

## Piece by piece

Components of new development in Sevierville falling into place

**By LOIS REAGAN THOMAS, [news@knoxbusinessjournal.com](mailto:news@knoxbusinessjournal.com)  
May 15, 2006**

A huge development in Sevierville is fitting together from a jigsaw puzzle of pieces including a "bridge to nowhere," 1,000 acres of prime real estate, Bass Pro Outdoor World, and audacious use of a state convention center financing law originally designed for larger cities such as Knoxville.

City officials recently broke ground on a \$65 million events center planned as part of the development. Sevierville also is expanding its adjacent 18-hole golf course to 36 holes and building a parking garage.

Contracts are being finalized for Wisconsin-based Wilderness Resort LLC to build a 264-room convention hotel next door, as well as indoor and outdoor water parks, a 213-unit (426-room) condominium complex, 186 units of time-shares and accompanying retail/restaurant components.

Later phases envision Wilderness constructing cabins, more condominiums and expanding water parks.

The project has the potential of reaching \$1 billion over a build-out that could last 10 years or so, said Jim Calkin, chief manager of the Bridgemont Group, which owns the majority of the land.

Other developments, such as additional accommodations and perhaps residential sites, are planned. He described the entire project as a city within a city, themed "mountain modern," with residential, retail and entertainment components.

"We're pretty comfortable with there being over \$125 million in private investment already on the drawing board, and it will continue to grow," said Sevierville City Manager Doug Bishop.

**Fishing for Bass** Pat Helland, director of development for Wilderness, said the company will start construction this fall, and he anticipates first-phase investment of about \$150 million.

The visible evidence is seen from State Highway 66, the main thoroughfare that carries the tourist traffic from Interstate 40 through Sevierville to Pigeon Forge, Gatlinburg and the Great Smoky Mountains National Park.

A bridge referred to by locals as the "Bridge to Nowhere," built nearly four years ago across the Little Pigeon River, is carrying heavy truck traffic to the huge tract of land that Bridgemont Group bought in 1998 from HMH Associates - made up the Hershend brothers, who own Dollywood in Partnership with Dolly Parton, and Ted Miller, formerly Dollywood's manager.

Principals in the purchase, under the entity of Universe LLC, and in Bridgemont are John Ellis of Memphis, an associate of Belz Malls; Dorman Blaine of Blaine Construction; Lane Hays, whose late husband Charles was in the construction business; and Calkin, representing an investors group.

The principals took a "calculated risk" several years ago in investing more than \$3 million to build the bridge to avoid a lag time and red tape once a development plan was in place, Calkin said.

The group spent several years working with the Bass Anglers Sportsman Society, which was considering moving its headquarters and an Outdoor America complex from Alabama to Sevierville.

When that project fell through, developers began courting Bass Pro Shops, the Missouri-based destination retailer. When Johnny Morris, Bass Pro founder, decided he wanted a site visible from the interstate, Calkin's group purchased 32 acres off I-40 at the Highway 66 exit to accommodate the store.

It opened late last year.

A Chop House restaurant is under construction at the site, and five acres have been sold for hotel development on an additional 18-acre tract. Retail and restaurants are envisioned for other out-parcels.

**Creative financing** While the developers hooked Bass, the city of Sevierville was wrestling with the traffic congestion that gives the town the reputation of being a big parking lot on the way to the mountains.

Initially, said Bishop, "the events center was not on our radar."

In talks with Bridgemont, Bishop said, the city began looking at the events center and the potential of using funding through the Convention Center Financing Act to finance not only the events center but some badly needed roads and infrastructure that otherwise would be many years down the road if funded by the state.

"The convention center became the vehicle to get infrastructure and roads," Bishop said.

The Convention Center Financing Act, passed in the late 1990s, was pushed by Knoxville and other cities as a way to build the facilities they hoped would draw free-spending conventioners.

The act allows cities to recoup state sales tax from growth precipitated by the centers to pay for them.

A couple of things make Sevierville's project unusual.

For one, the city, with an operating budget of only \$39 million, was looking at a bond issue of more than \$180 million, with most of it not going for the events center.

For another, it involved some creative gerrymandering of the Central Business Improvement District and resultant Tourism Development Zone, necessary components of the process.

Sevierville's CBID extends from its quaint downtown area all the way along Highway 66 to I-40, a nine-mile linear zone. The zone was extended to I-40 to take advantage of the large amount of sales tax generated by Bass Pro and into the downtown area to allow for streetscape improvements, a trolley center/ parking garage, and road projects.

The Public Building Authority, created to oversee the zone, also purchased the city-owned Eagles Landing Golf Course, providing another early revenue stream. Sevierville generated \$361,671 in additional sales tax this past fiscal year, the first effective year for the zone, which doesn't include Bass Pro revenue. The bond issue is being done in increments.

Road projects include four-lane, boulevard-type roads running through the Bridgemont development, as well as a planned extension of Middle Creek Road from Dolly Parton Parkway across the Little Pigeon River to join Highway 66 at the Bridgemont bridge.

This provides a downtown Sevierville bypass into Pigeon Forge.

**Starting the business** Sevierville has brought tourism veteran Mike Wilds on board as a project consultant. He has been director of the Chattanooga Convention and Visitors Bureau and has served stints as a convention and tourism official in Knoxville.

Marketing, starting in late May, will focus first on trade shows and also on competitive arts events such as dance and cheerleading teams, and on shows

where companies would bring their franchise owners to town to examine new products, he said.

The first event has been booked for September 2007. Twenty percent of available dates have been booked through the next several years, he said.

The center has been designed with easy loading and unloading, a key demand for trade shows, he said. It features a 105,300-square-foot exhibit hall, 20,000-square-foot ballroom, and smaller break-out rooms.

Sevierville purchased 144 acres from Bridgemont Group for the events center, golf course expansion and other uses.

This includes leasing land to Wilderness Resort for the convention center hotel. Wilderness is purchasing land from Bridgemont Group for its resort complex of condos, time-shares, water parks and related retail/restaurants.

Family-owned Wilderness Resort operates the largest water-park resort in the Wisconsin Dells, with indoor and outdoor water parks, hotels, condos, time-shares and other amenities. This will be its first venture out of Wisconsin.

"Sevierville mirrors the market we're meeting here in the Dells," said Helland, a member of the family that owns Wilderness Resort LLC.

He described Wilderness as "absolutely a family-oriented business. We really cater to small families that want to have a great vacation at a moderate price."

Unique features of its elaborate water parks are that they are open only to Wilderness guests, and in a recently introduced innovation, have indoor water-park portions covered with Foil Tec, a material that allows sun to shine through year-round.

Wilderness opened the Wilderness Hotel and Golf Resort in the Dells in 1995 and also recently began a \$150 million expansion in Wisconsin.

Lois Reagan Thomas, retired business editor of the News Sentinel, is a freelance writer in Seymour.




Copyright 2006, Knoxville News Sentinel Co.

[Want to use this article? Click here for options!](#)

# SEVIERVILLE CBID PROJECTS

Costs shown are estimates.

 Tourism Development Zone/CBID



R. DANIEL PROCTOR/BUSINESS JOURNAL