



Keeping the Arena

Natomas Campaigns for Entertainment & Sports Complex

diagram courtesy: ESC Partners



More than 200 events a year at Arco Arena bring diners and shoppers to our community. Could the arena, and the land it sits on, be more? Yes. Big names, including the National Basketball Association, are advancing proposals to build a new arena as part of a regional sports and entertainment facility. Only one of those proposals originated in Natomas.

Natomas ESC Partners, a group organized at the request of the Natomas Chamber of Commerce, is proposing a new sports and entertainment facility in Natomas. The project schedule would open the new complex in time for the 2014 NBA basketball season. “Natomas deserves to have a voice in the current arena discussion,” says chamber president Noel Martin, “since our community

would be negatively impacted if the arena is moved elsewhere.”

Responding to the Mayor’s Sacramento First Task Force, six partners outlined a proposal for a state-of-the-art regional complex at the current Arco arena site. The city owns the northern 100 acres of the site just south of Del Paso Road; Maloof Sports and Entertainment acquired the southern 85 acres in 1998 from arena builder Greg Lukenbill. The proposal notes that by 2017, the light rail line from downtown to Sacramento International Airport will be completed, with three light rail stops serving the proposed complex.

The partners estimate that as many as 1,000 construction jobs would be created during the design and construction of the phase, and that ongoing operations would keep at least

the current level of employees working at Arco Arena. They foresee the new facility serving additional sports franchises, tournaments and special events that the old Arco arena cannot handle, potentially doubling the number of events held annually.

The proposal predicts that the new complex would be a catalyst for a green technology research center and office complex, housing, and the introduction of a greenbelt wetland that would remediate storm water runoff. A massive solar array would be located in parking areas. Such uses would revive developers’ interest in undeveloped land around the complex on Truxel Road, I-5 and East Commerce. Plans in various stages of development for nearby properties include high-density residential, commercial, retail and health care.



(above) Left to right: Natomas ESC Partners: Scott Hunter, Principal NBBJ; Jeff Baize, CEO Brookhurst Development; Rick Millitello, Skanska USA; Mike Corrick, President Nacht & Lewis Architects.

On the critical issue of financing, the proposal notes that, “For our (or any) team at this early stage to claim that the entire funding structure and financing arrangements have been identified and are

Natomas Levee Improvement Project (NLIP) Update

Construction is continuing on flood control improvements that will upgrade Natomas levees to meet Federal Emergency Management Agency (FEMA) requirements. Congresswoman Doris Matsui will seek more than \$600 million in funding for the NLIP. “My highest priority in the 2010 Water Resources Development Act,” she says, “will be the federal authorization of these levee improvements. With that authorization, more federal funding can be spent on Natomas’ levees and flood insurance can again be offered at lower rates once 100-year level of protection is achieved. I will continue to stay in close contact with the Corps of Engineers to ensure the project continues to make progress.”

Regional Transit Green Line Update

Work has begun on the Green Line to the River District, part of the Downtown/Natomas/Airport (DNA) line. Digging began in December on a mile-long segment of the line linking 7th and 8th streets to Richards Blvd. The Green Line to the River District is expected to begin carrying passengers by January 2011. RT will provide a DNA line update on January 29 and 30 at the North Natomas Library.


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obtainable would ... demonstrate a lack of experience in this highly specialized area of project funding and development.”

The proposal cites naming rights, pouring rights, advertising rights and sale of luxury suites as revenue sources. But the major source of funding would be a public-private partnership with the city that would include leasing the city’s 100 acres. All improvements would revert back to the city if the lease were terminated. Brookhurst Development Corporation, one of the Natomas ESC partners, is

a leading expert in arranging tax-exempt federal subsidies to finance large-scale public facilities. It proposes establishing a joint powers financing authority to issue tax exempt lease revenue bonds to fund the entire project, with funding secured by the facility lease and the city retaining ownership of the land. A trust agreement would assure that the project is fully funded and capitalized throughout its construction. A contingency fund of five percent would allow for funding of unforeseen conditions. Brookhurst

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SEAT: FRONT ROW

Natomas ESC Schedule Milestones

(note that phases overlap)

Authorization to proceed
2010

Design & Permitting
23 Months

Arena Construction
24 Months

Groundbreaking
6/1/2012

Main Street Construction
16 Months

Groundbreaking
1/1/2013

Operational Goal
2014
NBA Basketball Season

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model picture and diagram courtesy: ESC Partners

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used this financing strategy to borrow \$66 million at 1.6 percent interest to build Inderkum High School.

The proposal anticipates significant community input from adjacent property owners, commercial, retail, residential, entertainment, transportation and government. The chair of the Natomas Chamber’s campaign to Keep the Arena in Natomas, Marni Leger, urges supporters to take the online poll at sacramentofirst.org. She notes, “Natomas is the only location that is ‘shovel ready’ in the sense

that the infrastructure is in place, the city owns the land and financing is viable. Even though the NBA and the Maloofs decided to bypass the Mayor’s Arena Task Force format by choosing a plan that moves the arena downtown and brings a Fairgrounds to Natomas, Natomas ESC Partners are convinced our plan will ultimately win the support of the decision makers,” Leger said.

In addition to Brookhurst, Natomas ESC partners include Skanska USA Building, whose projects include the New Meadowlands Stadium, home to the New York Giants and the New York Jets, and Hammes Company Sports,

which provided development and management services for partnerships that built Ford Field in Detroit, Kohl Center in Madison, and Lambeau Field in Green Bay.

The proposal was signed by six partners: William Robinson, Executive Vice President, Hammes Company Sports; Jeff Baize, Chief Executive Officer, Brookhurst Development Corp.; Rick Millitello, Executive Vice President, Skanska USA Building; Jonathan Ward, AIA, Design Partner, NBBJ; Michael Corrick, AIA, President, Nacht & Lewis Architects, and Noel Martin, President, Natomas Chamber of Commerce.

Learn More

N magazine
nmag.net (click Resources)

Natomas Chamber of Commerce
natomaschamber.org

ESC Lunch Presentation
2/25 Location TBA
call 564-7436

ESC Arena Proposal & Poll
sacramentofirst.org/meetings/agendas/

Sacramento Regional Transit
sacrt.com/dna

SAFCA
safca.org

Congresswoman Doris Matsui
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