

PRINCE WILLIAM

Parks & Recreation

Parks and Recreation Commission Meeting Minutes

COMMISSION MEMBERS

Brodie Freer, Chair, Occoquan District
Christian Thom, At Large Member
Vida Carroll, Brentsville District
Jane Beyer, Coles District
Rick Berry, Gainesville District
Ross W. Snare, IV, Neabsco District
Oriella Mejia, Potomac District
Sharon Richardson, Woodbridge District

April 17, 2024

George Hellwig Administrative Bldg. Board Room
14420 Bristow Rd. Manassas, VA

Commission Members Present

Rick Berry
Jane Beyer
Vida Carroll
Brodie Freer
Oriella Mejia
Ross Snare
Sharon Richardson
Christian Thom

Staff Present

Janet Bartnik
John Blevins
Todd Reid
Eugene Loew
Rob Orrison
Frances Bridges
Patti Pakkala
Trey Payne
Candace Redd
Joe Dillard
Darius Turner
Mac Slover

Commission Members Absent

None

Secretary

Shannon Jaenicke

Guests

Aidan Redd
Zoey Kellum
Marcus Atkinson
Kelsi Da Re
Kate Bachman

Citizens

See Citizen Sign in Sheet

Call to Order

At 7:00 p.m. Brodie Freer called the regular meeting of the Parks and Recreation Commission to order. Seth Hendler-Voss led the Pledge of Allegiance to the Flag.

Administrative Items

RES 24-11 Approve Minutes of March 20, 2024. **APPROVED (RB:SR, Unanimous)**

Citizens Time

Jeff Bergman – former Gainesville Park Commissioner Bergman shared with the Commission that he has a great deal of interest in the Indoor Sports and Event Center and is in attendance tonight to learn more about it. A facility like this is needed.

Tom Konicki – Mr Konicke, a member of the Woodbridge Pickleball Club Board, supports the exciting opportunity for the Indoor Sports Facility. It will reduce out of county tournament travel and bring in money to the county.

Barbara Tyrell –Woodbridge Pickleball Club really wants this new facility; it will be good for tournaments and an economic driver. She asked the Commission to support the project. She shared her gratitude for all of the new outdoor pickleball courts.

Jason Grant – Jason Grant, supports the new Indoor facility:

- Location east or west does not matter. He coaches both HS and Club track and they bus out to all events currently.
- This is not a Rec Center and does not have any comparison to the Freedom Center or St. James
- Out of County meets are expensive and time consuming.
- The private sector won't build this facility as the debt service is too high to be profitable.
- The BOCS recommended increase in the Data Center tax makes this the time to take bold action.

Michael Whitlock – Woodbridge Pickleball member, Chamber member, business owner supports the indoor facility:

- It will increase community engagement, providing a space for community events.
- This infrastructure improvement will drive more infrastructure improvements and investment for both visitors and citizens.
- It will promote healthy lifestyles.
- Benefits students who will have to travel less and have more time for studies and less fatigue.
- Improves family engagement with less time spent in getting to from activities and families will save on travel expenses.

Presentations

Annual Good Sports Awards

Sports Services presented the 2023 Good Sports Awards recognizing the efforts and sportsmanship demonstrated by members of the Sports Community in Prince William County. Four athletes, one coach and one administrator were recognized for their accomplishments within their respected Sports League and Community. Director Hendler-Voss presented each winner with a Director's coin.

2023 Athletes

- Miracle League - Aiden Redd
- Miracle League - Kelsi Da Re
- PW Girls Fastpitch - Marianne Baranowski
- EPW Basketball - Zoey Kellum

2023 Coach

- EPW Basketball - Royce Keown

2023 Administrator

- o Virginia Soccer Assn. - Kate Bachman

Motion to Recess 7:35 p.m. BF: JB

Call to Order Chair Freer reconvened the meeting at 7:53 p.m.

Prince William Sports and Event Center- Seth Hendler Voss reviewed the findings of the interim report. This information was presented to each Supervisor last week and at the Community Meetings on April 10 and 11. The next step in this process is a presentation at the BOCS on May 14, at this time a decision on the land purchase must be made, the Board has until May 18 to terminate the purchase agreement. Seth shared some of the frequent misinformation that has been shared by the public and encouraged the Commissioners to review and share the FAQ's and project information that is available on the on website pwcsportscenter.com [**Presentation is available from the Secretary to the Commission**]

Motion – Authorize the Chair to write a letter of support to the Board of County Supervisors on behalf of the Parks and Recreation Commission supporting the land purchase and project.
APPROVED (RS: OM) AYES; Beyer, Freer, Mejia, Richardson, Snare; NAYS Berry, Carroll, Thom.

During discussion of the motion, it was agreed that the letter of support should state that "a majority of the Parks Commissioners support the land purchase and project".

Budget Markup

Budget Markup was held last night at the BOCS meeting. The Parks Department stands to fare quite well in FY25. At recap, funding for the Holiday Walk of Lights and Fridays at Five special events (\$250,000) were added, Capital Maintenance funding was increased (\$1.2M), and \$1.0M was added for mobility projects in the Transportation Department budget. All other funding from the CXO proposed budget remained as recommended, including 3.3 new FTE's, 1 Principal Planner, 1 Construction Inspector and 1.3 Maintenance and Operations positions.

Committee Reports

None

Old Business

None

New Business

None

Director Time

Director Seth Hendler-Voss provided the following updates:

- The Volunteer Appreciation picnic is this Saturday at Brentsville Courthouse at 1130 am
- The Miracle league opening day ceremony is also this Saturday at 9 am at Hellwig.
- Lifeguard recruitment has been very successful this year, we need just 39 more guards for Splashdown.

Deputy Director Janet Bartnik shared the following Capital Project updates:

- The Howison project has been advertised for bid.
- The Heavy Construction Contractor's renovations at Logan Park are complete and a ribbon cutting will be held tomorrow at 130 pm.
- The Cloverdale Ribbon cutting was held last week, all elements of the project are complete except for the fixtures at the comfort station.
- The bids for the Featherstone section of the PHNST have been received.
- The improvements at Jenkins Park are nearly completion, unfortunately the park was badly tagged by vandals.
- Vets Park Pickleball Court conversion work begins on Monday.
- The Hellwig Park fieldhouse project Public Facility Review has been received. It has not yet gone to bid.
- The furnishings for Rollins Ford Park have not been delivered.
- The ADA transition plan recommendations are continuing to be addressed, a progress report is coming, ARPA funds have really moved these projects along.
- A CMP team has been created and is developing a 5-year plan.

Commissioners Time

- Ms. Carroll Ms. Carroll attended the bluebell festival at Merrimac and noted that there were DPR staff there representing the department at information tables. It was extremely well-attended.
- Mr. Thom Mr. Thom gave kudos to staff for the facilitation of the Indoor Sports and Event Center community meeting at Pat White Center. He noted that the sentiment of some in attendance that "we are paying taxes to build it, then having to pay a second time to use it" is true of all community sports and not a good argument against the sports center. He stated that it is very important to get information about the facility out to the citizens, especially in social media where he has noted a lot of misinformation.
- He was also able to visit Loudoun County Park recently and felt that PWC parks compare very favorably.
- Ms. Beyer Ms. Beyer attended the rededication ceremony at Cloverdale Park, it was well attended; she is very glad to hear that this year's lifeguard hiring has been so successful after really struggling the last several years.
- Mr. Berry Mr. Berry attended the one-on-one Sports Center briefing with Supervisor Weir and the Community meeting at Pat White Center. He noted that there were several questions from the community and that the staff did a very good job answering.
- Mr. Snare Mr. Snare attended both Indoor Sports and Event Center Community meetings and staff did a very good job facilitating; he was invited to throw the first pitch at the Dale City Little League opening day ceremony; he shared that he is very happy to join the Commission and looks forward to working

- Ms. Mejia with his fellow commissioners.
Ms. Mejia was happy to attend the Community meeting at Pat White center last week, there were lots of citizens in attendance and staff were ready to answer any questions, she would love to host more information sessions; she was able to also attend the one on one briefing on the indoor center with Supervisor Bailey; she thanked staff for addressing the need for benches at Moncure Park; she also was able to attend the FOIA training on March 4.
- Ms. Richardson Ms. Richardson was sorry to miss all the information sessions and community meetings for the Indoor Sports Center as she was out of country. She has heard a lot of great feedback, but like Mr. Thom she is disappointed in the misinformation being shared on social media regarding the project; she enjoyed a few weeks of exploring various municipal parks systems throughout New Zealand.
- Mr. Freer Chair Freer thanked the Maintenance and Operations team for keeping all our parks and facilities looking good; he was able to speak with Supervisor Boddye about the Sports and Event Center project prior to the meetings; he congratulated the winners of the "Good Sports Awards".

Closed Session None.

Adjournment

RES 24-12 Motion to Adjourn at 9:12 pm. **APPROVED (RS:CT, Unanimous)**

The next meeting of the Parks and Recreation Commission will be held on May 15, 2024, at the Hellwig Park Administration Building.

Minutes **APPROVED** at Parks and Recreation Commission meeting held on May 15, 2024.


Brodie Freer, Chair


Seth Hendler-Voss, Director


Shannon Jaenicke, Secretary

PRINCE WILLIAM
— Parks, Recreation & Tourism

**Parks and Recreation
Commission**

SIGN-IN SHEET

April 17, 2024

Please Print Name / Address / Phone Number/ Email

Place a check mark beside your name if you wish to address the Commission. Please limit your comment to 3 minutes when speaking on your own behalf or 5 minutes if speaking on behalf of a group.

Name	Address	Phone #	Email
Jeff Berlowman	1438T Newbern Loop Garnesville, VA	571-238-1706	JeffBerlowman@gmail.com
Tom Konicki	5429 Loggerhead Pl Woodbridge, VA	703-622-0450	tomkonicki@yahoo.com
Barbara Tyrell	902 Bay St Wdly	703-491-5300	BarbaraTyrell
Jason Grant	16030 orland the Dr Bristle	702-447-8361	jgrant2274@gmail.com
M. Whiteclark	8479 GIBBYAN RD MANASSAS	703-981-5488	WHITECLARKMWA@OLCOM



Prince William County, Virginia

Proposed Regional Indoor Sports & Events Center

Interim Agreement Findings: Overview of Proposed Facility & Fiscal Impact Analysis

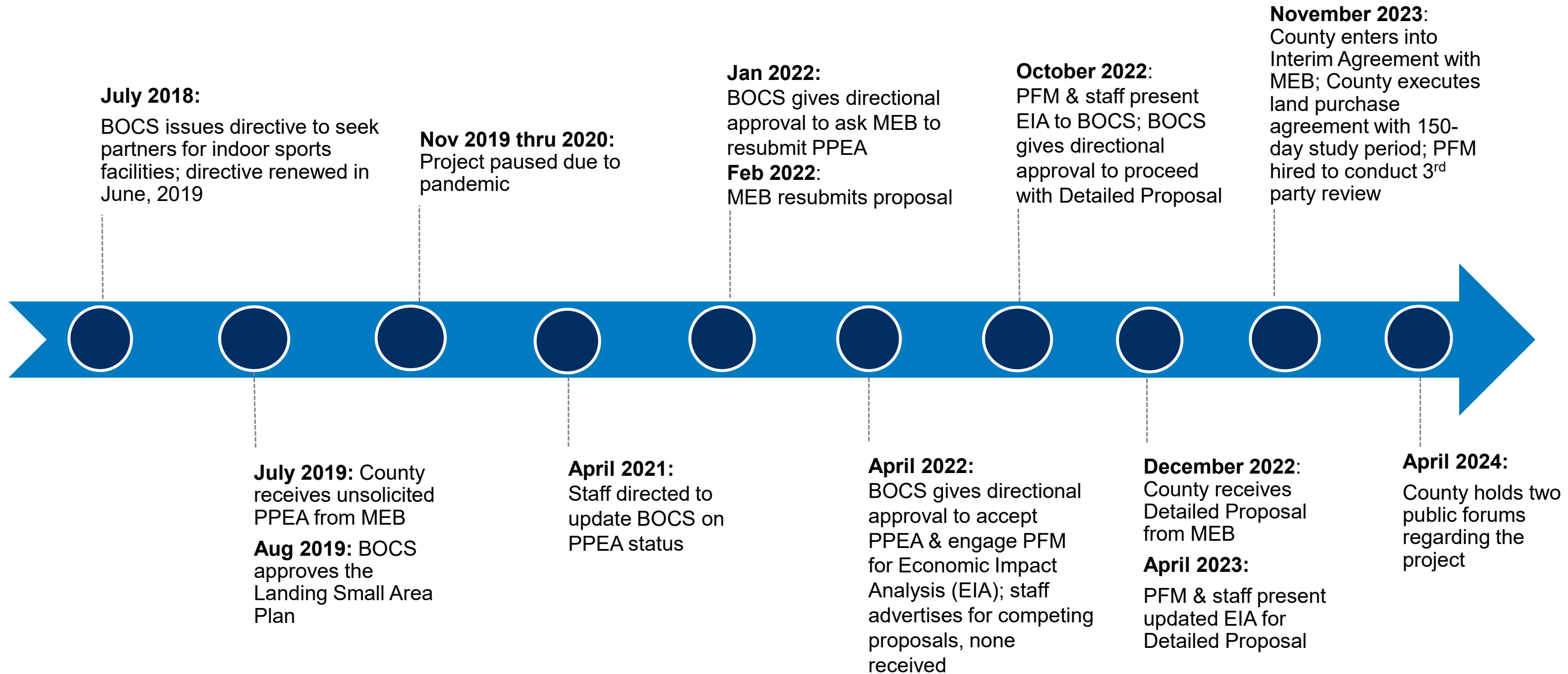
April 17, 2024



 BRAILSFORD & DUNLAVEY



Project Timeline



Summary of Project Impact

- › Demand for the facility is sound, particularly given the County’s demographics
- › The proposed facility satisfies many major goals in the Prince William County Strategic Plan; Comprehensive Plan; & Parks, Recreation & Open Spaces Master Plan
- › The facility will drive positive community benefits & address unmet needs from the school division
- › From a financial & economic impact perspective, the project is expected to:
 - Generate sufficient revenue to cover operations, with potential to generate positive Net Operating Income upon stabilization
 - Create a positive fiscal impact (before debt service & reserves) with sales, hotel, & food & beverage tax revenue from visitor spending
 - Generate a strong economic impact, driven by out-of-county visitors
 - Create over 900 new jobs in the County
- › Total facility & land cost is estimated at \$140 million, with an estimated annual debt service cost of approximately \$10 million

Estimated Financial Impact ¹	Annual @ Project Stabilization (Year 3)
Net Operating Income	\$419,000
Plus: Direct Tax Revenue ²	\$1,502,000
Net Fiscal Impact	\$1,921,000
<i>Economic Impact (indirect + direct + induced)</i>	
	\$50M Output 912 Jobs \$46M Wages
<i>Average annual Debt Service^{3,4}</i>	<i>(\$10,090,000)</i>
<i>Annual Net Fiscal Impact, factoring in Debt Service⁵</i>	<i>(\$8,169,000)</i>



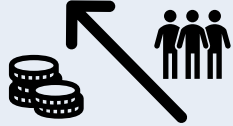
- 1) Financial impact as shown excludes the impact of ancillary development that is spurred by the project.
- 2) Includes sales tax on visitor spending in the County, lodging tax, prepared food tax, & onsite alcohol sales tax. Revenue generated both in the facility & off-site.
- 3) Based on the total estimated capital cost of approximately \$140 million, which includes land acquisition.
- 4) Annual debt service is estimated. Assumes debt is amortized over 20 years with equal annual principal payments.
- 5) Excludes the cost of funding a capital or operating reserve.

Source: Victus Advisors “Market, Financial & Economic Analysis for a Proposed Indoor Sports & Events Center in Prince William County, Virginia,” March 28, 2024



Proposed Operating Model

- › The facility is geared towards group sports use & sized to serve the region; not a traditional recreation center
- › The proposal assumes the facility operates for both community-use & economic development with a high-cost recovery
 - Alternative operating models or priorities may impact the scope, size, scheduling & cost of the facility

Publicly Financed Indoor Recreation Facilities		
Operating Model		
Economic Development	Pure Community Use	Proposed
		
Outside Visitors	Residents	Outside Visitors & Residents
Weekends	Weekdays & Weekends	Weekends & Weekdays
Market rate, heavily discounted or free for rights holders	Free or sliding scale based on ability to pay	Market rate with some subsidy; discounts for rights holders
Low – Medium	Low-Medium	High
Low	Low	Low
High	Low	High
High	Medium	High
High	High	High

Target User
Target Use Period
Price Point
Cost Recovery for Operations (Direct Rev)
Cost Recovery for Capital
Incremental Tax Revenue
Capital Costs
Operating Costs

A Multi-Dimensional Project

- › The project will have positive implications on multiple quality-of-life measures
- › Beyond servicing the recreation needs of residents & driving tourism, the facility is expected to:
 - Spur commercial development in the immediate vicinity
 - Drive spending for local business
 - Grow & diversify the County's tax base
 - Create jobs
 - Improve educational outcomes & support school families
 - Improve health & public safety outcomes



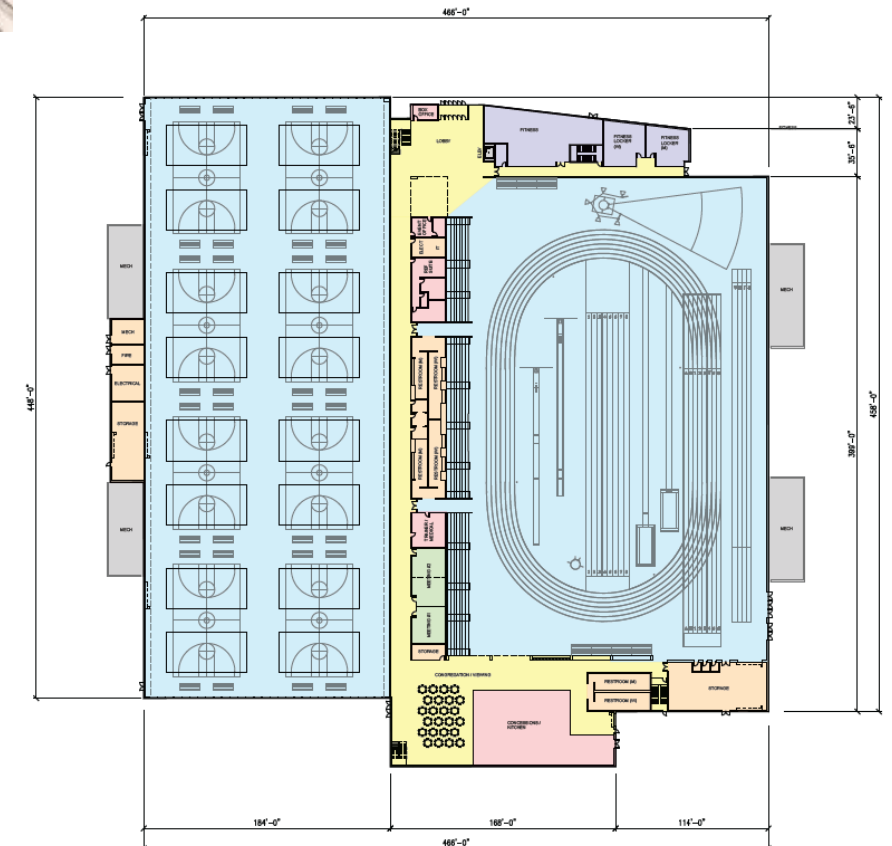
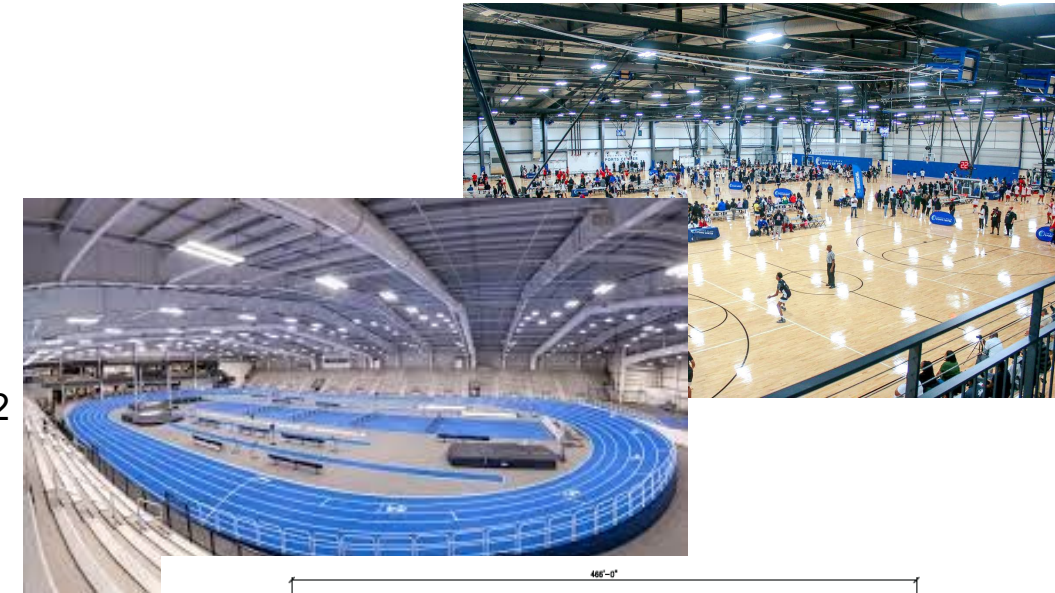
Overview of Interim Agreement

- › In November 2023, the County entered into an Interim Agreement with MEB under which MEB would provide:
 - Site analysis & site design services
 - Conceptual design services
 - Construction cost estimates & project schedule
 - Market demand research & fiscal impact study, which was provided by Victus Advisors LLC (“Victus”) as part of the MEB team
- › The County engaged independent consultants to review the fiscal impact of the proposed facility
 - Brailsford & Dunlavey (“B&D”) to evaluate the market demand & fiscal impact
 - PFM Financial Advisors (“PFM”), the County’s Financial Advisor, to evaluate the debt service costs

Sports & Events Center Overview

- > The proposed Prince William County Sports & Events Center is a **250,000 SF indoor sports facility** including
 - 8 basketball courts (convertible to 16 volleyball courts, 20 pickleball courts, other uses)
 - 200-meter hydraulic banked indoor track & event space (convertible to 6 basketball courts, 12 volleyball courts, 20 pickleball courts); only 10 currently in the U.S.
 - Spectator seating: 3,500 in track & event space; seating for up to 6,800 for graduations or similar large events
 - Café with seating overlooking the track; approx. 5k square feet that could be used for fitness center or alternative use
- > **Uses & Benefits**
 - Host indoor track & field events, basketball, volleyball, & other sports tournaments, as well as other events such as PWCS graduations, PWCS robotics/drone competitions, trade shows, expos, community events, conventions, rallies, etc.
 - Benefit community members with local programming such as youth & adult leagues, camps, & clinics
 - Promote community health & well-being
 - Promote community investment, e.g., hotel & other sports tourism amenities
- > MEB General Contractors (“MEB”)¹ to design & build the facility
- > County would fund land acquisition & capital costs, estimated at \$140 million, plus any operating subsidy

1) Contract team led by MEB General Contractors. Additional team members included, as described on slide 23.



Market Demand

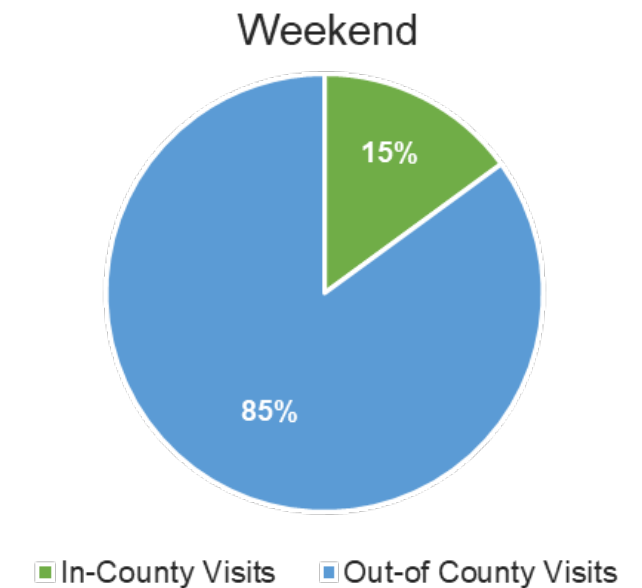
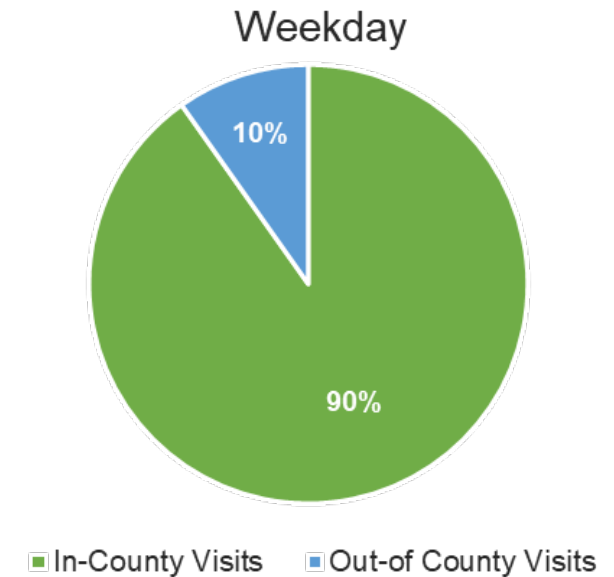
- › Victus & B&D both conclude that demand for the facility is sound, particularly given the County & region's demographics, location of the site, & currently no comparable facilities nearby
- › Strong demand for weekend youth/amateur sports tournaments & track meets
- › The facility program would be focused on popular indoor sports (track & field, basketball, volleyball), but offers flexibility for other competitive sports (pickleball, wrestling, cheer), recreational sports, adaptive sports & community events
- › Local high schools indicated interest primarily in indoor track & field meets & graduations at the facility

Stakeholder Findings

- › Focus groups & interviews were led by Victus between January & March 2024; participants included
 - › 38 local user groups
 - › 27 regional sports groups & national event organizers
- › Victus found very strong interest for annual tournaments/weekend events
- › Confirmed demand for indoor track space, as there is currently no indoor track facility in the County or nearby
- › Demand for multi-use courts was high across sports, with particularly strong demand for hardwood courts

Usage & Visitors

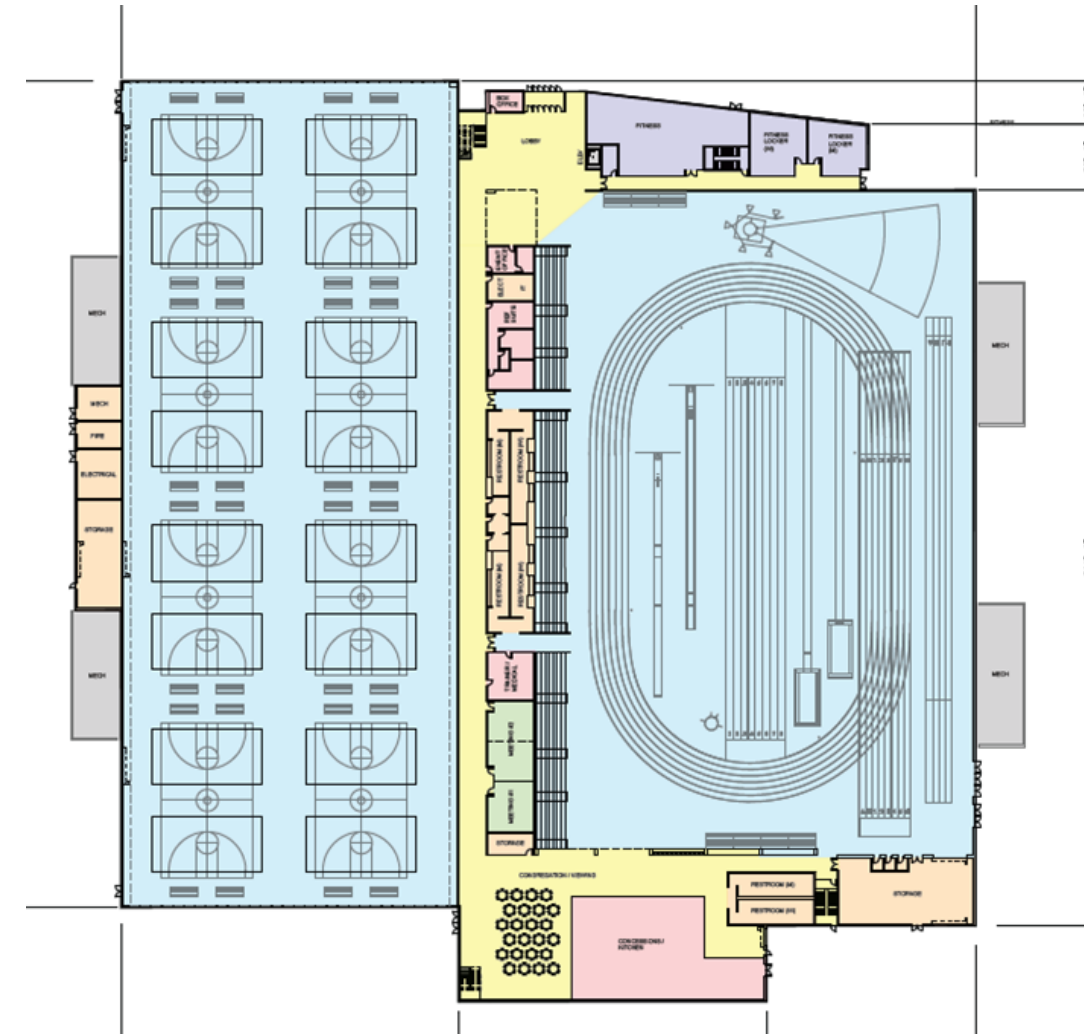
- › The facility would market & operate opportunities for recreational sports & community programming primarily on weekdays prior to 3:30 PM
- › After 3:30 PM on weekdays, usage would be primarily dedicated to hourly court rentals for local youth & adult sports teams/clubs for practices & competitions, drawing mostly in-County visitors
- › Weekend usage would be primarily dedicated to daily facility rentals for youth/amateur sports tournaments & track & field meets (one-to-two-day events) drawing mostly out-of-County visitors
- › Overall, it is projected that visitors from out-of-County would account for approximately 60% of annual attendance



Source: Victus Advisors "Market, Financial & Economic Analysis for a Proposed Indoor Sports & Events Center in Prince William County, Virginia," March 28, 2024

Facility Events / Rentals

- › Victus projects the facility would host 70 annual sports tourism events mostly on weekends
 - 50 court sports tournaments/competitions (75 out of 104 weekend days)
 - 20 track & field meets or championships (30 out of 104 weekend days)
 - Most active months are November through March (indoor track season)
 - Plus, room built into schedule for non-sports events like graduations, robotics competitions, conventions, community events, rallies, etc.
- › Rental income would be the key revenue driver for the facility
 - Weekends: Daily court & track rentals for sports tournaments & track & field meets
 - Court-side, approximately 70% of weekend days
 - Track-side, approximately 35% of weekend days, with capacity for additional court sports or flat floor events when the track is down
 - Weekdays: Hourly court & track rentals after 3:30 PM for sports teams & clubs



Source: Victus Advisors "Market, Financial & Economic Analysis for a Proposed Indoor Sports & Events Center in Prince William County, Virginia," March 28, 2024

Operating Pro Forma

- › Key revenue drivers
 - Rental Income; Concessions; & Facility Fees from events
- › Key expense drivers
 - Salaries, Wages & Benefits; Cost of Goods Sold; & Utilities
- › Assumptions
 - 3-year ‘Startup Phase’ allowing revenues to stabilize while full operating expenses are required to market & manage the facility, with 3% escalation per year thereafter
 - Market-rate pricing for events
 - High-level of customer service & maintenance

Operating Revenues	Year 1	Year 2	Year 3	Year 4	Year 5
Rental Income (Sports & Graduations)	\$1,447,600	\$1,757,800	\$2,068,000	\$2,130,040	\$2,193,941
Concessions (Gross Sales)	\$1,215,200	\$1,475,600	\$1,736,000	\$1,788,080	\$1,841,722
Facility Fees (\$2 per Ticket Sold)	\$338,753	\$411,343	\$483,933	\$498,451	\$513,405
Advertising & Sponsorship	\$93,800	\$113,900	\$134,000	\$138,020	\$142,161
Weekday Programming	\$44,100	\$53,550	\$63,000	\$64,890	\$66,837
Other	\$7,000	\$8,500	\$10,000	\$10,300	\$10,609
Total Revenues	\$3,146,453	\$3,820,693	\$4,494,933	\$4,629,781	\$4,768,674
Operating Expenses					
Salaries, Wages, & Benefits	\$1,556,000	\$1,556,000	\$1,556,000	\$1,602,680	\$1,650,760
Cost of Goods Sold (Concessions)	\$850,500	\$1,032,750	\$1,215,000	\$1,251,450	\$1,288,994
Utilities	\$461,000	\$461,000	\$461,000	\$474,830	\$489,075
Management Fee	\$300,000	\$300,000	\$300,000	\$309,000	\$318,270
Advertising, Marketing & Promotion	\$100,000	\$100,000	\$100,000	\$103,000	\$106,090
General & Administrative (incl. insurance)	\$200,000	\$200,000	\$200,000	\$206,000	\$212,180
Program Expenses	\$44,100	\$44,100	\$44,100	\$45,423	\$46,786
Maintenance / Repair	\$100,000	\$100,000	\$100,000	\$103,000	\$106,090
Materials / Supplies	\$100,000	\$100,000	\$100,000	\$103,000	\$106,090
Total Expenses	\$3,711,600	\$3,893,850	\$4,076,100	\$4,198,383	\$4,324,334
Net Operating Income (EBITDA)	(\$565,147)	(\$73,157)	\$418,833	\$431,398	\$444,340
Operating Margin	-18%	-2%	9%	9%	9%

Source: Victus Advisors “Market, Financial & Economic Analysis for a Proposed Indoor Sports & Events Center in Prince William County, Virginia,” March 28, 2024



Estimated Tax Revenue

- › The project is expected to generate approximately \$1.5 million annually in tax revenue to the County, excluding any revenue from ancillary development

Tax	Rate	Notes	Victus' Estimated Tax Revenue ^{1,2}
Food & Beverage Tax	4%		\$608,000
Transient Occupancy Tax ³	8%	Assumes 65K room nights based on estimated tournaments & out-of-County visitors	\$560,000
Sales Tax	1%	Assumes out-of-County visitors spend average of \$65 per visit, which accounts for weighted average of day trippers & overnighers	\$334,000
Total Incremental Tax Revenues			\$1,502,000

1) Tax revenue as shown is prior to any share of the revenue with Prince William County Schools.

2) Fiscal Impact is shown at project stabilization, which is estimated to occur around year 3. Includes spending on & off the facility site.

3) Transient Occupancy Tax rate of 8% includes the 3% dedicated to the Northern Virginia Transportation Authority for transportation projects. 3% of the County's Transient Occupancy Tax revenue is directed to tourism.

Source: Victus Advisors "Market, Financial & Economic Analysis for a Proposed Indoor Sports & Events Center in Prince William County, Virginia," March 28, 2024



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PRINCE WILLIAM COUNTY

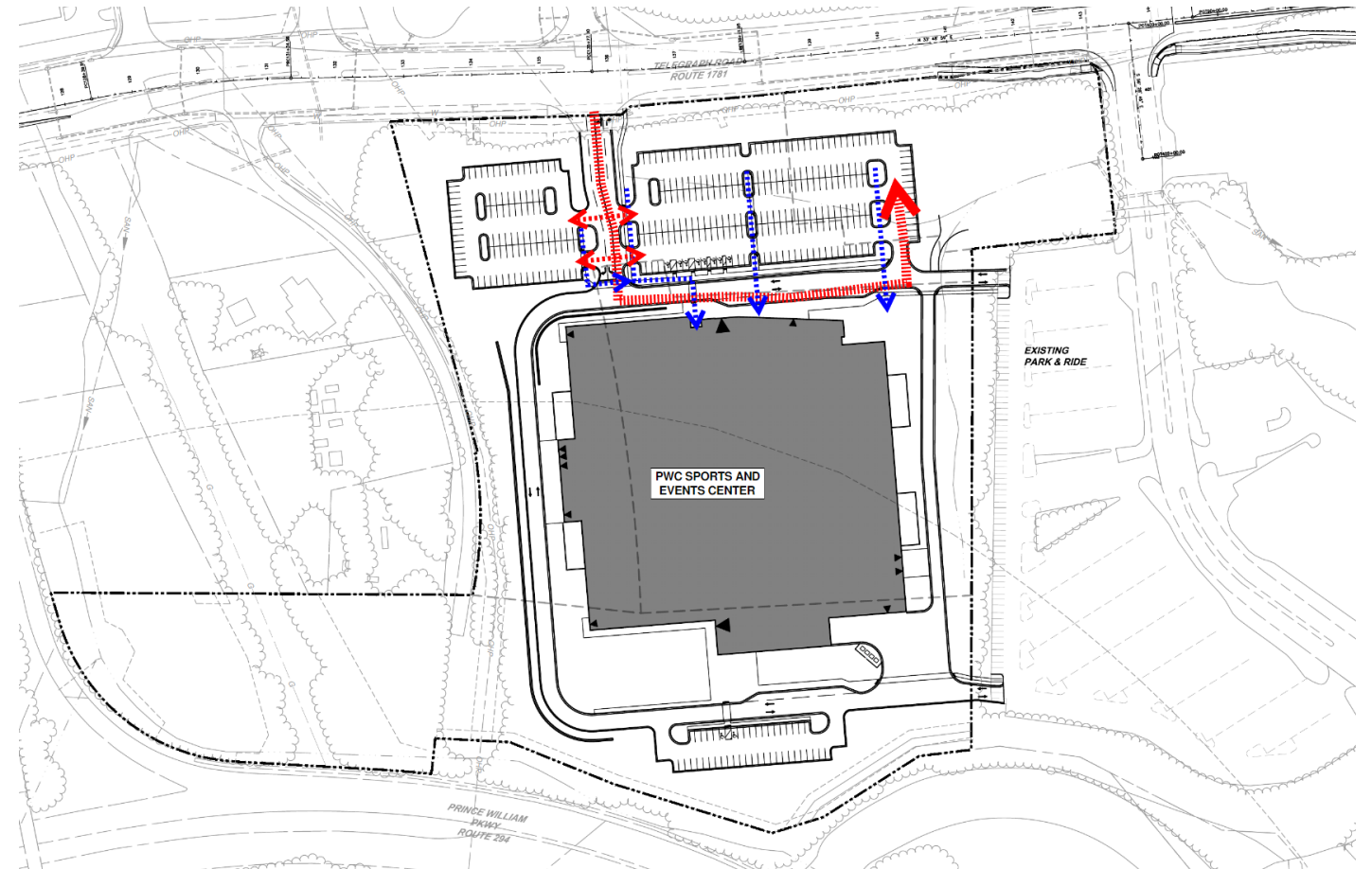
Comparison to Virginia Beach Facility

- › The County’s proposed facility is similar to the Virginia Beach Sports Center (“VBSC”), which opened in October 2020
- › FY 2021 & FY 2022 were negatively impacted by COVID-19 restrictions
- › One of the main goals for the VBSC was to provide a positive economic impact (e.g., fill hotel rooms during the City’s non-peak tourist season)
 - In FY 2021 & FY 2022, the VBSC exceeded projections of hotel room nights generated & the number of events
 - FY 2023 & FY 2024 shows upward trend in events, attendees & hotel room nights
- › The VBSC has operated at a loss, financially
 - The Virginia Beach funded operating reserve (\$750k) was substantially exhausted in October 2022
 - By February 2023, the facility operator, Eastern Sports Management (“ESM”), had depleted its working capital account & had requested to borrow funds from Virginia Beach to cover unanticipated operational losses
 - In August 2023, Virginia Beach deferred action on a funding item (\$1.16M) from ESM
 - In November 2023, Virginia Beach terminated their agreement with ESM
 - ESM’s management & incentive fees (\$650k annually) were high compared to agreements for comparable facilities
 - Virginia Beach’s Convention & Visitors Bureau had discretion to deeply discount rental fees

Sources: City of Virginia Beach City Auditor “Office of the City Auditor: Audit of the Virginia Beach Sports Center,” report date February 10, 2023; City of Virginia Beach, City Council formal session November 14, 2023; Victus Advisors LLC “Feasibility Study for a New Indoor Sports Center in Virginia Beach,” submitted November 2, 2016; Victus Advisors LLC “Final Report: Updated Virginia Beach Sports Tourism Market & Facilities Opportunity Study,” February 1, 2023; Victus Advisors LLC “Market, Financial & Economic Analysis for a Proposed Indoor Sports & Events Center in Prince William County, Virginia,” March 28, 2024.

Facility Location

- › The County has an option to purchase 22 acres on Telegraph Road in the Woodbridge area
 - Facility would be located close to 1-95, with easy, primary access to the site off Telegraph Rd, which is currently funded for widening
 - Adjacent to the Telegraph Rd commuter parking lot; which could be used for facility parking on evenings & weekends
 - Adjacent to a multi-modal transit hub
 - Close to existing hotels, dining, shopping & entertainment
 - Within 30 miles of all 13 PWCS high schools; within 15 miles of 7
 - Option to purchase the land, at a cost of \$15.45 million, must be exercised no later than May 18, 2024
- › Site includes 350 dedicated parking spaces for the facility
 - Approximately 3,000 parking spaces are within walking distance or a quick shuttle ride to the facility

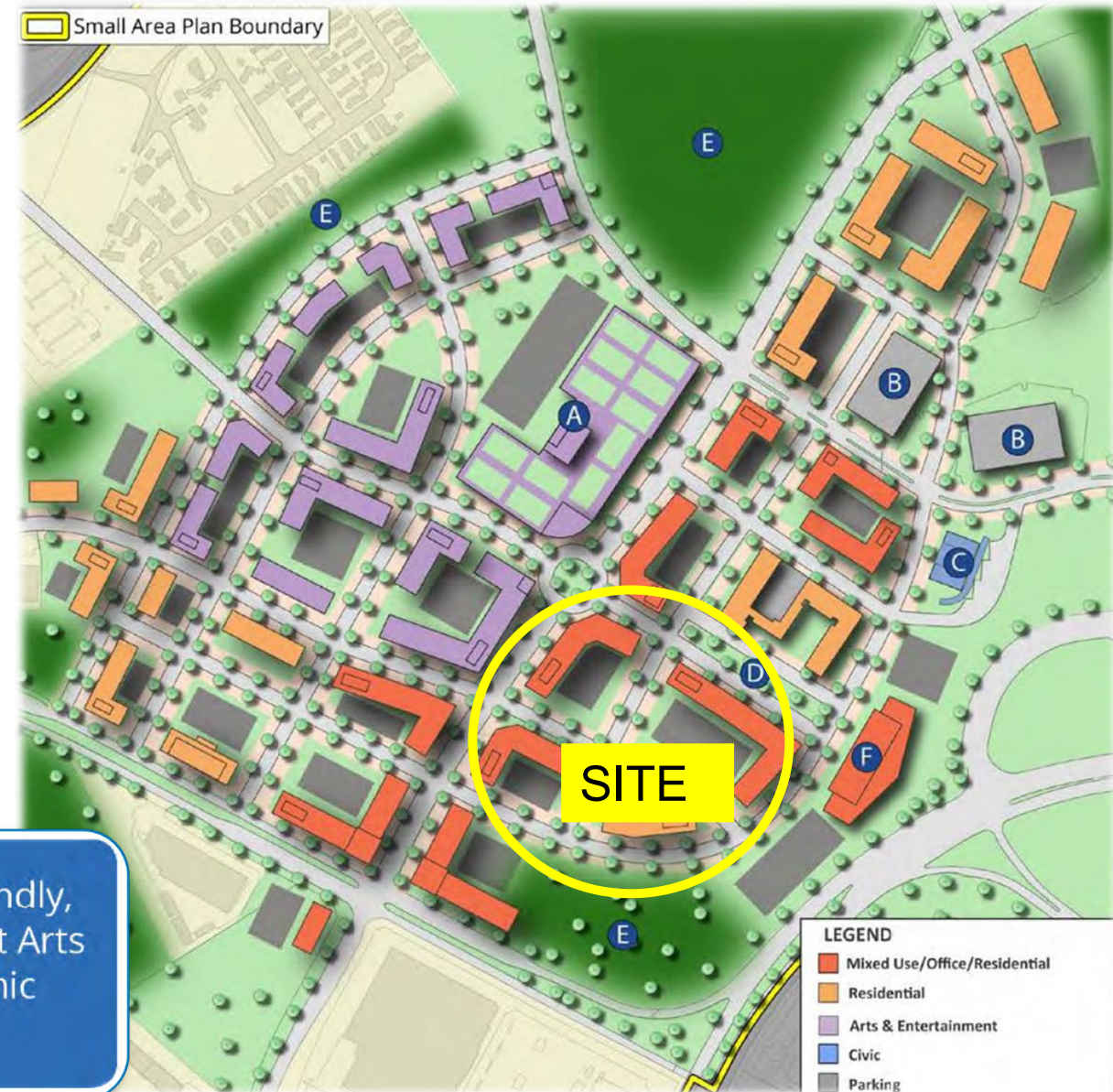


Catalyst for the Small Area Plan

- › Site can accommodate the proposed facility & potentially, spur additional private development
 - The Landing at Prince William Small Area Plan contemplated this facility as an anchor for a new town center
 - Strategic public investment in Small Area Plans is essential to their implementation
 - Control of this site (whether the sports complex is developed or not) would likely provide a strategic advantage for economic development purposes

The Landing at Prince William Small Area Plan

VISION: The Landing at Prince William is a sustainable, pedestrian friendly, transit-oriented, vertical mixed use Town Center anchored by a vibrant Arts and Entertainment District that fosters both local and regional economic opportunities while also preserving the extensive natural resources.

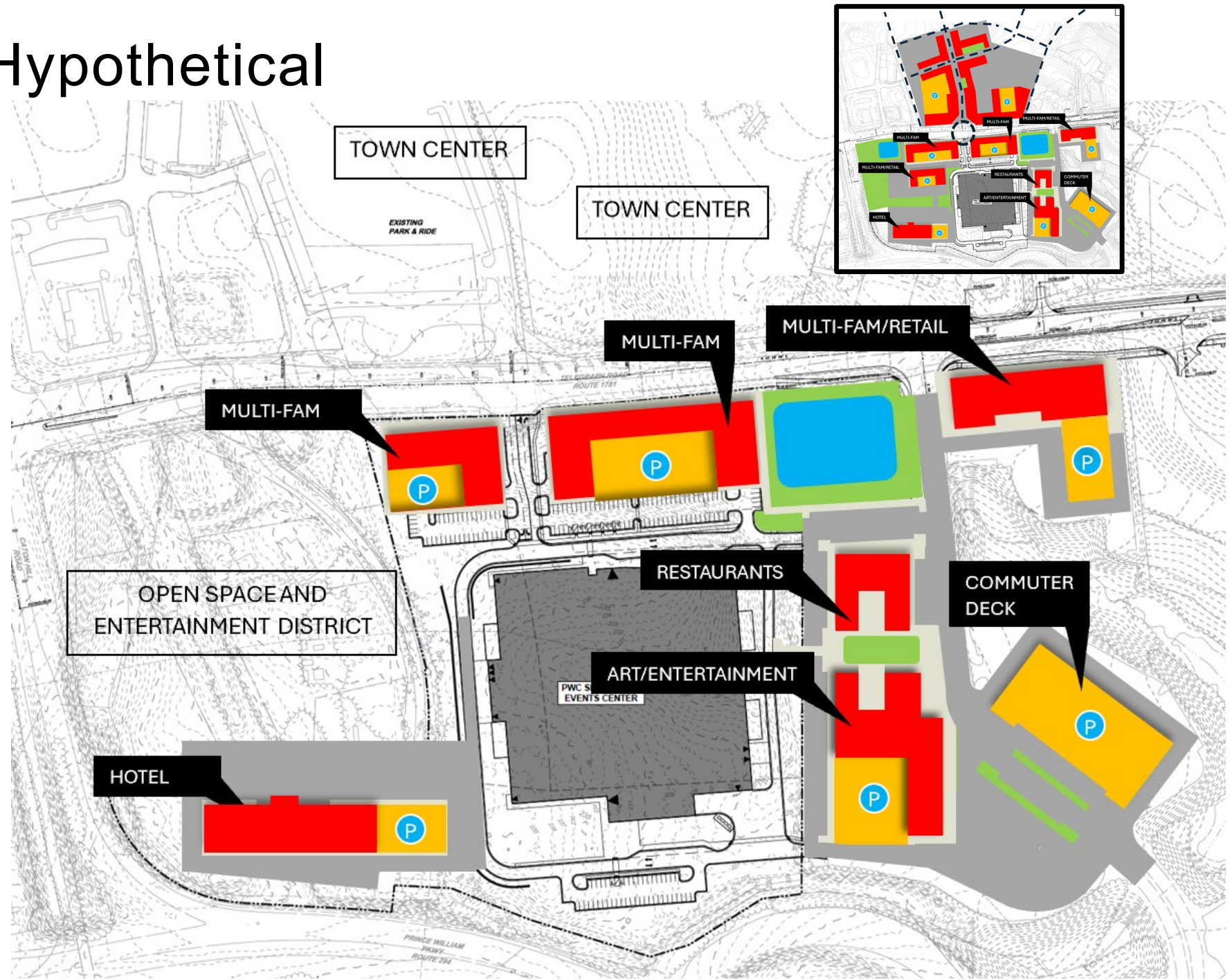
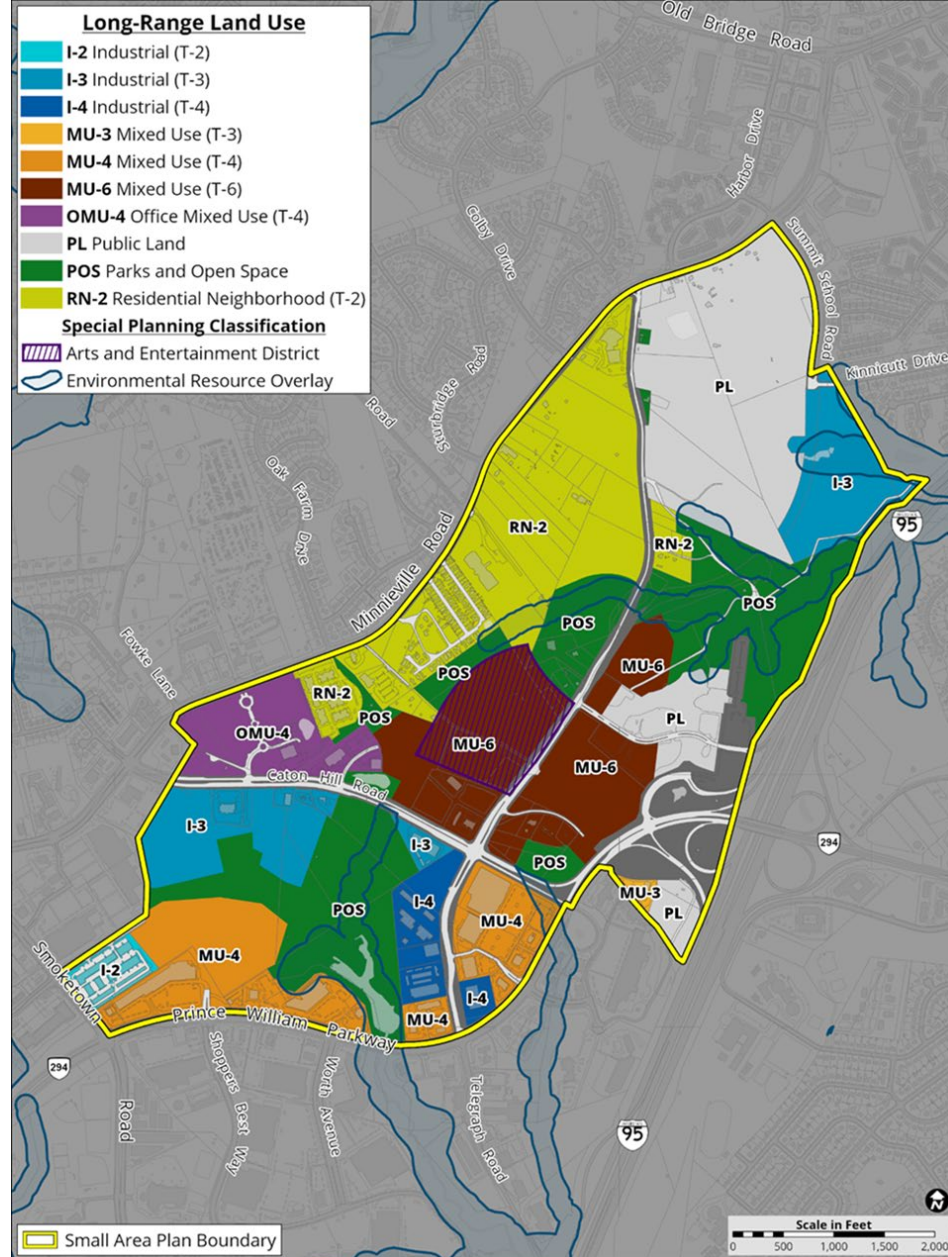


Ancillary Projected Development

- › Hunden Partners is being engaged to perform a market analysis for the potential of ancillary development opportunities
- › Market analysis will examine existing supply & future demand to determine if, or when, the market would warrant additional uses such as:
 - Lodging
 - Family Entertainment
 - Retail & Restaurants
 - Multi-family Residential



Phase 2 Site Build-out Hypothetical



Capital Cost Implications

- › The Proposed FY 2025 CIP includes the cost of the land acquisition at \$15.45 million
 - The Proposed FY 2025 CIP includes additional debt capacity for the project at \$134 million to ensure financial capacity, though the project itself would not be included as part of the FY 2025 CIP adoption
- › Analysis herein assumes the land acquisition & capital costs are financed with the sale of bonds
 - Assumes debt is repaid over 20 years with equal annual principal payments, which is consistent with the County’s Principles of Sound Financial Management
 - Estimated borrowing rate of 4.25%, which is subject to change based on market conditions & bond structure
 - Assumes bonds are tax-exempt, which is subject to bond counsel’s review of the management agreement & private use of the facility
- › The bonds could be issued with debt service payable on a subject-to-appropriation basis through the County’s Industrial Development Authority
 - This is a common financing tool used by the County (most recently issued two series of bonds in October 2023)

	Estimate
Land Acquisition ¹	\$15.45M
Construction, including site work & parking	\$120M
Furniture, Fixtures, & Equipment	\$5M
Total Financed Capital Cost	\$140.45M
Average Annual Debt Service	\$10.09M

1) Land acquisition cost is net of the \$550k deposit paid previously.

Next Steps

- › Consider resolution to purchase the 22-acre site off Telegraph Rd. for \$15.45 million
- › If BOCS decides to give staff directional approval to continue to pursue the project
 - Negotiate a Comprehensive Agreement with MEB, which would provide for facility design, permits, public facilities review, guaranteed maximum price, construction timeline
 - Negotiate terms of an Operating Agreement for the facility
- › Construction estimated to take ~24 months from the notice to proceed

Timeline	Projected Duration	Month																																					
		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36		
Comprehensive Agreement Approval		X																																					
Design	6 Months		█	█	█	█	█	█																															
Public Facilities Review	3 Months			█	█	█																																	
Permitting	10 Months				█	█	█	█	█	█	█	█	█	█	█																								
Construction	24 Months																																						
Opening Ceremonies																																							X