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# MEMORANDUM

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Date: June 4, 2014

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

From: C.H. Huckelberry  
County Administrator 

Re: **Southwest Regional Soccer Complex at the Kino Sports Complex**

## Introduction

The County has converted several previous Major League Baseball Spring Training fields to soccer fields north of Ajo Way within the Kino Sports Complex. We have also added stadium seating, with small to moderate facilities seating 1,000 to 3,000 fans to complement the larger 12,000 fan stadium south of Ajo within the complex. At the time the County was planning soccer expansion at Kino, an attempt was made to purchase property from Landmark Title Assurance Agency of Arizona, LLC, an Arizona limited liability company under Trust 18344-T (trust beneficiary is Stardust-REIF No. 3, L.L.C. "Stardust"). Our attempt in 2012 was rebuffed by Stardust, who claimed the entire property, including the commercial parcels, was worth more than \$20 million. Stardust has subdivided the property for intense residential development of up to 755 units, as well as several commercial sites.

In the past few months, the County has re-approached Stardust, who is now a willing seller at a price that can reasonably be met by the County through a term acquisition (five-year purchase period). The purchase contract is now being drafted for a total purchase price of \$8.75 million and will require a down payment of 20 percent, in the amount of \$1.75 million. The balance of \$7 million (after the down payment) will be paid in five equal installments in the amount of \$1,661,774.80 at an interest rate of six percent.

## Property's Strategic Location for Expanding the Kino Sports Complex

The Stardust property is ideally located to be included in implementing the Kino Sports Complex, which today is primarily a baseball facility, even though significant soccer facilities exist north of Ajo Way. However, the soccer facilities are insufficient to be competitive with much larger regional soccer complexes in the Phoenix metropolitan area. The addition of the Stardust property, which can be accessed from the Kino Sports Complex and maintained and managed by existing staff, will add approximately 167 acres of active recreational space adjacent to Interstate 10 and easily accessed through Benson Highway and Irvington Road.

The Honorable Chair and Members, Pima County Board of Supervisors  
Re: **Southwest Regional Soccer Complex at the Kino Sports Complex**  
June 4, 2014  
Page 2

This acquisition is likely the most important strategic sports acquisition made by the County in decades. The property also has significant additional value, since it is adjacent to the Julian Wash component of The Loop.

Full engineering plans and analyses have been completed at the developer's expense that can be used by the County. An El Paso Natural Gas pipeline has been relocated, at an expense to the original developer of \$865,283, making the property more usable.

#### The Concept of a Soccer Complex Development Plan

While there are no hard and fast plans for developing a soccer complex on the property, at least one concept plan has been developed that provides assurances the facility can be developed to rival any major soccer sport complex in the Southwest. A total of 19 fields can be developed on the property, including a medium-sized stadium seating 5,000 to 7,000 fans. The addition of these soccer improvements will place this complex adjacent to Interstate 10 in a strategic position to compete for major soccer tournaments in the western United States. The concept plan is attached to this memorandum.

#### Comparable Facilities in the Southwest

At a recent meeting regarding the future use of Rillito Regional Park, soccer organizers shared that there is an unmet demand for 80 additional soccer fields in the region. There are currently 62 soccer fields among all jurisdictions.

Mentioned frequently by the soccer organizers is the potential for significant economic impact through attracting regional tournaments. The West Regional competition attracts over 4,500 players and 15,000 spectators. Over the past several years, West Regional tournaments have been held at Reach 11 Sports Complex in Phoenix, Bernalillo Soccer Complex in Albuquerque, Simplot Sports Complex in Boise, and Waipio Soccer Complex in Hawaii. These sites have 18, 22, 24 and 21 fields, respectively. The Scottsdale Soccer Complex, which has only 10 fields, is approximately 8 miles from Reach 11 in Phoenix, resulting in a combined total of 28 fields for the tournament. Once the 2004 bond project is complete at Rillito Regional Park, it will provide 11 fields at one location; the largest single grouping of soccer fields in the region. This project, if developed, would provide a total of 28 fields at the Kino Sports Complex, which is equal to Scottsdale and Reach 11 combined.

#### Economic Benefits of Regional Soccer Facilities

Soccer tournaments bring in significant dollars to the host region. Studies done throughout the United States show that regional tournaments for amateur and youth participants bring in millions of dollars per tournament. The Eller College of Management analyzed a variety of tournaments for the Pima County Sports and Tourism Authority Facilities Assessment completed in 2013. Due to our region's inability to host regional soccer tournaments, only

The Honorable Chair and Members, Pima County Board of Supervisors  
Re: **Southwest Regional Soccer Complex at the Kino Sports Complex**  
June 4, 2014  
Page 3

one was included in the economic impact analysis, the Coldwell Banker Shootout (formerly known as the Fort Lowell Shootout). Despite the limited size of the tournament, the total economic impact was \$1.4 million. A recent lacrosse tournament (held on similar-sized fields throughout the region) reported an economic impact of over \$7 million.

The City of Phoenix prepared an economic impact study for the Reach 11 site, host to a recent West Region Tournament. Although prepared in 2009, near the peak of the Great Recession, they reported over \$149 million in direct and induced sales and \$3.8 million in collected sales tax. These results are typical of soccer tournament facilities around the country.

#### Project Integration with Proposed November 2015 Bond Program

Originally, a land acquisition component for park facilities in this general area was included in the proposed November 2015 bond program. The down payment purchase price and any subsequent payments made will be a General Fund expense. However, if a bond program is successful in November 2015, any balance due for property acquisition would be an eligible bond expense. Furthermore, the bond project priority criteria approved by the Bond Advisory Committee (BAC) would make a major regional soccer complex a high priority.

Staff will estimate the cost to develop the Southwest Regional Soccer Complex on this site and include it in the projects that will be considered by the BAC. The BAC will then make a specific recommendation to the Board of Supervisors regarding which projects to include in a proposed November 2015 Bond Election.

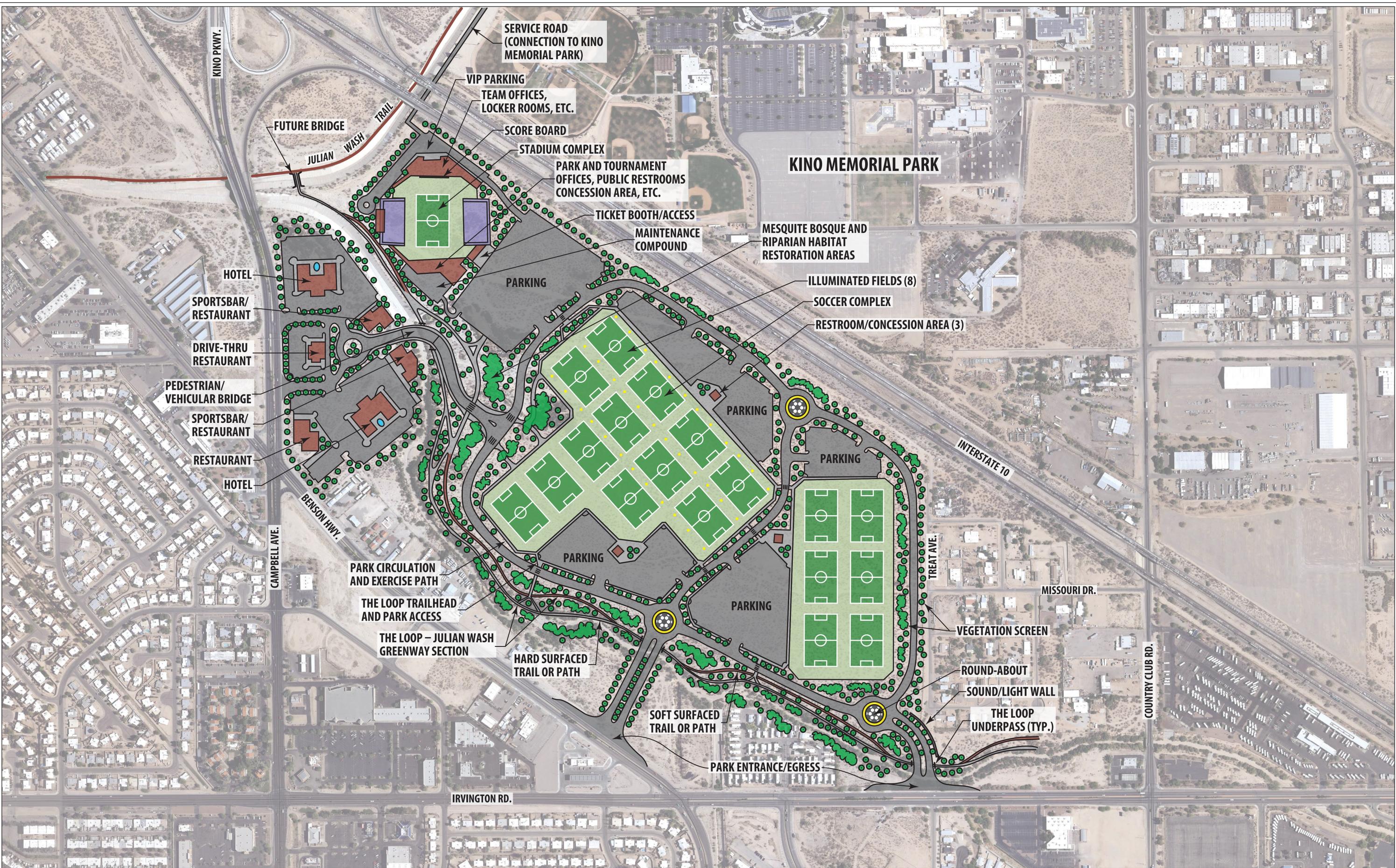
#### Needed Action

The most important aspect of this proposed project is to secure the land and purchase the property that has now been made available to the County by a willing seller. I recommend the Board of Supervisors approve completion of this transaction. A more detailed memorandum containing the acquisition details and funding sources will be placed on the Board's agenda for direction in adopting the Final Budget on June 17, 2014.

CHH/mjk

Attachment

c: Hank Atha, Deputy County Administrator for Community and Economic Development  
John Bernal, Deputy County Administrator for Public Works  
Nanette Slusser, Assistant County Administrator for Public Works Policy  
Tom Moulton, Director, Economic Development and Tourism  
Neil Konigsberg, Manager, Real Property Services



**KINO MEMORIAL SPORTS COMPLEX**  
**SOCCER COMPLEX CONCEPT – JUNE 6, 2012**

0 120 240 480  
 1 inch = 240 feet  
 Feet



PH on Plotter/Kino\_Sports\_Complex/Concepts/Kino\_soccer\_concept\_2012\_0606.pdf  
 P10 on Plotter/Kino\_Sports\_Complex/Concepts/Kino\_soccer\_concept\_2012\_0606.pdf