



Legislation Text

File #: 21-0384, **Version:** 2

Agenda Item Name:

Sports Events Center Draft Development Agreement & Operations Agreement

Presenter:

Tommy Crosby, Assistant County Manager

Description:

Monthly update on the Sports Events Center design plans with an update on the project, 90% plans, and a draft of the Development Agreement and Operations Agreement.

Recommended Action:

Hear presentation and provide any feedback in preparation of July 13 final approvals.

Prior Board Motions:

At the Board's May 25, 2021 meeting, Commissioner Alford motioned Approve the First Amendment to the Pre-Development Agreement for the Multi-Use Sports Center, and to also delegate to the County Manager the authority to amend the pre-development agreement as follows and as often as necessary providing that the accumulative effect of all such amendments does not increase the counties obligation to reimburse the developer by more than 50,000 dollars. Upon a finding by the county manager that the price of one more materials needed for construction will substantially increase unless a deposit that locks in the price of said materiel is received by the materiel supplier the county manager may

A. increase the amount of the pre-development budget to solely allow the developer to pay a deposit to the materiel supplier to prevent the substantial price increase

B. amend the phase 1 activities on exhibit contained on the pre-development agreement to add the payment of said deposit or

C. Increase the counties obligation to reimburse the developer set forth in paragraph 3b of the pre-development agreement equal to the deposit approved by the county manager.

Motion carried 5-0

At the Board's April 27, 2021 meeting, Commissioner Alford motioned to approve the 60% Design Plans in accordance with the Predevelopment Agreement and direct staff to continue to engage with the development team on the design to maximize the sports events potential of the facility while maintaining the financial pro forma. Allow for the use of 1917 energy management funds for the commissioning of building systems in support of sustainability goals for operations and utility performance. Motion passed 5-0.

At the Board's April 13, 2021 meeting, Commissioner Prizzia moved to adopt the two resolutions and authorize bond counsel to initiate the bond validation process. The motion carried 5-0.

At the Board's March 23, 2021 meeting, Commissioner Alford moved to direct staff to continue to engage with

the development team on the design to maximize the sports events potential of the facility while maintaining the financial pro forma. The motion carried 5-0.

At the Board's Jan 26, 2021 meeting, Commissioner Wheeler moved the following:

- 1) Authorize the Chair to sign a pre-development agreement consistent with the term sheet not to exceed \$1 Million and
 - 2) Authorize staff to work with the Operator to finalize the project development and operations agreements for future Board consideration.
 - 3) The Board will review the plans at the 60% completion point.
- The motion carried 5-0.

At the November 10, 2020 Board Meeting, Commissioner Cornell moved to direct staff to negotiate a term sheet for the financing, construction, and operation of a Sports Events Center with the most responsive proposer. And 2) bring back the results of negotiations for the Board's consideration. (5:0)

At the October 15, 2019 Board Meeting, Commissioner Byerly moved direct staff to further explore the creation of a Sports Events Center via a partnership with Celebration Pointe Community Development District with the following ordered steps:

- 1) Determine public funding sources/amounts for the project.
- 2) Develop architectural designs and construction cost estimates.
- 3) Conduct a Celebration Pointe parking demand study and determine cost and Funding sources for additional parking stalls.
- 4) Establish legal parameters for venue funding and ownership.
- 5) Authorize a Chair letter to the City of Gainesville that provides the economic impacts of the Event Center to the community and request that the City get back to the Board of County Commissioners as soon as they have the necessary information to move forward with the eastern part of the City to move in a parallel path if possible. (5-0.)

At the May 7, 2019, Special Meeting Commissioner Byerly moved the following:

1. That we direct staff to expand Victus Study to include an analysis of the Celebration Pointe Site and include as needed an analysis of the range of Public and/or Private Ownership models and to work with the Celebration Community Development District to come up with those numbers.
2. Direct staff to prepare a business model / operational analysis for all three of the sites we have been considering for public investment; Celebration Pointe, Cabot Koppers and the MLK Site.
3. Direct Staff to draft an Interlocal Agreement for consideration by the Commission for investments of Community Redevelopment Agency (CRA) funds and Wild Spaces Public Places funds for the Citizens Field and Cabot Koppers sites. This should include a timeline for the development.
4. Authorize a Chair Letter to request that the Event Center be a topic of discussion at our Joint Meeting in June with the City of Gainesville.

The motion carried 5-0.

Fiscal Consideration:

Per the Pre-Development Agreement, if the County elects to not proceed with the development, then Viking

may be entitled to reimbursement of costs not to exceed \$1.105 Million for the preparation of design and construction documents incurred to date.

The County's total commitment is \$30 million. This amount may be increased with the use of energy management funds and/or the use of American Rescue Plan funds for enhanced commissioning of the building systems to meet sustainability goals to implement "well building" standards. This alternative programming will add an additional \$98,640 to the total funding commitment of the County.

In June 2021, The Florida Legislature approved and the Governor supported a \$2.32 Million request from the County for the construction of the sports events facility.

Background:

The design is nearing completion since the Board's review and approval of the 60% design plans.

The design is further refined from the 60% plans to fit budgeted funds and meet building sustainability objectives.

As of June 2021, the State Legislature awarded \$2.32 Million in funding in support of the project.

The County Team continues to make progress on the Operations and Development Agreements. These documents are attached as a draft with points to still resolve regarding the development fee and construction budget.

County staff continues to work with the Developer's design team to meet County sustainability objectives and community economic benefits. Construction Alternates for Wellness and Sustainability cost over and above the Board's \$30 Million capital commitment are \$98,640.

This cost is broken down into the following lines:

\$ 24,115.00 Add (15 each) Biozone Scientific Washroom Air Care Units.

\$ 27,170.00 Add (14 each) Ultra-Violet Lights in Air Handling Equipment.

\$47,355.00 Third Party Operations & Equipment Enhanced Commissioning

\$98,640.00

Staff recommends that these alternate costs use the County's Energy Management and American Rescue Plan funds.

There are additional expenses related to this project above and beyond the \$30 million commitment. The value of some of these costs are still being developed, but the expenditures themselves have been identified, and labeled with the estimated cost, when available.

- Owner Rep on Site - approx. \$150,000
- Architectural and Design Liability Insurance- \$82,000
- OCIP Wrap Insurance for Construction - \$TBD
- Bryant, Miller, Olive, Ken Artin -\$TBD
- PFM, Jeremy and David - \$TBD
- Wellness - see above
- Enhanced Commissioning- see above
- Closing Agent, cost for land - \$TBD

If the Board decides to not pursue the project, the County will be required to reimburse Viking up to \$1.105 Million for its costs to develop the design, budget, steel deposit, and GMP.

It is projected that 90% Plans and Specification, Budget, GMP, and Operating Agreement will be ready for Board consideration by July 13 2021. The 90% Design Plan will be the last major decision point for the Board and will include a request to approve a 30-year bond issuance for \$30M.

Site work construction would commence in August and building construction in September 2021.

Current estimates place the project being open for events in January 2023. The following is a general description of the project.

Project Description:

The Project will be designed to a Class A institutional quality and commensurate with National Collegiate Athletic Association qualifying sports facilities. It will have no less than 110,000 square feet focusing on an indoor track, volleyball, basketball, dance, and cheerleading.