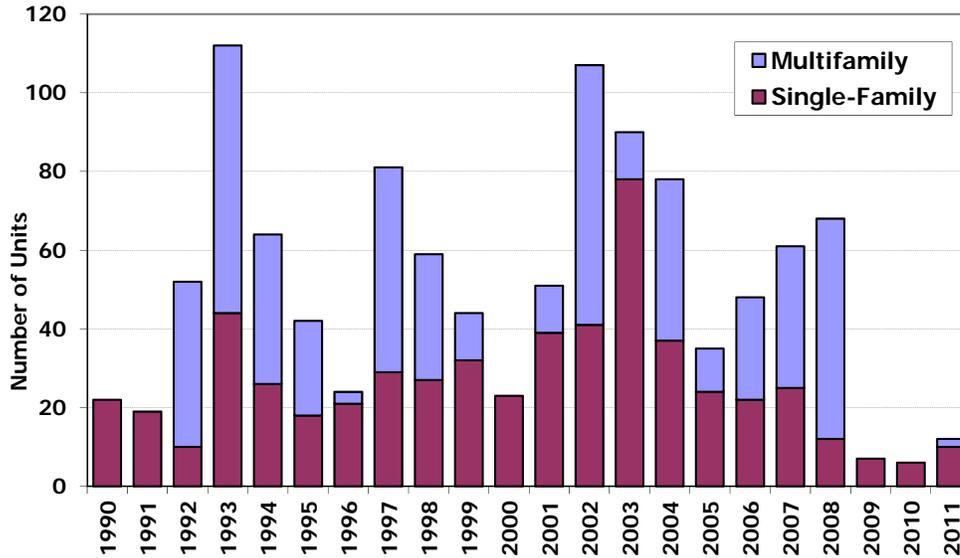
Construction of multifamily housing follows a pattern more characterized by sharp spikes. This is because bigger buildings with multiple units are built at one time and often accommodate several years of demand. Figure 7-1 illustrates the difference between the construction patterns of single-family versus multifamily.

TABLE 7-7: HOUSING UNITS PERMITTED FOR CONSTRUCTION

CITY OF MARSHALLTOWN 1990-2011

Year	Single-Family	Multifamily	Total Units
1990	22	0	22
1991	19	0	19
1992	10	42	52
1993	44	68	112
1994	26	38	64
1995	18	24	42
1996	21	3	24
1997	29	52	81
1998	27	32	59
1999	32	12	44
2000	23	0	23
2001	39	12	51
2002	41	66	107
2003	78	12	90
2004	37	41	78
2005	24	11	35
2006	22	26	48
2007	25	36	61
2008	12	56	68
2009	7	0	7
2010	6	0	6
2011	10	2	12
Total '90-'11	572	533	1,105
Source: City of Marshalltown			

**FIGURE 7-1: HOUSING UNITS PERMITTED FOR CONSTRUCTION
CITY OF MARSHALLTOWN 1990-2011**



Source: City of Marshalltown

Table 7-8 displays the annual valuation of non-residential construction in Marshalltown from 2006 to 2011. According to the table, Marshalltown has averaged about \$26 million worth of new non-residential construction, including major additions, each year since 2006. For some years the dollar amount can be well above the average as large projects can often skew amounts from year to year.

**TABLE 7-8: VALUATION OF NON-RESIDENTIAL CONSTRUCTION
CITY OF MARSHALLTOWN 2006-2011**

Year	Number of Permits	Construction Valuation	Valuation per Permit
2006	71	\$9,350,500	\$131,697
2007	61	\$27,841,000	\$456,410
2008	65	\$38,919,800	\$598,766
2009	36	\$7,562,000	\$210,056
2010	48	\$27,163,000	\$565,896
2011	52	\$26,032,000	\$500,615
Total	333	\$136,868,300	\$411,016
<i>Ann Avg</i>	<i>47</i>	<i>\$18,472,717</i>	--

Source: City of Marshalltown

Market Analysis

The two previous sections analyzed the demographic and economic components of Marshalltown, noting recent and projected changes in the population and employment base of the city. This section builds upon these projected changes to create forecasts of the land needed to accommodate the city's growth and redevelopment goals. Land forecasts, based on market-driven forces, can help the city capitalize on opportunities to capture future growth or, conversely, avoid overextending resources in anticipation of growth that may never occur. The information and analysis on land needs are duplicated in other chapters of this Plan. It should be noted that the demand for land could include areas in the city already served by roads, infrastructure and utilities, and does not need to be greenfield development on vacant land at the edge of the City.

DOWNTOWN HOUSING

A great deal of investment has been made in downtown Marshalltown in recent years. As a result, a question has arisen as to the market potential of attracting new housing development into the downtown. Below is a brief discussion of the types of target markets attracted to downtowns and their likelihood of being attracted to downtown Marshalltown.

Housing located in downtown areas is often at higher densities (e.g., multistory buildings with a shared entrance and elevators) because of the high cost of land that results from fierce competition among many different users, including retailers, offices, and institutions (e.g., City Hall, Post Office, Court House, etc.). This type of dense housing traditionally has two target markets.

The first market is young professionals, who are often singles recently out of college. They are attracted to downtown living because of the access to employment and availability of services and amenities such as bars, restaurants, and similar places to meet and socialize with peers. Because these households are just starting their careers, many are still saving for a down payment to purchase their first home and thus must rent their housing.

The second market is empty nesters households. These are households in which their children have recently left the household. As a result householders want to rid themselves of costly and laborious home maintenance by moving to a more maintenance-free environment accessible to a variety of services and amenities, such as restaurants, distinctive shopping areas, and cultural attractions (e.g., theaters, museums, and parks). These households are typically looking to make a lateral housing move or to slightly downsize, yet they have the resources to own their housing and many times require a high level of finish in their units.

Although a lot of investment has been made in recent years, Downtown Marshalltown still lacks the critical mass of amenities to attract large numbers of either target market. Although some employers have invested in the downtown, such as Emerson and Mechdyne, they probably do not employ enough young professionals to create a natural market for housing. More importantly, though, the range of retail and nightlife options is limited in the downtown. This does not mean that there isn't a base of retail and nightlife to build upon and increase the downtown's attractiveness. It means that the mixture and complement of existing retailers and restaurants is not enough to attract people from these target markets into the area for housing. Finally, the downtown has a perception, whether real or not, of not being safe. This is especially important to the empty nester target market. They often have the means to choose wherever they want to live and any perception of an unsafe environment, no matter how justified or unjustified, will affect the housing choices of this group.

LAND NEEDED FOR RESIDENTIAL

Table 7-9 displays the estimated amount of land needed to accommodate new residential development through 2020. Estimating the amount of new development is based on three factors: 1) projected household growth; 2) loss of existing units; and 3) excess capacity in the form of vacant units that can accommodate new household growth. However, land needed to accommodate new residential development depends not only on the amount of housing demanded, but also on the type of housing demanded because not all housing requires the same amount of land.

Based on building trends over the last 20 years and forecasted changes in the age distribution of the population, it is estimated that approximately 50 percent of the new units demanded will be single-family homes and 50 percent will be for multifamily homes. The final step in the methodology is to estimate the number of units per acre by type of housing. In this instance 2.5 units per acre was assumed for single-family housing and 6 units per acre for multifamily housing.

TABLE 7-9: ESTIMATE OF ACREAGE NEEDED FOR RESIDENTIAL USES THROUGH 2020

Household Growth through 2020	=	271	
Estimated loss of units that need to be replaced between 2010 and 2020 ¹	+	168	
Existing vacant units needed to be occupied to reach equilibrium (i.e., 5%) ²	-	169	
New housing units needed	=		269
			↙ ↘
		Single-Family ^a	Multifamily ^a
	x	50%	50%
Housing Demand by Type	=	135	135
Average Units per Acre ³	÷	2.5	6
Total Gross Acreage Needed by Type	=	54	22

¹ Marshalltown had 11,171 housing units per the 2010 US Census. It is estimated that 1.5% (or 168) of those units will need to be replaced between 2010 and 2020 due to damage, disrepair, redevelopment, and functional obsolescence.

² According to the 2010 US Census 6.5% of all housing units (728) were vacant and available. Assuming market equilibrium is 5%, this means 169 currently vacant units will need to be occupied before reaching equilibrium.

³ Based on generalized land use patterns over the last 20 years

^a The breakdown of single-family versus multifamily development is based on building trends over the last 20 years and forecasted growth in age groups that have a propensity to live in multifamily housing.

It should be noted that for housing markets to function efficiently, a roughly three- to five-year supply of land should be available for immediate development. This amount of land should prevent a lack of supply that can result in sharp increases in the price of land and ultimately the cost of housing. Conversely, too much supply of land available for immediate development can result in unnecessary infrastructure costs and thus create pressure to develop product that may not align with the community's vision.

LAND NEEDED FOR COMMERCIAL

Land needed for commercial development will be strongly tied to household growth because most commercial space in Marshalltown consists of retail and small offices that cater primarily to the local population. A typical household will support about 250 square feet of commercial space. It is projected that Marshalltown will increase by 271 households through 2020. Multiplying 250 square feet times 271 equals a total of 67,750 square feet of new commercial space that could be supported over the next 10 years based on new household growth. Translating these projections into land area needed for commercial uses, yields about 7 acres of land. A floor area ratio (FAR) of 0.22 is assumed, which means the floor area of a commercial building is equal to 22 percent of the total lot area.

TABLE 7-10: ESTIMATE OF ACREAGE NEEDED FOR COMMERCIAL USES THROUGH 2020

Projected Household Growth through 2030	=	271
Commercial Space Supported per HH (sq ft)	x	250
Total Commercial Space Supported (sq ft)	=	67,750
Typical Floor Area Ratio (FAR) for Commercial Space	÷	0.22
Land Needed for Commercial Uses (sq ft)	=	307,955
<u>Square Feet per Acre</u>	÷	<u>43,560</u>
Acreage Needed for Commercial Uses	=	7.1

It should be noted that the assumptions used in Table 7-10 may likely change over time. For example, historically, each household supports about 250 square feet of commercial space. However, with more Internet shopping and less overall consumer spending due to an aging population and changes in the credit industry, spending at traditional retail stores may likely decline over time. Counterbalancing this, however, is that many Marshalltown businesses serve not only residents of Marshalltown, but also persons living in smaller communities surrounding Marshalltown. Growth in these surrounding communities was not factored into this analysis.

LAND NEEDED FOR INDUSTRIAL

Demand for industrial land is closely related to the expansion of existing businesses and the attraction of new businesses. For this reason, it is extremely difficult to forecast industrial land needs with any certainty. Moreover, many businesses that occupy industrial properties often times acquire large acreages with the intent of expanding over time. Therefore, what may appear to be vacant or underutilized land can actually be part of a business's long-term expansion plans. Nonetheless, many communities, lured by the tax base potential of industrial development, are often overly aggressive in planning for growth. Although it is somewhat imperfect, a forecast of land need based on rational assumptions can provide the city at least a modicum of direction in how best to plan for the future.

One large industrial land use that has recently been announced in 2012 is a new natural gas power plant proposed by Alliant Energy on a portion of the 1,000 acres that company owns on the east side of the City. Approvals for the plant will likely be given in 2013 and actual development of the plant would be some years after that.

AMENITIES AND BEAUTIFICATION AS AN ECONOMIC DEVELOPMENT TOOL

The need to improve sites, buildings and public spaces as an overall beautification effort was expressed numerous times during early public engagement sessions and is one of the “7 Big Ideas.” A significant portion of the Land Use chapter provides analysis over the priority redevelopment sites in Marshalltown together with an outline of design standards. Adopting regulations is one of the City’s best tools in promoting, encouraging and requiring quality site and building design.

Beautification extends beyond individual sites and private development into the public realm including increased investment in trails, parks, public spaces and streetscapes. Appealing public spaces, inviting downtowns and commercial corridors with distinctive streetscaping can attract new businesses to Marshalltown thereby becoming an important economic development tool that the City has the most control over in terms of influencing. Beautification efforts that Marshalltown will explore and prioritize include:

- Prioritize corridor streetscape improvements when upgrading infrastructure.
- Adopt updated zoning ordinance requirements focused on improved site and building design for commercial, central business and industrial districts.
- Consider the establishment of incentives as a tool to encourage developers to include public realm improvements.
- Invest in trails, parks, and other public spaces.

DEVELOPMENT TOOLS

Various development tools are available to retain and improve existing businesses and attract new businesses in Marshalltown. In May 1992, the Economic Development Committee of the Marshalltown Area Chamber of Commerce formed a public private partnership which became the Marshall Economic Development Impact Committee (MEDIC). Elements of the city, county and Chamber came together to establish MEDIC with their mission: “To provide a unified voice promoting Marshall County economic development.”

Some of the early projects and accomplishments were the recruitment/expansion of the Lennox air conditioning facility from Columbus, Ohio to Marshalltown and the construction of the new Hy-Vee Food Store. Another early



accomplishment was the establishment of the Washington, DC Summit, an annual trip that has produced such notable achievements as the cleanup of the former Gray Iron foundry and acquisition of federal funding for completion of four-lane Highway 330.

More recent successful projects include assistance with the Emerson Global Data Recovery facility, the Emerson Innovation Center and the JBS Distribution Center. These projects and others affected by the organization represent the retention and creation of more than 2000 jobs and a capital investment of more than 200 million dollars.

MEDIC provides a variety of economic development services including:

- Site Location/Selection Assistance
- Financial Packaging Assistance
 - Assist companies with filling the financing gap by connecting clients with our local lending institutions and strategic partners devoted to seeing the business community prosper. In addition, MEDIC operates and maintains an internal revolving loan fund for gap financing of startups in the area.
- Permitting Assistance
- Energy Efficiency Opportunities
- Community Development Projects