

## 20 Year Vision for Corn Palace Area

### Purpose & Objectives

The goal of the Tourism / Corn Palace Area Development Workgroup is to develop a 20 year long-term vision and plan to improve the visitor experience at the Corn Palace and in Mitchell by making the Corn Palace and the Corn Palace area more attractive and user friendly, thereby increase numbers year-round. The objectives of the workgroup include providing visitors with a positive experience, to entertain/edutain, and increasing visitor attendance/spending/time in Mitchell.

People continue to want and like to travel. However, their tastes have changed as today they don't just want to "see" places, they want to "experience" the destination, which creates a unique personal memory they can cherish forever. While traveler tastes have changed over the years, the current Corn Palace has not adapted to meet their expectations.

Many studies have been conducted by various organizations and their conclusion is consistent: The Corn Palace is the iconic symbol of the Mitchell community and for every practical reason the Corn Palace should remain now and in the future as the community event center. Renovation or construction of the "next generation" Corn Palace to accommodate larger events is very expensive but it is the correct approach at some point in the future.

### Focus 2020 Findings & Recommendations

The Focus 2020 Visitor Development Committee found that:

- The current use for tourism attraction and events activities are not consistently compatible.
- The Corn Palace is central to tourism.
- The Corn Palace has not adapted to changing tourism tastes and travel.
- The Corn Palace is an indispensable asset to the identity of Mitchell.
- Corn Palace activities are beneficial to Main Street.

The Focus 2020 Visitor Development Committee recommended:

- Regardless of events center, investment in the Corn Palace is essential
  - Structural improvements
  - Enhancing the tourism experience (edutainment)
- Separation of tourism and event activities

### HOK's Recommendations

In one of the many studies/proposals that have been designed to renovate the Corn Palace and build a new Events Center near or adjacent to the Corn Palace, HOK's Design Advisory Team made the following statements in 2006:

- The area south of I-90 will continue to thrive regardless of the site chosen for the Events Center.
- A large segment of the community will benefit if the Events Center is built north of the railroad tracks.
- Building the Events Center downtown will help "clean up" the area around the Corn Palace and provide a better experience for tourists.

- Building the Event Center downtown will help renew the downtown core.
- Six million people drive through Mitchell on I-90 every year.
- The Corn Palace is the historic draw of Mitchell.
- The Corn Palace is Mitchell's identity to many people outside South Dakota.

## **Historical Value of the Corn Palace**

The World's Only Corn Palace stands as a majestic, uniquely American, folk art icon on the rolling prairies of South Dakota. The building is famous for the huge, colorful murals on its sides, which are redesigned every year. The first Mitchell Corn Palace was built in 1892, just three years after South Dakota became a state – when the city was just twelve years old. The Corn Palace was built as an economic development tool to recruit farmers to the area by displaying agricultural bounty on the building's exterior to prove the fertility of the region's soil. The first two Corn Palaces were tore down, despite popular belief that they burned down. The Corn Palace that now sits on Main Street is actually the third Corn Palace in Mitchell and was built in 1921. While the Corn Palace has been maintained, the age and useful life of the 89 year old building is in question.

If the Corn Palace stands for anything, it is a good time. Every harvest season for over 100 years, people have come together for some of the best entertainment in the country. In the beginning there were the marching bands like Sousa, followed through the years by an eclectic mix top quality entertainment. Today, the Corn Palace Festival tradition continues.

The Corn Palace has always been about more than just the big name entertainment. It's a building that brings thousands of visitors to our community each year to view the unique folk art murals. It's a building that enhances our lives by providing a gathering place for a wide variety of activities such as high school proms, dances, banquets, sporting events and many, many more. In fact, USA Today has named the Corn Palace as one of the Top 10 places to play High School basketball games and called it the Boston Gardens of the Midwest. It's a building that brings our community together. The Corn Palace has evolved into a one-of-a-kind, multi-use facility with a charm and heritage unlike any other.

The estimated attendance average for sporting events at the Corn Palace over the past five years is 94,809 people annually. Sporting events include cheerleading events, gymnastics events, basketball games and tournaments, youth wrestling meets, and show choir events. The popularity of the Corn Palace for these sporting events and others is the intimacy that the Corn Palace provides to sporting teams and event spectators. While it is important to increase seating to keep and/or increase the number of sporting events hosted in the Corn Palace in the winter months, it is essential that the intimacy and integrity of the Corn Palace is maintained.

The designing of the mural is a prestigious honor. It started with Col. Alexander Rohe in 1892. Famed American Indian Oscar Howe, was in charge of designing the panels from 1948 to 1971. Cal Schultz took over the job in 1977 and local college art teacher Cherie Ramsdell has headed up the design since 2003.

This year, when the summer days grow shorter and the crops are nearly ripe, the Corn Palace will again be celebrating. The streets will be filled with people. The stage will come alive with acts that will enrich the legacy of the Corn Palace. See it for what it really is. A celebration of who we are and what we do, and how we spend the little time we have in this world.

## Corn Palace Visitation History

The draw of the Corn Palace is our primary source for tourism-related spending in Mitchell, drawing over 270,000 visitors in 2009. Corn Palace visitation has declined from its peak 20 years ago by 150,000-200,000 people per year. We believe the decline is due, at least in part, to a lack of investment in the visitor experience. In contrast, Mount Rushmore has gone up 500,000 visitors from 2000 to 2009. Mount Rushmore has made enhancements that provide thousands of visitors with memorable vacations and travel experiences.

## Corn Palace Operations and Maintenance

The cost to operate, maintain, and decorate the Corn Palace is \$936,000 while revenue from the Chamber Gift Shop, rentals, advertising, sales, etc. is \$658,000 for a net loss of \$278,000 annually. The loss of visitor spending that generates \$300,000 of revenue for the Corn Palace would put the operating income of \$20,000 at risk to become a net loss of \$278,000. The tables below do not include any part of the Corn Palace Festival or Management.

### Corn Palace Revenue

Entertainment Tax (BBB)	\$300,000
Chamber Gift Shop 16%	\$130,000
Corn Palace Rentals	\$52,000
Advertising Revenue	\$28,000
Concessions Sales	\$425,000
Donations	\$10,000
Vendor Commissions	\$13,000
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	\$958,000

### Corn Palace Expenses

Maintenance Staffing	\$225,000
Repairs, Maintenance & Utilities	\$226,000
Decorating	\$172,000
Concessions Expenses	\$313,000
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	\$936,000

**Operating Income** **\$20,000**

### Other Income

General Funds/Capital Outlay As Needed

### Other Expenses

Capital Expenditures (Average) \$300,000

## Tourism's Economic Benefit to Mitchell

The Tourism / Corn Palace Area Development Workgroup has a focus on tourism because tourism contributes 7-10% of our local economy. The SD Department of Revenue reports 484,867,950 in taxable sales for calendar year 2009 for Davison County. The State Office of Tourism reports 34,700,763 in visitor spending in November 2008 – October 2009 for Davison County.

Without the Corn Palace and it's major draw of tourism to the community, the City of Mitchell stands to lose \$600,000+ of entertainment tax. Hospitality businesses stand to lose sales revenue upwards of \$34,700,763 in visitor spending every year. Without the contribution of entertainment tax receipts to their annual budgets, Chamber of Commerce and Development Corporation members would see an increase in membership fees. Without visitor spending, residents would face property tax increases to help offset the costs of operating and maintaining the Corn Palace.

By enhancing the visitor experience at the Corn Palace through the area around the Corn Palace and the experience offered within the Corn Palace, we can boost visitor spending, increase length of stays, while improving the quality of life for our Mitchell area residents.

The economic impact of the 94,809 people attending sporting events held at the Corn Palace annually is substantial. While many of the Corn Palace sporting event attendees are from the Mitchell area, a good portion travel from outside our trade area. Considering relatively conservative spending estimates for visitors outside our trade area who spend the night of retail purchases at \$50, lodging at \$75, gas/oil at \$30, and food at \$35, the city's hospitality and retail businesses stand to lose a total of \$190 per day during the winter months when business is its slowest.

## **Corn Palace Area**

The Tourism / Corn Palace Area Development Workgroup has developed a list of potential uses for the area surrounding Corn Palace to provide visitors with a positive experience, increase visitor attendance/spending/time, and resident use of the area.

- Art shows
- Festivals
- Concerts
- Outdoor stage
- Shops
- Farmers markets
- Water feature/ice skating rink
- Information/education
- Christmas lights/decorations
- Kiosks/vendors
- Shade/sun areas
- Seating
- Art/sculptures
- Topiary towers
- Movie night
- Walk of fame

## **Next Generation Corn Palace Design**

It is important to consider the original designs and details of the early Corn Palaces for the historical value and restoration of its original significance. The workgroup also believes in the importance of building a next generation Corn Palace that works for events and tourism simultaneously in order to offer summer events and extend the tradition tourism season. For the interior of the Corn Palace or an auxiliary facility, the Tourism / Corn Palace Area Development Workgroup has developed the following list of space needs in order to provide visitors with a positive experience, to entertain/"edutain", and increase visitor attendance/spending/time while improving the pride of the community of the Corn Palace.

- Gift shop
- Theater
- Ag Education or History Area
- Gym/Rotating Exhibit Area
- Conference/Green Room
- Restrooms
- Offices
- HVAC/Utilities/Computer Hub
- Elevator
- Storage

- Dressing/Locker Rooms

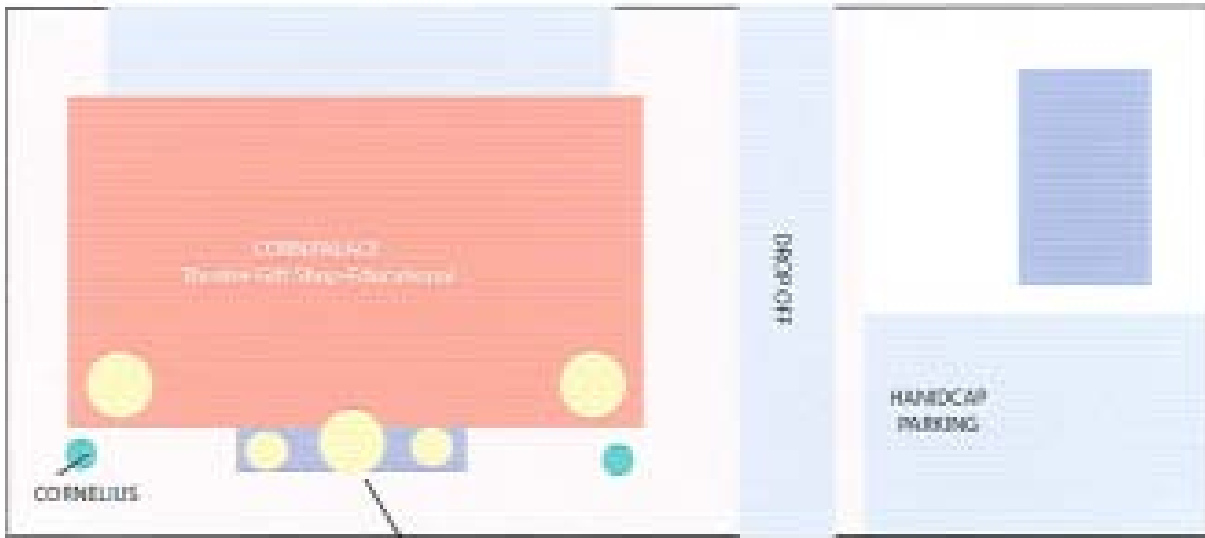
## **Conclusion**

Due to the age and impending structural issues of the current Corn Palace, we believe it will be necessary to replace the building in order to preserve the icon of Mitchell as well as the history and culture that the Corn Palace represents. Now is the time to explore design options and develop a 20 year vision for the Corn Palace and surrounding area. Architecture design services needed to move forward include a site plan, floorplan, interior/exterior renderings of the Next Generation Corn Palace, and an estimate of probable costs. Landscape services needed include conceptual site plans, illustrated landscape features and amenities, illustrated perspectives, anticipated construction costs. Architecture design services are estimated to cost \$20,000 and landscape design services are estimated to cost \$14,000 for a total of \$34,000.

The Tourism / Corn Palace Area Development Workgroup is asking the City of Mitchell to invest \$34,000 to further develop its 20 year vision and plan to improve the visitor experience at the Corn Palace and in Mitchell in order to provide visitors with a positive experience, to entertain/edutain, and increase visitor attendance/spending/time in Mitchell.

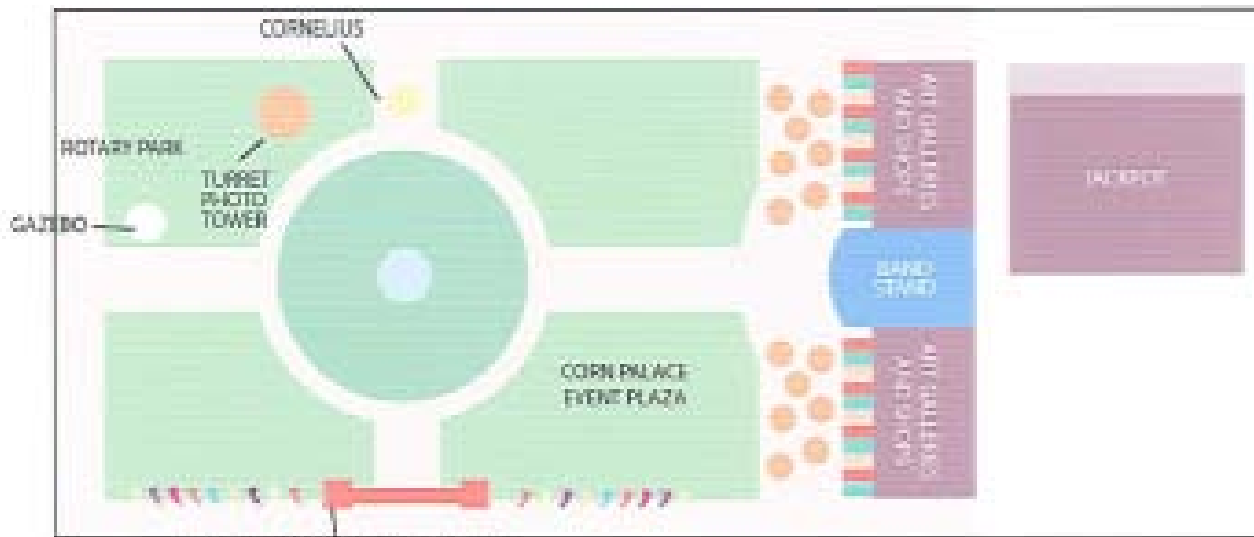
The attached exhibits provide preliminary concepts to improve the visitor experience at the Corn Palace and in Mitchell by making the Corn Palace and the Corn Palace area more attractive and user friendly, thereby increase numbers year-round.

# Exhibit 1. Preliminary Concept of Corn Palace Area



EXISTING CORN PALACE FACADE

MAIN STREET



CORN PALACE WELCOME Entrance

# Exhibit 2. Preliminary Concept of Next Generation Corn Palace Footprint

