



Community Leadership Visit

Little Rock, Arkansas

June 27-29, 2002

Background

The goal of the Springfield Area Chamber of Commerce community leadership visit program is to learn from the experiences of other communities and bring home ideas that will benefit the Springfield area. On June 27 - 29, 2002, a delegation of 36 Springfield area business and governmental leaders traveled to central Arkansas to study Little Rock's success in downtown revitalization and regional economic development.

This year's trip to Little Rock was the ninth annual community leadership visit coordinated by the Chamber. Previous intercity visits have served as catalysts for important local projects like the Ozarks Regional Economic Partnership, Jordan Valley Park, the Wonders of Wildlife Museum and expansion efforts at Springfield-Branson Regional Airport.

The program agenda in Little Rock focused on downtown redevelopment, including tours of the River Market District and Alltel Arena. Participants also learned about Little Rock's regional job-creation efforts within an 11-county area, carried out by the Central Arkansas Economic Development Alliance. This report will outline the group's findings and recommendations resulting from the visit.

Members of the Springfield Delegation

David Agee, Blackwell Sanders Peper Martin, LLP

Benjamin Alexander, City of Springfield

Jim Anderson, Springfield Area Chamber of Commerce

Kevin Ausburn, Southern Missouri Containers

Rob Baird, Concrete Company of Springfield

Roseann Bentley, Missouri State Senator, 30th District

Pat Bly, Southwestern Bell Telephone

Brad Bodenhausen, Springfield Area Chamber of Commerce

Tom Carlson, Mayor, City of Springfield

Allen Casey, The Casey Associates

Phyllis Chase, Springfield Public Schools

Mary Collette, Springfield City Council

David Coonrod, Greene County Commission

Frank Evans, Lathrop & Gage

Tom Finnie, City of Springfield

Brian Fogle, Great Southern Bank

Duane Highley, Associated Electric Cooperative

Mike Hoeman, M.D., The Diagnostic Clinic (Springfield R-12 Board of Education)

Bob Horton, Urban Districts Alliance Board of Directors

Sterling Huff, THE BANK

Tracy Kimberlin, Springfield Convention & Visitors Bureau

Allen Kunkel, Springfield Area Chamber of Commerce

Kay Logsdon, Springfield Regional Arts Council

Ralph Manley, Springfield City Council

Fred May, City of Springfield

Ken McClure, City Utilities of Springfield

Mary Norman, The Darkroom (Springfield R-12 Board of Education)

Dan Phee, ALLTEL Communications

Ralph Rognstad, City of Springfield

Russ RuBert, RuBert Diversified Investments

John Rush, United Way of the Ozarks

Mary Lilly Smith, City of Springfield

Marc Thornsberry, City of Springfield

Denny Whayne, Springfield City Council

Shelia Wright, Springfield City Council

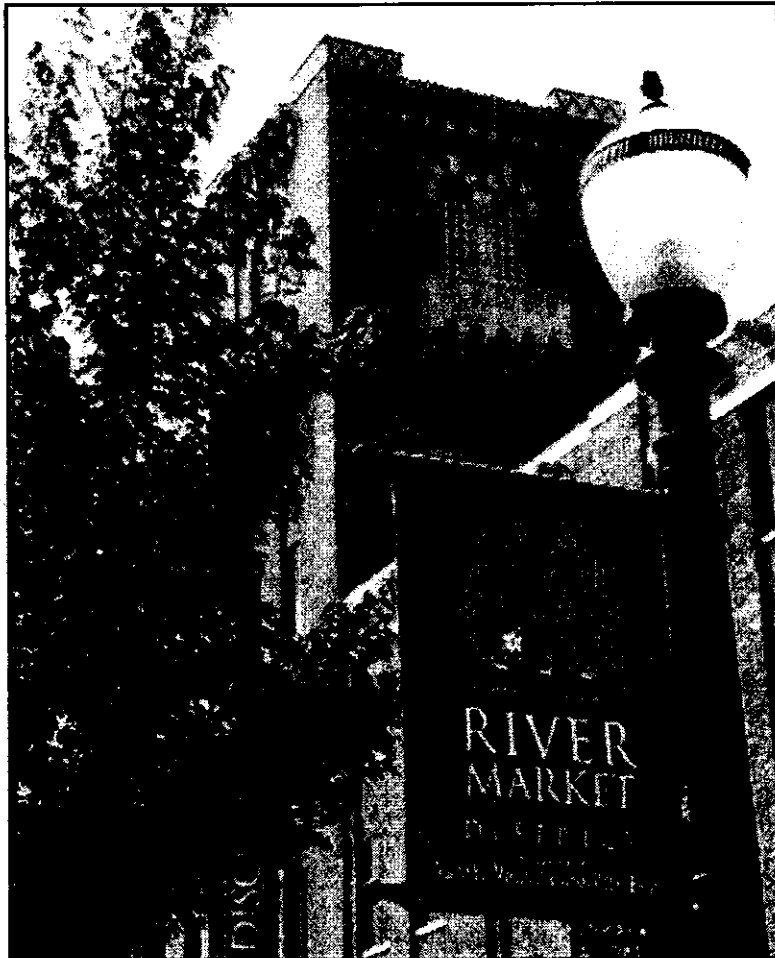
John Wylie, Springfield City Council

Downtown Development

Little Rock's downtown area has experienced a renaissance in the past 12 years and community leaders there credit the turnaround to vision, persistence and teamwork.

A 1989 retreat of the Downtown Partnership Board set the initial vision for Little Rock's downtown renewal. Yet voters didn't see the same vision, defeating two election proposals aimed at downtown redevelopment. The 1992 election defeat spurred community leaders to initiate the "Future of Little Rock," a two-year visioning process that generated grassroots support and prioritized the city's goals. Safety, public education and a vibrant downtown were the three top objectives.

Achieving these "core values" became the focus of elected officials and private sector leaders in Little Rock, North Little Rock and Pulaski County. In terms of downtown revitalization, the results have been astounding. The Arkansas River splits



Little Rock and North Little Rock, and the riverfront on both sides of the water has been the central feature of the area's re-development efforts.

A crucial step in the process was passage in 1995 of a countywide one-cent sales tax (for one year only) for the purpose of building a multipurpose arena and expanding the Little Rock Convention Center. Coupled with the public funding, private support has been strong too and the result has been a \$500 million investment in downtown improvements. Consequently, the downtown Little Rock of today has been transformed to include ALLTEL Arena, Statehouse Convention Center, the River Market District, new and refurbished hotels and restaurants, a new central library and riverfront parks.

Little Rock's thriving River Market District owes its success to public-private partnerships. The area offers dining, entertainment, shopping and a seasonal farmers' market.

(Photo courtesy of Mary Collette)

The next phase in Little Rock's downtown redevelopment will include the Clinton Presidential Library, slated to open in the fall of 2004. The \$200 million project is the largest private sector project in Little Rock, with 80,000 donors ranging from businesses and individuals to the government of Kuwait.

Skip Rutherford, chairman of the Clinton Presidential Library Foundation, highlighted the tremendous tourism potential of the new library in a presentation to our group. The William J. Clinton Presidential Center will be located within a new 27-acre city park along the south bank of the Arkansas River.

Members of the Springfield delegation mentioned several points as the central themes to Little Rock's success in downtown revitalization:

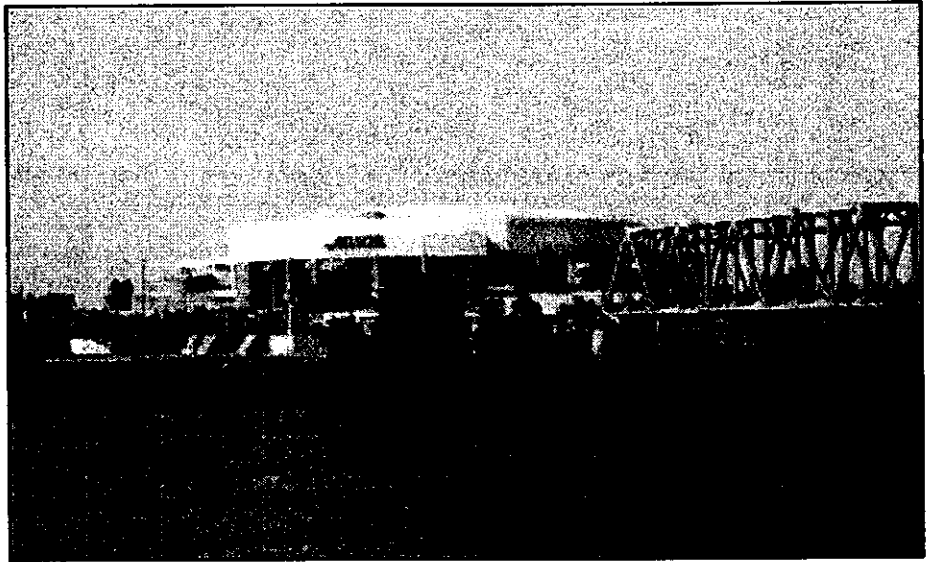
- ♦ **Vision** - Election success came only after a thorough and inclusive grassroots process that set the vision for downtown Little Rock.
- ♦ **Persistence** - Leaders of the community didn't give up after two unsuccessful election efforts. They kept working together until a winning formula was found.
- ♦ **Teamwork** - The close working relationship and unity of purpose between Pulaski County Judge Buddy Villines, Little Rock Mayor Jim Dailey and North Little Rock Mayor Patrick Hays was vitally important to the downtown effort.
- ♦ **Private Sector Leadership** - The passion of downtown developers Jimmy Moses and Rett Tucker also is a key factor in Little Rock's success. "You gotta have somebody prime that pump," said Moses. Moses and Tucker have found ways to make good things happen for downtown Little Rock that are also good for business, including residential development in the form of upscale loft apartments near the River Market District.
- ♦ **Anchor Tenants** - Having "anchor tenants" that are somewhat insulated from economic downturns, like the Little Rock Public Library and the Farmers' Market, is important to the long-term development of a downtown area.
- ♦ **Presenting the Package** - Much like Springfield has done with Jordan Valley Park, Little Rock leaders were successful in presenting an overall vision and concept for the larger downtown area, rather than the individual components of it. They also spoke in terms of "linkages" as they focused on ways to connect one venue to the next within the downtown area.

ALLTELL Arena

The 18,000-seat ALLTEL Arena opened in October 1999 in North Little Rock. The arena is home to the University of Arkansas - Little Rock basketball team, minor league ice hockey, the Arkansas Twisters of the Arena Football League, and numerous concerts and special events each year. The arena was funded by revenue from the one-year, one-cent sales tax in Pulaski County, as well as \$20 million from the State of Arkansas, \$10 million from the lease of suites and skyboxes, and \$7 million from ALLTEL Corporation for naming rights for the arena.

On average, there is an event in ALLTEL Arena one out of every three nights.

The full capacity of the arena is used about 16 times per year and many events are set up to attract around 7,000 patrons, with the upper level seating of the arena curtained off and not sold. The big revenue producers for ALLTEL Arena are concerts at which concessions (including food service and beer) are the major source of revenue. Recent concerts at the arena



(Photo courtesy of Mary Collette)

include the Eagles, Janet Jackson, Aerosmith, Britney Spears and 'N Sync.

Arena Manager Michael Marion led our delegation on a tour of the arena, including the service areas and backstage dressing rooms for concert performers. He shared his philosophy that the arena has two patrons: the audience and the performer. Marion believes it is very important for the backstage facilities and the arena staff to make a good impression on visiting performers to help ensure return visits in the future.

Marion also discussed several other operational issues for the arena and emphasized the importance of having an arena manager "on board" before the arena is built so that operational issues are considered during the construction process. Arena managers in Peoria, Ill., Boise, Idaho and Spokane, Wash. also made similar points on previous community leadership visits in 1996, 1997 and 2000 respectively.

In terms of financial success, the \$75 million arena has cut its deficit in half in nearly three years of operation, but it is not yet at the break-even point. There was much discussion about the relative merits of a larger (18,000 seat) arena vs. a smaller (7,000 seat) venue. ALLTEL Arena officials said the potential for attracting large concerts and the goal to "build for tomorrow and not today" (in the words of North Little Mayor Patrick Hays) were the driving force in the decision to build a large arena.

Regional Development

The Little Rock Regional Chamber of Commerce took great strides toward regionalism and cooperation in 2001 by forming the Central Arkansas Economic Development Alliance (CAEDA). This regional economic development program serves 13 communities in 11 central Arkansas counties. These localities are united by the common belief that it is more beneficial to market a larger regional area than individual cities and counties. The population of the region is approximately 900,000.

The primary focus of the CAEDA is working together to market the region for economic development advancement, under the banner of "Teamwork Arkansas."

"The future of economic development is regional," said Jay Chesshir, president of the Greater Hot Springs Chamber of Commerce.

Specifically, their mission is to "cultivate regional growth and prosperity throughout the area by marketing the region's strengths and advantages -- for the purposes of attracting investment and creating jobs."

"We have strictly a marketing focus," said Mike Maulden, director of external affairs at Entergy Arkansas. "We want to develop a first class web site and other collateral materials that effectively market our region."

As we learned from our visit, the CAEDA is in the early stages of formation. The participating organizations have embraced the concept of working together and combining resources to market central Arkansas. The organization is hoping to develop an annual budget between \$250,000 and \$400,000 through four-year commitments from participating organizations and investors. Seed money may also come from the 50 For the Future organization. Also, local agencies are contributing services by assisting with the data and analysis to be used in their marketing efforts. The University of Arkansas - Little Rock is a leader in this regard, providing \$50,000 worth of in-kind demographic research services.

The CAEDA is working to establish measurable goals to guide the organization over the next five years. These goals include increasing per capita income 5.5 percent annually, increase the labor force by 10 percent, develop 1,000 serious relocation inquiries, host 120 prospect visits, and generate 36 business locations. Some of these goals are similar to the Partnership for Prosperity economic development strategy for the Springfield region. The CAEDA will evaluate these objectives every two years and make adjustments as necessary.

"The future of economic development is regional," said Jay Chesshir, president of the Greater Hot Springs Chamber of Commerce. "This is a win-win situation for Little Rock and the surrounding communities. Joining efforts and resources allows us to accomplish so much more than what we could individually."

Summary/Conclusions

Little Rock and North Little Rock were divided into two distinct cities in 1898. Separated by the Arkansas River, the two cities didn't work well together for more than 80 years, according to Pulaski County Judge Buddy Villines.

"The river became a barrier to cooperation," Villines said. "But in the last 20 years," he added, "we realized that Little Rock and North Little Rock is not the competition. The competition is the rest of the world."

During our community leadership visit to central Arkansas we saw a community and region that has learned to work together and forge relationships that provide the backbone for various improvement efforts. Little Rock's downtown revitalization has turned the river that used to divide the community into a centerpiece for arts, culture and economic activity. It is a center city success story that was only possible due to the cooperation and shared vision of the county, nine cities, the business community and a strong majority of citizens within the county.

Seeing this level of community cooperation, we returned home with a renewed focus on the importance of strong public-private partnerships as the key to a successful economic development program. Considering this goal, we believe the Little Rock visit reaffirmed many of the good things we are already doing in the areas of downtown redevelopment and regional cooperation.

♦ **Vision**

Jordan Valley Park has been a "vision driven" development, emerging from the Recreate Springfield initiative that garnered 75 percent of the vote in 1998. Now, nearly five years later as the vision has become reality, continued development is in the works thanks to ongoing public and private investment. Little Rock's focus on the interconnections of various attractions does present a challenge for Springfield to consider. How could we better link Jordan Valley Park and Wonders of Wildlife to fully capitalize on the tourism potential of both attractions?

♦ **Economic Development**

Looking at economic development more generally, members of our delegation stressed the need to strengthen Springfield's focus on the attraction of corporate offices, especially in the high-tech field. One such effort already under way is geared toward exploring ways to combine the strengths of our regional health centers and higher education institutions to attract and create new jobs.

♦ **Regional Cooperation**

Learning about the Central Arkansas Economic Development Alliance also reinforced that we are on the right track with our own regional program, the Ozarks Regional Economic Partnership. Although regional marketing is a core function, the OREP has gone beyond marketing to work on building relationships and addressing regional issues as well. With 60 cities, counties and chambers of commerce joining forces as members, the three-year-old regional partnership is addressing a variety of community and economic development needs in southwest Missouri. □

