

## **AGENDA**

### **SUBCOMMITTEE OF THE COMMITTEE ON FINANCE ON THE DEVELOPMENT OF A NATIONAL SPORTS COMPLEX AT CALIFORNIA STATE UNIVERSITY DOMINGUEZ HILLS**

**Meeting: 1:00 p.m., Wednesday, November 8, 2000  
Coronado Room**

William Hauck, Chair  
William D. Campbell  
Murray L. Galinson  
Frederick W. Pierce, IV  
Anthony M. Vitti

#### **Discussion Items**

1. National Sports Complex at California State University , Dominguez Hills,  
*Information*

**SUBCOMMITTEE OF THE COMMITTEE ON FINANCE  
ON THE DEVELOPMENT OF A NATIONAL SPORTS COMPLEX AT CALIFORNIA  
STATE UNIVERSITY, DOMINGUEZ HILLS**

**National Sports Complex at California State University Dominguez Hills**

**Presentation By**

James E. Lyons, Sr., President  
California State University, Dominguez Hills

Richard P. West  
Executive Vice Chancellor and  
Chief Financial Officer

**Summary**

The conceptual plan to support the development of a national sports complex at CSU, Dominguez Hills was approved by the Board of Trustees at the May 2000 meeting. The final development plan and economic framework for development and operation of the project was approved by the Board at the September 19-20, 2000, meeting. Subsequent to the September meeting, an application was filed with the United States Soccer Federation to use the proposed site as a national training academy for the United States Soccer Federation.

Negotiations are continuing with Anschutz L.A. Soccer regarding the terms and conditions of the ground lease and operating agreements. Attached is a copy of Agenda Item 4 from the September 19-20, 2000 meeting of the Committee on Finance, which describes in detail the framework for the agreement. Generally, the net present value of the minimum returns to the university for use of the 85 acres of land at a 6% discount rate is \$5.2 million or \$61,000 per acre. If the value of the upgraded university facilities constructed as part of the project were included, the net present value increases to \$11.8 million or \$139,000 per acre.

Current net present value returns for the same property, which is leased out to a commercial nursery, would be approximately \$869,000 over the same 25-year period or roughly \$10,223 per acre. In 1996 a development proposal, which contemplated a mix of commercial, entertainment, and rental housing, solicited proposals that provided a net present value return to the university of approximately \$2.8 million for 71 acres over a similar period or \$39,400 per acre. However, the project did not go forward due to the nature of the development and the inability to provide adequate financing.

The campus has initiated the Environmental Impact Report process. At a later date, if the project moves forward, the Trustees will be asked to approve revisions to the masterplan, review and approve schematic plans, and any required environmental documents.

**BRIEF**

**Action Item**

Agenda Item 4  
September 19-20, 2000

**COMMITTEE ON FINANCE**

**Development of a National Training Center and Sports Complex at California State University, Dominguez Hills**

**Presentation By**

James E. Lyons, Sr., President  
California State University, Dominguez Hills

Bradley W. Wells, Assistant Vice Chancellor  
Financial Services

**Summary**

This item requests the Board of Trustees take action to approve the economic framework for a proposed public/private partnership between Anschutz L.A. Soccer and California State University, Dominguez Hills for the development and operation of a National Training Center/Sports Complex at California State University, Dominguez Hills.

**Recommended Action**

Approval of the resolution

## **ITEM**

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Agenda Item 4  
September 19-20, 2000

### **COMMITTEE ON FINANCE**

#### **Development of a National Training Center and Sports Complex at California State University, Dominguez Hills**

##### **Background**

Since this project was brought to the Trustees at the May 2000 meeting, California State University, Dominguez Hills has made significant advances in the discussions with Anschutz L.A. Soccer (ALAS) regarding the possibility of entering into a public/private partnership for the development and operation of a National Training Center and Sports Complex (Complex) on the campus. The vision for the Complex features state-of-the-art venues that will serve as a primary training center for top amateur and professional athletes in soccer, tennis, track and field, cycling, basketball, volleyball, and women's field hockey. The Complex will also serve as home for several sports federations and their national and Olympic teams. Additionally, well-known sports figures will be invited to sponsor major camps and clinics for boys and girls' youth development including local, regional and national programs.

The Complex would encompass a National Sports Academy for world-renowned athletes and coaches, while providing a home to Major League Soccer's (MLS) Los Angeles Galaxy and the new Women's United Soccer Association (WUSA) team, putting soccer at the forefront of Southern California sports. The Complex will also be anchored by major tennis tournaments and track and field events. This unique and exciting complex would significantly enhance the California State University, Dominguez Hills campus and the City of Carson with upgraded athletics facilities and nationally recognized soccer, tennis, and track and field events.

This is a pivotal point in the process because a proposal must be submitted to the United States Soccer Federation (USSF) by September 30, 2000, in an effort to bring the USSF to this new sports complex. Some components of this project are predicated upon a successful bid proposal to the USSF.

##### **Education Benefits and Synergies**

In addition to providing a stadium venue that will be available for use by CSU Dominguez Hills for its major events such as commencement, this project would provide significant capital improvements to existing campus athletic facilities. The Complex will also contribute to student life on campus, enhance existing campus athletic programs and provide a national profile for both the campus and the city of Carson. This project has the potential of attracting additional enrollment

for the campus and excellent business opportunities for the city of Carson. In addition, this partnership could lead to the development of new academic programs in areas such as sports medicine, sports marketing, events management along with associated student internship opportunities.

### **Economic Advantages and Benefits**

The campus will receive \$250,000 per year for the first four years of operations in addition to a minimum guaranteed payment of \$200,000 per year, increased by changes in the CPI, from event ticket revenue as well as a share of net parking income. In addition, use of the new stadium for annual commencement will save \$100,000 because the campus will no longer need to rent bleachers and other seating for this purpose.

The enhancement to student life and the potential for enrollment growth provides significant financial advantages to the campus including the ability for the campus to host revenue-generating events in the stadiums. ALAS estimates the total design and construction costs of the Complex at \$100 million, with no commitment of campus funds to the project. This project will also include new parking lots that will save students, faculty, and staff the financial burden of funding the construction of these facilities.

### **Complex Components**

The center piece of the Complex will include a 20,000 permanent seat soccer-specific stadium expandable to 29,000 seats to serve as the permanent home for the MLS Los Angeles Galaxy soccer team, and for games by the new women's WUSA soccer team, international matches, NCAA Collegiate Tournaments, American Youth Soccer Organization and California Youth Soccer Association youth tournaments and other top amateur league tournaments. The stadium will also host additional events including University commencement ceremonies, family shows and limited concerts, and provide space for year-round training camps and coaching clinics.

An 8,000 permanent-seat tennis stadium and academy, expandable to 13,000 seats, will be constructed for major tennis tournaments including the Association of Tennis Professionals men's event Mercedes Benz Cup currently held at UCLA, and the Women's Tennis Association tournament currently held at the Manhattan Beach Tennis Club. The tennis stadium is also expected to host approximately 36 events annually including two or three week tournaments during the summer months. The facility will utilize 12 existing and 18 new practice courts including one show court with up to 3,000 seats adjacent to the stadium and other facilities to support a tennis academy to be developed and operated through a partnership with Pete Sampras for youth development and training programs.

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Fin.

Agenda Item 4

September 19-20, 2000

Six new grass fields, one synthetic turf field and additional support facilities will be developed for the United States Soccer Federation's (USSF) National Training Academy. The academy will provide a home for the USSF national men and women's teams and under-20 teams, as well as amateur tournaments, training camps, coaching clinics and other events. USSF will also utilize additional facilities including soccer fields, locker rooms, weight and training rooms, offices, coaches and referees areas, video rooms, gymnasium, pool, track and probable offsite residential accommodations capable of housing up to 240 people.

The Complex will also include a new state-of-the-art facility to serve as the permanent home to USA Track and Field and a new annual tournament, including an 8-lane NCAA/Olympic track, field areas for pole vault, high jump, long and triple jumps, shot put and discus throw. The facilities that will accommodate CSUDH – NCAA competition meets and tournaments as well as California high school championships and will include up to 6,000 permanent seats expandable to 15,000 seats for U.S. National and Olympic trials and qualifying meets.

A new Olympic-standard velodrome facility is proposed that would be home to U.S. Cycling and could accommodate major cycling events and local club use. Although no permanent seating would be provided, up to 5,000 temporary seats could be installed for a small number of major cycling tournaments or Olympic trials.

To support the expanded athletic uses on the site, the complex will include a state-of-the-art wellness center of approximately 15,000 sq. ft. for treatment and therapy for sports-related injuries as well as physical fitness, sports medicine, rehabilitation programs that could tie into new University academic curricula.

In addition, ALAS and the University plan to upgrade the Toro Dome gymnasium floor and facilities to create additional sports opportunities including a premier basketball academy for young men and women, a possible permanent training facility for the L.A. Clippers, a home to the NBA summer league, and a volleyball academy involving camps and clinics for Southern California's top volleyball athletes. The upgrades of existing athletic facilities combined with the newly developed USSF Academy and related facilities would allow the development of a national sports training academy for various youth athletic training camps, clinics and competitions as well as enhance the athletic programs and facilities for CSUDH students.

Infrastructure improvements will also be constructed as part of the Complex including approximately 2,500 new paved parking spaces supplemented by about 4,000 spaces already available on site, provisions for additional turf parking of up to 1,000 spaces for overflow parking needs, and the development of a 3-mile jogging trail around the Complex with up to 12 exercise stations for athletes, university and community use.

## **Agreement Terms**

The contractual arrangement with ALAS contemplates a 25-year ground lease with three 10-year options for approximately 85 acres of University property and an operating agreement for the use of Academy facilities all at \$1 per year rent.

ALAS, as master developer of the Complex, will raise funding for development of soccer and tennis stadiums with no financial obligation on the part of the University. If awarded the USSF bid, ALAS will also raise funding for training academy facilities and University facility upgrades.

The University would be the lead agency for preparing and certifying an Environmental Impact Report (EIR) to comply with California Environmental Quality Act (CEQA) requirements with all costs of preparing the EIR paid by ALAS.

The University President will commit to play a lead advocacy role on behalf of the project in the local community. ALAS is committed to working with the University and an advisory committee comprised of residents from the surrounding community on curfew hours, decibel levels, light and glare concerns from surrounding residential land uses, as well as to provide the University and the neighborhood with ongoing input and approval. ALAS and the University will also jointly seek support from the city of Carson and Los Angeles County to reallocate the annual possessory interest tax or in lieu real estate taxes to the University and to the City. The University and ALAS will be joint applicants to the USSF Request for Proposal (RFP) for the National Training Center. ALAS will pay all consultant costs associated with the preparation and filing of the RFP.

The University will continue to operate the gymnasium, the swimming pool and the weight room, and pay all costs of operating and maintaining these facilities to be used primarily by students of the University in accordance with its past practices. The University will make such facilities available to ALAS for reasonable periods, particularly when the University is not in session. The use of such facilities by ALAS will include an appropriate sharing of operating costs.

ALAS will maintain the existing (and upgraded) tennis courts, the existing and upgraded soccer fields and the track and field facilities and pay all costs of operating and maintaining the facilities at a level to meet collegiate and professional standards.

ALAS will control and operate the soccer stadium, the tennis stadium, the new soccer fields and the new tennis courts, and pay all costs of operating and maintaining the facilities at a level to meet collegiate and professional standards. These facilities will be used by ALAS except for commencement services when the University will use the soccer stadium, and at times when the facilities are not otherwise being used by ALAS.

## **Summary**

This proposal offers numerous advantages to the University including at least \$550,000 per year for the first four years of the arrangement and at least \$350,000 thereafter. In addition, intangible benefits will be derived through enhanced image and prestige associated with professional sports venues, national training academies, and potential future Olympic venues. These facilities could distinguish CSUDH as one of the nation's top institutions for university curricula focused on sports, sports marketing, coaching, training as well as attract new and improved athletic programs.

The Complex brings significant immediate investment of benefit the University. These investments include additional parking, roadway, lighting, landscaping and utility infrastructure improvements and significant savings for facility utilization/equipment rental for special functions and commencement exercises. If the USSF bid is successful, additional benefits will include upgrades to existing facilities and new fields and practice facilities for shared University uses. Together these investments are valued at \$7 million that will directly benefit the University.

This agenda item is being presented to provide the Trustees with the economic framework for a public/private partnership between California State University, Dominguez Hills and Anschutz L.A. Soccer for the development and operation of a National Training Center and Sports Complex. It will feature state-of-the-art venues that will serve as a primary training center for top amateur and professional athletes in soccer, tennis, track and field, cycling, basketball, volleyball, and women's field hockey. The campus has started the Environmental Impact Report process. At a later date, if this project moves forward, the Trustees will be asked to approve the related master plan revisions, any proposed schematic plans and the required environmental documents. The following resolution is recommended for approval:

**RESOLVED**, By the Board of Trustees of the California State University, that the Trustees:

Approve the economic framework of the public/private partnership for the construction of a National Training Center and Sports Complex at California State University, Dominguez Hills as set forth in this item.