

**TOWN OF  
APPLE VALLEY, CALIFORNIA**

**AGENDA MATTER**

**Subject Item:**

**BASEBALL STADIUM STATUS REPORT**

**Summary Statement:**

The purpose of this staff report is to provide the Town Council and general public a status report regarding a proposed California League Single "A" baseball stadium. The report is also intended to provide important background information and facilitate the Council's future consideration of the baseball stadium feasibility analysis. This feasibility analysis will determine whether or not a baseball stadium can be developed within parameters to be established by the Town Council. In order to make this discussion as productive as possible, it is necessary to provide a summary of the baseball stadium activities that have taken place from the early part of this year to the present.

**Background:**

In late January and early February of 2009, Mayor Pro-Tem Scott Nassif was contacted by Dr. Sam Rice, a long-time supporter of the High Desert Mavericks, and Brent Miles and Tim Altier of the High Desert Mavericks. The goal of this initial contact was to determine whether the Town had an interest in relocating the High Desert Mavericks from Adelanto to the Town of Apple Valley. Messrs. Miles and Altier are the President and General Manager, respectively, of the High Desert Mavericks. As a result of this preliminary contact, Mayor Pro-Tem Nassif scheduled a meeting that included Messrs. Miles, Altier and Rice, along with Town Manager Robinson and Assistant Town Manager Henderson. During the course of this meeting, the Mavericks' representatives voiced a desire to relocate the team to Apple Valley. Team representatives also indicated to Town officials that they had discussed without success improvements to their current stadium with the City of Adelanto and possible relocations to the cities of Victorville and Hesperia. Indeed, Apple Valley was the last Victor Valley community to be contacted by the Mavericks. (continued on next page)

**Recommended Action:**

That the Mayor and Town Council receive and file the attached status report regarding the proposed Apple Valley Baseball Stadium

**Proposed by** Assistant Town Manager – Econ. & Comm. Dev. **Item Number** \_\_\_\_\_

**T. M. Approval:** \_\_\_\_\_ **Budgeted Item**  Yes  No  N/A

**Summary Statement (Continued):  
Baseball Stadium Status Report  
Page Two**

**Formal Request from the Mavericks**

As a result of this initial meeting, Town Manager Robinson received a letter, dated March 6, 2009, from the Chief Operating Officer of Brett Sports & Entertainment, the owner of the High Desert Mavericks. The letter requested that the Town formally consider building a baseball stadium, meeting California League standards, for the purpose of relocating the Mavericks from Adelanto to Apple Valley. At this juncture, Mr. Robinson informed the Council of the letter from Brett and his intention to form a baseball stadium task force. The purpose of the task force was to assess the preliminary feasibility of the baseball stadium concept. To assist the baseball stadium task force, the architectural firm Populous was retained by the Town. As previously reported, Populous has designed more minor league baseball stadiums than any other architectural firm. Subsequently, Mr. Robinson sent a letter to Brett on March 31, 2009, indicating that the Council had been apprised of its March 2, 2006 letter. Mr. Robinson's letter also indicated a baseball stadium task force had been established and that the Town would be in contact with Brett once preliminary feasibility had been established.

**Identification of Potential Sites**

At this point, staff began the task of identifying potential locations suitable for development of a baseball stadium and related development. The sites studied included:

- A thirty-three acre parcel located at Stoddard Wells Road and the I-15 freeway
- A 143-acre parcel also located at Stoddard Wells Road and the I-15 freeway
- A 74-acre parcel at Dale Evans Parkway and the I-15 freeway
- A 25-acre parcel north of Bear Valley Road and immediately west of Locust Road
- Property on both sides of Dale Evans Parkway immediately north of Corwin Road.

Staff's initial review of potential sites only involved a determination as to whether a stadium could be comfortably placed upon a particular location. Once stadium construction cost data was provided to the task force by Populous, staff developed site evaluation criteria that included (i) whether a site was more or less likely to negatively impact the overall cost of the stadium and, by extension, the Town's financial health; (ii) the need for public infrastructure; (iii) the proximity to existing public infrastructure; (iv) the cost of land; (v) the ability of the team to generate revenues sufficient to meet its lease payments to the Town; and (vi) the proximity of the stadium location to the Mavericks' existing fan base.

**Preliminary Financial Analyses**

At this point, staff moved forward with some preliminary financial analyses. A review of the construction costs of recently completed stadiums, and existing California League stadium lease agreements, led staff to the following conclusion: If the Town was to have a reasonable chance of developing a stadium within parameters to be established by the

**Summary Statement (Continued):  
Baseball Stadium Status Report  
Page Three**

Town Council, the team would not be able to afford the sum of the price of the property, plus the stadium construction cost, with the total equating to the team's annual lease payments. To have a reasonable chance at structuring financing agreeable to both the Town and the team, it was concluded that land would have to be donated for this purpose. The first 33-acre Stoddard Wells Road site is for sale at \$5.50/square foot and the second 143-acre Stoddard Wells Road site is for sale a \$2.35/square foot, more per square foot if less land is needed. The 74-acre parcel at Dale Evans Parkway and the I-15 freeway was available at \$5.50/square foot, but this number may no longer be accurate because the listing sign does not include a proposed sales price. The property at the intersection of Dale Evans Parkway and Corwin Road was made up of various ownership interests, none of which was sufficient in size to accommodate this project. All of the sites in question, particularly those along the freeway have significant infrastructure challenges. When the cost of such infrastructure is added to the cost of the land and the cost of the stadium, the total of such costs would make the overall project financially infeasible for both the Town and the team.

As a practical matter, if land was to be donated for this purpose, the property owner donating the land would have to have sufficient land remaining that would benefit directly from the build-out of the baseball stadium. Once a clearer understanding had been obtained of what the team's financial obligations might entail with respect to the I-15 freeway sites, the task force determined it would focus its site search along Bear Valley Road, east of Apple Valley Road. The search narrowed quickly to property owned by the HDC Group, LLC, headed by Tom Hrubik and Bear Valley & Apple Valley 103, LLC, headed by Bob Shaw. Together, these two companies owned several hundred acres in the general vicinity of two potential stadium locations.

**Bear Valley Road Locations**

The first location was 25-acres wholly owned by HDC Group and was located on the north side of Bear Valley Road, immediately west of Locust Road. This location met the location criteria established by the task force. As a result, staff contacted Mr. Hrubik to determine whether or not he had an interest in providing approximately 25-acres of donated land to this proposed baseball stadium project. Initially, Mr. Hrubik was not interested in donating land. Plus, the land the Town sought was under contract to another development entity. Mr. Hrubik owns all of the land fronting Bear Valley Road (north side) from the Sonic Burgers establishment to the logical extension of Deep Creek Road. In response to the findings related to the first Hrubik-owned piece of property, the task force studied the hard northwest corner at Deep Creek Road and Bear Valley Road. Although interesting, this site was ultimately discarded for topographical and development expense reasons. Staff continued further west on HDC Group-owned property and finally settled on 30-acres located in the center of the HDC-Group land holdings between Locust and Cottontail Roads. After agreeing conceptually to a land donation, staff and Mr. Hrubik began to negotiate the deal points of a proposed agreement between the Town and HDC Group.

During these negotiations, it was determined that the 11.6-acres owned by Bear Valley & Apple Valley 103 could be of significant benefit to the stadium development concept. This property is located immediately north of, and adjacent to, the HDC Group-owned

**Summary Statement (Continued):  
Baseball Stadium Status Report  
Page Four**

property. Populous completed some “proof of concept” work on the entire 41.6 acres and determined the 11.6-acres to be contributed by Bear Valley & Apple Valley 103 would be an excellent location for additional Town-owned ball fields. As a result of reaching an agreement in principle with the HDC Group and Bear Valley & Apple Valley 103, staff reported to Council in closed session on August 11, 2009 and received policy direction from the Town Council regarding price and terms. Once direction was received from the Town Council, staff focused its efforts on converting the executed Letters of Intent into formal agreements with the HDC Group and Bear Valley & Apple Valley 103. This process culminated in the Council approving on August 25, 2009 Site Dedication and Development Agreements with the HDC Group, LLC, and Bear Valley & Apple Valley 103, LLC. The Council also approved the commencement of the baseball stadium Specific Plan development process and authorized Town Manager Robinson to begin the process of identifying a feasibility consultant for this project.

**Proposed Site Analysis**

Since the initial public unveiling of the baseball stadium concept, the Council and the community have been deeply involved in discussions regarding the pros and cons of the Town attempting to develop a stadium that meets California League standards. There has also been much discussion regarding the proposed location of the baseball stadium and whether it is the most suitable location for this venture. In commencing this part of the discussion, it is important to outline goals the Council has adopted in connection with Vision 2020 and other “Better Way of Life” initiatives that have been approved to ensure a sense of community and civic pride. First and foremost are the goals set forth in the newly-adopted Vision 2020. Vision 2020 contains ten goals the Council has adopted as the way forward in making this a community as envisioned by the adopted goals and the recently completed Citizen Satisfaction Survey. The Apple Valley baseball stadium has the very real potential to be a signature project because it touches upon half of the goals adopted as part of Vision 2020.

**Vision 2020 Goals**

The baseball stadium development concept will allow the Town to jump-start its activities regarding Goal #8, making Apple Valley “the high desert’s premier destination”. It also relates to Goal #2, Economic Development, in our efforts to create a “thriving economy”. The build-out of this project as envisioned will enable the Town Council to make significant headway towards Goal #1 and Goal #4 which establish “a strong transportation system” and “adequate and well-maintained infrastructure” as two of critical components in maintaining “A Better Way of Life”. Last, although certainly not least, is Goal #5 involving “ample park land and diverse recreational opportunities”. This project will provide three additional ball fields that will significantly enhance recreational opportunities on a Town-wide basis. When looked at through the construct of Vision 2020, it is noted that rarely, if ever, does one project touch upon so many of the Vision’s goals. When coupled with the results of the Citizen Satisfaction Survey, it is clear that Apple Valley’s citizens strongly support the efforts of the Town Council in making Vision 2020 a reality.

**Summary Statement (Continued):  
Baseball Stadium Status Report  
Page Five**

**Job Creation**

This project will bring jobs to the community, one of the key findings of the Citizen Satisfaction Survey. It will also bring amenities that do not exist in Town, and may not continue to exist in the high desert but for the efforts of the Town Council. The identified location lends itself best to the effort to create jobs, additional revenue opportunities for both the Town and the team and the ability to obtain financing in volatile bond markets. A remote location along the I-15 freeway, and some distance away from population centers, could create the same situation in which the Mavericks' have found themselves over the last 20-years. By making the baseball stadium development concept an integral component of a comprehensive community and economic development program, the odds of success are significantly enhanced. With an adopted Specific Plan to control the type and quality of development, the Town has the opportunity to establish a new and economically profitable model as it relates to the development of minor league baseball stadiums.

**Wastewater Reclamation**

The Specific Plan will be accompanied by the required Environmental Impact Report (EIR). The EIR, by law, must address important issues, such as water, infrastructure and traffic. Not coincidentally, these issues have been some of the major topics discussed by interested members of the community. This facility will allow the Town to further its partnership with the Victor Valley Wastewater Reclamation Authority (VWVRA) and enable the Town to use reclaimed water to maintain the baseball stadium playing surface and the three ball fields that will be developed immediately north of the stadium proper. Assistant Town Manager Cron will provide a more detailed description of activities relating to the wastewater treatment facility if that is the desire of Council at this point in the discussion.

**Traffic**

Traffic is almost certainly the most controversial subtopic impacting any discussion regarding the proposed baseball stadium. The proposed public infrastructure program takes this into account. In addition, the Specific Plan EIR will study the traffic that will be generated by this project. Council and the citizenry should be heartened by the fact that a comprehensive traffic study was just completed as a part of the General Plan Update Final Environmental Impact Report. The findings and recommendations of this report will be combined with the findings and recommendations of the Specific Plan EIR to ensure Goal #1 of Vision 2020 is implemented consistent with that Vision and existing Council policy.

Even so, staff has taken a proactive and conservative approach in dealing with anticipated baseball stadium-related traffic issues. The proposed road improvement program includes traffic signals at the intersections of Geronimo Road and Apple Valley Road, Locust Road and Bear Valley Road and Deep Creek Road and Bear Valley Road. Full-width road improvements are proposed for Geronimo Road, from Apple Valley Road to the Deep Creek Road, Locust Road, from Geronimo Road to Bear Valley Road and half-width improvements on Bear Valley Road, from Locust Road to Cottontail Road.

**Summary Statement (Continued):  
Baseball Stadium Status Report  
Page Six**

To place these improvements in proper context, it is important to note that the new General Plan designation for the HDC Group property is C-R, Regional Commercial. The General Plan Final EIR took this new designation into account when evaluating traffic conditions over the life of the Plan. In some critical respects, the development related to the baseball stadium will be less intense than the regional commercial development it proposes to replace. Our traffic engineering staff will touch upon this in more detail during the course of this discussion but, with the proposed road improvement program fully implemented, the vast majority of Apple Valley citizens wanting to take in a ball game will never have to drive on Bear Valley road to conveniently access the park. In general, only those citizens living south of Bear Valley Road, and east and west of the stadium, will need to use Bear Valley Road to travel to the baseball stadium. When the above is coupled with the fact that all California League games are played at off-peak hours, an objective analysis of traffic issues affecting the stadium will conclude that this project will improve, rather than impede, traffic flow in and around our two most significant east-west and north-south major arterials.

Based upon the foregoing, staff recommends adoption of the form motion.