



## IN DEPTH: REAL ESTATE

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### **Coyotes setting record pace with arena construction**

Steve Cameron

So far, so good. And so fast.

The Phoenix Coyotes' \$180 million, 17,500-seat arena in Glendale is being built at a record pace for a venue that size -- just 18 months of construction from groundbreaking to its scheduled December completion.

Industry experts said that no other arena of that magnitude built in the United States has been completed in fewer than 20 months, with anything under two years considered fast-track construction.

"We always suggest 24 months for construction alone," said Jim Walters, the HOK principal in charge of the project. "A prototypical schedule would be something like a full year for design and then another two years of construction."

So how are they managing to pull it off?

"For one thing, a lot of things were done to streamline the process and optimize some parts of the effort," said Jack Boyle, HOK's project manager. "We worked with Perini in the design phase to take advantage of local conditions."

One local condition that saved time had to do with the soil. Instead of excavating a huge hole for the building's subterranean infrastructure, crews dug down in stages with a technique called soil nailing -- basically building a 30-foot vertical wall from top to bottom in stages. The process was possible because of the heavy clay concentrate.

Perini Building Co. Chairman Richard Rizzo said the parties involved, from consultant Tony Cosentino, who has worked for Perini in the past, to HOK, have been extremely cooperative because of the tight time frame.

"And the city of Glendale has been great in getting to things like permitting applications and moving things right along," Rizzo said. "Everyone has a stake in getting the arena done right and done quickly, and it's going to happen."

Perini was both construction manager and general contractor on the project.

To make sure that speed does not affect the quality of the work, all parties, including developer Steve Ellman and the Coyotes, sign off on every step. The Coyotes are on the hook for cost overruns and are keeping a close watch on construction.

There is another reason why the Coyotes hope the work proceeds as efficiently as possible -- they need the revenue the facility will produce. The team now shares America West Arena with the NBA Phoenix Suns, who keep the vast majority of nongate receipts from the building.

"Every day we stay in America West Arena rather than have our own building is very expensive," said Brian Byrnes, Coyotes' executive vice president of business operations.

Chris Dunlavey, president of the sports facility consulting firm Brailsford & Dunlavey, suggested what the team has suffered financially.

"Over the course of the season, being a tenant without access to suites and other revenue sources would usually cost a club tens of millions of dollars," said Dunlavey. "In Phoenix, they could be looking at more than a million per month, which explains the urgency to get into the new building."

No one from Perini, HOK, Ellman's group or the Coyotes' development arm -- Arena Management Group -- expects the project to exceed the \$180 million budget.

"Certainly Perini has extra manpower and labor costs with this time schedule," said the Coyotes' Byrnes, "but that cost was built into the basic price, so we're not worried about it."

*Steve Cameron is a correspondent for Street & Smith's SportsBusiness Journal, a sister publication.*

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