

OCUA



Ottawa Carleton Ultimate Association

Ultimate Parks Inc. – A Case Study of Ultimate Field Development

UPA League Conference

November 13, 2004

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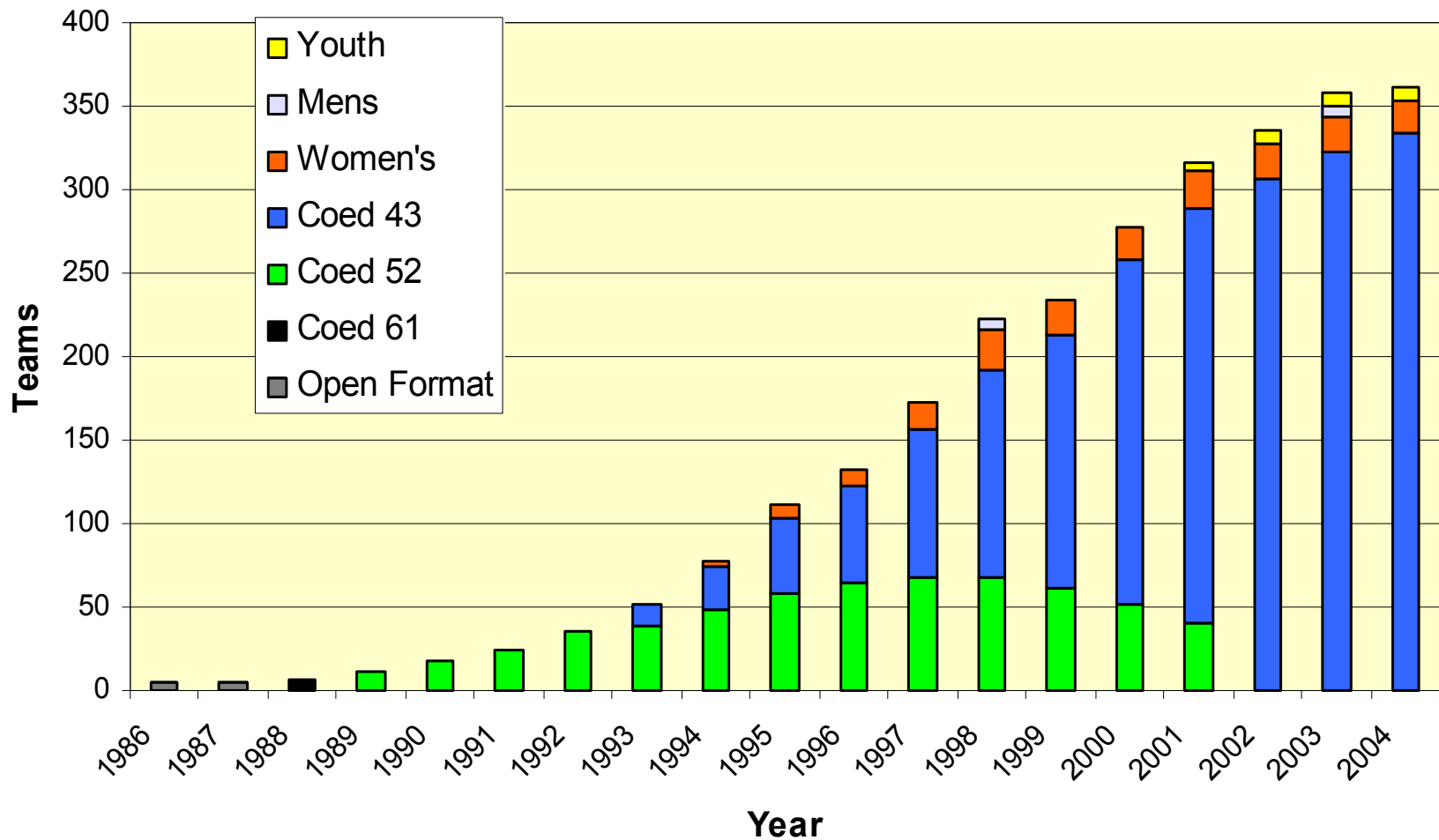
Agenda

- **Introduction**
- **History**
- **Field Situation, 1995**
- **Financing**
- **Construction**
- **Ongoing Management**
- **Problems**
- **Field Situation, 2005**
- **Recommendations**
- **Q & A**

Ottawa-Carleton Ultimate Association

- Founded in 1986 with 5 teams
- Incorporated as NFP in 1993
- Currently ~350 summer teams, 4500 registered active players
- Leagues
 - Summer (May-Aug)
 - Fall (Sep-Oct)
 - Winter Indoor (Nov-Apr)
- Annual Budget ~ \$CDN 500K
- 1 Employee, General Manager Hired in 2001

OCUA Summer League Team Distribution



Fields, 1994

- Most in city fields in open parks
- 4 fields rented from city at a cricket facility, shared time with cricketers
- Some small scale private rental fields, including 5 at a local theological college
- Rented a sod farm south of city in 1993, 16 fields, providing room for expansion
- No true athletic fields rented from city

Problems

- Fields already in short supply
- Most field sites uncontrolled by our organization, very little long term security
- Largest field site (sod farm) not secure, major risks involved
- Little or no recognition by city staff, which caters to other sports groups
- Continued growth of ultimate forecast

SOLUTION???

Build our own fields!

Initial Steps

- 1996: Team fees raised from \$250 to \$350 to start raising capital
- Individuals find property and propose building our own fields to the membership
- Membership rejects plan, but a Field Needs Committee is formed to determine the best course of action
- 1997: Committee reports back, and recommends purchasing land.
- Membership supports plan, and agrees to raise team fees to \$500 to further generate capital

Initial Steps (cont.)

- Potential property already found through Sod Farm owner: 110 acres, 40 of which is a former sod farm, the rest is wooded
- Additional capital required, fundraising starts summer of 1997
- Initial investigations suggest development possible
- Land purchased in February 1998 for \$225K

Financing

- Cost of property \$225K, projected cost of development ~ an additional \$120K
- Initial “war chest” built up through the raising of team fees, but this was insufficient
- Landowner was willing to offer a two year vendor-takeback mortgage for \$80K, but we were still short

Financing (cont.)

- Banks unwilling to finance, recommended going to our members for support
- Several options considered, forming a for-profit corporation and issuing shares determined to be best
- Ultimate Parks Inc. (UPI) formed, issuing 1000 shares at \$200 each. Promised return of \$225, and projected payback within 8 yrs

Financing (cont)

- Even with large membership, share sales were difficult
- Support received from neighbouring leagues (Montreal, Toronto) and CUPA
- Required a couple of “share drives”
- Sold approximately 750 of the shares, raising \$150K

Construction

- Took place in summer of 1998
- Didn't know what we were doing, had to rely on individual members expertise
- Put development contract out to tender, contractor chosen was an ultimate player
- Many municipal, environmental hoops to jump through

Construction (Cont.)

- Contractor proposed the installation of an irrigation system for 17 of 19 fields
- Was willing to provide a 2nd mortgage to cover it's \$200K cost
- Our most difficult decision, as we were already cash-strapped
- Opted to go for it, raised team fees in 1998 to \$750

Initial Development Plan



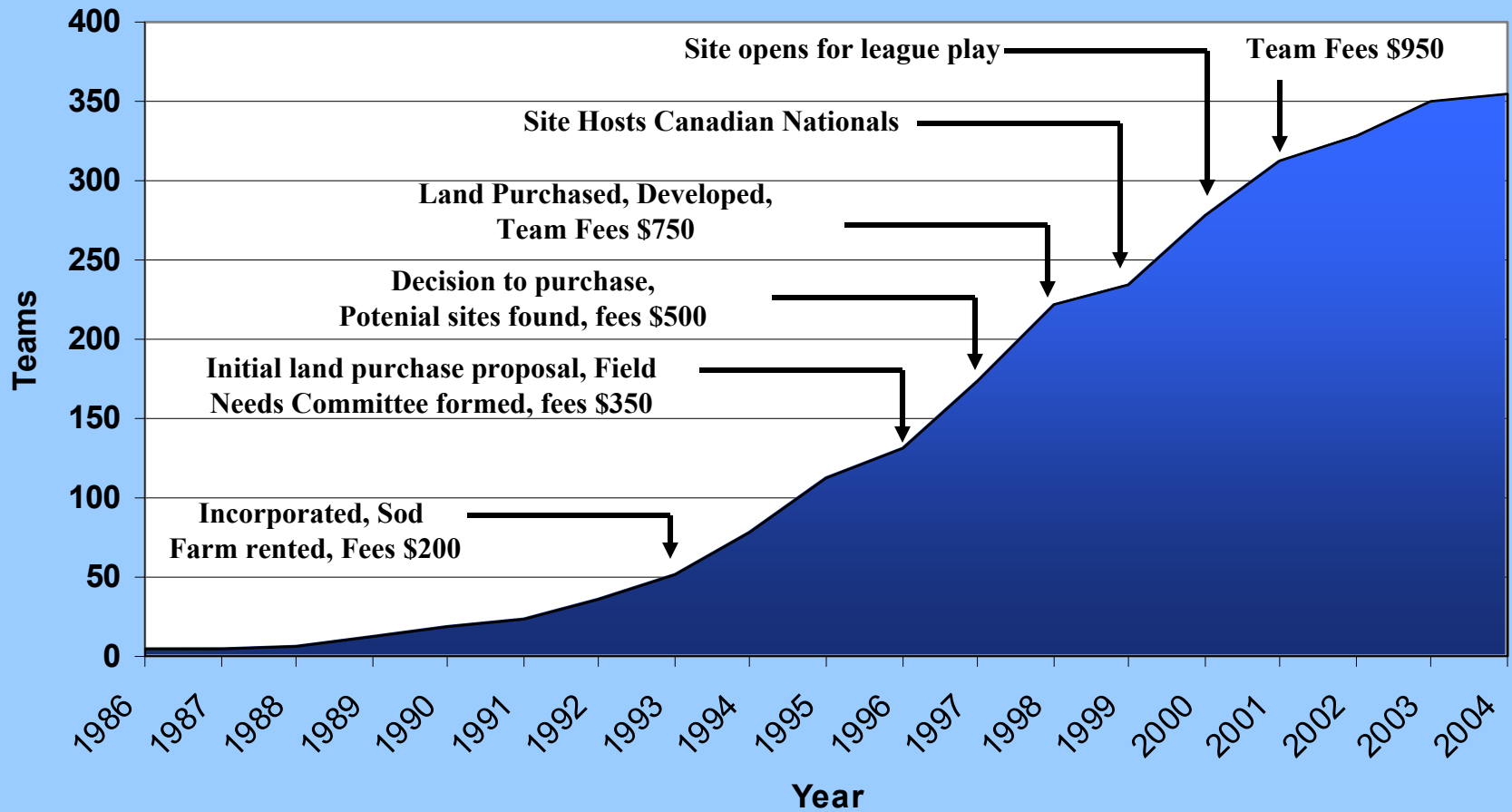
UPI Opens in 1999



Final Tally

- 19 field facility (17 irrigated)
- Total project cost: ~\$600K
- Facility opens Aug 1999 to host Canadian Nationals
- League play begins summer 2000

Land Development Timeline



Ongoing Maintenance

- Land ownership brings with it significant responsibility
- Fields require respect, rest, care
- Basic field maintenance (grass cutting, fertilization, aeration) ~\$40K/yr
- Additional money required for other site improvements, field renovation, etc.

Problems

- Project management - volunteers overloaded
- Basic league management suffered
- Unable to deal with other critical issues
- Pros & Cons of using an ultimate contractor
- Extremely tight finances
- Further removal from public eye, adverse effect with government

Fields, 2004

- Most in city fields in open parks
- 5 fields rented from city at a cricket facility, shared time with cricketers
- Some small scale private rental fields, including 3 at a local theological college
- Sod farm usage restricted due to zoning issues

Fields, 2004 (cont.)

- UPI facility fully operational, all long term debt repayed, almost all shares bought back
- Two true athletic fields rented from city
- Basically, in the same position we were before, just bigger with a more stable base
- Continuing to look for new development or creative rental possibilities.

Recommendations - Preplanning

- Regardless of how feasible you think it might be, start building capital NOW
- Cultivate strong relationships with key landholders (government, big business, others)
- Develop youth initiatives
- Be creative in finding solutions

Recommendations – Preplanning 2

- Research technical aspects of what is involved
- Produce solid strategies for:
 - Development
 - Maintenance/Use
 - Exit
- Seek support from neighbouring leagues

Recommendations – Preplanning 3

- Recognize what you are getting into
 - Consider the effect on YOUR organization, both short term and long term
 - Consider all the options, don't get hooked on the field development solution
 - Talk to us, and other organizations

Recommendations - Implementation

- Hire a professional project manager.
TRUST US.
- Ensure your organization is structured properly
- Create solid, solid contracts
- Be prepared for project changes, cost overruns – over budget

Recommendations –

Implementation 2

- Be prepared for monumental effort, and dealing with the minutiae
- But don't let the project consume you

It can be reality...



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