

Arizona Adventure SportsPark Proposed

\$250 mil entertainment complex would be nation's first

By Stephanie Paterik, The Arizona Republic, Jun. 22, 2006

A Valley developer said Wednesday that it is negotiating with a Phoenix-area city to build the nation's first adventure sports park and resort.

Waveyard Development LLC plans to build a \$250 million hotel and coastal theme park where desert dwellers could surf 12-foot waves, go whitewater rafting, snorkel in a man-made lagoon and tan on a sandy beach. There also would be a climbing center, fly-fishing ponds and a mountain-bike course.

Scottsdale businessmen Richard Mladick and Jerry Hug formed Waveyard in 2003 to develop the concept, research the feasibility and find engineers to execute the wave technology. Now, they are negotiating a land deal in a city just outside Phoenix, but they would not say where.

Jeff Coy and Bill Haralson produced the market analysis & economic feasibility report for the planned project. Coy heads Cave Creek AZ-based JLC Hospitality Consulting (www.jeffcoy.com) and his partner heads William L. Haralson & Associates of Dallas. Together, the two consultants are leading experts in hotel waterpark resort development. Contact Jeff Coy at 480-488-3382 and Bill Haralson at 972-231-7444.

Chandler is among the cities that have talked with Waveyard. Mladick said the partners met with officials from several cities and are still looking for a place to build a second park after the first one breaks ground in late 2007 and opens in 2010. The unnamed city is likely to give the developers a tax break, said Matt Salmon, a former U.S. congressman and paid consultant for the deal.

"Some kind of offsets are a virtual lock," he said. "It's a project that really deserves major public support because there isn't going to be another game in town like this."

Salmon said taxpayers get upset about handing incentives to big-box stores and auto malls, because those businesses take money away from neighboring communities. But he said this project stands to attract tourists and pump fresh money into the economy.

Plans call for a 320-room resort, 150 villas and a 30,000-square-foot conference center in addition to the 50,000-square-foot water park. There would be room for offices and 150,000 square feet of sports shops, where customers could test things like kayaks and climbing gear.

The project could draw an estimated 1 million customers annually, 40 percent from out of state and the rest from Arizona, the developers say. It would tap into the growing popularity of adventure tourism and attract residents who usually escape to California.

"If you don't play golf and you don't shop, really, what do you do here?" Mladick said. "One of the objectives from a tourism perspective is to begin to reverse that flow of people out of Arizona to San Diego and the coast and bring them back into Arizona."

Mladick is the founder of Mladick Development Inc., which specializes in residential design, construction and development. His partner, Hug, was vice president of strategy and corporate development for Wireless Retail Inc., which RadioShack Corp. acquired.

Both are sports enthusiasts, although neither has developed a hotel or theme park. They are speaking with three hospitality companies about partnering on the hotel.

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