

# Getting Creative: *New Avenues for Fundraising*

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# Old / Not Creative

**Old: (all still valid,  
but limiting in nature)**

- **Membership**
- **City annual appropriation**
- **County appropriation**
- **Special funding requests**
- **Contract for services**

# New Prevailing Trend

The ***“strategic initiative”***-- not the newest (for everyone) but, by far the most powerful idea to infuse new capital into local and regional EDO's.

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# "The MOMENTUM Initiative"

## *Funding is Only the Tip of the Iceberg*

*Adequate Funding = High Performance = Measurable Results*



# "The *MOMENTUM* Initiative"

A \$x.x million, 4 Year Economic Acceleration Program



<b><i>Strategy I:</i></b> Recruit Target Businesses	\$ x,xxx,xxx
<b><i>Strategy II:</i></b> Marketing/Positioning Strategies	\$ x,xxx,xxx
<b><i>Strategy III:</i></b> Business Retention/Expansion	\$ xxx,xxx
<b><i>Strategy IV:</i></b> Regional Participation	\$ xxx,xxx
<b><u>Total:</u></b>	<b><u>\$x,xxx,xxx</u></b>

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# Strategic Funding Checklist

- ✓ Focus on results, not maintenance
- ✓ **Priorities only**
- ✓ Quantifiable costs
- ✓ **Engagement**
- ✓ Benchmarks/timeline
- ✓ **Oversight/accountability**
- ✓ Investor relations

Richmond, VA  
*4 Campaigns*

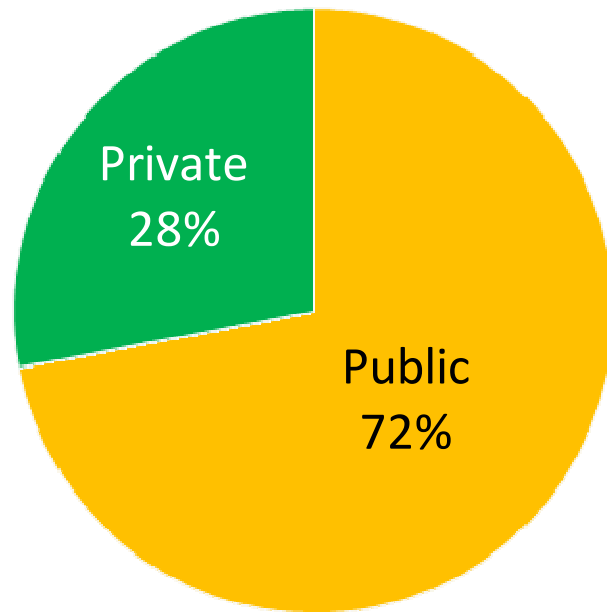


Dallas, TX  
*3 Campaigns*

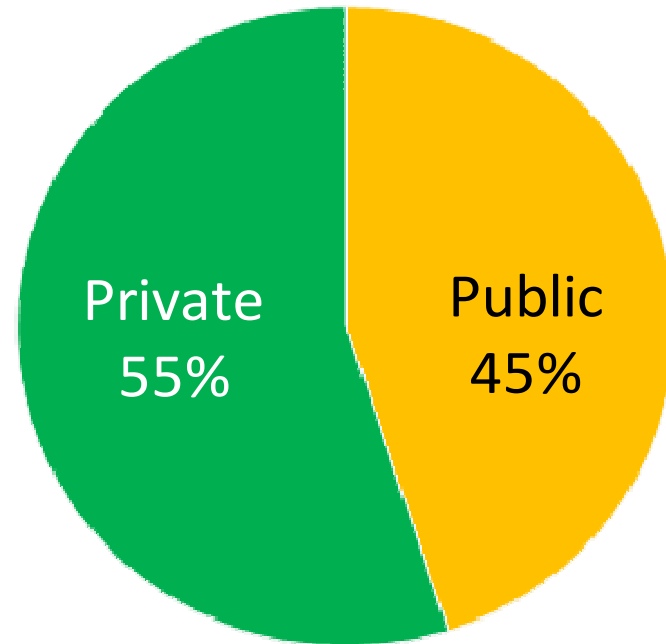


# Where is the Money Coming From?

From 1998-2010



1998



2010

*\* Based on 82 recent NCDS client engagements*

# Private Sector Sources

## Old Model

Top investors were *almost always* Banks and Utilities

## New Model

Banks and Utilities are still key stakeholders, but *top investors are frequently:*

HOSPITALS

LOCAL FOUNDATIONS

CONSTRUCTION & REAL ESTATE  
DEVELOPERS

GROCERY CHAINS

CREDIT UNIONS, FINANCIAL SVCS.

NEWSPAPERS/MEDIA

TRANSPORTATION COMPANIES

UNIVERSITIES

HMOs

ARCHITECTS & ENGINEERS

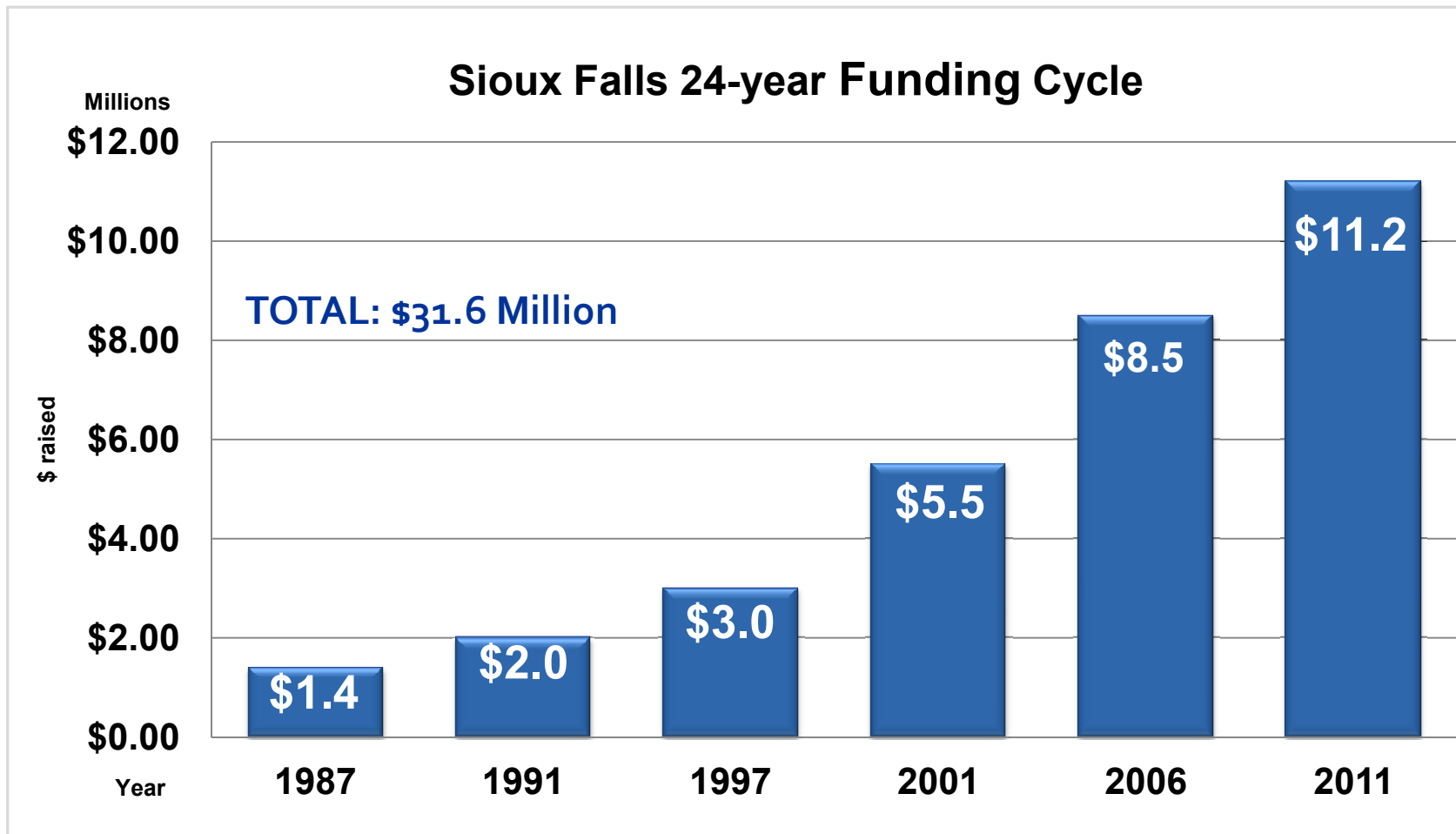
LAW FIRMS

LARGE EMPLOYERS

ASSOCIATIONS (RETAIL, REALTORS,  
HOMEBUILDERS, ETC)

CASINOS, RACETRACKS

# Sioux Falls Sails Forward



# Getting Really Creative

- ◆ Rental car add-ons
  - ◆ EDIT tax (Indiana)
  - ◆ 1a/b tax (in Texas)
  - ◆ Dedicated sales tax
  - ◆ Per car, per case, per house (formula)
  - ◆ Other?
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# Changes that some E.D. organizations have made – and others should!

## Common Mistakes

“Rolling the note”

Poor / non-existent investor relations

Parochialism, mistrust, and competition

“Quid pro quo” expectations of investors

Annual funding cycle

Members

## Recommendations

New strategic plans = new budgets = new funding requests

Engagement and participation! Keep score and report it!

Regional focus: Your competition is the world, not the neighboring county

If the pie grows, everybody gets a bigger piece!

Multi-year programs, budgets, and financial commitments

Investors

Go forth and get creative!!

