

TERM OF COMMISSION: June Session of the May Adjourned Term

PLACE OF MEETING: Ashland Senior Center

PRESENT WERE: Presiding Commissioner Don Stamper  
District I Commissioner Karen M. Miller  
District II Commissioner Linda Vogt  
Deputy County Clerk Melanie Stapleton

The public hearing was called to order by the Presiding Commissioner at 7:05pm.

**Subject: (1) Public Hearing on the proposed acquisition of the Boone County Fairgrounds by Boone County**

Commissioner Stamper welcomed everyone to the public hearing on the question of Boone County acquiring the property known as the Boone County Fairgrounds.

Commissioner Stamper stated that he would begin the public hearing with an overview and outline of the proposal for the purchase. He stated that afterward, he would open the hearing for testimony and comments from the public. He stated that most questions would be addressed at the end of the public hearing.

**Commissioner Stamper's overview and presentation of proposal on the purchase:**

*Boone County has been engaged, for the past 12 months, in a study of whether not to acquire a portion of or all of the Boone County Fairgrounds. The Boone County Fair is the oldest Fair, west of the Mississippi River. The Boone County Fair was previously located at the Clinkscales property (Columbia). Through a negotiation in 1990 and 1991, the Boone County Fair moved from Clinkscales to the Oakland Gravel area; a site known as the Cottonwood Airport. The site at that time was a little more than 240 acres. The site today is 214 acres.*

*In May of 1998, the issue of future of the Boone County Fairgrounds was brought forward. It was known that the Fair Board was experiencing difficulties and therefore considering its options. The issue received enough attention during the middle of my 1998 campaign (for Presiding Commissioner), that the County Commission decided to focus on it. The County Commission appointed a Task Force and over time the Task Force held a series of public meetings at the Fairgrounds. The Task Force took tours, reviewed the site, and spoke with various persons about possible recreational use of the site.*

*The Task Force concluded in December of 1998. In late December/early January a report was given to the County Commission Task Force chairperson Roger Wilson. The report stated that the Task Force had reviewed the aspects of the Fairgrounds and recommended that the County Commission consider acquiring a portion or all of the land.*

*The County Commission began to look at this issue in a variety of ways. It was my assumption early on that the County Commission would look at the business aspect of the Fairgrounds and consider actually absorbing that business function. A very thorough amount of time was spent researching and reviewing the business. When the revenues of the Boone County Fair and some other items (principally ownership of the Fair) were studied, it changed the expense vs. revenue figure completely. Upon discovering this, I spoke with the County Commission about acquiring the land and taking it to a zero-use or minimal type of operation.*

*Commissioner Stamper presented an overhead presentation of the Boone County Task Force report. The report recommended that the County Commission pursue full acquisition of the property known as the Boone County Fairgrounds and work with the County Treasurer to identify strategies for purchase. The purchase, based on the acquisition costs of \$2.8 million, should be made from Healthcare ProfitShare funds. The County should establish a purchase agreement with the Fair Board including the following conditions:*

- The County would complete the purchase of the property in late June/early July
- The Fair Board would continue to operate the full facility through 12/31/99 and would pay all operational costs and receive all revenues
- Acquisition would include all property and assets known as the Fairgrounds
- The County would assume full responsibility for the facility on January 1, 2000
- The facility would be open and facility operation reduced from its current structure to what would be known as minimal operation. The County would attempt to honor existing 2000 contracts and no further bookings would be made unless approved.
- The Boone County Agricultural and Mechanical Society would receive an annual use of the facility for no rent for ten days per year for the sole purpose of completing the annual Boone County Fair.
- The County will complete a masterplan study for recreational uses of the facility in cooperation with the UMC Parks & Recreation Department.
- The County will actively pursue private and public partnerships to develop the facility for recreational uses.
- The County will operate the facility on a zero-impact to General Revenue (no additional revenues used from this fund). (10) The County will develop a minimal use budget (draft estimate of \$50,000).
- The County will appoint a Board of Park Commissioners per MO Statute 64.330.

*There are maps of the proposed purchase property available for viewing. One map outlines in black the 214 acres known as the Boone County Fairgrounds. The areas outlined in red showed property currently owned by Boone County.*

*The County Commission believes that this land, combined with its location and proximity to the community, would be ideal for future, recreational use.*

*Another map outlines the owners and the boundaries of the Fairgrounds property and area surrounding it. This map was produced by the County's new GIS (Geographic Information System) department.*

*The County intends to take the funds for the proposed purchase from Healthcare ProfitShare funds. The Ashland Senior Center, the building that this public hearing is being held in, is actually a product of Healthcare ProfitShare funds. To date, there has been just a little more than \$7 million received in Healthcare ProfitShare funds. The citizens of Boone County receive \$1.5 million a year from Barnes, Jewish, Christian, Inc. for the use of Boone Hospital. The County also receives ProfitShare, which is variable. The amount of ProfitShare is based on a formula of which the County receives 25% of the excess revenues (after all equipment and capital improvements have been subtracted).*

*The \$7 million from Healthcare ProfitShare has been spent in a variety of ways over the years:*

- 29 Early Warning Sirens
- 50% share of Centralia Clinic
- \$750,000 set aside for a Health Department building in Columbia
- Ashland Senior Center (received a portion)
- Ashland Track Project (received a portion)
- Harrisburg Track Project
- Sturgeon Community Center
- Hallsville Fairgrounds
- Hartsburg and Rocheport sidewalk improvements
- Rocheport Community Center (received a portion)
- Family Health Center (additional dental services)
- \$800,000 in Capital Improvement projects for the County

*The County Commission believes that the Healthcare ProfitShare funds should be put to use for the health, welfare, and improvement of quality of life of the citizens of Boone County.*

*The balance of the fund at this time is approximately \$4.7 million. All of the funds, with the exception of 2.2 million, are obligated or encumbered to various projects. The County*

*Commission would like to leave approximately \$500,000 in the fund. The County would then be in a position to make this acquisition with some money up front and the rest supported by a financing measure known as Certificates of Participation. The County is also considering other financing options.*

*The purchase price of the 214-acre property is \$2.8 million. First National Bank would receive \$1.284 and .95 million for its notes on the property. Boone Electric Cooperative holds a note on the property for \$221,294. Gene Sanders (past president of the Fair Board) has a personal note for \$12,500. Williams Keepers has a note for \$3156. \$100,000 would go to the Boone County Agricultural and Mechanical Society for a variety of personal property included in the acquisition.*

*The appraised value of the property (based on an appraisal performed by Cannon & Blaylock for First National Bank in September of 1998) is \$3.5 million. The appraisal is based upon the value of the land and the value of the improvements on the property. The appraiser split the property into two tracts. The first, a 68-acre tract of Planned Commercial, improved property with a value of \$3 million. The second, 146 acres, more or less, of A-2 zoned property with a value of \$510,000. Recent sales place the A-2 zoned property at a value of between \$4,000-\$5,000 an acre (since the time of the September, 1998 appraisal). A copy of the Cannon & Blaylock appraisal is available for viewing.*

*The Coliseum is an 88,000 sq ft facility valued at \$1.980 million. Equestrian barns 1-4 are 37,800 sq ft with a value of \$265,000. Barns 5-7 are 24,000 sq ft, more or less, and are valued at \$97,000. The Show Palace (outside barn) is 14,400 sq ft with a value of \$57,600. The concession stands on the property are 7900 sq ft and 6400 with a value (respectively) of \$118,800 and \$25,900. The value of the restroom areas is \$43,200. The "old hangar, building area" is 23,350 sq ft with a value of \$350,000. Roads & Bridges-\$160,000, Gravel-\$27,500, and seeding-\$25,000.*

*The County Commission is still working on a number of issues on a daily basis. The County Commission will review the Cannon & Blaylock appraisal on Thursday, June 24<sup>th</sup> in the regular County Commission meeting. The County Commission is also considering several financing options. We are developing use policies for the facilities on the property and attempting to draft a minimal use budget that should be available later in the week. The County Commission is also evaluating the year 2000 bookings as to whether they should be honored or the organizations aided in finding other facilities to hold their events. We are also attempting to work with Boone Electric Cooperative to bring down utility costs. It has been suggested by some that the surrounding property be purchased by the County and the Coliseum sold separately.*

*Later this week Steifel Nickelaus will meet with the County Commission to discuss a private/public partnership in the form of a minor league, hockey area.*

*Commissioner Vogt stated that one of the things that the County Commission has been offered a proposal to develop a long-range plan for the use of the property through the University of Missouri (with the aid of Dr. Hardeep Bhular).*

Commissioner Stamper thanked everyone for coming out and invited comments from the public.

Scott Orr, 2808 Overhill Rd stated that he has financially supported every member of the County Commission in the past and hopes to support them in the future. He stated that when he appeared before the County Commission in previous County Commission meetings, he requested that the County Commission use "due diligence in this matter and not act hastily." He stated that there is "a process for everything that can be violated by private individuals with their own money, but should not and can not be violated with public money." He stated that he did not believe that the County Commission was attempting to violate that process.

Scott Orr stated however that the first thing that should be determined for any purchase is the value of the property. He stated that the appraisal performed by Cannon & Blaylock ignored the 6-day, 44-year lease held by Boone Electric Cooperative. He stated that he and other individuals, such as Larry Grossman, are asking for a 60-90 day stay so that "due diligence can be given to

issues such as the BEC lease, . . . perform another appraisal to evaluate the property and all of its encumbrances, and determine the value from a buyer's standpoint."

Scott Orr stated that there "is a haste and a sense of urgency to this that lends people like himself to ask, why?" He stated that the issue of interest is not a valid reason for the urgency. He stated that the financing should be in place before the property is purchased. He stated that there would not be enough time before the Jun 29<sup>th</sup> (decision) date to review all of the issues.

Scott Orr commended the Fair Board for their work in "an unenviable position on an unenviable task." He stated that if the County Commission proceeded with a purchase, he would support that decision. He stated that at this time however, the County Commission has not reviewed all of the issues.

Bill Dalzell, 608 Hulen Dr (State Director for the Good Sam Club) he stated that the Good Sam Club is the largest RV owners' organization in the world. He stated the local chapter of the group held a Samboree at the Boone County Fairgrounds in Columbia last week. He stated that there were 340 units on the property during this event. He stated that approximately 800-900 people attended this event. He noted that most of the people were from outside of the State of MO. He stated that it cost close to \$10,000 for the use of the facility. He stated that group members were asked to wear their jackets or vests when they went out into the community to illustrate amount of money they were generating money in the community. He stated that with the size of a group such as his, there are only two options for meeting: the Boone County Fairgrounds or the State Fairgrounds in Sedalia. He stated that the Boone County Fairgrounds is an excellent facility that he would like to see continue.

Bondi Wood, 6851 N Rte B stated that she served on the Task Force. She stated that the Task Force held its first public meeting about this issue at the last (1998) Boone County Fair, which was almost a year ago. She stated that this "eleventh hour opposition has injected the feeling that this has been hasty, while it really has been a very long process." She stated that the Task Force requested a host of public comment. She stated that they invited every civic, public, recreational, and educational facility/organization in the County to come and speak with the Task Force. She stated that the surrounding land owners (of the Fairgrounds Property) also spoke with the Task Force. She stated that the Task Force reached the consensus that this would be a good purchase for the County for future recreational use.

Bondi Wood stated that the Task Force also felt that the acquisition of this property was in line with the way that the County Commission spent Healthcare ProfitShare in the past. She stated that the Task Force did review the finances, however they did not propose the plan for how the County Commission would spend the funds. She stated that this purchase would also be consistent to the city of Columbia's plan for sustainable communities. She stated that the Boone County Fairgrounds property would constitute a good use of green space.

Bondi Wood also noted that the city of Columbia purchased the old Fairgrounds property for \$1 million "with no commission, no public input, and it sat there for several years before they decided what to do with it."

Bondi Wood presented a Boone County ham as a metaphor of 4-H, FHA, and the Boone County Fairgrounds. She stated that the ham represents a long-term commitment. She stated that it is an investment of time and money. She stated that there is an inherent risk involved in a ham; the circumstances while it is curing are unknown. She stated that the ham could change through the curing process. She also noted that a ham can sit for up to another two years; "just because you purchase something does not mean you have to slice it right away." She stated that judging the quality of a ham goes far beyond looking at the exterior of it. She stated that there are parts of the ham can be used in different ways, if other elements are added. Finally, she noted that the ham represents more than the object of the event. She stated that "it is an ongoing process, a journey that moves us forward, preparing for the future of the community while also celebrating those that launched the community." She urged the County Commission to purchase the Fairgrounds.

Steve Hirst, 2112 Park Place stated that his interest in the property is related to the youth, recreational softball and football. He stated that in 1991 there were 63 teams participating in

leagues in Columbia; now there are 185. He stated that with this kind of growth the youth leagues are in need of space for ballfields. He stated that they would like to expand the program to make it an entire summer program. He stated that a large number of the participants live outside the city limits of Columbia in areas such as Ashland, Hallsville, etc. He stated that the cities and the County have a social responsibility to provide these kinds of recreational facilities for their youth.

Sharon Lynch, 2708 Lacewood Dr stated that she is a native of Boone County. She stated that she has attended every Boone County Fair for a number of years. She stated that the Boone County Citizens for Good Government are emphatic that they want the Fair to remain in Boone County and to grow and be successful. She stated that the main concern regarding the purchase for the BCCGG is the appraisal and the actual value of the property. She stated that she believes that the County should purchase the 146 acres of surrounding property for \$510,000 and use that land to build up the Boone County Fair.

Sharon Lynch asked "Is it feasible, financially, to spend \$2.8 million on a commercially zoned piece of property (68 acres) plus 146 acres worth \$510,000 when you have no financing plan?" She stated that it has been suggested that this purchase will eventually cost the citizens of Boone County \$4.5 million. She stated that several cities and counties have used the Certificates of Compliance with miserable results. She urged the County Commission to delay their decision by 60-90 days in order to allow enough time to review financing options and get another appraisal in order to make a good decision.

Commissioner Stamper stated for clarification purposes that the County Commission has not proposed the use of Certificates of Compliance as a financing option, but rather Certificates of Participation.

Marilyn Smith, 9700 E Vemers Ford Rd thanked the County Commission for holding the public hearings. She stated that she hoped that the County Commission would take everyone's concerns into consideration when making this decision. She stated that she did not think that the County Commission needed to be in a hurry. She also stated that the County did not need to purchase the improved property. She stated that the proposed funding for this purchase should be used to purchase and improve the 146 acres.

There was a question from the audience as to the difference between Certificates of Compliance and Certificates of Participation.

Commissioner Stamper deferred the question to County Treasurer Kay Murray.

Kay Murray stated that she was not familiar with Certificates of Compliance. She stated that Certificates of Participation work in the same manner as (tax exempt) revenue bonds.

Mary Harvey, (Ashland) stated that she has been a member of 4-H for 35 years. She stated that 4-H worked for years to put up a lot of the developments at the Fairgrounds. She stated that 4-H also purchased all of the gates used for rodeo, etc. She stated that a large portion of the Boone County Fairgrounds belongs to the youth of Boone County. She stated that if the property is sold to someone else, then the County will have lost all of that hard work. She stated that she hoped something could be done to save the Fair.

Larry Grossman, 3205 Westcreek Cir stated that in today's Columbia Daily Tribune, the Boone County Citizens for Good Government were cited as listing the Boone Electric Cooperative lease as a detriment. He stated that this is true only if the County proposes to continue allowing the Boone County Fair use of the property for the same period of time. He stated that the BEC lease in and of itself would not drastically reduce the value of the property, but the BEC lease and the Fair Board's use of the property together would drastically reduce the value of the property. He also noted that the appraisal did not address these encumbrances. He stated that the appraisal did state that the property should have an annual income of \$380,000. He asked the County Commission again to take a look at the possibility of negotiating out of those two leases.

Larry Grossman stated that Boone County has a divided community on this issue. He encouraged the County Commission to form a group composed of all interests that could take a look at several options outside of the ones that the County Commission is currently considering.

Kristie Hilgedick, 5220 Dee Woods Rd stated that she has an open mind about this issues, however she is still not certain why the County Commission would like to purchase the property. She noted that the priorities of the County Commission on this matter were not her priorities. She stated that this part of the County (referring to her area) still depends on volunteer firefighters in cases of emergency. She stated that when she was a teacher in Ashland there was a shortage of space for children with disabilities. She stated that she sees numerous needs in the community that are more important than ballfields.

Kristie Hildegick stated that she did see the advantages of a purchase of the Fairgrounds property, however she is concerned that if the Fair Board could not make a profit off of the property, then it will be difficult for the County to do so.

Jo Ellen Hogan, 8400 Zumwalt Rd asked why the County Commission did not go ahead and get a second appraisal.

Commissioner Stamper stated that he would address Jo Ellen Hogan's question at the end of the public hearing.

Ron Locker, 3903 W Ridge Trail Rd stated that he has a lot of mixed emotions on this issue. He stated that his biggest concern was the economic impact that would be lost if the Boone County Fair were to be shut down.

Bill Keeling, 4900 Eagle Ridge Rd stated that some years ago \$900,000 was spent on an overpass for a privately-owned Fairgrounds. He stated that the money for the overpass was taken from County Road & Bridge Fund.

Commissioner Stamper stated that \$900,000 was not a reliable figure. He stated that the money spent by the County was a match figure.

Bill Keeling suggested that the Coliseum or portions of the Coliseum be sold to Boone Electric Cooperative or MFA. He also noted that the Coliseum has one of the most expensive heating and cooling systems available.

Paul Williams, 2005 Robbins Terrace stated that he believed that the property would be worth \$2.8 million if there were no encumbrances on it. He stated that the best use of the property could be light industrial. He stated however that no private company would be willing to purchase the property with those encumbrances. He asked if the County Commission considered purchasing the first right-of-refusal on the property.

Allen Judy, 602 Trigger Ave stated that he is new to the area and does not have the sentimental values that a lot of people have. He stated that as a newcomer he has the impression that something is being rammed down his throat. He stated that when someone purchases "something that is going down, they are going to purchase it at the lowest price possible." He stated that it seems as though someone is being bailed out.

Jack Cruise, 228 N Cedar Lake Dr stated that this purchase is a lot of responsibility for three people to take on. He stated that he would like to see the issue go to a public referendum. He stated that the space and facilities are needed, however he is not sure if the County needed to pay that much money for the facilities.

Vicki Russell, president of the Fair Board stated that the heart of this subject is: Does it make sense for Boone County to use the ProfitShare money from the hospital to purchase the 214 acre property? She stated that the Fair Board has not asked for a tax increase to pay for this. She noted that the Fair Board did ask for a tax increase originally, however over time the Fair Board began to believe that this property could be used to serve more citizens of Boone County (of all ages) than the other ways that the Healthcare ProfitShare funds are being used. She stated

however that time is limited. She stated that if a decision is not made soon, First National Bank will foreclose on the property.

Commissioner Stamper stated that there would be two other public hearings: 7pm on Wednesday, June 23<sup>rd</sup> at the Boone County Fairgrounds and 7pm on Thursday, June 24<sup>th</sup> in the Boone County Commission Chambers.

Commissioner Stamper stated that they would like to clarify a couple of issues before closing the public hearing. He stated that the Boone Electric Cooperative lease would not have an impact on the value of the property unless the facility were to be used in a different manner than it is being used at present.

Commissioner Stamper stated that the County Commission is divided on the issue of the Boone County Fair being held for free (if the County were to acquire the property).

Commissioner Stamper stated that it was suggested that the County condemn the property. He stated that this is not the way the County Commission operates. He stated that properties are condemned for sewer and road improvements primarily. He stated that condemnation is a last resort.

Commissioner Stamper stated that it has not been the intent of the County to duplicate the recreational programs that exist in the area cities. He stated that this purchase is being considered for the future.

Commissioner Stamper stated that the County Commission is concerned about the possible loss of positive economic impact from events held at the Boone County Fairgrounds. He stated that it would have a negative effect on the community if those were lost.

Commissioner Stamper stated that the County Commission continues to work on the financing options for the proposed purchase.

Commissioner Stamper stated that the Cannon & Blaylock appraisal is a banker's appraisal. He stated that the County Commission would obtain another appraisal on the property.

Commissioner Stamper stated that the overpass was a part of the Columbia Area Mass Transportation Planning System. He stated that a road would be connected to it in the next three years to connect the overpass to Hwy 763. He stated that 75% of County funds and 25% State funding was used to establish an east-west, northern transportation corridor.

Commissioner Stamper thanked everyone for coming out.

The public hearing adjourned at 9:20pm.

Attest:

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Don Stamper  
Presiding Commissioner

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Wendy S. Noren  
Clerk of the County Commission

\_\_\_\_\_  
Karen M. Miller  
District I Commissioner

\_\_\_\_\_  
Linda Vogt  
District II Commissioner