



# Sports Facilities Management

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CITY COUNCIL, OCTOBER 6, 2025

STAFF CONTACT: JEN BASHAM, DIRECTOR OF PARKS AND RECREATION

# Background

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Council provided direction to pursue the possibility of third-party management of Chisenhall Sports Complex

The RFP was issued January 31, 2025

The RFP closed March 26, 2025

The City received 3 respondents for management services and interviewed 2 companies the week of April 7, 2025

Staff is recommending proceeding with Sports Facilities Companies as our firm

The SFC model allows for the City to retain control of the complex

An alternative model was proposed by a separate firm that utilizes a lease model that assumes full control of the complex (Mansfield recently utilized this model)

The City has entered into a due diligence contract in the amount of \$45,000 to determine the feasibility of the project that will be included in the mid-year budget adjustments

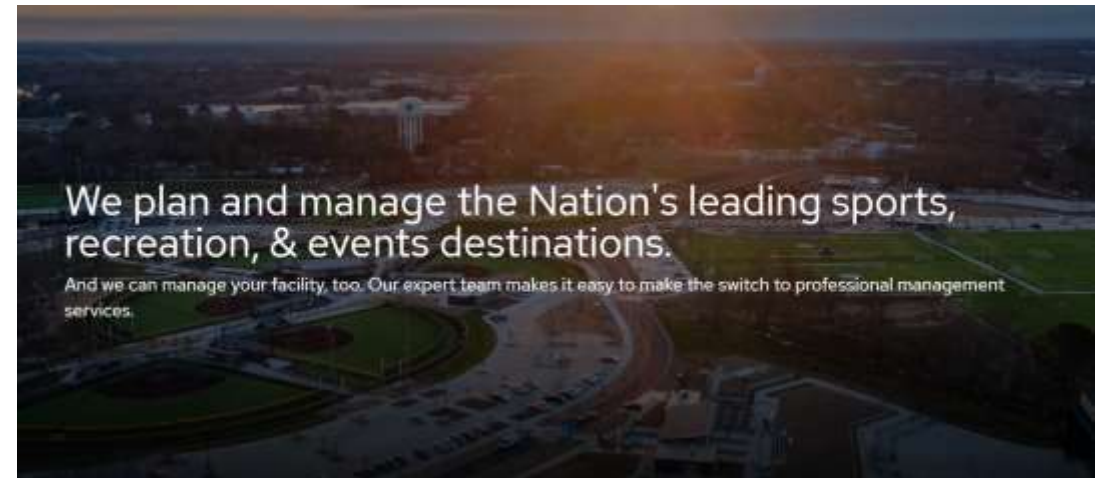
Over the past month staff has worked with SFC and BYA to determine the feasibility of entering into an agreement

Throughout July staff worked with SFC to fine tune the pro forma and start up costs

Staff presented the proposal to City Council on August 18 and received a recommendation to proceed with SFC

# WHO IS SFC

- **National Leader:** Operates 50+ sports and recreation facilities across the U.S.
- **Outdoor Complex Expertise:** Proven success in managing high-quality fields, hosting tournaments, and running leagues.
- **Economic Impact:** Attracts regional and national events that boost tourism and local spending.
- **Operational Excellence:** Delivers efficient, professional management and superior guest experience.
- **Collaborative Partner:** Aligns operations with the City's goals for access, quality, and fiscal responsibility.



## Advantages of SFC management solutions:

- **No Conflict of Interest** – With our model, there's never a conflict of interest between what's good for your community and what's good for SFC. We are hired as an extension of your ownership or municipal team and operate to fulfill your goals, not ours.
- **Experience & Expertise** – We operate more than 40 properties across the country. That means you benefit from the collective experience of our 1500 team members in 17 states plus the 80+ subject matter experts and support resources in our headquarters.
- **We Make It Easy** – We're in the business of sports, recreation, and wellness – things that are good for kids and communities. We want the experience for you, your team, and your community to be a great one. Our team facilitates an orderly, proven process that is customized to your staff and needs. Service and collaboration are at the core of what we do.

# Scope of Services

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Day-to-day operation and management of the complex.

Staffing, scheduling, marketing, promotion, concessions, food & beverage, maintenance, custodial services, landscaping, pest control, and safety compliance.

Booking of tournaments, rentals, and events to maximize community use and economic impact.

Financial administration, including collection and deposit of revenues, paying operating expenses, and maintaining point-of-sale systems.

Maintenance of equipment, grounds, and infrastructure to city standards.

Compliance with City policies.

# Terms

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**Term:**

5-year initial term with option for two (2) additional 5-year renewals upon mutual agreement.

**Termination:**

City may terminate for convenience or cause.

SFM may terminate with 12 months' notice.

Early termination fee owed to SFM if City terminates without cause (equal to 6 months of fees, plus performance incentives).

# Terms

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## **Compensation:**

Management fee structure \$18,500 monthly.

Performance incentives include: sponsorships and management if they meet the pro forma numbers.

## **Financial Structure:**

City retains ownership of facility, assets, and revenues.

Separate Operating Account funded by City and facility revenues.

SFM does not advance its own funds.

City has full audit rights.

## **Commercial Rights:**

Naming rights, sponsorships, and advertising require City approval; restrictions on certain industries (tobacco, gambling, etc.).

# Terms

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## **Insurance & Liability:**

SFM required to maintain general liability, liquor liability (if applicable), worker's comp, crime insurance, and professional liability, with City named as additional insured.

Indemnification provisions apply for negligence or misconduct.

## **Personnel:**

SFM hires and manages staff, subject to City approval of General Manager and budgeted positions.

Background checks and drug screening required.

Staff remain SFM employees (not City employees).

## **Ownership:**

City retains ownership of facility, equipment, data, and improvements.



Revenue	Year 1	Year 2	Year 3	Year 4	Year 5
Outdoor Rental Baseball/Softball Tourname	\$225,500	\$304,200	\$420,300	\$485,100	\$528,885
Outdoor Field Rental	\$105,773	\$109,561	\$96,269	\$101,083	\$111,444
Gate Fees	\$102,900	\$112,980	\$154,350	\$168,840	\$183,330
Food & Beverage	\$447,140	\$679,644	\$927,536	\$1,017,352	\$1,107,279
Hotel Rebates	\$72,797	\$82,854	\$119,253	\$133,141	\$147,030
Retail	\$25,518	\$27,392	\$34,416	\$36,635	\$38,866
<b>Total Revenue</b>	<b>\$979,628</b>	<b>\$1,316,632</b>	<b>\$1,752,124</b>	<b>\$1,942,151</b>	<b>\$2,116,834</b>
Cost of Goods Sold	Year 1	Year 2	Year 3	Year 4	Year 5
Outdoor Rental Baseball/Softball Tourname	\$22,550	\$30,420	\$42,030	\$48,510	\$52,889
Outdoor Field Rental	\$5,289	\$5,478	\$4,813	\$5,054	\$5,572
Gate Fees	\$21,630	\$23,310	\$29,925	\$31,920	\$33,915
Food & Beverage	\$290,641	\$441,769	\$602,899	\$661,279	\$719,732
Hotel Rebates	\$0	\$0	\$0	\$0	\$0
Retail	\$17,863	\$19,175	\$24,091	\$25,645	\$27,206
<b>Total Cost of Goods Sold</b>	<b>\$357,972</b>	<b>\$520,151</b>	<b>\$703,758</b>	<b>\$772,407</b>	<b>\$839,313</b>
<b>Gross Margin</b>	<b>\$621,655</b>	<b>\$796,481</b>	<b>\$1,048,366</b>	<b>\$1,169,744</b>	<b>\$1,277,521</b>
<i>% of Revenue</i>	63%	60%	60%	60%	60%
Facility Expenses	\$238,393	\$242,872	\$250,692	\$255,483	\$260,326
Operating Expense	\$424,482	\$438,746	\$478,603	\$500,216	\$520,846
Management Payroll	\$365,000	\$379,600	\$394,784	\$410,575	\$426,998
Payroll Taxes/Benefits/Bonus	\$123,537	\$146,549	\$172,924	\$185,490	\$197,659
<b>Total Operating Expenses</b>	<b>\$1,151,412</b>	<b>\$1,207,767</b>	<b>\$1,297,003</b>	<b>\$1,351,764</b>	<b>\$1,405,829</b>
<b>EBITDA</b>	<b>(\$529,757)</b>	<b>(\$411,286)</b>	<b>(\$248,638)</b>	<b>(\$182,020)</b>	<b>(\$128,308)</b>
<i>% of Revenue</i>	-54.1%	-31.2%	-14.2%	-9.4%	-6.1%
<i>Field Maintenance Equipment Costs</i>	<i>(\$237,740)</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>
<i>Operational Set Up Costs</i>	<i>(\$127,000)</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>
<i>Replacement and Renovation Costs</i>	<i>(\$25,000)</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>
<i>Sponsorship Income (Net)</i>	<i>\$90,000</i>	<i>\$108,000</i>	<i>\$114,000</i>	<i>\$120,000</i>	<i>\$120,000</i>
<b>Total Net Income</b>	<b>(\$829,497)</b>	<b>(\$303,286)</b>	<b>(\$134,638)</b>	<b>(\$62,020)</b>	<b>(\$8,308)</b>

# SFC Pro Forma

No Alcohol Sales  
Sponsorship Separated



# Comparison

	Year 1		Year 2		Year 3		Year 4		Year 5	
Annual	IN-HOUSE	SFC	IN HOUSE	SFC	IN HOUSE	SFC	IN HOUSE	SFC	IN HOUSE	SFC
Revenue	\$277,443	\$979,628	\$285,766	\$1,316,632	\$294,339	\$1,752,124	\$303,169	\$1,942,151	\$312,264	\$2,116,834
Expenditures	\$617,244	\$1,509,384	\$602,322	\$1,727,918	\$643,447	\$2,000,761	\$643,447	\$2,124,171	\$665,236	\$2,245,142
One Time		\$389,740								
PPF Contribution	\$339,802	\$919,496	\$316,556	\$411,286	\$349,107	\$248,637	\$340,277	\$182,020	\$352,972	\$128,308
Percentage of Cost Recovery	45%	52%	47%	76%	46%	88%	47%	91%	47%	94%

5 YEAR PPF SUBSIDY	
In-House	\$1,698,714
SFC	\$1,889,747
Difference	-\$191,033
*Sponsorship	\$552,000
**Alcohol	\$360,296
Difference	\$721,263

\*Sponsorship revenue will be set aside for future Capital Improvements

\*\*If alcohol sales are approved in a limited capacity, this would be the net revenue.

## Economic Impact

### Number of Events Per Year

	Year 1	Year 2	Year 3	Year 4	Year 5
Baseball/Softball Tournaments	28	30	36	37	38
<b>Total Events Per Year</b>	<b>28</b>	<b>30</b>	<b>36</b>	<b>37</b>	<b>38</b>

### Per Person Spending By Category

	Year 1	Year 2	Year 3	Year 4	Year 5
Lodging/Accommodations	\$60.33	\$61.24	\$62.16	\$63.09	\$64.04
Dining/Groceries	\$60.00	\$60.90	\$61.81	\$62.74	\$63.68
Transportation	\$10.20	\$10.35	\$10.51	\$10.67	\$10.83
Entertainment/Attractions	\$4.80	\$4.87	\$4.95	\$5.02	\$5.09
Retail	\$28.20	\$28.62	\$29.05	\$29.49	\$29.93
Miscellaneous	\$16.20	\$16.44	\$16.69	\$16.94	\$17.19
<b>Total</b>	<b>\$179.73</b>	<b>\$182.43</b>	<b>\$185.17</b>	<b>\$187.94</b>	<b>\$190.76</b>

### Economic Impact Drivers

	Year 1	Year 2	Year 3	Year 4	Year 5
Non-Local Days in Market - Overnight	82,499	93,272	132,253	146,853	161,453
Room Nights	19,152	21,798	31,374	35,028	38,682

### Economic Impact

	Year 1	Year 2	Year 3	Year 4	Year 5
Total Direct Spending - Overnight	\$14,827,730	\$17,015,458	\$24,488,683	\$27,600,032	\$30,799,211
Total Indirect Spending	\$0	\$0	\$0	\$0	\$0
<b>Total Economic Impact</b>	<b>\$14,827,730</b>	<b>\$17,015,458</b>	<b>\$24,488,683</b>	<b>\$27,600,032</b>	<b>\$30,799,211</b>

# Economic Impact



# Strategic Staff Reallocation

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## Current Operations:

- Chisenhall Sports Complex requires **4,472 annual labor hours**
- Maintained by an internal crew of 7 full time and 2 part-time seasonals also responsible for:
  - Bailey Lake
  - Hidden Creek Sports Complex
  - The Back 40
  - Hidden Vistas
  - Hidden Creek Parkway (in front of park)
  - Dilmore

## Strategic Reallocation:

- Council directed staff on August 18 to reallocate existing staff through attrition
- In lieu of transitioning 2 full-time employees and 2 part-time employees to SFC as part of SFC's staffing model we will transition the staff to Bartlett 1-staff will be reallocated to the Bartlett vacancy, 1-staff member will fill any vacancy created through attrition, and part-time positions will be reduced.

## Upcoming Staffing Demands:

- **Community Park (2 Phase I) + (3-4 Phase II)**
- **Shannon Creek (TBD)**

# 4B Fund-Current

	FY 23-24 Actual	FY 24-25 Adopted	FY 24-25 Revised	FY 24-25 Year- End Est	FY 25-26 Projected	FY 26-27 Projected	FY 27-28 Projected	FY 28-29 Projected	FY 29-30 Projected
<b>Beginning Fund Balance</b>	\$ 5,340,055	\$ 5,035,601	\$ 5,035,601	\$ 5,084,986	\$ 5,768,762	\$ 4,774,052	\$ 4,450,989	\$ 4,072,912	\$ 4,410,258
<b>Revenue</b>									
Sales & Use Taxes	7,462,408	7,643,839	7,643,839	7,760,905	7,993,732	8,233,544	8,480,550	8,734,967	8,997,016
Other Revenue	239,494	171,467	171,467	164,667	163,607	141,467	124,073	124,032	124,065
<b>Total Revenue</b>	<b>7,701,902</b>	<b>7,815,306</b>	<b>7,815,306</b>	<b>7,925,572</b>	<b>8,157,339</b>	<b>8,375,011</b>	<b>8,604,623</b>	<b>8,858,999</b>	<b>9,121,081</b>
<b>Expenditures</b>									
Personnel	367,198	347,733	347,733	359,437	370,348	381,140	394,887	409,162	423,987
Base Expenses	383,904	446,135	466,283	465,383	425,027	382,054	389,301	396,777	404,492
Incentives (ED)	725,000	136,150	136,150	23,289	39,203	40,379	49,925	60,333	62,143
Existing Debt Service	1,797,632	3,035,774	3,035,774	3,025,483	3,034,600	2,866,250	2,872,725	2,031,275	2,032,800
Future Debt Service	-	-	-	-	606,478	668,090	777,648	956,467	1,225,552
Golf Transfer	1,230,004	1,165,865	1,165,865	942,810	1,155,874	1,041,899	1,074,682	1,109,188	1,145,510
PPF Transfer	3,453,234	3,249,948	3,249,948	2,425,393	3,518,518	3,318,263	3,423,531	3,558,451	3,673,243
One-Time Supplementals					2,000				
<b>Total Expenditures</b>	<b>7,956,972</b>	<b>8,381,605</b>	<b>8,401,753</b>	<b>7,241,795</b>	<b>9,152,049</b>	<b>8,698,075</b>	<b>8,982,699</b>	<b>8,521,653</b>	<b>8,967,727</b>
Change in Fund Balance	\$ (255,069)	\$ (566,299)	\$ (586,447)	\$ 683,777	\$ (994,710)	\$ (323,064)	\$ (378,076)	\$ 337,345	\$ 153,354
<b>Ending Fund Balance</b>	<b>\$ 5,084,986</b>	<b>\$ 4,469,302</b>	<b>\$ 4,449,154</b>	<b>\$ 5,768,762</b>	<b>\$ 4,774,052</b>	<b>\$ 4,450,989</b>	<b>\$ 4,072,912</b>	<b>\$ 4,410,258</b>	<b>\$ 4,563,611</b>
<b>FB % of Expenditure</b>	<b>63.91%</b>	<b>53.32%</b>	<b>52.96%</b>	<b>79.66%</b>	<b>52.16%</b>	<b>51.17%</b>	<b>45.34%</b>	<b>51.75%</b>	<b>50.89%</b>

# 4B Fund – SFC Transition

	FY 23-24 Actual	FY 24-25 Adopted	FY 24-25 Revised	FY 24-25 Year- End Est	FY 25-26 Projected	FY 26-27 Projected	FY 27-28 Projected	FY 28-29 Projected	FY 29-30 Projected
<b>Beginning Fund Balance</b>	\$ 5,340,055	\$ 5,035,601	\$ 5,035,601	\$ 5,084,986	\$ 5,768,762	\$ 3,974,556	\$ 3,360,207	\$ 2,853,493	\$ 3,128,819
<b>Revenue</b>									
Sales & Use Taxes	7,462,408	7,643,839	7,643,839	7,760,905	7,993,732	8,233,544	8,480,550	8,734,967	8,997,016
Other Revenue	239,494	171,467	171,467	164,667	163,607	141,467	124,073	124,032	124,065
<b>Total Revenue</b>	<b>7,701,902</b>	<b>7,815,306</b>	<b>7,815,306</b>	<b>7,925,572</b>	<b>8,157,339</b>	<b>8,375,011</b>	<b>8,604,623</b>	<b>8,858,999</b>	<b>9,121,081</b>
<b>Expenditures</b>									
Personnel	367,198	347,733	347,733	359,437	370,348	381,140	394,887	409,162	423,987
Base Expenses	383,904	446,135	466,283	465,383	425,027	382,054	389,301	396,777	404,492
Incentives (ED)	725,000	136,150	136,150	23,289	39,203	40,379	49,925	60,333	62,143
Existing Debt Service	1,797,632	3,035,774	3,035,774	3,025,483	3,034,600	2,866,250	2,872,725	2,031,275	2,032,800
Future Debt Service	-	-	-	-	606,478	668,090	777,648	956,467	1,225,552
Golf Transfer	1,230,004	1,165,865	1,165,865	942,810	1,155,874	1,041,899	1,074,682	1,109,188	1,145,510
PPF Transfer	3,453,234	3,249,948	3,249,948	2,425,393	4,318,014	3,609,549	3,552,168	3,620,471	3,681,551
One-Time Supplementals					2,000				
<b>Total Expenditures</b>	<b>7,956,972</b>	<b>8,381,605</b>	<b>8,401,753</b>	<b>7,241,795</b>	<b>9,951,545</b>	<b>8,989,361</b>	<b>9,111,336</b>	<b>8,583,673</b>	<b>8,976,035</b>
Change in Fund Balance	\$ (255,069)	\$ (566,299)	\$ (586,447)	\$ 683,777	\$ (1,794,206)	\$ (614,350)	\$ (506,713)	\$ 275,325	\$ 145,046
<b>Ending Fund Balance</b>	<b>\$ 5,084,986</b>	<b>\$ 4,469,302</b>	<b>\$ 4,449,154</b>	<b>\$ 5,768,762</b>	<b>\$ 3,974,556</b>	<b>\$ 3,360,207</b>	<b>\$ 2,853,493</b>	<b>\$ 3,128,819</b>	<b>\$ 3,273,864</b>
<b>FB % of Expenditure</b>	<b>63.91%</b>	<b>53.32%</b>	<b>52.96%</b>	<b>79.66%</b>	<b>39.94%</b>	<b>37.38%</b>	<b>31.32%</b>	<b>36.45%</b>	<b>36.47%</b>



# Timeline



October 6-Present contract for consideration

If approved:

October-SFC would onboard management and maintenance staff

October 20-Ordinance amendments and alcohol policy creation would go before the council

October 20-Budget Amendment and Resolution Authorizing Expenditures

November-SFC would assume management of concessions

November-Maintenance staff would complete the transition

Fleet will be transitioned to a separate fleet as equipment arrives

# Authorization

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## **Contract:**

Consider a 5-Year Management Contract in the Amount of \$1.1M.

## **Budget Amendment:**

Budget amendment to create a separate Chisenhall Fund, establish revenues and expenditures, and adjust the Athletics Fund.

## **Expenditure Resolution:**

Authorize staff to expend funds for the operation of the facility in accordance with the approved budget.



# Contract Amendment-BYA

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City staff have engaged BYA throughout the planning process. Their feedback and input have informed the possible transition plan. As part of the operational shift:

BYA would retain their league operations and priority use schedule per the existing agreement.

A buyout of \$70,312.15 for the concessions. This will be a lump sum payment to offset projected concession revenue over the remainder of the term of the agreement and to offset purchases made by BYA the preceding six months prior to amendment execution.

BYA will pay their per player fee to SFC as a pass through once SFC is in place.

BYA will schedule league play through SFC moving forward

SFC will provide an optional weekend schedule for upcoming seasons that blocks off weekends for BYA to schedule league play that must be mutually agreed upon. The existing agreement states that BYA will send us their finalized schedule and we will schedule around their league play

# Questions