

**MINUTES OF THE PUBLIC INFORMATIONAL MEETING
BRANSON BOARD OF ALDERMEN
AND CHAMBER OF COMMERCE BOARD,
LODGING ASSOCIATION AND THEATER ASSOCIATION
FRIDAY, OCTOBER 11, 2002
5:30 P.M.**

The Board of Aldermen of the City of Branson, Missouri met in a public informational meeting with the Branson Lakes Area Chamber of Commerce, Board Theater Association, and the Lodging Association in the Council Chambers of the Branson City Hall on October 10, 2002 at 5:30 p.m..

Mayor Schaefer called the meeting to order with the Pledge of Allegiance, and Larry VanGilder gave the invocation.

City Clerk Williams called the roll as follows: Stan Barker, Larry Taylor, Mayor Lou Schaefer, Ron Huff, Eric Farris, and Bob Warlick present. Dick Gass absent.

Staff in attendance were: City Administrator Terry Dody, Assistant City Administrator Kevin Faught, City Attorney Deborah Deuster, City Clerk Sandra Williams, Director of Economic Development Mike Rankin, Finance Director Deanna Schlegel, Communications Director Jerry Adams, and Public Works Director Larry VanGilder.

Mayor Schaefer welcomed everyone to the public meeting to continue discussion on the location of a Convention Center. The Mayor outlined the rules to be observed during the meeting, and then turned the floor over to Ross Summers, Executive Vice President of the Chamber of Commerce to present a report on the Chamber's position regarding moving the Convention Center to the Branson Landing project area.

Mr. Summers stated, "Two weeks ago we met here for a long meeting and towards the end of the meeting a suggestion was made by the Motel/Hotel Lodging Association to downsize the Convention Center and re-open the discussion to move it back to the Taneycomo waterfront. After a lot of discussion, that proposal appeared to be a favorable solution by a number of people; to the Chamber of Commerce; and even some of the City Council. At that meeting, we told the Board we would like to get a response from our membership and Board of Directors, and would look for some kind of consensus from the businesses out on Hwy. 76. Since then I have talked to a great number of people and have heard a lot of pros and cons. I have not heard any response from the visitors on Hwy. 76. In talking to individuals and getting their response, my take was everybody was pretty confident of the lakefront, much more than Branson Hills. But as I have not gotten a total response from the groups, we need to get a better response for the lakefront. That is where the idea of a survey came from. It was a very simple survey. As of this morning, we have received back 152 out of the 708 surveys that we sent out. Of the 152 – 67 were favorable and 67 were opposed to the lakefront site; 18 had no opinion, but in the comment section

they put ‘we need more information. We took these responses to our Board of Directors meeting for discussion, and the result was the following motion by our Board.’”

“The Branson Area Chamber of Commerce and Downtown Branson Association will, in light of the recent information that the TIF District may not be expanded to locations outside the current general assembly approved TIF district, generally known as the Branson Landing Lakefront Redevelopment Project area, support the City of Branson in refocusing on the lakefront – subject to the subsequent positive outcome of the City’s Examination Level Feasibility Study and said study determining the financial feasibility for the optimum size for the infra-structure recommended in the study. As well as the city maintaining tourism marketing expenditure is our 4% and ½% tourism tax and allocating additional funds for the five year Convention Center Marketing Fund that will drive up incremental business and tourism spending.”

Mr. Summers stated, “This passed by a two-thirds vote of the Board of Directors present. The vote was taken with 15 of the Directors presented, 14 voted in favor and one abstained and that is what I have presented to the Board of Aldermen tonight.”

Mayor Schaefer then opened the floor for questions from the Board.

Alderman Huff asked, “Does that mean that the Chamber seemingly endorses the lakefront site for the Convention Center?”

Answer: Mr. Summers replied, “It endorses the site with the inclusion we submitted on the motion that it passes the feasibility report.”

Alderman Huff asked, “Did I understand you to say 67 votes for and 67 votes against it? It seems almost impossible that it came out that way!”

Answer: Mr. Summers replied, “We thought that too. The comments were very interesting too.”

Mayor Schaefer then opened the floor for questions by the audience.

Jerry Lowther addressed the Board, stating, “I represent the Branson Theatre Association and respective of the Hotel/Motel Association, and respective businesses. I represent Glenn Robinson, who owns hotels, a water park, malls, and theaters. He is one of the backbones of this community. I represent Jim Stafford, Dean Dutton, the Myers family, Dan Ruda and his group, and others that have joined with us such as Silver Dollar City. Then there is Yakoff and the Halls. These are the kind of people we are representing. Everybody thinks you are doing the best possible job that you can do, but we do have a difference of opinion. The arguments that I have heard are why did we get into this at the very last minute, and that is not true. On August 3, 2001, all of you received a letter from 37 different people and businesses asking a whole lot of questions. Questions that are still being asked today. One of those things that we hope to recommend is a

feasibility study to be done by a professional, disinterested party to look at the feasibility of the location of the Convention Center for Branson. This group has been interested in this project and have corresponded with you regarding this. I would like to tell you what my client's position is regarding this matter, indicated Mr. Lowther. (1) We would like a feasibility study done first to determine whether or not this community needs a Convention Center. (2) Whether or not it is profitable. (3) What are the short falls and feasibility generally of adding a Convention Center? (4) Explore private financing. I've talked to a gentleman who was very interested in privately financing the Convention Center. (5) A detailed Market Analysis needs to be done on the Convention Center. (6) They think the City should do \$2.5-million dollars "matching funds" for tourism marketing now, because that would help ensure that a Convention Center would be a good proposition for the City. (7) They would like the whole lakefront project designated as a tourist attraction and put the money in a Tourism Marketing Fund. (8) They want the full 25% from marketing from the tourism tax to be paid to the local marketing fund. They think 4% is withheld, and they would like that whole fund to be put into the Marketing Budget."

Al Moon, 7E Willow Court, addressed the Board, stating, "Not too long ago I stood at this podium and commended you for all that you have done and for all you were going to do. But, you haven't done what you should do. You let yourself be bulldozed by a bunch of greedy people into making a decision or not making one. I do recognize greed when I see it. That has come from living for 76 years. You learn to recognize that stuff. We don't need a lot of things, but we should have a Convention Center in a location that allows traffic in and out of it, but not downtown on the lakefront where you can get the people in and out but you can't get the trucks and equipment in. To put semi-trailer trucks in and out – all at the same time will not work. From 25 years of handling and driving trucks and selling, I know a little bit about putting trucks in a small space. You make decisions to build roads for people – traffic to get in and out. You make decisions for the growth of Branson – to make it look good to a world traveler. Now we have people who are doing their damndest to tear all that down. I beg of you, make a decision, stand by it and remain strong with your decision."

Dean Dutton, 3454 W. Hwy. 76, addressed the Board, stating, "I would just like to emphasize what I believe are the central gist of Jerry Lowther's comments. In order to make a rational choice – whether we should have a Convention Center or not – you really can't answer the question, because you can't just look at the benefits alone. One of the primary costs is the cost of marketing, which is very substantial. It is centered on how it is marketed – so you have to know these types of things. You have to know the relative cost associated with the Convention Center as well in order to put a finger on the benefits. That hopefully is what the feasibility study will do."

Dave Shaffer, 210 W. Oklahoma, addressed the Board, stating, "Are we going backwards? It seems like we are. It seems like we are going back years. We need a Convention Center here and many people have fought and fought to get to the point where the City will say 'yes we will help'. The private development of a Convention Center does not work. For all the studies you are going to do – it won't work. You don't have to have every feasibility study that can be done. If you have a time-table with the TIF, then we

need to get our act together. If the object is to kill the TIF, then just keep it up and we could lose the TIF. I don't want that to happen. I am on the Planning Commission for the County and yesterday I received the "Concept Hearing Package" for the airport from Patch. They are ready to move forward. That doesn't happen, but it is happening here in Branson, because there is something special here. If there are some things that need to be worked out, then work them out! But no more arguments! That has been said over and over and over."

Ray Wilson, 176 Eagle Point Drive, addressed the Board, stating, "I want to start out by complimenting you for having these Public Meetings. I don't know where the idea of a Convention Center came from; I suppose somebody said let's build a Convention Center, and then the momentum started. But what I think we need to do is bring the whole community forward. I think the information they want to know is: (1) Where are you going to build it? (2) How much is it going to cost? (3) What kind of benefits is it going to bring to our community? (4) How much is the City of Branson willing to put into the short fall? (5) What are you going to put on the lakefront that we don't already have in Branson? and, (6) Should we be using tax payers money to do that? That has been my major objection all along. On the political front my sources at Jefferson City say our TIF is already dead. I don't think we have any chance at all of getting a TIF. We need to solidify the community and move forward on the same path, and then every one of the citizens can help keep it that way. You need to go back to square one and bring all of that forward, and we need to bring our people forward. Our taxpayers have far more questions than we have answers. I just hate to see this City damage the financial integrity of this community. I would only recommend that we go to the Master of Convention Centers and see what he thinks. Let's get some real experts – not these hired guns where you give them a fee and they leave. The other part that irritates me is the City purchasing the lakefront land. I have read that appraisal, and it is a fraud. It is inaccurate. They took the value for that comparable land on 76 Highway and then added 10%, and then added 45% for what they called "Profits". No local appraiser – I think it was done by design. I don't think anyone in Missouri would pay one-half of that. Not for depressed property. We are not done yet; we have to go in and prepare the site and make it to flood plain requirements before we can do anything. In private business you analyze a thing from front to back – figure out all the yields to the community, and then you sell it to the citizens."

Mark Weisz, 386 Long Drive, addressed the Board, stating, "We have been doing this for two years and have had many Public Meetings. It is time to move forward and there is a TIF involved, and we are in danger of losing it if we don't all start working together. The stars are in line and things could really work out for us, if we can get an airport, the Convention Center, and Branson Landing. I totally expect everybody's businesses to benefit greatly. The issues concerning the TIF can't be understated. It is \$80-million dollars towards this project that we would be giving up. I'll support it in Branson Hills. I'll support it Downtown. I'll support it in any good site. Right now we are spending \$2.5-million from the marketing tax, and I think they want to know that you won't be spending that towards marketing a Convention Center but for marketing our businesses. I think we need to hear from you that there will be proper funds spent to

market the Convention Center. Let's do it right – let's get the right study done and let's move forward.”

Dwayne Gerken, 1157 W. Hwy. 76, addressed the Board, stating, “I have no location in mind. I don't care where it is put. When I moved here in 1972, whenever anyone outside of Missouri talked about tourism in Missouri they talked about Lake of the Ozarks. What made Branson the recognition name that we enjoy? Believe it or not it was oil embargo. The first oil embargo in the 70's did something for us that we had not done before. It was called the *Ozark Marketing Council*. In its formation it was a volunteer organization to promote Branson, not individuals or individual businesses but the whole of Branson in the Ozarks. Lake of the Ozarks tried on two different occasions to start a Marketing Council and they failed, because they wanted to advertise individual businesses, and they got down to back biting. That is what caused their downfall. I tell you what our message to the media and to the legislative should not be is I don't want a Convention Center unless I get it at the location of my choice. We have to sign on the same page if we are going to get this passed. We have to have a unified voice. If we don't stay on the same page we are going to allow other tourist areas to gain merit. I encourage all of you to take a look and see the ways we need to grow 20 years from now, because that is where Branson is headed. I am now in favor of seeing it downtown. I think the downtown project should be separate from the Convention Center. I think the downtown lakefront is the most desirable property in the State of Missouri, and I think there are a lot of developers and new businesses that would love the opportunity to come there. I want to see us come together, I want to see us speak with one voice, and I will support whatever you choose, because I believe we will all be successful. We need to speak in one voice. It is really hurting us in the legislature, and it is hurting us here.”

Jim Thomas, 3431 W. Hwy. 76, addressed the Board, indicating the statement made by Mayor Schaefer stating that “Jim Thomas was personally trying to stop the Branson Landing project because the Australians turned down property for a Convention Center that Jim Thomas supported and had an interest in,” was not true. Mr. Thomas stated, “He had long before sold his interests. It is a false statement; it is untrue, and you made it public, and he wanted a public apology.” He contacted the News Leader who corrected it by printing a statement saying, “Jim Thomas was not co-owner in the Remington Theatre in 1998 when the Convention Center near the Remington Theatre was being considered.” “Mayor, we have been friends for 30 years and this is an issue we'll get over. We want the best thing for the City. Just don't fix what is working,” stated Mr. Thomas.

Alderman Huff stated, “I would like to respond to some of Jim Thomas's comments. While we are talking about what is true and what isn't, in your latest letter to Governor Holden and Joe Driscoll you state that the Australians promised to spend \$300-million on the project with no tax money involved. I don't know what you heard, but the total cost of the project both private and public investment was somewhere in the neighborhood of \$300-Million. It was never said that there would be no tax money involved. And speaking of the \$5-Million that we paid as a settlement and by doing so we acquired the options on the lakefront land. Before we did that deal we had the property appraised by a national appraisal company and it was appraised at \$5-Million more than we paid for it. And as far

as the City paying an illegal broker, when we assumed those options, we had to live with whatever deal was made before we took over the options. You go on to state in your letter, that if we stop the TIF, the hustlers will go away. Who are the hustlers? Is Rick Huffman, one of your fellow businessmen, a hustler? Who are they?

Mr. Thomas replied, "I would start with the men from Australia."

Alderman Huff responded, "I don't think they were hustlers at all. We were that close to making a deal on the lakefront and it did not happen because of the tragic events of 9-11. They were not able to deliver the hotel. Now, about this audit that we are all nervous about. I don't think that I have even talked to anyone about it. We're not nervous about it. We have nothing to hide. I will stack my reputation for honesty and integrity against you or anyone else in this town."

Chris Myer of Myer Hotels addressed the Board, stating, "A lot of people think we need to be unified, to solidify our community. I think that what has to happen is together we have to build a compelling argument. We have no study that I know today that says what is the right spot. I would encourage the City to work on a compelling argument. In April Mr. Pennel asked the question as to location. 70% came back and said we would prefer a more central location. A couple of weeks ago, Mr. Ruda presented a survey with a lot of signatures and that was discounted. Two weeks ago, you received a declaration with a lot of signatures on it from the Chamber membership. How many surveys does it take to get a compelling argument to combine this community? We need the studies done regarding marketing, operations, and those kinds of things. Are you willing tonight to tell all with the community, so we can come together, because that is the only way."

Rick Huffman, 3027 W. Hwy. 76, stated he had a couple of quick questions. Mr. Huffman asked if someone could respond to the survey put out by the Lodging Association?

Answer: Katie Baker, Director of the Lodging Association stated she had received back 25 surveys. 18 said "yes" and 7 said "no" regarding moving the Convention Center downtown.

Mr. Huffman then asked Mr. Lowther if Silver Dollar City is a client in this potential litigation against the City?

Answer: Mr. Lowther stated his clients were working for a common cause to get this job done. As far as Silver Dollar City is concerned, they are in favor of getting the feasibility studies done to determine if we need a Convention Center.

Chip Mason informed the Board that Pete Hershend could not be here tonight, but they had a written statement. "Contingent upon information as it becomes available, with the information we have today and as more information becomes available, at the present time, Silver Dollar City can't support a Convention Center East of the railroad tracks."

Mr. Mason indicated, Silver Dollar City believed more information needs to be available to support this endeavor.

Mr. Huffman then asked Ross Summers, if the vote of the Chamber was for more study downtown?

Answer: Mr. Summers replied, “It was for more study”.

Jim Thompson from Branson Hills Parkway addressed the Board, stating, “I think it is time for the community to get together and get this thing going, but the community needs to know that on September 26th, you were getting ready to authorize a feasibility study which would give everybody all the answers to the questions.”

Gayla Roten, Downtown Better Business Association, 119 W. Pacific, addressed the Board, stating, “It is a huge opportunity for Branson, for all of us, for Ozark Mountain Country. We had people from Kansas City asking for TIF money, and they didn’t get it. Others want it. We could have the Branson Landing project, and yes, it will encompass a Convention Center. But, we continue to forget the Branson Landing development and another million and a half people. They are going to help all of us. It will help all of us. This is great, folks. Let’s not mess it up. It is time now to do what is right for this community. The Chamber business vote was 67/67 and not 100%, but we need to understand we will never completely agree. Let’s let these gentlemen do what they were elected to do, and that is to lead this community. Take Branson into the future. I support that 100%.”

Gary Groman, 230 Point Grove, Hollister, addressed the Board, stating “ I have not been a supporter of a Convention Center. I am not convinced Branson needs a Convention Center, but I am convinced that Branson needs an attraction down on the lakefront. Based on the experience I have had, it would be a miracle to get a consensus from this community. 67 to 67 vote is not necessarily a bad thing. The bottom line is you are charged with making a decision. There is not a decision that you are going to make that is going to please everybody. We all have our disagreements. But over all, I respect you gentlemen and what you are trying to do and your predecessors. People who respect the process will respect the result of what you do. You have been elected to do it, and you have the responsibility, and whatever you decide I’ll support. Because, that is the way the system works and I have faith in you as a collective body.”

Al Moon, 7E Willow Court, stated he had two statements, “Mr. Wilson commented tonight that the decision was made behind closed doors. Those doors have been open every time. If you weren’t there that is your problem, not theirs. Jim Thomas, let me tell you what is wrong with the Chateau Convention. You cannot hold a convention in that thing at all, under any circumstances at all. I’ve tried. You hand carry in and hand carry out everything. You couldn’t pull up a trailer if your life depended on it. I don’t know what Mr. Hammon designed that for, but it was not for a convention.”

Ed Michael, 540 Wilshire Drive, stated he looked at the numbers and was confused. What are the number of visitors the Convention Center will draw and the cost benefit?

Answer: Administrator Dody replied, “There aren’t really complete studies done yet to give us those answers. We have just had quick studies done to determine what the numbers are, but the purely conservative measure is 120,000-150,000 people a year, is what it will draw. A lot of the places don’t even think about Branson, because Branson has never been in the field. They know very little about Branson for their surveys. For an examination of a study, a site has to be designated. You have to assign a site, and then a complete study will determine if it will have the necessary components. Once the Council makes the site selection, then the next step is examination of that sites feasibility study, size, and marketing characteristics. The planner will send out surveys to different people saying this is what we want to do; would you be interested, if not, why not. Giving us the proper data to make the final decision.”

Gayla Roten asked, “If this comes back and says it will only generate 200,000 or more visitors would it be really worth it?”

Answer: Mr. Dody replied, “The answer to that is growth projections. 99% of the communities that build a Convention Center, raise additional taxes to finance it. This project has always been from the very start to be financed with no additional taxes, to be done on incremental dollars. It will generate additional incremental revenues to pay for the project and the operational subsidies it will require to fund this project. Most people don’t just come to a convention and not spend money in the community. They go to shows and shopping. It is a total package, shopping, attractions, and waterfront.”

Ann Stafford, addressed the Board, stating, “If we are committed to marketing this town, and we are committed to marketing a Convention Center, if it is built, then it is a whole different avenue. If you have the money then wonderful, but if you don’t, I don’t care how big or how beautiful it is, if you don’t spend money on marketing then it is over. I have been on the Ozark Marketing Council, and I have been on its advertising committee since its inception. I am begging you right now to commit in the 2003 budget, \$2.5-million dollars to our marketing council. Do this for a five-year plan. Do it as an investment. You will see that it is worth your money to keep making that investment. The figures show, when Branson tourism goes up, it takes every county in Southwest Missouri with it. Without the commitment of actual dollars for marketing, if those dollars aren’t used, it won’t move, because nobody will know about it. I may be crazy to ask for funds to start marketing right now and the next five years. I am not asking you to do it for eternity. We have an opportunity right now with the national situation to really get people here. There is a 70% return rate. If we can get them here they will come back over and over. Twelve and one-half million dollars over five years to promote what we already have and everybody will benefit. I beg you to look at this and find a compromise and get together as a group of professionals from our community so when and if we build this Convention Center it works! That is what it boils down to. What is our commitment to marketing? Show us! Show me the money. Make the commitment and everybody will benefit.”

Kent Williams, 511 Conklin Road, stated, “First I would like to thank you for the work you have done, and I would like to urge you to spring forward into the Branson Landing project. I feel we have talked and done everything we could. It has been a long process. I don’t see why it should take another four years.”

Mayor Schaefer stated, “We appreciate you and the speakers tonight. I think we have all found that there are two sides to every story. We have received a tremendous amount of information. I will now open it up to the Board.”

Alderman Barker stated, “The information gathered early on is that Convention Centers have a record overall to help the community. Are they big money makers? No, they are not, but they bring people to the area, and they spend money and generate tax revenues. They support businesses. That is what Branson Landing is all about. It is about this community, not the city, and not the development. We need to move back into the original designated area to take advantage of the TIF. We need to get busy in looking into a study and decide if that is what we want or not. There is different consensus about the TIF, but it boils down to state money that we are going to get back. That is our option, to use the state’s money to help us out locally. It is going to look at whether the lakefront will be a good area; what size to build; what type; what can we afford; the cost of marketing. The markets we are going to have to go out and pursue for a Convention Center. This study will help us determine if we want to build a Convention Center. One of the things I hear is that we will be taking marketing dollars away from where they are being used now to market the Convention Center. I don’t think anyone on the Board has ever had that as an option. To use start up dollars to build and promote a Convention Center, not take away from existing is what we plan. I think we all will be happy, but we have to get in a single direction, and my personal feeling is our options have run out.”

Alderman Taylor stated, “I appreciate all the comments and the good points. I think it is appropriate for us to listen and hear what the voices of the community have to say. We are going to do the feasibility. We are going to look at those from a business stand point and from a municipality stand point, and as you all know, there is a difference between what a business and a municipality has to look at. One thing is that if a Convention Center is not profitable the first few years, does not mean it isn’t profitable for the community. We are trying to represent you, and we are trying to be diligent to do all those things. Again, I appreciate all those Chamber comments, and I think it is important we listen and make a decision based on the facts and move forward.”

Alderman Huff stated, “What this boils down to is we have a real time line crunch. I agree it would be impossible to get everyone on the same page and everyone to have the consensus to support a particular site. The study will be done. The people who issue the bonds will work hard. We will supply them with the information we need and the information on the site and then they will tell us if we are barking up the wrong tree. But, we can’t get to that point until we settle on a site. We don’t have any options on a site. We need to stay with our original TIF application. I appreciate the talking about marketing. You are absolutely right; we can’t win unless we put the marketing dollars behind us. We do have to have marketing dollars to get this thing off. Those will have to be somehow allocated up front. The TIF is an important part of this; without the TIF dollars there is

not going to be a lakefront project or any Convention Center. We can't do it. I just don't know how to make that more clear."

Alderman Farris stated, "We have hoped for years, someone would come and that we wouldn't have to spend any dollars and someone would do a Convention Center for us. It never happened. We had lots of people who came forward some were good and some not so good. For years we hoped private dollars would come in and commit. If we do the project as we are contemplating now, we can use state funds, city funds, and private funds. One of the things I have brought up before, is that we have heard a lot about Branson Meadows, but we never had anybody come forward and actually want to put anything in Branson Meadows. We have the lakefront down there and let's make the best use of it. This Board is willing to fight for our fair share of the money we send to the State, because we think we are going to make money for them. We have to do what we can for our entire community. That is what we want to do as a Board, is weigh the opportunities we have. We need to put all of the other stuff aside and do what is best for the community. Make sure we can afford it, make sure it is financed, make sure it is marketed. Just do it, and do it right, and I think that is up to us."

Alderman Warlick stated, "We have heard a lot of talk tonight about marketing dollars. Mrs. Stafford's idea of a \$2.5-million dollar match is very interesting. I don't know where we will find \$2.5-million dollars but I am willing to do this. Ann, if you don't already have a copy of the budget then I would encourage staff to get you one. Take whatever time you need; go through it and find the money you are looking for, then come back and meet with the Budget Committee. We will set down and go through it and listen to your proposal, but at this time I don't know what more we can do."

Alderman Warlick then stated, at this time I move to direct staff to develop and begin the process necessary to evaluate the feasibility of locating the Convention Center on the lakefront in conjunction with the Branson Landing project. Motion was seconded by Alderman Huff. Voting aye: Barker, Taylor, Huff, Farris, and Warlick. Nays: none. Absent: Gass. Motion carried.

Alderman Warlick then moved to adjourn the meeting, seconded by Alderman Barker. Voting aye: Barker, Taylor, Huff, Farris, and Warlick. Nays: none. Absent: Gass. Motion carried meeting adjourned at 8:25 p.m.