



July 13, 2017

Mayor Quentin Hart and  
City Council Members  
City of Waterloo  
City Hall  
Waterloo, IA  
Via email

Dear Mayor and Council Members:

The Greater Cedar Valley Alliance & Chamber encourages you to *approve the development agreement with an entity of Leslie Hospitality Management (developer) related to the convention center and associated hotel, during your July 17 meeting*. This agreement is beneficial to the city's taxpayers, and should be seen as enabling a significant benefit to the Cedar Valley economy and your city's image.

- The upgrading and rejuvenation of the convention center and hotel, together, by a private for-profit entity will send a strong and visible signal to the market that a viable, "new" major convention option is available in Iowa.
- The developer is a proven entity. They have been successful in similar rejuvenation projects where they have identified similarly weak properties and brought them to a strong, competitive market position. They have been transparent about plans and requirements for this property. They have been available to you as decision makers and to stakeholders throughout the Cedar Valley area. They are a credible, proven partner in a difficult project that requires high profile communications with your constituents, convention market participants (both customers and hospitality and entertainment colleagues), and Cedar Valley stakeholders.
- The transaction puts the convention center on the commercial tax roll, permitting an element of self-financing in the short term and contributes to the tax base immediately. It increases the tax value of the hotel in the very short term.
- This agreement and private approach to rejuvenating the convention center solves a very difficult, highly visible and pressure-filled redevelopment problem for the City. It also permits the City to assert its voice effectively in maintaining the quality and use of the facility.

- The marketing of the rejuvenated convention center, as offered by the developer, will bring tens of thousands of new visitors and repeat visitors to Waterloo and the Cedar Valley, whose meetings otherwise may not have been attracted to the Cedar Valley area.
- The project re-establishes and presents what will likely be the largest single indoor event attendance space in the Cedar Valley market.
- The convention center, a black eye to Waterloo and the Cedar Valley for a decade or longer, lends a renewed focal point in the traditional core central business district of the Cedar Valley, encouraging further redevelopment of properties such as the nearby Courier Block, other aging hotel properties, and underutilized historical structures. It can bring vibrancy to the Riverloop Expo grounds.
- The characteristics of the Hotel RL flag will bring more of the “vibe” you want in your central business district – offering another place for dining, but also a place to seek and participate in intimately presented performance and visual arts, utilizing the planned public stage and gallery spaces of the property. It helps create the kind of space in the urban downtown area expected by the professionals we’re trying to attract.
- It brings another, major property owner voice to support and promote the central business district, supporting continued private and public investment in the district.
- The developer understands and supports the importance of cross promotion of properties like the new Marriott Courtyard opening on TechWorks Campus, also an essential redevelopment project of the general riverfront at the edge of your downtown district. Their promotion dollars will “lift all boats” in hospitality and entertainment in the market.
- The naming convention of the center and its site is an elegant, very acceptable approach to rebranding the property while continuing to honor the memory of Waterloo’s Five Sullivan brothers. It must be understood that changing the name of the building itself gives the building where business is conducted – the center – a new brand identity and helps erase the convention and meeting marketplace memories of the deficient conditions it and we’ve suffered. Waterloo Convention Center at Five Sullivan Brothers Plaza brings appropriate attention to both the “new” convention center property in the market, and the historic importance of the place.

And more. This is a comprehensive solution to redeveloping the convention center and adjoining hotel that puts Waterloo and the Cedar Valley back into the larger, Midwestern convention market, which we deserve and from which all will benefit.

We applaud the concentrated work of the Mayor Hart, Noel Anderson, and Michelle Weidner, along with the CVB and those supporting with legal and business advice, in their professional and aggressive approach. Mayor Hart asked me last fall to assemble a group of business and civic leaders to advise the staff and him on this major project, well before anyone was aware of the LHM firm. He has engaged us in various points of the process, asking for guidance (which was freely given, by the way.)

***It is for all of these reasons we encourage you to approve the development agreement with Leslie Hospitality Management.***

Sincerely,

Steven J. Dust CEcD  
CEO

cc: GCVAC Board of Directors  
GCVAC staff  
Waterloo CVB  
Noel Anderson, Michelle Weidner, Wendy Bowman