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News Release

June 15, 2007

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Branson Airport takes flight *Over \$100 million in bonds placed to begin construction*

The Branson area's first commercial airport has taken a giant step forward with the announcement of \$113 million in revenue bonds being placed to help finance the facility located south of Branson and east of U.S. Highway 65. Proceeds from the bond sale coupled with \$25 million of private equity capital will fully fund airport construction.

According to Branson Airport LLC President and CEO Steve Peet, Citigroup has underwritten the bonds and closing is scheduled for June 28th. Immediately afterward, Peet said construction will begin on the airport with a completion date set for May 2009. The bonds have a 30-year maturity.

"This will be the first privately developed and operated commercial airport in the United States," Peet said. "We would like to thank both the city of Branson and Taney County for their efforts and cooperation over the last several years in getting us to this point. In particular, the city's 'pay for performance' contract was a key ingredient in the successful financing."

Under the "pay for performance" contract, the city of Branson will pay Branson Airport \$8.24 for each arriving visitor. The contract has an annual cap of \$2 million and a term of 30 years.

Branson City Administrator Terry Dody said the "pay for performance" contract is the only financial obligation the city has in the new airport project. The city and county have no financial risk in repayment of the bonds. Retiring the bonds comes entirely from revenues generated by the airport when completed.

The Branson Airport will have a 7,140- foot runway to accommodate commercial jets, and Peet says airport officials are in discussions with several airlines about serving the Branson area.

“We see the airport as being an economic generator bringing new investments, jobs, tourists and tourism dollars to the Branson area,” Peet said.

Dody said having commercial airlines to serve Branson is vital to maintaining the city’s growth and in providing convenience for visitors to not only the Branson area, but to the 220,000 square foot convention center that begins hosting events August 17.

“The bond sale culminates about a five year process of combined efforts between the Branson Airport officials and city of Branson aldermen and staff to develop a financing package that would be appealing to the bond investors,” said Dody. “ It’s a compliment to this partnership and this project that the \$113 million bonds were placed quickly and well over subscribed.”

Dody said the city looks forward to the commercial airport opening in two years and providing another means of transportation for more visitors to enjoy all that Branson has to offer.

Other entities involved in the project include Aviations Facilities Company of McLean, Virginia, which has overall development responsibilities, Burns & McDonnell of Kansas City as the designer and McAninch Corporation of Des Moines, Iowa as the construction contractor.

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