



Legislation Text

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Resolution of Acceptance for a Lease/Joint Use Agreement with Ragain Sports Regarding the Use of Sand Creek Stadium for a USL Pro Soccer Franchise

From:

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Summary:

Ragain Sports, owner of the Switchbacks Football Club, has worked with the City of Colorado Springs to establish a lease/joint use agreement for the use of the Sand Creek Stadium which is located at Coleman Park at the corner of Barnes Road and Tutt Boulevard. The team is a member of the United Soccer League Pro Division and will be playing a sixteen to twenty game schedule in 2015. Ragain Sports has selected Colorado Springs in which to locate their franchise.

Previous Council Action:

This item was presented to Council during their May 27, 2014, informal meeting. No action was taken at that time.

Background:

In September, 2013, the Parks Department was approached by Mr. Nick Ragain, President of Ragain Sports, regarding the possible use of Sand Creek Stadium at Coleman Park as the home field for a United Soccer League (USL) pro soccer franchise that Ragain Sports was interested in acquiring. Ragain Sports had been investigating possible locations along the Front Range and were very interested at locating their franchise in the Colorado Springs area. They had identified Sand Creek Stadium at Coleman Park as a venue that, with modification, would satisfy USL league requirements for a team's home field. Pursuant to that first contact and their initial review of the facility, Ragain Sports began a more in depth assessment of whether the Sand Creek facility would be an acceptable venue that could be reasonably brought up to the required league standards. During this period of time Ragain Sports continued the necessary steps to acquire the Franchise.

On December 5th, the United Soccer League Pro Division officially awarded Ragain Sports an expansion franchise to be located in Colorado Springs. The team is planning to begin league play during the 2015 season. At the time the franchise was awarded, Ragain Sports doubled its efforts to work with the City and the department to secure the necessary agreements to accommodate their use of Sand Creek Stadium. City Legal, Finance, and Real Estate departments entered the discussion to assure that any and all issues were being addressed in the creation of the operational and lease agreement.

City Legal, Finance, Real Estate and Park staff have been meeting weekly with Ragain Sports to discuss the particulars of the agreement and other development and operational issues related to their use of the facility. Discussions have included consideration of the value to be returned to the public by the team (permanent facility improvements, youth clinics conducted by coaches and players, free youth tickets, etc.), insurance and liability issues, and other specifics appropriate to protect the City and the public's interest in the facility. Two important aspects that have been emphasized during formulation of the agreement have been that 1) the cost

of any modification to the facility must be borne by Ragain Sports and that no City funding will be available for those improvements and, 2) that scheduling of Switchbacks games must not conflict with the Sky Sox schedule. Both of these items were made clear from the beginning of the process and have been agreed to by Ragain Sports.

Sand Creek Stadium was originally constructed in 1988 by the United States Soccer Federation specifically for use as a soccer venue. In order to meet accepted standards for high level soccer play, the pitch, or field, was built perfectly flat with an extensive subsurface system to accommodate drainage. This was one of the important elements that Ragain Sports took into account when they were looking for a suitable home field. However, they are prepared to invest an additional \$2,000,000 into the facility to bring it up to the standards required by the USL. The improvements that the Switchbacks are proposing to make include additional lighting that will accommodate high-definition television broadcasts, additional seating to bring the current 1,400 seating capacity to approximately 3,600, premium seating options, utility upgrades, concourse and sidewalk additions, and ADA improvements. Ragain Sports will also be locating temporary structures on site to accommodate team locker rooms, referee locker rooms, concessions and restroom facilities. \$1,430,000 of the improvements are permanent in nature and will remain with the facility if at any time the Switchbacks move their home field or cease operations.

Financial Implications:

Any costs associated with the improvements planned by Ragain Sports, the operations associated with conducting their scheduled activities, or maintenance requirements above and beyond those currently performed by the City to maintain the field, will be borne by Ragain Sports. No public dollars will be expended to accommodate their activities.

Ragain Sports has submitted a Special Event Economic Impact Model to the City which has been reviewed by staff. Staff review and application of the economic model produced an estimated economic impact of \$4,935,901.

Also, in the proposed joint use and lease agreement the Switchbacks will pay an annual rental fee of \$1,200.00 and shall give the City \$1.00 of the charge per vehicle for parking. At a 70% attendance estimate for twenty games and assuming one vehicle per 2.5 attendees, this would produce an estimated additional \$20,160 in revenue annually. It is recommended that these parking revenues be placed into a Gift Trust Fund to be reinvested into renovations and improvements at Norman "Bulldog" Coleman Park.

Board/Commission Recommendation:

At the regularly scheduled May 8, 2014, Park and Recreation Advisory Board meeting, the Board unanimously approved a motion supporting the creation of a joint use/lease agreement with Ragain Sports to locate a USL Pro Soccer franchise at Sand Creek Stadium at Coleman Park.

Stakeholder Process:

At the April 10, 2014 Park Advisory Board meeting, Nick Ragain of Ragain Sports introduced to the Park Advisory Board the team's aspirations, timeline, and future vision for the team's operations.

On May 6, 2013, the Parks Department conducted a public meeting to gauge the adjacent community's acceptance of the proposed use. The City sent postcard notifications to all addresses located within 1,000 feet of the Sand Creek Soccer Stadium. This same mailing included the date and time of the May Park and Recreation Advisory Board meeting. The meeting was lightly attended with only four adjacent residents in attendance. The two concerns expressed were that of potential noise from the public address system and lighting issues related to how long the soccer games may last into the evening. The Sky Sox Baseball Club provided a letter for the record outlining their concerns related to the Switchbacks use of the soccer stadium.

Due to the light attendance at the first public meeting, notices were sent for a second public meeting that was held on May 20, 2014.

The two public meetings combined with the two Park Advisory Board meetings have provided four opportunities for the public to provide input regarding the proposed uses.

The Park Department has met with representatives of the Sky Sox to discuss and better understand their issues and to work toward a resolution that would be a win-win for the Sky Sox, the Switchbacks, and the City. Staff has also discussed with the Sky Sox the creation of a new agreement with the baseball club regarding their uses of Coleman Park. Pursuant to direction from City Council received at the May 27, 2014 Informal Meeting, Park staff has again reached out to Sky Sox management and requested the opportunity to speak with them about their concerns and for feedback regarding elements to be included in an new agreement that must be made with the Sky Sox. Ragain Sports has also made attempts to meet with Sky Sox management to coordinate how the two franchises can work toward resolution of the issues.

Alternatives:

The City may rent the facility to Ragain Sports on a game by game basis and not enter into a long term lease agreement.

Proposed Motion:

Approval of the Joint Use/Lease Agreement between the City of Colorado Springs and Ragain Sports, LLC, for use of Sand Creek Stadium at Coleman Park for the purposes outlined in the agreement.

N/A