



MARKET REPORT SUMMARY

PREPARED FOR: RAPID CITY SPORTS COMMISSION

REPORT DELIVERY DATE: AUGUST 2023



THIS PROJECT IS REPRESENTED BY



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EXECUTIVE SUMMARY

DEFINITIONS OF SUCCESS

In February of 2023, the Rapid City Sports Commission in Rapid City, South Dakota (henceforth, the “Client”) engaged Sports Facilities Advisory, LLC (SFA) to complete a market feasibility report related to the analysis of existing sports and recreation facilities and the potential development of new sports facilities in Rapid City. The Client’s primary intent is to explore options for facility enhancements of the sports assets throughout the city and the potential development of additional facilities.

In order to understand the Client’s desired outcomes, SFA facilitated an exercise to define success for the project. Based on that exercise, SFA created those desired outcomes as the “definitions of success.” As such, SFA considers meeting the following criteria critical to determining the success of the project:

- Capitalize on the continued growth in sports tourism to develop premier sports facilities that attract, host, and retain sports tournaments and events to establish Rapid City as a destination
- Serve as a community asset that enhances the sense of place and quality of life for local residents by creating access to top quality sports, recreation, and wellness assets
- Improve financial performance of existing assets and limit operational subsidy of the new facilities

SFA created a facility program and opinion of cost for the development of a new indoor and outdoor facility and costs for potential enhancements of existing facilities by priority for the Parkview Softball Complex, McKeague Field, Post 320 Baseball Field, Harney Little League, O’Harra Stadium Football Field, and Rapid City Timberline Little League. In addition, SFA included recommendations and strategies for each facility and Rapid City as a whole to achieve these definitions of success. A high-level overview of the requirements for each recommendation are outlined below.

RECOMMENDED FACILITY PROGRAM (High Priority - New Indoor Sports Complex)

INDOOR SPORTS FACILITY

- 8 Basketball Courts
 - 16 Volleyball Courts (over basketball courts)
- Full Indoor Turf Field
 - 2 Youth Multi-Purpose Fields (over full turf area)
 - 5 Small-Sided Multi-Purpose Fields (over full turf area)
 - 1 Baseball/Softball Infield (over full turf area)
 - 4 Batting Cages/Pitching Tunnels (over full turf area)
- Continued on next page.

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RECOMMENDED FACILITY PROGRAM (High Priority - New Indoor Sports Complex)

INDOOR SPORTS FACILITY

- Sports Performance Area
 - Sports Performance Turf Area
 - 4 Batting Cages/Pitching Tunnels (over sports performance turf)
 - Sprinting Track
 - Sports Performance Training Area
- Flex Space
- Medical Leased Space
- Total Opinion of Cost: \$63.1M

RECOMMENDED FACILITY PROGRAM (High Priority - New Soccer Complex)

OUTDOOR SPORTS FACILITY

- 12 Synthetic Turf Multipurpose Fields
- Primary Support Building
 - Kitchen
 - Café Seating/Lobby
 - Restrooms
 - Ticketing Office
 - Official's Rooms, Meeting Room, Office
- 2 Secondary Support Buildings
- Maintenance Building
- Total Opinion of Cost: \$24.5M

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RECOMMENDED FACILITY PROGRAM (High Priority - Existing Facility Upgrades)

EXISTING FACILITY UPGRADES

- Parkview Softball Complex (Turf Infields)
- McKeague Field (Turf Field)
- Post 320 Baseball Field (Turf Field)
- Total Opinion of Cost: \$4.5M

RECOMMENDED FACILITY PROGRAM (Medium Priority - Existing Facility Upgrades)

EXISTING FACILITY UPGRADES

- Harney Little League Fields (Turf Infields)
- Total opinion of cost: \$1M

RECOMMENDED FACILITY PROGRAM (Low Priority - Existing Facility Upgrades)

EXISTING FACILITY UPGRADES

- O'Harra Stadium Football Field (Replace Turf)
- Rapid City Timberline Little League Fields (Upgrade fencing, dugouts, backstops)

RECOMMENDATIONS FOR NEXT STEPS

Based on the work completed to date, SFA believes that an opportunity exists to develop a new premium sports tourism complex along with facility enhancements and improvements to additional existing sports assets in Rapid City. SFA has detailed the recommendations for low, medium and high priorities for a new sports tourism complex and existing facility enhancements that have the highest likelihood to achieve the Client's goals and definitions of success. SFA right sized the assets to meet the local demand and sports tourism opportunity for the indoor and outdoor models.

SPORTS TOURISM COMPLEX – NEXT STEPS

- Explore and define the potential for funding mechanisms, development incentives, and/or strategic partnerships that could create a viable investment into the construction and operation of the new recommended facilities and enhancements to existing facilities.
- Complete a detailed financial forecast (pro forma) for the New Indoor Sports Complex and upgraded existing assets
 - The financial model will help to understand the operational realities of the recommended models and assist in determining which amenities will best contribute to the Client's definitions of success, including the economic impact a sports tourism facility could generate.

LINK TO FULL MARKET FEASIBILITY REPORT

