



## Legislation Text

---

**File #:** 21-0592, **Version:** 1

---

### **Agenda Item Name:**

Sports Events Center Development Agreement, Operation & Maintenance Agreement, and Donation of Property to the County

### **Presenter:**

Tommy Crosby, Assistant County Manager 337-6205

### **Description:**

Request for approval of the final decision points and agreements to initiate the development of a Sports Events Center at Celebration Pointe.

### **Recommended Action:**

- 1) Adopt the Resolution to Approve the Sports Center Development Agreement, Operation & Maintenance Agreement, and Donation of Property to the County.
- 2) Approve a \$30 Million inter-fund loan from the General Fund to be paid back from pre-scheduled draws of the previously approved \$30 Million bond issue.
- 3) Adopt the Resolution for unanticipated revenue and approve the Budget Amendment to establish the project fund.

### **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:**

The County's commitment is \$30, 098,640 to the project fund.

The total County commitment to the project is:

\$30 Million to the project fund from the loan previously approved by the Board

\$51,285 to the project fund for Well Building certification from GF set-aside

\$47,355 to the project fund for enhanced commissioning from sustainability budget

\$82,000 additional design insurance from current TDT funds identified for this project

\$85,000 legal counsel for contract development from current TDT funds for this project

\$27,450 financial consultant on P3 projects from current TDT funds for this project

\$100,000 closing cost for land transfer including title insurance from current TDT funds for this project.

Additionally, the County has cost that will be reimbursed from the project funds for:

\$150,000 owner rep on-site for the duration of the project

\$290,000 Owner Controlled Insurance Program - General Liability during construction

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:**

This cost for the well building and enhanced commissioning are:

\$24,115 Add (15 each) Biozone Scientific Washroom Air Care Units.

\$27,170 Add (14 each) Ultra-Violet Lights in Air Handling Equipment.

\$47,355 Third Party Operations & Equipment Enhanced Commissioning

\$98,640

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.

As previously communicated to the Board, ownership of the Project Site will be donated to the County pursuant to the Donation Agreement. Site work construction is anticipated to commence in August 2021 after ownership of the Project Site is conveyed to the County, with building construction anticipated to commence in September 2021. The County recently receive the title work for the Project Site, and it identified various title exceptions that are listed in Exhibit B to the Donation Agreement. The parties are working cooperatively to resolve certain title exceptions prior to closing, including but not limited to a mortgage, amendment of certain covenants to eliminate foreclosure rights against to project site, and certain easements. The resolution to be adopted by the Board authorizes the Chair to execute the Donation Agreement with changes advised by the County Manager and the County Attorney. Once these issues have been resolved, the parties may revise the propose Donation Agreement, including Exhibit B, to finalize those title exceptions that must be resolved prior to closing and those that will survive the closing. Please note that two Community Development District (CDD) assessments (2014 and 2017, respectively) will survive closing and, according to the terms of the Operating & Maintenance Agreement, will be paid by the revenue to be generated by the Sports Center. Please also note that a third CDD assessment is expected to be adopted later in 2021 to finance certain parking improvements related to the Sports Center and, according to the terms of the Operating & Maintenance Agreement, will be paid by the revenue to be generated by the Sports Center.

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.