

Mattoon Sports Complex



July 19, 2022



Introductions

- Blake Pierce
 - Chairman, Sports Complex Plus Committee- Mattoon in Motion
 - Director of Finance, Rural King
- John Hansen, CFA
 - Managing Director, IRR Corporate & Public Finance
- Gary Smallshaw
 - Strategic Advisor, Sports Facilities Companies
- Joe Fackel
 - Development Advisor, Sports Facilities Companies

Purpose of Today

- I. To provide a comprehensive briefing to the Council and the public.
- II. Continue the process to provide presentations for the benefit of the public and ultimate consideration on a Resolution of Intent of the Council to enable the project.

History of Project

- Initial Concept- May 2019
- Engaged SF Companies- June 2020
- Market Opportunity Reports, Opinions of Cost, and Proformas- Fall 2020-Spring 2021
- Initial Funding Models & Site Plans- May 2021
- First meeting with City Officials- Summer 2021
- Public Announcement & creation of Committee- October 2021
- Financial modeling, structure, design, fundraising, & planning- Nov 2021-present

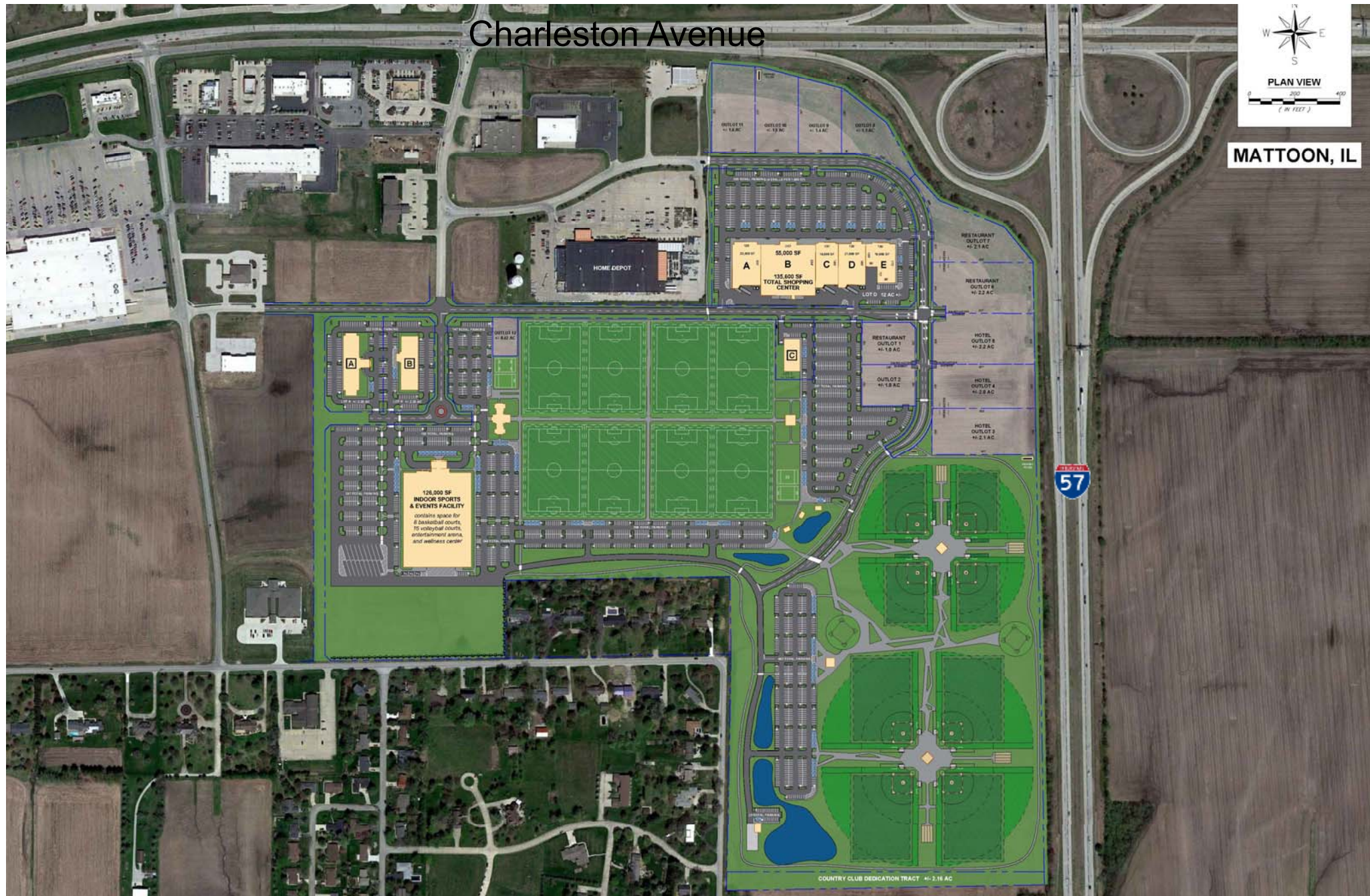
Additional Parties Involved

- Applied Economics, LLC
- Goodman Real Estate
- Next Site
- A to Z Consulting and Development Company
- Lose Design
- Byrne & Jones

Highlights of Development

- 150 Acres total
- Indoor and Outdoor Sports Components
- Mixed-Use Retail- Hotels, Restaurants, Big Box
- 580,000 visitors annually (Local & Non-Local Sports Visitors)
- \$23.8 million in direct spending annually
- 59,278 additional hotel room nights annually

The Project



Sports Assets of Project

- 4 Baseball/Softball/Multipurpose Turf Fields (300ft)
- 4 Baseball/Softball/Multipurpose Turf Fields (400ft)
- 4 Soccer/Multipurpose Turf Fields
- 4 Soccer/Multipurpose Grass Fields
- Championship Fields & warm-up areas
- Walking/Bike Path
- 140,000 sqft Indoor Facility
 - 8 Basketball Courts (16 volleyball courts)
 - Collegiate Locker Rooms
 - Family Entertainment Center
 - Medical Tenant Space
 - Seating for ~3,000 for large events

Commercial Development



Public Infrastructure

YELLOW OUTLINED SPORTS COMPLEX DEDICATION AREA:

+/- 108.196 AC (4,713,001 SQ. FT.)

ADDITION PUBLIC ROW DEDICATION AREAS (3)

- ROW DEDICATION AREA #1: +/- 4.422 AC (192,608 SQ. FT.)
- ROW DEDICATION AREA #2: +/- 0.248 AC (10,817 SQ. FT.)
- ROW DEDICATION AREA #3: +/- 0.384 AC (16,738 SQ. FT.)

TOTAL ADDITIONAL PUBLIC ROW DEDICATION AREAS:

+/- 5.054 AC (220,163 SQ. FT.)

TOTAL PUBLIC DEDICATION AREAS: +/- 113.25 AC (4,933,164 SQ. FT.)



Financial Summary

- Review a Summary of the Recommended Financing Plan for the Project
- Answer the following important questions:
 - 1) What exposure does the City face by agreeing to this financing plan?
 - &
 - 2) What benefits are the City estimated to receive by agreeing to this financing plan?

Project Areas



Project Ownership Structure

Proposed Ownership Structure – Sports Facility

- Mattoon Sports Complex Corporation (MSC Corporation)
 - A newly formed Illinois non-profit corporation
 - Will seek qualification as a 501(c)3 corporation with the IRS
 - Its purpose is to obtain financing for, construct, own and operate the Sports Facility
 - Will be governed by a board of directors representing a broad representation of the Mattoon community
 - Professionally managed by a top tier sports facility management firm
- Because qualification of the Mattoon Sports Complex Corporation as a 501(c)3 may take as long as 9 months or more, we are seeking an interim entity to serve certain functions until the IRS determination letter is received in order to prevent delays in the start of the Sports Facility project.

Project Budget

Indoor Sports & Event Facility

Sitework	\$2,013,387
Building Costs	\$12,629,250
FFE	\$1,189,369
Field and Sports Equipment	\$2,703,120
Soft Costs	\$4,207,154
Contingency	<u>\$2,274,228</u>
TOTAL	\$25,016,508

Outdoor Sports Facility

Sitework	\$8,902,679
Building Costs	\$2,539,500
FFE	\$1,374,490
Field and Sports Equipment	\$17,058,072
Soft Costs	\$3,828,159
Contingency	<u>\$3,370,290</u>
TOTAL	\$37,073,190

Infrastructure Costs	<u>\$4,000,000</u>
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TOTAL COSTS	\$66,089,698
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Overall Sources and Uses

Sources

Donations	\$10,000,000
Grants / Other Program for Infrastructure	\$4,000,000
Bank Loan	\$10,417,048
Public Finance	\$49,439,739
Gap (Surplus)	<u>(7,767,089)</u>
TOTAL	\$66,089,698

Uses

Indoor Cost	\$25,016,508
Outdoor Cost	\$37,073,190
Infrastructure	<u>\$4,000,000</u>
TOTAL	\$66,089,698

Public Finance – multiple layer approach

- Public Finance Tools required
 - Intergovernmental Agreement - Property Tax
 - Property tax increase; up to 30 year term
 - City Sales Tax Rebate
 - 1.5% Rebate; up to 30 year term
 - Hotel Occupancy Tax Rebate
 - 5.0% Rebate; up to 30 year term
 - Private Fee
 - 2.0% Fee on Sales; up to 30 year term

Business District – All Three Areas

Exact boundaries
may change



Public Finance – multiple layer approach

- Public Finance Tools required (cont'd)
 - BD Sales Tax (on retailers in the Sports Facility and New Commercial Development areas and Adjacent Commercial Development)
 - 1.0% add-on tax; 23 year term
 - BD Hotel Tax (on hotels in the Sports Facility and New Commercial Development areas and Adjacent Commercial Development)
 - 1.0% add-on tax; 23 year term

Project and Bond Structure

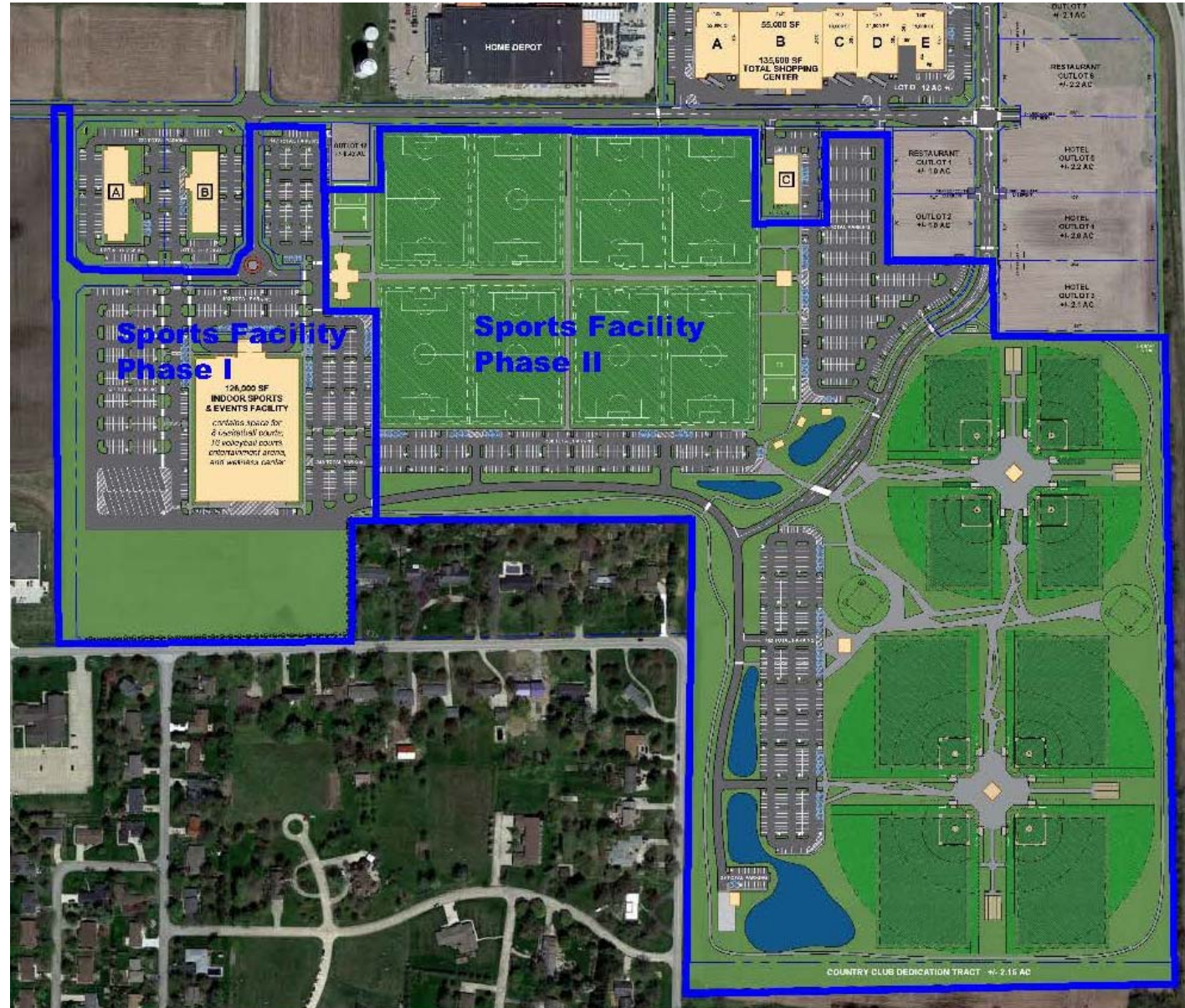
Proposed Public Finance Structure – Sports Facility

- Revenue Bonds
 - Fixed rate, long-term, non-rated, non-recourse bonds
 - Issued by an issuer to be determined but not the City of Mattoon
 - The debt service on the bonds will be solely from the public finance revenues pledged and previously outlined (ie. the Intergovernmental Agreement, sales tax rebate, hotel tax rebate, private fee and business district revenue)
 - There will be safeguards put in place to increase the chance that these bonds are fully repaid but if the pledged revenue is insufficient to debt service the bonds, that is a risk that bondholders alone will accept. The City will have no legal or moral responsibility to pledge even \$1 of other City revenue toward the debt service of these bonds nor will any other taxing jurisdiction
 - Safeguards will include a debt service reserve fund, capitalized interest and a debt service coverage ratio at market terms
 - Bondholders will be sophisticated investors who are capable of understanding the risks associated with a non-rated, non-recourse bond and will understand as a condition of purchasing such bond that there is a risk they face that they may not be fully repaid

Project Timeline

Phase I
Indoor Sports Facility
October 2023 Opening

Phase II
Outdoor Sports Facility
March 2024 Opening



Economic Benefits

Current Property Tax Revenues



Property Tax

(Tax Year 2021 – Payable in 2022)

- City of Mattoon - \$1,785.49
- Coles County - \$940.07
- Lake Land College - \$489.77
- School District 2 - \$3,455.62

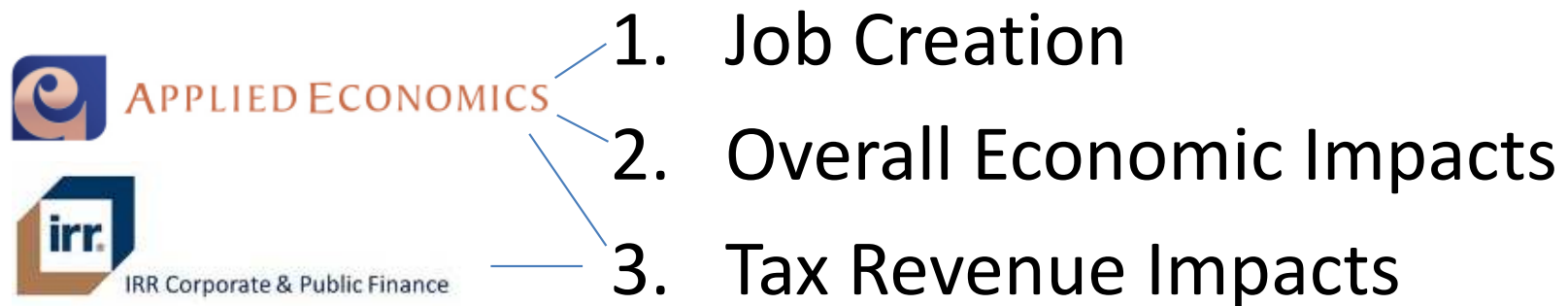
Annual

Grand Total <\$7,500

New Commercial & Sports Facility Land

Economic Benefits

- Three main categories



Job Creation



- **1,152 Permanent Jobs**
(direct, indirect and induced)
 - 695 New jobs on-site
 - 458 New jobs off-site

- **1,660 Construction Jobs**
(direct & indirect temporary jobs)



Economic Impacts

- 30 year economic impact of: **\$3.3 billion**
- Annual economic impact of **\$110.5 million** in Mattoon
 - \$54.4 million on-site
 - \$56.1 million off-site
- Construction Impact of **\$194.6 million**
- Annual Non-Local Visitors of nearly **250,000**



Tax Revenue Impacts – 30 Year Period



- City of Mattoon \$39.0MM
- Coles County \$13.5MM
- Lake Land College \$2.2MM
- Mattoon SD 2 \$27.6MM

GRAND TOTAL \$82.3MM



Financial Summary

- What exposure does the City face?
 - No ownership of the facility
 - No issuance of the bonds
 - No guarantee by the City of any additional revenues to bondholders or any other party
- What benefits does the City receive?
 - A community facility and amenity to be proud of
 - \$39 million in direct tax benefit over 30 years
 - 695 permanent jobs onsite
 - Over \$110 million in annual economic impact

Recommended Next Steps

- Formalize a Resolution of Intent - August
 - Consider a formal Resolution of Intent of the City Council
 - Vote on a Resolution of Intent to indicate support and authorize further work to refine the business and financial plans for the project

Mattoon Sports Complex



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YOUTH SPORTS CONTINUES TO BE A RELIABLE, RECESSION RESISTANT DRIVER OF TRAFFIC. THE SPORTS TOURISM INDUSTRY IS NOW BIGGER THAN THE NFL AND IS FORECASTED TO GROW BY 5-7% PER YEAR ANNUALLY.



TRACKING THE EXPLOSIVE GROWTH IN YOUTH SPORTS

THE INDUSTRY IS EXPECTED TO GROW BY

5%

ANNUALLY OVER THE NEXT 5-7 YEARS

\$45
BILLION
YOUTH SPORTS INDUSTRY

Fastest- growing sector in the industry - expected to reach \$77.6 billion globally by 2026.

\$550
MILLION

SPENT ON YOUTH SPORTS FACILITY DEVELOPMENT FROM 2016-2019

*SOURCE: SPORTS ETA, LONGWOODS INTERNATIONAL, US TRAVEL ASSOCIATION, TOURISM ECONOMICS



SPORTS FACILITIES ADVISORY
WAS FOUNDED IN 2003

SF THE SPORTS FACILITIES COMPANIES

..... OUR MISSION

**IMPROVE THE
HEALTH & ECONOMIC
VITALITY OF THE
COMMUNITIES**

.....

WE SERVE

.....

\$15 Billion
IN PLANNED & FUNDED FACILITIES

.....

3000 COMMUNITIES
SERVED

.....

30 Million
VISITS AT SFM FACILITIES

.....

- Institutional Grade Financial Forecasting
 - Economic Impact Projections
 - Strategic Program Planning
- Project Finance Support Services
 - Outsourced Management
 - National Network of Venues
- Operational Efficiency and Effectiveness

ICMA
INTERNATIONAL CITY/COUNTY
MANAGEMENT ASSOCIATION

THE ASPEN INSTITUTE
PROJECT PLAY
— 2020 —

FRPA
FLORIDA RECREATION
& PARK ASSOCIATION

SFM NETWORK

THE SINGLE LARGEST SPORTS TOURISM NETWORK

WWW.SFMNETWORK.COM

LEADING THE INDUSTRY SINCE 2003



PLANNING

- Market Opportunity
- Feasibility
- Facility Program Plans
- Site Selection
- Institutional-Grade Financial Modeling



FINANCE SUPPORT

- Partnership Prospecting & Development
- Negotiations
- Funding Strategy
- Development Partners
- P3 Development
- Project Management



DEVELOPMENT

- Owner's Representation
- FFE/OSE Procurement
- Venue Planning
- Operational Readiness
- Vendor Negotiations
- Sport Comfort & Compliance



OPENING

- Turn-Key Management
- Daily Operations
- Brand Development & Marketing Strategies
- Strategic Partnerships
- Event Booking & Sales
- Legal & Risk Management



SFNETWORK

- Largest Sports Tourism Network in the US
- National Marketing
- Event Booking Platform
- Industry Expertise & Analytics
- Vendors & Partners

ADVISORY

DEVELOPMENT


MANAGEMENT


MANAGED PROPERTIES

1	HILLSBOROUGH, NJ	IRON PEAK SPORTS & EVENTS	17	OLDSMAR, FL	EMPOWER ADVENTURES
2	ROCKY MOUNT, NC	ROCKY MOUNT EVENT CENTER	18	BRANSON, MO	BALLPARKS OF AMERICA
3	MYRTLE BEACH, SC	MYRTLE BEACH SPORTS CENTER	19	MORRISTOWN, TN	MORRISTOWN LANDING
4	HARRISONBURG, VA	HORIZONS EDGE SPORTS CAMPUS	20	OVERLAND PARK, KS	BLUHAWK MULTI-SPORT
5	BRIDGEPORT, WV	THE BRIDGE SPORTS COMPLEX	21	KINGSPORT, TN	TNT SPORTSPLEX
6	WHEELING, WV	THE HIGHLANDS SPORTS COMPLEX	22	EDMOND, OK	PELICAN BAY AQUATICS
7	CLEVELAND, OH	BO JACKSON'S ELITE SPORTS	23	COCOA, FL	LAUNCHPAD SPORTS COMPLEX
8	SANDUSKY, OH	CEDAR POINT SPORTS CENTER	24	CARSON, CA	CREEK AT DOMINGUES HILLS
9	XENIA, OH	ATHLETES IN ACTION	25	BRYAN, TX	LEGENDS EVENT CENTER
10	BEDFORD PARK, IL	WINTRUST SPORTS COMPLEX	26	PECOS, TX	CYCLONE BALLPARKS
11	GRAND CHUTE, WI	COMMUNITY FIRST CHAMPIONS CENTER	27	STARKVILLE, MS	CORNERSTONE SPORTS COMPLEX
12	ELIZABETHTOWN, KY	ELIZABETHTOWN SPORTS PARK	28	ODESSA, TX	UTPB SPORTS COMPLEX
13	GATLINBURG, TN	ROCKYTOP SPORTS WORLD	29	BRANDON, MS	SHILOH PARK & QUARRY FIELDS
14	HOOVER, AL	HOOVER MET COMPLEX	30	NAPLES, FL	PARADISE COAST SPORTS COMPLEX
15	ALBERTVILLE, AL	SAND MOUNTAIN PARK & AMPHITHEATER	31	WEST MONROE, LA	WEST MONROE SPORTS AND EVENTS
16	PANAMA CITY BEACH, FL	PANAMA CITY BEACH SPORTS COMPLEX	32	SPRINGFIELD, IL	SCHEELS SPORTS PARK AT LEGACY POINTE

SFM NETWORK

SFMNETWORK.COM

 Indoor Facilities

 Outdoor Facilities

30 Million
GUEST VISITS ANNUALLY

\$250 Million
IN OVERNIGHT HOTEL STAYS

1,500 Members
IN THE SFC TEAM NETWORK

\$1.8 Million sf
OF MANAGED SPACE IN NETWORK

AMERICA'S LARGEST NETWORK OF TOURNAMENT AND COMMUNITY BASED SPORTS DESTINATIONS

Performance Report: Myrtle Beach

- **Year Opened:** 2015
- **Ownership:** City of Myrtle Beach
- **Facility Type:** Indoor Courts/Events
- **Development Cost:** \$12.5 million
- **Publicly Funded***
- **Total Economic Impact:** \$142.8 million
- **Economic Impact (2021):** \$25.0 million+
- **Room Nights (2021):** 49,000
- **Hotels:** Located at the Myrtle Beach Convention Center and Sheraton Hotel site. Purpose was to fill existing hotels.

* Includes both development costs and operational subsidy



Performance Report: Rocky Top Sports World

- **Year Opened:** 2014
- **Ownership:** City of Gatlinburg/Sevier County
- **Development Cost:** \$23 million
- **Facility Type:** Indoor Courts/Events and Outdoor Fields
- **Publicly Funded***
- **Total Economic Impact:** \$174.1 million
- **Economic Impact (2021):** \$56 million+
- **Room Nights (2021):** 81,661
- **Hotels:** Goal was to fill existing hotel rooms. Additionally, two new limited service hotels have been developed and opened since facility opened its doors.

* Includes both development costs and operational subsidy



Performance Report: Hoover

- **Year Opened:** 2017
- **Ownership:** City of Hoover, Alabama
- **Development Cost:** \$80 million
- **Facility Type:** Indoor Courts/Events
Outdoor Stadium & Fields
- **Publicly Funded***
- **Total Economic Impact:** \$213 million+
- **Economic Impact (2021):** \$68 million+
- **Room Nights (2021):** 85,000+
- **Hotels:** This venue produces overnight hotel bookings throughout the Hoover/Birmingham marketplace.

* Includes both development costs and operational subsidy



Performance Report: **Rocky Mount**

- **Year Opened:** 2018
- **Ownership:** City of Rocky Mount
- **Development Cost:** \$40 million
- **Facility Type:** Indoor Courts/Events
- **Publicly Funded***
- **Total Economic Impact:** \$26.5 million*
- **Economic Impact (2021):** \$14.5 million+*
- **Room Nights (2021):** 25,544
- **Hotels:** New downtown hotels developed

* Includes both development costs and operational subsidy



ROCKY MOUNT
EVENT CENTER

Performance Report: Cedar Point

- **Year Opened:** 2020
- **Ownership:** Cedar Fair
- **Development Cost:** \$42 million
- **Facility Type:** Indoor Courts/Events
- **Publicly Funded***
- **Projected Economic Impact:** \$16 million
- **Economic Impact (2021):** 22.1 million
- **Projected Room Nights (2021):** 20,570
- **Hotels:** This venue produces overnight hotel bookings throughout the Sandusky Regional marketplace.

* Includes both development costs and operational subsidy

* Facility Opened January 11th, 2020



Performance Report: **Bluhawk Development**

- **Opening Target:** Fall 2023
- **Ownership:** Price Brothers
- **Development Cost:** \$105.4 million
- **Facility Type:** Indoor Ice/Courts/Events
- **Publicly Funded***
- **Projected Economic Impact:** \$22.3 million
- **Economic Impact (2023):** N/A*
- **Projected Room Nights:** 50,000
- **Hotels:** This venue will see 816,000 visits and produce significant overnight hotel stays throughout the Kansas City marketplace.

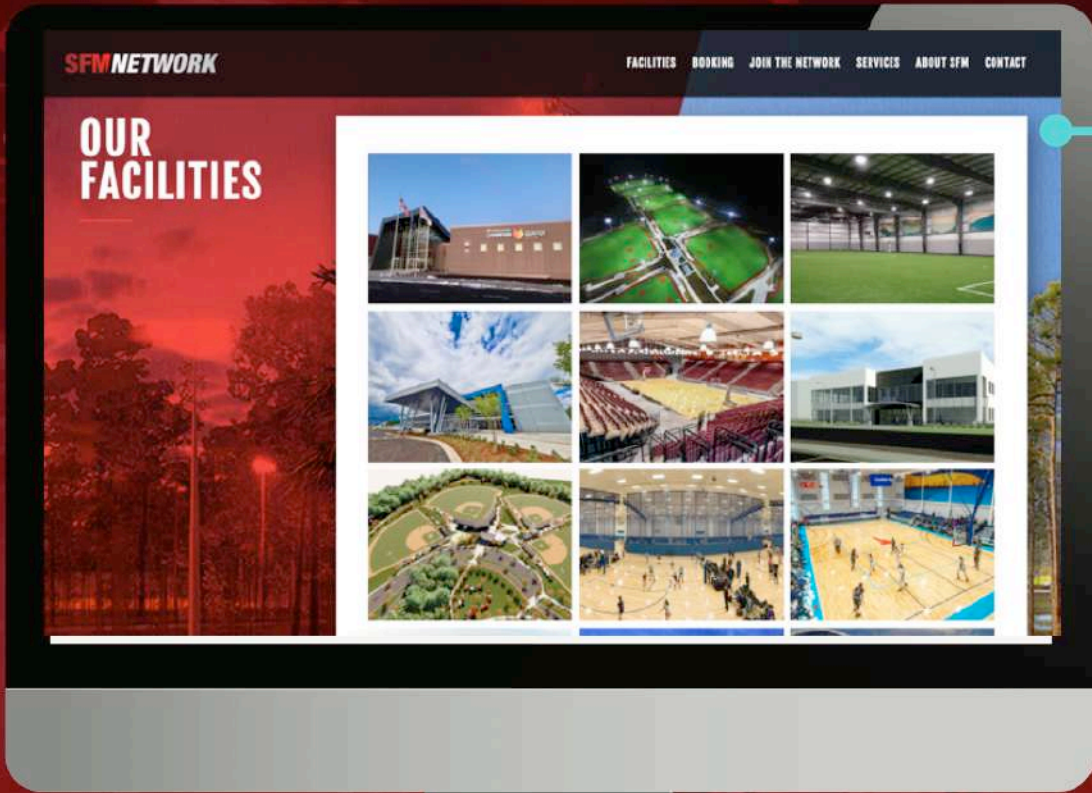
* Includes Kansas Star Bond subsidy through City of Overland Park

* Facility To Open Summer, 2023



BLUHAWK





NATIONAL MEDIA

BOOKING PLATFORM

EVENT BOOKING

TALENT DATABASE

BRAND ACTIVATION

VENDORS & PARTNERS



SFM NETWORK

THE NATION'S LARGEST & FASTEST GROWING NETWORK OF SPORTS & RECREATION FACILITIES



PHYSICAL FITNESS

ECONOMIC
IMPACT

REVENUE GENERATION

MEMBERSHIPS



THE SPORTS FACILITIES COMPANIES

THE ASPEN INSTITUTE
PROJECT PLAY
— 2024 —

teamsnap

ESPN

USA

USTA

NBA

RW RALPH C. WILSON JR. FOUNDATION

YOUTH DEVELOPMENT FOUNDATION

NHL

AUGUSTA SPORTSWEAR BRANDS

USA

U.S. PARALYMPICS

MLS

Under Armour

HSS

NLL NATIONAL LACROSSE LEAGUE

PGA

Nike

EVERY SEASON STARTS AT
DICK'S
SPORTING GOODS.

AMERICAN COLLEGE of SPORTS MEDICINE

SFIA Sports & Fitness Industry Association

LEAGUEAPPS

TECHNICAL ADVISORS
CENTERS FOR DISEASE CONTROL & PREVENTION
PUBLIC HEALTH INFORMATICS COMPUTATIONAL OPERATIONS RESEARCH (PHICOR)

COMMUNITY
EVENTS

NATIONAL & REGIONAL
TOURNAMENTS

CAMPS

ADULT SPORTS
LEAGUES

CORPORATE &
GROUP EVENTS

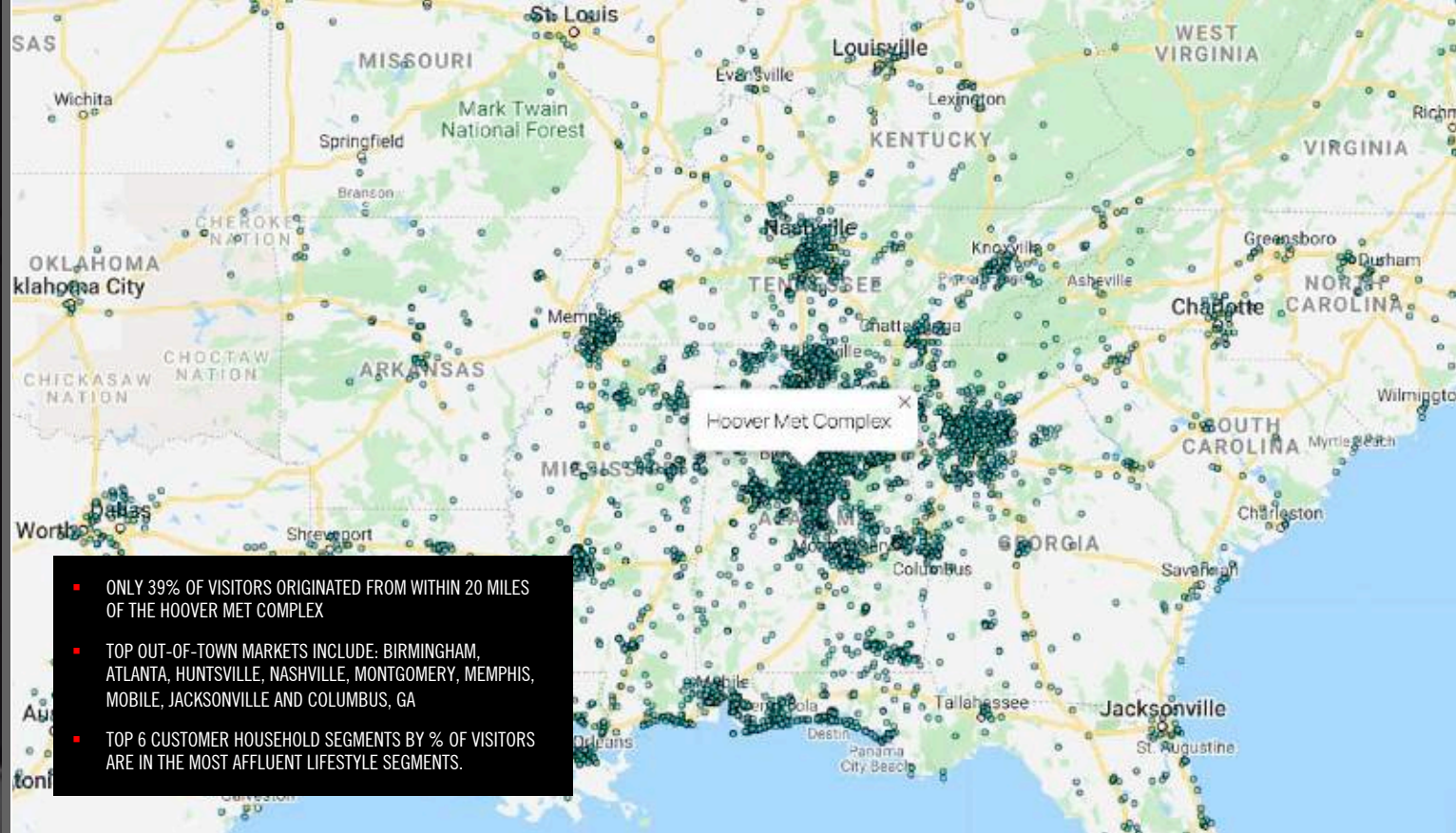


AUDIENCE INSIGHTS:

THE HOOVER MET COMPLEX IN HOOVER, ALABAMA.

SFNETWORK

WWW.THESFNETWORK.COM



KEY AUDIENCE SEGMENTS:



A01: American Royalty

Affluent, influential and successful couples and families living in prestigious suburbs
[View Details](#)



A04: Picture Perfect Families

Established families on the go, living in wealthy suburbs
[View Details](#)

2.87X
VERY HIGH



A03: Kids and Cabernet

Prosperous, middle-aged married couples living child-focused lives in affluent suburbs
[View Details](#)



D15: Sport Utility Families

Upscale, middle-aged couples with school-aged children living active family lifestyles in outlying suburbs
[View Details](#)

2.22X
VERY HIGH



N48: Rural Southern Bliss

Lower to middle-income multi-generational families living in small towns
[View Details](#)



A05: Couples with Clout

Highly-educated mobile couples living life to the fullest in affluent neighborhoods
[View Details](#)

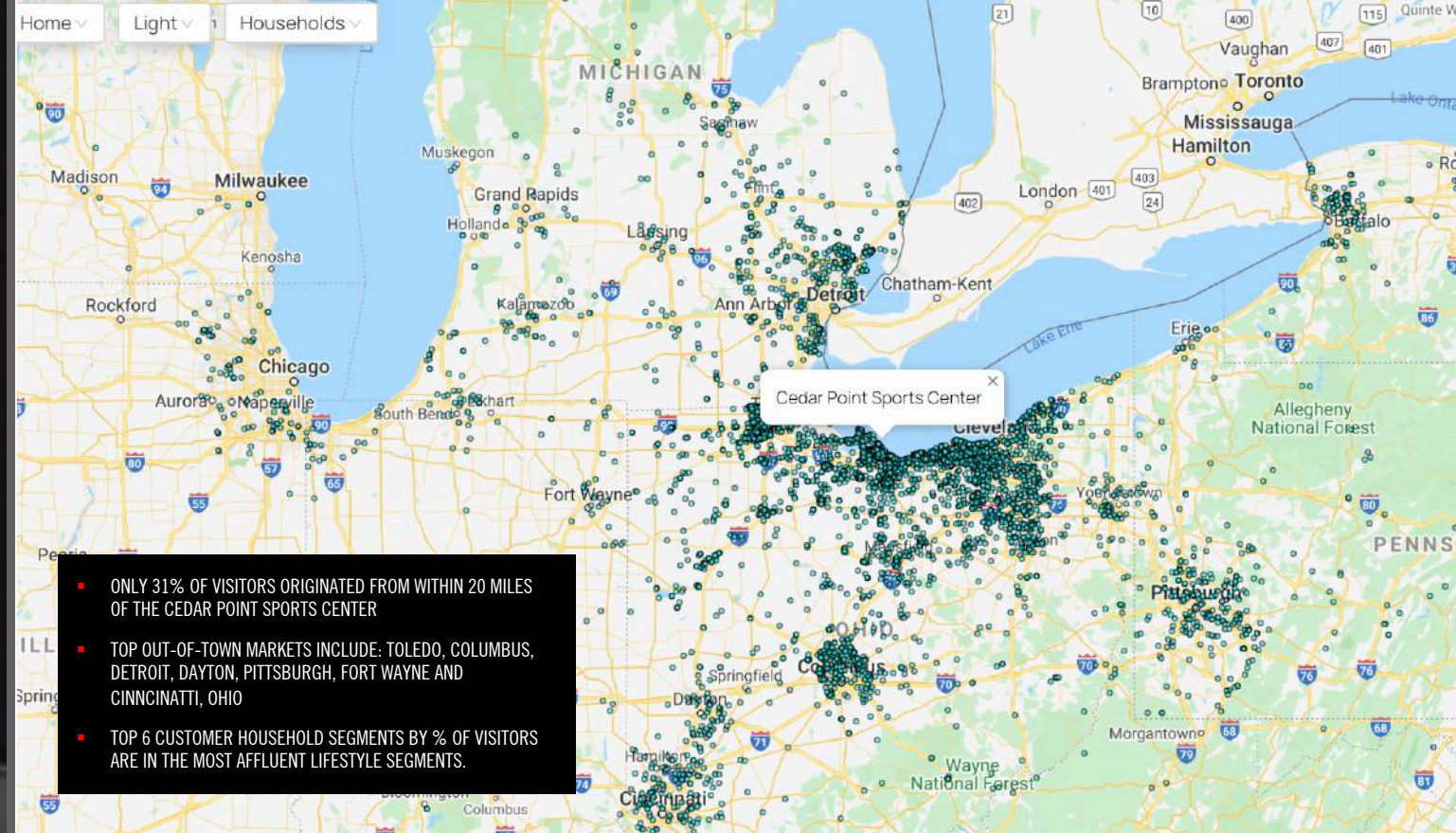
1.76X
VERY HIGH

AUDIENCE INSIGHTS:

CEDAR POINT SPORTS CENTER IN SANDUSKY, OHIO.

SFNETWORK

WWW.THESFNETWORK.COM



KEY AUDIENCE SEGMENTS:



D15: Sport Utility Families

Upscale, middle-aged couples with school-aged children living active family lifestyles in outlying suburbs
[View Details](#)



A03: Kids and Cabernet

Prosperous, middle-aged married couples living child-focused lives in affluent suburbs
[View Details](#)

3.14X

VERY HIGH



I30: Potlucks and the Great Outdoors

Comfortably established, middle-income couples with children living in suburbia
[View Details](#)



B08: Babies and Bliss

Middle-aged couples with families and active lives in affluent suburbia
[View Details](#)

1.96X

VERY HIGH



A04: Picture Perfect Families

Established families on the go, living in wealthy suburbs
[View Details](#)



Q64: Established in Society

Stable, sophisticated seniors living in older homes and leading sedentary lifestyles
[View Details](#)

2.16X

VERY HIGH

The Project

