

# Sarasota Baseball

A Tradition Since 1924

## Frequently Asked Questions

### **Why is Sarasota County in discussions with Boston Red Sox management?**

Sarasota County and the city of Sarasota have begun discussions with the Boston Red Sox about options for spring training facilities in Sarasota.

### **What's the economic benefit of spring training?**

A new baseball complex with the Boston Red Sox as a spring training tenant is estimated to generate annual output (direct, induced and indirect spending) of \$46.5 million. This is about \$41 million over the estimated general annual output of Ed Smith Stadium following the departure of the Cincinnati Reds. The general annual output of Ed Smith Stadium is estimated to decrease to \$5.5 million following the Reds departure.

### **Why were three properties purchased at the northwest corner of Payne Park?**

Payne Park has been identified as a potential site for a Red Sox spring training stadium. These parcels will allow for expansion of the park either for a stadium or another community purpose.

### **Who is paying for the properties?**

The county has purchased the parcels and will be reimbursed by the city of Sarasota, either through a combination of land transfers between the two entities and/or cash payment, by June 30, 2009. Ownership of the additional Payne Park parcels will be transferred to the city of Sarasota at the final payment.

A memorandum of understanding was approved on Aug. 26 between Sarasota County and the city of Sarasota covering the terms and conditions for the payment of the Payne Park parcels by the city to the county.

### **How much did the properties cost?**

The total contract purchase price for all three parcels plus due diligence is \$4,855,080. Funding for the purchase price (\$4,785,080) and due diligence costs (estimated at the time of presentation to the County Commission to be \$70,000) will initially be provided by the county's general revenues.

Due diligence includes the cost of the independent property appraisal, the environmental reports, title insurance and survey. The actual due diligence costs were \$57,246.25 and included: an appraisal report (\$6,600), environmental reports (\$21,448), survey (\$6,720), and title insurance and closing fees (\$22,478.25). The county will be reimbursed by the city (from funds other than property tax revenue) under terms of the memorandum of understanding.

Under the memorandum: "No later than June 30, 2009 or 90 days following execution of an agreement between the city, county and a major league ball team for use of Payne Park as a spring training complex ... whichever is sooner, the city shall pay to the county from project funds or other city funds the purchase price of the parcels and all due diligence costs ..."

1. Land acceptable to the county
2. Combination of cash and land acceptable to the county
3. Cash

If cash is used for any or all of the reimbursement, the county intends that this money would reimburse the general fund. If land is offered in payment of this debt, the county plans to evaluate the property for possible usage prior to acceptance. Part of the evaluation criteria will be a review to determine potential funds which might be available to repay the general fund when the land is conveyed from the city.

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## What will happen with these properties?

The properties will transfer from the county to the city no later than June 30, 2009, regardless of whether a deal is reached with the Red Sox.

## How would the parcels be used?

The parcels will be used to expand Payne Park either for a stadium or another community purpose.

## Will any property tax revenue be used to develop a spring training facility?

The city would pay for construction of the spring training facility from funds other than property tax revenue.

## Will voters have to approve funding for a new stadium?

No.

## What's the Tourist Development Tax?

It's a tax paid by tourists who stay in Sarasota County hotels, motels and seasonal lodgings. These funds have limited, restricted uses by state statute and can only be invested in projects related to tourism for Sarasota County. Among those uses are sports stadiums and facilities, convention centers, tourism advertising, beach renourishment and maintenance, and other tourism-related items.

## How would the Tourist Development Tax be used?

A portion of the Tourist Development Tax will be allocated to the city of Sarasota for the construction of a sports stadium, provided that an interlocal agreement is executed between the city and the county about the responsibilities and obligations of each entity to the operation and maintenance of the stadium.

## Who attended the meeting with Red Sox representatives on Sept. 26?

- Dave Bullock, Deputy County Administrator
- Jeff Seward, Chief Financial Planning Officer (county)
- Pete Schneider, Assistant City Manager
- Pam Brangaccio, special assistant to the city manager
- Jenny Yarabek, Project Coordinator (county)
- Mike Dee, Chief Operating Officer, Boston Red Sox
- Jonathan Gilula, Senior Vice President Business Affairs, Boston Red Sox
- Todd Stephenson, General Manager, Florida Operations, Boston Red Sox
- Mitchell Ziets, President and CEO, MZ Sports, LLC
- Paul Jacobs, facilitator
- Dan Barrett, facilitator (by phone)

## Who are the facilitators?

A team of firms is working to provide facilitation services. Paul Jacobs, of Jacobs, Chase, Frick, Kleinkopf and Kelley, LLC and Dan Barrett, of Barrett Sports Group, LLC facilitated the first meeting with Red Sox representatives on Sept. 26.

## What was the result of the meeting?

Key issues were identified, which both sides will continue to explore.

## When is the next meeting?

Although no date has been set for a meeting, the county, the city and the Boston Red Sox will continue discussions.