# Breezy Cointer

FALL 2006 NEWSLETTER • BREEZY POINT, MN • 4 PAGES • PUBLISHED SINCE 1934

# What Came First???

The City of Breezy Point wasn't always a city. In fact, it wasn't always called Breezy Point. In 1939, it was incorporated as the Village of Pelican Lakes.

A shipment of furniture destined for Breezy Point Resort was mistakenly sent to Pelican Rapids. The Breezy Point Resort owners, concerned about the lack of identity of the Resort, as well as for the Village, petitioned the Village for a name change.

In response to the 1969 petition, a new ordinance changed the name to Village of Breezy Point. A state statute in 1974 again changed the name to the City of Breezy Point.

And there you have it. The City of Breezy Point was named after Breezy Point Resort.

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This publication is brought to you by Whitebirch, Inc.

#### Whitebirch Inc. at Breezy Point

# **MISSION**

To build together the most preferred resort with the best people providing superior service to our guests in an enjoyable, safe, efficient and profitable manner.

# The Evolution of the Breezy Point Resort, Part 1



The main lodge, built in 1921, was the focal point of Fawcett's Breezy Point Lodge. Note the tennis court in the foreground.

Pelican Township, MN, -- It's the start of the "roaring twenties", flappers and prohibition. The "War to end all wars" is over. On February 13, a flamboyant millionaire publicist from the twin cities slapped \$500 on a table as the down payment for a sightunseen, 80-acre parcel of land on the west shore of Pelican Lake. The seller, Fred LaPage, had built a modest frame house and four cabins on the property. He had named the place "Breezy

Anxious to see what he bought, he and LaPage set out from the Twin Cities the next morning, Valentines Day. A howling blizzard pounded them, delaying their arrival until 3:00 the following morning.

With the biting wind and snow swirling around him, Wilfred Hamilton Fawcett, aka "Captain Billy Fawcett", surveyed his purchase. This was no easy feat, as the deep snow blanketed everything, with 10-foot drifts in His vision was to build a retreat for his family and a playground for his many wealthy and famous friends. Fawcett and LaPage used the house for their temporary stay and immediately started work on plans for a substantial building program on the neighboring bluff overlooking the

Fawcett did nothing in moderation. Within two months, a crew of carpenters began the construction of cottages. He named each cottage alphabetically after streets in Minneapolis. Tourist demand for these cottages was so great that by July of 1922, an additional thirteen cottages were built. Once the alphabetical names of Minneapolis streets were exhausted, eight cottages were named after St. Paul streets. Although built to retain a rustic feel, modern features such as generator-powered electric lights and a bath in each guest room delighted the guests.

The public loved it. A hotel was added to ease the 1922 season but by the 1923 season, even it was overflowing.

As an added attraction, in 1923 Fawcett developed a 9-hole golf course. This course, The Traditional, is still a focal point of the Resort.

That winter, Fawcett began planning for the 1924 season. He commissioned the architectural firm of Magney & Tusler, the designers of the famed Foshay Tower in Minneapolis, to design an equally fantastic structure at Breezy Point. Of course, it would be a very different building, blending in with the northwoods property.

At the same time, a lumber company on the Canadian border, some 200 miles from Breezy Point, was running its last cut of Minnesota pine.

Fawcett combined the architectural creativity of Magney & Tusler with the lumber company's massive logs and produced the plans for the what would

become the renowned Breezy Point Lodge.

This was no small undertaking. The Lodge would be built with full-round Norway pine logs. When the logs arrived in March and April of 1924, some measured over 70 feet in length. They arrived by rail in Pequot Lakes on seventy-two flat cars and were then trucked to the construction

Building commenced on the Lodge, Fawcett's personal residence, and a machine repair shop. One hundred seven men worked on these immense buildings for over seven months.

The laying of the logs was done without the use of nails. Instead, "drift pins" were used and the logs were fitted using scribing and cupping. Since this craft was unknown in the area, Fawcett imported carpenters from Norway and Finland to finish the buildings.

The Lodge was an impressive sight. Built on a slope, its first floor was exposed only on the lakeside. Here were bowling alleys, a billiard parlor, and a beauty shop.

The main entrance, off the street, was on the second floor. Here was the lobby, a huge dance floor and a dining room larger than any that Minneapolis could claim. Measuring 60 by 120 feet and walled by gigantic varnished logs, it dwarfed the beholder. On each side were massive fireplaces, 12 feet wide and 44 feet high. The dining room could seat 700 guests and could accommodate as many as 1000. At the end of the room was a spacious stage for seating the dance band or handling stage productions. The kitchen was equipped with the finest facilities of the time.

The third floor contained guest and storage facilities. The girls' dormitory, employee cabins, laundry house, workshop and horse barn were built along the high bank west of the water tower. The farmhouse and two small rooms on the first floor of the Lodge accommodated the kitchen help. The chef and head baker had cabins by the bay.

Sanitation experts from the University of Minnesota and the State Department of Health supervised the design and construction of the water handling systems.. A pasteurization plant was built to handle the Lodge's dairy products.

During his "spare" time, Fawcett pursued his favorite hobby, becoming a world-renowned big game hunter. His mounted trophies adorned every wall throughout the Lodge.

Fawcett's personal residence was a two-story log mansion with a full basement, nine bedrooms and seven bathrooms in addition to the parlor, dining room, kitchen and an office. A Spectacular spiral staircase connected the first and second floors. As frosting on the cake, it presented a panoramic view of Pelican Lake. Ten years later, Fawcett added two wings to the

(Built of native Norway pine logs, the Fawcett House today hosts family reunions and other groups. It contains many of the original furnishings, elk and deer trophies, and, some say, ghosts from years past.)

The magnificent Lodge opened on June 10, 1925. Within weeks, it became known as the greatest display of pure extravaganza in the "Minnesota Northwest". The Lodge became "The Destination" for the rich and famous hosting celebrities such as Clark Gable, Carole Lombard, Tom Mix and Jack Dempsey.

The tourist crowds kept growing. Frenzied expansion could not keep up with the guest booking requests. Fawcett solved the problem with the building of the three-story Edgewater Annex. The first and second floors had 63 guest rooms. The third floor held a conference hall seating 700 guests.

Many of the top "Big Bands" of the '30s played into the wee hours, exciting the Lodge's guests. Extravagant weddings were commonplace and the Lodge became a favorite for honeymooners.

"Captain Billy" Fawcett passed away on February 7, 1940, just short of his 60th birthday.

After his death, his sons took over Breezy Point Lodge, operating it through the 1941 season. The Lodge closed from 1942 through 1945. Gas rationing during World War II had killed the tourist business.

Theron "Tiny" Holmes, an energetic young man who held the continued on page 2



Mid 20's photograph captioned: "Club House at Fawcett's Breezy Point Lodge, Big Pelican Lake, Pequot, MN.

# The Torch is Passed



Robert B. "Bob" Spizzo grew up in Chicago, the son of immigrants. His father was a railroad worker and his mother toiled in a garment "sweatshop". From those modest beginnings, Bob developed a strong work ethic and a lifelong quest for success.

After attending Wright College, Bob bought a well-used Jeep, a Geiger counter and camping gear and set off for the wilds of Montana to prospect for urani-

As the public's fascination with nuclear power plants was replaced with distrust, the market for uranium declined. Bob found himself looking for alternatives. He later remarked, "I discovered there was more opportunity above the ground than beneath it!"

Hotel ownership and property development in Colorado were his next ventures. It was during that time that he became involved in the brokering of properties for a developer on the Sea of Cortez in Mexico. As that relationship grew, he was enticed to move to Mexico to take part in that country's resort area

During the 5 years he spent in Mexico, Bob honed his expertise in land development. Of equal importance, he was a central figure in the formation of timesharing relationships.

Always on the lookout for new opportunities, Bob agreed to a 3 year stint in Breezy Point, Minnesota. His mission was to assist Whitebirch, Inc. in the development of residential acreage in the Breezy Point area. At the time, he had no idea that the 3-year commitment would grow into a 29-year career.

Bob arrived in Breezy Point with his wife, Kay, and their three children, Tom, Marisa and David. They immediately fell in love with the area

The twists and turns of Breezy Point Resort's fortunes were intertwined with Whitebirch's development of adjoining properties. Whitebirch, in its efforts to acquire a portion of land owned by the Resort, found the negotiations evolved to include the purchase of the Resort itself. Not long after the ink on the deal had dried, Bob found himself in the driver's seat of both Whitebirch, Inc. and Breezy Point Resort.

Bob's ability to plan, some may say dream, was immediately put into play. He prioritized the improvements necessary to arrest the declining condition of the Resort. More importantly, he created a comprehensive 25year plan for it's expansion.

His long-range plan included a new convention center, recreation center, campgrounds with deeded campsites, a championship golf course and restaurant, an ice arena with lodging facilities and a new Marina Restaurant. Remarkably, all but the new Marina Restaurant became realities. After countless delays and false starts, he hopes to see construction on the Marina Restaurant start in late

As if resurrecting the Resort wasn't enough, Bob guided Whitebirch through the development of over 3000 acres of real-estate in the Breezy Point

Drawing from his experience in Mexico, Bob initiated the first timeshare operation Minnesota. Since 1981, he has designed and built 229 timeshare units. Today, these units provide a "taste of the north" to over 10,000 owners.

Seeking diversity in Whitebirch's business holdings, he acquired Mille Lacs Island Resort, a 50acre year-round campground on the south shore of Mille Lacs Lake in Wahkon, MN and Forest Hills Golf & RV Resort in Detroit Lakes, MN.

All too often, this type of rapid growth and expansion results in management's loss of focus on the core business. Not so at Breezy Point Resort! Bob has targeted the growth to build a synergy between his various developments. The result is the creation of a successful year-round tourist destination where the guests' satisfaction is paramount.

Bob readily admits he did not accomplish this amazing growth single-handedly. He has a staff of extremely capable and loyal employees helping to carry the

Reflecting on the past 29 years, Bob said, "I've been very fortunate when it comes to our employees. During the good times and the not so good times, they have always been there for me. They're like a family

The Spizzo family's second generation is now heavily involved with the workings of Whitebirch and it's affiliates. David Spizzo, Assistant General Manager, is learning the ropes. Under the apt tutelage of Dave Gravdahl, and of course with Bob's keen sense of direction and attention to detail, the succession of the Spizzo family at the controls is



Mid 1920's view of the delicatessen on the main floor of the Lodge.

### The Evolution of the Breezy Point Resort, Part 1

continued from page 1

Coca-Cola franchise Brainerd, MN, purchased Breezy Point Lodge in 1946.

Holmes operated the resort for two years and, in 1947, sold it to Jack Salinger and his silent partner, Brownie Cote.

Disaster struck Breezy Point Lodge on June 20, 1959. At 5:30 that morning, the fire alarms in the area sounded. The Lodge was ablaze. When the fire was discovered, it had already consumed the telephone system. An employee had to drive a mile to call for help.

The centuries old logs burned fiercely, defying all efforts to bring the fire under control. By the time firemen from several

in communities arrived, the heat was so intense they were unable to get near enough to fight it. Instead, they concentrated on watering down the nearby cottages by pumping water from the

> Mr. and Mrs. Frank Hildinger, from Cleveland, OH, were attending a convention at the Lodge and perished in the inferno. Numerous other guests were injured, mainly from leaps from burning building. Employees gathered blankets and stacked them along the building to cushion the fall of those who jumped.

Spectators thronged to the Lodge. All that the onlookers could do was watch helplessly as

the Lodge burned to the ground.

Although the cause of the fire was never determined, it apparently started beneath the barroom, near the kitchen on the first floor.

The loss of the focal point of Breezy Point Lodge signaled a turning point in the resort's for-

A succession of owners attempted to breathe new life into the resort, passing it from one to another like a "hot potato". The approaches they took and the lasting marks they made will be featured in our next edition.

To Be Continued ...



Whitebirch, Inc. family of Companies

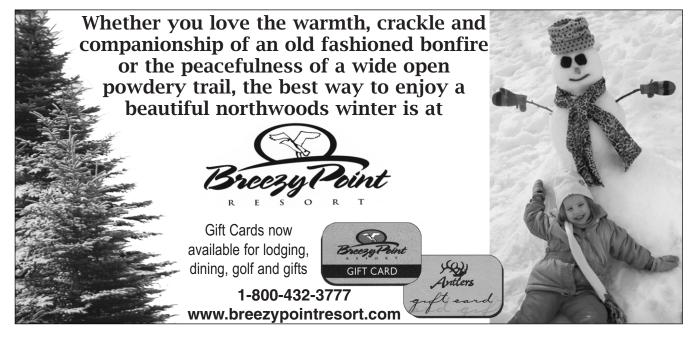


(Parent Corporation to Breezy Point Resort)

Number of employees Full time - 125 Part time - 430 **Employees residing** in Breezy Point - 122 Annual payroll - \$4,400,000 Crow Wing County Real Estate Taxes - \$557,000 Guests at the Resort 2005 - 112,000 Conference attendees 2005 - 27,000



1956 photograph of family bowling in the main lodge.



## TIMESHARE BULLETIN

Timesharing is the joint ownership of vacation lodging. Generally, the timeshared unit is a condominium. Each owner occupies the unit for a short period, typically one week. In addition, the timeshare owners may exchange their weeks for accommodations at other

#### **Exciting Timeshare News**

Over the years, timeshare ownnot affiliated with Whitebirch have asked us to exchange their currently owned unit for a unit at Whitebirch. Until recently, this was not possible.

Whitebirch / Breezy Point International is pleased to announce it is now able to fulfill these requests. A timeshare unit/week may now be traded for one at Whitebirch, a Gold Crown Resort. Whitebirch maintenance fees start at \$432.00 for a two-bedroom unit.

This trade-in program allows you to have the timeshare unit/week you want without attempting to sell your current week on the open market.

complete For program details, call Bob Jacobs at 800 247-1350.

**RCI** Updates

RCI has made important changes to its rating system. The results of comment cards submitted by guests who have visited the resorts determine the ratings. In addition, each resort must meet stringent standards within each category.

Gold Crown remains RCI's top

Silver Crown has replaced the Resort of Distinction rating. RCI Hospitality is the category for outstanding customer service and hospitality.

The RCI ratings for area resorts are as follows:

- Whitebirch Resort Gold Crown
- Breezy Point International Silver Crown
- Breezy Point Timeshares Silver Crown
- Causeway on Gull Silver Crown

RCI's new fee structure, effective September 1, 2006, is as follows:

- Annual membership \$89
- Guest certificate \$59
- Domestic exchange \$164
- International exchange \$199

As always, we're here to serve you. Our sincere thanks go out to all of our timeshare owners. Your continued support has helped make Breezy Point Resort the success it enjoys today.

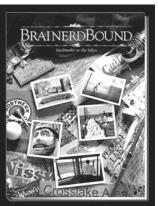


## BrainerdBound

BrainerdBound is a hardback coffee table book that celebrates the history and tourism of the Brainerd Lakes region of central Minnesota. This keepsake book is filled with a variety of storylines and images that tie together generations of families who share an appreciation for Minnesota's favorite vacationland.

Released in 2004, Brainerd-Bound has captured the hearts and minds of all who live, work or play in these fabled lands of

Paul Bunyan. Ideal for cabin, home, guests or holiday gift giving, this nostalgia-filled book is now in its final printing. The time is now to reserve closing copies of this timeless collection of photographs. Remaining copies are available at the Breezy Point Resort Gift Shop, 218 562-7152 or by calling Landmark Publishing, Inc. at 800 600-6715.



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# The Mystery of

Ask ten people to describe TIF and you'll get ten different answers. Unfortunately, most of the answers are based on misinformation.

Tax Increment Financing, or TIF, has been portrayed as a dirty word, corporate welfare, and a fleecing of the taxpayers. Locally, its detractors continue their campaign to malign is use and deprive the City of Breezy Point of its use as a valuable business development tool. Their claims could not be farther from the truth.

Rather than provide a voluminous history of TIF in Minnesota, the following responses to frequently asked questions and concerns provide an accurate portrait of TIF and, at the same time, dispel the untruths that are frequently the subject of "cocktail talk".

#### What is TIF?

TIF is a State of Minnesota regulated program designed to provide cities with economic incentives for the development of commercial properties that otherwise are not feasible.

How does a business qualify for

The business itself does not qualify for TIF. The business' specific project must meet numerous TIF conditions. The basic test is called the "but for" clause. This simply means that without the TIF incentive, would the project be financially

In addition, the business must illustrate it's ability to finance the balance of the project and the viability of ongoing operations once the project is com-

Can any business apply for TIF?

ects that involve development or redevelopment of a property qualify. As TIF only covers foundation and below ground work, such as utilities and ground water runoff systems, a project involving only above ground work, such as remodeling or refurbishing, would not qualify.

Does a TIF project approval replace the otherwise necessary approvals?

No. The TIF approval is only a financing tool. The project must still receive and comply with any conditions attached to all governmental approvals, such as zoning, environmental and building codes. In addition, the state, county and school district must be notified

Where does the TIF money come from?

The tax increment is the difference between what the real estate taxes were before the project and what they will become after completion. The business will pay their real-estate taxes at the higher rate and, as long as it continues to meet all conditions of the TIF agreement with the city, will then be reimbursed a percentage of the tax increment. The term of these payments is a negotiated condition of the TIF agreement. The TIF payments end once all of the qualifying project expenses are paid.

Will my taxes go up?

No. Since the basis for TIF payments is the tax increment, or projected increase, the tax revenue for the city is not affected.

Why would the city want to get involved in such a program?

The benefits of TIF to the city are many. The city retains a percentage of the incentive, which

can be used for municipal projects within the TIF area. Another benefit is the retention of jobs. A business in need of expanded facilities in order to continue operations is a prime candidate for TIF because, without the incentives, the business may have to relocate elsewhere.

TIF assisted facility expansions that increase employment benefit local businesses, increase the need for housing, thus feeding the housing market and, in the end, increase the city's real estate tax base.

What are the city's risks in a TIF arrangement?

None.

The city makes payments to the business only after the business has made its higher rate real estate tax payments. Should the business fail to pay its taxes, the city has no obligation to pay the incentive.

A real danger for a city is that a business that would qualify for TIF, but is not granted the TIF approval, may fail or relocate elsewhere. Likewise, if a city adopts an anti-TIF policy, new businesses will be forced to look elsewhere to take advantage of another city's incentives.

What are some local examples of TIF in action?

Many projects throughout Minnesota have been made possible through the TIF program. A sampling of them is the Target Center in Minneapolis, Grandview Lodge's recreation center in Nisswa, Reed's Market, Town Square and Crosswoods in Crosslake, Sunset Cinema and AmericInn in Jenkins, and in Brainerd, Brainerd Medical Brainerd Daily Supply, Dispatch, Perkins Restaurant, Timberland Townhomes and the East Brainerd Mall.

As used by Whitebirch in Breezy Point, TIF enabled the building of the Ice Arena and the Antlers Restaurant. These two projects, in addition to creating more jobs, have attracted countless additional tourists to the area who otherwise would not have been here. The benefits to local businesses are obvious.

#### **ATTENTION BREEZY POINT** TIMESHARE OWNERS

The new Breezy Point Charter Membership ID Card now entitles Breezy Point timeshare owners to expanded benefits and discounts.

To receive an explanation of the enhanced benefits and discounts and your free, updated picture ID card, arrange an appointment with Bob Jacobs at the Breezy Point office, 218 562-4207.

Only the new ID card will be honored for the superior benefits and discounts.

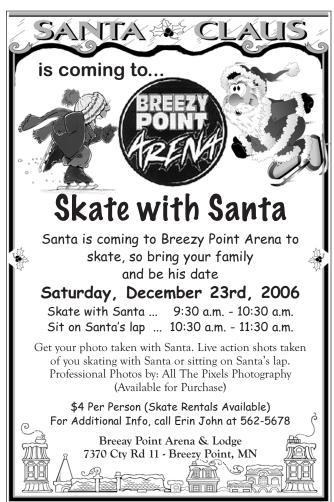


## Pioneers of the **Brainerd Lakes**



Pictured standing from left to right are Jack Ruttger (Ruttger's Bay Lake Lodge), Stewart C. Mills (Mills Fleet Farm), Dutch Cragun (Cragun's Golf and Conference Resort), Don McFarland (Paul Bunyan Amusement Center) and John Kavanaugh (Kavanaugh's Sylvan Lake Resort). Sitting are Deb (Madden) Thuringer (Madden's on Gull Lake), Bob Spizzo (Breezy Point Resort), and Mary (Cote) Boos (Grand View Lodge Golf and Tennis Club). Many of the parents and grandparents of this group of area luminaries founded resorts, tourist attractions and businesses that lured travelers to the

(Photograph courtesy of Landmark Publishing, Inc.)



# **EMPLOYEE SPOTLIGHT**



Breezy Point Resort and its affiliates have, for the past five summer seasons, benefited from the energies and enthusiasm of students from other countries. This season 35 students are participating. They work in a variety of areas such as laundry, housekeeping, maintenance, horticulture. kitchen staff and waiter/waitress positions.

"It's a win/win arrangement." says David Spizzo, Assistant General Manager. "The students have the opportunity to

visit the United States and experience our culture and the Resort gains a highly motivated work force that's available for the entire

This is Sebastian Jadczak's fourth year coming to the U.S. and his third year at the Resort. His sister, Kate, joined him this year. His initial interest in the Resort's employment program stemmed from his adventurous nature and a desire to experience a different lifestyle. He returns because he feels at home here and that the people he meets here are happy, with upbeat attitudes like his own. He observed, "The people in my hometown, Nasielsk, Poland, are much more serious and not as optimistic.

Sebastian has completed his BA in social work and is working on his Masters Degree..

When asked what he missed in Poland, he said, "Food. Better breads and soups there." Here, there are too many food related commercials on TV compared to Polish TV. Another difference he's noticed is that in Poland houses tend to be larger and made of concrete to weather the harshest storms. Polish people are also surprised at how upset Americans are with the rising gas prices. In Poland, gas prices are in the \$6.00 per gallon range.

Students are provided dormitory style housing during their stay and work elbow-to-elbow with their American colleagues.

Their summer is by no means all work and no play. They socialize in the community and were even challenged by their American co-workers to a baseball game. Although baseball was unknown to them, they sportingly accepted the challenge and experienced the "agony of defeat". Not to be outdone, they countered the challenge with an offer of a soccer game. Their mastery of soccer was evident and the results of the game redeemed them.

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#### A 1920s Postcard "Preparing Bait"



A 1920s postcard captioned, "Preparing Bait". Fishing on Pelican Lake was a major tourist attraction in the early days of





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Beautiful new log sided park model all set up in WBCC 1 with holding tank, all appl. and fabulous landscaping. All ready to move into and enjoy. Amenities include outdoor pool, tennis court and association with benefits to Breezy Point Resort as well. Don't forget the FP, covered porch, sleeping loft and "up north" log furniture just to make the entire property irresistible. The perfect place to enjoy week ends, vacations or the entire summer. MLS#154037. Priced at \$69.995.



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RANCHETTE DR, over an acre of wooded building site. Don't miss this opportunity on a main road in Breezy Point. MLS#153234. \$32,500

PILLAGER AREA, over 10 wooded acres ready for your beautiful new home. Not far from the Gull Lake area. \$49,900

HAPPY THANKSGIVING to all our clients, friends and families.