



Agenda Item:
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COUNCIL COMMUNICATION

City Manager's Office

GENERAL INFORMATION

Agenda Date: 12/19/05
730

Communication No.: 05-

Agenda Item Type: Resolution

Roll Call No.:

Submitted by: Richard Clark, Acting City Manager

SUBJECT—

Resolution Approving a City Economic Development Loan for \$50,000 to James Goodman for renovations to 107 East 5th Street, Des Moines. James Goodman is the founder and President of Customer Ease, 6000 Grand Avenue, Des Moines.

SYNOPSIS—

This action would approve an Economic Development Loan that would be used to support start-up costs for the Creative Entrepreneur Organization Center (CEO Center). This business would be located in the East Village and will be marketed to young companies that can benefit from an entrepreneurial environment offering shared services and support. Total project costs include \$250,000 for the purchase of the property and \$100,000 for renovations and building infrastructure. Mr. Goodman has a financing commitment for the purchase price and is requesting assistance in financing a portion of the remaining project costs.

FISCAL IMPACT—

The \$50,000 Economic Development Loan will be funded from the Economic Development Enterprise Account. The loan will be repaid over a maximum term of five years with five percent interest. The loan will begin to amortize upon the first occurrence of: (a) when the building reaches 50% occupancy, or (b) 24-months from the date the loan is advanced. The loan is amortized over 36 months from when the first payment becomes due and payable.

RECOMMENDATION—

Approval

BACKGROUND—

James Goodman is proposing to purchase and renovate approximately 12,000 square feet to create professional business suites in the building located at 107 East 5th Street in the Historic East Village area. The professional business suites will be known as the Creative Entrepreneur Organization Center (CEO Center) and will be marketed to young companies that can benefit from an entrepreneurial environment offering shared services and support. The objective of the CEO Center is to provide not only top facilities to select growing businesses but also supply support functions on an as needed basis.

Available support will range from Human Resource Services, Benefits and Payroll, to Accounting, Marketing and Finance. The goal is to bring companies together that can assist each other in achieving “Critical Mass,” allowing them to grow and effectively meet their true business potential.

James Goodman is the founder and President of Customer Ease. Customer Ease is a marketing consulting company with its origins in marketing research. The company assists organization in making informed decision that allows them to effectively and efficiently meet their marketing, personnel, and organizational objectives. Customer Ease will move its operations into the CEO Center.

Previously, Mr. Goodman was Vice President and General Manager of *Interstate All Batteries Centers* in Des Moines (formerly *Battery Patrol*) from December 1999 to August 2003. He was retained by *Battery Patrol's* founder to run the business, get it to the next level of performance, and then to assist in an exit strategy. This was accomplished when *Interstate Battery Systems of America* acquired *Battery Patrol* in December of 1999. Jim was President of Battery Patrol Franchising and Vice President of Battery Patrol. Jim was retained by *Interstate* to run the Des Moines operations.

Jim was also Founder and President of Scientific Concepts, Inc., a marketing research and consulting firm specializing in the development of marketing directions and insight for both new and established companies and products. He founded Scientific Concepts in 1990 to help businesses take a scientific approach to their marketing needs.

His work has included marketing audits and due diligence of product potential along with the identifying, establishing, and maintaining of the proper channels of distribution for companies. He has worked with a variety of products ranging from T-shirts to tactical targets, from staple removers to software.

Jim is a graduate of the *J.L. Kellogg Graduate School of Management, Northwestern University*. He graduated with a Masters of Management in Marketing and Economics. He received his Bachelor of Science degree in biology from *St. John's University* in College, Minnesota.

Jim is a member of the Board of Directors for several organizations, advising on marketing matters including: Vice President of Orchard Place in Des Moines; Board Member of the Technology Association of Iowa; Board Member of the Iowa Dance Theatre and a member of the VNI Select Committee. He is also a past board member of the Golden Circle Business Center, Infinite Information Systems, and St. John's University Alumni Board.

He is a Member of the *American Marketing Association* and is an Adjunct Professor of Marketing and Entrepreneurship at *Drake University*. Mr. Goodman has been featured in several publications including the United States Department of Commerce's "Business America - The Magazine of International Trade" and the Iowa Small Business Development Centers' "SBDC NEWS". Jim was an Iowa Delegate to the 1995 *White House Conference on Small Business*.