



INFORMAL STAFF REPORT

MEMORANDUM

To: Keith Selman, Interim City Manager *K.S.*
Thru: Chief Mike Markle, Interim Assistant City Manager *mm*
From: E. Jay Ellington, Parks & Recreation Director *E. Jay Ellington*
Date: June 1, 2018
Subject: SQH Lease Questions

Issue/Problem

During the May 15th City Council presentation regarding SQH, the Mayor and Council requested additional information about the project.

Background/Findings

1. Discuss the Assessment Value of the property being proposed for the Sports Complex.
 - Assessment Value of Property (203 Acres) – Attached are the Assessor's Values for this tract from 2011 to 2018. Utilizing the amount of 120 developable acres, 120 x 13,725 acre = \$1,647,000.
 - An appraiser has been contacted; the appraisal fee will be approximately \$4,200
2. List the Sports Complexes and Events that the developers have managed in San Antonio.
 - S.T.A.R Soccer Complex in San Antonio, TX - Original General Manager. Privately owned. Annual attendance 400,000 guests
 - Denver Heights Community Center in San Antonio, TX - Manager
 - Factory of Champions in San Antonio, TX - Manager
Privately owned multi-court basketball/volleyball complex
 - San Antonio Spur summer Camps in San Antonio, TX - Manager
 - IronKids Triathlon in San Antonio, TX - Coordinator
3. What amount did the developers offer for the property when they offered to purchase it?
 - No amount was proposed. The Director of Parks & Recreation (DPR) explained that this recreational property was not for sale because this is the only public recreation land south of Oso Creek.
4. Additional attachments:
 - New Site Plan
 - Flood Plain
 - Oso Parkway

- Finance Letter

Conclusion

The DPR recommended a percentage of gross revenue be paid annually to the City. This is not included in our final draft agreement that is before Council.

The DPR does not recommend selling this property.

The current contract could be considered to all the Sports Complex to move forward.

The agreement will not be presented to City Council for Second Reading until the appraisal is received.



PROSPERITY BANK®

May 24, 2018
SQH Sports & Entertainment, Inc.
Via Email

Re: SportsCity Corpus Christi

Gentlemen:

We appreciate your group giving Prosperity Bank the opportunity to consider providing financing for the above referenced project. The project appears very viable for that location and market. Prosperity Bank would be interested in participating in this project pending further due diligence, project review, costs, proposed collateral, and underwriting of the sponsorship group. As the aforementioned becomes available, we would like to continue the underwriting as part of Prosperity Bank's loan approval process.

Should you have any questions, please feel free to reach me anytime, and if you need any additional information, please feel free to contact me directly at 281-772-8474.

Sincerely,

Michael J. Garza
President
Grand Parkway Banking Center
Prosperity Bank

