



2018 ANNUAL REPORT

DCA's efforts in 2018 resulted in significant progress in the growth of quality jobs and capital investment in Austin.

2018 Highlights

1. Austin Community Recreation Center construction is on track and on budget for completion by early 2020. DCA supporting organization, Austin Community Growth Ventures, owns the Rec Center and will gift the facility to the City of Austin upon completion.
2. While there has been no official announcement, DCA provided comprehensive assistance to a new company planning to begin operations at the former Bellisio facility. This will create dozens of new jobs and bring substantial new business to local contractors and service providers.
3. Small Business Development Center had a record year for Austin serving 40 businesses/individual clients, guiding the establishment of 7 start-ups, and helping with \$342,000 in new investment.
4. The Austin Co- working space opened in June of 2018. Since that time, we have conducted 3 cohorts for the Austin StartUp Factory serving 7 companies/businesses. Currently, we have 4 paid memberships for Launch; 2 private offices and 2 drop-in members. Also, a new company out of the Hormel Institute, Austin BioSciences LLC (ABS) continues on the path to commercialization. Dr. DaQing Yang is in the process of licensing the technology from UMN.

2019 Top Priorities for the Year Ahead

To foster growth of local businesses and encourage economic development in Austin, DCA adopted the following strategic priorities for 2019:

1. In partnership with Agricultural Utilization Research Institute, Riverland and others, assess the needs of regional, ready-to-scale food and beverage companies and possibly develop in Austin a manufacturing space that provides flexible production capacity, entrepreneurial support, and incubator space for small companies poised to scale up.
2. Maximize funding opportunities such as Federal Economic Development Administration grant, foundations, New Market Tax Credits, and Opportunity Zones to attract high economic impact projects to the Austin area.
3. Initiate and help lead a collaborative program to increase awareness and use of community assets and economic development programs such as the SBDC, Startup Factory, Opportunity Zones, etc. to grow local businesses and encourage development of new businesses in the Austin area.
4. Work with DCA members and community businesses to grow by 10% funding for the SBDC, Launch, the Startup Factory, the Austin Area Minority Business Project and other DCA initiatives.

Your support of DCA and its affiliated nonprofits (Austin Community Charitable Fund and Austin Community Growth Ventures) is helping build a stronger, more diverse local economy. Thank you!

Sincerely,

Shelley King
DCA Board Chair

John Garry
DCA President



2018 Sustaining/Contributing Members & Supporters

SUSTAINING

Platinum \$5000+

- *Austin Housing & Redevelopment Authority
- *Austin Utilities
- *Astrup Family Foundation
- *City of Austin
- *Hormel Foods Corporation
- *Mayo Clinic Health System-A. Lea & Austin

Gold \$2500+

- *Akkerman Inc
- *Bremer Bank
- *Cooperative Response Center Inc
- *McGough Construction
- *Quality Pork Processors
- *The Joseph Company Inc
- *Ulland Brothers Inc
- *US Bank

Silver \$1000+

- *Adams, Rizzi & Sween
- *Baudler Law Office
- *CliftonLarsonAllen
- *Damel Corporation
- *First Farmers & Merchants Bank
- *Fox Electric Co
- *Hoversten, Johnson, Beckman & Hovey, LLP
- *IBI Data
- *McFarland Truck Lines Inc.
- *MJ O'Connor Inc.
- *Ready Mix Concrete Co
- *RSP Architects Ltd
- *Wealth Management Solutions-Ameriprise
- *Wells Fargo

* 2018 Members/Supporters that have contributed \$5000 or more since DCA was launched

Founding Members Initially contributed \$5000 or more to help launch DCA

Anderson Memorials, Inc.
Ankeny Mini-Marts
Austin Education Association
Austin Veterinary Clinic
Bell Liquor Store
Brick Furniture-Austin
City Concrete Co.
Coca-Cola Bottling Company
Elrod & Green, DDS
Greenman Heating & Refrigeration
Hanson Tire Service
Hill Heating, Cooling & Roofing, Inc.

Hormel Foundation
Hy-Vee Food Store – Austin
JD Driver Ltd
Jones Cabinets
KAUS Radio
KSMQ Television
Laurence Nace
Minnesota Freezer Warehouse
Nick Kolas
Oak Park Mall
Overby Orthodontics
Ray Ondov

Rich Flack
Richard Nordin
Reeve Chiropractic Clinic
RSP
Schammel Electric, Inc.
Shopko – Austin
Southern Minnesota Rail Shippers
TradeExpos, Inc.
Usem Inc.
Weyerhaeuser Paper Co. - Austin

Bronze \$500+

- Accentra Credit Union
- BWBR
- *Clasen-Jordan Mortuary
- Family Eye Care Center
- *Freeborn-Mower Cooperative Services
- *Games People Play
- Harty Mechanical Inc.
- Home Federal Savings Bank
- Reichel Foods

Contributing \$350+

- Austin Chamber of Commerce
- Cedar Valley Services
- Grove Street LLC
- Heartman Insurance
- Nelson Dental
- Potach & Mitchell Dental Clinic
- Riverland Community College
- State Farm Insurance -Greg Meyer
- Sterling State Bank
- Tecstra
- The Hormel Institute/Univ. of MN
- WHV Inc.
- Worlein Funeral Home

Individual \$100+

- Crandall, Dave
- Dolan's Landscaping
- Innovision Eye Care
- Overby Orthodontics-Eric Overby
- Mark Thein

Financial Performance

Mission Statement: The mission of the DCA is to aggressively support new or existing industrial and other commercial enterprises for the economic betterment of Austin and Mower County.

	2018	2017	Change 2017 to 2018
<u>Development Corporation of Austin</u>			
Assets	\$ 2,853,000	\$ 3,090,000	\$ (237,000)
Liabilities	<u>(1,397,000)</u>	<u>(1,640,000)</u>	<u>243,000</u>
Equity	<u>\$ 1,456,000</u>	<u>\$ 1,450,000</u>	<u>\$ 6,000</u>
Public Support	\$ 125,000	\$ 130,000	\$ (5,000)
Revenues	354,000	350,000	4,000
Expenses	<u>(474,000)</u>	<u>(480,000)</u>	<u>6,000</u>
Impairment Loss	<u>—</u>	<u>—</u>	<u>—</u>
Change in Net Assets	<u>\$ 5,000</u>	<u>\$ —</u>	<u>\$ 5,000</u>
<u>Austin Community Charitable Fund</u>			
Assets	\$ 1,358,000	\$ 680,000	\$ 678,000
Liabilities	<u>(1,008,000)</u>	<u>(100,000)</u>	<u>(908,000)</u>
Equity	<u>\$ 350,000</u>	<u>\$ 580,000</u>	<u>\$ (230,000)</u>
Revenues	\$ 1,266,000	\$ 400,000	\$ 866,000
Expenses	<u>(1,499,000)</u>	<u>(170,000)</u>	<u>(1,329,000)</u>
Change in Net Assets	<u>\$ (233,000)</u>	<u>\$ 230,000</u>	<u>\$ (463,000)</u>
<u>Austin Community Growth Ventures</u>			
Assets	\$ 16,518,000	\$ 1,157,000	\$ 15,361,000
Liabilities	<u>(1,372,000)</u>	<u>(277,000)</u>	<u>(1,095,000)</u>
Equity	<u>\$ 15,146,000</u>	<u>\$ 880,000</u>	<u>\$ 14,266,000</u>
Revenues	\$ 13,557,000	\$ 1,919,000	\$ 11,638,000
Expenses	<u>(197,000)</u>	<u>(1,077,000)</u>	<u>880,000</u>
Change in Net Assets	<u>\$ 13,360,000</u>	<u>\$ 842,000</u>	<u>\$ 12,518,000</u>

The Development Corporation of Austin(DCA) is a 501c6 nonprofit organization. Revenue is from DCA members, public entities, lease revenue and grants. The Austin Community Charitable Fund (ACCF), a 501c3 charitable organization, is a supporting organization of DCA. A portion of ACCF funds are restricted to Vision 2020 activities and operations. Austin Community Growth Ventures (ACGV), a 501c3, is a nonprofit organization to support ACCF. DCA, ACCF and ACGV are independently audited annually.

DCA Board of Directors as of 12-31-18

Executive Committee

Chair	Shelley King	Partner	Baudler, Maus, Forman & King LLP
Vice Chair	Geoff Smith	President	IBI Data
Secretary	Mark Nibaur	General Manager	Austin Utilities
Treasurer	Tanya Medgaarden	Principal	CliftonLarsonAllen

Board Members

Adenuga Atewologun	President	Riverland Community College
Geoff Baker	Owner	McFarland Trucking
Patrick Bell	Business Relationship Mgr. SEMN	Wells Fargo Business Banking
George Brophy	Marketing Representative	RSP Architects
Dave Clasen	Owner	Clasen-Jordan Mortuary
Gail Dennison	Director of Development & Public Relations	The Hormel Institute
Scott Fox	Owner	Fox Electric
Nan Hanegraff	Branch Manager	Bremer Bank
Dave Hagen	Council Member	Austin City Council
Pat Hawkins	Market President	U.S. Bank Austin
John Hernandez	Brand Manager	Hormel Foods Corp.
Chris Holt	President/CEO	Cooperative Response Center
Steve Hovey	Attorney at Law	Hoversten, Johnson, Beckmann, Hovey LLP
Nate Jansen	CEO	Quality Pork Processors, Inc.
Kris Johnson	Associate Administrator	Mayo Clinic Health System
Jim Krueger	President/CEO	Freeborn Mower Cooperative Services
Steven Murley	Sr.VP-Comm'l & Ag Lending	First Farmers & Merchants Bank
Lance Pogones	Owner	Games People Play
Chad Sayles	Director of Engineering	Hormel Foods Corp.
Mike Tapp	President	Tecstra Systems
Steve Thorson	Principal	CliftonLarsonAllen
Carter Wagner	President	The Joseph Company, Inc.

Austin Community Charitable Fund – Board of Directors as of 12-31-18

Chair	Geoff Smith	President	IBI Data
Vice Chair	John Hernandez	Brand Manager	Hormel Foods Corp.
Secretary	Mark Nibaur	General Manager	Austin Utilities
Treasurer	Tanya Medgaarden	Principal	CliftonLarsonAllen
Member	Atewologun Adenuga	President	Riverland Community College

Austin Community Growth Ventures – Board of Directors as of 12-31-18

Chair	Kelly Wadding	Retired	Quality Pork Processors
Vice-Chair	Craig Johnson	Retired	Hoversten, Johnson, Beckman, Hovey
Secretary	Gail Dennison	Director of Development and Public Relations	The Hormel Institute

Board Members

Tanner Asa	Owner	Asa Auto Plaza of Austin
John Garry	President/CEO	DCA
Aaron Keenan	Consultant	
Phil Minerich	Retired	Hormel Foods Corporation
John Summerfield	Chemist	Hormel Foods Corporation
Dan Hoffman	Interim Director, Ag & Food Science Technology	Riverland Community College

DCA Staff:

John Garry, President & CEO
 Judy Lundy, Commercialization / Innovation Coordinator
 Mark Thein, SBDC Consultant
 Alice Holst, Administrative Assistant