



Martin Luther King Jr. Sports Complex Expansion

Business Plan (Capital Projects that Promote Tourism)

May 2010

Alachua County Board of County Commissioners

Alachua County Purchasing Division, Third Floor
County Administration Building
12 SE 1st Street
Gainesville, FL 32601-6983

**Submitted by
City of Gainesville**

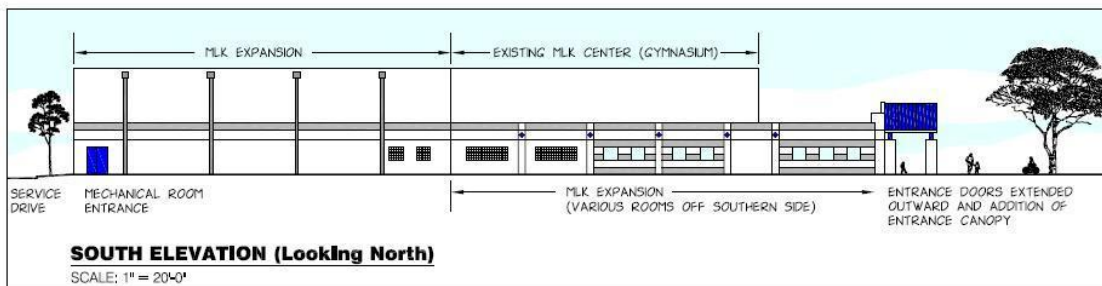
Legislative ID #090572C

Capital Projects that Promote Tourism: Martin Luther King Jr. Sports Complex Expansion

1. *A brief description of the project.*

This proposal outlines capital improvements to the Martin Luther King Jr. Multipurpose Center (“MLK”), located at the corner of Waldo Road and NE 8th Avenue in Gainesville, Florida. By expanding MLK, the majority of the Capital Projects funding from Alachua County would be used to ensure that the majority of the 22,600 square feet expansion would be utilized as an open activity area, serving to supplement the Center's existing indoor activity/sports space of 10,000 square feet. The center currently has several indoor spaces that will not have to be constructed within the building's expansion, and which will mutually complement expanded areas that the City proposes. Existing resources include the center's large concession stand and kitchen, large multi-use stage and existing locker rooms. Construction of additional storage space, office space and restrooms within the new expansion would be minimal, as these types of spaces already exist within the MLK Center as well. In addition, stormwater drainage and utilities along with sufficient parking areas already exist on site. As part of the overall project, these parking areas will be improved to include paved drives with grass stalls for 134 vehicles. The center's expansion would allow for greater utilization of the existing Citizen's Field Recreation Complex, which include a 50-meter swimming pool, a football and soccer stadium, and a large open area currently used for such sports as soccer, flag football and ultimate Frisbee. The continued vision for this area is to develop this complex to include other facets that would enhance the attraction and use of the sports complex. There has been much discussion and focus on the need for a multipurpose track and field area.

The vision and future expansion of this area could include the renovation and development of the City owned Citizens Field football stadium, to include an 8-laned rubberized track and field area. This improvement along with the other improvements to the MLK Center will generate a wide variety of uses by the community as well as those coming into Alachua County for sports events.



The City has been committed to this project and has taken many steps to help attain the goal for the development of this sports complex. Over the past few years, the following improvements have been made to the NE Sports Complex area:

- NE Pool renovations – the NE Pool is a 50 meter by 25-yard Olympic size pool. Approximately \$1.1 million has been spent in pool improvements to include a new pool liner, fencing, the conversion of the baby pool to an interactive water splashpad feature, as well as completion of restroom and locker room renovations, the installation of a heating cooling geothermal unit for year round access to the pool, interior pool light renovations and deck resurfacing.
- Skate Park - \$100,000 has funded the construction of a 40’ by 80’ modular unit skate park.
- Black vinyl chain link fence – fencing has been installed along the east side of the sport complex.
- Sand volleyball court – adjacent to the NE Pool, a sand volleyball court has been installed.

Currently the City is working on park and facility improvements funded through revenues derived from the Wild Spaces, Public Places Sales Tax. This half-cent local government infrastructure surtax is slated to fund the following project at the sports complex:

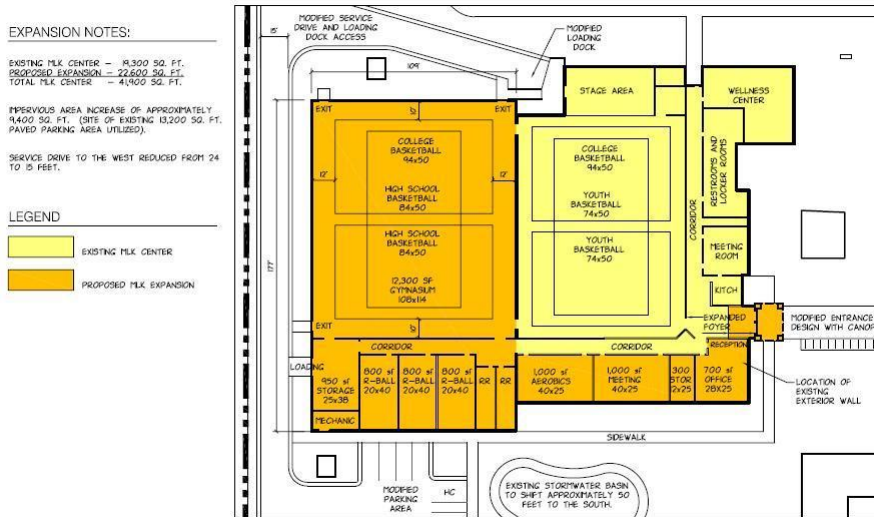
- Multipurpose Field Development - \$130,000 has been allocated for upgrading the multipurpose fields in the NE Park Complex area for soccer and football use.

2. ***How does the project fit the statutory requirements?***

By enlarging the existing Martin Luther King, Jr. Center, a publicly owned and operated facility, this project fits the statutory requirements: “To acquire, construct, extend, enlarge, remodel, repair, improve, maintain, operate, or promote one or more publicly owned and operated convention centers, sports stadiums, sports arenas, coliseums, or auditoriums, open to the public, within the boundaries of the county or sub-county special taxing district in which the tax is levied.

3. ***The proposed project may require joint ownership between County and requesting Public Entity.***

In order to accomplish this, the City would work with the County in an intergovernmental agreement since funding this project would result in an expansion of an existing facility.



4. ***What is the anticipated return on investment (ROI) for tourism?***

The return on investment would accrue through the ability of the City or other sports agencies, such as the Gainesville Sports Commission (GSC), to increase the number of (indoor) sporting events that could be hosted in Alachua County. Currently the number and size of (indoor) sporting events coordinated by GSC is restricted due to the lack of a central indoor facility with sufficient indoor sports activity space. The GSC has estimated that if the MLK Center was expanded to include additional activity/sports space, the number of indoor sporting events held in Alachua County could increase by 45% in the first year, 85% in Year Two and nearly 100% by Year Three. On average, GSC events currently generate approximately 30,000 room nights per year. An adequate sports arena within Gainesville/Alachua County would enable the City or other sports agencies to host additional sporting events and would result in a significant increase in the total number room nights generated.

A. Name of events that could be hosted at facility:

Year One (33 weekends):

AAU Jujitsu
Wrestling Invitational (12 Mat)
US Fencing Regional Qualifier
Regional Cheerleading
30-Team Winter Invite Basketball Tourney (G)
30-Team Winter Invite Basketball Tourney (B)
Volleyball Winter Invitational (G)
Volleyball Winter Invitational (B)
USA Wrestling Regional
30-Team Summer Invite Basketball Tourney (G)
30-Team Summer Invite Basketball Tourney (B)
Volleyball Summer Invitational (G)
Volleyball Summer Invitational (B)
10-Team Weekend Tourneys-Volleyball (10 ea)
10-Team Weekend Tourneys-Basketball (10 ea)
Gainesville Senior Games (Volleyball Added)

Year Two (37 weekends):

Wrestling Invitational (12 Mat)
Regional Cheerleading
30-Team Winter Invite Basketball Tourney (G)
30-Team Winter Invite Basketball Tourney (B)
Volleyball Winter Invitational (G)
Volleyball Winter Invitational (B)
30-Team Summer Invite Basketball Tourney (G)
30-Team Summer Invite Basketball Tourney (B)
Volleyball Summer Invitational (G)
Volleyball Summer Invitational (B)
10-Team Weekend Tourneys-Volleyball (10 ea)
10-Team Weekend Tourneys-Basketball (10 ea)
FHSAA Weightlifting-Boys
FHSAA Weightlifting-Girls
USA Wrestling Regional
Gainesville Senior Games (Volleyball Added)
Sunshine State Games (2 Weekends)
AAU Karate

Year Three (43 weekends):

- Wrestling Invitational (12 Mat)
- Regional Cheerleading
- 30-Team Winter Invite Basketball Tourney (G)
- 30-Team Winter Invite Basketball Tourney (B)
- Volleyball Winter Invitational (G)
- Volleyball Winter Invitational (B)
- 30-Team Summer Invite Basketball Tourney (G)
- 30-Team Summer Invite Basketball Tourney (B)
- Volleyball Summer Invitational (G)
- Volleyball Summer Invitational (B)
- 10-Team Weekend Tourneys-Volleyball (10 ea)
- 10-Team Weekend Tourneys-Basketball (10 ea)
- Miscellaneous Mat Sport Events (3 Weekends)
- FHSAA Weightlifting-Boys
- FHSAA Weightlifting-Girls
- USA Wrestling Regional
- Gainesville Senior Games (Volleyball Added)
- Sunshine State Games (2 Weekends)
- Florida Senior Games (2 Weekends)
- National Judo Regional
- USA Taekwondo Regional

B. Number of attendees from out of county, and

C. Number of hotel rooms booked per event:

YEAR ONE - 33 Weekends	# Spectators	# Participants	Total	Days Stayed	Per Rm	Estimated Rms/Night
AAU Jujitsu	800	350	1150	3	3	1150
Wrestling Invitational (12 Mat)	500	500	1000	3	3	1000
US Fencing Regional Qualifier	800	400	1200	2	3	800
Regional Cheerleading	2500	1800	4300	2	3	2867
30-Team Winter Invite Basketball Tourney (G)	600	300	900	3	3	900
30-Team Winter Invite Basketball Tourney (B)	200	300	500	3	3	500
Volleyball Winter Invitational (G)	600	300	900	3	3	900
Volleyball Winter Invitational (B)	250	300	550	3	3	550
USA Wrestling Regional	300	300	600	2	3	400
30-Team Summer Invite Basketball Tourney	600	300	900	3	3	900
30-Team Summer Invite Basketball Tourney (B)	200	300	500	3	3	500
Volleyball Summer Invitational (G)	600	300	900	3	3	900
Volleyball Summer Invitational (B)	250	300	550	3	3	550
10-Team Weekend Tourneys-Volleyball (10 ea)	200	1000	1200	2	3	800
10-Team Weekend Tourneys-Basketball (10 ea)	200	1000	1200	2	3	800
Gainesville Senior Games (Volleyball Added)	0	50	50	3	2	75

Totals:	8,600	7,800	16,400			13,592
---------	-------	-------	--------	--	--	--------

YEAR TWO - 37 Weekends	# Spectators	# Participants	Total	Days Stayed	Per Room	Estimated Rooms/Night
Wrestling Invitational (12 Mat)	500	500	1000	3	3	1000
Regional Cheerleading	2500	1800	4300	2	3	2867
30-Team Winter Invite Basketball Tourney (G)	600	300	900	33	3	900
30-Team Winter Invite Basketball Tourney (B)	200	300	500	3	3	500
Volleyball Winter Invitational (G)	600	300	900	3	3	900
Volleyball Winter Invitational (B)	250	300	550	3	3	550
30-Team Summer Invite Basketball Tourney (G)	600	300	900	3	3	900
30-Team Summer Invite Basketball Tourney (B)	200	300	500	3	3	500
Volleyball Summer Invitational (G)	600	300	900	3	3	900
Volleyball Summer Invitational (B)	250	300	550	3	3	550
10-Team Weekend Tourneys-Volleyball (10 ea)	200	1000	1200	2	3	800
10-Team Weekend Tourneys-Basketball (10 ea)	200	1000	1200	2	3	800
FHSAA Weightlifting-Boys	1400	250	1650	2	3	1100
FHSAA Weightlifting-Girls	1100	250	1350	1	3	450
USA Wrestling Regional	300	300	600	2	3	400
Gainesville Senior Games (Volleyball Added)	50	50	100	3	2	100
Sunshine State Games (2 Weekends)	700	4000	4700	3	2	7050
AAU Karate	2200	1700	3900	4	3	5200
Totals	12,450	13,250	25,700			25,467

YEAR THREE - 43 Weekends	# Spectators	# Participants	Total	Days Stayed	Per Rm	Estimated Rms/Night
Wrestling Invitational (12 Mat)	500	500	1000	3	3	1000
Regional Cheerleading	2500	1800	4300	2	3	2867
30-Team Winter Invite Basketball Tourney (G)	600	300	900	3	3	900
30-Team Winter Invite Basketball Tourney (B)	200	300	500	3	3	500
Volleyball Winter Invitational (G)	600	300	900	3	3	900
Volleyball Winter Invitational (B)	250	300	550	3	3	550
30-Team Summer Invite Basketball Tourney (G)	600	300	900	3	3	900
30-Team Summer Invite Basketball Tourney (B)	200	300	500	3	3	500
Volleyball Summer Invitational (G)	600	300	900	3	3	900
Volleyball Summer Invitational (B)	250	300	550	3	3	550
10-Team Weekend Tourneys-Volleyball (10 ea)	200	1000	1200	2	3	800
10-Team Weekend Tourneys-Basketball (10 ea)	200	1000	1200	2	3	800
Miscellaneous Mat Sport Events (3 Weekends)	500	1500	2000	3	3	2000

FHSAA Weightlifting-Boys	1400	250	1650	2	3	1100
FHSAA Weightlifting-Girls	1100	250	1350	1	3	450
USA Wrestling Regional	300	300	600	2	3	400
Gainesville Senior Games (Volleyball Added)	50	50	100	3	2	100
Sunshine State Games (2 Weekends)	700	4000	4700	3	2	7050
Florida Senior Games (2 Weekends)	1600	2200	3800	2	3	3800
National Judo Regional	600	600	1200	2	3	800
USA Taekwondo Regional	2000	900	2900	2	3	1932
Totals	14,950	16,750	31,700			28,799

D. Bed tax generated by out of county visitors, and

E. Sales tax generated by out of county visitors:

Information provided by the GSC shows that additional events, such as the ones listed above, have the potential to generate 13,592 additional room nights in year one, 25,467 additional room nights in year two and 28,800 room nights in year three. The current average daily rate (ADR) of hotels/motels in Alachua County is approximately \$68. At this rate, the first year of new events at the MLK Multipurpose Center would yield \$55,455 in sales taxes and \$36,970 in bed tax. The second year would yield \$103,905 in sales tax and \$69,270 in bed tax. The third year would yield \$117,504 in sales taxes and \$78,336 in bed tax. All told, the first three years of new events would generate \$461,440 in new sales and bed taxes for the Alachua County. The Florida Sports Foundation estimates that adults spend \$131 per day and youth spend \$67 per day when attending sporting events. Using these figures and basing the first year estimate of 8,600 new spectators and 7,000 new participants, an expanded MLK Multipurpose Center could create an economic impact in Alachua County of \$1.56 million dollars in the first year based on an average of a one-day stay for an event. If participants and spectators stay an average of three days, the economic impact in Alachua County increases to \$4.68 million the first year, \$9.25 million over two years and more than \$10 million after three years. The only limiting factor to increasing the number of (indoor) sporting events could be the unavailability of hotel/motel room nights within the County. Currently there are times during the year that available room nights are limited. As efforts by local organizations committed to expanding tourism in Alachua County become increasingly successful, available room nights may be difficult to find at certain times of the year.

5. Where is the project to be located and how would this be the best location for attracting tourists?

The Martin Luther King Jr. Multipurpose Center is located at 1028 NE 14th Street in Gainesville, at the corner of Waldo Road and NE 8th Avenue; this site offers many advantages.

Is project located near an area for secondary spending: restaurants, retail, grocery, service etc?

The Center is located within ¼-mile of the Wal-Mart Supercenter (off Waldo Road), and is 1.5 miles from the downtown restaurants, shopping centers and cultural event venues.



Is location visitor friendly – easy access, easy to find, proper signage, adequate parking?

The location is easily accessible from I-75 using Williston and Waldo Roads, and offers a viable location that can serve as an alternate or supplemental venue to the existing University of Florida facilities. It is also located 3.5 miles from the Gainesville Regional Airport. Parking is readily available.



6. *What is the actual cost associated with the project?*

Construction, land and infrastructure:

This project is being estimated at a construction cost of \$200.00 per square foot. With an addition of 22,600 square feet to the MLK Multipurpose Center, construction costs will be

\$4,520,000.00. After adding in Project Design Costs, Contingency and funding for Fixtures, Furniture and Equipment, the total cost of the project is projected to be \$5,658,000.00. It should be noted that included within the \$200.00 a square foot construction cost is additional landscaping for the site as well as parking improvements to the area just south of the Citizen Field stadium. If a portion of the facility expansion were built for emergency shelter use, the total development cost would increase to \$ \$7,000,000. If funded, the completion time would be within a two-year period.

Operations and management, upkeep and maintenance:

The City of Gainesville estimates that the additional operating cost resulting from the expansion of the facility will be in the area of \$153,851 for the first year of operation.

How will project sustain itself and what revenue generation is possible?

It is also estimated that the expanded facility will generate approximately \$80,000 in event revenues in the first year. Both operational expenses and revenues are projected to increase annually.

List all matching funds, donations:

The City of Gainesville is committed to funding the increase in operational expenses related to the expansion of the MLK Center. There will be no cost to the County's General Fund.

Business Plan Reviewed:

Public Financial Management, Inc., which is the City of Gainesville's Financial Advisor, has reviewed this business plan for content and the numbers and has found them to be reasonable.

7. *How does the project support the brand and the main purposes of travel into the County?*

The main purpose of this proposal is to provide opportunities for sports and sporting events. As previously mentioned, the expansion of the Martin Luther King Jr. Multipurpose Center will allow the City or other sports agencies in conjunction with the City to successfully bid for events that, up to this point in time, have been out of reach. The City or any other local sports agency has not been able to host events such as the Sunshine State Games or the State Senior Games due the lack of an indoor multi-purpose facility. The City of Gainesville was the initial site of the Sunshine State Games in 1980, and subsequently hosted that event in 1981, 1982, 1989, 1995, 1996 and 2000. However, improvements to other facilities as well as the construction of new indoor facilities around the state have put Gainesville and Alachua County at a disadvantage when competing or bidding to bring these and other large sporting events to this area. Sports tourism is the #1 reason people come to Gainesville and Alachua County. By adding 22,600 sq. ft. of indoor facilities to the MLK Center, Alachua County would once again be in a position to successfully bid and host these kinds of events. Indeed, Alachua County would be the beneficiary of several hundred thousand dollars of additional bed-tax revenue in the first three years after the completion of the expansion. The results of a comprehensive economic impact study published in the March/April 2006 issue of *SportsEvents* magazine, reveals the importance of a robust program for attracting sports events to communities. Among the findings were:

- A. Two-fifths of U.S. adults are sports events travelers. In the past five years, 75.3 million U.S. adults attended an organized sports event, competition or tournament as either a spectator or as a participant while on a trip of 50 miles or more, one-way, away from home. One-fourth of all sports event travelers attended events to watch their children or grandchildren play. The average spending per athlete has increased substantially. Last year, the value in direct spending per athlete was \$361 per event. This year that spending will nearly double to \$680.
- B. The sports event industry is on a growth track. "American society values the competitive aspect of sports - at all levels. It starts with youth sports and the passion remains through the highest levels. The industry has become more competitive for

both event owners looking to book business into cities, and Convention & Visitors' Bureaus and sports commissions trying to attract more business.” So says Patrick Rishe, Ph.D., associate professor of economics at Webster University in St. Louis, MO.

- C. For event owners, the quality of the competition site is of utmost importance. 66% of respondents in the study stated that it was extremely important, while 51% cited the proximity to hotels.
 - D. When it comes to choosing a city to host an event, the single most important characteristic (45%) is the quality of competition facilities, while sponsorship potential (17%), payment of bid fee (9%), and demographic of community (2%) rated much lower.
8. ***What would be the second-hand benefit to the County other than tourism?*** While the primary purpose of an expanded Martin Luther King Jr. Multipurpose Center would be to host new sporting events being brought to Gainesville and Alachua County, the new expansion would be available for local community recreational uses during the week and would significantly enhance existing and expanding (indoor) youth and adult sports programs within the local area. In addition, local sports and recreation events could still take place at the center even when one portion of the center is being used for large community functions or non-sporting events.

Furthermore, in the spring of 1997 more than 200 concerned citizens met to discuss the state of East Gainesville. Through the synergy established the East Gainesville Development Task force was formed. This task force mission's was to promote the development and revitalization of east Gainesville. The funding of this project would create the potential for that development to occur in the form of possible hotel expansion, restaurants and other related amenities. In 2001, the Task Force changed its name and became East Gainesville Development Corporation, and it continues to play a key role in east Gainesville development projects.

9. ***How will the project be marketed to tourists?***

The City or other sports agencies will market the expanded MLK facility primarily through their yearly bid proposals. The City of Gainesville will also partner (wherever possible) with the Alachua County Visitor's and Convention Bureau, the Original Florida Tourism Task Force and Visit Florida to market the expanded facility for possible non-sports related events.

10. ***Describe how project will have national and international recognition?***

Having a venue of this magnitude would allow the City to jointly host national and international sporting events through a wide variety of organizations such as GSC, University of Florida and Santa Fe College among others.