

City of Modesto

Council Workshop: United Soccer League Stadium

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→ **2021:** MLB Standards updated through their professional development league concept- creating significant improvements needed for John Thurman Field

→ **2021:** Private Sector initiated a study to review options to construct a new baseball stadium in Downtown Modesto

→ **2022:** Seer World was brought on and completed a community listening exercise and Emergent Findings Report. Identified gap in entertainment amenities and a desire for Soccer.

→ **2023:** Modesto engaged with Seer to continue research for an Entertainment District anchored by a potential stadium

PROJECT HISTORY





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WORKSHOP PURPOSE

To determine the preferred location for a potential soccer stadium to focus Staff's efforts on the expansion of a United Soccer League franchise into the City of Modesto.



United Soccer League Stadium

Background Overview



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INITIAL COMMUNITY REPORT

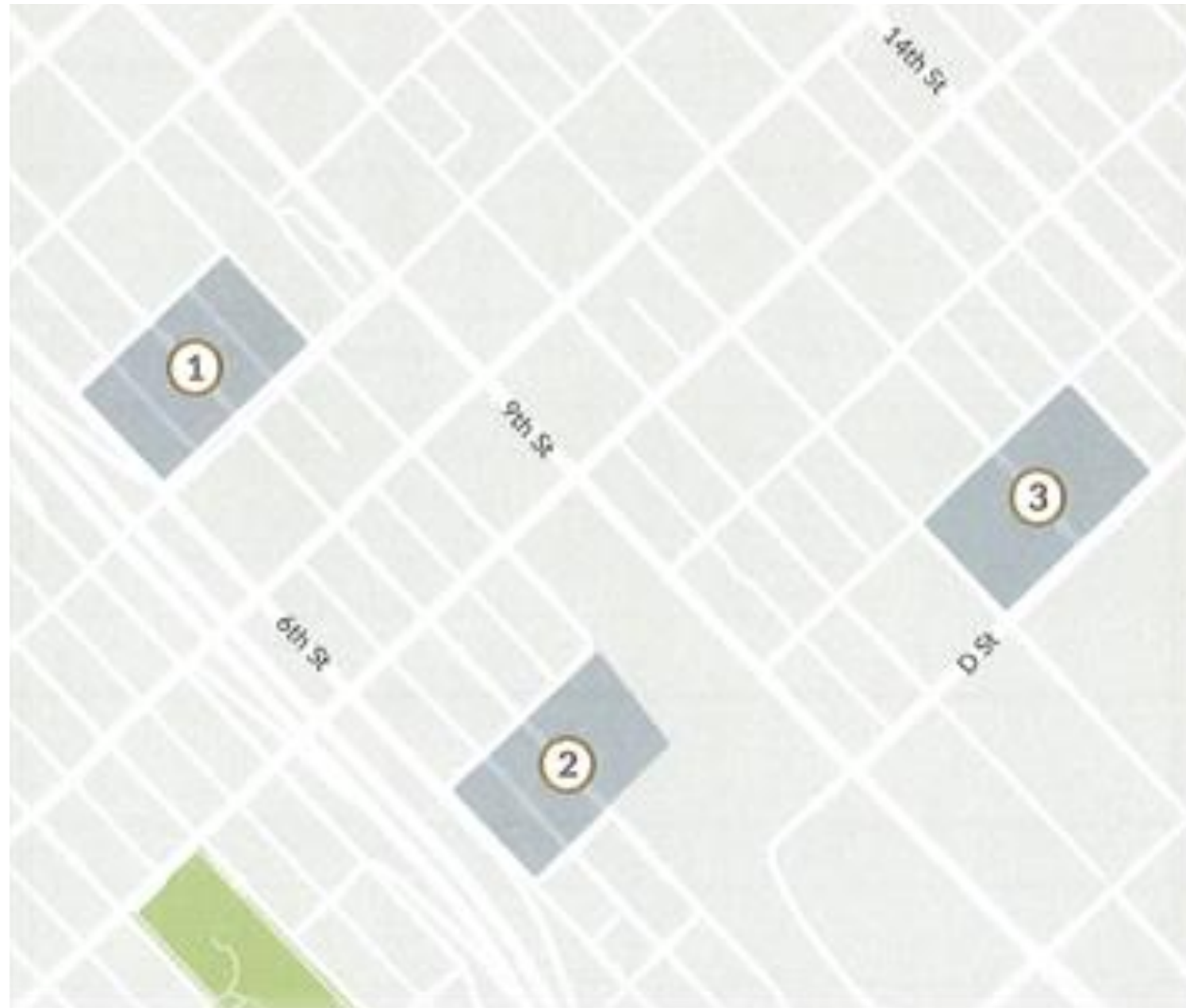
- Efforts to explore a stadium development tie back to Major League Baseball's (MLB) facility requirements for Minor League Teams.
- The Modesto Nuts were required to either renovate their current facility (John Thurman Field) or submit plans to MLB for a new stadium.
- Analysis and design of plans for a new facility was then spearheaded by private sector leaders including Lynn Dickerson, Dale Boyett, and Evan Porges
- In 2021, plans were developed and presented to the City to construct a "Great Valley Coliseum"



The community study proposed the construction of a state-of-the-art baseball stadium in Downtown to spur economic development and transform the core of our Community.



ENTERTAINMENT DISTRICT- INITIAL SITE ANALYSIS



- An entertainment district is a designated area within a city or town focused on providing spaces for leisure, arts, culture, and entertainment activities, often featuring attractions like theaters, sports arenas, concert venues, restaurants, bars, museums, and retail shops.
- An Entertainment District was initially identified by the private sector for a potential home in Downtown Modesto.
- Seer continued analysis to determine potential sites in which an Entertainment District could potentially be Downtown.
- The downtown site was previously referred to as the River District project.

**Downtown District Development
Site Options**



EMERGENT FINDINGS ANALYSIS

- Seer performed an initial assessment that resulted in emergent findings to set the overall project narrative for the redevelopment and urban planning project for baseball.
- A key finding was a need to expand the acknowledgement and celebration of the Latino community in Modesto connected with an identified support for soccer entertainment options.



INTERVIEW INSIGHTS

Seer World - Structured Findings - Constituent Map

190

Identified

44

Selected

15

Women

29

Men

50

Hours

- 44 interviews were conducted to determine what a potential future Modesto could look like based on community needs
- The development of a stadium anchored entertainment district took shape out of this mapping exercise.
- This district would connect all members of the diverse Modesto community and to help create an overall identity for the Modesto of today. A stadium anchored development would also serve as a workforce recruitment tool for many local businesses.





The Great Valley Coliseum conceptual study began as an exploration of building on the momentum of Modesto's rich baseball history going back over 150 years.

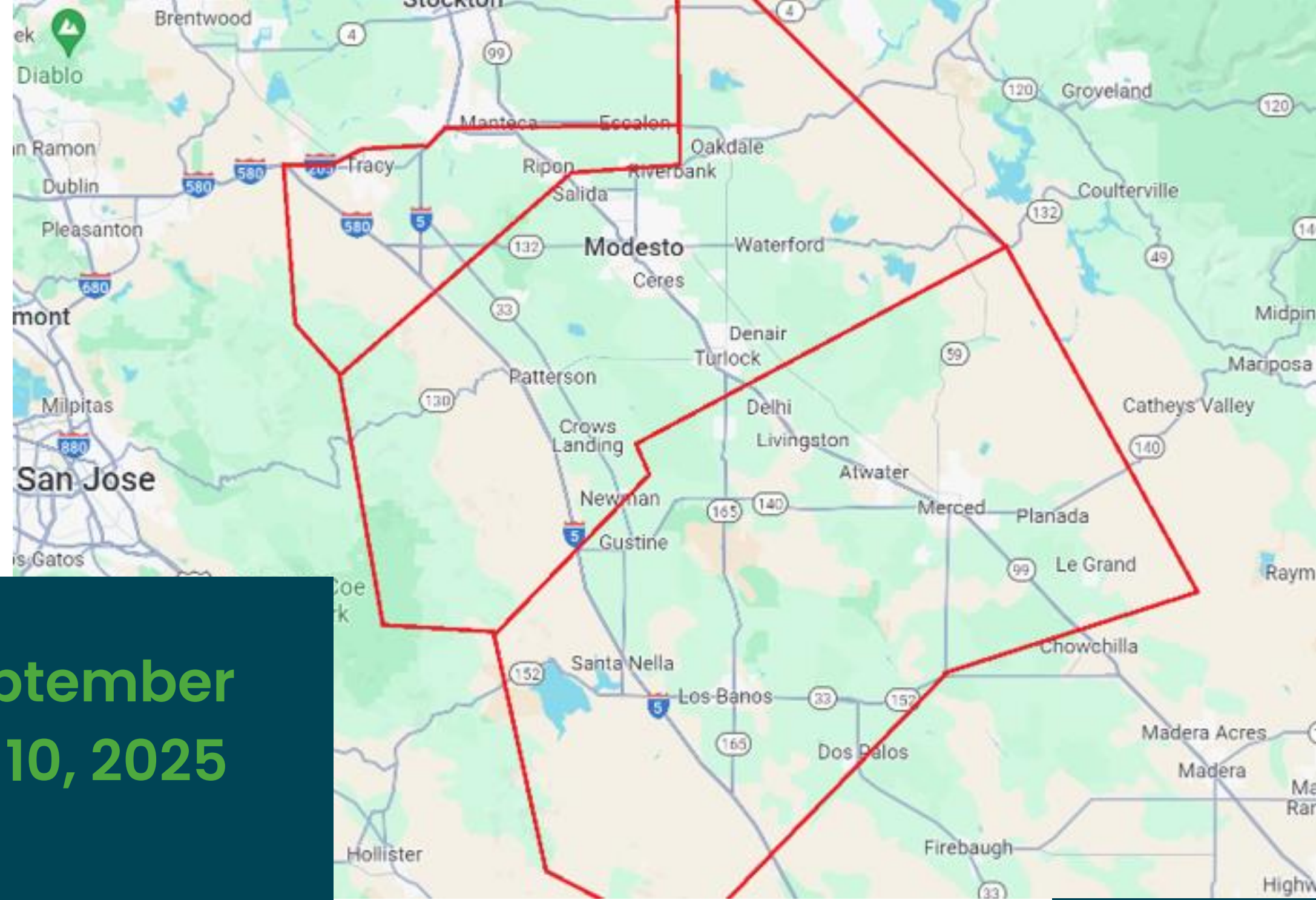
As the Emergent Findings Report was completed, it identified an entertainment opportunity for the area, with the growth of soccer and complementary to other amenities in the area.

City reviewed options all professional soccer leagues including MLS, Next Pro and USL. USL had a strong desire to be in Modesto and determined to be the best fit.

ENTERTAINMENT OPPORTUNITIES



USL LETTER OF INTENT TIMELINE



Letter of Intent Approved: September 10, 2024, through September 10, 2025

Time to determine:

- Stadium location
- Financing
- Ownership
- Design
- Ancillary development
- Predevelopment costs



Questions?



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United Soccer League Stadium

Site comparison



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AREAS REVIEWED

Downtown

- The current land assembly identified includes various commercial properties.
- Downtown is a hub of hotel, office, commercial, retail, food service, and arts and entertainment.
- Downtown also currently provides parking services through three parking garages and street parking.

Municipal Golf Course

- Vacant land home to a former golf course and John Thurman Field.
- Surrounded by residential neighborhoods.





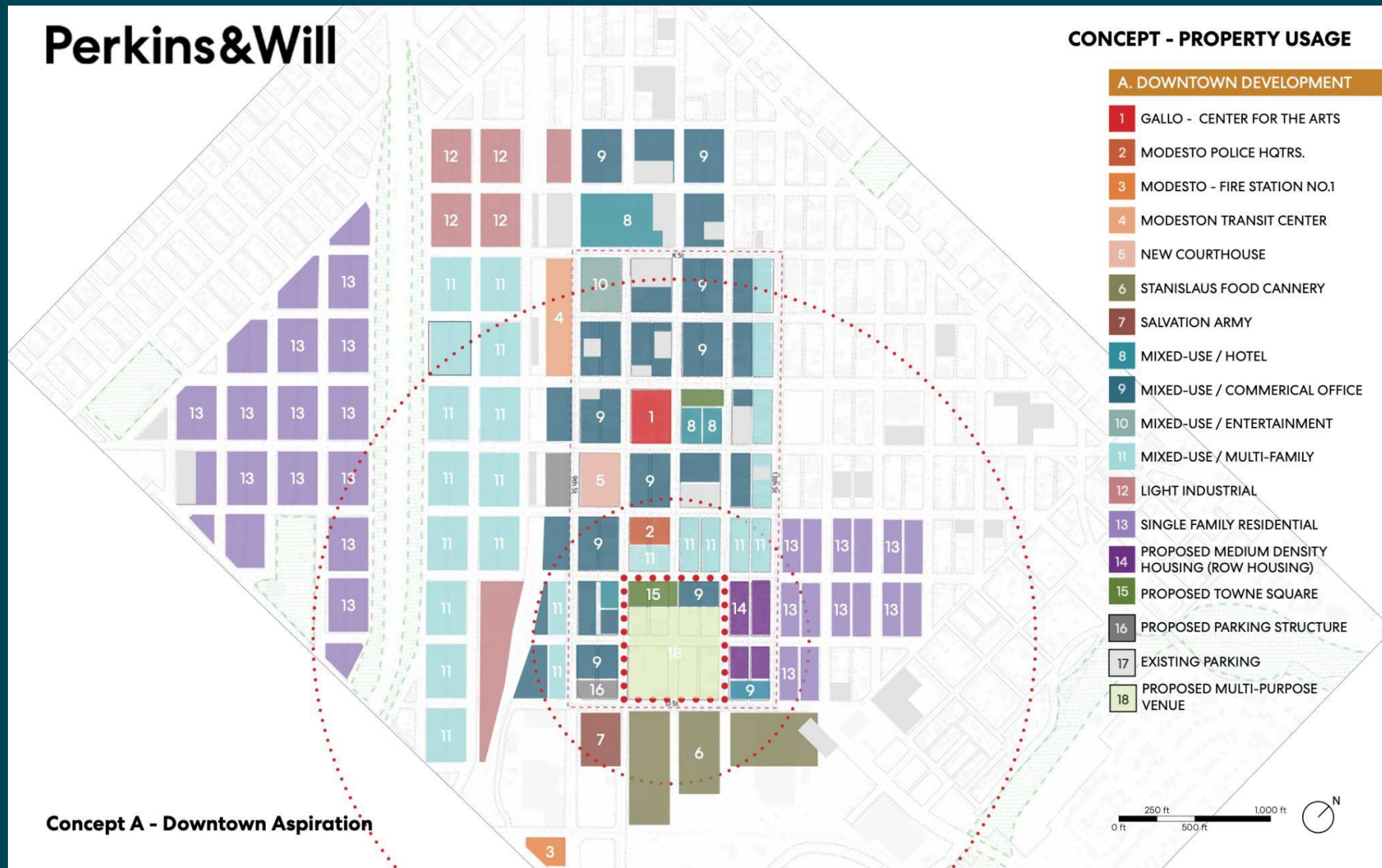
**SITE AND DISTRICT
EVALUATION PLAN**
seer

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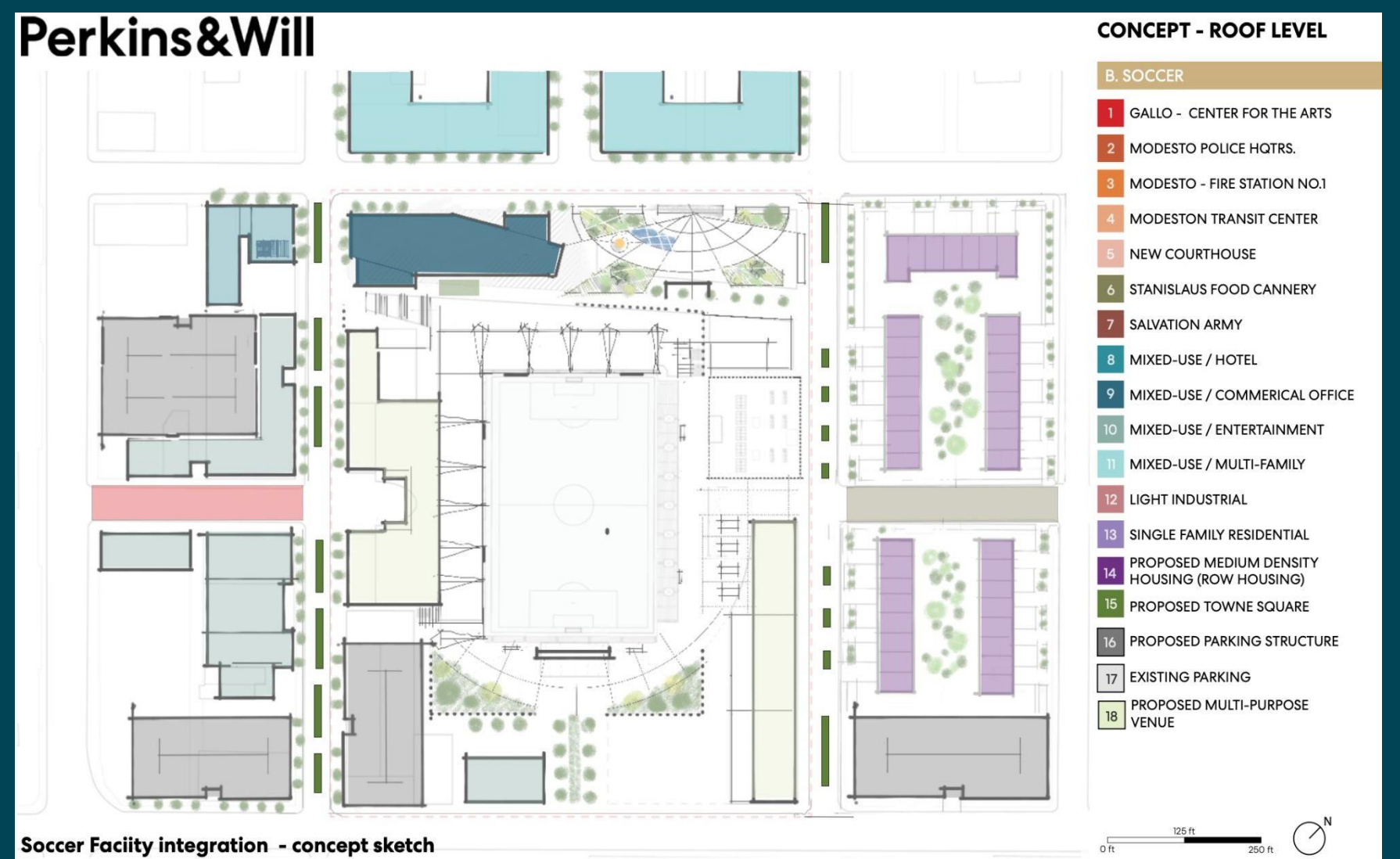
SITE REQUIREMENTS

- At least 70 yards by 110 yards as approved by FIFA
- Stadium to predominately have north-south axis
- Minimum parking requirements within a certain distance of the stadium.
- Minimum seating capacity of 5,000 based on the type of USL League





Concept A - Downtown Aspiration

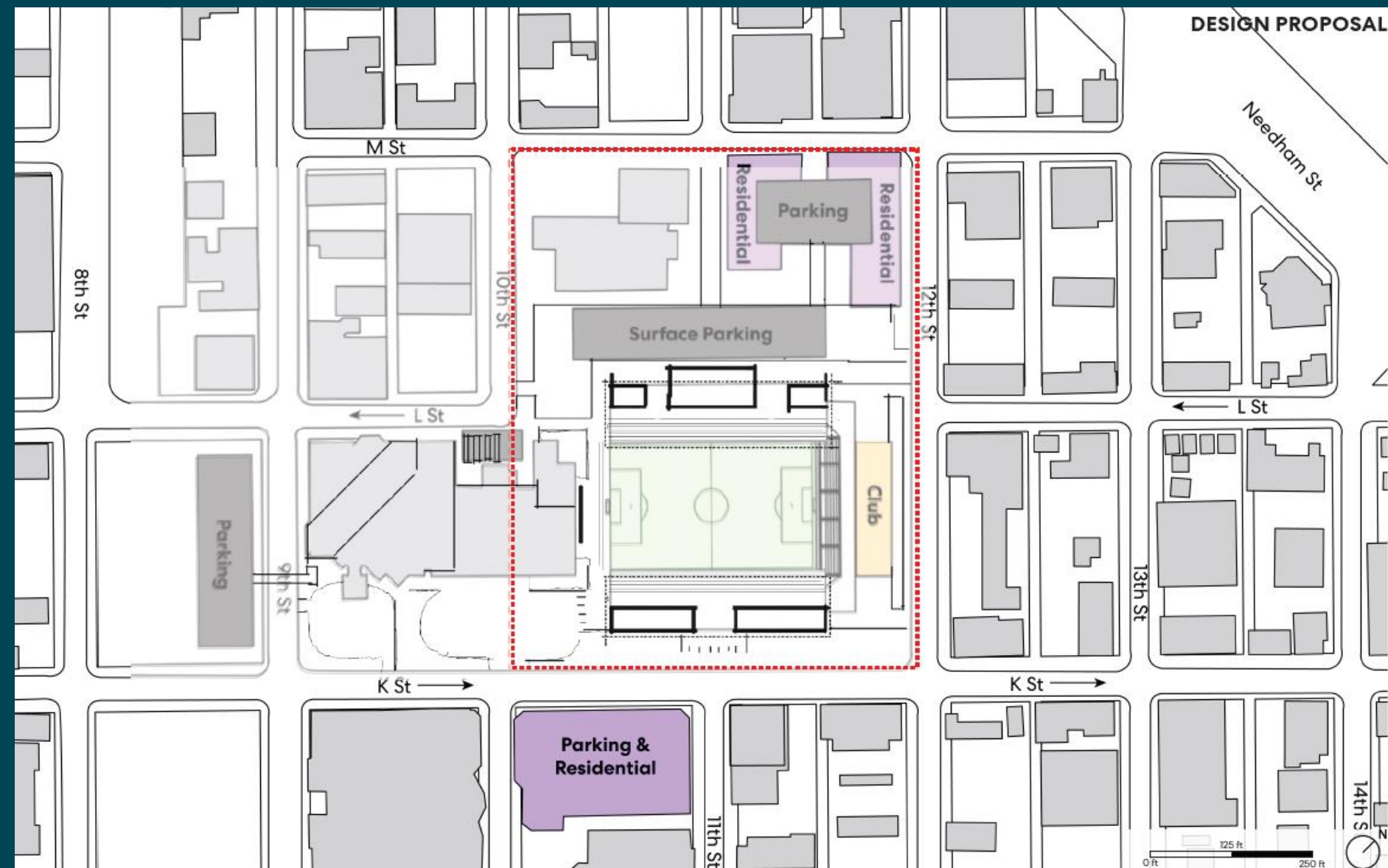


Soccer Facility integration - concept sketch

SITE STADIUM LOCATION - INITIAL SITE ANALYSIS

Downtown- South

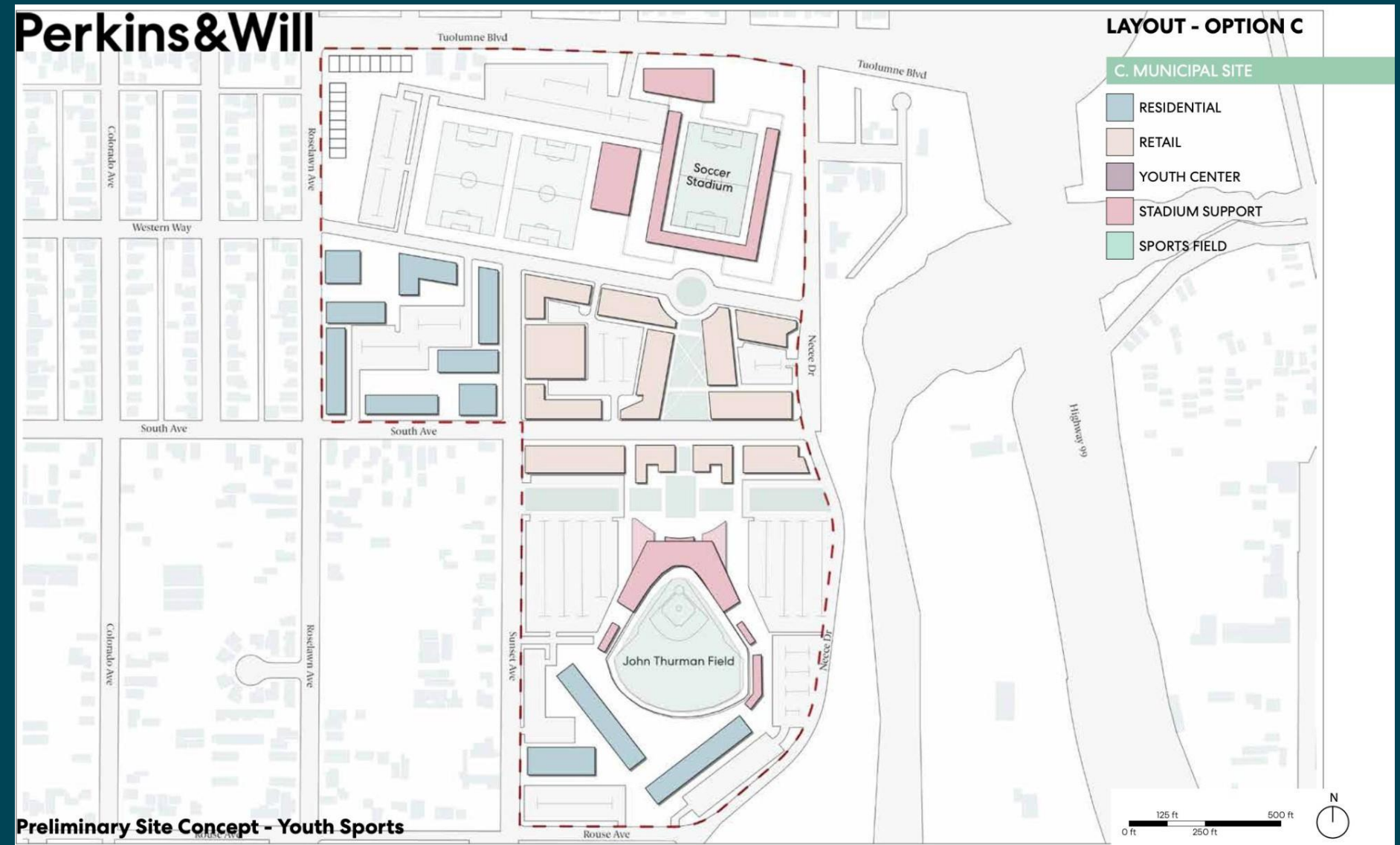
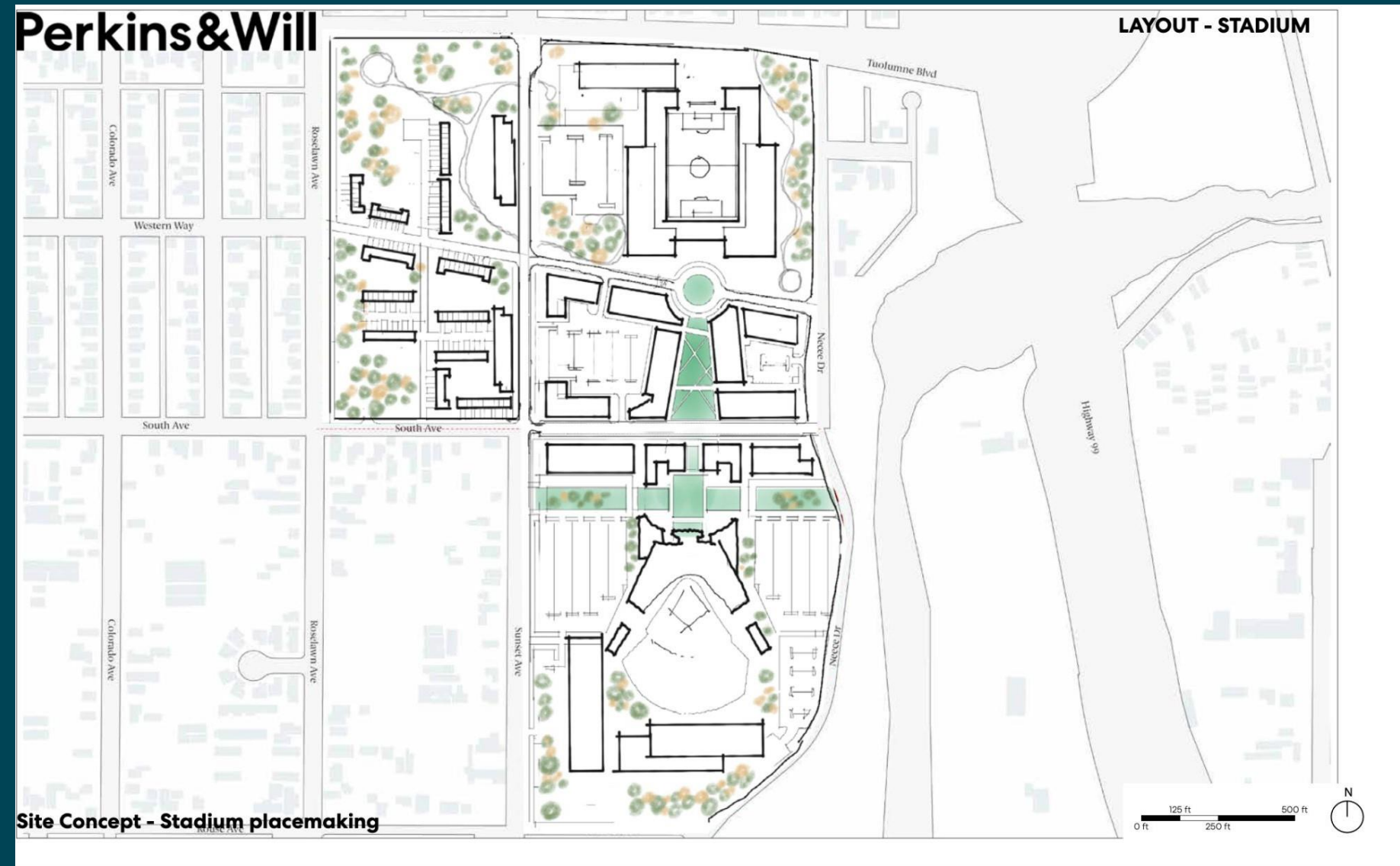




STADIUM LOCATION – DOWNTOWN SITE ALTERNATIVE

Downtown- North





STADIUM LOCATION - INITIAL SITE ANALYSIS

West Modesto





**SITE EVALUATION
PLAN FOR MUNI &
DOWNTOWN**

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ENTERTAINMENT DISTRICT

- In reviewing potential sites, we reviewed not only opportunities for a stadium, but to create an Entertainment District.
- Entertainment districts are carefully planned to create a sense of community while boosting local economies.
- Districts often feature attractions like theaters, sports arenas, concert venues, restaurants, bars, museums and retail shops.
- Designed to attract residents and tourists by bringing together diverse attractions to drive foot traffic, increase tourism and support local business.



SITE EVALUATION - DOWNTOWN

GO/NO GO CRITERIA

Go/No Go Criteria are decision-making guidelines used to evaluate whether a project or initiative should proceed ("Go") or be halted ("No Go"). These criteria are established based on specific, measurable factors that are critical to the success of the project.

In the context of the USL Stadium site evaluation, Go/No Go Criteria help determine the suitability of the West Modesto and Downtown sites based on factors such as location, existing infrastructure capacity, land and land assembly complexity, cost, and potential for development programs that focus on adding housing density, new Class A retail/commercial, a hotel and other needs-based elements.

Downtown Site- South

GO Criteria

- Central location with high visibility that can provide a town center environment providing Downtown with an identity.
- Builds on pre-existing development and removes blight.
- Potential development integration with Beard Land Improvement Co. & Valley First Credit Union.
- More immediate proximity to airport.
- Better engages the existing business community at large.
- Helps solve for full-service hotel needs.

No Go Criteria

- Higher land acquisition costs.
- Potential for displacement of existing businesses/residents.
- More Economic Development focused; housing becomes secondary.
- Traffic congestion.
- Limited space for future expansion



SITE EVALUATION - DOWNTOWN

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Downtown Site- North

GO Criteria

- Central location with high visibility that can provide a town center environment providing Downtown with an identity.
- City owns part of the land to anchor the land assembly
- Builds on pre-existing development and removes blight.
- Potential development integration with business headquarters
- More immediate proximity to airport.
- Better engages the existing business community at large.
- Helps with current motel, and adds opportunity to support another hotel

No Go Criteria

- Higher land acquisition costs.
- Potential for displacement of existing businesses/residents.
- More Economic Development focused; housing becomes secondary.
- Traffic congestion.
- Limited space for future expansion



SITE EVALUATION - WEST MODESTO

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West Modesto Site

GO Criteria

- Proximity to major roadways and Highway 99 for easy access from multiple areas of the city.
- Availability of large, undeveloped land
- No complex land assembly and no land acquisition cost (mostly shovel-ready).
- Potential to bring new services and economic vitality to an underserved area of the City.
- Site capable of supporting significant housing initiatives with stratified and integrated price points.
- Could integrate golf course and John Thurman Field

No Go Criteria

- Traffic ingress/egress – Limited deceleration lane at exit off Highway 99
- Distance from city center reducing potential foot traffic.
- Infrastructure improvements needed (road, utility, and stormwater)
- Surrounded by single family homes and an incoherent code environment.



SITE EVALUATION - WEST MODESTO

John Thurman Field (JTF) is a current baseball ready sports stadium that is directly connected to the municipal golf course site.

JTF and its parking lot make up for about 22 acres of the 73-acre municipal golf course site in West Modesto.

JTF has been home to minor league baseball for decades, while an opportunity could exist to maintain the facilities current use with future baseball opportunities.

The JTF parcel could be grouped into the future redevelopment of the Municipal Golf Course site to be repurposed into a soccer stadium site or another use.



SITE EVALUATION

TRAFFIC CIRCULATION

Traffic Circulation refers to the movement and flow of vehicles and pedestrians with in and around a specific area. It encompasses the planning, management, and optimization of transportation routes to ensure efficient and safe travel.

In the context of the USL Stadium development, traffic circulation involves assessing how vehicles and pedestrians currently move around the proposed site and planning future enhancements to support the influx of visitors during events. This includes road expansions, parking facilities, and public transportation options.

Municipal Site

Current

- Limited public transportation options.
- Moderate traffic volumes on surrounding roads.
- Adequate parking available.

Future

- Improvements needed for public transportation connectivity.
- Potential need for road expansions and traffic signal upgrades.
- Designated parking areas to accommodate event crowds.

Downtown Modesto

Current

- High traffic volumes during peak hours.
- Good public transportation access.
- Limited parking availability.

Future

- Implementation of traffic management plans during events
- Development of multi-level parking structures.
- Enhanced public transportation routes and schedules.



SITE EVALUATION

MIXED USE DEVELOPMENT OPPORTUNITIES

Mixed-Use Development Opportunities refer to the potential to create integrated spaces that combine residential, commercial, and recreational uses within a single development or area. This approach aims to enhance the vibrancy and functionality of a neighborhood or community by providing a variety of amenities and services in close proximity.

In the context of the USL Stadium development, mixed-use development opportunities might include integrating the stadium with nearby housing, shops, restaurants, and recreational spaces to create a dynamic and cohesive urban environment that attracts residents, businesses, and visitors.

Municipal Site Opportunities:

- Large areas available for commercial and residential development.
- Potential for sports complexes, hotel, retail centers.
- Creation of live-work-play environment.

Downtown Modesto Opportunities:

- Integration with existing commercial and residential areas.
- High demand for retail, dining, and entertainment venues.
- Remove blighted areas in central part of the city.



SITE EVALUATION

AFFORDABLE v. MARKET RATE FINANCIAL ANALYSIS

Affordable vs. Market Rate Financial

Analysis is the assessment and comparison of the financial viability and impacts of developing housing projects at different pricing levels. This analysis evaluates factors such as construction costs, expected revenues, subsidies required, and potential returns on investment for both affordable and market-rate housing. In the context of the USL Stadium development, it involves comparing the financial feasibility and benefits of including affordable housing units versus market-rate units in the project plan.

Municipal Site

Affordable Housing

- Lower land costs allow for more affordable housing units.
- Potential for grants and subsidies to offset construction costs.
- Lower rental rates to attract a diverse population.

Market Rate Housing

- Higher profit margins due to lower land costs.
- Appeal to middle-income families and professionals.
- Potential for luxury amenities and higher rental rates.

Downtown Modesto

Affordable Housing

- Higher land costs may limit the number of affordable units.
- Need for significant subsidies and incentives.
- Higher demand due to central location.

Market Rate Housing

- Premium rental rates due to desirable location
- Appeal to young professionals and high Potential for mixed-use buildings with retail and office spaces.

SITE COMPARISON SUMMARY

→ Downtown

- Strengths:** Central location, blight reduction, integration with adjacent developments, airport proximity, increased economic development for surrounding downtown businesses.

- Weaknesses:** High land acquisition cost, business displacement, no housing opportunities, traffic congestion, limited parking, limited expansion space.

→ Municipal Golf Course

- Strengths:** City owned property, highway proximity, serving an underserved community, supports housing development.

- Weaknesses:** limited traffic ingress/egress, distance from the City's center, major infrastructure improvements needed (road, utilities, stormwater), and the surrounding single-family residences in proximity



Questions?



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Stadium Financials



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STADIUM FINANCING

- Recent stadium construction costs have ranged between \$30 million in 2019 and \$226 million in 2025 due to time, capacity and additional standards required by Championship and League One leagues.
- Stadiums have a public-private partnership for the funding for the stadium. The entire cost isn't traditionally paid for by the local jurisdiction.
- Cities utilize a variety of funding sources to support the potential stadium and Entertainment District.



FINANCING OPTIONS

Financing	Funding Source	Typical Uses
General Obligation Bonds	Secured by a pledge of ad valorem property taxes approved by a 2/3 vote Citywide.	Projects that create a Citywide benefit.
Certificates of Participation	Secured by a pledge of lease payments in connection with an essential asset that is owned by the City; the General Fund is usually pledged to make the lease payments, though other revenues can be identified internally as the budgetary source for the payments.	Public capital facilities.
Revenue Bonds	Secured by a pledge of revenues from a specific source, such as a tax or fee (revenues from water system, storm drainage fees, etc.)	Enterprise infrastructure.
CFD Special Tax Bonds	Secured by a Special Tax levied on each parcel in the District; requires 2/3 approval by property owners in the District (or registered voters if 12 or more).	CFD area-specific improvements.
EIFD Bonds	Secured by an allocation of the local jurisdiction's property tax increment from the area; approval of the Public Financing Authority – no public vote	Public capital facilities or other specified projects of communitywide significance that provide significant benefits to the EIFD or the surrounding community.
Transient Occupancy Tax	A hotel tax or lodging tax in the United States is a tax levied by states, cities, or counties against travelers when they rent accommodations in a hotel, inn, tourist home or house, motel, or other lodging	The proceeds from the tax generally fund local public services with a portion also used to promote tourism



POTENTIAL DISTRICT REVENUES

- The estimated fiscal impact of a downtown entertainment district includes:
 - Sales tax
 - New and increased transactions to neighboring businesses, restaurants and retail
 - Property tax
 - New housing or commercial building built or renovated as a result of the stadium.
 - Transient occupancy tax
 - New hotel or increased usage of current hotels
- Fiscal impact is based not only on revenues of the stadium, but the new and increased revenue of the surrounding properties within in the District.





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Surplus Land Act

SURPLUS LAND ACT

- Land owned by government organizations and slated for resale/redevelopment are generally subject to the provisions of the California Surplus Land Act (SLA).
- The SLA was enacted to address the State's housing affordability issues.
- There are two paths for the Surplus Land Act
 - Request for Proposals with Developers
 - Invitations for Affordable Housing

INVITATIONS FOR AFFORDABLE HOUSING

Agency Decides to sell or lease land that it owns.

- Declare the land surplus or exempt surplus (complete).



Notice of Availability

- Agency sends an NOA to certain entities, affordable housing developers, and CA Department of Housing and Community Development (pending)
- Recipients have 60 days to respond



NOA respondents

- Agency would prioritize proposals for affordable housing and negotiate in good faith with respondents in good faith for at least 90 days

If no responses are received within 60 days, or if an Agreement is not reached within 90 days, then the Agency may proceed with pursuing other interested purchasers.

If 10 or more housing units are to be developed, then 15% of the total must still be sold or rented at an affordable costs

REQUEST FOR PROPOSALS TO DEVELOPERS

Agency Decides to sell or lease land that it owns.

- Surplus land of 10 acres or more
- Development plan must include 300 or more residential units or 10 times the total acres of surplus land



Request for Proposal

- Local agency must follow an open competitive solicitation process which would allow affordable housing developers to apply along with other interested parties



Exclusive Negotiations

- At least 25% of the proposed residential units must be restricted to be affordable housing

Exclusive Negotiating Agreement executed followed by the eventual transfer in the form of a sale or lease.



Questions?



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**United Soccer League
Stadium**
Council Options



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SUMMARY

- Overall, the stadium development project is an exciting transformative proposition for the City of Modesto to either jump start economic development in Downtown or to transform the West Modesto area.
- Each site offers unique opportunities, challenges in traffic and other infrastructure costs.
- Several financing options are available to the City in the form of bonds, special district assessments, or other tax strategies.
- With an overall direction of the preferred site, the negotiations with the USL will begin in earnest with the next important step of identifying the ownership group that will be the primary partner on this project.

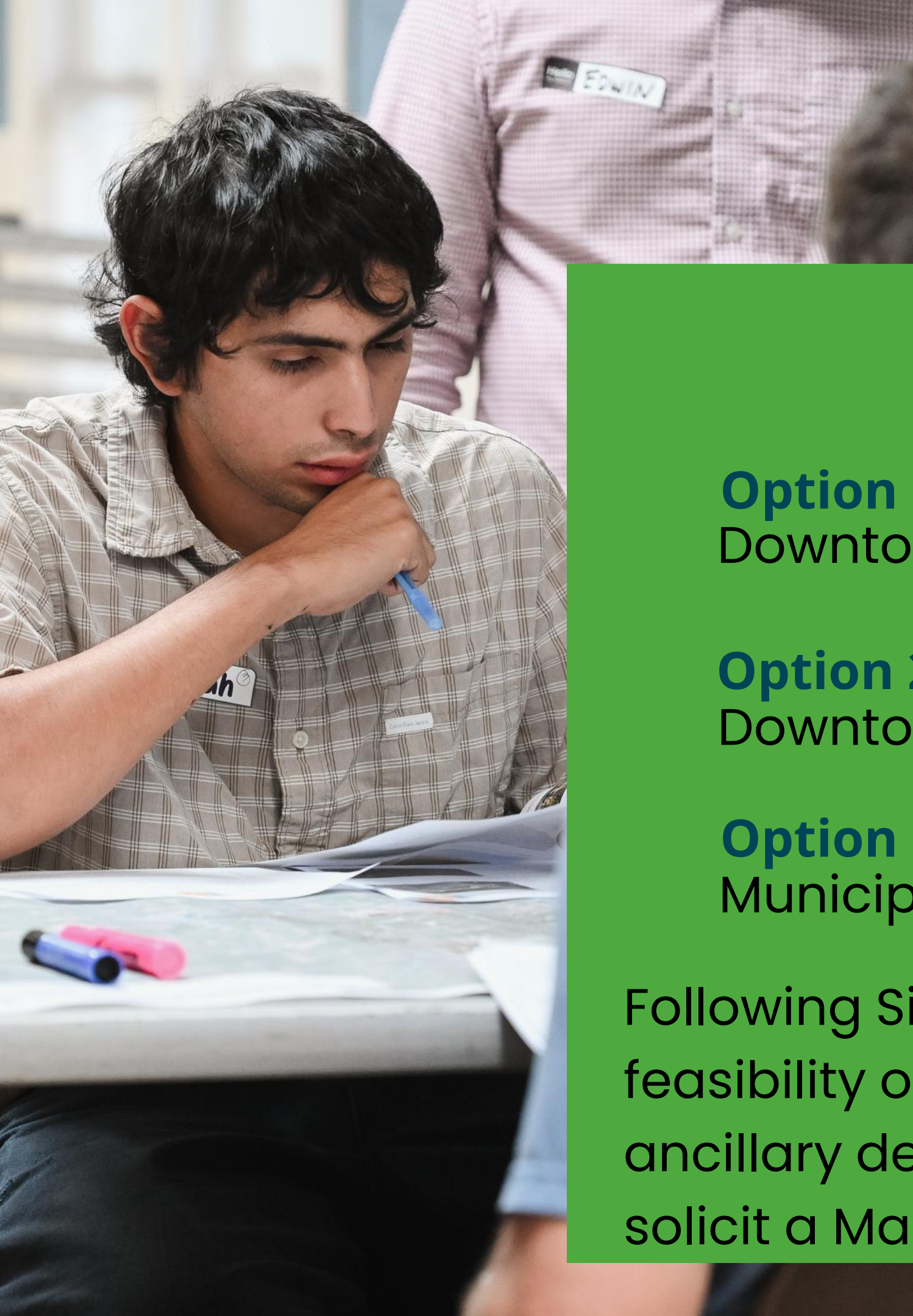


POTENTIAL TIMELINE

- Council direction regarding the preferred stadium development site.
- Call to Action to solicit Master Developers to determine what could be built on the site, and what the financing will be.
- Identification of a USL ownership group through discussions with the League.
- September 10, 2025: LOI end date with the USL
- Execution of a Memorandum of Understanding with the United Soccer League formalizing the expansion team plan determined during the LOI negotiating period.
- Land Assembly and/or SLA compliance for any land owned by the City.
- Approval Agreements with developers.
- Stadium Design and Construction Phase.



COUNCIL DIRECTION- PREFERRED SITE SELECTION



Option 1:
Downtown Site North

Option 2:
Downtown Site South

Option 3:
Municipal Golf Course

Following Site Selection, staff will continue evaluate the feasibility of the site as well as develop specifications for ancillary development, qualifications and scoring to solicit a Master Developer



**United Soccer League
Stadium**

Thank You.



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