

Buncombe County

McCormick Update and Discussion

March 7, 2023



Current Status

- Commissioner budget retreat on December 13.
- City Council work session on February 14.
 - City staff presented history, financial scenarios and vision of future use. Financial scenario summary:
 - Full Project: \$37.5M (\$56.1M w/ interest)
 - Minimum Project: \$29.2M (\$43.1M w/ interest)
- Ongoing financial discussions between City, Tourists, TDA and County.
- Additional revenue (i.e., State Grants, event revenue) are not included in financial scenarios.



Project Cost Breakdown

	Full Project		Minimum Project	
Major League Baseball Mandates	\$ 19,600,000		\$ 19,600,000	
Facility Operational Minimum Needs	\$ 5,600,000	Civil, Structural, MPE	\$ 5,600,000	Civil, Structural, MPE
Strongly Recommended Pro Sports	\$ 7,050,000	Video Displays, Ingress/egress, Suite, Picnic areas	\$ 1,500,000	picnic areas
Fan Amenities	\$ 5,250,000	Interactive display assets, wrap around concourse	\$ 2,500,000	interactive display assets
Total Project Budget	\$ 37,500,000	Includes Contingency	\$ 29,200,000	Includes Contingency

Note: Excerpt from City of Asheville work session presentation on 2/14.



Project Details

- "Minimum" and "Full" projects both address MLB Mandates plus additional renovation and enhancement.
- "Facility operational minimum needs" must be addressed regardless of MLB requirements.
- Full project provides additional flexibility for community events (e.g., Winter Wonder Land, walking areas, concerts).
- Minimum project reduces revenue generation opportunities for the Team and City which can offset project cost and the financial commitments of the project partners.



Financial Plan - Full Project

\$37.5M Project (Full Project) w/ Coxe Ave Reallocation					
Revenue Source	Revenue Req Per Year	Number of Years	Total	Percent of total project	Notes
COA	\$950,000	20	\$19,000,000	34%	Ave - debt payments change annually
Club	\$468,750	20	\$9,375,000	17%	Ave - 5yrs @450k & 15yrs @475k
County*	\$250,000	20	\$5,000,000	9%	
TDA*	\$1,400,000	15	\$21,000,000	41%	In debt model this is approx max annual allotment to any 1 project per legislation
TDA upfront	\$0	0	\$1,950,000		*reallocation of \$1.95M from Coxe Ave
Total Amount Borrowed			\$35,550,000		\$37.5M project - reduce debt service by \$1.95M
Total Project Cost Estimate with Interest			\$56,141,531		

***Cost sharing figures are best estimates**

Note: Excerpt from City of Asheville work session presentation on 2/14.



Financial Plan - Minimum Project

\$29M Project (Minimum Project) w/ Coxe Ave Reallocation					
Revenue Source	Revenue Req Per Year	Number of Years	Total	Percent of total project	Notes
COA	\$1,000,000	20	\$20,000,000	46%	Ave - debt payments change annually
Club	\$287,500	20	\$5,750,000	13%	Ave - 5yrs @ \$250k, 5yrs @ 275k, 5yrs @ \$300k & 5yrs @ \$325k
County*	\$250,000	20	\$5,000,000	12%	
TDA*	\$700,000	15	\$10,500,000	29%	assumes TDA would fund lesser amount annual due to reduction in scope
TDA upfront		0	\$1,950,000		*reallocation of \$1.95M from Coxe Ave
Total Amount Borrowed			\$27,050,000		Reduce scope to minimum & reduce debt service by \$1.95M
Total Project Cost Estimate with Interest			\$43,184,344		



***Cost sharing figures are best estimates**

Note: Excerpt from City of Asheville work session presentation on 2/14.



Frequent Questions

- **Assurances that the Team will stay?**
 - **Tourists:** Intend to sign a 20+ year lease.
 - **Houston Astros:** Agreement with MLB through 2030.
 - **MLB:** Agreement with all MLB and Minor League teams through 2030.
- **Sale and Relocation of the Team?**
 - Any sale or relocation of the team must be approved by MLB. MLB decisions are based upon facility standards and target markets.
 - MLB recommends including a “No Relocation” clause in the lease agreement between the team and City.
- **Public Purpose Facility Usage?**
 - Potential examples include: Concerts, Winter Wonderland at the Park, Ice Skating, Additional Baseball Clinics, High School Games, and more.



Next Steps

- Commissioners provide guidance for financial participation, level of participation, and key questions.
- Milestones (tentative):
 - City of Asheville
 - Council Vote: 3/14
 - Financial Plan to MLB: 4/1
 - County Commission
 - Briefing: today
 - Regular Meeting: 3/21
 - TDA
 - City presentation to TDA: 4/26
 - TPDF Committee Review: May
 - TPDF Committee Recommendations: June



Appendix



Attendance

- **Average attendance:** 180K per season, 2700+ per game
- **Season:** 66 home games per year plus playoffs and exhibition games
- **Annual Utilization:** 66 home games plus 10-15 non-baseball events per year
- Ballpark is winterized from November to March



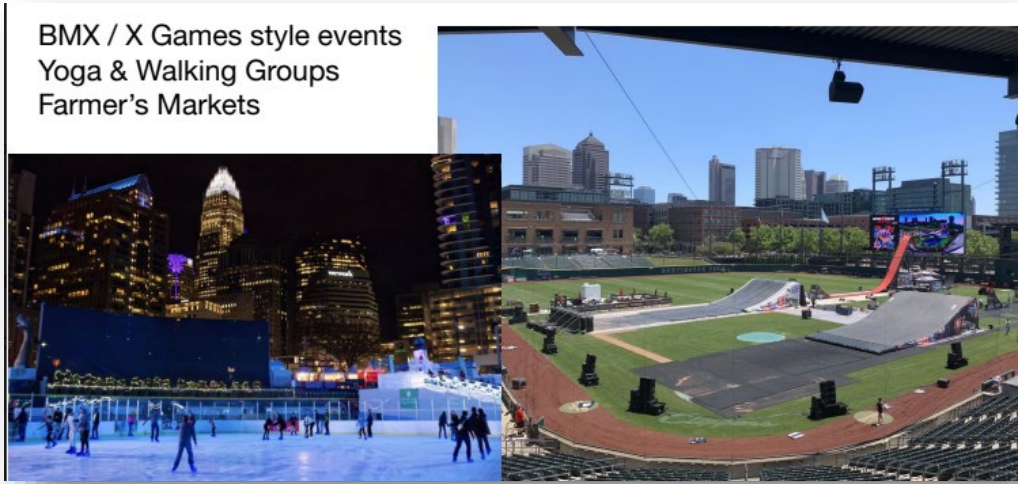
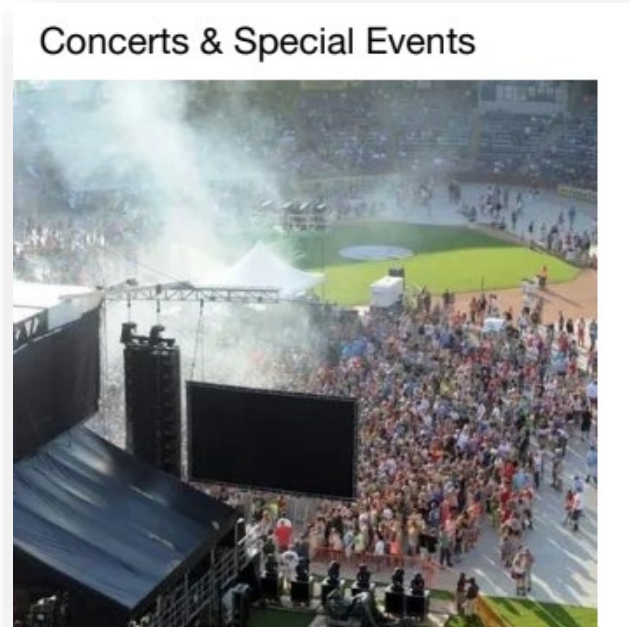
Financial Responsibility Matrix

Item	Houston Astros	Asheville Tourists	MLB	City of Asheville
Player, Coach and Support Staff (Team) Payroll / Benefits	X			
Team Travel to Asheville	X			
Bats, Balls and Related Equipment	X			
Team Lodging, Food/Nutrition, and Medical Care	X			
League Administrators			X	
Umpire Salaries and Travel			X	
National Marketing			X	
Front Office and Game Day Payroll / Benefits (150 Employees)		X		
Team Uniforms		X		
Team Travel to Road Games		X		
Local Promotions and Marketing		X		
Utilities / Insurance		X		
Day-to-Day Routine Maintenance		X		
Field Maintenance		X		
Office, Locker Room and General Facility Equipment		X		
Lease of Facility		X		
Facility Maintenance (HVAC, Lighting, Gas, Water, Sewer, Structural)				X



Public Purpose

- **Current Public Purpose Uses:** Boy Scout Campout, Girl Scout Campout, Reading Program Days, Kids Run the Bases, Canned Food Drives, Easter Egg Hunt, 4-H Nights, Adaptive Baseball League, Youth Baseball Clinics, Blood Drives
- **Future Potential Uses:** Examples include: Concerts, Winter Wonderland at the Park, Ice Skating, Additional Baseball Clinics, High School Games



Benchmarks

	Asheville, NC (Current)	Proposed Asheville (Full)	Proposed Asheville (Partial)	Kannapolis, NC (Class - A)	Fayetteville, NC (Class - A)	North Augusta, SC (Class - A)	Biloxi, MS (Class - AA)	Amarillo, TX (Class - AA)	Rome, GA (Class - A)	Kinston, NC (Class - A)	Hickory, NC (Class - A)	Winston-Salem, NC (Class A)	Greenville SC (Class - A)	Wilmington DE (Class - A)	Bowling Green KY (Class A)
Year Built or Last Major Reno	1993	2026	2026	2021	2019	2018	2015	2019	2003	2017	2017	2010	2005	1993	2009
Cost build/Reno	\$3M	\$37.5M	\$29M	\$52M	\$42.5M	\$44M	\$36.5M	\$45.54M (plus site prep)	\$20M	\$1.65M		\$48.7M	\$16M + \$7M	\$6M	\$28M
Baseball Capacity	4,000	~4000	~4000	5,500	4,786	6,800	6,076	7,000	5,100	3410	5062	5500	6700	6404	4559
Suites	1	4	1	8	6	9	12	20	14	0	8	16	17	16	
Lease/License Term	2	22	22	30 years	30 years	20 Years + 10 yr MA	21 years + (2) 5 yr team ops	20 yrs	18 years + (3) 4 yr team ops	12 years + (2) 3yr MA	15 yrs	25 yrs	NA	8 years	10 years
Team Financial Contribution (Ave over Term)	\$1	\$445K	\$295K	\$312K	\$312K	\$250K	\$150K	\$400K	\$15K	\$60K	\$1	\$750K	NA	\$140K	\$100K

MLB Standards

- The below is information provided to the Asheville Tourists by MLB in February 2021. The Facility ranked 25th out of the 30 facilities audited by EwingCole in 2021, scoring 177 points. The average score for those facilities was 134 points. The median score for those facilities was 117 points. Pursuant to the Club's Player Development License Agreement, the Club is required to have a score below 30 points as of Opening Day of the 2023 PDL season.
- Security:
 - The Facility lacks a security command post, which is required to include 24/7 video surveillance of the Facility areas.
 - The Facility does not have direct access from the visiting clubhouse, female staff facilities and umpire facilities to the dugout and playing field.
- Media Facilities:
 - The Facility's media area does not include the minimum required desk and floor space required.
- Home Club Facilities:
 - The Facility lacks separate facilities for the home commissary and dining area away from the player and staff dressing areas.
 - The kitchen equipment is not in compliance with applicable local and state standards related to sanitation and cleanliness.
 - The home club facilities lack (i) the required number of showers in the shower and toilet facilities, (ii) sufficiently-sized training room with an ice machine and stationary bike, (iii) commercial quality laundry facilities, including the required number of commercial quality washers and dryers, (iv) adequate lockable equipment storage space, (v) adequate number of staff lockers and (v) a manager's office with meeting space for at least six people.
- Visiting Club Facilities:
 - The visiting club facility is less than 1,000 sq. ft. and lacks 32 regulation lockers.
 - The visiting club commissary and dining area is less than 300 sq. ft. and is not separate from the player and staff dressing areas, nor is it in compliance with applicable local and state standards related to sanitation and cleanliness.
 - The visiting club facilities lack (i) a visiting training room that is at least 300 sq.ft. and has an office desk, two treatment tables, two full-body whirlpools, an ice machine and a four-pack minimum hydro collator, (ii) seven staff lockers and (iii) a manager's office with a separate toilet and meeting space for at least four people.
- Additional Team Facilities:
 - There is not an adequate storage for the Club's MLB affiliate.
 - The umpire facility is less than 200 sq. ft. and does not have enough lockers to accommodate the number of umpires typically assigned to work at the Club's baseball games.
 - While the Facility has two pitching/hitting tunnels, as required, neither tunnel meets the minimum size requirements.
 - There is no private dressing, shower and toilet facility for female umpires and staff. The female facility must be at least 200 sq. ft. and include a minimum of four lockers, two showerheads, two water closets and two lavatories.
- Playing Field:
 - The playing field has several defects and trip hazards that need to be addressed.
 - A warning track on all zones within 15 feet of all walls and fences needs to be installed.
 - The field grade does not meet the requirements and needs to be flattened.

