

Community Leadership Visit

Spokane, Washington

June 21-24, 2000

ACKGROUND...

Sometimes visiting other places gives us a fresh look at our own community. That is the premise behind the annual Community Leadership Visit sponsored by the Springfield Area Chamber of Commerce.

Each year, the Chamber coordinates a group visit to another city to learn about its experiences in economic development and other community issues. On June 21 - 24, a delegation of 29 Springfield area leaders visited Spokane, Washington as part of the Chamber's seventh annual intercity exchange.



Photo courtesy of Spokane Area Convention & Visitors Bureau

The similarities between Springfield and Spokane are many. The communities are similar in size and serve as regional centers for business, education and health care. Spokane is the hub of the Inland Northwest – a 36-county region of eastern Washington, northern Idaho, western Montana and parts of Alberta and British Columbia, Canada.

Both communities have very strong local economies with a healthy balance of manufacturing, service and retail businesses. Small businesses are predominant in Springfield and Spokane. Spokane has also experienced success in some of the areas Springfield is striving to improve, the most notable of which is downtown development.

The program agenda for the visit focused on regional partnerships, downtown revitalization, arena development, education and air transportation.

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ARTICIPANTS...

The following Springfield area business and community leaders participated in the Spokane visit:

David Agee

The Law Firm of Neale & Newman, LLP

Jim Anderson

Springfield Area Chamber of Commerce

Dr. Jim Baker

Southwest Missouri State University

Brad Bodenhausen

Springfield Area Chamber of Commerce

Bob Chancellor

Springfield City Council

Dave Coonrod

Greene County Commission

Bill Compere

Urban Districts Alliance

Charlie Denison

CU Citizens' Advisory Council

Dr. Jack Ernst

Springfield Public Schools

Tom Finnie

City of Springfield

Gary Gibson

Springfield City Council

Curtis Graff

Springfield Board of Public Utilities

Olin Grooms

Springfield-Branson Regional Airport

Board of Directors

Rob Hancik

Springfield-Branson Regional Airport

Keith Hartner

Associated Electric Cooperative, Inc.

Mike Hoeman, M.D.

The Diagnostic Clinic

Tracy Kimberlin

Springfield Convention

& Visitors Bureau

Allen Kunkel

Springfield Area Chamber of Commerce

Bryan Magers

Magers Lodgings

Ralph Manley

Springfield City Council

Mary Kay Meek

Meeks Building Centers

Lisa Nally

Springfield Area Chamber of Commerce

Todd Parnell

THE BANK

Patrick Platter

Daniel, Clampett, Powell & Cunningham

John Rush

United Way of the Ozarks, Inc.

Mary Lilly Smith

City of Springfield

John Twitty

City Utilities of Springfield

Bob Vanaman

Springfield City Council

John Whittington

Springfield Board of Public Utilities

INDINGS...

Regional Partnerships

The concept of regional cooperation in the Spokane area is very clear. Spokane Area Chamber of Commerce Chair JoAnn Matthiesen stated it best: "three states, one region."

Much like the Springfield area, the issues facing the Spokane region cross the boundaries of political subdivisions. Given Spokane's location, near the Idaho state line and only 110 miles south of Canada, many issues can take on an interstate and international focus. So it's easy to understand why regional partnerships have become a top priority for the Spokane Area Chamber of Commerce.

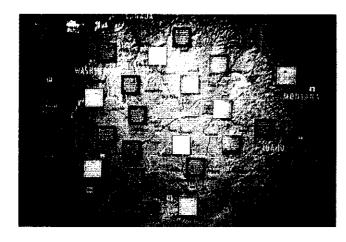
One of the best examples of partnership in Spokane is the Spokane Regional Business Center (SRBC). Opened in 1998, the SRBC is a regional partnership of the



Spokane Area Chamber of Commerce, Spokane Area Convention & Visitors Bureau and Spokane Area Economic Development Council. The three organizations and their affiliates joined together to create a "one-stop shop" for marketing the Spokane region to potential new businesses, prospective residents and visitors, as well as local citizens and existing businesses.

Additionally, the Small Business Administration office is located on the second floor of the SRBC, making the center an even better resource for businesses.

n addition to creating a convenient and effective location from which to promote the region, co-location in the SRBC has improved communication between the three organizations and enhanced their ability to work



together. Now, instead of calling each other on the telephone, staff for the three organizations can simply walk up or down the interior stairway and meet face-to-face.

Although the traditional name for the region is the Inland Northwest, regional leaders have opted to use the term "Spokane Region" as a better

identifier for the area. "You can find Spokane on the map, but not Inland Northwest," said Chamber President Rich Hadley. The region includes about 1.5 million people within a 150-mile radius.

In the Spokane region, the natural resources including rivers, lakes, forests, and agricultural products are a major asset to the region's economy and quality of life. These natural blessings also bring natural challenges. One of the overriding issues

facing the Spokane region is how to effectively balance economic development with environmental protection. To help meet this ongoing challenge, the Chamber has organized the Northwest Natural Resources Institute to improve public awareness of the value of these resources and facilitate a balanced approach to resource management. A clear regional success has been the improvement in water quality in the Spokane



River resulting from the joint efforts of Washington and Idaho.

Keeping the dialogue constructive and positive is very difficult when groups with greatly divergent viewpoints are involved. Matthiesen said building and maintaining regional partnerships is a challenge. "To be successful, leaders must reach out to find areas of common interest. Sometimes this means putting aside your personal agenda for the good of the entire region," she said.

Downtown Revitalization

In Spokane, we saw a vibrant downtown with shopping, dining and entertainment opportunities galore – and a river runs through it. The Spokane River

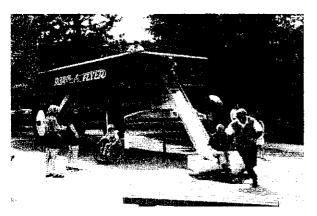
races through downtown Spokane, with whitewater rapids and a 30-foot waterfall right in the middle of the city. On its banks is Riverfront Park, built for the 1974 World Expo.

Other features of Spokane's downtown include the new River Park Square shopping center, which is anchored by a Nordstrom department store. Steam Plant Square, a revitalized steam plant that now houses shops and a restaurant, is located in the southern part of downtown. The entire 15-block area of downtown is connected by skywalks to encourage pedestrian traffic, even in inclement weather.

The Downtown Spokane Partnership is the organization responsible for promoting the area. With a focus on "clean, safe, fun and parking," the Partnership manages the following programs:



Photo courtesy of Spokane Area Convention & Visitors Bureau



- Security Ambassadors
- Downtown Clean Team
- Live After 5 Concert Series
- Cooperative advertising program for members
- Easy Park validation program

Property owners and tenants pay a special tax to support Spokane's Downtown Business Improvement District (BID), which provides these programs.

owntown Spokane Partnership Executive Director Mike Edwards said the key to their success has been focus and simplicity. "Keep your eye on the ball. Keep it simple and deliver the services you

promised," he said. Edwards added that having a strategic plan has been crucial too. An 18-month planning process allowed the BID to get "up-front" support and ownership from the community.

The result of increased community awareness has been greater variety and diversity in



downtown patrons. With different types of people coming downtown for different events, it has created a synergy critical to the success of downtown Spokane.

Another key factor in downtown revitalization has been the importance of tax incentives for historic preservation. Ron and Julie Wells, developers of the Steam Plant Square and numerous other properties in Spokane, have used these incentives very successfully.



The day we returned Springfield was the beginning of the annual Hoopfest 3-on-3 Basketball Tournament. Held annually in June, the 10year-old tournament attracts more than 20,000 players on 5,200 teams. As Spokane's largest annual event, it also draws over 100,000 spectators to

each day of the two-day tournament. More than 300 basketball courts are constructed on the streets of downtown Spokane for Hoopfest.

Arena Development

Since Springfield is currently considering proposals for an arena in Jordan Valley Park, our visit to the Spokane Veterans Memorial Arena was very timely. The Spokane Arena is a five-year-old facility in downtown Spokane, on the northern fringe of the city's Riverfront Park.

The arena serves as home ice for the Spokane Chiefs hockey team and it hosts numerous other events annually. General Manager Kevin Twohig estimates the arena

will house more than 150 events this year, including 15 - 20 concerts and 35 family shows. Other events include state high school basketball and volleyball championships, as well as some collegiate athletics. The Spokane Arena also will be site of an NCCA Division I women's basketball regional in 2001 and the

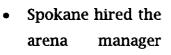


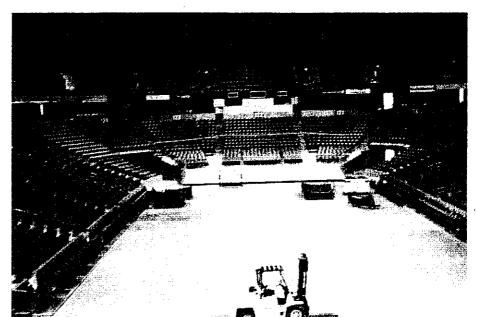
first/second rounds of the men's basketball tournament in 2003.

The arena has 11,000 fixed seats and can reach a maximum capacity of 12,500 by using movable seats. The arena is also built to allow an expansion to 14,000 seats. Fourteen private suites were sold immediately and now the arena is adding two more. The arena parking lot consists of 2,000 spaces. The parking fee is \$3. With nearly 5,000 other public parking spaces nearby, the parking lot rarely fills up for arena events.

The Spokane Arena cost \$52.8 million, excluding land. It was financed by a voter-approved referendum that pays for the arena debt service. The arena opened in 1995. It replaced a World War II era coliseum that was located nearby.

In addition to providing some very valuable information about the building and operation of multipurpose arena, Twohig offered a few particular suggestions based on the Spokane Arena experience:





- two years prior to the arena opening, allowing him to participate in the design development to assure that operational concerns were not slighted.
- Build the arena for hockey, and then add basketball. It's harder to add hockey later if you build it initially for basketball.
- Hockey is the only minor league professional sport playing in the arena because it is difficult to find another minor league sport that makes money and doesn't take away from attendance at the hockey games.

Education

Collaboration is also a central theme for education in the Spokane region. With 66,000 undergraduate students within a one-hour drive of Spokane, partnership is particularly important in higher education.

The Riverpoint Higher Education Collaboration is the vehicle for this partnership in Spokane. Washington State University, Eastern Washington University, Gonzaga University, Whitworth College and Spokane Valley Community College have joined together to offer courses at Riverpoint – a 50-acre campus in Spokane. Working together, the five institutions have enhanced program availability for students by focusing on specialty areas and avoiding duplication of services.

Ironically, this educational partnership was a forced collaboration at first. Business leaders and state legislators who were concerned about duplication of services and competition between WSU and EWU sparked the idea for this collaborative

approach. Some observers were even calling for the two universities to merge. Now, due to the success of this partnership, the merger talk has ceased.



One of the outgrowths of the Riverpoint Collaboration has been the Spokane Intercollegiate Research and Technology Institute (SIRTI). Located on the Riverpoint campus, SIRTI is the research arm for the higher education collaborative. SIRTI's mission is to

help create a technology-based economy for the Spokane region by assisting companies in the development of new products. SIRTI offers laboratory and office space for research and development, allowing many firms to utilize technology that was previously unavailable or unaffordable. It also provides marketing assistance to the firms located there.

The business/education partnership is also very evident at the elementary and secondary level in Spokane. With five high schools and 32,000 students overall, Spokane School District #81 is very similar to Springfield Public Schools. Like Springfield, Spokane school district voters recently approved a bond to renovate a downtown high school instead of building a new one.

One difference, however, is that every two to four years school districts in Washington are required to pass a levy to fund the operations of the district. This proposal must be approved by more than 60 percent of the school district voters. The Spokane district has won the last three elections with a resounding 80+ percent "yes" vote, even though 75 percent of the voters do not have children in the schools.

Superintendent Gary Livingston credits communication with the community as the key to the election success. But it also goes deeper than that, he said. They have created a spirit of community and a spirit of growth within the schools, as well as a feeling that outstanding schools are a critical component of the community's self-perceived quality of life.

The school district's strategic planning process has been an important factor too. The district has just completed a four-year plan and is now starting another one. The planning process includes a survey of the community and school district employees. The two key questions are: (1) What do you want us to be? (2) What

would you be willing to pay for? The Spokane district owns and operates the local public television station, which Livingston said has been beneficial in communicating school district needs to voters.

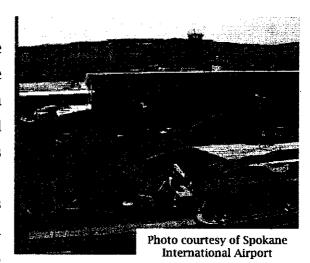
With a heavy emphasis on school volunteers, the district has at least one school-business partnership program at each building and a current total of 7,500 volunteers. The goal is to reach a 1:1 ratio, meaning 32,000 volunteers would be part of the educational system in Spokane. "Money is good, but time is even more valuable," said Livingston.

Business/education partnership is a true win-win scenario, according to Livingston. "Schools are more successful when they are working with the business community. And businesses are much more successful if they're involved in the schools," he said.

Air Transportation

Visitors to Spokane quickly notice the construction underway at Spokane International Airport. The construction served as an indication of the growth and development of the airport, which was another topic on the community visit agenda.

The Spokane International Airport is owned by the city and county, but operated by an Airport Board. The airport, however,



does not receive tax revenue from the city or county. It operates exclusively on user fees and parking is the largest revenue producer for the airport. The airport serves travelers in parts of four states and two Canadian provinces. With 79 flights to 18 cities daily, Seattle, Portland and Boise are the top destinations. Competition among the airlines serving Spokane has made airfare prices more affordable and improved the frequency of flights. Of particular benefit has been the arrival of Southwest Airlines in the Spokane market.

To foster good relationships with the airlines, Spokane officials have initiated a courtesy call program in which Chamber leaders visit the headquarters office of the airlines operating in Spokane just to say "thank you" for doing business in the region. This level of business involvement has been beneficial to the airport and is appreciated

by the airlines. The Chamber also has established an Air Service Task Force to stay involved in airport development issues.

Conclusion

The common theme of Spokane's successes in all of these areas is a high level of collaboration among various organizations and institutions, with strong leadership by the business community. In Spokane, they've worked together in partnership to create a vision for their future and then persistently pursued those goals. Over time, they have achieved great results.

The role of local government, however, among these partnerships was less visible in Spokane. Spokane citizens recently voted to change the city's form of government from a Council/Manager structure to a Strong Mayor form. This issue has created a divisive political atmosphere in Spokane.



In many ways, the visit to Spokane served as a reminder that we have great partnerships here in Springfield too. In fact, our delegation returned with a renewed appreciation for the way we work together as a community address to like important issues education and economic development.

In particular, we came away with a feeling that the degree of cooperation between the public and private sectors in Springfield/Greene County is far greater than in most communities. It is good to recognize this point and appreciate the good working relationships we enjoy here between the business community and local government.

Another important theme of the Spokane experience is the importance of risk-taking in economic and community development efforts. Calculated and reasonable risks have paid off in a big way to help Spokane develop as a thriving regional hub.

Don Barbieri, chairman and CEO of WestCoast Hospitality Corporation, best summarized the Spokane philosophy: "God doesn't like a coward."

Looking at Spokane's bustling center city gave us a glimpse of the potential future that exists for Springfield. With Jordan Valley Park in development, the vision for Springfield's downtown is coming

"God doesn't like a coward."- -

Don Barbieri, Chairman/CEO, WestCoast Hospitality Corporation

into clearer focus. Our visit to Spokane provided a timely opportunity to see a center city revitalization program worth emulating here in the Ozarks.

ecommendations...

While our visit to Spokane provided strong reinforcement of many things we are already doing well in Springfield, it also challenged us to improve in other areas.

- We returned home with a feeling that the newly established Ozarks Regional Economic Partnership is the right way to approach regional collaboration in southwest Missouri. We should continue to strongly support and promote this important regional partnership.
- We must redouble our efforts to encourage and maintain business community support of local public education. The Spokane example of business/education partnership is a great model for us to follow here, particularly the heavy emphasis on volunteer involvement in the schools.
- Regarding downtown revitalization, we should do more to encourage the use of historic preservation tax incentives by private developers in Springfield.
- The role of businesses and the Chamber in support of Spokane International Airport was impressive. We should encourage even stronger partnerships between Springfield-Branson Regional Airport and our regional business community.

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