

**To the Mayor and Members of the City Council****April 6, 2021**

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SUBJECT: FORT WORTH SPORTS TOURISM SOCCER COMPLEX UPDATE

The purpose of this Informal Report is to provide the City Council an update and background on the Sports Tourism Project. Since the ultimate development will be contingent on the City Council's endorsement and approval of funding, staff would like to move forward with the project as a City of Fort Worth initiative. The City of Fort Worth will be the key entity involved in financing any city owned facility and infrastructure so moving the project to the City from the Fort Worth Sports Authority will provide for the most efficient process to bring this to fruition.

Background and Analysis

In the Spring of 2019, the Fort Worth Sports Authority engaged Sports Facilities Advisory (SFA) to complete a Fort Worth market feasibility study of the sports tourism industry. The study found that an opportunity exists to build a tournament-class long field complex in Fort Worth to capitalize on sports tourism. Soccer tournaments have the greatest opportunity to capture the sports tourism market to generate hotel room nights.

In addition to developing a primary tournament complex, the City will also have to provide for the use of secondary facilities in order to capture the largest tournaments in the market.

As part of the study, SFA developed finance and development strategies for the project that made certain assumptions after four finalist locations within the City were selected as the best potential fits for the complex. The evaluation process focused on available property that met certain size and access requirements and willing property owners that would participate in the development of the project. SFA made certain assumptions that included the use of a Tax Increment Financing District (TIF) with the willing master developer responsible for ancillary commercial, hotel, retail and other taxable development as a means of including the private sector to produce tax revenues to support project finance within the development area. SFA assumed that the City will play a major finance role in the sports tourism asset and that lease and use agreements, events contracts, sponsorship, local grants, and other mechanisms will be employed to finalize funding for the sports developments.

The facility program plan developed by SFA includes the development of an up to 20-field outdoor tournament-class long field complex with a 4,000 seat Championship Stadium plus a 102,000 SF indoor complex with full-sized field and support amenities. The requirement for the property size included an estimated acreage of 100 acres+ that would include set-backs, greenspaces and parking for 2,000 cars plus the potential for ancillary commercial, retail and hotel development. The estimated project cost of the fields, stadium, indoor facility and parking is approximately \$50 million plus land cost. The base projected economic impact of this size project would include 122,610 non-local days in market/37,400 room nights and a projected \$16 million in direct spending annually.

The site selection evaluation process included the development of a selection scorecard for all available sites, nine total that were narrowed to four, that included:

- weighted scoring factors and the ability to maximize private sector investment,
- the completion of a test fit of recommended SFA facility that included a minimum number of fields and a 4,000 seat stadium with adequate parking
- an overall development program on each site in collaboration with an architect, land owners and others to establish both core and ancillary development mix for each site, and
- an analysis of total value of potential private sector investment in the ancillary development mix that could be supported for each site.

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The four finalist sites include:

- Basswood site (located at the northwest corner of I-35 and Basswood Blvd)
- Overland site (located on both sides of the Chisholm Trail Parkway just north of Oakmont Blvd)
- Walsh Ranch site (located on the northeast corner of I30 and Walsh Ranch Pkwy)
- TMS site (located on the east side of the Texas Motor Speedway property).

SFA delivered its final report to the Fort Worth Sports Authority in December 2020 and since that time City staff has been working with the property owners of the finalist sites to begin developing an apples-to-apples evaluation of each site and potential private partner. It is estimated that most of the information needed from the potential partners will be received by the end of April so an evaluation can be completed by June 1st.

The one site that may have the potential for a different larger development that would include the base project components, plus a larger stadium and a performance center is the Basswood Blvd. site. Councilman Moon has been working with the Keller ISD and a private group interested in bringing a United Soccer League franchise to Fort Worth. The project costs as outlined under this proposal is approximately \$170 million and would include financial participation by KISD. City staff will be evaluating the Basswood site under the base proposal and will then complete a review of the feasibility of the larger more complex proposal.

If you have any questions or concerns related to this effort, please contact Jay Chapa, Deputy City Manager at 817-392-5804.

David Cooke
City Manager