

1 IN THE IOWA DISTRICT COURT FOR CLAYTON COUNTY

2 ----- X

3 HARLAN DETTMAN, :  
GREGORY KOETHER, :  
4 RONALD KLEINOW, and :  
TIMOTHY MASON, :

5 :  
Plaintiffs, :  
6 : No. EQCV 6737

-vs- :  
7 : DEPOSITION OF

CLAYTON COUNTY BOARD : LARRY GIBBS  
8 OF SUPERVISORS, :

9 Defendant. :

10 ----- X

11  
12 Deposition of LARRY GIBBS, taken at the  
offices of the Clayton County Board of  
13 Supervisors, 200 East Bridge Street, Elkader,  
Iowa, commencing at 12:53 p.m., March 12, 2004,  
14 before Christal A. Hansen, Certified Shorthand  
Reporter.

15  
16 APPEARANCES  
17 WALLACE L. TAYLOR, ESQ.,  
Suite 326, 118 Third Avenue SE,  
18 Cedar Rapids, Iowa 52401-1408,  
(319) 366-2428, appeared on behalf of the  
19 Plaintiffs.

20  
DENNIS W. JOHNSON, ESQ.,  
21 Dorsey & Whitney, LLP, Suite 3900,  
801 Grand Avenue, Des Moines, Iowa 50309,  
22 (515) 283-1000, appeared on behalf of the  
Defendant.

23  
24 Also Present: Robert Walke Neil Meyer  
25 Dennis Schroeder

1 INDEX

2

3	WITNESS	PAGE
4	Larry Gibbs	
5	Examination by Mr. Taylor	3
6		
7		
8		
9		
10		
11		
12	(There were no exhibits marked for identification)	
13		
14		
15		
16		
17		
18		
19		
20		
21		
22		
23		
24		
25	Certificate of Shorthand Reporter	14

3

1                   LARRY GIBBS  
2 called as a witness, after having been first  
3 duly sworn, was examined and testified as  
4 follows:  
5                   DIRECT EXAMINATION  
6 BY MR. TAYLOR:  
7     Q. State your name, please, for the  
8 record.  
9     A. Larry Gibbs.  
10    Q. Mr. Gibbs, I understand you're on the  
11 Clayton County Board of Supervisors?  
12    A. Yes, I am.  
13    Q. How long have you been on the Board?  
14    A. Election was July 22, '03, and probably  
15 the first meeting in August, August 8th I was  
16 sworn in, the first part of August.  
17    Q. And that was a special election, as I  
18 understand it?

19 A. Yes, sir.  
20 Q. And prior to being elected to the  
21 Board, what has been your occupation?  
22 A. I've been in my own business for 15  
23 years, and then prior to that I was in the  
24 management business and the ready-mix business  
25 for approximately 18 years.

4

1 Q. What's the nature of your business?  
2 A. Now?  
3 Q. Yes.  
4 A. I'm in the wholesale bait business.  
5 Q. Fish bait?  
6 A. Yes, sir. Throughout northeast Iowa  
7 and northcentral Iowa.  
8 Q. Prior to being on the Board of  
9 Supervisors, what knowledge, if any, did you  
10 have about the River Bluff project?  
11 A. Basically very little, just what I read  
12 in the paper.  
13 Q. Were you aware of concerns that had  
14 been raised about the project, about the  
15 developers?  
16 A. Was I aware of it?  
17 Q. Yes.  
18 A. Only what I read in the papers.  
19 Q. You've sat through all the depositions  
20 so far we've had here this morning?  
21 A. Have I? Back and forth, yes.  
22 Q. We've heard about some public meetings  
23 that were held on various aspects of the project  
24 from the initial time that the City of McGregor  
25 came to the County. Did you attend any of those

5

1 meetings?  
2 A. The only meeting I ever attended was  
3 the one in Guttenberg, and that's the one where  
4 they were asking the public's opinion as far as  
5 the project. And it must have been dealing with  
6 the -- probably -- I don't know -- when they  
7 were going to change the urban renewal plan or  
8 comprehensive plan, I guess.  
9 Q. What do you recall at that Guttenberg  
10 meeting was explained to the public about the

11 project and about the financing?  
12 A. Actually, I can't recall. There was  
13 never any specific thing explained about -- it  
14 was all done -- that was done through Tom Macy,  
15 was the one person that did most of the talking  
16 that night through Upper Explorer Land.  
17 Q. What is "Upper Explorer Land"?  
18 A. It is -- what is it? It's regional  
19 planning, Northeast Iowa Regional Planning.  
20 Q. And so Mr. Macy did not really explain  
21 much about the financing or any of that?  
22 A. He was talking about the comprehensive  
23 plan for the County.  
24 Q. I see. So this was a meeting about the  
25 comprehensive plan?

6

1 A. Yeah. And I, as an individual,  
2 attended the meeting.  
3 Q. What did you understand from that  
4 meeting was happening to the comprehensive plan  
5 and the reason behind it?  
6 A. Basically they just wanted to get the  
7 input from the county people of what we, as  
8 citizens of the county, bring forth to them  
9 before they can update their Board about the  
10 feelings of the people, the general public.  
11 Q. And just in general what sense did you  
12 have of what the public wanted in the  
13 comprehensive plan?  
14 A. I, to be honest with you, I can't -- I  
15 won't -- there was -- I don't know. I don't  
16 know. Just the one meeting, they wanted to --  
17 more economic growth. Everybody wants that.  
18 And they wanted more jobs. They wanted to keep  
19 people in our county and economic growth. That  
20 was probably what I got out of it more than  
21 anything.  
22 Q. When you finally came onto the Board of  
23 Supervisors, what was your understanding of what  
24 the status of the River Bluffs project was?  
25 A. I don't -- I have no feeling on that.

7

1 I don't know.  
2 Q. When you became a Board member, were

3 you briefed on the project or anything to that  
4 nature?

5 A. No. I was given the new plan, the  
6 agreement, and I --

7 Q. The development agreement?

8 A. Yeah. The development agreement, yes,  
9 and to make my own opinions.

10 Q. Did you ask any questions for any  
11 information from the existing supervisors?

12 A. I'm sure I probably asked a question or  
13 two, specifically how the \$20 million was, the  
14 bond was going to be, how that was, you know,  
15 how it was set up.

16 Q. What was your understanding about the  
17 bond?

18 A. It's a TIF bond. It's not going to be  
19 a burden on the county taxpayers. And he can  
20 only receive as much as he builds, so -- and  
21 that's the maximum amount of money that we can  
22 draw as far as over the 20 years off the taxable  
23 money and growth money.

24 Q. It's my understanding that the urban  
25 renewal plan that was finally approved was

8

1 approved on August 27th of 2003; is that  
2 correct?

3 A. Yes.

4 Q. And you voted for it?

5 A. Yes, I did.

6 Q. Prior to that vote, had you reviewed  
7 the comprehensive plan?

8 A. The new part, yes, I did. I didn't get  
9 a chance to read from 1970 on, but I reviewed  
10 the new part.

11 Q. How did you feel that the urban renewal  
12 plan that you voted on complied with the  
13 comprehensive plan?

14 A. As an elected official, I was elected  
15 to represent the people of the county. And as  
16 the steps shown in the comprehensive plan, the  
17 needs, to me, they all were what we need in our  
18 county. I mean, step by step we need economic  
19 development, we need growth, we need jobs and  
20 things like -- what that spelled out is what we  
21 need, and so that's why I voted that way.

22 Q. The comprehensive plan also emphasizes  
23 the natural and historic resources of the  
24 county, doesn't it?

25 A. I guess, yes, sir.

9

1 Q. Did you ever see the natural resource  
2 management plan for River Bluffs?

3 A. No, I did not.

4 Q. Did you ever see any financial data or  
5 feasibility studies regarding the project?

6 A. When I came on Board, this was not --  
7 this was a public -- I mean, a private party  
8 project, and so I did not -- the feasibility  
9 wasn't that important to me because it is a  
10 private project, not a County project. And  
11 prior to that I was not involved.

12 Q. Were you aware of the due diligence  
13 report that was prepared at the request of the  
14 Vision Iowa board?

15 A. No. That was irrelevant to me.

16 Q. Would you agree that the urban renewal  
17 area or the plan itself for that matter was  
18 designed just for the River Bluff project?

19 A. Would you say that again?

20 Q. Sure. Would you agree that the urban  
21 renewal plan that you voted on was designed  
22 specifically for the River Bluff project?

23 A. No, no, absolutely not. It was for the  
24 growth of our county.

25 Q. But the area itself and the plan was

10

1 for the granting of TIF bonds to the River Bluff  
2 project; isn't that true?

3 MR. JOHNSON: I'm going to object  
4 to the form of the question just because it's  
5 kind of hard to answer.

6 A. Yeah, it's -- I guess, yeah. Can you  
7 rephrase that?

8 Q. I'll rephrase it. Is it true that the  
9 urban renewal plan was created and developed for  
10 the River Bluff project?

11 A. And as I said before, I don't think --  
12 I think the River Bluffs project was part of it,  
13 but the plan itself was updated, too, for the

14 betterment of the county and not just that  
15 specific project.  
16 MR. JOHNSON: I think you're  
17 confusing the comprehensive plan and the urban  
18 renewal plan. I think that's the source of the  
19 confusion.  
20 A. Excuse me.  
21 Q. So the urban renewal plan is what you  
22 eventually voted on.  
23 A. Okay.  
24 Q. Would you agree that the urban renewal  
25 plan was designed specifically for the River

11

1 Bluffs project?  
2 A. I believe so, yes.  
3 Q. And, in fact, the urban renewal area is  
4 the River Bluffs project property, is it not, as  
5 it was finally voted?  
6 A. Yes, it is.  
7 Q. I think you said that you voted for the  
8 plan because of possibility of increased jobs,  
9 increased population. What data or information  
10 did you have to support that conclusion?  
11 A. Our unemployment rate, between 8 and 10  
12 percent, loss of people from 21,000 to 18,000  
13 within the last 10 years, loss of schools and  
14 the number of people, children in our schools.  
15 Q. What data or information did you have  
16 that this project would address those specific  
17 issues?  
18 A. Well, it's got to help economic growth.  
19 It's going to bring some jobs to our county.  
20 It's going to bring some growth to our county.  
21 It's going to bring some tax base to our county.  
22 Eventually it's a no-brainer.  
23 Q. Of course, it won't be an increased tax  
24 base until the 20 years --  
25 A. Exactly. But there's, there's a good

12

1 possibility of other growth outside the TIF  
2 area. When you have growth within, there's a  
3 good possibility of growth without, outside.  
4 And we're going to be receiving money from the  
5 hotel tax, which we would never have, be

6 getting, you know. So there is going to be some  
7 financial growth.

8 Q. Did you have any information or data to  
9 support that, or is that just your --

10 A. That's my gut feeling. And as an  
11 elected official, I believe that you've got to  
12 go on how you feel. It can't always be on  
13 statistics.

14 Q. Is it fair to say that since you came  
15 on the Board in August of 2003 and then voted on  
16 the urban renewal plan on August 27, 2003, that  
17 you didn't have a lot of information about the  
18 project?

19 A. That's correct.

20 Q. Did you ask that the consideration of  
21 the plan be delayed until you could get some  
22 more information?

23 A. No, I did not.

24 Q. Was there any pressure that you saw to  
25 get the plan approved quickly?

13

1 A. Absolutely not, no pressure.

2 Q. Did you have any discussions with  
3 Mr. Daughtry yourself?

4 A. No.

5 MR. TAYLOR: That's all I have.

6 MR. JOHNSON: I have no  
7 questions.

8 (Deposition was concluded at 1:12  
9 p.m.)

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

C E R T I F I C A T E

I, the undersigned, a Certified Shorthand Reporter of the State of Iowa, do hereby certify that there came before me at the time, date, and place hereinbefore indicated, the witness named on the caption sheet hereof, who was by me duly sworn to testify to the truth of said witness' knowledge touching and concerning the matters in controversy in this cause; that the witness was thereupon examined under oath, the examination taken down by me in shorthand, and later reduced to Computer-Aided Transcription under my supervision and direction, and that the deposition is a true record of the testimony given and of all objections interposed. I further certify that I am neither attorney or counsel for, nor related to or employed by any of the parties to the action in which this deposition is taken, and further, that I am not a relative or employee of any attorney or counsel employed by the parties hereto or financially interested in the action. Dated at Dubuque, Iowa, this 13th day of April, 2004.

CERTIFIED SHORTHAND REPORTER.