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They recently launched a service called FDI365 which provides you a lead a day of fast-growing companies that will be expanding soon. Their research has helped over \$5 billion in projects get sighted since inception. I encourage you to go to www.researchfdi.com to learn more about Research Consultants.

As far as I'm concerned, they are absolutely the best lead generation firm in the business for economic development organizations. Call them now. They can help you create real prospects.

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Chad Chancellor: Welcome to this week's episode of the Next Move Group We Are Jobs podcast. This is Chad Chancellor, co-founder of Next Move Group. Today, we've got Beth Bilyeu with us. She's the executive director of the Forest City Iowa Economic Development Organization. So, Beth, thank you for being with us.

Beth Bilyeu: Thank you. It's my pleasure.

Chad Chancellor: I hope I don't mess up and say Forest City, Arkansas. I got a good friend that does a lot of work with Forest City, Arkansas.

Beth Bilyeu: No.

Chad Chancellor: So, I didn't know there was another Forest City.

Beth Bilyeu: We're several and some are spelled with two Rs and some are spelled with one R.

Chad Chancellor: I invited Beth on my show because she's really doing a lot of great work to help their small businesses during this COVID-19 crisis. They are not sitting around waiting on the Federal Government to help them. They are pleased to get SBA money and all, but they've taken the bull by the horns to help themselves. So, Beth, why don't you first tell us about Forest City, Iowa and then tell us about your organization.

Beth Bilyeu: Well, Forest City, Iowa we are in north-central Iowa. We're probably a little over 15 miles from the Minnesota border and we're 15 miles straight west of I35. We have some pretty good industry here. You might have heard of Winnebago Industries; when things that roll in town and then one of our busiest companies right now is we have a 3M distribution center in healthcare. So, as you can imagine, they are hopping and moving. It's an international plant. They send and receive internationally and they send and receive nationally.

Chad Chancellor: Awesome. Well, talk about the small business recovery fund you all have started.

Beth Bilyeu: As we started talking amongst ourselves and with some of our peers in the area of who was doing what, the North Iowa Corridor was the first one to come out with a small business recovery fund. So, we modeled ours after theirs. We each took from different parts of money that we have. FCD is fortunate to be well-capitalized. We've worked very hard over a long time to do that. We have a revolving loan fund that has around \$270,000 in it. We took \$47,000 out of that and then our marketing fund was doing well. We draw into the marketing fund for business retention; took \$40,000 out of that. The City took-- their revolving fund hasn't had applications for a while, so they took all \$52,000 from that and we have a wonderful local foundation that when we had put all these together over \$140,000 they came alongside and several other communities sent us \$20,000 for that.

Chad Chancellor: And so what kind of businesses does it help? Is it any small business or who are you targeting getting this money to?

Beth Bilyeu: We're targeting small businesses with 0-25 employees. Iowa has a grant program and obviously, we all know the SBA has a program. We're looking for the people that have fallen through the cracks on different things, but then we're not excluding if you've already received funding. Our funds are up to \$5,000 per business. It's half 0% loan and half grant. No payments on the loan for six months. You can pay it off in six months or you can enter into an installment agreement. That's the most patient capital you're going to find for a while.

Chad Chancellor: Thank you, Beth. We're going to take a quick break for a message for our listeners and we'll be right back with a lot more with Beth Bilyeu right after this.

[Music]

Chad Chancellor: I'm excited to tell you that in mid-May, we're expanding our movement to create economic growth by building a community of like-minded economic developers that work to grow our profession and our economy all at once. As we bee-line towards 20% unemployment, America needs a community of economic developers right now more than we've ever needed it before to get us out of this mess economically when the COVID-19 subsides. So, be on the lookout for more information on this in the coming week.

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Chad Chancellor: Talk about how you're getting the word out because I know we talked about doing this podcast a week ago and you said no, no, I'm doing all kind of stuff launching our program. You didn't just launch it and hope that people found it. Talk about all the marketing and how you go about it.

Beth Bilyeu: This is a partnership between us, the City, and the Forest City Chamber of Commerce. The Chamber of Commerce didn't have any funds to put in, but they have hands and feet put in. We were talking about earlier we did a video with four of us announcing different parts of it that went live Monday morning. Our website features both on developforestcityia.com and on forestcityia.com. The Chamber site has all the live applications on there. We've done press releases

and meeting with our press, walking everybody through it and the Chamber is calling every single eligible small business in town and meeting with them.

Chad Chancellor: So, you are calling every small business that you know of with less than 25 employees and saying we want you to know about this.

Beth Bilyeu: Yes.

Chad Chancellor: Wow! And so the \$5,000 once they apply, how long does it take them to actually get the capital in their hands?

Beth Bilyeu: We're planning for two weeks.

Chad Chancellor: Right.

Beth Bilyeu: This week we'll be doing our review. These are scored applications. We have a review team of about seven people. We had to make sure we had an odd number and we'll be reviewing this virtually and in a meeting. We have a very large conference room. All of us can sit six feet apart.

Chad Chancellor: Well, if you're calling every employer with less than 25, have you got a sense of how many companies you have there with less than 25 employees?

Beth Bilyeu: It's a little over-- it's between 50 and 70. I've been trying to get an exact number. If we gave everybody the full \$5,000, we could do 32 businesses.

Chad Chancellor: Wow! So, you got to pick basically half of them based on their application.

Beth Bilyeu: Some of them haven't been impacted. We have probably a handful businesses that have probably gone off on revenue. As we've been with them and talked to them about this, they said well, I'm really not hurting right now, which is a nice thing to hear. Construction companies are doing very well. Iowa doesn't have a shelter-in-place order. They just closed I'd say 90% of the businesses. We have several companies that are still able to keep working.

Chad Chancellor: Right, right. That's good. I think of the restaurants and the tourist-type places that are really hurting because they-- and the hotels and all those places.

Beth Bilyeu: The salons.

Chad Chancellor: Yes, that's right. I think of even our business. It was a shock right at first. So, we went for several weeks without signing any contracts because I think it was just such a shock. Boards didn't meet and people didn't want to get into business, but it seems like now our business is moving a little. We're still not back where we were, but I certainly feel bad for these hoteliers and restaurants and all. That's a hard business to start with.

Beth Bilyeu: Well, funny you should mention a hotel. We're a town of about 4200, but we have a laborshed that covers a 60-mile radius. Winnebago and 3M here we pool from a long ways. We have worked for many, many, many years to try to get a new hotel in town. We recruited a Cobblestone Hotel and developers. It was all set to open in June and now it's going to open in July. My organization is one of the investors in it. We are going to see how lean we can run a hotel for a year.

Chad Chancellor: I'd rather not opened yet, I would say. Mentioning that, Iowa-- I was up there last year. Shannon Landauer toured me around a little bit and I went to the College World Series in Nebraska and I really found the Iowa and Nebraska folks you all do a great job. Like you just said, your organization was investing in the hotel. I think that you all probably do better than anywhere in the country as far as community development and investing in healthcare and housing and things like hotels. Down south where I am, we're really strong in manufacturing and recruiting, but we don't do a whole lot of the other stuff that you really need for a whole economy. So, talk about some of that. Take COVID out of it, but talk about some of the stuff that you all are investing in just to make your community a better place.

Beth Bilyeu: Well, when I first started 18 years ago, they had already put together a fund to build infrastructure to new subdivisions because we hadn't had a new subdivision in over 20 years. So, it was 25% from the City, 25% from the business community, and half of it from a foundation here. We ended up with two funds of \$1.5 million, rent, water, sewer, and storm drains to four new subdivisions and created 93 lots and we're still filling those up now.

We recruited a company that paints motor homes out of Elkhart, Indiana, built a building for them. We sold it to them on a 15-year capital lease. We had a wonderful passing-of-the-buck party when

the lease was paid off and I even had to hang on to the dollar, explain to the owners. No, the lawyers say you really have to give us a buck.

We have developed a new rail industrial park. Our railroad was up for abandonment from the UP and you know if a railroad pulls out, there are never building it back. So, it took us about two years. We put together an investment group of the shippers and some of the businesses and we have an LLC that owns the rail line for 28 miles from Forest City to Belmont south of here and we have it wholly leased to a short line railroad out of Cedar Falls, Cedar Rapids. We took the land that we own next to it and created an Iowa certified travel-ready site. We have all the engineering, all the utilities, and everything right next to it and ready to build with. Four different plans for siting of how do you want it.

Chad Chancellor: Thank you, Beth. We're going to take a quick break for a message for our listeners and we'll be right back with a lot more with Beth Bilyeu right after this.

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Chad Chancellor: I want to thank LocationOne-- some folks know it as LOIS-- for sponsoring today's podcast. LocationOne has, in my opinion, the best buildings and sites database in the economic development industry. Now, that coronavirus is here and everything has been disrupted, I've been thinking a lot about it. If I were an economic developer still, what would I do during this time and I know without question I would transition to LOIS and get my buildings and sites as updated as I possibly could so that when we come out of this economic downturn, we're ready to go.

Let me tell you why I like LOIS. It is the most responsive mobile friendly buildings and sites database I have found. It's easy to use. It's just as easy to use on an iPad or iPhone as it is a computer. I was browsing around last week on a state economic development building and site database and the thing it just wouldn't work. It wouldn't work properly. You had to be an engineer to figure it out. It was too much. It had this circle you could draw to look at buildings. The circle wouldn't work when I backed out if I got what square footage I was looking for.

None of that happens with LOIS. This is the best buildings and sites database I have found. I've looked far and wide. It is the most easy to use from a site selection standpoint on any platform.

I'm told it's just as easy to use for economic developers. It really walks you through inserting your information and putting it in so the prospects can use it. So, I really encourage you take a look at locationone.com. Use this time while we're down to update your buildings and sites. Transition them to LocationOne. You'll be really happy you did.

[Music]

Chad Chancellor: Well, I like to ask folks you've been doing this 18 years. So, how did you get into the economic development industry?

Beth Bilyeu: Well, you ever have your friends kids that ask are you doing now what you wanted to do when you were in high school and so what would you want to do? This was 25 years ago and I said I'd like to-- if I won the lottery, I would work in economic development. Years passed, I was getting a divorce, I had three young teenagers, I went back to college at night, and I got a job in regional economic development at our community college. I would change clothes and pretend that I had been home before I went to my night class. After that, I was on a temporary part-time memo of understanding with the college. You can't get any lower on the totem pole than that.

I had the opportunity to go to work for two counties that we're in; Winnebago County and Worth County is right next to us. For four years, I managed 14 communities and two boards of supervisors. It was a learning experience. Forest City was one of those communities. They had not had a director I think for over 20-some years until the '80s and they created a position. I applied for it and I'm still here.

Chad Chancellor: Wow! So, what have you learned that you might share to young up-and-coming economic developers? What do you know now that you wish you had known like 10 years ago that you just learned through experience?

Beth Bilyeu: Be kind to people, listen, get to know your board members. I have been to churches smaller than our board.

Chad Chancellor It's a good point.

Beth Bilyeu: I belong to churches that are smaller than our board. Everybody is in the room when you need to make decisions, but one thing I would say is especially for a new economic

development person, training can be poo pooed. I'm certified in economic development and housing development by the National Development Council. They are by far my favorite trainings. They are hard. They are horrendously hard and they are worth it. All the projects that we've done - we've also built a 24-unit apartment complex because nobody replied to our RFP. If I hadn't been through NDC's finance training, I never would have known how to put together a proforma for that.

Chad Chancellor: So, they train in housing because that's just something I don't know a whole lot about. Like I said, we're sort of manufacturing experts. So, for economic developers listening, what's the housing route? Is that a one course for the economic development housing or is it different?

Beth Bilyeu: There are four courses. Each course is a week long. You get out early one day at 4 o'clock because normally a class goes till 7 and the last day you take a test all day long and they get progressively harder. It's four classes to certify in economic development which covers manufacturing, recruitment, but it's all about the finance and how to structure the deal. There's one week course I want to go back and take again; the art of deal structuring. What's important to who, what's your stumbling block, and who has influence and who really has influence.

Chad Chancellor: And what's the organization? It's called NDC you said?

Beth Bilyeu: National Development Council They are out of Washington, DC. I think their training office is out of Kentucky.

Chad Chancellor: Well, I'm just hearing more and more people-- I recorded a podcast yesterday with a gentleman. He talked about how economic developers are going to have to get more involved in housing and so I think that's great advice and I really think you folks up there do it well. I was just amazed. Every time I talk to somebody in Iowa, they seem to really have their arms around this.

Beth Bilyeu: That's because we're brilliant.

Chad Chancellor: That's right.

Beth Bilyeu: We'll just tell you that. We wrote a new marketing plan several years ago. I saw some available funding I thought might be coming up. So, I did the typical marketing plan of industrial recruitment; who are we going to target, how are we going to recruit and I stood back after a while and said, gosh! We recruit these companies, who's going to work there? Then another leg of a workforce recruitment plan. Then I looked around and said, oh my heavens! If we recruit 100 people to work at some new company, where in heavens name are we ever going to put them? And then did everything from new construction of apartment complexes down to a housing concierge similar to the old welcome wagon; who do I call or who has an opening because when you're in a tight housing market and you are a landlord, you have to tell people what you have available.

Chad Chancellor: Right. So, you say you are in Winnebago County. Did Winnebago start there?

Beth Bilyeu: They did. In fact, we're in two counties. We're in Winnebago and Hancock County. Winnebago Industries started up in Winnebago County and there was a large fire in the mid-60s and they rebuilt on one of the family farms which is in Hancock County. 95% of Winnebago Industries buildings are in Hancock County except for that little 5% of corner of one complex. It's a very large complex. They have 60 acres under roof. We describe buildings in how we think of size around here. They are a foreign trade zone. When you come up here to visit us, we'll take you on a tour. You actually get to go in the plant and walk through the things for the tour. It's quite interesting. It takes about two hours.

Chad Chancellor: I love walking through plants. I don't know if that makes me a nerd or what, but I like seeing how stuff gets built.

Beth Bilyeu: And they are very, very vertically integrated. When the company was started in '56 I think, it was started by a group of investors and John K. Hanson to create jobs because the ag economy wasn't doing well. They recruited a company out of California. They made it a year. They ended up buying out the assets starting a new company and the rest is history.

Chad Chancellor: Wow! Well, Beth, is there anything that I haven't asked you that you'd like to share with our guests about Forest City or the small business program you all have started?

Beth Bilyeu: Well, it's a wonderful, wonderful place. We're a really unique organization and community in that we're quite entrepreneurial. Obviously, entrepreneurship has gone well here with Winnebago and several other companies, but even as an economic development organization, one reason I've stayed here so long is we do things. I wish we would do more recruitment of industry. We have a lot available, but we also don't sit around and wait for somebody to bring us something. We've run infrastructure, we've built apartments, we've built factories, and we bought a railroad.

Chad Chancellor: I don't know many people buying railroads, so that's interesting.

Beth Bilyeu: That is an experience.

Chad Chancellor: I bet it is. I bet it is. Well Beth, thank you for being with us today. We appreciate it very much.

Beth Bilyeu: Well, thank you.

[Music]

Chad Chancellor: If you want to join our movement, which is to create economic growth for small to mid-sized companies, communities, and non-profit organizations, please go to our website at thenextmovegroup.com. Browse around and you can see the different services we offer all designed to create that economic growth for the small to mid-sized companies, communities, and non-profit organizations. Most of our leads and growth has come from word of mouth referral. So, even if you don't need a service, we want you to know what we do so when friends and contacts of yours might need something, you know what we do and you can refer us. So, again, go to thenextmovegroup.com to learn more about the Next Move Group.

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