



A Proposed Regional Sports Complex as a Private/Public Partnership



August 14, 2018



Sports Complex Area Map





Initial Agreement Terms



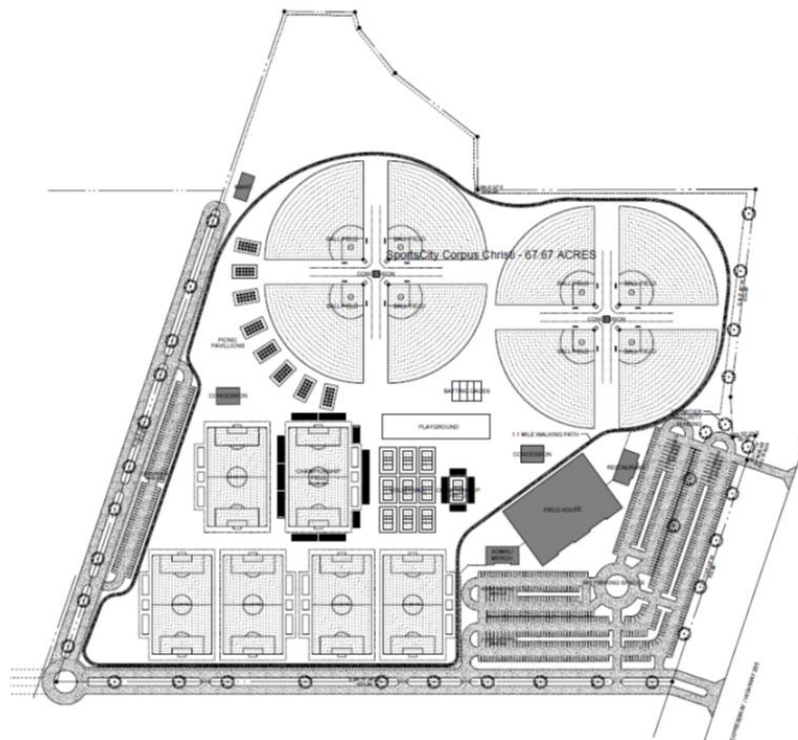
- Original Ground Lease executed October 18, 2016, effective December 18, 2016
 - Term: 40 years
 - Four, 5-year option periods
 - SQH is responsible for design, construction and operation
 - Rent: \$1
 - City has exclusive access to facility
 - City use one weekday and one weekend each year
 - Access: SQH must maintain City access to the rear of the property
 - Acreage: 67.69
 - option to consider additional 30.22 for wetlands
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Initial Proposed Complex Amenities

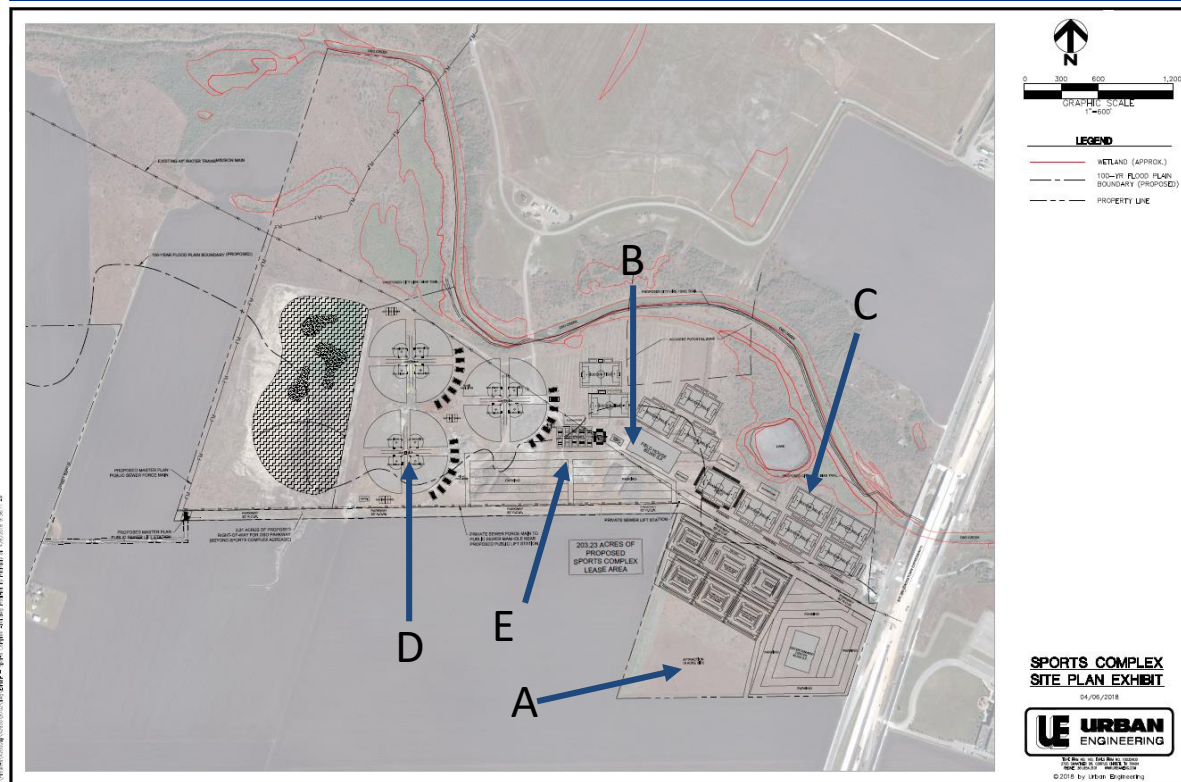


- 6 outdoor rectangular fields
- 8 diamond fields
- 60,000 square foot field house
 - 6 basketball courts or
 - 12 volleyball courts
 - Concession stand
 - Meeting and party rooms
- 10 sand volleyball courts
- Playground
- Outdoor concession facility
- 5,000 square foot restaurant
- All ADA accessible





Current Proposed Sports Complex Site Plan



- A. Commercial Area
- B. Fieldhouse – 5 Gyms
- C. Rectangular Fields for Soccer, Football and Lacrosse
- D. Diamond Softball and Baseball Fields
- E. Volleyball



Current Proposed Complex Amenities



- Complex includes:
 - 11 outdoor fields for soccer, lacrosse, and flag football
 - 12 baseball/softball diamonds, capable of adjusting for age of participants and particular sport
 - 10 sand volleyball courts
 - Concessions at fields and fieldhouse
 - Youth outdoor playground area
 - Fieldhouse that will host a minimum of 6 full-size basketball courts, 12 volleyball courts, and a cheer competition area
 - Outdoor Picnic Area
 - 5,000 square foot restaurant
 - Admissions and Administration offices
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First Reading Council Questions



Council Questions from First Reading- April 17, 2018:

1. What staff and team members are proposed?
 - During the City Council Briefing on May 15th, SQH staff and team members were identified.
2. What is the price of the proposed City land per acre?
 - On May 31st, the Parks & Recreation Director engaged Valbridge Property Advisors to provide valuation services.
 - On July 5th, Valbridge submitted the Appraisal Report:
Value Conclusion: \$15,500 per acre
3. There was no rent proposed in the First Reading agreement. Would SQH consider renting new acreage?
 - Yes, SQH proposed a new agreement to include an annual rental amount to be paid to the City based on the cost per acre of land and include an increase annually by the CPI for the rental.



SQH Proposed Lease Changes

- **Additional Annual Rent** – based on the greater of either of the formulas below:
 - i. Two percent (2%) of the Admission Revenues of the Regional Sports Complex, which amount shall not exceed \$37,200.00 per year. “Admission Revenues” means all fees charged to enter the Regional Sports Complex. Tenant agrees to furnish to Landlord such reports and other information concerning such Admission Revenues as may be reasonably requested by Landlord on an annual basis; or
 - ii. Additional Rent for that portion of the Land described on Exhibit “E” (the “82.60 Acre Tract”) that is outside the 100-year floodplain and is in use solely for the Other Commercial Improvements (the “Net Additional Acreage”) which shall be at least 60 acres. Such Additional Rent is calculated as follows: $\text{Net Additional Acreage} \times \$15,500 \text{ per Acre (appraised value of the 82.60 Acre Tract)} \times 2\% = \text{Additional Rent}$. The Additional Rent amount per year under this formula will be at least \$18,600.00.
 - **Credit for Public Improvements – Roads and Trails**
 - **Consumer Price Index annual increases**
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Council Action

- 1st Reading – April 17, 2018
- 2nd Reading – August 14, 2018
 - Proposal to substitute the newly proposed Lease Agreement and request Council consideration for adoption
- Ground Lease Agreement Effective 60 days after 2nd Reading



Questions?