

Retain. Regain. Grow.

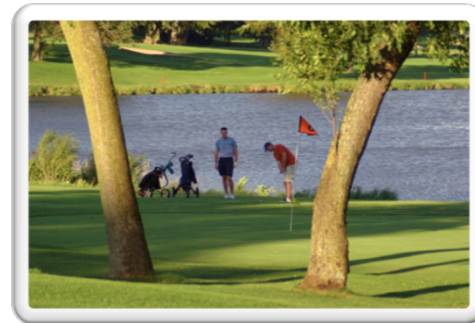
RECLAIMING FIRST



An Economic Development Case & Master Plan for Sports Tourism in the Rockford Region.

RECLAIMING FIRST

Rockford has been a leader
in Sports Recreation & Tourism for 30 Years.



RECLAIMING FIRST

Three-step Analysis

1. Peer Group (Competitor) Analysis:

- Who do we compete against and what do they offer?

2. Assessment of the our facilities:

- How do our facilities compare to the Peer Group?
- What upgrades are required for our region to stay competitive?
- Where should the upgrades be located within the region?

3. Assess economic benefits of sports tourism:

- What are our Region's economic benefits from hosting ASTs?
- What additional economic benefits will come from upgrades?

RECLAIMING FIRST

Why Are Sports Important to the Region's Economy?

- **Regional Sports tourism from hosting amateur sports tournaments is responsible for:**
 - \$15.25M in local economic impacts
 - \$1.85M in regionally generated taxes
 - 226 FTE jobs
- **Lost Economic Impacts: 2007 – 2010**
 - 11% annual decrease in the number of tournaments:
 - New facilities; increased competition
 - Flooding at Sportscore I
 - Great Recession downturn
 - \$1.47M annual loss in regional income
 - \$178,000 in annual tax dollars lost by local governments

RECLAIMING FIRST

Regional Investment in Sports

Vision

- Provide world-class amateur sports facilities that serve local citizens and stimulate the region's economy.

Mission

- Retain, Regain & Grow the region's benefits from amateur sports and tournaments.

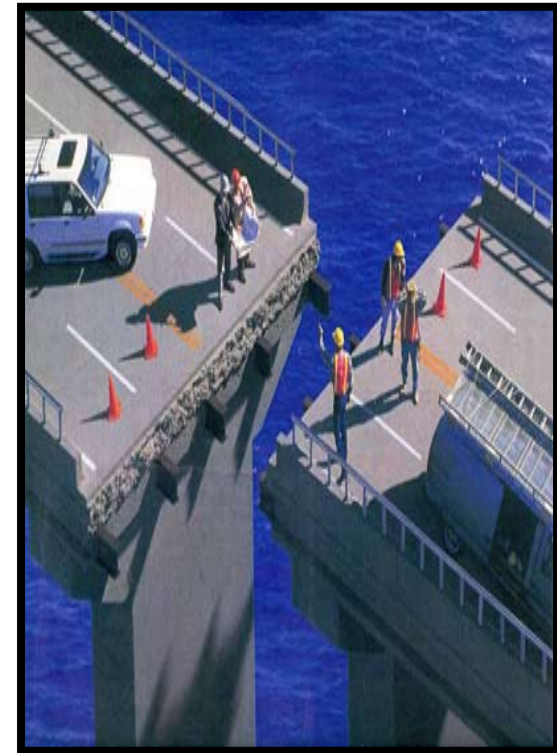
RECLAIMING FIRST

Project Financing Overview

Annual Capital Investment (20 years): Approximately \$2.5 Million

□ Funding Sources:

- Diversified, up to 12 possible sources
- Regional participation – local governments participating
- Non-local funding: Nearly 70% of funding from visitors to the Region



RECLAIMING FIRST

Projected NEW ADDITIONAL Economic Impacts

- **The recommended improvements will:**
 - **Produce new annual private sector revenue**
 - **\$16.5 million** (within 5 years)
 - **Produce new annual local govt. tax revenue**
 - **\$1.9 million** (within 5 years)
 - **Prevent further loss of economic benefits**
 - **\$500,000** annually
 - **Create Jobs**
 - **210** Construction
 - **250 FTE** (within 5 years)

Retain. Regain. Grow.

RECLAIMING FIRST

Indoor Facilities Competition Overview



RECLAIMING FIRST

Indoor Facilities Competition Overview

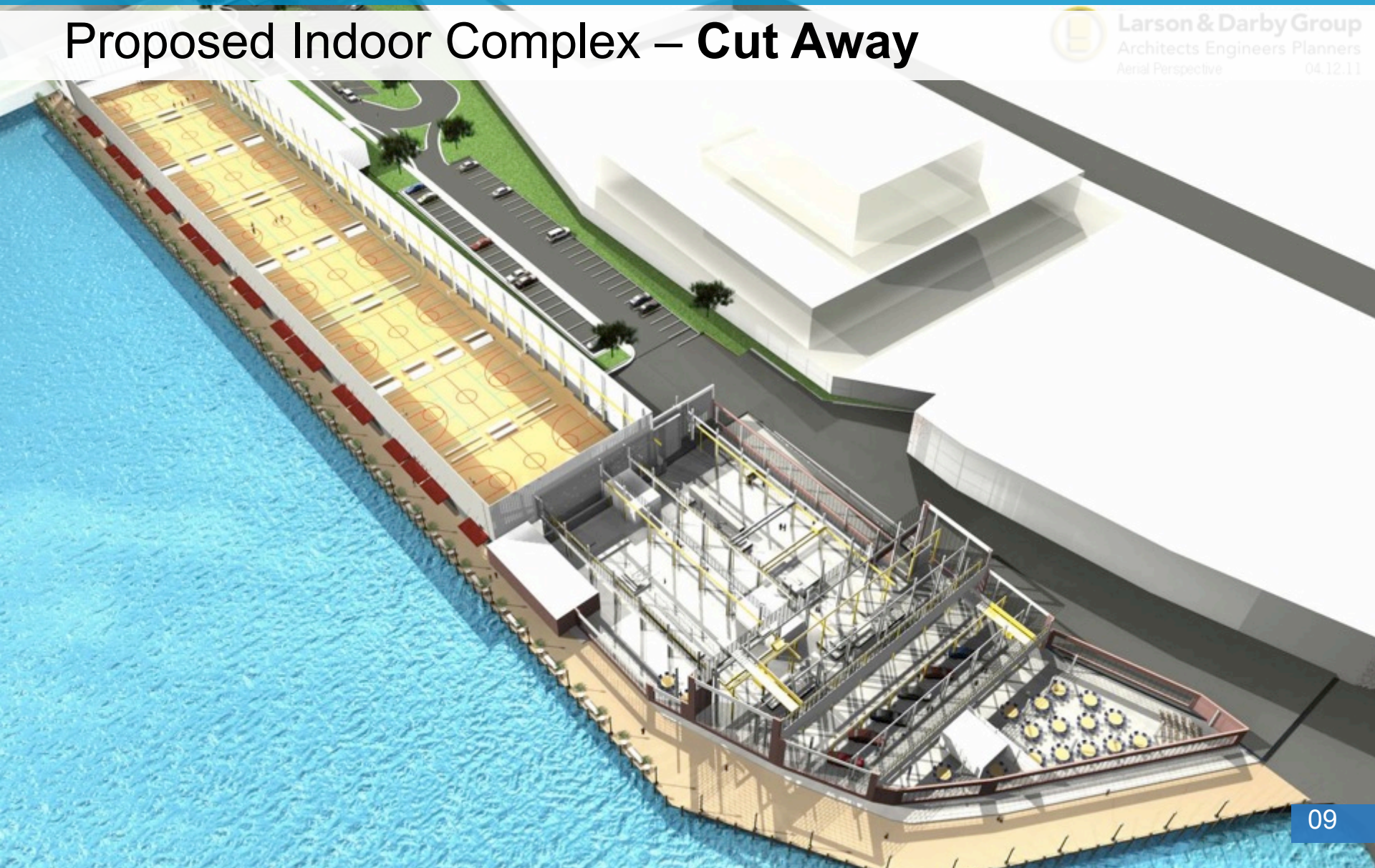
Indoor Soccer & Hard Court			
	Fields/Courts		
Location	Soccer	Basketball	Volleyball
Rockford/Winnebago County	5	8	14
Wisconsin Dells, WI	4	14	14
Sioux Falls, SD	0	9	11
Rapid City, SD	1	0	0
Disney/ESPN	0	6	12
Libertyville, IL	2	8	8
Aurora, IL	0	0	8
Waukegan, IL	3	6	6
Rockford/Winnebago County (ISC)	1	1	4
Crystal Lake, IL	2	2	2
Naperville, IL	3	0	0

Retain. Regain. Grow.

RECLAIMING FIRST

Proposed Indoor Complex – **Cut Away**

 Larson & Darby Group
Architects Engineers Planners
Aerial Perspective 04.12.11



Retain. Regain. Grow.

RECLAIMING FIRST

Proposed Indoor Complex – Riverside Exterior



Larson & Darby Group

Architects Engineers Planners

Looking South From Bridge 04.12.11

Retain. Regain. Grow.

RECLAIMING FIRST

Proposed Indoor Complex – Interior



Basketball ————
Volleyball ————

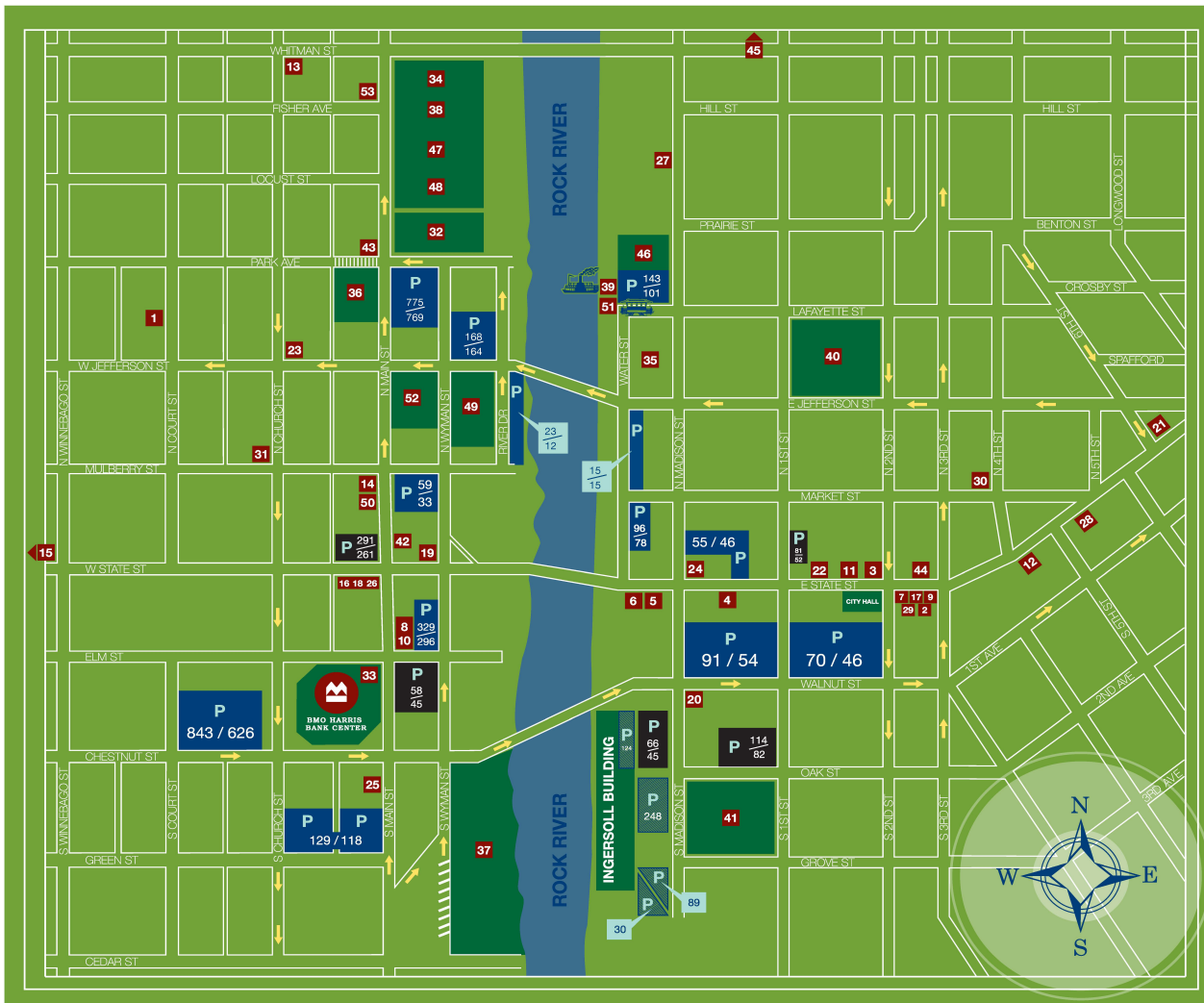


RECLAIMING FIRST

What to Do .. Where to Eat ... Where to Park ...

DOWNTOWN ROCKFORD

RESTAURANTS • ATTRACTIONS • PARKING
WALKING GUIDE



RESTAURANTS & SPECIALITIES

- 1 320 Store
- 2 Abreo Restaurant & Bar
- 3 Bamboo Asian Noodles
- 4 Capri Restaurant & Pizza
- 5 Carlyle Brewing Co.
- 6 Chocolat By Daniel
- 7 Deli Italia & Trinacria Lounge
- 8 Happy Wok
- 9 Irish Rose
- 10 Kiwi Café & Bar
- 11 Kuma's Asian Bistro
- 12 Los Portales
- 13 Lucerne's
- 14 Octane InterLounge
- 15 Restoration Café
- 16 Roly Poly
- 17 Social Urban Bar & Restaurant
- 18 Stewart Pizzeria
- 19 Subway
- 20 The Spot Café @ Millennium Center
- 21 Uncle Nick's
- 22 Wired Café

BAR & NIGHTLIFE

- 2 Abreo Restaurant & Bar
- 23 Adriatic Café & Bar
- 5 Carlyle Brewing Co.
- 24 CJ's Lounge
- 25 J-Bears Place
- 10 Kiwi Café & Bar
- 26 Krypto Music Lounge
- 27 Mary's Place
- 28 Oasis MicroPub
- 29 The Office Niteclub
- 30 Rue Marche
- 17 Social Urban Bar & Restaurant
- 31 Swilligans

ATTRACTIONS

- 32 Beattie Park
- 33 BMO Harris Bank Center
- 34 Burpee Museum of Natural History
- 35 City Market
- 36 Coronado Theatre
- 37 Davis Park
- 38 Discovery Center Museum
- 39 Forest City Queen & Boat 30 Ramp
- 40 Haight Park
- 41 Ingersoll Centennial Park
- 42 J.R. Kortman Center for Design
- 43 Mendelssohn Performing Arts Center
- 44 Minglewood
- 45 Nicholas Conservatory
- 46 Riverview Ice House
- 47 Rockford Art Museum
- 48 Rockford Dance Company
- 49 Rockford Public Library
- 50 Sullivan Theater
- 51 Trolley Station & Trolley Car 36
- 52 Veteran's Memorial Hall
- 53 Wester Park - Shuffleboard

KEY

- P** PUBLIC PARKING
TOTAL SPACES = 3,145
- P** PRIVATE PARKING
TOTAL SPACES = 610
- P** PROPOSED PARKING
TOTAL SPACES = 491
- ONE WAY STREET

Retain. Regain. Grow.

RECLAIMING FIRST

Outdoor Facilities Competition Overview



RECLAIMING FIRST

Outdoor Facilities Competition Overview




Outdoor & Multi-purpose Fields						
Location	Total Fields (Including Lighted Fields)			Lighted Fields		
	Artificial	Natural	Total	Artificial	Natural	Total
Mauston/Wisconsin Dells, WI (Planned)	22	0	22	?	?	?
Grand Park, IN (Under Construction)	16	42	58	16	0	16
Rockford/Winnebago County (SCII - New)	13	15	28	13	0	13
Rockford/Winnebago County (SCI - no new)	0	33	33	0	8	8
Rapid City, SD	0	21	21	0	7	7
Overland Park, KS	12	0	12	12	0	12
Commerce City, CO	2	22	24	2	0	2
Waukegan, IL	1	17	18	1	4	5
Blaine, MN	0	52	52	?	?	?
Rockford/Winnebago County (SCII - Existing)	0	25	25	0	1	1
Rockford/Winnebago County (SCI - Existing)	0	33	33	0	8	8
Elgin, IL	0	20	20	0	10	10
Disney/ESPN	0	18	18	0	4	4

Retain. Regain. Grow.

RECLAIMING FIRST

Proposed Improvement – Sportscore Two



-  **Artificial Turf**
-  **Natural Turf**
-  **Future Addition**

RECLAIMING FIRST

Proposed Improvement – New Soccer Center



RECLAIMING FIRST

Proposed Improvement – New Soccer Center



Retain. Regain. Grow.

RECLAIMING FIRST

Finances Sources & Uses



RECLAIMING FIRST

Capital Uses		Capital Sources		
Original Project		Confirmed		
Ingersoll Boardwalk & Site Development	\$14,900,000 <input checked="" type="checkbox"/>	Source	Annual*/One-time Amount	Total (Bonded if Annual)
SCII - 6 Artificial Combo Soccer/Softball Fields	\$13,752,583 <input checked="" type="checkbox"/>	Rockford (River Edge Grant)	\$3,100,000 <input checked="" type="checkbox"/>	\$3,100,000
SCII - 6 Grass Soccer Fields (East Side)	\$2,988,966 <input checked="" type="checkbox"/>	Rockford (Special Grant)	\$4,000,000 <input checked="" type="checkbox"/>	\$4,000,000
ISC/Stadium (Artificial turf indoor & outdoor)	\$1,285,173 <input checked="" type="checkbox"/>	RPD Operations*	\$350,000	\$4,756,614
ISC Indoor Expansion	\$8,500,000 <input checked="" type="checkbox"/>	Rockford*	\$465,343 <input checked="" type="checkbox"/>	\$6,324,163
SC I Improvements	\$1,000,000 <input checked="" type="checkbox"/>	Sub-Total Confirmed Sources		\$18,180,777
Carried Interest	\$1,000,000	Pending		
TOTAL CAPITAL USES	\$43,426,722	Source	Annual*/One-time Amount	Total (Bonded if Annual)
Gap 1: Between Total Uses & Confirmed		Hotel Tax*	2%	\$0
Excess/Deficient Capital Needs	(\$25,245,945)	Charitable Contribution/Capital Campaign	\$0	\$0
Required Annual Revenue to Bond Gap	\$1,857,641	Naming Rights*	\$0	\$0
Gap 2: Between Total Uses & Confirmed/Pending		PARC Grants	\$2,000,000	\$0
Excess/Deficient Capital Needs	(\$25,245,945)	State Tourism Grant	\$1,000,000	\$0
Required Annual Revenue to Bond Gap	\$1,857,641	Sub-Total Pending Sources		\$0
		Future Potential		
		Winnebago County*	\$0	\$0
		Loves Park*	\$0	\$0
		Machesney Park*	\$0	\$0
		Cherry Valley*	\$0	\$0
		Rockton/Roscoe/S. Beloit*	\$0	\$0
		RACVB*	\$0	\$0
		Other Future Potential Sources		\$0
		Amusement Tax*	2%	\$0
		Retail Food & Beverage Tax*	1%	\$0
		Historical Tax Credits	10%	\$0
		New Market Tax Credits	10%	\$0
		TOTAL CAPITAL SOURCES		\$18,180,777

* Annual amount. All others are one-time sources.

RECLAIMING FIRST

Peer Group Tax Revenue Comparison

Location	Tax on Hotel Stays	Hotel Tax Components			
Overland Park, KS	17.650%	6.3% Sales Tax	2.35% Other	3% Soccer Complex Bonds; 2% Tourism Promotion; 4% Convention Center	
San Antonio, TX	16.750%	6.25% Sales Tax	No Specific Hotel Tax	10.5% Other Tax split between City, County & State	
Chicago, IL	16.400%	Sport Facilities Tax	State Tourism & Occupancy Taxes	McPier Tax	Sales & Other Taxes
Rockford/Winnebago County (With Proposed Up To NEW 2% Increase)	14.000%	6% State Hotel Occupancy Tax	1% City Redevelopment Fund Tax (only in Rockford)	5% City Hotel Tax (existing)	2% County Hotel Tax (New)
Orlando, FL	12.500%	6.5% Sales tax		6% Hotel Tax	
Commerce City, CO	12.385%	2.9% Sales tax	4.0% Hotel Tax	5.45% Other City, County & State Tax	
LasVegas, NV	12.000%	12% Hotel tax			
Rockford/Winnebago County (Existing)	12.000%	6% Hotel Operators Tax	1% Redevelopment Fund Tax	5% City Hotel Tax (Existing)	-
Wisconsin Dells, WI	11.500%	5.5% Sales Tax	5.0% Hotel Tax	1% Premium Resort Area Tax	
Blaine, MN	9.125%	6.875% Sales tax	2.0% Hotel Tax	0.25% Other Tax	

RECLAIMING FIRST

Next Steps:

10 Committee projects and work groups

1. PARC Grant
2. IL DCEO – Tourism Grant
3. IL – DCEO Rivers Edge Grant
4. Intergovernmental Agreements
5. Sportscore One Improvements/
Master Plan
6. Legislation/Hotel Tax –Spring 2013
7. Naming Opportunities
8. Fundraising
9. Local agency contributions
10. DONE: Capital construction:
buildings & sports fields; Design
team selected



RECLAIMING FIRST

Contact Information

Tim Dimke

Executive Director

Rockford Park District

timdimke@rockfordparkdistrict.org

815.987.8880

John Groh

President/CEO

Rockford Area Convention & Visitors Bureau

jgroh@gorockord.com

815.489.1656

Retain. Regain. Grow.

RECLAIMING FIRST



An Economic Development Case &
Master Plan for Sports Tourism in the
Rockford Region.

RECLAIMING FIRST

To our citizens, partners and customers,

On December 14, 2011, the Rockford Area Convention & Visitors Bureau and Rockford Park District shared with the community a framework for growing the economic benefits of sports tourism and providing recreational services for residents. Feedback has been positive and encouraging.

Over the past year, the Reclaiming First master plan has been poked and prodded, refined and reviewed. Four sub-committees of community leaders and elected officials worked diligently analyzing operations, financing, construction and marketing assumptions and plans. The outcome of these efforts validated our initial recommendations and improved the overall report and plan. We are grateful to the local citizens who volunteered their time and expertise to serve on these committees.

The Rockford region is a recognized leader in the sports tourism industry. Our citizens benefit from the facilities that are here and the economic activity that they generate. Visitors coming to events at Sportscore One and Two spend more than \$15 million each year. Reclaiming First is about growing our economy, adding jobs and providing our residents with world-class sports facilities. As recommended, it is believed that the initiative will generate an additional \$16 million in visitor spending and support 250 new year-round full time jobs.

As promised, following the review and analysis by our subcommittees, we are able to recommend next steps and funding options. Our commitment has been – and remains – to maximize private resources and fund the project as much as possible through taxes and fees paid by non-local users. Property taxes and general sales taxes will not be increased to fund the project.

Reclaiming First, outlines a bold new vision for Retaining, Regaining and Growing our sports tourism industry, while providing new recreational and sports opportunities for local citizens. If we are to grow our economy and our quality of life, we now need to advance the project from idea to reality.

Best regards,

Tim Dimke
Executive Director

John Groh
President/CEO

Rockford Park District

Rockford Area Convention & Visitors Bureau

RECLAIMING FIRST

Frequently Asked Questions

Who's behind this plan?

The Reclaiming First steering committee includes board/council members, chief elected officials and staff leaders from the Rockford Park District, Rockford Area Convention & Visitors Bureau, City of Rockford, City of Loves Park and Winnebago County. Additionally, as needed, the steering committee has benefited from the insights provided by citizen volunteers and industry experts.

Why are amateur sports important?

Amateur sports tourism at Sportscore One and Two currently accounts for \$15.25 million in income for the Rockford Region that would otherwise not occur. Local municipalities receive an estimated \$1.8 million in the form of direct additional general fund tax revenue from amateur sports tournaments. Further, income generated from amateur sports tournaments means local citizens are able to use these facilities at reduced or no cost.

Are there benefits from “Reclaiming First” for local residents?

Local residents would indeed use and benefit from these improvements in sports facilities. Even now, the use of Sportscore Complexes is made up of about 50% “local” residents. They use the existing facilities during weekdays and participate in tournaments on weekends. There are about 500 traveling teams in our area playing soccer, softball, basketball, and volleyball, and when these teams participate in tournaments right here at home they can do so without the costs associated with traveling to other locations. One weekend tournament can cost a family up to \$1,000. Many of our families travel to four or more tournaments annually.

We see use by visitors and tourists as enhancing the Park District's ability to achieve results affordably for residents by using facilities at times when residents are not fully utilizing facilities, such as weekend tournaments. It is our full intention that local residents will most certainly benefit from these world-class recreation amenities while making the Rockford Region the amateur sports destination of the Midwest.

It remains the project goal to have as much of the funding as possible paid for by non-local participants and non-local sources.

Why do we need to improve our facilities?

The Rockford Region has long been recognized as a leader in the amateur sports market. However, since 2007, the region has experienced an annual 11 percent decrease in amateur sports tournaments resulting in an annual loss of \$1.4 million for the region. The Reclaiming First study attributes this loss to the Great Recession, deficiencies within current facilities and the lure of high-quality facilities in other communities. Additionally, and importantly, current facilities are no longer able to meet the needs of our citizens.

RECLAIMING FIRST

What's wrong with our current facilities?

The study identified four major deficiencies in the region's current facilities:

- 1) The region does not have adequate facilities to host indoor sports such as basketball, volleyball, wrestling, cheer, dance, etc.
- 2) The region does not meet current industry standards for artificial turf and lighting. Artificial turf provides a more reliable playing surface that is less affected by weather and enables a longer playing season, while lighting extends playtime for outdoor sports in dusk and darkness. At least one significant tournament has left the region due to the lack of lighted fields and a second has indicated it is considering leaving if the situation is not resolved soon. Currently, there is only one soccer field, at Sportscore Two, that is lighted. There are no artificial turf fields in Winnebago County.
- 3) Instances of flooding at Sportscore One have increased in frequency over the last ten years by 102 % and in duration by 75 percent. The flooding has not only resulted in added annual repair costs but has affected the regional economic impact from actual loss of tournaments, which declined by 11 percent in the last four years alone.
- 4) Our current indoor soccer space at the Indoor Sports Center (ISC) is at capacity, and does not meet the needs of citizens or provide opportunities for the region to host tournaments that draw visitors.

What are the proposed improvements?

- **Create flexible, hard court, multi-sport/court indoor facility:**

The indoor facility would feature 8 basketball/14 volleyball interchangeable courts, and a BMX/skate park. The air conditioned facility would be able to host volleyball, basketball, wrestling, cheer/dance, pickleball and other hard surface sports events, along with extreme skateboarding, rollerblading and biking. The study examined and proposes the former Ingersoll building located at 301 S. Water St., Rockford be used. The City of Rockford and the Rockford Park District are advancing this project and anticipate a Spring 2014 opening.
- **Modernize Sportscore Two, Retrofit Indoor Sports Center:**

At Sportscore Two add seven artificial and lighted multi-purpose fields, six new soccer fields. The "soccer" fields could also be used for other sports such as rugby and lacrosse.

Indoor Sports Center – as basketball/volleyball would be located at the downtown facility, the current portion of ISC dedicated to volleyball/basketball would be retrofitted to include a second indoor field for soccer.

The Indoor Sports Center would expand to include a total of five indoor soccer/artificial turf fields. A bold move, this would allow the region to own the soccer market 12 months a year. Such a facility would be without peer.

RECLAIMING FIRST

- **Improve Parking:**
Lease or purchase the parking lot at the adjacent Riverhawk Stadium to accommodate additional tournament traffic at Sportscore Two, thus reducing overall cost by not having to construct new parking lots.
- **Improvements at Sportscore One**
Sportscore One is celebrating 30 years of service to the Rockford community. The Rockford Park District is planning a series of capital repair and replacement upgrades to modernize this workhorse of a facility that “started it all”.

How will it be financed?

The report notes that the benefit of the project would be realized throughout the region (Winnebago County) and that any funding solution should be regional in nature, and principally paid for by non-local visitors who would use the facility. Property taxes and general sales taxes would not be increased to fund the project.

There are a number of proposed funding sources for the improvements including grants and bonds. A countywide increase in the hotel tax is being pursued through state legislation, in an amount not to exceed 2 percent. This would generate \$15 million for repayment of bonds.

Additionally, the financing plan calls for the use of

- \$4 million from IL Dept. of Commerce for Ingersoll
- \$3.1 million in Rivers Edge funding from the State of Illinois, (confirmed)
- \$350,000 per year from the Rockford Park District generated from the facilities (resulting in \$4.75 million), (confirmed)
- \$500,000 in charitable contributions, and
- \$200,000 per year from naming rights

Additional sources that could be accessed include

- Illinois Park and Recreational Facility Construction Act funds. The Rockford Park District will apply for \$2 million in funding from this grant program.
- Illinois Bureau of Tourism, Tourism Attraction Program grant fund. The Rockford Area Convention & Visitors Bureau will submit a grant application seeking up to \$1 million in funding.
- Long-term charitable contributions, contributions from local municipalities, additional private funds and New Market and Historic Tax credits.

What is the benefit to the community?

Currently, citizen demand exceeds capacity at our existing facilities. The proposed improvements and additional facilities would serve and meet local citizen needs. The additional economic impacts resulting from the proposed improvements include \$8.8 - \$16.5 million in *new* value-added income, \$1 -1.9 million in new tax revenue and preventing further loss to the community estimated at approximately \$500,000 annually. The project would support 210 construction jobs and up to 250 annual new year round full time equivalent jobs.

RECLAIMING FIRST

How much will it cost to build and upgrade these facilities?

Developing a new indoor venue at the former Ingersoll building, will cost approximately \$11 million. Modernizing Sportscore Two and addressing the parking situation would cost approximately \$18 million. Expanding the Indoor Sports Center to five indoor fields would cost an additional \$8.5 million. Additional funds will be spent upgrading Sportscore One.

How much will it cost to maintain?

The study notes that direct revenue from hosting tournaments will cover the operating expense; this is the case at the existing Sportscore One and Two facilities. Additionally, the Rockford Park District has committed to covering any operational gap, should it ever exist. However, based on the business plan this is not anticipated.

The expense of debt service incurred for the proposed improvements would create an annual gap of approximately \$2.5 million.

Who will promote the facilities?

In keeping with its current partnership with the Rockford Park District, the Rockford Area Convention & Visitors Bureau could be charged with promoting the venues to non-local user groups/tournament organizers. Funds for marketing the facilities would need to be built in to the overall project budget.

What is the competition doing?

- **Overland Park, Kan.:** The new 96-acre park attracted the Olympic Development program away from the Rockford Region, resulting in the loss of nearly 2,000 players over a two-week period. The facility provides 12 lighted, artificial turf soccer fields with benches and cooling system; outdoor basketball and tennis courts; on-site restaurant, on-site parking, 1,100 square feet of meeting space and a skate park.
- **Grand Park, Ind.:** The under-construction 370-acre Grand park facility will feature 26 outdoor baseball/softball fields and 32 fields for other sports such as soccer, football and lacrosse. Eight baseball and eight soccer fields are to be installed with artificial turf. It will contain 52 miles of trails connecting the complex to surrounding park and recreation areas.
- **Wisconsin Dells:** A 90,000 square foot indoor sports dome can be configured to handle 16 volleyball courts, 10 basketball courts, 4 indoor soccer fields, 2 softball fields, an indoor track, an indoor golf driving range or 32 wrestling mats.

What do local sports teams think?

Local sports team leaders, along with public school district sports officials, are excited at the prospect for more up-to-date facilities. They recognize that increased competition is drawing tournaments away from the Rockford Region and believe investment is necessary to retain our amateur sports reputation, while providing training and competition facilities for local sports teams/players.

RECLAIMING FIRST

What is our current hotel tax rate? How do we compare?

In the City of Rockford, a guest pays a 12% tax at check out; this is made up of a 6% state tax, 5% local hotel tax and 1% local redevelopment tax.

Tax rates in other communities: Overland Park, KS – 17.65%, Chicago – 16.4%, Peoria (within hospitality district) – 13%, Commerce City, CO – 12.35%, Carbondale/Collinsville, IL – 14%, Galesburg – 13%, Quincy – 14%.

The Rockford Area Hotel/Motel Association has endorsed the proposed tax increase.

When could construction begin/facilities be open?

Ideally, construction would begin by summer 2013 with opening in 2014 for the Ingersoll complex and 2014 for the improvements at Sportscore Two and the Indoor Sports Center.

Where can I find additional information?

Additional information is available at www.reclaimingfirst.org.

What's next?

The steering committee has obtained resolutions of support from six area city/town councils, Rockford Area Convention & Visitors Bureau, Rockford Area Economic Development Council, Rockford Park District, Rockford Hotel/Motel Association, Rockford Chamber of Commerce and the Winnebago County Board. These resolutions demonstrate broad, regional support for the initiative.

What's next, continued

Legislation has been introduced in Springfield that would allow, with the consent of local municipalities, an increase of up to two percent of the hotel/motel tax in Winnebago County. The goal is to pass this legislation in Spring 2013 and then seek approval and implementation locally.



Retain. Regain. Grow.

RECLAIMING FIRST



An Economic Development Case & Master Plan for Sports Tourism in the Rockford Region.