

UNIVERSITY OF IOWA – IOWA INITIATIVE FOR SUSTAINABLE COMMUNITIES



Iowa City, IA 52240

Date: December 8, 2023

To: City of Bondurant

From: Jade Carrillo, Thea Clennon, Bella Sager, and Anna Amin

Re: Bondurant Targeted Business Attraction

SUMMARY

Bondurant had a 91% increase in population between 2010 and 2020 and is projected to triple in the next ten years. The city's downtown area is currently not able to accommodate such an increase in population. Bondurant wants to ensure their town is prepared for this phenomenal growth.

BACKGROUND

While the City of Bondurant has already made great efforts to grow in parallel to its rising population, there are still areas that can use additional attention. Specifically, the town can expect to need more grocery stores, pharmacies, and healthcare facilities to meet its current and future population.

- Bondurant has one grocery store at this time, while statistics show that for every 5,000 residents, one grocery store can be supported, ensuring all residents have access to these basic needs. According to these statistics, Bondurant could currently have at least two grocery stores and could plan on developing more due to the estimated population growth.
- Bondurant currently has no pharmacies. More than 89% of the US population lives within five miles of a pharmacy. However, the closest pharmacy to Bondurant is the neighboring city, Altoona. While this is tenable for now, the city should explore opportunities to increase access to pharmacies within city limits to support the growing population.
- Bondurant currently has no tiered healthcare facilities. Because Bondurant is located close to a large metro area, there are many healthcare options within 25 miles. However, this is not ideal when seeking to attract new residents. Similar to pharmacies, healthcare facilities are important for all ages but especially for children. Since children make up a large portion of the demographic in Bondurant, this will be an attractive and important feature for families.

If these issues are left unaddressed, it might hinder growth, affecting not only new and entering residents, but also the families that currently call Bondurant home.

^{1 &}quot;Demographics." Bondurant IA, www.cityofbondurant.com/bondurant-general-info/pages/demographics, 2020.

CURRENT EFFORTS

Events and Festivals

- Bondurant currently hosts around 25 events and festivals per year
- These events are successful at bringing outside visitors to Bondurant, but they lack engagement from residents possibly due to the sheer number of events.

Opportunities

- Bondurant is located close to a large metro area but must find ways to stand out and attract visitors.
- Since the Des Moines Metro Area draws over 10 million visitors a year, Bondurant should capitalize on these visitors by increasing amenities, attractions, and destinations.⁵

BEST PRACTICES

- 1) North Liberty, Iowa, is a great example of a city developing to meet the needs of its growing population. According to the Planning Director of North Liberty, the following are the key takeaways of their development:
 - A variety of restaurants (fast food, fast casual, and sit-down dining) have been added to the city through a tax incentive that reimburses paid taxes to new businesses, allowing business owners to put that money toward their restaurants.
 - Development of grocery stores, medical facilities, and pharmacies is given top priority to make these basic needs more accessible to residents.
 - North Liberty focused on building more than ten public parks in the near future, while also encouraging residents to visit nearby Sugar Bottom Beach and Lake Macbride State Park.
- 2) Cummings, Iowa is another great example of how agritourism can be beneficial for drawing visitors to smaller towns. Even with its low population of 406, Cummings' location off the interstate and distance from Des Moines provides a good idea of the results that Bondurant would experience. The Cummings pumpkin patch:
 - Comprises 800+ acres
 - Receives almost 40,000 visitors per year²
 - Is 25 miles from Des Moines Metro

POLICY RECOMMENDATIONS

1) Invest in Basic Needs

Grocery Stores

To best fulfill the needs of current residents, Bondurant should consider increasing overall access to basic needs by seeking interested developers for grocery stores, pharmacies, and medical facilities. By increasing accessibility, residents will avoid travel outside the city limits to meet their needs. In 2005, it was estimated that approximately 3,200 people were needed to maintain a single grocery store. Cities of similar population size, such as Keokuk, IA, have three grocery stores to support their residents. While Bondurant itself would not incur the cost of the grocery stores, the average ALDI costs \$4 million to build in the state of Iowa.³

Pharmacies

In addition to seeking developers for grocery stores, pharmacies should be a development priority for the city of Bondurant. As of now, residents have access to a pharmacy in neighboring Altoona. Given that Bondurant is a family-oriented, relatively young city, having easy access to pharmacies within city limits would be appealing to residents. Similar to the development of grocery stores, Bondurant would not incur the cost of developing pharmacies. However, cities of similar population size have three to four pharmacies to serve their residents.

Healthcare clinics

Finally, Bondurant should prioritize development of healthcare facilities. Currently, Bondurant does not have a tiered medical facility to support its residents. Opening a medical facility would provide residents and their families with the peace of mind that they are within a reasonable distance to medical care, especially as the population continues to grow.

The City of Bondurant can invest in these growth opportunities through targeted business attraction and supportive economic development incentives.

2) Invest in Tourism:

Sports Complex

Some aspects of downtown development include amenities for existing residents, potential new residents, and tourists. An indoor sports complex would be a significant investment, but may also serve several purposes, such as offer recreation and wellness opportunities to residents (especially the 41.9% of residents under the age of 18); hosting stournaments and events that draw in visitors, and continuing to stimulate economic development as an attractive amenity for workers. Such a complex could be an entertainment hub, recreational space, and travel destination for sports teams. Amenities may include a variety of sports fields and courts, gym and class areas, and a restaurant and bar area for parents to gather. Depending on the size of the complex, it can cost up to \$50 million to develop. A market

analysis would need to be conducted to determine the feasibility of the project, particularly considering similar facilities in the Des Moines metro. Funding may come from:

- Bondurant's General Fund (planning/recreation)
- Bondurant TIF Special Revenue Fund for private development
- State Grant Funds: "Enhance Iowa" provides grant funds to assist projects providing recreational attractions and sports tourism.

Food options

Bondurant currently has one fast food restaurant. Similar-sized surrounding towns have up to seven. Bondurant currently has seven restaurants while similar-sized towns have fifteen. Studies suggest that a rule of thumb is two restaurants per 1,000 residents.¹⁷ Fast food and a larger variety of restaurants will make it more appealing for drivers to stop while also giving residents more options. To use McDonald's as an example, the total initial investment to open a franchise ranges from \$1 million to \$2.3 million⁴. This includes a franchise fee, equipment, real estate, and other start-up costs. U.S. Bank is helpful in providing special loans for interested franchisees⁵.

Pedestrian-friendly shopping and gathering spaces

Bondurant currently has a walkability score of 38/100, meaning that most destinations require mobile transportation.

The addition of a "city square" in Bondurant would serve as the focal point of the downtown area. This could be a place for residents to shop, walk, gather, and listen to music. A great example of this is the Iowa City pedestrian mall⁶. This area would be able to keep the small town feel while also developing the downtown area. The intersection of Main Street and First Street may be a good area to implement this, as it seems to be the current center of downtown. A variation of a pedestrian mall would cost roughly \$7 million, depending on the amenities included. Funding may come from:

- Bondurant's General Fund
- Bondurant TIF Special Revenue Fund
- Community Catalyst Remediation Program⁸: Under the Iowa Economic Development Authority, this program assists communities with the redevelopment of buildings to stimulate economic growth or reinvest in the community.

3) Invest in Agro-Tourism

⁴ Start a McDonald's Franchise | McDonald's, www.mcdonalds.com/us/en-us/about-us/franchising/franchising-form.html. Accessed 30 Nov. 2023.

^{5 &}quot;McDonald's® Franchise Financing: Build, Remodel, Purchase: U.S. Bank." McDonald's® Franchise Financing: Commercial Lending | U.S. Bank, 24 Nov. 2023, www.usbank.com/corporate-and-commercial-banking/solutions/credit-and-financing/commercial-lending/mcdonalds-franchise-financing, html.

^{6 &}quot;The History of Iowa City's Pedestrian Mall, by Colie Lumbreras." Ulowa Wiki,

wiki.uiowa.edu/display/opensesame/The+History+of+lowa+City%27s+Pedestrian+Mall%2C+by+Colie+Lumbreras. Accessed 29 Nov. 2023.

⁷ https://www.cityofbondurant.com/finance-department/pages/fundbudget-overview

⁸ https://www.iowaeda.com/downtown-resource-center/community-catalyst/

Bondurant should look at attracting/developing an agritourism attraction, similar to the popular pumpkin patch in Cummings. Other examples include flower farms, apple orchards, wineries, community-supported Agriculture (CSA), regenerative farms, and more. Agritourism venues are also often used for other visitor draws, such as live music, community events, weddings, school field trips, and even a bed and breakfast.

Iowa provides businesses specific resources as part of their initiative to promote agritourism in Iowa. There is the Iowa Agricultural Tourism Promotion Act that was implemented in 2021, which addresses the insurance aspect of a some ag-based businesses, limiting agritourism liability. There is also the Chose Iowa Grant Program, which is a grant specifically for businesses trying to grow and sell agricultural products⁹.

^{9 &}quot;Grants." Grants | Choose Iowa, www.chooseiowa.com/grants. Accessed 8 Dec. 2023.