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# MEMORANDUM

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Date: November 30, 2018

To: The Honorable Chairman and Members  
Pima County Board of Supervisors

From: C.H. Huckelberry  
County Administrator

A handwritten signature in black ink, appearing to read "CHH", is written over the printed name "C.H. Huckelberry".

Re: **Kino Sports Complex South – Additional Information**

Concept and Support for a Regional Sports Complex

The Kino Sports Complex (KSC) has become an increasingly important part of the regional sports and tourism opportunities within Pima County. The existing north complex was built to professional league standards and due to this high quality, it is available for professional, amateur and youth level tournament play. This play quality is critical for attracting tournament play to the region, which in turn has a significant positive economic impact for the host community. The same approach is being taken for the development of KSC South with the intent of accommodating professional, amateur and youth level tournament soccer play. An example of one of the targeted tournament opportunities is the US Youth Soccer Regional Tournament, which based on estimates of the economic impact of this 2017 tournament in the Virginia area, could have a regional economic impact of \$15 million or more (<https://www.soccertoday.com/youth-soccer-has-huge-economic-impact/>). An economic impact of this magnitude shifts the discussion of development of the KSC tournament destination from the amount of direct revenue generation for the County to the larger community opportunity for increased tourism and the associated dollars that may otherwise end up in Phoenix or out of state. Consistent with Pima County's Economic Development strategies, the goal is to create economic opportunity by installing certain public infrastructure when the potential regional impact is significant.

The KSC South expansion is not a new economic goal for Pima County – The Board approved Economic Development Plan dated 2012 through 2014 included the diversification of sports attractions by encouraging soccer as an emerging attraction sport, including the north complex improvements previously completed. After the south property was purchased in 2014, two additional Board approved updates to the Economic Development Plan have occurred, including updates in 2015 and 2016 to include the new South Complex expansion. These updates reference the 2014 purchased acreage which had been studied by the Sports Facility Advisory Group to determine the best mix of sports facilities on the new site to include the multi-use long fields, plus public private partnerships to develop other large site amenities such as a stadium, indoor court facility, possible water park or other outdoor

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recreational uses and sports-related private hospitality support services such as hotel, restaurant and retail components. These elements have been the cornerstone to the current development at the site.

The Board approved the comprehensive land use plan, Pima Prospers, which also references sports attractions as an implementation measure within Chapter 6.2 Tourism as an Economic Engine, Goal 1 (Policy 2), to increase tourism. This KSC South site is posted on our Economic Development website, as one of the regional properties available for development and is actively promoted when an appropriate private developer is looking for a regional site related to sports events. The original study by SFA referenced in several of these documents was published in a memorandum to the Board dated November 28, 2016. This memorandum also included the master plan and the illustrations that were used to help envision development of the KSC South. None of this current development is a surprise, and it is entirely consistent with various policies approved by the Board as precursors to moving forward with this important economic development priority.

The KSC Stadium District is funding the initial phase twelve-field installation, which is the foundation of the South Complex. This development been accompanied by an update to the existing KSC Campus Planned Area Development (PAD), which is currently progressing through the City of Tucson's zoning process. The purpose of the PAD update is to establish the commercial zoning along Kino Parkway, thereby increasing the value and setting this property up for supporting commercial improvements to the KSC South. The City's Zoning Examiner has recommended approval of the PAD. The zoning examiner referenced the PAD as being compliant with the City's *Kino Area Plan* and *Plan Tucson*, and includes a wide range of land uses and activity centers meeting the goals and policies of the Kino Area Plan. This acknowledgement demonstrates that the expansion project meets goals of The City of Tucson as a critical improvement to the Benson Highway/Kino Parkway "gateway" to Downtown Tucson and the University of Arizona.

The improvements at KSC South have also been coordinated with planned improvements along the I-10 corridor. The Arizona Department of Transportation (ADOT) has several interchange improvements that will increase the ease of access to this site, including a new interchange planned for Country Club Road and improvements to the current Kino Parkway interchange, and the ability to connect the existing KSC stadium site with the new South Complex via a tunnel under I-10. As a regional and national level tournament complex, easy access to freeways, including both I-10 and I-19 and proximity to the Tucson International Airport are critical in meeting tournament specifications and to draw tournaments away from other locations in Maricopa County or other states.

The KSC South also ties in well with other development projects in this area creating a synergy of economic development activity. The University of Arizona Tech Park at the Bridges and Tucson Marketplace at the Bridges development northwest of the KSC site, are continuing to develop exponentially to include office, retail and residential components. A new high-end conference hotel is planned for the Bridges area associated with The University

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of Arizona Tech Park, which will provide a complementary hospitality component directly adjacent to the KSC South site. The City of South Tucson is also working to develop nearby land along the I-10 corridor, by offering both a Government Property Lease Excise Tax (GPLET) incentives and Opportunity Zone benefits.

Similarly, Pima County and the City of Tucson have included locations in the area within the Opportunity Zone Program certified by the US Department of Treasury, including both KSC complexes. Opportunity Zones are a critical component to increase the viability of both commercial and a public private partnership for development. The Opportunity Zone program is a mechanism for private investment in development that allows investors to take advantage of several positive capital gain tax deferral opportunities. This rewards private investors to invest in facilities for the economic benefit of a region by incentivizing investment. Several investors have already expressed interest in this site as a viable opportunity for a return on their initial investment as well as the tax shelter implications. Such investment would lead to improvements to vacant land, long left underdeveloped into new viable commercial projects creating sales tax and property tax benefits to the public.

The stated characteristics of the location of the KSC provides an ideal setting for the approximately 300 acres of planned improvements that are not duplicated in another location in Pima County. This site reaches 442,827 residents of Pima County within a twenty-minute drive based on 2016 census data. Within reach of this twenty-minute buffer zone (or less) is Downtown Tucson, the Tucson International Airport, Davis Monthan Air Force Base, El Con Mall, Park Mall and many regional tourist attractions such as the Pima Air and Space Museum and Tucson Mountain Park. Proximity to the Kino Environmental Restoration Project (KERP), a nationally recognized storm water-harvesting project located adjacent to the KSC makes it possible to irrigate the sports fields with non-potable water. KERP stores regional stormwater as a part of its design and is tied into the irrigation of the existing complex. The current amount of stored water is estimated to be sufficient to irrigate the existing turf in the complex through April of 2019, significantly saving both cost and resources. This facility will be expanded as part of the KSC South to retain additional stormwater in order to serve the new complex as well.

The KSC both North and South is a regional economic development asset.

#### Construction Delivery Process

The Construction Manager at Risk (CMAR) process can often utilize multiple Guaranteed Maximum Price (GMP) packages in order to achieve cost savings or help expedite the construction schedule and finish a project earlier, more efficiently, or with less risk to the owner. This methodology was critical for the KSC South in order to ensure the project would be fully completed by the original 2020 deadline, including the need to order the sod grass early enough (Fall 2018) to be available for placement on site in early summer 2019 to fully establish turf for the planned opening. These critical dates also require utility installation, grading, sub grade preparation and operational irrigation/drainage systems in order to allow

the grass to grow while the remainder of the complex is built around the grass fields. The flexible approach of a CMAR delivery versus a low bid contractor is critical to a project such as this to mitigate the risk of missing a critical deadline requiring a full year wait for the next growing season.

The original design plans were created as two packages; Phases 1 and 2. The Phase 1 plans contain the bulk of the underground utility distribution (water, electric, sewer and communications), the roadways and lit parking lots, sidewalks, general irrigation and landscape, east and west field development (irrigation/landscape/sand/underdrain system/sports lighting), storm drain/culverts, and offsite road improvements. The Phase 2 plans contain the more vertical aspects, including the concession building, restroom/locker room building, two satellite restroom buildings, the maintenance complex, site fencing, entry gates/ticket booths, interior promenade (shade structures, masonry walls, sidewalks, landscaping between the two field complexes), pickle ball court complex and miscellaneous site furnishings (seats/water fountains/etc.). This division between packages was generally to prioritize the elements necessary at grade or below while leaving maximum time for the design team to complete the vertical design components.

The Phases were divided into three GMP packages, which allowed the flexibility to move some elements to an earlier GMP depending on progress of the project. For example, the sod purchase was in GMP#1, but the sand purchase was in GMP#2, even though technically the sod is placed over the sand base. This sequencing has more to do with how long the sod takes to cultivate by the growers rather than when it will be placed onsite.

The inclusions and exclusions are clearly listed in each GMP, in order to bridge the gap between the two separate phases and the three GMPs based on construction sequencing and the product lead-time purchase schedule. The project manager will be available to explain any inclusions or exclusions. This balancing between packages allow County staff and the design team to track the all aspects of the project and the entire cost of the construction over the three different GMP packages. The planned construction costs for the GMP packages are as follows (does not include owner's contingency):

**GMP #1:** General conditions, Rough Grading (clear & grub, mass excavation, rough grading, water, potholing, SWPP), Water, Sewer, Storm drain (partial), Electrical Service and Distribution, Entry Road and Service Road (rough grade, dust control only), and East and West Field pods (sports lighting, retaining wall, sod deposit, irrigation, undrain system). Construction total: \$10.1 million.

**GMP #2:** General conditions, Storm drain (remainder), temporary power, Communications conduit, Benson Highway Improvements, Entry road (paving, curb, striping, sidewalk, landscaping), Service road (paving, mill placement, headers, ABC, landscaping), Maintenance area (parking and landscape only), pickle ball complex (landscape only), North and Southwest and Southeast parking (paving, ABC, conduit), Entry plaza drop off/paving, and East and

West Field pods (remaining sod balance, retaining wall credit, USGA sand purchase).  
Construction total: \$9.2 million.

GMP #3: General conditions, Service Road (striping, sidewalk, fence electric), Future field area (DG to stabilize), Maintenance Yard (Conex building, fencing, bulk material storage, wash rack, lighting, diesel storage, trash enclosure), Pickle ball (concrete courts, grading, furnishings, shade sails, walls, fencing, lighting), North and Southeast and Southwest parking (sidewalk, striping, signage, lighting), Entry Plaza (concrete sidewalk, fencing, pump house, masonry seat walls, ornamental fencing, entry gates, shade structures, power, lighting, Concessions building, Restroom and Locker Building), East and West Field pods (fencing, additional light pole bases, modular restroom - 1 each). Construction total: \$6.7 million (estimated). Total estimated construction cost for all three GMPs is \$26 million.

#### Budget and Finance of the Stadium

The Stadium District was created by special legislation in Arizona designed primarily to facilitate and expand sports venues with an emphasis on Major League Baseball (MLB) Spring Training. The primary revenue sources for the Stadium District are the car rental tax and the hotel bed tax as well as the County's General Fund and event or facility revenues.

In 1997, prior County financed \$36 million of MLB two-team Spring Training facilities and baseball stadium. In just this last year, the debt has been repaid. Unfortunately, in the middle of the stadium's debt term, both occupying teams (the Chicago White Sox and the Arizona Diamondbacks) left the facility for new facilities constructed in the Phoenix metropolitan area. These new facilities cost approximately \$150 million, a huge increase from the \$36 million paid by the County in 1997 for the then most updated, modern Spring Training complex.

With departure of MLB Spring Training events, facility revenues plummeted. These revenue losses were offset in part by a \$5 million termination fee paid for by the Chicago White Sox. The Arizona Diamondbacks left the facilities and paid no termination fee to the County. The Colorado Rockies also left Hi-Corbett Field.

Over the years, event and facility revenues have climbed back to the same, if not, more than MLB Spring Training revenues. In fact, revenues increased from \$900,000 in Fiscal Year (FY) 2014/15 to \$1.3 million in this last fiscal year. Because of the loss of MLB Spring Training, the Stadium District accumulated a deficit of approximately \$3.6 million over the last 10 years. In the FY 2018/19 Budget, this cash deficit has been fully paid by the County's General Fund.

Due to its proximity to other recreation facilities, including a softball facility and complex, a sports community center, Willie Blake Park and a community swimming pool, as well as considerable nonprofit youth utilization of Stadium District assets, the General Fund has always provided a portion of the Stadium District budget to offset community park use.

While this year’s General Fund transfer is higher than normal by \$3.6 million due to paying off the cash deficit it is expected to return to its historical norm of approximately \$1.2 million in FY 2019/20. A complete recommended and adopted budget for the Stadium District is included in Attachment 1.

Typically, Stadium District general fund support is divided into two broad categories. One is standard support for all of the non-stadium park elements (\$1.2 million) and a separate allocation supplements ball field maintenance (\$1.1 million) due to significant nonprofit community youth use. This general fund support averages approximately \$2.3 million each year.

The Stadium District budget is complicated because of how event revenues, the car rental tax and hotel bed taxes are budgeted. For simplicity purposes, the budget is outlined below:

**Overview: Stadium District Budget**

	<b>Revenues and Transfers (in millions)</b>	<b>Expenses (in millions)</b>
Hotel Bed Tax	\$2.5	Debt Service \$2.8
Car Rental Tax	1.5	Operating 5.1
Event Revenues	1.3	
Flood Control	0.2 (KERP)	
General Fund	2.3	
<b>Totals</b>	<b>\$7.8</b>	<b>\$7.9</b>

**\*Debt Service for KSC South COPs - \$30 million, 15 years, 3.5 percent interest.**

Also, while Attachment 1 is for the FY 2018/19 budget year, below is the audited financial statements for the last five years. Note last year’s revenue at approximately \$2.9 million is the same as in my previous communication on this matter.

**Stadium District Revenues and Expenditures**

<b>Fiscal Year</b>	<b>Revenues</b>	<b>Expenditures</b>
2017/18	2,851,463	5,406,678
2016/17	2,658,347	5,741,286
2015/16	2,614,495	4,853,372
2014/15	2,486,088	4,690,341
2013/14	2,680,054	4,689,422

**\*Audited Financial Statements – Based on Period 4 Projections**

### Kino Sports Complex – Utilization

The existing KSC facilities have been utilized over the past two fiscal years over 315 days annually for a variety of sports including baseball, soccer, football, rugby and softball, as well as other entertainment activities such as concerts, community fundraisers, 5K/10K walks, car shows and the annual Gem Show. Annual visitors, both participants and spectators to the facility have been nearing 300,000 the past two years, with this fiscal year set to exceed that number due to the addition of the Lights of the World event currently taking place.

Long sports, predominantly soccer account for close to 60 percent of the annual use of the fields. Play ranges from youth practices to adult recreational and state youth leagues, major weekend tournaments, to MLS preseason and PDL level play.

The three major youth tournaments (TAR Shootout/CDO Challenge Cup/Tucson Soccer Academy) held annually at the KSC take place on all available soccer fields currently totaling 10 with four being lighted. However, due to their high turnout they also compete on the outfields of all the baseball fields as well, thus affording them an additional five lighted fields for play.

Unfortunately, when these events are held, baseball is unavailable for up to a week's time due to event set-up/take down connected with the tournaments. With two of the three scheduled during prime baseball seasons the potential loss in baseball revenue is significant.

With use of fields increasing, especially on the long field spectrum, we have experienced "tired turf" syndrome for the first time ever. Most noticeable on our three heavily scheduled lighted fields. Unfortunately, due to existing reservations and community expectations there is not the ability to rest fields as in previous years.

### New KSC South Expansion Projected Utilization

With the addition of the 12-lighted long fields and 20 pickle ball courts slated for the new expansion, a myriad of opportunities presents itself for this location. Not only will community availability be expanded, but a number of quality regional and national events have already begun showing interest at the potential of KSC hosting their programs.

Present lighted field use during prime seasons of play; September through November, April through August, is currently at near capacity with no backup fields available for maintenance or scheduling situations. The additional fields will allow a regular maintenance rotation plan to be developed to ensure that the quality of the turf is kept at the highest and optimal play levels for the various activity. The "tired turf" syndrome we are currently experiencing on the north side will be a thing of the past, as preventative and advance scheduling of maintenance and events will be a proactive practice rather than crisis management.

KSC will also be able to actively solicit new and diverse clientele for use of the expanded facilities. Events of a regional and national level that require 15-20 fields of play, with at least half being lighted are potential major revenue generators. In 2018 alone, KSC was visited by the new American Football Alliance, the Canadian Premiere Soccer League and a number of independent baseball groups.

The design of the new facility also allows multisport activities to be taking place at the same time, again, opening up possibilities for increased economic impact. With the total number of fields combined on both sides of I-10, there is the potential to have baseball, rugby, soccer and football events all taking place simultaneously.

Staff has already received a bid packet for the 2020 Big Sky Conference Collegiate Soccer Championships and inquiries from Pima Community College regarding hosting the Jr. College National Soccer Championships, as well as Pac 12 Rugby. Based upon the amenities, layout and quality of the facility the potential for the varied uses of the entire KSC once built out are endless.

#### Solicitation of Interest for Private Development of Commercial Property

Adjacent to the KSC-South, the County owns the commercial property designated on the conceptual site plan as Areas A, B and C (Attachment 2). Access to Area A (approximately 7.5 acres) currently requires a bridge across the Julian Wash until such time that the future I-10 interchange improvements at Kino Parkway are completed. Area B (approximately 8 acres) and Area C (approximately 5 acres) currently have direct access to South Campbell Avenue and therefore are a priority for private commercial development for service uses supporting the KSC South, including hotels, restaurants and sports-related entertainment and retail.

These commercial areas are intended to be offered for sale to private entities utilizing a two-step process. The first step will be to assess interest in the commercial property by soliciting a Statement of Interest (SOI) from private parties. The solicitation will include a description of the property and the adjacent sports complex project. Respondents will be asked to submit an SOI describing their technical and financial qualifications and proposals for development of the commercial property, which at a minimum should include the construction of a hotel, restaurants, entertainment and retail uses.

Step two will be an appraisal and sale of the property based on terms and conditions approved by the Board of Supervisors in order to maximize the sale price and ensure that the property will be developed in a manner that complements the KSC South.

Qualifications-based Procurement for Sports Related Development

Pima County intends to issue a Solicitation for Qualifications (SFQ) through Procurement for development of portions of the KSC, depicted as Area D (approximately 13 acres) and Area E (approximately 18.5 acres) on the conceptual site plan (Attachment 2). These two sites present a Public-Private Partnership opportunity and fit the KSC Stadium District's vision of a sports and entertainment center with a diagrammed 10,000-seat stadium, plus space for an indoor court facility, locker rooms, concessions and other complimentary uses such as an amphitheater, water park, or ice rink. These facilities would provide coordinated entertainment opportunities similar to the KSC Stadium for sports tournaments, sports league play/practice, concerts, local fund-raisers, gem and mineral show space, or other events.

The SFQ will invite interested parties to submit a Statement of Qualifications describing in detail their technical and financial qualifications to deliver the project. The issuance of the SFQ is the first step in a two-step procurement process pursuant to Arizona Revised Statutes, Chapter 6 of Title 34 – Public Buildings and Improvements. Firms that respond to the SFQ will be short-listed by an evaluation committee in accordance with the requirements of the SFQ and statute. Step two will be to issue a Request for Proposal (RFP). No less than three and no more than five firms will be short-listed as eligible to submit a proposal.

The County may choose to utilize a Design-Build-Finance-Operate project delivery approach. This approach would enable aggressive project design and construction scheduling, optimal risk allocation, competitive design selection, clear assignment of performance responsibilities, long-term facility operations and maintenance efficiencies, and cost savings. The intent is to issue the SFQ in January 2019 and, subsequently, the RFP, to encourage qualified firms to provide the best solution for achieving the project vision as a regional sports and entertainment complex, and realizing the associated economic development benefits. Upon competitive selection of a proposal meeting the requirements of the SFQ and the subsequent RFP, the County could enter into a long-term agreement with a private entity to design, build and finance the project with the option to provide operation and maintenance services. The technical requirements for project development will be presented in the RFP.

CHH/anc

c: Jan Leshar, Chief Deputy County Administrator  
Carmine DeBonis, Deputy County Administrator for Public Works  
Tom Burke, Deputy County Administrator for Administration  
Nanette Slusser, Assistant County Administrator for Public Works  
Maureen Ochoa, Director, Stadium District  
Nancy Cole, Manager, Project Management Office

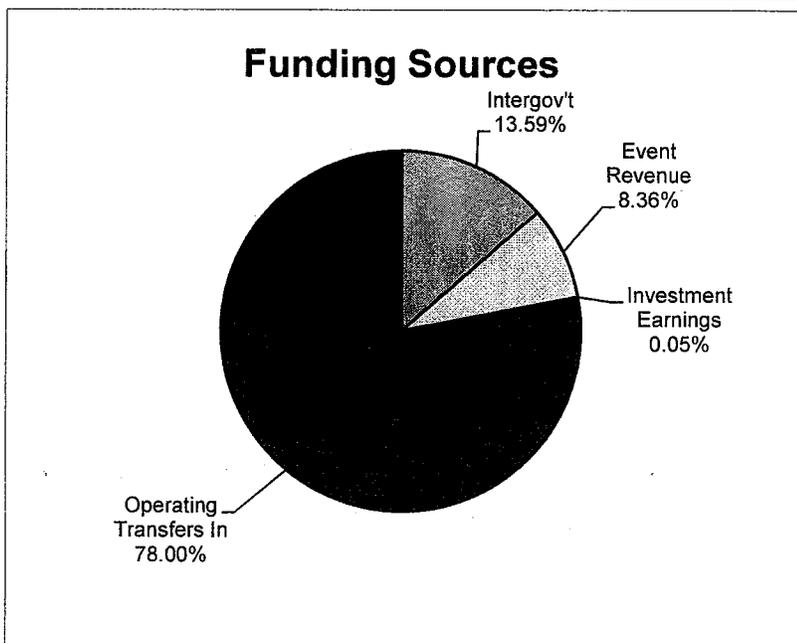
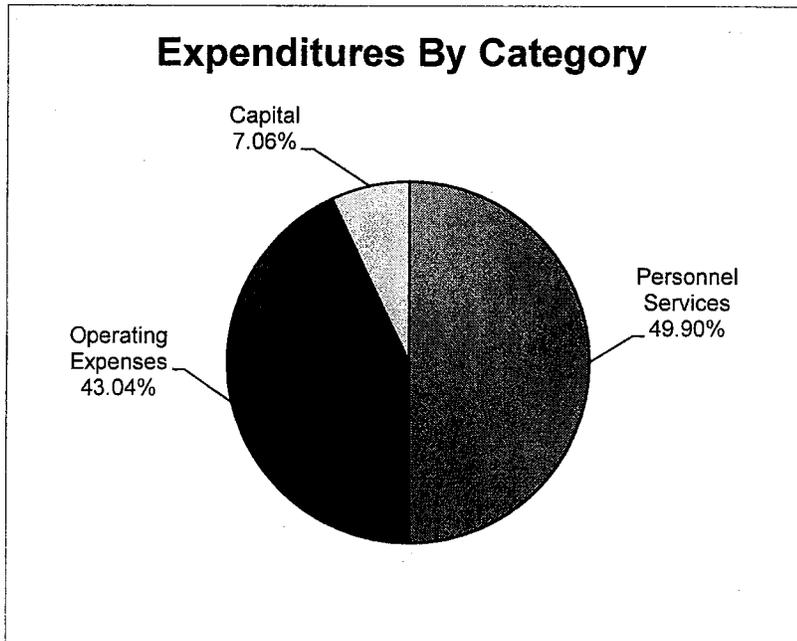
# ATTACHMENT 1

**Pima County FY 2018/2019 Recommended Budget**

**Stadium District - Special Revenue Fund**

Revenue	\$ 2,394,530
Expenditures	5,164,328
Net Transfers	<u>7,553,978</u>
Fund Impact	\$ 4,784,180
FTEs	45.74

Function Statement: Provide venues for an array of community and revenue generating events to include sports, entertainment and cultural opportunities. Provide management and administrative oversight function at the Stadium District. Maintain the buildings and facility infrastructure of the Stadium District to the highest possible standard. Maintain natural grass athletic fields as well as landscaping of Stadium District common areas. Provide landscape maintenance services and best management practices for the Kino Environmental Restoration Project (KERP), in conjunction with Regional Flood Control and other state, and federal agencies.



Recommended Budget Summary - Special Revenue Fund

	<u>Total Expenditures</u>	<u>Total Revenues</u>	<u>Operating Transfers</u>	<u>Net Fund Impact</u>
<b>FY 2017/2018 Adopted</b>	5,611,862	2,387,200	1,954,270	(1,270,392)
Reverse Prior Year Transfers			(1,954,270)	(1,954,270)
GF to cover Cash Deficit			2,590,000	2,590,000
Hotel Motel			2,445,699	2,445,699
GF Support			2,177,931	2,177,931
Ball field Maintenance			1,058,002	1,058,002
COPS 2019 - Debt Service			(928,000)	(928,000)
KERP Support			189,602	189,602
Reclaimed Water Subsidy			32,236	32,236
COPS 2010			(11,492)	(11,492)
Admin Overhead Decrease	(736,788)			736,788
Miscellaneous Costs Decrease	(3,281)			3,281
Salary and Benefits Increase	95,249			(95,249)
Solar Increase	60,000			(60,000)
Sports Field Supplies Increase	45,832			(45,832)
Janitorial Services Increase	40,000			(40,000)
Electricity Increase	27,000			(27,000)
Interest Expense - Pooled Investments Increase	15,200			(15,200)
Capital Purchases increase	12,000			(12,000)
Events Revenue Net Increase		7,330		7,330
HSA One-time Offset	(47,000)			47,000
2.5% Salary/Benefits Increase Adjustment	44,254			(44,254)

**Supplemental Requests**

None Submitted

<b>Total Recommended Budget</b>	<u>5,164,328</u>	<u>2,394,530</u>	<u>7,553,978</u>	<u>4,784,180</u>
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<b>Full Time Equivalents (FTEs)</b>	<u>45.74</u>
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**Comments/Issues**

The fiscal year 2018/19 Recommended Budget FTEs are 45.74, an increase of 1.49 FTEs from the fiscal year 2017/18 Adopted Budget. The department is adding one positions for fiscal year 2018/19 and slightly increasing multi-fill positions.

**Pima County FY 2018/2019 Recommended Budget**

**Stadium District**

The fiscal year 2018/19 Recommended Budget expenditures decrease \$447,534 from the fiscal year 2017/18 Adopted Budget. This is primarily due to a decrease of Administration Overhead of \$736,788, a one-time Health Savings Account offset of \$47,000 and other miscellaneous cost decreases of \$3,281. Decreases are partially offset by a net increase for Salary and Benefits of \$139,503 based on an additional 1.49 FTEs, increased minimum wage costs and a 2.5 percent Salary/Benefits increase, Anticipated Solar charges increase of \$60,000 and Interest Expense increase of \$15,200 due to interest charged on debt. Sports Fields Supplies increase of \$45,832, Janitorial Services increased \$40,000, Electricity increase of \$27,000 are due to anticipated near capacity scheduling of events and increased Capital purchases of \$12,000 for replacing aging equipment.

The fiscal year 2018/19 Recommended Budget revenues increase \$7,330 from the fiscal year 2017/18 Adopted Budget primarily due to increased Events Revenue of \$40,000 and new rates for Scheduled Events Discounts of \$25,000 partially offset by the termination of the RV Tax in December of 2017 decreasing revenues by \$37,200 and decreased anticipated collections of the Arizona Rental Car Surcharge by \$20,470.

The Table below summarizes the operating transfers for the Stadium District:

	FY 2017/2018 Adopted	FY 2017/2018 Projected	FY 2018/2019 Recommended
<b>General Fund Support</b>			
General Fund - Ball Fields Maintenance Xfer In	1,058,002	1,058,002	1,058,002
General Fund - Stadium GF Support Xfer In	1,177,931	1,177,931	4,767,931
<b>Total General Fund Support Net Xfers</b>	<b>2,235,933</b>	<b>2,235,933</b>	<b>5,825,933</b>
<b>Other Transfers</b>			
General Fund - Hotel Tax Proceeds Xfer In	2,377,212	2,377,212	2,445,699
RWRD - Reclaimed Water Cost Subsidy	17,660	17,660	32,236
Debt Service - COPs 2019 (Xfer Out)	-	-	(928,000)
General Fund - Debt Service (Xfer Out)	(2,855,125)	(2,854,249)	-
Debt Service - COPs 2010 (Xfer Out)	(11,012)	(11,012)	(11,492)
Regional Flood Control - KERP Xfer In	189,602	189,602	189,602
<b>Total Other Transfers Net Xfers</b>	<b>(281,663)</b>	<b>(280,787)</b>	<b>1,728,045</b>
<b>Net Transfers</b>	<b>1,954,270</b>	<b>1,955,146</b>	<b>7,553,978</b>

The operating transfer to the Stadium for hotel/motel tax revenue is expected to increase from \$2,377,212 budgeted in fiscal year 2017/18 to \$2,445,699 budgeted for fiscal year 2018/19.

Pursuant to the Intergovernmental Agreement between Pima County and the Pima County Stadium District for Personnel and Services Contract No. 01-57-P-132729-0603 (dated June 17, 2003, recorded in Docket 12080 at Page 213 on June 26, 2003), employees performing work for the Pima County Stadium District are Pima County employees assigned to do work for the Pima County Stadium District. For budgetary purposes only, these employees are shown as FTEs within the Pima County Stadium District. The actual status of these employees during the course of the Intergovernmental Agreement will continue to be as Pima County employees, subject to the Pima County Personnel Policies and Merit Rules. This Agreement terminates on February 1, 2022 and is subject to an automatic successive five-year renewal unless otherwise earlier terminated.

Recommended revenue sources:

Car Rental Surcharge	1,479,530
Special Events Revenue	910,000
Pooled Investment Interest	5,000
	<u>2,394,530</u>

Recommended capital expenditures:

Rebuild infields (10 fields)	50,000
Replacement countertops and carpeting	100,000
Sweeper, Progrators, and resurfacing machine	125,000
Industrial washing machine and kitchen fryer	20,000
Exercise equipment	40,000
Shade structure	30,000
	<hr/>
	365,000

The department did not submit any requests for supplemental funding.

Five Year History of Expenditures and Revenues - Special Revenue Fund

	FY 2014/2015 Actual	FY 2015/2016 Actual	FY 2016/2017 Actual	FY 2017/2018 Projected	FY 2018/2019 Recommended
<b>Expenditures</b>	4,690,321	4,853,380	5,741,288	5,652,364	5,164,328
<b>Revenues</b>	2,486,093	2,614,496	2,658,344	2,500,756	2,394,530
<b>Transfers In/(Out)</b>	2,630,097	1,598,389	1,965,822	1,955,146	7,553,978

Funding Summary By Department - Special Revenue Fund

	FY 2017/2018 Adopted	FY 2018/2019 Department Base Request	FY 2018/2019 Department Supplemental	FY 2018/2019 Department Total Request	FY 2018/2019 Administrator Recommended
<b>Expenditures</b>					
Personnel Services	2,482,808	2,578,057	-	2,578,057	2,575,311
Operating Expenses	2,776,054	2,224,017	-	2,224,017	2,224,017
Capital Equipment >\$5,000	353,000	365,000	-	365,000	365,000
<b>Total Expenditures</b>	5,611,862	5,167,074	-	5,167,074	5,164,328
<b>Revenues</b>					
Intergovernmental	1,537,200	1,479,530	-	1,479,530	1,479,530
Charges for Services	845,000	910,000	-	910,000	910,000
Investment Earnings	5,000	5,000	-	5,000	5,000
<b>Total Revenues</b>	2,387,200	2,394,530	-	2,394,530	2,394,530
Transfers In/(Out)	1,954,270	7,553,978	-	7,553,978	7,553,978
Fund Balance Decr/(Incr)	1,270,392	(4,781,434)	-	(4,781,434)	(4,784,180)
<b>Total Funding</b>	5,611,862	5,167,074	-	5,167,074	5,164,328

## SUMMARY BY OBJECT

## Department: Stadium District

Object Name	2016/2017	2017/2018	2018/2019		
	Actual	Adopted	Actuals Thru Feb 28 2018	Requested	Recommended
<b>EXPENDITURE OBJECTS</b>					
Salaries & Wages	1,268,841	1,570,135	988,549	1,631,056	1,668,006
Overtime	29,430	-	13,287	15,000	15,000
Temporary Help	161,414	150,700	81,164	150,706	150,706
Holiday Worked Pay	9,816	-	9,659	5,000	5,000
Social Security & Medicare	109,524	131,644	81,089	136,304	136,304
Unemployment Insurance	1,155	1,203	818	954	954
Health Insurance Premiums	249,854	249,969	168,112	232,521	232,521
Workers Compensation	45,873	56,523	35,665	60,946	60,946
Life Insurance	1,019	1,291	780	1,325	1,325
Arizona State Retirement	153,755	180,565	115,962	192,466	192,466
Dental Insurance Premiums	2,628	2,919	2,288	3,414	3,414
Interdepartmental Salaries - Charged in/Debit	112,755	100,357	82,846	93,824	93,824
Interdepartmental Fringe - Charged out/Credit	(176)	-	-	-	-
Interdepartmental Fringe - Charged in/Debit	38,767	38,304	30,431	32,263	32,263
Labor Distribution Fringe Charged out/Credit	(23,228)	(16,429)	(9,666)	(15,837)	(15,837)
Labor Distribution Fringe Charged in/Debit	14,515	-	(1,258)	-	-
Labor Distribution Salaries Charged out/Credit	(60,300)	(46,119)	(26,814)	(46,365)	(46,365)
Labor Distribution Salaries Charged in/Debit	31,108	-	(4,669)	-	-
Budgeted Benefits	-	-	-	-	7,304
Sick Payout	-	600	2,446	25,000	25,000
Vacation Payout	5,236	4,145	5,754	12,480	12,480
HSA Contribution - Employer	-	57,001	44,333	47,000	47,000
HSA Expense Offset	-	-	-	-	(47,000)
<b>Personnel Services Total</b>	<b>2,151,986</b>	<b>2,482,808</b>	<b>1,620,776</b>	<b>2,578,057</b>	<b>2,575,311</b>
Office Supplies	12,718	18,100	6,844	17,100	17,100
Software Under \$5M	1,837	10,000	662	2,500	2,500
Computer Equipment less than \$1,000	2,248	10,250	1,572	250	250
Food Supplies	5,657	5,000	6,542	5,000	5,000
Food Preparations Supplies	336	1,200	-	1,000	1,000
Medical & Lab Supplies	147	500	-	500	500
Fuel & Oil	4,176	6,600	4,938	6,600	6,600
Books, Subscriptions & Videos	-	1,400	-	800	800
Repair & Maintenance Supplies	256,908	285,000	177,806	275,000	275,000
Chemicals	117,652	149,500	74,580	144,500	144,500

**SUMMARY BY OBJECT**

**Department: Stadium District**

Object Name	2016/2017	2017/2018		2018/2019	
	Actual	Adopted	Actuals Thru Feb 28 2018	Requested	Recommended
Janitorial Supplies	21,524	32,000	4,644	32,000	32,000
Clothing, Uniforms, and Safety Apparel	10,409	15,000	5,211	14,000	14,000
Promotional Items	13,539	4,000	-	4,500	4,500
Other Operation Supplies	51,243	64,050	52,423	60,000	60,000
Tools & Equipment Under \$1,000	47,103	21,150	10,354	25,350	25,350
Furniture Under \$1,000	-	7,000	24,711	7,000	7,000
Signage Supplies & Services	37,490	45,000	3,081	35,000	35,000
Vandalism Repairs	1,948	5,000	-	3,000	3,000
Sports-Recreational Field Supplies	-	-	-	45,832	45,832
Engineering Services	-	500	3,315	-	-
Accounting and Auditing Services	14,500	15,000	14,500	15,000	15,000
Software Maintenance and Support	4,870	9,500	5,791	5,000	5,000
Medical Professional Services	500	500	2,385	2,500	2,500
In State Training	5,505	3,000	2,225	4,700	4,700
Postage & Freight	1,764	1,900	2,192	2,050	2,050
Printing & Microfilming	12,397	3,200	2,515	3,700	3,700
Security	25,106	14,500	21,827	27,500	27,500
R&M-Machinery & Equipment Services	103,576	98,750	45,622	104,500	104,500
R&M Building Services	138,995	135,000	119,272	125,344	125,344
R&M Grounds and Landscaping	218,978	80,300	29,821	80,000	80,000
Other Professional Services	501	2,500	4,433	1,500	1,500
Banking Credit Card Fees and Charges	5,998	4,000	2,098	4,000	4,000
Advertising	6,833	15,000	4,197	8,200	8,200
Laundry & Linen Services	9,293	8,000	5,057	8,300	8,300
Leases & Rental - Other (Mchnry, Equip, etc.)	72,097	30,500	29,211	50,000	50,000
Satellite and Cable Charges	-	-	-	3,500	3,500
Janitorial Services	-	-	-	40,000	40,000
Pest Control Services	-	-	-	2,000	2,000
Interdepartmental Supplies & Services - Charged In/Debit	7,774	8,800	11,698	8,700	8,700
Departmental Overhead - Charged In/Debit	278	1,500	2,830	6,000	6,000
County Administrative Overhead	893,952	736,788	491,192	-	-
Telephone & Internet	64,617	-	-	-	-
Electricity	331,086	320,500	224,912	347,500	347,500
Water & Sewer	187,457	149,500	109,742	140,000	140,000
Natural Gas	10,023	12,000	5,873	12,000	12,000
Waste Disposal and Recycling	45,365	57,500	30,174	45,000	45,000
Mileage Reimbursement	-	-	23	-	-

**SUMMARY BY OBJECT**

**Department: Stadium District**

Object Name	2016/2017	2017/2018		2018/2019	
	Actual	Adopted	Actuals Thru Feb 28 2018	Requested	Recommended
Motor Pool Charges	8,518	11,400	6,635	30,420	30,420
Regulatory Permitting Fees	2,860	7,800	3,545	6,800	6,800
Dues and Memberships	4,155	3,800	1,095	4,000	4,000
Other Miscellaneous Charges	7,939	1,000	12,093	9,250	9,250
Payments to or on behalf of other governments	1,837	-	-	-	-
General Liability Insurance Premiums	20,664	23,307	18,448	23,355	23,355
Property Damage Insurance Premiums	16,980	27,045	18,032	28,095	28,095
Other Insurance Premiums	6,384	4,360	-	-	-
Interest Expense - Pooled Investments	25,262	10,000	23,292	25,200	25,200
Computer Hardware - ISF Charges	23,767	32,335	21,560	37,249	37,249
Server and Storage - ISF Charges	-	25,988	17,328	31,092	31,092
Software - ISF Charges	8,173	9,595	6,400	9,526	9,526
Solar Energy	-	100,000	47,655	160,000	160,000
Telephone Provider Charges - External	-	13,500	5,894	12,000	12,000
Internet Charges - External	-	17,500	-	6,500	6,500
Mobile Devices - External	-	31,500	14,591	34,500	34,500
ISF- IT Port Charges	-	41,736	27,824	49,104	49,104
Fixed Equipment - Non-Capital	-	1,000	-	-	-
Furniture - Non-Capital	-	5,000	-	10,000	10,000
Office Machines & Computers - Non-Capital	-	2,500	-	3,000	3,000
Kitchen & Laundry Equipment - Non-Capital	-	5,000	3,666	5,000	5,000
Other Machines & Equipment - Non-Capital	18,455	12,200	32,496	-	-
Sports-Recreational Field Equipment - Non-Capital	-	-	-	12,000	12,000
<b>Operating Expenses Total</b>	<b>2,891,394</b>	<b>2,776,054</b>	<b>1,804,827</b>	<b>2,224,017</b>	<b>2,224,017</b>
Land Improvements - Capital	590,574	80,000	73,820	50,000	50,000
Fixed Equipment - Capital	-	28,000	-	100,000	100,000
Motor Vehicles - Capital	46,881	175,000	-	125,000	125,000
Kitchen & Laundry Equipment - Capital	13,416	20,000	-	20,000	20,000
Other Machines & Equipment - Capital	47,037	50,000	-	40,000	40,000
Sports-Recreational Field Equipment - Capital	-	-	-	30,000	30,000
<b>Capital Equipment &gt; \$5,000 Total</b>	<b>697,908</b>	<b>353,000</b>	<b>73,820</b>	<b>365,000</b>	<b>365,000</b>
<b>EXPENDITURE OBJECTS TOTAL</b>	<b>5,741,288</b>	<b>5,611,862</b>	<b>3,499,423</b>	<b>5,167,074</b>	<b>5,164,328</b>

**SUMMARY BY OBJECT**

**Department: Stadium District**

Object Name	2016/2017	2017/2018	Actuals Thru	2018/2019	
	Actual	Adopted	Feb 28 2018	Requested	Recommended
<b>REVENUE OBJECTS</b>					
State Revenue Car Rental Surcharge	1,446,298	1,500,000	784,184	1,479,530	1,479,530
State Revenue RV Space Surcharge	161,346	37,200	63,936	-	-
<b>Intergovernmental Total</b>	<b>1,607,644</b>	<b>1,537,200</b>	<b>848,120</b>	<b>1,479,530</b>	<b>1,479,530</b>
Retail Events Revenue	174,653	175,000	167,748	175,000	175,000
Sports Events Revenue	731,637	670,000	729,099	670,000	670,000
Community and Charity Events Revenue	58,077	50,000	46,179	50,000	50,000
Concession Revenue	209,248	85,000	121,557	85,000	85,000
Entertainment Events Revenue	50,397	55,000	52,756	95,000	95,000
Revenue Discounts	(179,874)	(190,000)	(145,557)	(165,000)	(165,000)
<b>Charges for Services Total</b>	<b>1,044,138</b>	<b>845,000</b>	<b>971,782</b>	<b>910,000</b>	<b>910,000</b>
Interest Revenue Pooled Investments Operating	5,232	5,000	1,199	5,000	5,000
<b>Investment Earnings Total</b>	<b>5,232</b>	<b>5,000</b>	<b>1,199</b>	<b>5,000</b>	<b>5,000</b>
Other Misc. Revenue Operating	1,255	-	1,052	-	-
NSF Check Charge Revenue Source	75	-	-	-	-
<b>Miscellaneous Revenue Total</b>	<b>1,330</b>	<b>-</b>	<b>1,052</b>	<b>-</b>	<b>-</b>
Cash Proceeds - Sale of Capital Assets	-	-	5,461	-	-
<b>Gain or Loss on Disposal of Assets Total</b>	<b>-</b>	<b>-</b>	<b>5,461</b>	<b>-</b>	<b>-</b>
<b>REVENUE OBJECTS TOTAL</b>	<b>2,658,344</b>	<b>2,387,200</b>	<b>1,827,614</b>	<b>2,394,530</b>	<b>2,394,530</b>

# ATTACHMENT 2



**LEGEND**

- PROJECT BOUNDARY
- THE LOOP MULTI-USE PATH
- OWNERSHIP BOUNDARY

**KEY**

- 1 RETAIL/RESTAURANT: 12,000 SF
- 2 RETAIL/RESTAURANT: 8,000 SF
- 3 RETAIL/RESTAURANT: 20,000 SF
- 4 DRIVE-THRU RESTAURANT: 5,000 SF
- 5 RETAIL/RESTAURANT: 5,000 SF
- 6 RETAIL/RESTAURANT: 16,000 SF
- 7 RETAIL/RESTAURANT: 5,000 SF
- 8 RETAIL/RESTAURANT: 5,000 SF
- 9 RETAIL/RESTAURANT: 5,000 SF
- 10 RETAIL/RESTAURANT: 5,000 SF
- 11 DRIVE-THRU RESTAURANT: 5,000 SF
- 12 RETAIL/RESTAURANT: 16,000 SF
- 13 RETAIL/RESTAURANT: 24,000 SF
- 14 RETAIL/RESTAURANT: 12,000 SF
- 15 HOSPITALITY: 80,000 SF (110 ROOMS, 4 STORIES)
- 16 HOSPITALITY: 70,000 SF (130 ROOMS, 6 STORIES)
- 17 HOSPITALITY: 165,000 SF (260 ROOMS, 7 STORIES)
- 18 WATER PARK: APPROX 10 ACRES
- 19 SCOREBOARD TERRACE AND JUMBOTRON
- 20 STADIUM: 10,000 SEATS
- 21 STADIUM PLAZA
- 22 EVENT DAY VENDER KIOSKS
- 23 EVENT PROMENADE
- 24 TAILGATING LAWN
- 25 INDOOR SPORTS CENTER: 50,000 SF
- 26 COMMUNITY PARK (SPLASH PAD AND PLAY GROUNDS)
- 27 PARK RAMADA
- 28 PARK BATHROOM
- 29 COMMUNITY ATHLETIC FIELDS (ARTIFICIAL TURF)
- 30 TOURNAMENT ATHLETIC FIELDS (NATURAL TURF)
- 31 PASEO DEPORTIVO
- 32 TOURNAMENT BATHROOMS AND PATIOS
- 33 COMMUNITY CENTER (FLEX SPACE AND LOCKER ROOMS)
- 34 AWARDS PLAZA
- 35 EVENT AMPHITHEATER: 5,000 CAPACITY
- 36 THE LOOP (MULTI-USE PATH)
- 37 MAINTENANCE FACILITY AND YARD: 1 ACRE

KINO SOUTH