# Oelwein Event Center Corporation
## Request for City of Oelwein Investment in Event Center Project
## Potential Sources of Funding

1. Local Option Sales Tax
   a. Based on projected economic impact, the effect on LOST should be $14,700 per year by Year 3
   b. Propose $10,000 per year for 5 years
   c. Total of $50,000
2. Economic Development Funds
   a. The funds invested now will eventually be returned via increased tax revenue going forward
   b. Payments to begin in 2023
   c. Propose $40,000 per year for 5 years
   d. Total of $200,000
3. Hotel/Motel Tax
   a. The funds invested now will eventually be returned by future revenue
   b. By Year 3, it is projected the tax generated will have increased by $16,100 per year due to events held in town and their impact
   c. Propose $40,000 per year for 5 years, to begin in 2023
   d. Total of $200,000
4. Waiver of Building Permit Fees
   a. This waiver was provided to East Penn when they were building their plant several years ago
   b. Estimated cost of permit is $30,000
   c. This is not a cash outlay for the City
5. Parking Lot Improvements
   a. It is estimated that to improve the two city parking lots closest to the proposed event center (north of Buds and Blossoms and West of Midwest Auto) would cost $80,000
   b. Propose the City also improve the lots owned by the OECC to the north and east of the building
   c. Estimated cost for the OECC lots would be $40,000
   d. Fundable through Franchise Tax
   e. This would be an "in-kind" donation by the city

**Summary:**

*Cash Investments*

| | | |
|---|---|---|
| LOST Funds | $50,000 | $10,000/year |
| Economic Development Funds: | $200,000 | $40,000/year |
| Hotel/Motel Funds: | $200,000 | $40,000/year |

*In-Kind Investments*

| | |
|---|---|
| Permit Fee Waiver | $30,000 (est.) |
| Parking Lot Renovation | $120,000 (est) |

Notes:

1. After the City's annual contribution is complete, it will realize $90,000 per year in usable revenue going forward.
2. Look at this proposal as a "loan". Investing today will provide a return of investment **and** future benefits.