

Convention & Visitors Bureau Victus Advisors Existing Facility Reinvestment Summary

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SUMMARY PRESENTATION FOR CITY COUNCIL:
EXISTING FACILITY REINVESTMENT STUDY FOR
VIRGINIA BEACH SPORTS FACILITIES

MARCH 5, 2024





STUDY OVERVIEW



Victus Advisors was engaged by the City of Virginia Beach in December 2023

- Analysis of potential capital reinvestment of \$18.5 million in available Sports Tourism CIP funds in existing local Virginia Beach sports facilities.
- Four (4) local facilities requested Sports Tourism CIP funding totaling \$34.3 million:

Facility	TOTAL REQUESTED CIP FUNDS
Hampton Roads Soccer Complex	\$15,000,000
Virginia Beach Sportsplex & Field Hockey Training Center	\$9,390,000
Princess Anne Athletic Complex	\$7,800,000
Pickleball Virginia Beach	\$2,100,000
TOTAL	\$34,290,000



STUDY OVERVIEW (CONT.)



Victus had two (2) primary project goals for this study:

- 1) Evaluate local sports facilities for re-investment consideration, and assess which facility re-investments could yield the highest ROI for the City.
- 2) Make recommendations regarding contract/ordinance standards and approaches for operations of sports facilities on City-owned property.



STUDY OVERVIEW (CONT.)



Victus interviewed current/projected users of the 4 facilities. Interview goal was to identify incremental sports tourism impacts that could be generated by:

- a) Facility improvement funds requested by the Operator, versus...
 - b) Any other improvements that might be preferred by the Sports User Groups
-

25 COMPLETED INTERVIEWS

- Beach FC
- Championship 7v7 Football
- Clubwaka
- Coastal Crush Lacrosse
- Cross Country Advocate
- Friday Night Lights Youth Flag Football
- J&A Racing
- Liga Internacional de Futbol
- National Flag Football League
- OTSL
- Professional Pickleball Association (PPA)
- Southeastern Virginia Women's Soccer Association
- Special Olympics of Virginia
- Tidewater Soccer Referee Association
- US Lacrosse
- USA Field Hockey
- USA Lacrosse
- USA Pickleball
- USA Softball of Virginia
- USSSA Adult Softball
- USSSA Baseball
- USSSA Virginia Beach Baseball
- Virginia Beach Mustangs
- Virginia Rush
- Virginia Wesleyan University Cross Country



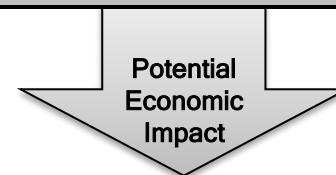
FACILITY IMPROVEMENT ANALYSIS



HAMPTON ROADS SOCCER COMPLEX: OPERATOR REQUESTS VS. USER REQUESTS



REQUESTED FACILITY UPGRADES		
IMPROVEMENTS	BY OPERATOR	BY SPORTS USER GROUPS
General	Aesthetic upgrades (shade structures, bathrooms, etc.)	Bathroom updates, more bleachers, meeting space, etc.
Lights	Add lights to existing and new fields	Lights on every field
More Fields	6 artificial turf fields	6-10 artificial turf fields
Parking	Resurface and add lights to existing parking, develop walkway from amphitheater for more parking	More lighted parking spots and closer to the complex
Artificial Turf Fields	Resurface existing artificial turf fields	More artificial turf fields



Organization	Expansion of Existing Events	New Events
Beach FC	-	1
Clubwaka	-	1
Liga Internacional de Futbol	-	1
National Flag Football League	1	-
OTSL	1	-
SEVWSA	1	2
SOVA	-	1
VA Rush	1	1
TOTAL	4	7

HRSC operator requests closely align with the requests of the sports event organizers.

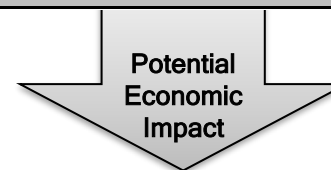
**Note: Incremental event estimate is based solely on the sports user group improvement requests*



PICKLEBALL VIRGINIA BEACH: OPERATOR REQUESTS VS. USER REQUESTS



REQUESTED FACILITY UPGRADES		
IMPROVEMENTS	BY OPERATOR	BY SPORTS USER GROUPS
Court Surface	Resurface and repaint courts	Resurface and repaint courts
Covered Courts	Cover eight pickleball courts for "Championship Court"	Cover at least one court for "Championship Court"
Lights	New lights throughout the complex	



Organization	Expansion of Existing Events	New Events
PPA Tour	-	1
USAPA	-	2
Other Pickleball Groups	-	2
TOTAL	0	5

Pickleball operator requests closely align with the requests of the sports event organizers.

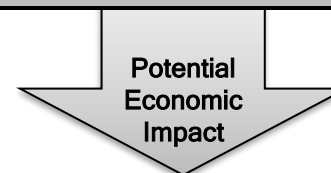
**Note: Incremental event estimate is based solely on the sports user group improvement requests*



PRINCESS ANNE ATHLETIC COMPLEX: OPERATOR REQUESTS VS. USER REQUESTS



REQUESTED FACILITY UPGRADES		
IMPROVEMENTS	BY OPERATOR	BY SPORTS USER GROUPS
General	Bathroom updates, roadway and asphalt trail repairs and repaving, meeting space for officials, etc.	Storage and office space, pavilions and shaded structures, better concessions, Wi-Fi capabilities, more seats
Cross Country		Develop a cross country course
Lights	Add lights to existing and new fields	
Ball Fields		Make fields adjustable for various age groups
More Fields		6 new artificial turf fields
Parking	Resurface parking lot	
Artificial Turf Fields	Resurface existing artificial turf fields and convert two (2) rectangular grass fields to artificial turf, fencing around artificial turf fields	Convert all rectangular grass and ball fields to artificial turf



	Organization	Expansion of Existing Events	New Events
	US Lacrosse	1	2
	USA Softball	-	2
	USSSA Baseball	5	5
	Other Endurance Groups	-	3
	Virginia Wesleyan Cross Country	-	2
	TOTAL	6	14

**Note: There would also be transfer of existing running/walking events from the Virginia Beach Oceanfront >>>*

PAAC operator requests do not closely align with the requests of the sports event organizers.

Sports groups would prefer: a) all grass fields converted to artificial turf, b) addition of six (6) new artificial turf rectangular fields, and c) running trails/cross country course.

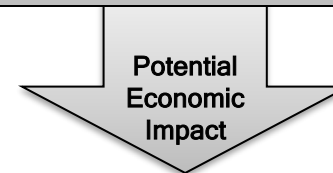
**Note: Incremental event estimate is based solely on the sports user group improvement requests*



VB SPORTSPLEX & FIELD HOCKEY TRAINING CENTER: OPERATOR REQUESTS VS. USER REQUESTS



REQUESTED FACILITY UPGRADES		
IMPROVEMENTS	BY OPERATOR	BY SPORTS USER GROUPS
New Field Hockey Stadium	Install stadium seating, press box, concessions, merchandise and locker rooms at the Field Hockey Training Center	Upgraded bathrooms and new concessions stand at Field Hockey Training Center, Wi-Fi capabilities throughout
Lights on Existing Field Hockey Fields	Lights for Field 2	Lights for Field 2
More Artificial Turf Fields with Lights	Two new artificial turf fields with lights, more grass training fields	Convert grass fields to artificial turf fields with lights



<u>Organization</u>	<u>Expansion of Existing Events</u>	<u>New Events</u>
Championship 7v7 Football	1	2
HRAYFL	1	2
USA Field Hockey	3	3
UYFL VB Mustangs	1	3
TOTAL	6	10

Sportsplex operator requests closely align with the requests of the sports event organizers.

**Note: Incremental event estimate is based solely on the sports user group improvement requests*



ESTIMATED ECONOMIC IMPACT SUMMARY BASED UPON SPORTS USER GROUP REQUESTS



Facility	PROJECTED INCREMENTAL IMPACTS			
	Annual Expanded/New Sports Events	Total Attendees	Contracted Rooms	% of Total
Princess Anne Athletic Complex	20	28,125	20,000	41%
VA Beach Sportsplex/Field Hockey Training Center	16	24,301	14,000	29%
Hampton Roads Soccer Complex	11	58,300	9,000	18%
Pickleball Virginia Beach	5	10,000	6,000	12%
TOTAL - ALL SPORTS EVENTS	52	120,726	49,000	100%

Notes: *Sorted by Contracted Rooms in descending order.*
Incremental economic impact estimates shown above are based solely on the sports user group improvement requests.

If all of the sports user groups' requested improvements were made at each facility, Victus Advisors estimates demand for:

- Up to 36 new & 16 expanded sports events
- Up to 49,000 more contracted room nights could be generated from these 52 events

Note: Incremental economic impact estimates are based solely on the sports user group improvement requests



RECOMMENDED OPTIONS FOR LOCAL SPORTS FACILITY REINVESTMENT



Victus has identified two (2) potential options for City Council to consider regarding how to invest Sports Tourism CIP funds in local sports facilities:

- Distribution based solely on projected economic impact of each venue's requested improvements
- Distribution to all facilities who submitted funding requests



RECOMMENDED OPTIONS FOR LOCAL SPORTS FACILITY REINVESTMENT - ECONOMIC IMPACT CRITERIA ONLY



Recommended Sports Tourism CIP Fund Distribution Based Solely on Projected Economic Impact*

Pickleball Virginia Beach:

Immediate & Short-Term Court/Venue Needs	\$402,000
Championship Court Improvements	\$1,700,000
11%	Pickleball - Total: \$2,102,000

VB Sportsplex & Field Hockey Training Center:

Replace Grass with 2 Artificial/Lighted Fields	\$2,311,000
Flatten Berm & Create Grass Training Area	\$102,500
Install New Lights on Field 2	\$725,000
17%	Sportsplex - Total: \$3,138,500

Hampton Roads Soccer Complex:

Resurface Existing Artificial Turf (2)	\$1,000,000
Six (6) New Artificial Turf Fields with Lights	\$9,000,000
Parking Improvements & Storm Water Contingencies	\$2,100,000
Other (Accessibility, Aesthetics, etc.)	\$1,159,500
72%	Soccer - Total: \$13,259,500

TOTAL INVESTMENT AMOUNT:	\$18,500,000 **
100%	

* Refers to projected economic impact of the funding requests submitted by each venue operator (not the feedback from sports user groups).

** It should be noted that the recommended investment allocation in this economic impact-only model does not include any contributions to the PAAC, because the PAAC's requests do not align with those of the sports event organizers and thus are not likely to generate material incremental economic impacts.



RECOMMENDED OPTIONS FOR LOCAL SPORTS FACILITY REINVESTMENT - DISTRIBUTIONS TO ALL VENUES



Recommended Sports Tourism CIP Fund Distribution if City Prefers to Contribute to All Four Venues

Pickleball Virginia Beach:

Immediate & Short-Term Court/Venue Needs	\$402,000
Championship Court Improvements	\$1,700,000
11%	Pickleball - Total: \$2,102,000

VB Sportsplex & Field Hockey Training Center:

Replace Grass with 2 Artificial/Lighted Fields	\$2,311,000
Flatten Berm & Create Grass Training Area	\$102,500
Install New Lights on Field 2	\$725,000
17%	Sportsplex - Total: \$3,138,500

Princess Anne Athletic Complex:

Convert 2 Multi-Use Grass Fields to Artificial/Lights	\$3,259,500
18%	PAAC - Total: \$3,259,500

Hampton Roads Soccer Complex:

Resurface Existing Artificial Turf (2)	\$1,000,000
Six (6) New Artificial Turf Fields with Lights	\$9,000,000
54%	Soccer - Total: \$10,000,000

TOTAL INVESTMENT AMOUNT:	\$18,500,000
100%	



LOCAL OPERATING AGREEMENT ANALYSIS & RECOMMENDATIONS



KEY VIRGINIA BEACH SPORTS FACILITY OPERATIONS FINDINGS



KEY FINDINGS REGARDING LOCAL OPERATING AGREEMENTS

- 1) INCONSISTENCY ACROSS MANAGEMENT AGREEMENTS CREATES
CONFUSION
- 2) SPORTS TOURISM GOALS FOR OPERATING PARTNERS ARE
UNCLEAR
- 3) ANNUAL REPORTING REQUIREMENTS ARE LACKING FOR PRIVATE
OPERATORS OF CITY-OWNED SITES/FACILITIES



RECOMMENDATIONS FOR VIRGINIA BEACH SPORTS FACILITY OPERATIONS



VICTUS RECOMMENDATIONS REGARDING OPERATING CONTRACT STANDARDS

- 1) IMPLEMENT UNIVERSAL MAINTENANCE & CAPITAL IMPROVEMENT FUNDING POLICIES
- 2) IMPLEMENT UNIVERSAL FINANCIAL REPORTING & OPERATIONAL TRANSPARENCY POLICIES
- 3) ENSURE CITY FUNDS CONTRIBUTED FOR CAPITAL REINVESTMENT ARE SPENT PROPERLY
- 4) ESTABLISH SPORTS TOURISM GOALS FOR VENUES RECEIVING SPORTS TOURISM CIP FUNDS
- 5) IMPLEMENT SPORTS TOURISM TRACKING & REPORTING POLICIES



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