

Arthur Ashe Youth Tennis and Education™ Facility



Photo Credit:
Scott Tharp

Goal: Construct a new state-of-the-art indoor/outdoor tennis and education facility

Project Size: Eight regulation outdoor courts (including a 600-seat stadium), two outdoor 36'–60' training courts, eight indoor courts, computer center, classrooms, library, fitness room, commissary, and administrative offices

Location: Philadelphia

City Size: 1,517,500 (2000 census)

Lead Advocate Organization: Arthur Ashe Youth Tennis and Education, Inc.

Length of Project: Nine years

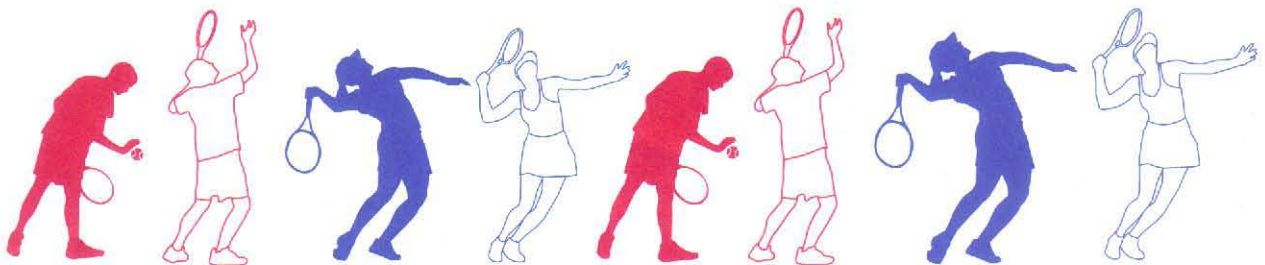
Budget: \$13.5 million

Funding Source: Variety of sources

□ **Introduction:** Founded in 1952, Arthur Ashe Youth Tennis and Education (AAYTE), a 501c3 non-profit corporation, has grown to include the Arthur Ashe Youth Tennis and Education Center, the National Junior Tennis League (NJTL) of Philadelphia (operating at 68 public parks and playgrounds throughout the city) and the AAYTE After School Tennis 'n' Tutoring Program (delivering services at 50 inner-city schools and/or adjacent community centers).

The growth of both the breadth (now serving over 11,000 youngsters) and depth (supplemental educational programming is a priority) of programs led the AAYTE Board of Directors to reaffirm its commitment to these children with a decision to construct a new tennis center to be the hub of daily activities. The goal was to raise the necessary money to complete the capital project without impacting the organization's endowment of approximately \$3.9 million.

History: The First Serve Children Capital Campaign was initiated in 1997. At this time, the estimated cost of a new facility was \$7.5 million. The campaign was kick-started by a private pledge of \$3 million. Given that the proceeds from the eventual sale of the former facility would be used as last money in, the project looked to be in very good shape.



An architect was hired and a construction committee formed to negotiate the purchase or lease of desirable property within the city of Philadelphia. A 9.7-acre tract of land was targeted in the East Falls section of the city's Fairmount Park. Negotiations took nearly two years, as there was an existing recreation center on the property that complicated issues. This center had fallen into disrepair, but it was still being used by adults (the majority of whom were not residents of the East Falls community) as a hub for basketball activities.

Through continued negotiations, AAYTE was able to persuade the city and the Fairmount Park Commission to grant the organization a 90-year lease on the property for \$1. The stipulation was that the city would pay to demolish the existing recreation building, and AAYTE would be required to rebuild a comparable new community building adjacent to its new tennis center. The cost of this building was approximately \$2 million. Because of its central location and its proximity to a city transportation hub, the AAYTE Board of Directors decided to accept this deal, which escalated the project cost to \$9.5 million.

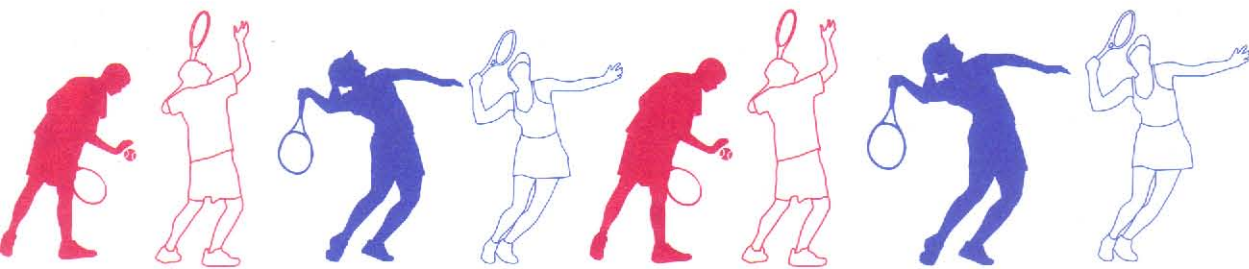
By 2000, AAYTE had raised more than \$6 million. But, in 2002, the private donor was forced to withdraw his pledge of \$3 million after his company went bankrupt. This nearly ended the project, and the Board deliberated whether or not to press on or to scale back on the plans. In 2003, the Board reorganized and hired a new executive director in a concerted effort to rejuvenate the project. The cost had now escalated to approximately \$12.5 million.

By focusing on revamping AAYTE programming to make education a higher priority, and by taking positive action to strengthen partnerships with the Philadelphia School District and the city's Department of Recreation to grow such programs, the organization gathered new momentum and support. AAYTE was able to acquire a \$2 million grant from the Philadelphia Industrial Development Corporation, and foundation support for its new educational initiatives led to large capital grants from the Pew Charitable Trusts, Kresge Foundation and the William Penn Foundation. A significant grant was also acquired from the USTA Tennis in the Parks Initiative. As project costs escalated, so did the value of AAYTE's former property leading to an agreement of sale for \$2.73 million, which netted the campaign \$2.6 million.

Finally, Dennis Alter, Chairman/CEO of AAYTE's principal sponsor, Advanta, pledged \$1.5 million of his personal money. This allowed AAYTE to formally break ground in December 2004. The project was completed in September 2006 at a total cost of \$13 million. The goal to complete the capital project without borrowing or dipping into the endowment was met.

Funding:

- Private individuals (4.3 million)
- Foundations (\$2.4 million)
- Corporate (\$2.1 million)
- State and local government (\$2.1 million)
- USTA (\$200,000)
- Proceeds from sale of former center (\$2.6 million)



As of 2006, annual operating costs have risen to approximately \$2.3 million (about \$100,000 higher than forecast). The organization will meet this budget in its first year of operating at its new center.

Tips from the Pros:

Scott Tharp, Executive Director, AAYTE: "With our grand opening in June of 2006, AAYTE has already met its short-term goal to bring thousands more children into its multi-faceted programs. This project has sent a strong message throughout every Philadelphia neighborhood and across the country that Tennis and Education can make a difference and that our children come first. The new AAYTE Center is the only facility of its kind in the country, and perhaps the world, that is dedicated solely to children. Today, AAYTE programs are more in demand than ever before."

Lesson: Be prepared for any eventuality.

In any endeavor, particularly one of this size and scope, there are bound to be a few bumps in the road. Losing a single private donation of \$3 million would cripple a lot of projects, but AAYTE was able to adjust on the fly and keep its dream alive. Also, by concentrating on education, AAYTE focused in on a pet project for many lawmakers and philanthropists, giving the project additional support.

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