

# Regional Youth Sports Complex RFP Update to City Council



Council Presentation February 10, 2015 Parks & Recreation and Purchasing



### Sports Complex RFP



- December 2013 Presentation to City Council regarding concept of Private/Public Partnership for a Youth Sports Complex
- July 2014 Presentation to City Council on RFP Process
- August 2014 Request for Proposal (RFP) issued
- October 2, 2014 RFP deadline
  - SQH Sports & Entertainment, Inc. submitted the sole proposal.
- October 28, 2014 Evaluation Committee Review Meeting
  - Committee identified various weaknesses & deficiencies in proposal
  - Requested clarification from SQH
- November 18, 2014 Request for Clarification (RFC) to SQH
- December 5, 2014 SQH submitted response
- January 7, 2015 Evaluation Committee Review of Response



# Sports Complex RFP Evaluation Committee



#### Committee Members:

- Michael Morris, Parks and Recreation
- Stacie Talbert Anaya, Parks and Recreation
- Emily Martinez, CCEDC
- Christela Morales, Purchasing Department
- Tiffani McKinney, CVB



### Sports Complex RFP Contents/Requirements

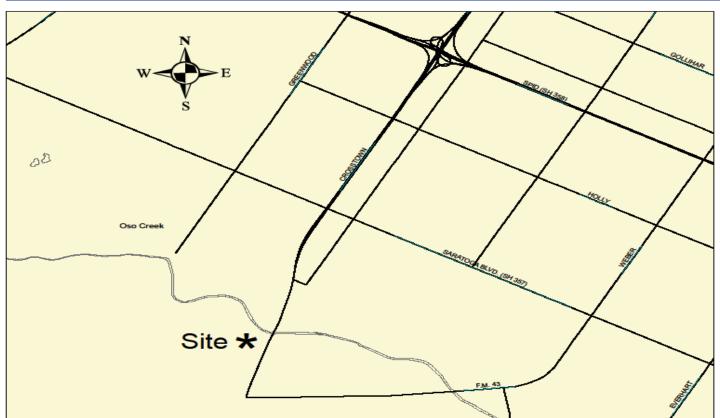


- Regional Youth Sports Complex
- Development Objectives
  - Primary focus of attracting out of town teams and leagues
  - Market study to determine amenities
  - Increasing sales and hotel tax revenues
  - No municipal bonds to be used for development
- Operation Objectives
  - Self supporting
  - Regional, state and national tournaments and events
  - Cooperation with local and regional sports organizations
  - Environmentally sound turf and facility management practices
- City Offered
  - 50 acres of land located south of Oso Creek across SH286 from Bay Area Fellowship Church
  - Long term ground lease for up to 60 years



## Sports Complex RFP – Proposed Location







### Sports Complex RFP Contents/Requirements



- Response/Submittal to include:
  - Proposer Qualifications/Experience
  - Programming Plan
  - Market Feasibility
  - Project Conceptual Design
  - Proposer Financial Capability
  - Proposed Economic Impact
  - Financial Proposal (Pro Forma) Construction and Operations



#### Summary of SQH Submittal



- SQH
  - 3 key principals; 2 supporting team members
- Market Feasibility
  - Sports field houses/indoor facilities national trend
  - Baseball and soccer highest participation ages 7 to 17
- Project Conceptual Design
  - 47,000 sq ft sports field house
    - 6 basketball courts, 12 regulation volleyball courts
  - 6 lighted multi sport rectangular fields
  - 3 lighted baseball/softball diamonds
  - Sports themed restaurant, concession, gaming center
- Program Plan
  - Focus on travel team sports within 4-hour drive to Corpus Christi
  - Weekend tournaments
  - Accommodate local teams and leagues during weekdays



#### Summary of SQH Submittal



- Proposed Economic Impact
  - 98,840 visitors per year
  - \$10.1 million per year on taxable spending (lodging, meals, sales, etc.)
  - \$4.45 million in projected sales, hotel taxes over 10 years
- Financial Proposal (Pro Forma) Construction and Operations
  - Construction \$18,945,494
  - Annual Operations (first year)

Revenue	Expenses	Interest Expense	Net
\$4,754,003	\$3,540,154	\$690,502	\$523,777



#### Committee Questions / Concerns



Numerous questions and concerns regarding proposal from SQH for the development of the Regional Sports Complex

- Key personnel lack of experience for developing and operating a sports facility
- Limited or no marketing research provided to determine what type of fields, courts or facilities to include in design
- Limited or no back up for revenue projections
- Lack of sponsorship/naming rights plan
- Design of proposed facility will not provide adequate number of fields/courts to meet revenue projections
- Did not research proposed property's environmental and zoning challenges
- Letters of commitment from banks did not demonstrate capacity to finance project



## Sports Complex RFP – Next Steps



- Council Questions & Feedback
- Staff Next Steps