Feasibility Report

Madison Area Multisport Complex

September 2017

Prepared for: Madison Area Sports Commission
Prepared by: Sports Facilities Advisory

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EXECUTIVE SUMMARY

In November of 2016, Sports Facilities Advisory, LLC (SFA) was engaged by the Madison Area Sports Commission (MASC) to complete an analysis related to the development of new indoor and outdoor sports, recreation, and tournament/event assets in Madison, WI. The scope of work included a Phase 1 Market Report and a Phase 2 Feasibility Assessment. The market report was completed in April of 2017 and focused on an analysis of the existing inventory of assets in Madison, the demand for additional sports assets, and the recommended next steps related to the feasibility assessment. The feasibility assessment in Phase 2 of the engagement consists of the following steps:

- Detailed Pro Forma Development
- Economic Impact Projections
- Feasibility Report
- Delivery of Findings

Through the market report, SFA analyzed the opportunity for local and regional sports assets, assessed the current facility inventory and gaps for local and tournament sports activities, and developed a facility program and opinion of cost to be analyzed during the Phase 2 portion of the engagement. The goal of this exercise was to work with representatives from the Madison Area Sports Commission (MASC), the City of Madison, and Ho-Chunk Gaming Madison (HCGM) (Project Team) to determine the recommended facility types and size that most likely meets the needs of the project as defined by the Project Team.

SFA then completed the detailed pro forma (financial forecast) and economic impact analysis on the recommended facility, an indoor/outdoor multisport complex. This feasibility report provides an overview of the process used for the analysis, results of the full facility pro forma and economic impact analysis, and recommendations for next steps.

Definitions of Success

Through the Phase 1 process, SFA and the Project Team identified the factors that will contribute to the project being deemed successful. Those definitions of success are listed below and are not in order of importance:

- Create a high-quality destination for sports and recreation activities
- Balance use from tournaments/events and local organizations
- Relieve pressure from over-utilized existing parks and field facilities
- Generate economic impact from non-local visitors for sports tourism events
- Create a self-sustaining asset
- Create an enduring and flexible asset for the current and future needs for sports and recreation space

Process and Objective

To determine the opportunity to develop a new indoor/outdoor multi-sport complex in the Madison area and to determine the facility's ability to meet the definitions of success as outlined by the Project Team, SFA has completed the following steps:

- Reviewed existing data provided by the Project Team
- Conducted a local and regional market and competition study
- Conducted planning and strategy sessions with the Project Team
- Conducted follow up meetings with key stakeholders and potential user groups
- Analyzed the existing inventory and gaps for local and tournament sports activities
- Created a facility program plan and an opinion of cost for construction

- Developed a detailed, 5-year financial forecast or pro forma for the facility operations
- Projected non-local visitor spending and the resulting economic impact

Facility Overview

In consideration of the information outlined in the market report and definitions of success according to the Project Team, SFA created a facility program for the Madison Area Multisport Complex. The details listed below outline the recommended amenities for the facility:

- Indoor Facility:
  - Hard Structure: 15,188 Square Feet
    - Family Entertainment Center/Adventure Area
    - Supporting Amenities
  - Air-Supported Dome Structure: 101,865 Square Feet
    - Full Size Indoor Turf Field
    - Batting Cages/Pitching Tunnels
    - Sports Performance Training Area
  - Site
    - 468 Parking Spaces
    - 6.0 Acres
- Outdoor Facility:
  - Outdoor Athletic Facilities
    - Four Natural Grass Multi-Purpose Fields
    - Six Synthetic Turf Multi-Purpose Fields
  - Primary Support Building
  - Two Secondary Support Buildings
  - Maintenance Building
  - Site
    - 960 Parking Spaces
    - 67.5 Acres
- Total Facility Acreage: 73.6 Acres

Facility program details for the facility are outlined in the "Facility Program & Opinion Cost" section starting on page twenty-five of this report and in the full financial forecast and economic impact analysis, which has been delivered as an associated document.

Facility Development Opinion of Cost

Based on experience in the industry and completion of similar projects, SFA has estimated the cost for the facility to be approximately $38.3 million. This figure is for the development of both indoor and outdoor facility components and includes the cost of development of the indoor buildings, development of the outdoor fields, field and sport equipment, other furniture, fixtures, and equipment, development of the site, soft costs for construction, and soft costs for operations. The breakdown of the development cost is shown in the table below:

USES OF FUNDS	
Land Cost	$0
Hard Cost	$21,906,127
Field and Sport Equipment Cost	$11,418,671
Furniture, Fixtures, and Equipment	$1,340,900
Soft Costs Construction	$2,168,517
Soft Costs Operations	$1,506,578
Working Capital Reserve	TBD
Total Uses of Funds	**$38,340,793**

Full details on the construction and start-up cost estimates for the complex can be found in the full financial forecast documents.

Summary of Financial Performance

SFA's determination of feasibility for the Madison Area Multisport Complex depends on the financial forecast of the business and the ability for it to achieve results that support the long-term economic impact and financial goals of the Project Team. With input from the Project Team, SFA constructed a detailed pro forma/financial analysis for the facility that projects the financial viability of operations for the first five years.

SFA has found that it is typical for a facility with an event tourism business model to require an annual operating subsidy. This is due to the fact that events that generate economic impact provide the facility with one-off revenue streams that occur a limited number of times each year but require large facilities that are overbuilt for the local market opportunity. For communities that pursue event tourism as an economic driver, room night, direct spending, and new tax revenues generated from events are viewed as an attractive return on the investment relative to the subsidization of operations. In the case of the Madison Area Multisport Complex, the facility features a hybrid between a local recreation business model and an event tourism business model and, therefore, is projected to achieve operational sustainability as a single, combined facility operation.

The following table is a summary of the forecasted revenues and expenses for the Madison Area Multisport Complex. The details of the financial analysis have been outlined in the feasibility report and provided in the full financial forecast documents.

	Year 1	Year 2	Year 3	Year 4	Year 5
Total Revenue	$2,107,978	$2,410,443	$2,956,813	$3,144,565	$3,377,245
Total Cost of Goods Sold	$699,916	$806,105	$979,739	$1,041,086	$1,106,738
Gross Margin	$875,450	$1,069,640	$1,428,888	$1,545,407	$1,704,548
Total Operating Expenses	$1,102,421	$1,062,782	$1,130,974	$1,170,900	$1,214,782
EBITDA	($226,971)	$6,858	$297,914	$374,507	$489,766

SFA projects total revenue to increase from more than $2.1 million in the first year of operations to about $3.4 million by year five of operations. The cost of goods sold (COGS) increase with the rising revenues from approximately $700,000 in year one up to $1.1 million in year five, and overhead costs (Operating Expenses) are expected to increase slightly from $1.1 million in year one to approximately $1.2 million by facility maturity in year five.

As demonstrated, the facility is expected to require an operational subsidy of $227,000 in the first year of operation before breaking even in year two and generating $490,000 at maturity in year five. (EBITDA – which stands for Earnings Before Interest, Tax, Depreciation, and Amortization – is the number that shows the direct profit/loss of operations.)

Economic Impact

Based on the events projected on the outdoor multi-purpose fields in the financial forecast, SFA analyzed the expected impact on the local community as a result of out-of-town visitors to the new facility as a result of hosting events. SFA analyzed the two most important drivers of economic impact: non-local days in market and room nights generated for each event projected. Non-local days in market are the number of days that non-local visitors will spend in the Madison area because of the event they are attending. Hotel room nights are the number of nights that visitors will stay in the local area to take part in events.

The tables below summarize the total economic impact projected for the facility in years one through five of operations. To arrive at the direct spending projection, SFA multiplied the average daily expenditure ($134.67) by the total non-local days in market for each year.

Economic Impact Drivers

	Year 1	Year 2	Year 3	Year 4	Year 5
Non-Local Days in Market	78,435	83,187	112,932	117,684	117,684
Room Nights	17,928	19,014	25,813	26,899	26,899

Economic Impact

	Year 1	Year 2	Year 3	Year 4	Year 5
Total Direct Spending	$10,563,127	$11,203,096	$15,208,964	$15,848,933	$15,848,933
Total Indirect Spending	$0	$0	$0	$0	$0
Total Economic Impact	**$10,563,127**	**$11,203,096**	**$15,208,964**	**$15,848,933**	**$15,848,933**

The facility is projected to generate approximately $10.6 million of direct spending in its first year and $15.8 million by maturity in year five. In addition to direct spending, SFA projects that activities and events hosted by the facility will create more than 26,000 room nights in year five of operations and will continue to do so annually.

Key Findings and Recommendations

Through the completion of the full financial forecast and economic impact analysis, SFA found that the development of the Madison Area Multisport Complex as outlined in this report has the potential to meet all of the Project Team's definitions of success.

SFA believes that there is an opportunity to develop a new indoor turf facility in conjunction with an outdoor multi-purpose field complex in the Madison area. A potential partnership between the MASC, the City of Madison, and HCGM can successfully meet the Project Team's goals if the complex is properly staffed, effectively marketed and operated, and has a funding mechanism to cover upfront development costs, early-year operating losses, and ongoing capital improvement costs.

SFA welcomes the opportunity to discuss these findings with the Project Team in order to support the formulation of a decision related to the development of new sports, recreation, and event facilities in the Madison area.

INTRODUCTION

In November of 2016, Sports Facilities Advisory, LLC (SFA) was engaged by the Madison Area Sports Commission (MASC) to complete an analysis related to the development of new indoor and outdoor sports, recreation, and tournament/event assets in Madison, WI. The scope of work included a Phase 1 Market Report and a Phase 2 Feasibility Assessment. The market report was completed in April of 2017 and focused on an analysis of the existing inventory of assets in Madison, the demand for additional sports assets, and the recommended next steps related to the feasibility assessment. The feasibility assessment in Phase 2 of the engagement consists of the following steps:

- Detailed Pro Forma Development
- Economic Impact Projections
- Feasibility Report
- Delivery of Findings

SFA is a full-service consultancy specializing in the planning, funding, opening, and management of sports and recreation facilities of all sizes and scope. Having served a portfolio of projects totaling more than $8 billion in planned and operational facilities, SFA assists sports tourism destinations, private developers, parks and recreation departments, national/state/local government entities, universities and educational institutions, and architecture and engineering firms. SFA provides strategic planning, feasibility studies, economic impact studies, funding support, management systems, and optimization for new and existing sports and recreation complexes across the U.S. and worldwide.

To determine the opportunity to develop a new indoor/outdoor multisport complex in Madison, WI, SFA has completed the following steps:

- Reviewed existing data provided by representatives from the Project Team
- Conducted an in-depth planning and strategy session with the Project Team
- Interviewed key stakeholders and potential user groups
- Conducted a market study encompassing:
    - Demographics and socioeconomics
    - Local, regional, and national sports participation rates
    - Existing competition and known future developments
- Researched existing local sports and recreation facilities and regional tournament destinations, including:
    - Facility amenities
    - Facility quality
    - Program seasonality
    - Program pricing
- Analyzed the existing inventory and gaps for local and tournament sports activities
- Created a facility program plan and an opinion of cost for construction
- Completed a market report with recommendations to move forward with the Phase 2 analysis
- Developed a detailed, 5-year financial forecast or pro forma for the facility operations
- Projected non-local visitor spending and the resulting economic impact

Based on interviews and input from the Project Team the Madison Area Multisport Complex must meet the following criteria to be deemed successful:

- Create a high-quality destination for sports and recreation activities
- Balance use from tournaments/events and local organizations
- Relieve pressure from over-utilized existing parks and field facilities
- Generate economic impact from non-local visitors for sports tourism events
- Create a self-sustaining asset
- Create an enduring and flexible asset for the current and future needs for sports and recreation space

In order to achieve those definitions of success, SFA has developed a plan for a facility that leverages a partnership between MASC, the City of Madison, and HCGM as well as management and operational efficiencies to operate as a single, combined entity that offers local programming for indoor and outdoor multi-purpose field activities and generates economic impact from out-of-town visitors through sports tourism events for outdoor multi-purpose field activities.

The pages that follow provide a high-level overview of the process by which SFA has assessed the opportunity for a new indoor/outdoor multisport complex in Madison, WI. SFA has outlined an overview of the market and existing facilities, created a facility program to support local and regional programs and events, forecasted financial and economic impact performance, and made recommendations for the Project Team's next steps.

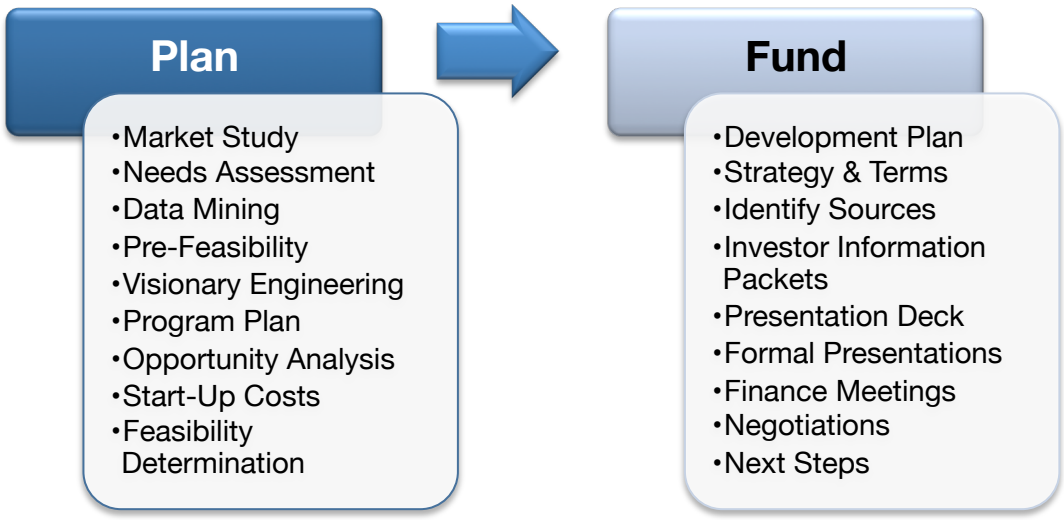
About SFA

The Sports Facilities Advisory
Sports Facilities Advisory, LLC (SFA) is transforming the youth and amateur sports industry through accurate forecasting, effective planning, and proven management systems. Founded in 2003, SFA has responded to the demand for professional planning, financial, and managerial services in the youth and amateur sports market. SFA currently provides management oversight for numerous facilities across the United States.

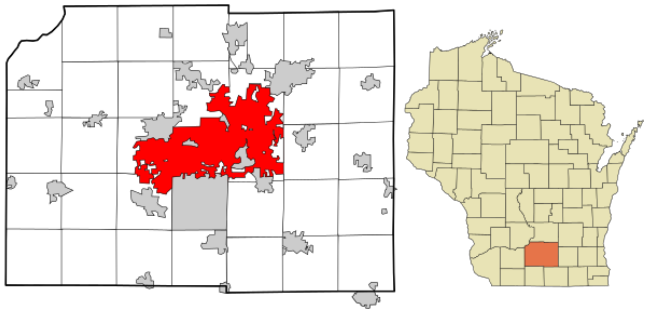
SFA is a full-service consultancy specializing in the planning, funding, opening, and management of sports and recreation facilities of all sizes and scope. Having served a portfolio of projects totaling more than $8 billion in planned and operational facilities, SFA assists sports tourism destinations, private developers, parks and recreation departments, national/state/local government entities, universities and educational institutions, and architecture and engineering firms. SFA provides strategic planning, feasibility studies, economic impact studies, funding support, management systems, and optimization for new and existing sports and recreation complexes across the U.S. and worldwide.

The SFA team is driven by a commitment to developing facilities that improve the health and economic vitality of the communities they serve. The team includes sports commissioners, successful sports and youth development entrepreneurs, and seasoned operations and programming experts. SFA continues to successfully recruit top talent from world-renowned organizations, such as The House of Blues, Downtown Disney, Gaylord Entertainment, Life Time Fitness, Ford Field (Home of the Detroit Lions), and the YMCA.

SFA's plan-to-fund suite of services includes:



MARKET ANALYSIS



Madison is the capital of the State of Wisconsin and is the seat of Dane County, which is situated in south-central Wisconsin. Madison had a population of 248,951 according to the latest U.S. Census estimates. Dane County had a population of 523,643 according to the same Census estimates. Both the City of Madison and Dane County have experienced consistent population growth over the past few decades. 1880-1890 was the last decade that Dane County failed to achieve a double-digit rate of population growth since it was established in 1836.

Madison is accessible by several highways. Interstate 90 runs north south through east Madison, connecting it northwest to Eau Claire and Minneapolis, and southeast to Chicago. Interstate 94 runs east of Madison, connecting the area to Milwaukee and the Lake Michigan coast.

Air traffic to the area is serviced primarily by the Dane County Regional Airport, which served approximately 1.8 million passengers in 2016 with over 81,000 total aircraft operations. Dane County also contains the Middleton Municipal Airport for local communities.

Forbes has consistently ranked Madison as one of the top places for acquiring a high-quality education. In 2016, *Forbes* ranked Madison 15th in the nation for education. Education in Madison is operated by the Madison Metropolitan School District, which offers a total of 16 public educational institutions, including 31 elementary schools, 11 middle schools, four high schools, and one alternative school. Total enrollment in 2015-2016 was 27,112 students. Madison is also home to a postsecondary student population of over 50,000, enrolled in four educational institutions: University of Wisconsin-Madison, Edgewood College, Madison Area Technical College, and Madison Media Institute.

According to Federal Reserve Economic Data (FRED), unemployment in the Madison MSA was 2.7 percent as of December 2016, while the state of Wisconsin's unemployment rate was 4.0 percent in the same period. As is the case across most of the United States, unemployment in the area has fallen over the past several years. In February of 2010, the unemployment rate in the Madison area peaked at 7.5 percent.

Major industries in Madison include agribusiness, health care, insurance, and education. The City of Madison's 2015 Comprehensive Annual Financial Report details the largest employers in the City, which account for over 20 percent of total employment:

1. University of Wisconsin: 21,727
2. State of Wisconsin: 16,300
3. University Hospitals and Clinics: 9,001
4. Epic Systems: 8,100
5. SSM Health Care: 6,380
6. United States Government: 5,326
7. Madison Metropolitan School District: 3,903

8. American Family Mutual Insurance Group: 3,842
9. Meriter-UnityPoint Health: 3,268
10. City of Madison: 2,919

Local Demographics

SFA conducted an in-depth demographic and socioeconomic analysis of the local and sub-regional markets. While one of the main goals of the outdoor field complex is to attract tournaments and events to Madison, SFA studied the local market to understand the potential for the outdoor facility as well as the indoor development to capture utilization from the local community. An important consideration for the Project Team is to serve the sports and recreation needs of the local area by renting space to existing organizations in both the indoor facility as well as on the outdoor fields. That being said, it is also important to the Project Team that a new facility supports the needs of existing organizations rather than compete with existing service providers for local programming.

For local programming, SFA applies different parameters when analyzing a market (demographics, participation, competition, etc.). Typically, for local programs taking place at a multi-purpose indoor/outdoor sports facility located in a suburban region with moderate population density, SFA utilizes a primary target market drive time area of 15-60 minutes, depending on the program. This is based on industry metrics demonstrating that the majority of patrons are willing to spend one-third of their total length of stay in the car each direction. Using the assumptions of 15 minutes for warm-up, 60 minutes for training or competition, and 15 minutes for cool-down and post-game/practice meetings, visitors will stay for 90 minutes and drive up to 30 minutes in each direction.

Consumer willingness to spend a certain amount of time traveling for athletic and entertainment pursuits can vary largely depending on the type of activity. For example, patrons participating in sport-specific training or family entertainment activities may spend up to three hours per visit, and therefore would drive up to one hour in each direction. When analyzing particularly dense markets, these drive times are reduced; and when analyzing more rural markets, these drive times are expanded.

The chart below shows some of the key demographic factors used in analyzing the potential utilization of sports and recreation facilities by the local population. While these statistics do not serve as strict predictors of a facility's opportunity to meet its objectives, SFA has developed a proprietary analytical process which considers these factors and several others as part of a financial forecast, sports participation projection, and other analyses required in this type of study.

Key Demographic Factors				
Category	**15 min**	**30 min**	**45 min**	**60 min**
Total Population	116,057	517,810	779,086	1,191,606
Expected Population Growth (5-Year)	4.84%	6.12%	5.55%	5.35%
Median Age (National: 38.1)	35.6	34.6	36.3	37.8
Median Household Income (U.S.: ~$56,000)	$57,621	$64,067	$61,892	$61,847
Fees For Recreational Lessons	$74.12	$77.84	$77.97	$82.96

Source: Alteryx, Inc.

Local Demographic and Socio-Economic Insights

The following insights add context to the data on the previous page, based on SFA's experience in the planning, opening, and managing of successful sports and recreation facilities.

- ***Population Size:*** Madison and Dane County can be categorized as a moderately populated, primarily suburban market with mixed population densities. Looking beyond the 60-minute drive time shown in the chart, a new youth and amateur sports development located in the Madison Area would have access to a regional population (defined as 240 miles, or roughly a four-hour drive) of over 25 million—a significant population size and advantage over more isolated destinations. The regional population is a key metric that SFA references throughout this report. While the population size alone is not indicative of project success, a multitude of other factors—which are discussed in this document—combine to create a positive market scenario for which a new youth and amateur sports facility could thrive in.
- ***Population Growth:*** The data shows population growth rates in the Madison area as growing between five and six percent annually. Rates of growth are fairly consistent in all drive time distance radii from Madison, indicating that there are several desirable locations within the local area. Higher rates of population growth, as shown in the data for Madison, are a positive factor for project feasibility due to the expectation of adding potential facility users each year.
- ***Age:*** The median age within all drive time radii is younger than the national average, which is approximately 38. The median age increases and becomes more in line with the national average in farther drive times due to the accompanying increase in population size. Local users are expected to be drawn from Madison as well as surrounding areas in Dane County. The large population size in the region and the accessibility from other significant population centers in the northern and central United States constitute a significant pool of potential youth and amateur sports participants of a variety of ages for a new facility to draw from.
- ***Median Household Income:*** Median household income levels in the area are above the national median (approximately $56,000). Income levels closer to Madison are slightly lower, and income levels increase with farther drive time distances. This indicates that both local and regional sports program offerings can be competitive with fair market rates when setting prices for programs and events.
- ***Fees Paid for Recreational Lessons:*** Like median household income levels, average household spending on recreational lessons is lower in closer drive times and increases with distance. That said, Madison has higher-than-average recreational spending, based on other markets that SFA has studied. This indicates that future customers of a new sports complex in Madison will likely be willing to pay fair market value for products and services, reinforcing the insights related to income levels in the area.

Full demographic reports can be found in the appendix of this document, including additional demographic and socioeconomic factors that influence participation and shows the data for critical drive time radii of 15, 30, 45, and 60 minutes. Additionally, SFA has provided maps showing the distribution of population density and median household income.

Local Facility Inventory & Gap Analysis

As part of the work in Phase 1 of the agreement, SFA conducted an inventory and gap analysis of the facilities in the Madison area relevant to the proposed development. The inventory and gap analysis is meant to provide insight into the existing facilities offered, their ability to serve local participants, their ability to host tournaments, and how Madison compares to national standards for the number of assets per person.

SFA analyzed the number, type, quality, and location of the existing indoor court, outdoor multi-purpose field, indoor multi-purpose field, and outdoor diamond facilities in the Madison area. To understand the ideal number of assets in each category needed to serve the local population, SFA compared the number of existing assets in Dane County to the expected number of assets per capita on a national level. The table below shows the expected number of assets needed, the actual number of existing assets, and the gap in number of assets needed in the Madison area.

Local Facility Asset Gap Analysis - National Benchmark

	Indoor Court	Outdoor MP Fields	Indoor MP Fields	Diamond Fields
Dane County Population	523,643	523,643	523,643	523,643
National Benchmark Population per Asset	12,000	9,000	85,000	10,000
Number of Assets Needed	43.6	58.2	6.2	52.4
Actual Number of Assets	64	67	4	72
Gaps in Number of Assets	-20.4	-8.8	2.2	-19.6

The table above demonstrates that the number of existing facility assets for indoor court, outdoor multi-purpose fields, and outdoor diamond fields exceeds what is needed in the Madison area based on the national benchmark for number of assets per capita, while there is a need for an additional two indoor multi-purpose field assets. The national benchmark is based on a combination of the National Recreation and Parks Association's standards for facilities per capita and SFA's market insights. It is important to note that this is based on unrestricted access to the existing facilities, which is not reality for many of the existing sports organizations and users because of a variety of factors. Access to existing facilities can be restricted by factors including but not limited to:

- Operational business model
- Restricted access to school facilities
- Utilization by existing user groups
- Quality of assets
- Access to lights
- Playability of surfaces
- Seasonality of sports and climate

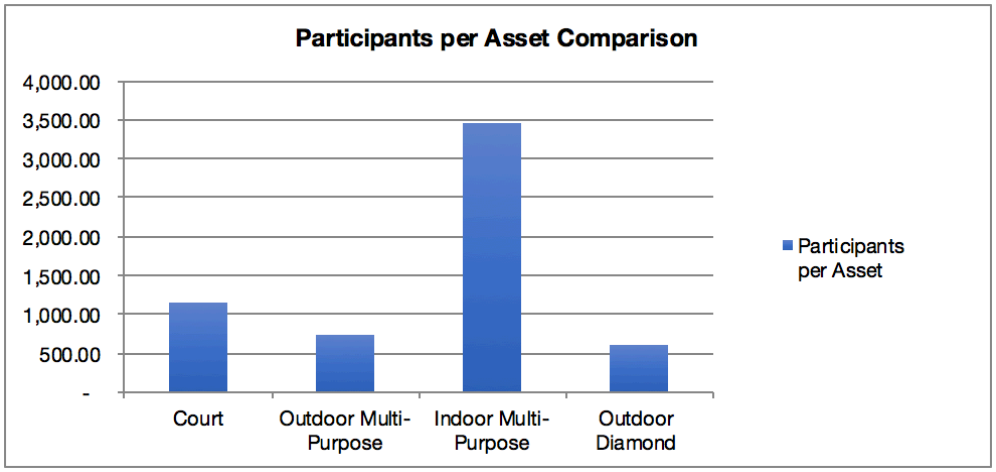
While the previous table outlines the gap in the number of facility assets based on the national benchmark for facility assets per capita, SFA adjusted the benchmark to account for regional sports participation rates. The tables below show the national and regional participation rates by facility asset for the major sports activities for which sports participation is reliably tracked and the number of participants per facility asset in Dane County.

Participation Rates by Facility Type

	Indoor Court	Outdoor MP Fields	Indoor MP Fields	Diamond Fields
Regional Participation Rate	14.0%	9.47%	2.64%	8.40%
National Participation Rate	10.2%	9.97%	2.78%	7.90%

The Madison area features above national average participation levels in indoor court sports and diamond field sports as well as below national average participation in outdoor multi-purpose field and indoor multi-purpose field. In a location with a climate that is not conducive to outdoor supports such as the Madison area, participation is typically lower in outdoor sports and higher in indoor sports. The information above outlines the expected participation rates, however, based research and conversations with stakeholders, SFA has found actual participation rates to be higher in various activities. This expected participation is factored into SFA's recommendation for analysis of a new facility later in this document.

Additionally, limited access to quality outdoor fields reduces the spaces to play outdoor sports and therefore constrains the number of potential participants. Both of these factors shrink the number of players for outdoor sports which shrinks the potential users of indoor fields as outdoor multi-purpose field sports participation has a direct correlation to indoor multi-purpose field sports participation because a percentage of the same individuals participating outdoors take part in programs at indoor facilities. It is important to note that upgrading outdoor fields could have a unique and significant impact on the local population of outdoor sports participants.



As a result of the cost to build, maintain, and operate, space requirements, and sports participation rates, there are more indoor sport participants per facility asset than outdoor sports participants per facility asset. Due to the significantly larger space requirement for indoor multi-purpose field space versus indoor court space and the associated increases in development and ongoing costs, indoor multi-purpose field sports have the most number of participants per facility asset.

In order to account for the regional participation rates in the Madison area, SFA adjusted the national benchmark for the number of facility assets per capita to the number of facility assets per regional participant. The table below demonstrates the expected number of assets needed, the actual number of assets, and the gap in number of assets needed in the Madison area to be in line with regional benchmarks for the number of facility assets per participant.

Local Facility Asset Gap Analysis - Regional Benchmark

	Indoor Court	Outdoor MP Fields	Indoor MP Fields	Diamond Fields
Dane County Participants	73,310	49,589	13,839	43,986
Regional Benchmark Participants per Asset	1,224	897	2,365	790
Number of Assets Needed	59.9	55.3	5.9	55.7
Actual Number of Assets	64	67	4	72
Gaps in Number of Assets	-4.1	-11.7	1.9	-16.3

The table above demonstrates an adjustment in the gap in the number of facility assets per participant based on the above national average participation in court based sports and below national average participation rates in outdoor multi-purpose, indoor multi-purpose, and outdoor diamond field sports.

It is again important to note that this is based on unrestricted access to the existing facilities, which is not reality for many of the existing sports organizations and users. Additionally, the adjustment for regional participation does not account for activities that do not have reliably tracked sports participation data such as Australian rules football and other activities. SFA has supplemented the expected regional participation rates and need for sports spaces with research and conversations with stakeholder groups to understand the actual participation in various activities and the actual need for sports spaces, which has been factored into SFA's recommendation for analysis of a new facility.

Regional Analysis
In addition to serving the local community and relieving overuse of existing facilities, the new development will focus on attracting and hosting sports tourism tournaments and events with the goal of generating economic impact through overnight stays and direct spending by out-of-town visitors.

In creating a regional destination with a primary goal of generating overnight visits to Madison, the new development will need to prioritize events that attract participants and affiliated spectators from a greater distance than the local market area. For a sports and events facility in this part of the United States, industry data shows that the majority of people will come from a 240-mile radius. The population within 240 miles of Madison – which SFA considers the regional population – is 25,731,330.

In order to analyze the opportunity in any location, SFA utilizes a process that allows for the identification of the best fit based on several different factors. That process can best be visualized as a funnel in which all of the factors are loaded and options that are not the best fit are removed as they are identified.

The funnel above demonstrates the factors that are considered. The first factor – definition of success – was determined during SFA's time on site with the project team. The second factor – market insights – was determined through SFA's initial market research and outlined in the previous section. The remaining factors are defined below.

Potential Sports Participants

In order to determine the sports tourism opportunities available for the generation of significant room nights in Madison, SFA took a wide variety of sports into consideration. The following table lists the sports considered and the number of potential participants that a new facility could attract from the sub-regional and regional markets. Sports participation is calculated using a blend of national and regional sports and activity participation rates as reported by the National Sporting Goods Association (NSGA) and the Sports and Fitness Industry Association (SFIA). The projections take into account only active sports participants who play their respective sport in an organized format a set amount of times per year.

Potential Participants By Sport		
Sport/Activity	**Sub-Regional (60 min.) Participants**	**Regional (240 miles) Participants**
Swimming	89,728	1,937,569
Basketball	63,428	1,369,645
Tennis	39,385	850,465
Soccer	38,055	821,756
Baseball	31,659	683,630
Volleyball	31,291	675,684
Softball	23,677	511,279
Football	18,821	406,426
Gymnastics	15,134	326,808
Flag Football	14,680	316,989
Ice/Figure Skating	14,261	307,954
Pickleball	10,129	218,716
Cheerleading	9,369	202,310
Badminton	8,835	190,777
Ice Hockey	8,614	186,007
Wrestling	7,374	159,236
Swim Team	5,720	123,510
Lacrosse	5,484	118,426
Ultimate Frisbee	4,234	91,425
Field Hockey	3,018	65,168
Rugby	1,758	37,962

Source: Sports & Fitness Industry Association, National Sporting Goods Association

Sub-regional participants are calculated by multiplying the sport's local participation rate with the 60-minute drive time population, which is 1,191,606 in this case. The total potential regional participants are calculated by multiplying a sport's regional participation rate with the regional population within a 240-mile radius, which is 25,731,330 in this case.

It is important to note that not all of the participants referenced above play their respective activities at a competitive level and therefore not all of the participants take part in tournaments/events that support the definition of success of the Madison area to bring in non-local visitors and generate economic impact from sports tourism.

Additionally, the national and regional participation rates do not necessarily reflect local participation. For example, Madison is a hot bed for Ultimate Frisbee, and there are more actual players within 60 minutes than the data above reflects. Understanding local conditions beyond the hard data is an important factor to understanding the opportunity for a new facility development. SFA takes great care to understand the local market through stakeholder interviews, facility utilization review, existing data analysis, and other conversations and research.

Participation by Facility Type

To refine the sports tourism opportunity, SFA has included an analysis of sports by facility type. Some surfaces are more amenable to sports tourism than others, mainly because those surfaces can accommodate more than a single sport. This flexibility leads to more opportunities to host events and generate room nights. Building off the sports participation information described in the "Potential Sports Participants" chart, the chart below takes the primary sports tourism activities and combines them by facility type.

Potential Participants By Surface		
Surface	**Sub-Regional Participants**	**Regional Participants**
Indoor Court*	120,296	2,597,653
Indoor Pool	95,448	2,061,080
Multi-Purpose Field	86,050	1,858,153
Diamond Field	55,336	1,194,909
Tennis Court	49,513	1,069,181
Ice Rink	22,875	493,961
Gymnastics Area	15,134	326,808
Pickleball Court	10,129	218,716

**Indoor Courts can also accommodate mat-based sports*

The table above displays a summarization of the total potential participants both sub-regionally and regionally by sport surface, which gives insight into which assets would be the most attractive for the potential partners to develop. As shown by the table, single-use surfaces have a very limited capacity to host regional sports tournaments and events, while multi-use surfaces are capable of hosting a variety of highly popular sports tournaments and events. "Indoor Pool" includes recreational swimmers, which results in the category being overstated as compared to other sports tourism assets.

SFA considers facilities that are potential drivers of significant sports tourism activities as those with more than 1 million participants in the regional market. That leaves indoor court, indoor pool, multi-purpose field, diamond field, and tennis court facilities based on the chart above. For this project, SFA does not recommend the analysis of aquatic or tennis sports tourism amenities based on limited use opportunities, limited potential participants, size of amenities, cost to develop, cost to operate, and potential economic impact generation. Indoor court, multi-purpose field, and diamond field facilities present the best opportunity for Madison to create a sports tourism destination that drives out-of-town visitation and new direct spending in the local market.

Tournament Inventory & Gap Analysis
Along with the local analysis, SFA conducted an inventory and gap analysis of the tournament quality facilities in the Madison area. The inventory and gap analysis is meant to understand the existing facilities offered and their ability to attract and host tournaments.

SFA identified the number of existing assets in the "Local Inventory & Gap Analysis" section of this document; however, when assessing the tournament inventory, it is important to classify the existing facility assets based on tournament-quality. To be tournament-quality, a facility asset must meet the standards for playing surface, asset size and dimensions, spectator seating, lighting, parking, scorekeeping, and other factors. The table below shows the number of existing assets in the Madison area that are considered tournament-quality.

Tournament Quality Assets

Facility Type	Number of Assets
Court	27
Diamond	30
Multi-Purpose Field	17

As demonstrated above, there is a discrepancy in the number of tournament quality fields relative to each facility type. Furthermore, of the seventeen tournament-quality multi-purpose fields, only three fields feature a synthetic turf playing surface. To attract and host tournaments and to be considered a premier tournament destination, it is recommended that a facility maximize the number of turf and fully lighted fields.

Based on the information in the table above, local inventory and gap analysis, vision of the Project Team, and insights from the planning and strategy session, SFA recommends the analysis of a new outdoor multi-purpose field complex in line with the original plan as outlined by the potential partners.

Regional Facilities Analysis – Multi-Purpose Fields
Once the facility types to be analyzed were identified, SFA completed an in-depth review of competitors to determine what is necessary to be a right-sized, best-in-class facility. SFA analyzed the impact that each of these service providers is expected to have on a new facility's ability to capture participants based on a multitude of factors including location, quality of assets, price, schedule, programs, etc. through the development of the full financial forecast. The detailed list of competitors and existing events (in the appendix of this document) help to provide insights based on the drive time distance from Madison and basic amenity details for the business models that SFA analyzed.

Facility Type	Service Area		Competitors Analyzed	Minimum Sports Assets for Tourism
	Local	Regional		
Multi-Purpose Field Tournament Complex	☑	☑	25	8 Full-Size Fields

Based on the existing regional facilities, SFA has established that the minimum number of fields required for a facility to be considered a significant sports tourism asset in this region is eight full-size fields. It is important to note that SFA is not recommending that eight fields is what is required to meet the local need for multi-purpose fields, rather that there is a need for outdoor multi-purpose fields locally and that in order to create a sports tourism destination eight full-size fields will be required.

Any new or enhanced sports tourism facilities that are developed will not only have to create the right number of sports assets to be a sports tourism destination in the region but will also have to feature the highest quality sports spaces as well as support amenities such as spectator seating, restrooms, meeting areas, and food and beverage services.

The sampling of outdoor multi-purpose field competitors below meet SFA's minimum threshold for number and quality of assets for an existing sports tourism facility, and are representative of the types of facilities that a new development in Madison would be in competition with. However, it is important to note that not all of these facilities will have an equal impact on the opportunity, and – depending on the final operational model and program structure – some may not impact a new facility at all.

Facility	Location	Drive Time	Features
Reddan Soccer Park	Verona, WI	25 min	6 full size soccer fields
Woodside Sports Facility	Wisconsin Dells, WI	1 hour	6 turf outdoor long fields
Wales Community Park	Wales, WI	1 hour 1 min	4 full size fields, 3 youth fields
SportScore Two	Loves Park, IL	1 hour 7 min	24 full size soccer fields
SportScore One	Rockford, IL	1 hour 14 min	19 full size soccer fields
Lippold Park	Cyrstal Lake, IL	1 hour 50 min	12 full size soccer fields
Portage County Youth Soccer Complex	Stevens Point, WI	1 hour 51 min	6 full size soccer fields
Elgin Sports Complex	Elgin, IL	1 hour 53 min	8 full size soccer fields
Scheels USA Youth Sports Complex	Appleton, WI	1 hour 59 min	15 full size long fields
James O. Breen Park	St. Charles, IL	2 hours 1 min	17 full size soccer fields
Olympic Park	Schaumburg, IL	2 hours 2 min	8 full size soccer fields
Libertyville Township Soccer Complex	Libertyville, IL	2 hours 11 min	24 full size soccer fields
Akzo Nobel Sports Complex	Howard, WI	2 hours 27 min	10 full size soccer fields
Wasau Soccer Complex	Wausau, WI	2 hours 28 min	6 full size soccer fields
Tuma Soccer Complex	Marion, IA	2 hours 40 min	15 full size soccer fields
Eau Claire Soccer Park	Eau Claire, WI	2 hours 48 min	10 full size soccer fields
Green Valley Sports Complex	Moline, IL	2 hours 50 min	5 full size soccer fields
Mossville Soccer Complex	Mossville, IL	3 hours 2 min	9 full size soccer fields, 30 youth fields
Hudson Soccer Complex	Hudson, WI	3 hours 37 min	12 full size soccer fields
SASA Soccer Complex	Springfield, IL	4 hours	8 full size soccer fields, 8 youth fields
Blaine Soccer Complex	Blaine, MN	4 hours	27 full size soccer fields

The comprehensive market study that SFA conducted during the pro forma development determined each competing facility's impact on a new facility's ability to achieve financial and operational success. The facilities researched represent potential competitors in the market that are currently hosting programs, tournaments, or other events that may impact the operations at a new facility. The factors SFA uses to perform this analysis include, but are not limited to:

- Existing tournament inventory:
    - SFA analyzes the existing regional facility inventory in terms of the quantity of existing sports assets, the quality of those assets, and their proximity to critical supporting structures and businesses.
- Proximity to the facility:
    - SFA determines the proximity of existing tournament assets to the new facility, recognizing that closer assets will have a larger impact from a competitive standpoint than assets that are farther away.
- Pricing:
    - SFA examines the market prices of court or field usage, rental rates, lighting costs, etc. SFA sets prices in its financial forecast that are either in line with or slightly above current-year market rates.
- Seasonality:
    - SFA utilizes its experience in managing similar facilities to determine the optimized seasonality for hosting programs and events.
- Marketing reach and capture rate:

  - SFA bases the ability of a new facility to effectively market and capture sports tourism participants, tournaments, and events on market factors such as demographics, competitive factors such as the quality of existing facilities in the region, and destination factors such as site accessibility and the reputation of the destination.
- Program mix and service offerings:
  - SFA creates a financial forecast with the aim of maximizing the number of potential revenue streams for the facility based on the type, size, quantity, and quality of assets.

SFA's proprietary analytical process allows each of the competing facilities to be weighed individually to determine the impact of competition on any new facilities in Madison. As such, not all the existing service providers will have an equal impact on Madison's opportunity to secure events, and some may not impact the new facility at all.

Existing Regional Events – Multi-Purpose Fields

SFA assesses the opportunity to secure events based on the number, type, and format of events that are currently occurring in the region. In the appendix, SFA has included details for a multitude of events occurring in the region in multi-purpose field sports such as soccer or lacrosse.

As part of the pro forma development, SFA analyzed the space requirements, cost, financial performance, and economic impact of investment in these facilities to create a sports destination facility that meets the Project Team's definitions of success for this project and is right-sized to the market opportunity. The table below demonstrates a sampling of multi-purpose field events in the region:

Tournament Name	Location	Dates	Price	Teams	Level
SC Waukesha's May Madness Tournament	Waukesha, WI	5/6-5/8	$240-$595	76	U9-U16
Scheels Flatgrass Regional Showdown	Neenah, WI	5/7-5/8	$450-$500	131	U11-U18
Annual Tomah Youth Soccer Tournament	Tomah, WI	5/20-5/22	$200-$375	60	U6-U14
Rock Soccer Clash	Janesville WI	5/7-5/8	$250-$325	40	U8-U14
6th Annual MC United Mountain Bay Cup	Waukesha, WI	5/7-5/8	$285-$410	104	U9-U18
Elm Grove Spring Cup	Elm Grove WI	5/13-5/15	$400-$525	90	U9-U15
Kickin' It Lakeside	Sheboygan, WI	5/13-5/15	$275-$450	89	U9-U14
Bavarian Boys Youth Festival	Glendale, WI	5/20-5/22	$360-$460	40	U8-U12
Kohl's Spring Rec Tournament	Millwaukee, WI	5/13-5/15	$225-$325	140	U7-U14
River Cup	Hudson, WI	5/13-5/15	$350-$400	200	U9-U17

SFA assesses the opportunity to secure events based on the number, type, and format of events that are currently occurring in the region. In the appendix, SFA has included details for a multitude of events occurring in the region in activities such as soccer, lacrosse, field hockey, football, flag football, etc.

For existing events, SFA examines several factors, including but not limited to:

- Existing tournament inventory:
  - SFA analyzes the existing regional tournament inventory in terms of the quantity of existing sports events, length of each event, location of the event, number of teams registered for each event, and the percent of teams that are likely to stay overnight.
- Locations:
  - SFA analyzes where existing tournaments and events are hosted. In particular, it is important to determine the number of courts/fields each event uses and where those courts/fields are located in proximity to the primary host site.

- Pricing:
    - SFA examines the market prices of tournament team fees, gate fees, parking fees, etc. SFA sets prices in its financial forecast that are either in line with or slightly above market rates.
- Seasonality:
    - SFA analyzes the seasonality of existing regional events to optimize the facility utilization, accounting for the different seasons for all types of sports.
- Local vs. non-local participation and attendance:
    - SFA examines the existing regional tournaments and determines the percent of event participants and spectators that travel from outside the local market area. These "non-local attendees" are more likely to stay overnight and generate economic impact.
- Number of teams:
    - SFA examines existing regional tournament data to determine the number of teams, spectators traveling per player, and number of players per team for events in each primary sport.
- Level of competition:
    - SFA examines existing regional tournament data to determine the levels of competition taking place and the ages of participants.

SFA uses a multitude of data sources as part of its analytical process. To appropriately analyze the regional sports tourism market, SFA uses data from its own experience in operating similar facilities, as well as data gathered from secondary sources such as tournament/event websites, websites of organizations that host tournaments/events, organizing and sanctioning bodies for various sports and regions, and other sources.

SFA incorporates this data by analyzing it through the lens of its experience in planning, opening, and operating facilities of this type into the detailed financial forecast. Market data, when compared to the SFA's standard of industry best practices, allows SFA to project the proper pricing levels, number of events, size of events, and other critical factors related to operating a successful sports tourism facility.

The samplings in the appendix, as is the case in the broader sports tournament market, contain events of various locations, dates, costs, sizes, and age ranges. It is important to note that while the above facilities and events have been identified, there are a variety of tournaments in the market that are held at multiple smaller locations that could not host a large-scale tournament at a single facility.

Based on the existing events in the region and the minimum number of fields required to be considered a sports tourism asset, SFA analyzed the percent of events analyzed that would either exceed, fill, or not fill the capacity of an eight-field outdoor multi-purpose field facility.

Regional Events Sampling			
Event Type	% Would Exceed Capacity	% Would Fill Capacity	% Would Not Fill Capacity
Long Field Sports Events	43%	35%	22%

An event that would exceed capacity contains more teams than could be hosted at an eight-field facility while an event that would fill capacity has the number of teams to consider the facility full and an event that would not fill capacity would not require all fields at the facility. As demonstrated above an eight-field facility could accommodate most existing tournaments in the region (78%); however, there are a significant number of tournaments that could not be

held at a facility of this scale. As part of the financial and economic impact forecast, SFA determined the right number of fields to capitalize on the opportunity to host the most number of large-scale events and in turn the most number of visitors while taking into consideration development and ongoing operational costs.

To understand the potential existing tournament inventory, SFA analyzed the existing facilities in the Madison area based on the number of fields per location. The table below shows the number of facilities that have 1-5 fields, 6-10 fields, and 11 or more fields at a single location in the Madison area.

Multi-Purpose Fields per Location

	1-7 Fields	8-11 Fields	12+ Fields
Multi-Purpose Field Facilities	38	0	1

As demonstrated in the table above, the Madison area features only one facility that could be considered a sports tourism capable facility based on the number of fields in one location. That facility is Reddan Soccer Park, which features twelve total fields, one of which is synthetic turf. While Reddan Soccer Park has the capacity to be considered a sports tourism capable facility and hosts some tournaments, it is owned and operated by the Madison Area Youth Soccer Association and is dedicated to serving MAYSA's programs as well as other local community sports organizations.

Additional Inventory & Gap Analysis Insights

In order to assess the current inventory of facilities in the Madison area to serve the local need for sports spaces and to have the ability to host sports tourism events, SFA conducted the above inventory and gap analysis. Beyond the data presented in the previous sections, SFA considers the following factors as crucial to determining the need for sports spaces:

- ***Location/Ownership of the Asset:*** While the analysis of the local gap in the need for facilities appears to show that the number of assets per participant exceeds the need based on the regional benchmark for indoor courts, outdoor multi-purpose fields, and outdoor diamond fields, it is important to consider that the benchmark is based on unrestricted access to facilities. In reality, many of the existing facilities in Madison are part of public or private educational institutions or other private owners and are not readily accessed by user groups from the outside community. Additionally, and in the case of Reddan Soccer Park, many facilities are dedicated to serving the sports organization that owns the asset before accommodating outside use or hosting outside tournaments.
- ***Number of Assets per Location:*** As stated, to be considered a tournament-quality facility, the minimum number of fields at one location in this region is eight, and there is a single facility with that many fields in the area. From the local perspective, it is also important to have access to multiple fields in one location to run and grow programs such as leagues, instructional camps and clinics, and training.
- ***Quality of Assets:*** As outlined in the "Tournament Inventory & Gap Analysis" section, it is crucial to have high-quality assets to attract and host tournaments. Currently, there are no facilities in the Madison area that combine tournament-quality playing surfaces and supporting amenities such as field lighting as well as the purpose and availability to attract and host tournaments and events consistently on an annual basis.
- ***Participation in Activities:*** Although the inventory and gap analysis for local facilities was based on national benchmarks for facility assets per capita and regional benchmarks for facility assets per participants, there are other sports user groups outside of those that are tracked on a national and regional level for sports participation that significantly contribute to the utilization and subsequent availability of existing

facilities. SFA met with representatives from various groups such as rugby, ultimate Frisbee, Australian rules football, and other activities to understand these organizations' current utilization and future need for sports spaces.

In summary, there are a large number of service providers in the regional market that could impact a new facility. This is to be expected in the region, where sports tourism is a popular choice of municipalities seeking to generate economic impact. However, SFA has right-sized the number of sports assets based on meeting the Project Team's goals as well as the expectation of the quality, quantity, and type of events that will be hosted in this market.

Facility Program & Opinion of Cost

In consideration of the information outlined in the previous sections of this document, SFA has created a facility program and opinion of cost for both the indoor facility and outdoor fields complex that will allow the Madison Area Multisport Complex to provide high quality programming through the development of premier indoor/outdoor sports assets serving the local community as well as hosting sports tourism events.

Facility Program – Indoor Facility

The original vision developed by the Project Team for the indoor facility is pictured to the right and contains two full-size indoor multi-purpose turf fields. SFA worked with the Project Team to understand the desired amenities and definitions of success for the facility. From there, SFA developed a facility program based on the Project Team's vision, experience in the industry, stakeholder interviews, market study, and detailed pro forma development.

The facility features an indoor hard structure accompanied by an air-supported dome structure. The hard structure contains family entertainment center and adventure elements geared towards all ages and focused on climbing as well as support amenities such as a lobby, office space, food and beverage service areas multi-purpose rooms, training room, and restrooms. The air-supported dome structure features a full-size multi-purpose turf field that can be converted to three smaller turf fields or two modified baseball/softball fields as well as batting cages/pitching tunnels and a sports performance training area. The facility program details for the indoor facility are demonstrated in the tables below and on the following page:

Dome Structure

Space	Programming Product/Service	Count	Dimensions L (')	Dimensions W (')	Approx. SF each	Total SF	% of Footprint
Dome	Turf Field	1	360	249	89,640	89,640	88.0%
	Multi-Purpose Fields	3	200	100	Over Turf Field		0.0%
	Baseball Infields	2	225	180	Over Turf Field		0.0%
	Batting Cages/Pitching Tunnels	8	75	15	1,125	9,000	8.8%
	Sports Performance Area	1	129	25	3,225	3,225	3.2%
	Total Dome Structure Sq. Ft.					101,865	100.0%
Required SF for Products and Services						101,865	100.0%
Total Estimated Dome SF						**101,865**	100%
Total Building Acreage						**2.3**	

Indoor Hard Structure

Space	Indoor Programming Product/Service	Count	Dimensions L (')	Dimensions W (')	Approx. SF each	Total SF	% of Footprint
FEC/ Adventure	Play Climb	1	60	60	3,600	3,600	23.7%
	Total FEC/Adventure Sq. Ft.					3,600	23.7%
Flex Space	Lobby/Welcome Area	1	30	30	900	900	5.9%
	Manager's Office	2	15	15	225	450	3.0%
	Office Area	1	40	40	1,600	1,600	10.5%
	Kitchen	1	30	30	900	900	5.9%
	Café and Seating Area	1	40	30	1,200	1,200	7.9%
	Multi-Purpose Rooms	1	60	25	1,500	1,500	9.9%
	Training/Physical Therapy Room	1	25	20	500	500	3.3%
	Restrooms	2	30	25	750	1,500	9.9%
	Total Flex Space Sq. Ft					8,550	56.3%
	Required SF for Products and Services					12,150	80.0%
	Mechanical, Electrical, Storage, etc.				10% of P&S SF	1,215	8.0%
	Common Area, Stairs, Circulation, etc.				15% of P&S SF	1,823	12.0%
	Total Estimated Building SF					**15,188**	100%
	Estimated Building Footprint					**13,669**	
	Total Building Acreage					**0.3**	

Site Development

		Quantity	Dimensions L (')	Dimensions W (')	Approx. SF each	Total SF	% of Total
Parking Spaces Total	Parking Spaces Total (10'x18') (20' x 20' Inc. aisles)	468	20	20	400	187,284	71.1%
	Setbacks, Green Space, etc.				25% of SF	76,084	28.9%
	Total Estimated Site Development SF					**263,368**	100%
	Total Site Development Acreage					**6.0**	

Facility Development Cost Estimate – Indoor Facility

Based on experience in developing sports and recreation facilities, SFA has developed an opinion of cost for the facility. The estimate includes cost for construction of the hard structure, air-supported dome, sports equipment, furniture, fixtures, and other equipment to outfit the space, site development, soft costs for construction, and pre-opening operational expenses. The breakdown of cost is shown in the table below:

USES OF FUNDS	
Land Cost	$0
Hard Cost	$5,467,930
Field and Sport Equipment Cost	$1,860,427
Furniture, Fixtures, and Equipment	$659,450
Soft Costs - Construction	$631,546
Soft Costs - Operations	$775,460
Working Capital Reserve	TBD
Total Uses of Funds	**$9,394,812**

The total cost for the development of the indoor facility is estimated to be $9.4 million. A detailed breakdown of the opinion of cost can be found in the pro forma, which has been delivered as an associated document.

Facility Program – Outdoor Field Complex

The original vision developed by the Project Team for the outdoor field complex is pictured to the right and contains seven regulation outdoor multi-purpose fields with the ability to add more fields on the adjacent property. SFA worked with the Project Team to understand the desired amenities and definitions of success for the facility. From there, SFA developed a facility program based on the Project Team's vision, experience in the industry, stakeholder interviews, market study, and detailed pro forma development.

The outdoor facility features a total of twelve full-size multi-purpose fields, four natural grass and eight synthetic turf. Accompanying the outdoor amenities are three tournament-quality support buildings that contain food and beverage service areas, restrooms, training rooms, check-in/ticketing office, referee rooms, a conference room, office space and storage space. SFA also recommends having a maintenance building. The facility program details for the outdoor field complex are demonstrated in the tables below:

Outdoor Athletic Facilities

Space	Programming Product/Service	Count	Dimensions L (')	Dimensions W (')	Approx. SF each	Total SF	% of Footprint
Multi-Purpose Fields	Natural Grass Field - (With 12' Apron)	4	360	249	89,640	358,560	33.0%
	Synthetic Turf Field - (With 12' Apron)	8	360	249	89,640	717,120	66.0%
	Total Outdoor Multi-Purpose Fields Sq. Ft.					1,075,680	99.0%
Support Buildings	Primary Support Building						
	Kitchen	1	30	30	900	900	0.1%
	Café w/ Seating/Lobby	1	50	50	2,500	2,500	0.2%
	Restrooms	4	25	20	500	2,000	0.2%
	Training Room	1	15	10	150	150	0.0%
	Check-In/Ticketing Office	1	10	10	100	100	0.0%
	Ref Rooms	3	10	8	80	240	0.0%
	Large Conference Room	1	40	25	1,000	1,000	0.1%
	Office/Control	1	20	20	400	400	0.0%
	Secondary Support Buildings	2	35	35	1,225	2,450	0.2%
	Total Support Building Sq. Ft					9,740	0.9%
Maintenance	Maintenance Buildings	1	40	30	1,200	1,200	0.1%
	Total Maintenance/First Aid Building Sq. Ft.					1,200	0.1%
	Total Estimated Outdoor Athletic Facilities SF					**1,086,620**	100%
	Total Outdoor Athletic Facility Acreage					**24.9**	

Site Development

		Quantity	Dimensions L (')	Dimensions W (')	Approx. SF each	Total SF	% of Total
Parking Spaces Total	Parking Spaces Total (10'x18') (20' x 20' Inc. aisles)	960	20	20	400	384,000	13.1%
	Setbacks, Green Space, etc.				100% of SF	1,470,620	50.0%
	Total Estimated Complex SF					**2,941,240**	100%
	Total Complex Acreage					**67.5**	

Facility Development Cost Estimate – Outdoor Field Complex
Based on experience in developing sports and recreation facilities, SFA has developed an opinion of cost for the outdoor facility. The estimate includes cost for construction of the support and maintenance buildings, development of the fields, field and sports equipment, furniture, fixtures, and other equipment to outfit the support buildings, site development, soft costs for construction, and pre-opening operational expenses. The breakdown of cost is shown in the table below:

USES OF FUNDS	
Land Cost	$0
Hard Cost	$16,438,197
Field and Sport Equipment Cost	$9,558,244
Furniture, Fixtures, and Equipment	$681,450
Soft Costs - Construction	$1,536,971
Soft Costs - Operations	$731,118
Working Capital Reserve	TBD
Total Uses of Funds	**$28,945,981**

The total cost for the development of the outdoor facility is estimated to be $28.9 million. A detailed breakdown of the opinion of cost can be found in the pro forma, which has been delivered as an associated document.

Facility Development Cost Estimate – Indoor and Outdoor Combined
Based on the information outlined in the previous section, SFA has developed a combined opinion of cost for the development of both the indoor facility and outdoor field complex. The estimate includes cost for construction of the indoor hard structure, air-supported dome structure, support buildings, and maintenance buildings, development of the fields, field and sports equipment, furniture, fixtures, and other equipment to outfit the spaces, site development, soft costs for construction, and pre-opening operational expenses. The breakdown of cost is shown in the table below:

USES OF FUNDS	
Land Cost	$0
Hard Cost	$21,906,127
Field and Sport Equipment Cost	$11,418,671
Furniture, Fixtures, and Equipment	$1,340,900
Soft Costs - Construction	$2,168,517
Soft Costs - Operations	$1,506,578
Working Capital Reserve	TBD
Total Uses of Funds	**$38,340,793**

The total cost for the development of the indoor facility and outdoor field complex is estimated to be $38.3 million.

PROGRAMMING, PRODUCTS, & SERVICES

The Madison Area Multisport Complex will leverage a partnership between MASC, the City of Madison, and HCGM as well as management and operational efficiencies to operate as a single, combined entity that offers local programming for indoor and outdoor multi-purpose field activities and generates economic impact from out-of-town visitors through sports tourism events for outdoor multi-purpose field activities. Below are details related to the ways in which the facility will serve the local and regional markets.

It is critical to understand that SFA's analysis is based on a combination of the opportunity locally and regionally and the best practices for managing the facility to meet the goals of the Project Team. As such, when reviewing the information below and the full financial forecast, it should be noted that the projections are reflective of operational recommendations including prioritization of tourism-generating events, capitalization on revenue-generating opportunities, activation of cost containment strategies, etc.

Local Programming Model
The local programming model is designed to make the Madison Area Multisport complex a year-round sports and recreation hub for local residents by serving as a community asset providing sports, physical health, recreation, and youth development. By creating a fun, active space with high-quality programming and amenities, the facility will be able to host a multitude of activities and serve a wide range of community pursuits.

The Madison Area Multisport complex will offer programming such as instructional clinics, leagues, tournaments, classes, and other programs for any or all of the following activities:

- Soccer
- Football
- Lacrosse
- Ultimate Frisbee
- Rugby
- Other Multi-Purpose Field Sports
- Indoor Baseball/Softball
- Multi-Purpose Field Events Events
- Indoor Field Rentals
- Outdoor Field Rentals
- Sports Performance Training
- Family Entertainment/Adventure
- Corporate and Group Events
- Youth Programming
- Youth Development
- Birthday Parties

Program Mix
SFA recommends a facility program mix that is more heavily focused on internal or in-house programs rather than rental or outside service provider programs. While SFA recognizes the value of relationships with existing service providers and local sports organizations, in-house programming presents the facility with the following growth and business development opportunities:

- **Greater Ownership of the Business:** Running in-house programs will allow the management team to dictate all aspects of the products and services being offered in the facility. This ownership provides the ability to make decisions regarding marketing, sales, and operations of all programs. Furthermore, the facility will rely less on the skills, experience, and relationships of outside people or organizations and therefore strengthen the complex's ability to offer best-in-class services to its customers.

- **Control of the Customer Experience:** All programs are a reflection of the facility and affect customer perception of the brand. With a rental model, a facility has a minimal level of control over program quality and customer experience. If a program run by an outside organization does not meet customer expectations, the facility will be directly associated with that bad experience. On the other hand, internal programs allow the facility to control the quality of customers' experiences.
- **Higher Financial Returns:** Rental programs are limited in the level of revenue they are able to generate. This relatively flat revenue restricts the ability to capitalize on growth opportunities. An internal program business model creates the opportunity for the facility to grow programs and increase the amount of revenue that can be generated per hour. With the proper investment in and development of in-house programs, the facility will be able to generate significantly higher levels of revenue.
- **Facility Database and Cross Marketing:** Internal programming presents the facility with the opportunity to build an extensive internal database of its customers. Owning and running in-house programs will allow the facility to capture and retain important customer contact information. This internal database will create a platform for the management team to cross-market appropriate programs to people who are already customers and invested in taking part in the products and services that the facility has to offer. The ability to cross-market to an internal database is substantially more effective than many traditional marketing initiatives.
- **Ability to Maximize Scheduling:** A rental-only model restricts the management team's ability to maximize program scheduling. This is a result of the desire of outside programmers and rentals to purchase only the best and prime time hours in the facility. With an in-house program model, the management team will be able to dictate the day and time that programs are run and therefore allow the facility to maximize the use of available scheduling time.

A gradual transition towards a higher level of internal programming after opening will allow the facility to maintain relationships and utilize outside programming during the maturation process. As the facility matures, shifting to an increased percentage of internal programs will allow the facility to capitalize on opportunities to grow programs and contribute to a higher level of financial sustainability.

Sports Tourism Operating Model

To more clearly define one of the goals of the Madison Area Multisport, to generate economic impact through sports tourism events, SFA has described the sports tourism operating model below.

The goal of a sports tourism model is to attract out-of-town teams, players, coaches, and spectators to the market to generate revenue for the facility and to create economic impact through non-local visitors staying in hotels, eating at restaurants, shopping at stores, purchasing gas, etc. Within the sports tourism model, there are two primary ways of developing tournaments: creating in-house tournaments and outsourcing tournaments to existing organizers/rights holders.

In-house tournaments require a significant amount of time, energy, and human resources to develop and execute. This type of event requires the facility to market the event, register teams, secure hotels, train staff, hire officials, manage play, etc. As such, significant revenue can be generated, but the cost of doing business is high. Additionally, tournaments typically take multiple years to grow, and as a result first-year (and often second-year) events are small, marginally profitable, and create a minimal economic impact.

Outsourced tournaments require much less work on the part of the facility because inventory is rented to a tournament provider who is in charge of securing teams and running the event. Additionally, they often provide greater economic impact in the early years of operation because they are not first year events, and therefore there are more teams in attendance. However, the amount of money the facility can generate on an outsourced tournament is limited because team registration fees go to the rights-holder, as do other revenue streams (e.g. hotel rebates, gate fees, etc.).

Based on the established sports tourism business in the region, the opportunity for the development of in-house events is limited. SFA has not projected the development of in-house tournaments, and instead any new sports tourism facilities will serve as a host to existing events and future events owned by existing rights-holders in the region. That said, as the facility matures and players, parents, coaches, and organizations experience the new facilities, in-house tournaments and events will become possible and could add significant revenue-generating opportunities for the facility.

FINANCIAL OVERVIEW

SFA's determination of feasibility for the possible development within this project depends on the financial forecast of the business and the ability for it to achieve results that support the long-term economic impact and financial goals of the Project Team. With input from the Project Team, SFA constructed a detailed pro forma/financial analysis for the facility that projects the financial viability of operations for the first five years.

In creating a financial forecast, SFA intentionally projects numbers that are dependent on timely marketing, attention to detail, ongoing financial analysis, a focus on customer service, and intelligent management practices. This forecast does not rely on unlikely circumstances or unreliable sources of revenue to be achieved, since SFA aims to create a forecast that is conservative, realistic, and achievable within the goals of the project utilizing proven metrics and methodology for assessing the feasibility of new sports tourism facilities. As a result of this level of conservatism, SFA|SFM-managed facilities are often able to exceed projections for business development and are able to reach operational goals in less time than projected in the planning phase of facility development.

SFA has found that it is typical for a facility with an event tourism business model to require an annual operating subsidy. This is due to the fact that events that generate economic impact provide the facility with one-off revenue streams that occur a limited number of times each year but require large facilities that are overbuilt for the local market opportunity. For communities that pursue event tourism as an economic driver, room night, direct spending, and new tax revenues generated from events are viewed as an attractive return on the investment relative to the subsidization of operations. In the case of the Madison Area Multisport Complex, the facility consists of a hybrid between a local recreation business model and an event tourism business model and, therefore, is projected to achieve operational sustainability as a single, combined facility operation.

As described earlier, the Madison Area Multisport Complex will leverage a partnership between multiple entities as well as management and operational efficiencies to operate as a single, combined facility that offers local programming for indoor and outdoor multi-purpose field activities and generates economic impact from out-of-town visitors through sports tourism events for outdoor multi-purpose field activities. However, SFA analyzed the financial performance of the indoor and outdoor facilities separately focusing on revenue, cost of goods sold, and facility expenses in addition to as a combined facility encompassing all revenues, costs of goods sold, facility expenses, and overall operating expenses. The following sections breakdown the financial performance of the indoor and outdoor facilities separately and as a combined facility.

Summary of Financial Performance – Indoor Facility
The following table is a summary of the forecasted revenues, cost of goods sold, and facility expenses for the indoor portion of the facility. It is important to note that this summary does not include operating expenses, management payroll, and payroll taxes, benefits, and bonus, which have been included as part of the total or combined facility financial performance. The details of the indoor facility financial performance breakdown have been provided in the full financial forecast documents.

	Year 1	Year 2	Year 3	Year 4	Year 5
Total Revenue	$1,463,656	$1,715,705	$2,077,735	$2,219,021	$2,417,354
Total Cost of Goods Sold	$522,221	$614,701	$740,350	$788,929	$849,575
Facility Expenses	$237,241	$235,687	$239,222	$242,811	$246,453
Gross Margin	$704,195	$865,318	$1,098,163	$1,187,282	$1,321,326

SFA projects revenue through the indoor facility to increase from approximately $1.5 million in the first year of operations to about $2.4 million by year five of operations. The cost of goods sold (COGS) increase with the rising revenues from approximately $522,000 in year one up to $850,000, and facility expenses are expected to increase slightly from $237,000 million in year one to approximately $246,000 by facility maturity in year five.

As demonstrated, the indoor facility is expected to generate a positive gross margin, before operating expenses, management payroll, and payroll taxes, benefits, and bonus are factored in, of $704,000 in year one growing to $1.3 million at maturity in year five.

Summary of Financial Performance – Outdoor Facility
The following table is a summary of the forecasted revenues, cost of goods sold, and facility expenses for the outdoor portion of the facility. It is important to note that this summary does not include operating expenses, management payroll, and payroll taxes, benefits, and bonus, which have been included as part of the total or combined facility financial performance. The details of the outdoor facility financial performance breakdown have been provided in the full financial forecast documents.

	Year 1	Year 2	Year 3	Year 4	Year 5
Total Revenue	$644,323	$694,738	$879,078	$925,544	$959,892
Total Cost of Goods Sold	$177,695	$191,405	$239,389	$252,157	$257,163
Facility Expenses	$295,372	$299,011	$308,963	$315,262	$319,507
Gross Margin	$171,255	$204,322	$330,726	$358,125	$383,222

SFA projects revenue over the outdoor facility to increase from approximately $644,000 in the first year of operations to about $960,000 by year five of operations. The cost of goods sold (COGS) increase with the rising revenues from approximately $178,000 in year one up to $257,000, and facility expenses are expected to increase slightly from $295,000 million in year one to approximately $320,000 by facility maturity in year five.

As demonstrated, the outdoor facility is expected to generate a positive gross margin, before operating expenses, management payroll, and payroll taxes, benefits, and bonus are factored in, of $171,000 in year one growing to $383,000 at maturity in year five.

Summary of Financial Performance – Combined
As mentioned previously, the indoor and outdoor portions of the Madison Area Multisport Complex will be owned through a partnership between the City of Madison and HCGM and will be operated as a single, combined facility. The previous sections outline the revenue, cost of

goods sold, and facility expense performance of the indoor and outdoor portions of the facility separately. SFA then completed a full analysis of the total revenue, total cost of goods sold, total facility expenses, and combined operating expenses, management payroll, and payroll taxes, benefits, and bonus for the total facility. The following table is a summary of the financial performance of the Madison Area Multisport Complex. The details of the financial analysis have been provided in the full financial forecast documents.

	Year 1	Year 2	Year 3	Year 4	Year 5
Total Revenue	$2,107,978	$2,410,443	$2,956,813	$3,144,565	$3,377,245
Total Cost of Goods Sold	$699,916	$806,105	$979,739	$1,041,086	$1,106,738
Gross Margin	$875,450	$1,069,640	$1,428,888	$1,545,407	$1,704,548
Total Operating Expenses	$1,102,421	$1,062,782	$1,130,974	$1,170,900	$1,214,782
EBITDA	($226,971)	$6,858	$297,914	$374,507	$489,766

SFA projects total revenue to increase from more than $2.1 million in the first year of operations to about $3.4 million by year five of operations. The cost of goods sold (COGS) increase with the rising revenues from approximately $700,000 in year one up to $1.1 million in year five, and overhead costs (Operating Expenses) are expected to increase slightly from $1.1 million in year one to approximately $1.2 million by facility maturity in year five.

As demonstrated, the facility is expected to require an operational subsidy of $227,000 in the first year of operation before breaking even in year two and generating $490,000 at maturity in year five. (EBITDA – which stands for Earnings Before Interest, Tax, Depreciation, and Amortization – is the number that shows the direct profit/loss of operations.)

ECONOMIC IMPACT ANALYSIS

As stated previously, one of the goals of the Madison Area Multisport Complex is to prioritize events over the outdoor multi-purpose fields that meet the Project Team's objectives related to economic impact from non-local visitors. SFA developed a portion of its forecast based on the prioritization of events on the outdoor multi-purpose fields and the best practices for managing a successful sports tourism facility. As part of that analysis, SFA has conducted an in-depth analysis of the two components that determine economic impact:

1. The average daily expenditure for non-local visitors to the market, including but not limited to:
    a. Average daily rate for hotels
    b. Average daily meal costs
    c. Percent of spending in market by category
2. The details for each event, including but not limited to:
    a. Number of participants
    b. Number spectators
    c. Markets from which participants travel
    d. Day and overnight travel habits in the region and across the industry
    e. Length of event

Average Daily Expenditure

SFA has projected per-person spending in the categories in which visitors to the Madison area are expected to spend for regional youth and amateur tournaments and events. As the chart below shows, visitors are expected to spend an average of $134.67 per person per day when traveling to the Madison area from out of town. The estimate for per person spending is based on a conservative estimate for how non-local visitors will spend while in market. SFA believes that this is a reliable estimate, and that it is unlikely that per person spending will be below the projected amount.

Per Person Spending By Category

	Amount	% Of Total
Lodging/Accommodations	$28.86	21.4%
Dining/Groceries	$50.15	37.2%
Transportation	$8.53	6.3%
Entertainment/Attractions	$17.55	13.0%
Retail	$16.05	11.9%
Miscellaneous	$13.54	10.1%
Total	**$134.67**	**100%**

Economic Impact Drivers

To convert the per-person average daily expenditure into a total direct spending projection for each facility type, SFA analyzed the two most important drivers of economic impact: non-local days in market and room nights generated for each event projected. Non-local days in market are the number of days that non-local visitors will spend in the Madison area because of the tournament or event they are attending. Hotel room nights are the number of nights that visitors will stay in the local area to take part in tournaments and events.

The tables on the following page summarize the total economic impact projected for each facility type in years one through five of operations. To arrive at the direct spending projection,

SFA multiplied the average daily expenditure ($134.67) by the total non-local days in market for each year.

Economic Impact Drivers

	Year 1	Year 2	Year 3	Year 4	Year 5
Non-Local Days in Market	78,435	83,187	112,932	117,684	117,684
Room Nights	17,928	19,014	25,813	26,899	26,899

Economic Impact

	Year 1	Year 2	Year 3	Year 4	Year 5
Total Direct Spending	$10,563,127	$11,203,096	$15,208,964	$15,848,933	$15,848,933
Total Indirect Spending	$0	$0	$0	$0	$0
Total Economic Impact	**$10,563,127**	**$11,203,096**	**$15,208,964**	**$15,848,933**	**$15,848,933**

The facility is projected to generate approximately $10.6 million of direct spending in its first year, and $15.8 million by maturity in year five. In addition to direct spending, SFA projects that activities and events hosted by the facility will create more than 26,000 room nights in year five of operations and will continue to do so annually.

This economic impact generation will have a positive effect on the local community by boosting the economy and level of activity in the area. In addition to the economic benefits, sports and recreation activities are proven to have a positive effect on the lives and health of youth, adults, families, and communities.

POTENTIAL FUNDING SOURCES - PUBLIC

Based on SFA's experience, there are a variety of funding sources available for the development of public sports, recreation, and tourism facilities. SFA has summarized some of the most common public funding sources that could be explored for the development of the Madison Area Multisport Complex

Borrowing

- *General Obligation Bond: Capital Investment*
  - A loan is taken out by a government agency with taxing authority. Property taxes are levied to pay back bondholders, and therefore it is considered to be back by the full faith and credit of the issuing agency.
- *General Obligation Bond: Voter Referendum*
  - A loan is taken out by a government agency based that requires voter approval.
- *Revenue Bond*
  - A loan is taken out by a government agency based on anticipated revenue generated from the project for which the bond is issued.

Special Districts

- *Tax Increment Financing (TIF)*
  - A district is developed specifically for the purpose of renewal and revitalization in an area that shows demonstrated indicators of blight. Upon establishment, the tax base of the district is frozen and any increase to the tax base as a result of redevelopment projects are used to pay the TIF bonds.
- *Taxes on Business Improvement Districts (BIDs)*
  - A district is developed where businesses are required to pay an additional tax to fund projects within the boundaries of the district.
- *Park Dedication Fees*
  - Parkland dedication is a local government requirement imposed on subdivision developers or builders mandating that they dedicate land for a park and/or pay a fee to be used by the governmental entity to acquire and develop park facilities.
- *Purchase of Development Rights*
  - Private landowners relinquish their right to build on their land, but retain the title to the property. This is most commonly applied to agricultural and farmland, but land laws vary by state.

Traditional Tax Generated Revenue

- *Property Tax*
  - A tax that is paid for by commercial and residential property owners. This can be appropriated through the general fund to support facility operations, maintenance, and construction.
- *Sales/Use Tax*
  - A tax that applies to the sale of goods and services. Examples of the specialty excise taxes include hotel occupancy taxes used to fund sports tourism or tax collected on non-highway fuel use to fund the Federal Highway Trust Fund, a portion of which supports the Recreation Trails Program.

SFA has included more information related to public funding sources that elaborates on the examples described above in the appendix (starting on page 42) of this document. This information was put together for a symposium featuring more than two dozen industry thought leaders for an Aspen Institute round table strategy session. SFA/SFM developed the concept

for the symposium, sponsored the event, and facilitated dialogue around funding solutions for youth and amateur sports and recreation facilities to be built across the country.

PUBLIC/PRIVATE PARTNERSHIP SCENARIOS

In addition to public funding sources, a public/private partnership will be an important aspect of the Madison Area Multisport Complex. SFA has outlined two examples below that provide an overview of typical structures of a public/private partnership. It is important to note that the actual partnership details are unique to each project and do not always reflect the examples below.

Public/Private Partnership: Type A
In this model, the private entity develops the facility for the public entity on privately owned land; operational profits/losses are managed by and retained by the public entity. The primary tenants of the arrangement are:

- Public entity receives some or all of:
  - A community and/or tourism sports asset.
  - The use of land in a desirable location that already has the required support amenities.
- Private entity receives some or all of:
  - Anchor attraction to generate traffic to the site location
  - Release from obligation to own and/or operate the facility
  - Incentives for master complex
    - Future development
    - Tax revenue
    - Special taxing district rebates

Public/Private Partnership: Type B
In this model, the private entity donates land for the public entity to develop the facility; operational profits/losses are managed by and retained by the public entity. The primary tenants of the arrangement are:

- Public entity receives some or all of:
  - Donated land or long-term ground lease.
  - The use of land in a desirable location that already has the required support amenities.
- Private entity receives some or all of:
  - Anchor attraction to generate traffic to the site location
  - Release from obligation to own and/or operate the facility

CONCLUSION & NEXT STEPS

Based on input from the Project Team, it was determined that this process and the future outcomes of the study must meet the following criteria to be deemed successful:

- Create a high-quality destination for sports and recreation activities
- Balance use from tournaments/events and local organizations
- Relieve pressure from over-utilized existing parks and field facilities
- Generate economic impact from non-local visitors for sports tourism events
- Create a self-sustaining asset
- Create an enduring and flexible asset for the current and future needs for sports and recreation space

Through the completion of the full financial forecast and economic impact analysis, SFA found that the development of the Madison Area Multisport Complex as outlined in this report has the potential to meet all of the Project Team's definitions of success.

SFA believes that there is an opportunity to develop a new indoor turf and outdoor multi-purpose field facility focused on local recreation and sports tourism in Madison, WI. The Madison Area Multisport Complex can successfully meet the Project Team's goals if the complex is properly staffed, effectively marketed and operated, and has a funding mechanism to cover upfront development costs, early-year operational losses, and ongoing capital improvement costs.

In order to be successful, any new facility will need to partner with and be promoted by MASC, take advantage of the quality lodging facilities in the marketplace, and focus on both serving the local sports and recreation needs as well as the potential to host and create impactful experience drivers centered on the unique history and make-up of the Madison area. Additionally, the facility will require two types of financial commitments:

1. Construction: a commitment to invest in a high-quality, tournament-class facility that competes with existing tournament and event facilities in the region and complements existing local facilities.
2. Operations: a commitment to an ongoing funding structure that supports the facility and provides incentives for event rights holders to choose a new sports tourism facility in the Madison area over competing alternatives.

If MASC, the City of Madison, HCGM, and any additional partners choose to move forward with the development of the Madison Area Multisport Complex, the following "next steps" are the high-level milestones needed to create a successful pre-opening campaign and set the facility up to be successful:

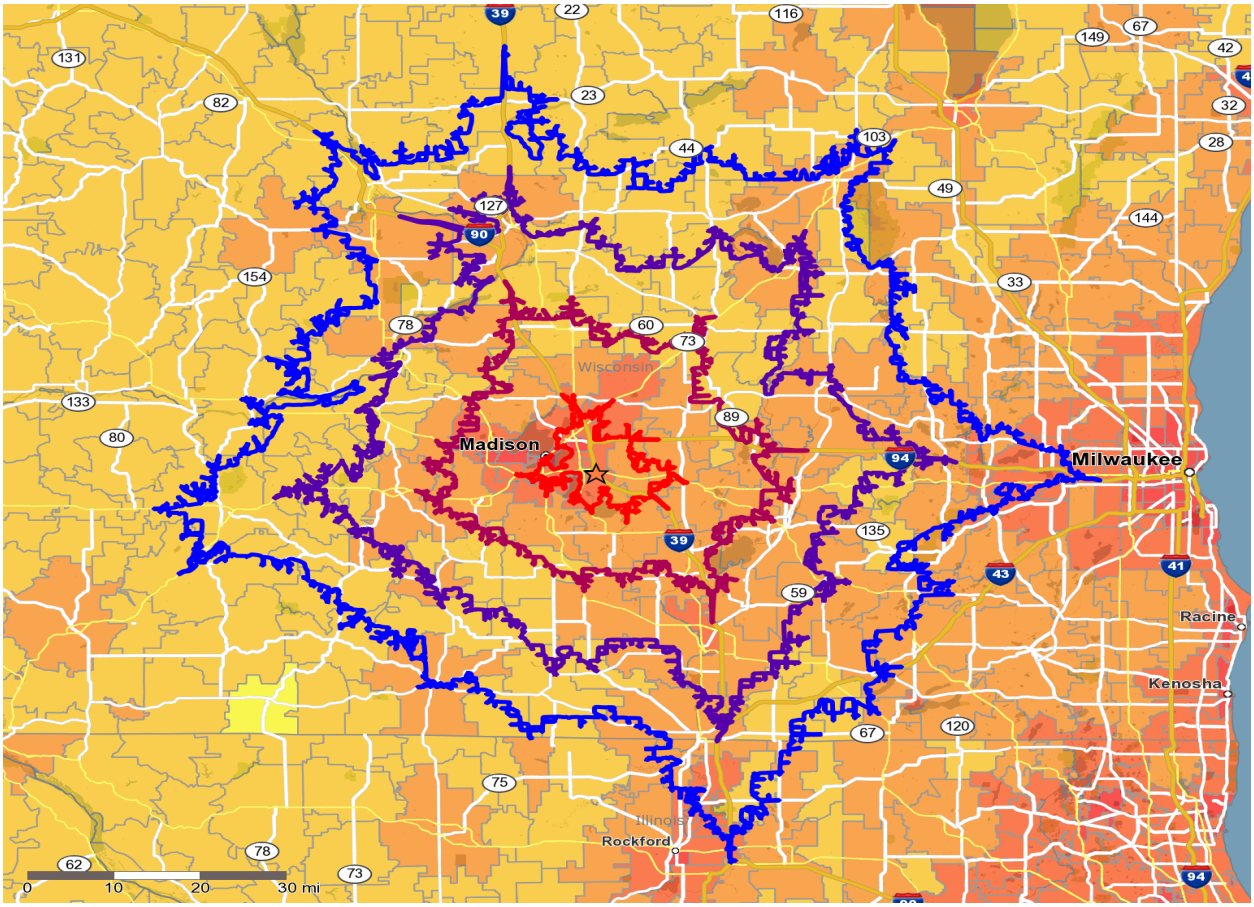
- Establish the details of the partnership agreement
- Organize funding
- Complete detailed site plans and architectural designs
- Create updated facility cost estimates
- Develop a pre-opening timeline
- Determine structure and engage a facility management company
- Distribute request for proposals for design, bid, and build services
- Hire and train management staff
- Develop marketing and brand strategy

- Pre-sell inventory
- Hire and train support staff
- Host grand opening events

SFA welcomes the opportunity to discuss these findings with the Project Team in order to support the formulation of a decision related to the development of a new indoor/outdoor multisport facility in Madison, WI.

APPENDIX

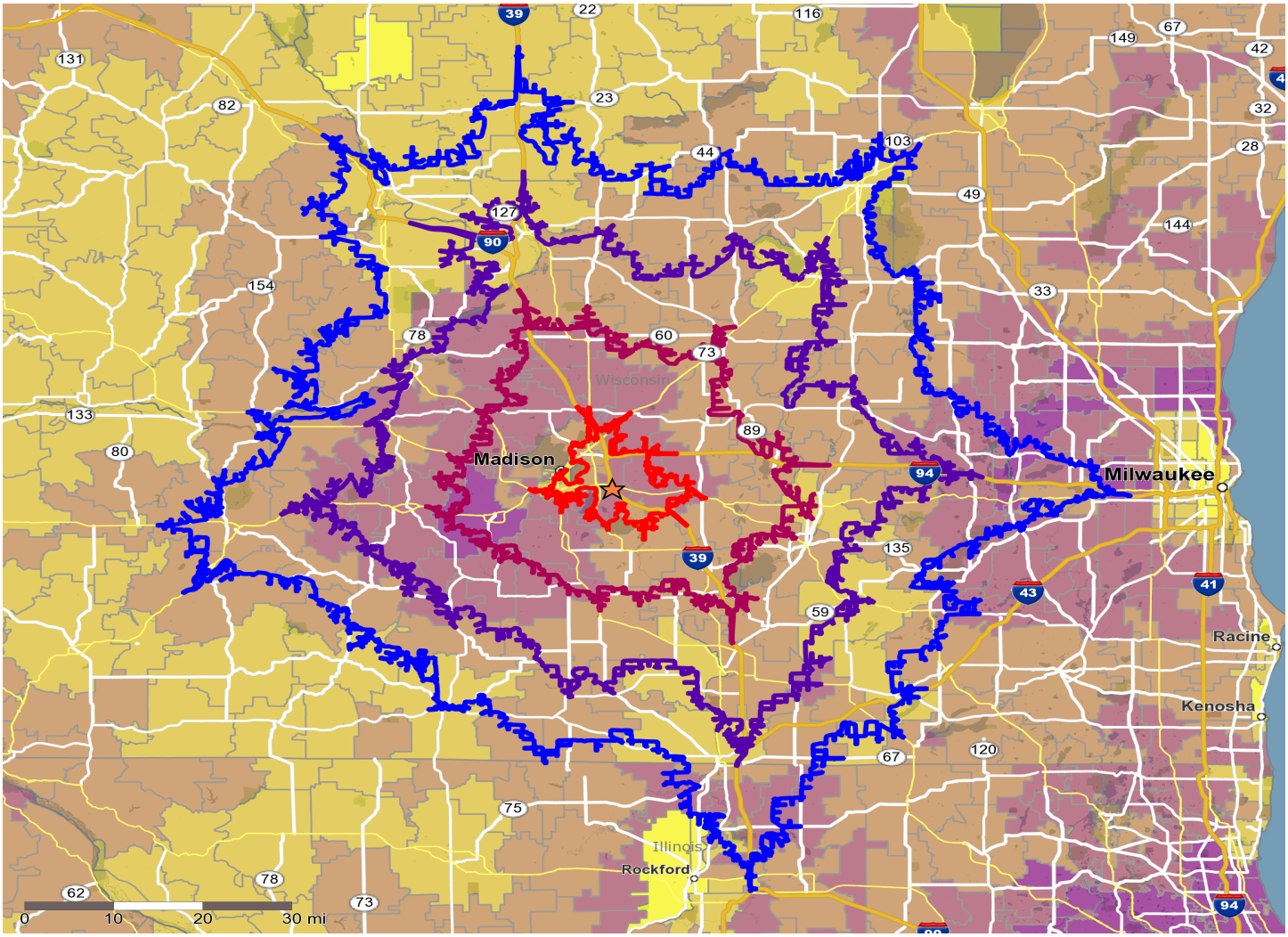
Population Density (10, 15, 30, 45, 60 Minutes)



- ZIP Codes - High (Above 3,150)
- ZIP Codes - Above Average (530 to 3,150)
- ZIP Codes - Average (88 to 530)
- ZIP Codes - Below Average (14.75 to 88)
- ZIP Codes - Low (Below 14.75)

Source: Alteryx, Inc

Median Household Income (10, 15, 30, 45, 60 Minutes)



- ZIP Codes - High (Above 91,000)
- ZIP Codes - Above Average (68,000 to 91,000)
- ZIP Codes - Average (52,000 to 68,000)
- ZIP Codes - Below Average (39,000 to 52,000)
- ZIP Codes - Low (Below 39,000)

Source: Alteryx, Inc

Age By Sex Comparison Report

	15 drivetime minute(s)	30 drivetime minute(s)	45 drivetime minute(s)	60 drivetime minute(s)
2016B Population by Age:				
Total Population	116,057	517,810	779,086	1,191,606
Age 0 - 4	6.8%	6.0%	5.9%	5.7%
Age 5 - 9	5.9%	5.9%	6.1%	6.1%
Age 10 - 14	5.4%	5.8%	6.1%	6.3%
Age 15 - 19	4.8%	6.5%	6.5%	6.7%
Age 20 - 24	8.1%	10.5%	9.0%	8.1%
Age 25 - 34	18.0%	16.0%	14.7%	13.5%
Age 35 - 44	14.1%	12.9%	12.9%	12.7%
Age 45 - 54	13.0%	12.7%	13.4%	14.0%
Age 55 - 64	12.1%	11.9%	12.5%	13.1%
Age 65 - 74	6.8%	6.9%	7.5%	8.0%
Age 75 - 84	3.2%	3.3%	3.7%	4.0%
Age 85+	1.8%	1.8%	1.9%	1.9%
Median Age	35.6	34.6	36.3	37.8
Total Females	58,014	261,394	392,133	598,291
Age 0 - 4	6.6%	5.8%	5.7%	5.5%
Age 5 - 9	5.8%	5.7%	5.9%	6.0%
Age 10 - 14	5.4%	5.5%	5.9%	6.1%
Age 15 - 19	4.6%	6.5%	6.4%	6.5%
Age 20 - 24	7.7%	10.3%	8.8%	7.9%
Age 25 - 34	17.5%	15.4%	14.2%	13.1%
Age 35 - 44	13.5%	12.6%	12.6%	12.4%
Age 45 - 54	13.0%	12.8%	13.5%	14.0%
Age 55 - 64	12.5%	12.2%	12.7%	13.2%
Age 65 - 74	7.3%	7.2%	7.8%	8.3%
Age 75 - 84	3.8%	3.7%	4.2%	4.5%
Age 85+	2.4%	2.3%	2.5%	2.6%
Median Age Females	36.6	35.6	37.4	39.0
Total Males	58,044	256,416	386,953	593,315
Age 0 - 4	7.0%	6.2%	6.1%	5.8%
Age 5 - 9	6.1%	6.1%	6.3%	6.3%
Age 10 - 14	5.4%	6.0%	6.3%	6.5%
Age 15 - 19	5.1%	6.6%	6.6%	6.8%
Age 20 - 24	8.5%	10.7%	9.2%	8.3%
Age 25 - 34	18.6%	16.5%	15.1%	14.0%

Age 35 - 44	14.7%	13.2%	13.2%	12.9%
Age 45 - 54	12.9%	12.6%	13.4%	13.9%
Age 55 - 64	11.7%	11.6%	12.3%	13.0%
Age 65 - 74	6.2%	6.6%	7.2%	7.7%
Age 75 - 84	2.7%	2.8%	3.2%	3.5%
Age 85+	1.1%	1.2%	1.2%	1.3%
Median Age Males	34.6	33.7	35.3	36.7

Source: Alteryx, Inc

Complete Demographic Comparison Report

	15 drivetime minute(s)	30 drivetime minute(s)	45 drivetime minute(s)	60 drivetime minute(s)
2016B Demographics:				
Q3 2016 Employees	93,419	376,100	489,919	683,646
Q3 2016 Establishments*	4,996	19,379	27,930	41,348
Total Population	116,057	517,810	779,086	1,191,606
Total Households	50,327	217,253	321,002	479,916
Female Population	58,014	261,394	392,133	598,291
% Female	50.0%	50.5%	50.3%	50.2%
Male Population	58,044	256,416	386,953	593,315
% Male	50.0%	49.5%	49.7%	49.8%
Population Density (per Sq. Mi.)	1,130.15	526.30	280.69	213.85
Employed Civilian Population 16+				
Total	67,407	296,271	431,050	642,909
White Collar	68.2%	71.3%	66.5%	64.0%
Blue Collar	31.8%	28.7%	33.5%	36.0%
Seasonal Population by Quarter:				
Q2 2014	565	4,939	12,025	31,270
Q3 2014	517	4,375	10,647	28,472
Q4 2014	508	4,166	9,968	25,329
Q1 2015	444	3,643	9,113	24,210
Q2 2015	480	4,048	10,514	29,214
Q3 2015	505	4,537	11,244	29,542
Q4 2015	512	4,341	10,414	26,598
Q1 2016	444	3,998	9,961	25,995
Q2 2016	502	4,518	11,473	31,130
Age:				
Age 0 - 4	6.8%	6.0%	5.9%	5.7%
Age 5 - 14	11.3%	11.6%	12.2%	12.4%
Age 15 - 19	4.8%	6.5%	6.5%	6.7%
Age 20 - 24	8.1%	10.5%	9.0%	8.1%
Age 25 - 34	18.0%	16.0%	14.7%	13.5%
Age 35 - 44	14.1%	12.9%	12.9%	12.7%
Age 45 - 54	13.0%	12.7%	13.4%	14.0%
Age 55 - 64	12.1%	11.9%	12.5%	13.1%
Age 65 - 74	6.8%	6.9%	7.5%	8.0%
Age 75 - 84	3.2%	3.3%	3.7%	4.0%

Age 85 +	1.8%	1.8%	1.9%	1.9%
Median Age	35.6	34.6	36.3	37.8
Housing Units				
Total Housing Units	51,812	224,140	335,885	511,378
Occupied Housing Units	97.1%	96.9%	95.6%	93.9%
Vacant Housing Units	2.9%	3.1%	4.4%	6.2%
Housing Units by Tenure				
Total Households in Tenure	50,327	217,253	321,002	479,916
Owner Occupied Housing Units	28,634	126,038	198,866	314,585
Owner Occupied free and clear	23.8%	25.6%	27.4%	28.4%
Owner Occupied with a mortgage or loan	76.2%	74.4%	72.6%	71.6%
Renter Occupied Housing Units	21,692	91,215	122,136	165,331
Race and Ethnicity				
American Indian, Eskimo, Aleut	0.6%	0.4%	0.4%	0.4%
Asian	4.9%	5.9%	4.3%	3.4%
Black	8.5%	5.3%	4.0%	3.8%
Hawaiian/Pacific Islander	0.0%	0.0%	0.0%	0.0%
White	77.7%	82.7%	86.3%	87.5%
Other	4.8%	2.7%	2.5%	2.6%
Multi-Race	3.6%	2.9%	2.5%	2.3%
Hispanic Ethnicity	10.3%	6.6%	6.1%	6.4%
Not of Hispanic Ethnicity	89.7%	93.4%	93.9%	93.6%
Race of Hispanics				
Hispanics	11,953	34,034	47,767	75,825
American Indian	1.4%	1.5%	1.4%	1.3%
Asian	0.5%	0.5%	0.4%	0.4%
Black	1.9%	2.2%	1.9%	1.8%
Hawaiian/Pacific Islander	0.1%	0.1%	0.1%	0.1%
White	43.4%	47.9%	49.0%	49.0%
Other	45.0%	39.6%	39.2%	39.7%
Multi-Race	7.7%	8.3%	7.9%	7.6%
Race of Non Hispanics				
Non Hispanics	104,104	483,776	731,320	1,115,781
American Indian	0.4%	0.3%	0.3%	0.4%
Asian	5.4%	6.3%	4.5%	3.6%
Black	9.2%	5.6%	4.1%	3.9%
Hawaiian/Pacific Islander	0.0%	0.0%	0.0%	0.0%
White	81.6%	85.1%	88.7%	90.1%
Other	0.2%	0.1%	0.1%	0.1%

Multi-Race	3.1%	2.5%	2.1%	1.9%
Marital Status:				
Age 15 + Population	95,040	426,665	638,308	975,997
Divorced	11.8%	9.8%	10.5%	10.8%
Never Married	38.0%	37.8%	34.6%	32.5%
Now Married	45.9%	48.3%	50.2%	51.7%
Now Married - Separated	1.6%	1.3%	1.3%	1.3%
Widowed	4.3%	4.1%	4.7%	5.1%
Educational Attainment:				
Total Population Age 25+	80,030	338,358	517,577	799,916
Grade K - 8	1.8%	1.4%	1.7%	1.9%
Grade 9 - 12	3.9%	3.2%	4.2%	4.9%
High School Graduate	22.7%	19.8%	25.1%	27.9%
Associates Degree	10.2%	9.2%	9.6%	9.6%
Bachelor's Degree	25.7%	28.2%	23.9%	21.7%
Graduate Degree	14.3%	19.1%	15.1%	13.0%
Some College, No Degree	20.2%	18.4%	19.6%	20.4%
No Schooling Completed	1.2%	0.7%	0.7%	0.6%
Household Income:				
Income $ 0 - $9,999	5.8%	6.0%	5.7%	5.2%
Income $ 10,000 - $14,999	4.0%	3.7%	3.9%	3.9%
Income $ 15,000 - $24,999	9.9%	8.6%	8.7%	8.8%
Income $ 25,000 - $34,999	10.0%	8.9%	9.4%	9.5%
Income $ 35,000 - $49,999	13.9%	12.6%	13.0%	13.0%
Income $ 50,000 - $74,999	19.6%	17.9%	19.3%	19.8%
Income $ 75,000 - $99,999	15.8%	15.0%	15.2%	15.3%
Income $100,000 - $124,999	9.5%	10.7%	10.4%	10.2%
Income $125,000 - $149,999	5.2%	5.9%	5.4%	5.2%
Income $150,000 +	6.3%	10.7%	9.2%	9.1%
Average Household Income	$72,841	$84,311	$80,166	$80,255
Median Household Income	$57,621	$64,067	$61,892	$61,847
Per Capita Income	$31,751	$35,691	$33,319	$32,662
Poverty: Status of Families by Family Type/Presence of Children 18 Yrs and Under				
Total Families (Family Households)	27,697	123,656	192,979	301,979
Husband-Wife Family, Own Children, Below Poverty	359	1,273	2,233	3,969
Husband-Wife Family, No Own Children, Below Poverty	157	775	1,447	2,409
Male Householder, Own Children, Below Poverty	409	1,316	1,712	2,260
Male Householder, No Own Children, Below Poverty	48	198	354	605

Female Householder, Own Children, Below Poverty	1,190	3,929	6,242	9,607
Female Householder, No Own Children, Below Poverty	142	496	753	1,106
Husband-Wife Family, Own Children, At/Above Poverty	7,913	39,119	59,262	90,774
Husband-Wife Family, No Own Children, At/Above Poverty	11,716	55,524	87,878	141,145
Male Householder, Own Children, At/Above Poverty	833	3,483	6,106	9,518
Male Householder, No Own Children, At/Above Poverty	1,006	3,224	5,099	7,824
Female Householder, Own Children, At/Above Poverty	2,048	7,990	12,280	18,034
Female Householder, No Own Children, At/Above Poverty	1,877	6,330	9,612	14,729

Poverty: Popn, Ratio of Income to Poverty Level

Total Population for whom poverty status is determined	116,057	517,810	779,086	1,191,606
Less Than .50	5,108	35,162	47,216	64,153
.50 - .99	9,278	35,480	52,646	78,240
1.00 - 1.24	4,827	16,687	26,014	39,847
1.25 - 1.49	4,086	17,683	28,091	44,510
1.50 - 1.84	6,971	26,994	41,013	63,507
1.85 - 1.99	2,621	10,456	17,619	27,680
2.00+	83,166	375,348	566,487	873,669

Poverty: Popn by Race

By Race

White, Below Poverty Level	8,280	48,216	71,857	103,608
White, Above Poverty Level	81,897	379,870	600,431	939,035
Black, Below Poverty Level	3,737	8,968	10,463	15,206
Black, Above Poverty Level	6,090	18,665	20,793	29,582
AI/Alaskan Native, Below Poverty Level	144	389	619	1,049
AI/Alaskan Native, Above Poverty Level	490	1,614	2,320	3,968
Asian, Below Poverty Level	831	7,206	7,815	8,407
Asian, Above Poverty Level	4,817	23,530	25,652	31,863
NH/PI, Below Poverty Level	6	55	71	117
NH/PI, Above Poverty Level	40	140	218	356
Some Other Race, Below Poverty Level	776	2,357	4,290	7,339
Some Other Race, Above Poverty Level	4,773	11,789	15,272	23,925
2+ Races, Below Poverty Level	612	3,449	4,747	6,667
2+ Races, Above Poverty Level	3,565	11,559	14,539	20,482

Poverty: Popn by Ethnicity				
Hispanic/Latino				
Hispanic/Latino, Below Poverty Level	1,860	5,708	10,292	17,032
Hispanic/Latino, Above Poverty Level	10,093	28,326	37,474	58,794
Non-Hispanic/Latino, Below Poverty Level	12,526	64,934	89,569	125,362
Non-Hispanic/Latino, Above Poverty Level	91,578	418,842	641,750	990,419
Non-Hispanic/Latino *by Race*				
White, Below Poverty Level	7,380	45,477	66,918	95,642
White, Above Poverty Level	77,613	366,315	581,958	909,813
Other than White, Below Poverty Level	7,006	25,165	32,944	46,751
Other than White, Above Poverty Level	24,058	80,854	97,267	139,399
Vehicles Available				
0 Vehicles Available	9.4%	8.8%	7.5%	6.4%
1 Vehicle Available	37.2%	35.5%	33.6%	31.9%
2+ Vehicles Available	53.5%	55.8%	59.0%	61.6%
Average Vehicles Per Household	1.79	1.83	1.90	1.95
Total Vehicles Available	89,987	396,801	609,169	935,534

Source: Alteryx, Inc

Demographic Snapshot Comparison Report

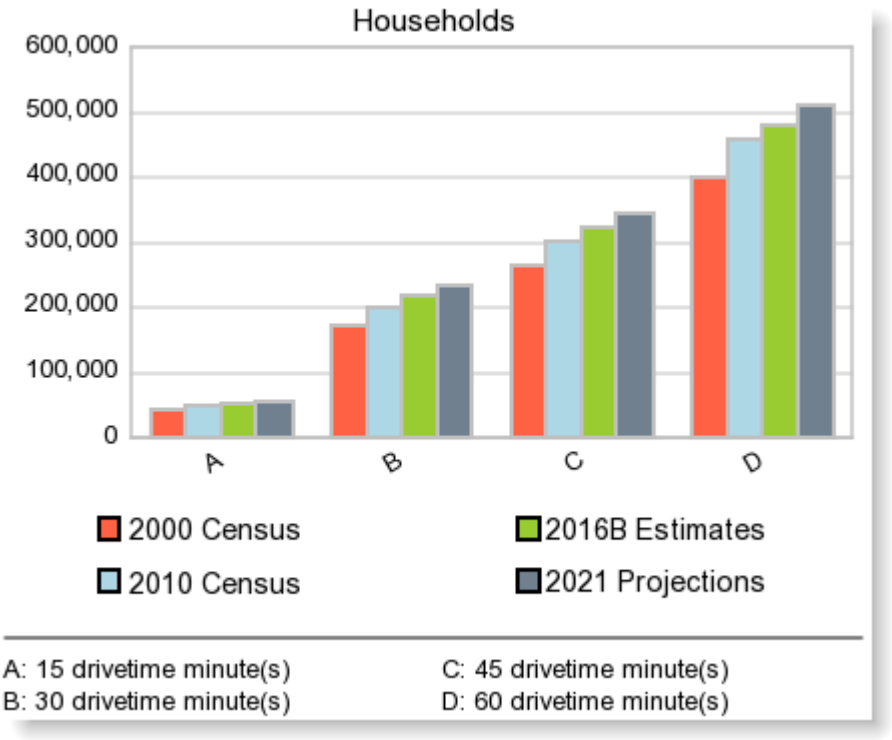
	15 drivetime minute(s)	30 drivetime minute(s)	45 drivetime minute(s)	60 drivetime minute(s)
Population: 2016B				
Total Population	116,057	517,810	779,086	1,191,606
Female Population	49.99%	50.48%	50.33%	50.21%
Male Population	50.01%	49.52%	49.67%	49.79%
Population Density	1,130	526	281	214
Population Median Age	35.6	34.6	36.3	37.8
Employed Civilian Population 16+	67,407	296,271	431,050	642,909
% White Collar	68.2%	71.3%	66.5%	64.0%
% Blue Collar	31.8%	28.7%	33.5%	36.0%
Total Q3 2016 Employees	93,419	376,100	489,919	683,646
Total Q3 2016 Establishments*	4,996	19,379	27,930	41,348
Population Growth 2000-2010	12.88%	14.28%	12.06%	11.48%
Population Growth 2016B-2021	4.84%	6.12%	5.55%	5.35%
Income: 2016B				
Average Household Income	$72,841	$84,311	$80,166	$80,255
Median Household Income	$57,621	$64,067	$61,892	$61,847
Per Capita Income	$31,751	$35,691	$33,319	$32,662
Avg Income Growth 2000-2010	27.35%	28.09%	25.86%	24.28%
Avg Income Growth 2016B-2021	16.74%	16.85%	16.63%	16.60%
Households: 2016B				
Households	50,327	217,253	321,002	479,916
Average Household Size	2.27	2.32	2.37	2.41
Hhld Growth 2000-2010	14.18%	17.29%	15.13%	14.88%
Hhld Growth 2016B-2021	6.22%	7.30%	6.71%	6.61%
Housing Units: 2016B				
Occupied Units	50,327	217,253	321,002	479,916
% Occupied Units	97.13%	96.93%	95.57%	93.85%
% Vacant Housing Units	2.87%	3.07%	4.43%	6.15%
Owner Occ Housing Growth 2000-2010	18.69%	20.91%	16.89%	15.86%
Owner Occ Housing Growth 2000-2021	34.81%	38.38%	29.77%	26.65%
Owner Occ Housing Growth 2016B-2021	6.87%	7.62%	6.88%	6.74%
Occ Housing Growth 2000-2010	14.18%	17.29%	15.13%	14.88%
Occ Housing Growth 2010-2021	14.55%	16.30%	13.13%	11.23%
Occ Housing Growth 2016B-2021	6.22%	7.30%	6.71%	6.61%
Race and Ethnicity: 2016B				
% American Indian or Alaska Native Population	0.55%	0.39%	0.38%	0.42%

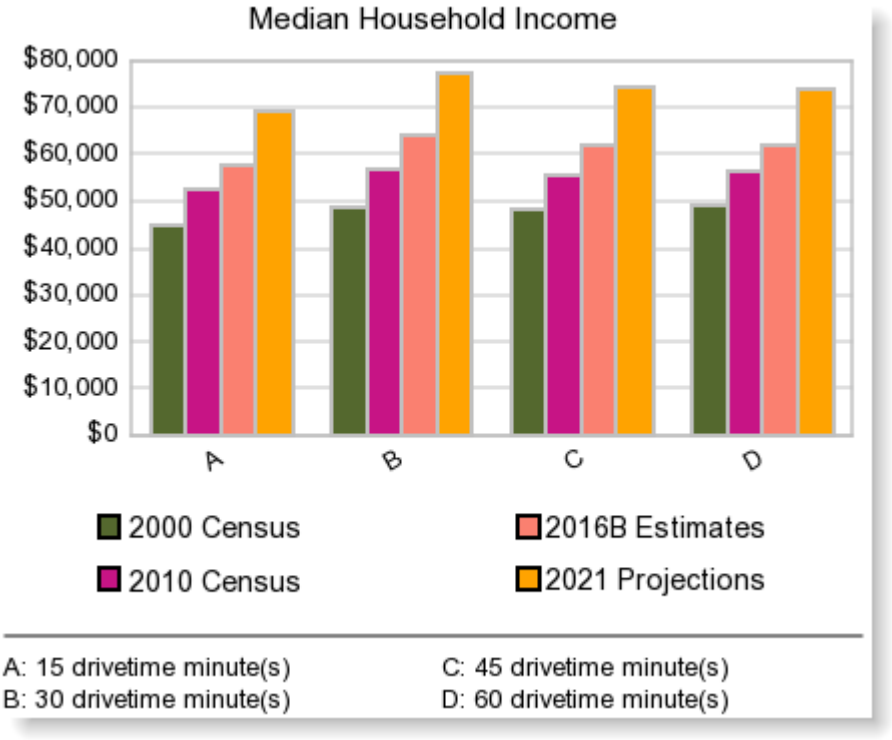
% Asian Population	4.87%	5.94%	4.30%	3.38%
% Black Population	8.47%	5.34%	4.01%	3.76%
% Hawaiian or Pacific Islander Population	0.04%	0.04%	0.04%	0.04%
% Multirace Population	3.60%	2.90%	2.48%	2.28%
% Other Race Population	4.78%	2.73%	2.51%	2.62%
% White Population	77.70%	82.67%	86.29%	87.50%
% Hispanic Population	10.30%	6.57%	6.13%	6.36%
% Non Hispanic Population	89.70%	93.43%	93.87%	93.64%
Seasonal Population Trending				
Q2 2014	565	4,939	12,025	31,270
Q3 2014	517	4,375	10,647	28,472
Q4 2014	508	4,166	9,968	25,329
Q1 2015	444	3,643	9,113	24,210
Q2 2015	480	4,048	10,514	29,214
Q3 2015	505	4,537	11,244	29,542
Q4 2015	512	4,341	10,414	26,598
Q1 2016	444	3,998	9,961	25,995
Q2 2016	444	3,998	9,961	25,995

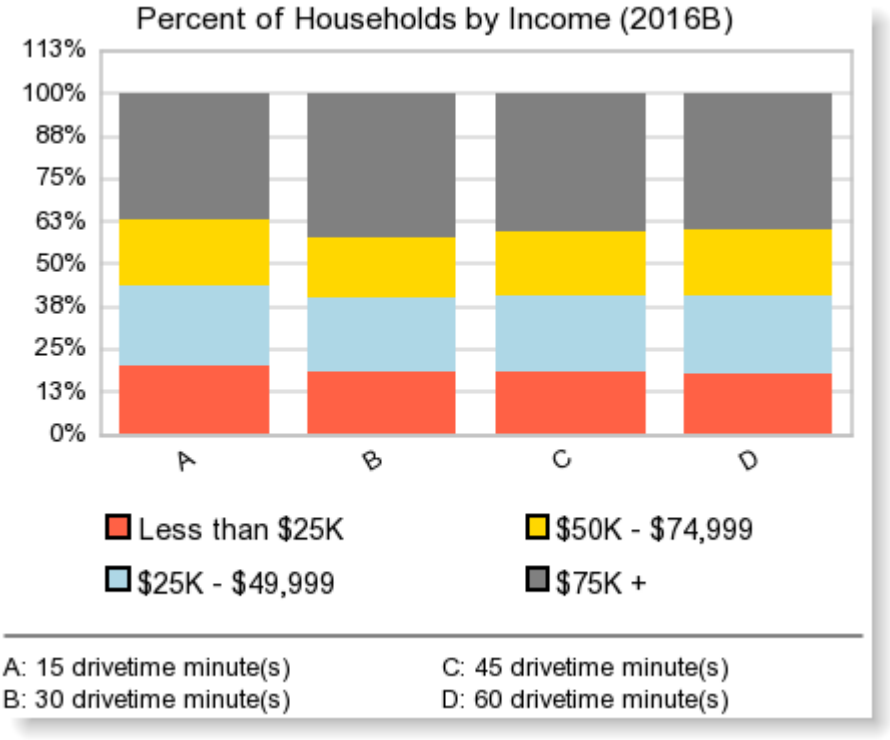
**Establishment counts include D&B business location records that have a valid telephone, known SIC code and D&B rating as well as exclude cottage industries (businesses that operate from a residence).*

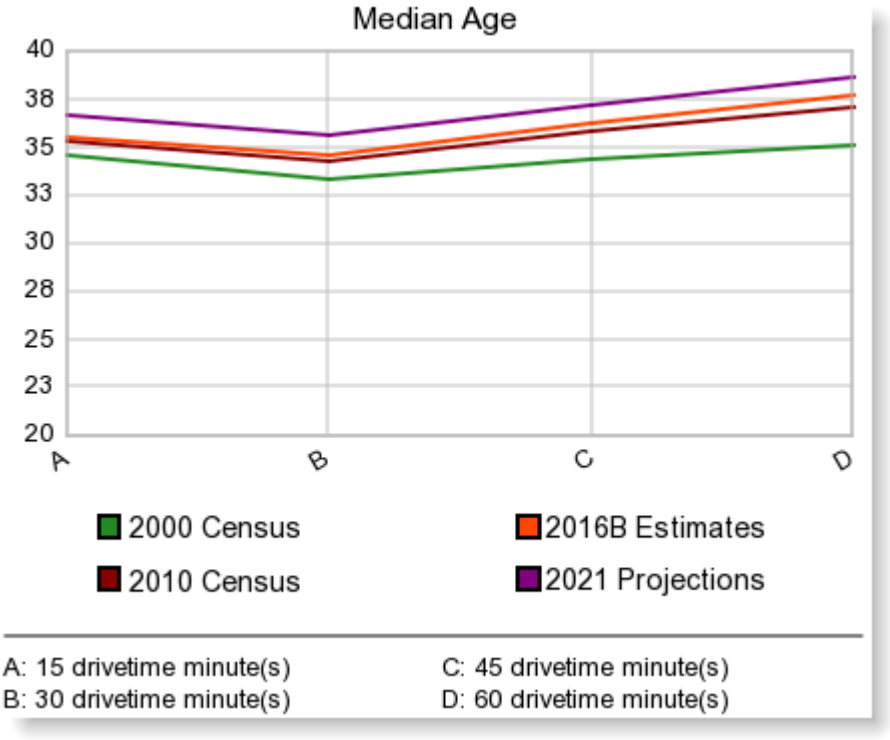
Source: Alteryx, Inc

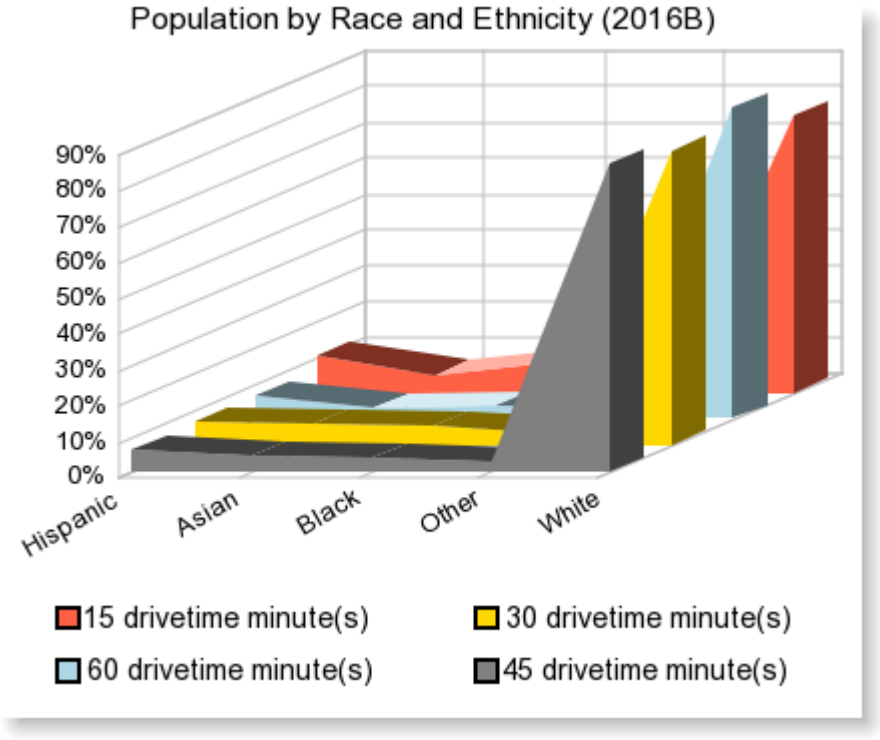
Basic Demographic Comparison Charts

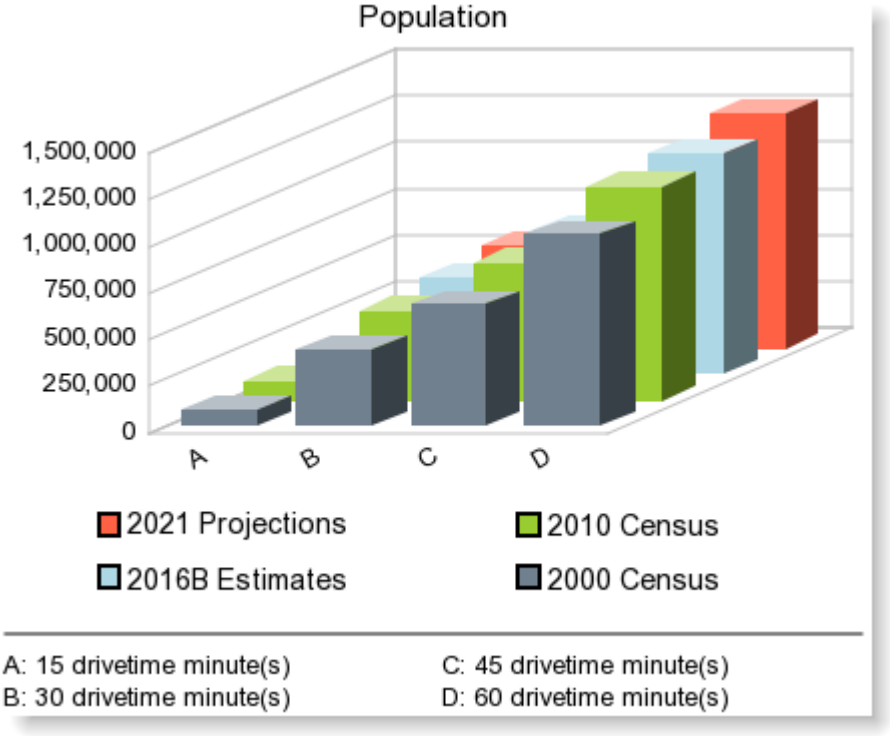





Percent of Households by Income (2016B)
113%
100%
88%
75%
63%
50%
38%
25%
13%
0%
A
B
C
D
Less than $25K
$50K - $74,999
$25K - $49,999
$75K +
A: 15 drivetime minute(s)
B: 30 drivetime minute(s)
C: 45 drivetime minute(s)
D: 60 drivetime minute(s)


Median Age
40
38
35
33
30
28
25
23
20
A
B
C
D
2000 Census
2016B Estimates
2010 Census
2021 Projections
A: 15 drivetime minute(s)
B: 30 drivetime minute(s)
C: 45 drivetime minute(s)
D: 60 drivetime minute(s)





Source: Alteryx, Inc.

Local Facilities

Indoor Turf Facilities	Location	Drivetime (minutes)
Breakaway Sports Center	5964 Executive Dr, Fitchburg, WI 53719	15
GRB Academy	6385 North Towne Road, Madison, WI 53598	15
Pairie Athletic Club	1010 N Bird St, Sun Prairie, WI 53590	17
Keva Sports Center	8312 Forsythia St, Middleton, WI 53562	21

Court Facilities	Location	Drivetime (minutes)
Princeton Club- East	1726 Eagan Rd, Madison, WI 53704	11
East YMCA	711 Cottage Grove Rd, Madison, WI 53716	11
Pooley's Madison	5441 High Crossing Blvd, Madison, WI 53718	11
Goodman Community Center	149 Waubesa St, Madison, WI 53704	12
Warner Park Community Recreation Center	1625 Northport Dr, Madison, WI 53704	14
Northeast YMCA	1470 Don Simon Dr, Sun Prairie, WI 53590	14
West YMCA	5515 Medical Cir, Madison, WI 53719	15
Madison College Courts	Downtown, 211 N Carroll St, Madison, WI 53703	15
Boys and Girls Club of Dane County	2001 Taft St, Madison, WI 53713	15
Camp Randall Sports Center	1430 Monroe St, Madison, WI 53711	17
Prairie Athletic Club	1010 N Bird St, Sun Prairie, WI 53590	17
Sport Enhancement Academy (SEA)	2300 US-51, Stoughton, WI 53589	17
Princeton Club- West	8080 Watts Rd, Madison, WI 53719	18
West High School	30 Ash St, Madison, WI 53726	18
UW Nat	2000 Observatory Dr, Madison, WI 53706	21
Keva Sports Center	8312 Forsythia St, Middleton, WI 53562	21
Sport Enhancement Academy Verona	411 Prairie Heights Dr, Verona, WI 53593	21

Fitness & YMCA Facilities	Location	Drivetime (minutes)
Lussier Family East YMCA	711 Cottage Grove Rd, Madison, WI 53716	10
Princeton Club- East	1726 Eagan Rd, Madison, WI 53704	11
Madtown Fitness	802 Stewart St, Madison, WI 53713	12
Snap Fitness	2045 Atwood Ave, Madison, WI 53704	13
UW Health Alliance	4602 Eastpark Blvd, Madison, WI 53718	13
Northeast YMCA	1470 Don Simon Dr, Sun Prairie, WI 53590	14
Warner Park Community Recreation Center	1625 Northport Dr, Madison, WI 53704	14
Anytime Fitness	301 E Campus Mall Suite 203, Madison, WI 53715	14
Lussier Family West YMCA	5515 Medical Cir, Madison, WI 53719	15
Anytime Fitness	515 S Midvale Blvd #5, Madison, WI 53711	15
Orange Shoe Personal Fitness	1 E Main St, Madison, WI 53703	15
Capital Fitness	15 N Butler St, Madison, WI 53703	15
Prairie Athletic Club	1010 N Bird St, Sun Prairie, WI 53590	17
Orange Shoe Personal Fitness- Fitchburg	6200 Nesbitt Rd, Fitchburg, WI 53719	17
Princeton Club- West	8080 Watts Rd, Madison, WI 53719	18

Sports Performance Facilities	Location	Drivetime (minutes)
Nuero Explosion	5014 Voges Rd, Madison, WI 53718	6
Madtown Fitness	802 Stewart St, Madison, WI 53713	11
UW Health Sports Performance	4602 Eastpark Blvd, Madison, WI 53718	13
Edge Fitness and Sports Performance	6592 Lake Rd, Windsor, WI 53598	15
Functional Integrated Training	5380 King James Way, Fitchburg, WI 53719	18
L.I.F.Training	3225 Parmenter St, Middleton, WI 53562	21
Sports AdvantEdge	403 Venture Ct #2, Verona, WI 53593	22
the Combine	8459 Murphy Dr, Middleton, WI 53562	22

Baseball/Softball Training Facilities	Location	Drivetime (minutes)
UW Health American Center	4602 Eastpark Blvd, Madison, WI 53718	13
GRB Academy	6385 North Towne Road, Madison, WI 53598	15
Hitters Tennis Club	3160 Deming Way, Middleton, WI 53562	21
Mad Town Sluggers	3040 Laura Ln #110, Middleton, WI 53562	21
Champions International Baseball Academy	8459 Murphy Dr, Middleton, WI 53562	22

Entertainment Facilities	Location	Drivetime (minutes)
Rockin' Jump	2700 Novation Pkwy, Madison, WI 53713	10
Boulder's Climbing Gym	3964 Commercial Ave, Madison, WI 53714	10
Madtown Twisters	808 Walsh Rd, Madison, WI 53714	12
Vitense Golfland	5501 Schroeder Rd, Madison, WI 53711	13
Pump it up Madison	2911 Marketplace Dr, Fitchburg, WI 53719	15
Legacy Academy	2881 Commerce Park Dr G, Fitchburg, WI 53719	16
Chuck E. Cheese's	438 Grand Canyon Dr, Madison, WI 53719	17
Ultrazone Laser Tag	680 Grand Canyon Dr, Madison, WI 53719	17
Gymfinity	6300 Nesbitt Rd, Fitchburg, WI 53719	18

Regional Tournament Facilities

Facility	Location	Drive Time
Reddan Soccer Park	Verona, WI	25 min
Woodside Sports Facility	Wisconsin Dells, WI	1 hour
Wales Community Park	Wales, WI	1 hour 1 min
SportScore Two	Loves Park, IL	1 hour 7 min
SportScore One	Rockford, IL	1 hour 14 min
Lippold Park	Cyrstal Lake, IL	1 hour 50 min
Portage County Youth Soccer Complex	Stevens Point, WI	1 hour 51 min
Elgin Sports Complex	Elgin, IL	1 hour 53 min
Scheels USA Youth Sports Complex	Appleton, WI	1 hour 59 min
James O. Breen Park	St. Charles, IL	2 hours 1 min
Olympic Park	Schaumburg, IL	2 hours 2 min
Libertyville Township Soccer Complex	Libertyville, IL	2 hours 11 min
Akzo Nobel Sports Complex	Howard, WI	2 hours 27 min
Wasau Soccer Complex	Wausau, WI	2 hours 28 min
Tuma Soccer Complex	Marion, IA	2 hours 40 min
Eau Claire Soccer Park	Eau Claire, WI	2 hours 48 min
Green Valley Sports Complex	Moline, IL	2 hours 50 min
Mossville Soccer Complex	Mossville, IL	3 hours 2 min
Hudson Soccer Complex	Hudson, WI	3 hours 37 min
SASA Soccer Complex	Springfield, IL	4 hours
Blaine Soccer Complex	Blaine, MN	4 hours
Prairie Ridge Sports Complex	Ankeny, IA	4 hours 36 min

Regional Events

Tournament Name	Location	Dates	Price	Teams	Level
Soccer					
Wisconsin					
Boucher Auto Group Spring Soccer Kick-Off	Waukesha, WI	3/18-3/20	$575-$595	34	U13-U18
Madison 56ers Spring Cup	Madison, WI	4/1-4/3	$425-$475	82	U11-U18
Croatian Eagles S.C. Annual Spring Tournament	Franklin, WI	5/6-5/8	$175-$500	100	U6-U14
Mountain Bay Cup	Wausau, WI	5/6-5/8	$275-$400	100	U9-U18
Rick Klips Classic	Franksville, WI	4/16-4/17	$345-$370	80	U11-U18
Fox Cities Classic	Appleton, WI	4/29-5/1	$375	60	U11-U18
Summer Shootout Kickin' for a Cure	Appleton, WI	6/23-6/25	$325-$475		U9-U19
Oktoberfest	Appleton, WI	9/30-10/2	$475		U11-U19
Norski Spring Fling	DeForest WI	4/29-5/1	$125-$395	95	U9-U14
Rush Wisconsin Spring Classic	Wisconsin Dells, WI	4/29-5/1		147	U9-U18
Lakers Classic Soccer Tournament	Geneva, WI	5/21-5/22	$275-$450	127	
SC Waukesha's May Madness Tournament	Waukesha, WI	5/6-5/8	$240-$595	76	U9-U16
Scheels Flatgrass Regional Showdown	Neenah, WI	5/7-5/8	$450-$500	131	U11-U18
Annual Tomah Youth Soccer Tournament	Tomah, WI	5/20-5/22	$200-	60	U6-U14

			$375		
Rock Soccer Clash	Janesville WI	5/7-5/8	$250-$325	40	U8-U14
6th Annual MC United Mountain Bay Cup	Waukesha, WI	5/7-5/8	$285-$410	104	U9-U18
Elm Grove Spring Cup	Elm Grove WI	5/13-5/15	$400-$525	90	U9-U15
Kickin' It Lakeside	Sheboygan, WI	5/13-5/15	$275-$450	89	U9-U14
Bavarian Boys Youth Festival	Glendale, WI	5/20-5/22	$360-$460	40	U8-U12
Kohl's Spring Rec Tournament	Millwaukee, WI	5/13-5/15	$225-$325	140	U7-U14
River Cup	Hudson, WI	5/13-5/15	$350-$400	200	U9-U17
MAYSA Cup	Verona, WI	5/13-5/15	$275-$310		U9-U14
5th Annual PUMA Midwest Spring Soccerfest	Racine, WI	5/13-5/15	$400-$525	74	U8-U16
Sure-Dry Basements Menasha Classic	Menasha, WI	5/20-5/22	$175-$400	76	U8-U16
Oshkosh On the Water	Oshkosh, WI	6/11-6/12	$200-$425	148	U8-U14
Rapids Kickers Tournament	Wisconsin Rapids, WI	6/11-6/12	$275-$400	66	U11-U15
Froedtert & Medical College of Wisconsin Invitational	Millwaukee, WI	5/6-5/8	$450-$475	120	U11-U18
PCYS Classic	Stevens Point, WI	6/17-6/19	$375-$450	113	U10-U18
Shoreline Shootout	Sheboygan, WI	7/1-7/3	$275-$450		U9-U18
Central FC Soccer Festival	Stevens Point, WI	7/15-7/17	$335-$375	34	U10-U13
Central FC College Showcase	Stevens Point, WI	7/15-7/17	$600	22	U15-

					U18
Wisconsin Summer College Showcase Powered by Nike	Appleton, WI	7/15-7/17	$775		U12-U19
SC Waukesha's Children's Hospital Augustfest	Millwaukee, WI	8/19-8/21	$240-$595	121	U8-U19
Waunakee Cup	Waunakee, WI	8/26-8/28	$325-$450		U9-U15
Great Lakes Fall Cup	Oconomowoc & Wales, WI	8/26-8/28	$150-$500	134	U9-U19
Battle on the Border	Kenosha, WI	8/27-8/28	$200-$575	176	U8-U19
Madison 56ers Fall Invitational	Verona, WI	9/9-9/11	$472-$525	152	U11-U18
Water Cities Fall Harvest Festival	Oshkosh, WI	9/10-9/11	$300-$425	18	U12-U19
Milwaukee Sport Club Soccerfest	Menomonee Falls, WI	9/10-9/11	$425-$475	50	U11-U19
Fusion Fall Cup	Mequon, WI	9/16-9/18	$350-$550	57	U11-U19
Oregon Soccer Fall Fury	Oregon, WI	9/16-9/18	$275-$490	110	U11-U19
Reddan Toe Bash	Verona, WI	9/23-9/25	$410-$485		U11-U18
North Shore United Fall Classic	Cedarburg, WI	9/23-9/25	$395-$610	154	U8-U18
MC United Fourth Annual Cup	Wausau, WI	9/24-9/25	$285-$410	29	U11-U14
Racine Lighthouse Classic	Franskville, WI	10/8-10/9	$285-$465	179	U9-U19
Rush Wisconsin Octoberfest	Verona, WI	10/14-10/16	$360-$550	144	U10-U18
Windy Linde Fall Bash	DeForest WI	15-Oct	$150-$275		U9-U14
Reddan Ice Age Classic	Verona, WI	10/21-	$410-	174	U11-

		10/23	$485		U18
Kohl's US Youth Soccer American Cup	Oconomowoc & Wales, WI	6/3-6/5	$150-$300	150	U8-U14
Eau Claire United Father's Day Tournament	Eau Claire, WI	6/17-6/19	$225-$450	100	U9-U19
Green Bay Invitational Tournament	Green Bay, WI	6/17-6/19	$250-$450	90	U8-U19
New Holstein Soccer Tournament	New Holstein, WI	18-Jun	$245-$295	100	U8-U19
Brookfield Select Cup	Brookfield, WI	8/12-8/14	$425-$500	80	U9-U19
SC Waukesha's Augustfest	Millwaukee, WI	8/19-8/21	$495-$595	150	U11-U18
WASC Cup	Waunakee, WI	28-Aug	$325-$475	100	U9-U19
Hartford United Kick Some Grass	Hartford, WI	8/26-8/28	$225-$400	85	U11-U19
FC Green Bay Fall Kickoff	Green Bay, WI	8/27-8/28	$275-$475	75	U8-U18
Tosa Fest	Wauwatosa, WI	9/9-9/11	$190-$290	65	U7-U14
New Berlin Fall Classic	New Berlin, WI	9/9-9/11	$300-$400	100	U6-U14
Fall Fury	Oregon, WI	9/16-9/18	$335-$400	130	U9-U19
McFarland Spartan Invitational	McFarland, WI	9/23-9/25	$275-$325	100	U9-U14
Pepsi Cup	Millwaukee, WI	9/30-10/2	$450-$475	120	U11-U18
The Racine Lighthouse Classic	Franksville, WI	10/8-10/9	$385-$465	190	U7-U18
Best of the Midwest	Wisconsin Dells, WI	10/8-10/10	$750-$975	70	U9-U16

Illinois					
Nike Academy College Showcase	Chicago, IL	3/18-3/20	$750-$800	159	U13-U18
SASA Lincoln Land Invitational	Springfield, IL	3/18-3/20	$475-$650	82	U8-U18
Puma Champions Cup College Showcase	Loves Park, IL	4/1-4/3	$695	204	U12-U18
Puma Champions Cup Tournament	Loves Park, IL	4/9-4/10	$450-$650	588	U8-U18
North Shore Preseason Classic	Wheelin, IL	4/9-4/10	$400-$475	92	U8-U14
FC Peoria Mid-America Spring Invite	Mossville, IL	4/22-4/24	$500-$575	162	U8-U17
Eclipse Select Spring Classic	Oak Brook, IL	4/29-5/1	$550-$700	274	U8-U19
Sockers Nike Classic Cup Spring	Chicago, IL	4/29-5/1	$750	219	U9-U19
Armed Forces Cup	Moline, IL	5/13-5/15	$400-$600	100	U8-U18
Midstate Cup	Decatur, IL	5/13-5/15	$575-$650	124	U8-U18
River City Soccer Invitational	Peoria, IL	5/13-5/15	$520-$590	73	U7-U19
Wheaton Wings Spring Classic	Wheaton, IL	5/20-5/22	$450-$575	199	U8-U14
Illinois Fusion Spring Shootout	Bloomington, IL	5/21-5/22	$550-$600	156	U8-U19
Libertyville Cup Youth Soccer Festival	Libertyville, IL	5/27-5/31	$550-$675	337	U8-U19
Oswego Soccer Classic	Oswego, IL	5/27-5/30	$600-$625	179	U8-U17
Midwest Cup Presented by Campton United	St. Charles, IL	5/27-5/30	$450-$650	268	U8-U19

Grove United Memorial Day Shootout- Sponsored by Dick's Sporting Goods	Schaumburg, IL	5/27-5/30	$650-$750	593	U8-U19
Sockers Nike Memorial Day Cup	Chicago, IL	5/28-5/29	$400-$600	40	U8-U18
Watermelon Soccer Tournament	Rockford, IL	6/4-6/5	$550-$700	46	U10-U18
The Deutsche Cup	West Dundee, IL	6/10-6/12	$425-$525	69	U8-U16
Puma Illinois College Showcase	Aurora, IL	6/10-6/12	$650-$750	83	U14-U19
Chicago KICS International Youth Cup	Chicago, IL	7/7-7/10	$650-$950	129	U8-U16
The Elmhurst Cup	Elmhurst, IL	8/12-8/14	$525-$575	84	U8-U19
Crystal Lake Force Classic	Crystal Lake, IL	8/19-8/21	$550-$700	160	U8-U19
Puma Summer Heat Challenge	Huntley, IL	8/19-8/21	$300-$600	104	U9-U19
Eclipse Select Challenge Cup	Oak Brook, IL	8/19-8/21	$800-$975	94	U12-U19
TCSA Classic Cup	St. Charles, IL	8/26-8/28	$595-$645	101	U8-U18
Valspar Invitational	Libertyville, IL	8/26-8/28	$475-$675		
Schaumburg SoccerFest	Schaumburg, IL	8/26-8/28	$550-$675	368	U8-U19
Oak Brook SC Midwest Invitational	Oak Brook, IL	8/26-8/28	$550-$675	139	U9-U19
Palatine Celtic Cup Women's College Showcase	Palatine, IL	9/2-9/5	$795	72	U16-U19
Puma Labor Day Cup & College Showcase	Loves Park, IL	9/2-9/4	$500-$650	127	U9-U19
Bolingbrook Labor Day Soccer Festival	Bolingbrook, IL	9/2-9/4	$395-$585	138	U8-U18

Palatine Celtic Cup	Palatine, IL	9/2-9/5	$675-$795	293	U9-U15
Scwaben Cup	Buffalo Grove, IL	9/2-9/4	$570-$670	60	U8-U14
Sockers Nike Labor Day Cup	Chicago, IL	9/2-9/4	$450-$575	117	U9-U19
Chicago Shootout	Naperville, IL	9/2-9/5	$450-$625	137	U8-U19
Chicago Cup	Vernon Hills, IL	9/3-9/5	$500-$625	97	U9-U19
Route 66 Shootout	Lincoln, IL	9/16-9/18	$550-$600	83	U9-U19
Great Lakes Soccer Challenge	Naperville, IL	9/17-9/18	$525-$675	227	U8-U19
FC Peoria Mid-America Fall Shootout	Mossville, IL	9/23-9/25	$300-$650	115	U8-U18
Glen Ellyn Lakers FC Fall Classic	Glen Ellyn, IL	9/30-10/2	$475-$600	170	U8-U16
Illinois FC Fall Cup	Champaign, IL	9/30-10/2	$550-$650	231	U9-U19
Sockers Nike Classic Cup Fall	Chicago, IL	10/7-10/9	$750	222	U9-U19
Octoberfest Classic	Libertyville, IL	10/7-10/9	$625-$675	426	U8-U19
Eclipse Select Oktoberfest Shootout	Waukegan, IL	10/8-10/9	$450-$550	96	U9-U19
JSGA Fall Classic	Washington, IL	10/14-10/16	$525-$625	42	U9-U15
Iowa					
CRSA ChillOut Tournament	Cedar Rapids, IA	4/16-4/17	$350-$425	182	U9-U14
Rush Champions Cup	Ankeny, IA	4/23-4/24	$600-$650	76	U11-U15
Rush Labor Day Cup	Ankeny, IA	10/3-10/4	$575-	33	U12-

			$675		U19
FC United Midwest Classic	Cedar Rapids, IA	10/24-10/25	$600	215	U9-U19
Indiana					
Region Cup College Showcase- Boys	Crown Point, IN	3/11-3/13	$800	27	U15-U18
Winter Freeze	Crown Point, IN	12/2-12/4	$450		U9-U19
Minnesota					
Blaine Break-Out	Blaine, MN	4/29-5/1	$275-$425	309	U9-U19
Minnesota US Club Cup	Blaine, MN	5/28-5/30	$400-$650	44	U11-U16
NSC All American Cup	Blaine, MN	6/10-6/12	$295-$499	270	U9-U19
Blaine North American Challenge	Blaine, MN	6/24-6/26	$300-$425	219	U9-U19
Schwan's USA Cup	Blaine, MN	7/15-7/17	$250-$395	361	U11-U19
Lacrosse					
Wisconsin					
Amplify Exposure Series	River Hills, WI	7/22-7/23	$2,195		
Early Bird Shootout	Menomonee Falls, WI	4/22-4/23	$1,195		U9-HS
North Woods Boys Classix	Wisconsin Dells, WI	7/14-7/16	$1,695		U9-U17
Lax Geneva Outshine the Competition	Lake Geneva, WI	6/17-6/18	$1,395		U11-HS
Top Cheddar	Milwaukee, WI	10/21-10/22	$1,395	80+	
Spring Fever Shootout	Neenah, WI	3/5-3/6	$550		
Top Cheese Classic	Wales, WI	5/7-5/8	$700		U9-U15
US Lacrosse Central Championships	Madison, WI	6/19-6/21	$1,550		U11-U15

Madison Capital Classic Lacrosse Festival	Madison, WI	7/15-7/16	$1,395		U11-U15
Midwest Summerfest	Milwaukee, WI	7/18-7/19	$1,200		HS
Rip the Cow	Milwaukee, WI	4/29-4/30	$900		U10-HS
NewLax Classic	Appleton, WI	5/14-5/15			
Brewtown Showndown	Milwaukee, WI	6/28-6/29	$1,100		U9-U19
Bullrush Tournament	Verona, WI	5/7-5/8	$650		HS
Minnesota					
Boundary Waters Lacrosse Classic	Blaine, MN	10/22-10/23	$1,295		U11-U17
Illinois					
Prairie State Games	Vernon Hills, IL	27-May	$595		U9-U15
Four Star Classic	Plainfiled, IL	7/22-7/23	$1,395		U9-HS
Fields of Terror	Montgomery, IL	22-Oct	$750		U11-HS
Summer Shootout	Schaumburg, IL	7/15-7/16	$1,300		HS

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WHERE'S THE MONEY?

Research on innovation in financing of sport and recreation spaces

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This slide deck identifies:

- Types of recreational spaces, sport facilities
- Primary objectives of these spaces
- Who uses the facilities
- Typical financing mechanisms
- Quantity of these spaces in the U.S.

PUBLIC HEALTH
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SFA THE SPORTS FACILITIES ADVISORY
SFM THE SPORTS FACILITIES MANAGEMENT

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ACCESS TO SPORTS AND RECREATION FACILITIES

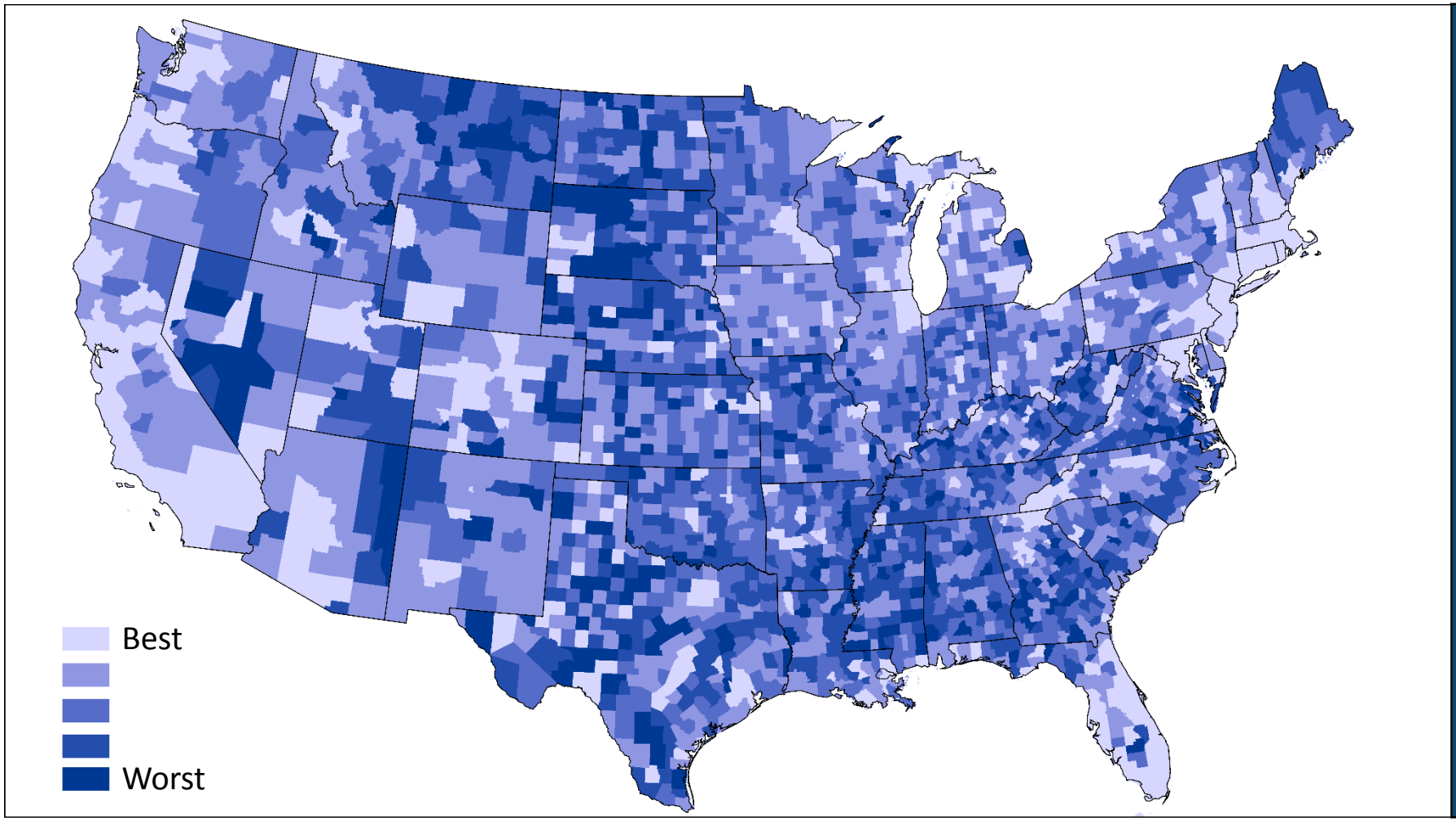

Fig. 1 (left): Access to exercise opportunities -- a measure of the population living reasonably close to locations for physical activity.

Source: Robert Wood Johnson Foundation's 2015 County Health Rankings, available at countyhealthrankings.org.

Several studies have demonstrated a positive association between access to sport/recreation spaces and increased physical activity.[1,2]

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NATURAL SPACES

Facility types	Trails and greenways, backcountry trails, mountain biking trails, rowing lanes, water trails, wildlife management areas, beach volleyball, nature and education centers, state and national parks
Objective	To provide opportunities for nature-based, outdoor recreation and experiential environmental education
Ownership	National Park Service, Bureau of Land Management, U.S. Forest Service, State Parks Departments, Local Government, Private
Users	General public, low-to-medium competition sports
Financing	General obligation bonds, park dedication fees, grants, non-profit partnerships, crowd funding, federal transportation grants, Land and Water Conservation Funds, license plate initiatives, special use permits, specialty taxes, user fees
Quantity	10,234 State Parks (NASPD, 2015), 408 National Parks (NPS, 2015)

U.S. State Parks generate 2.2 billion hours of nature-based recreation per year. The same study demonstrated that improved access to nature spaces, like State Parks, is related to increased popularity in outdoor nature recreation.[6]

However, a decline in nature-based recreation has been observed,[7,8] prompting concern over health and behavioral issues associated with 'nature deficit disorder.'

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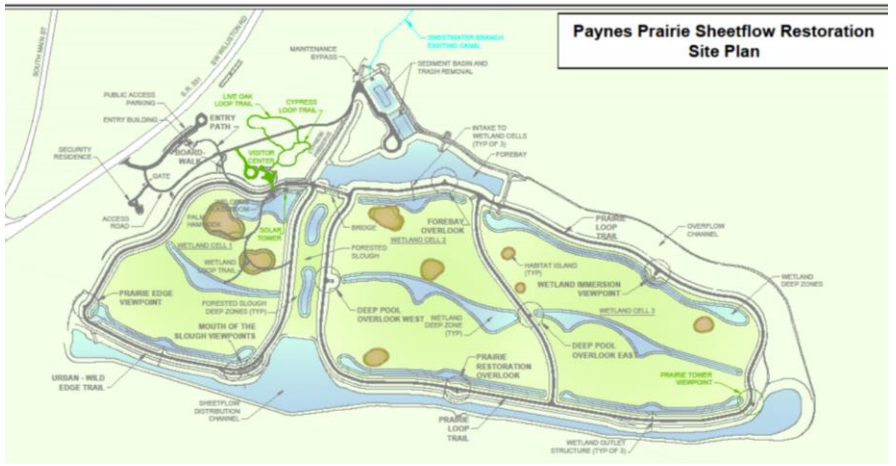
NATURAL SPACES



Example:
Sweetwater Wetlands Park

Gainesville, Florida

Type: Wetland Preserve, Hiking Trails

Facility Notes:

- 125-acre artificial wetland habitat, 3.5 miles of crushed gravel trails, boardwalks, viewing platforms
- Dual-purpose recreation trails, storm-water management
- Opened May 2015

Funding Notes:

- $26M from capital improvement budgets
- Project partnerships: $5.7M in grants and cost-sharing
- Multi-agency partnerships
  - Development: Regional Utilities and Public Works Departments
  - Operation and maintenance: Parks and Recreation
- User fees: $2 per pedestrian/cyclist, $5 per vehicle

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NATURAL SPACES

Example:
Tahoe-Pyramid Bikeway
Nevada

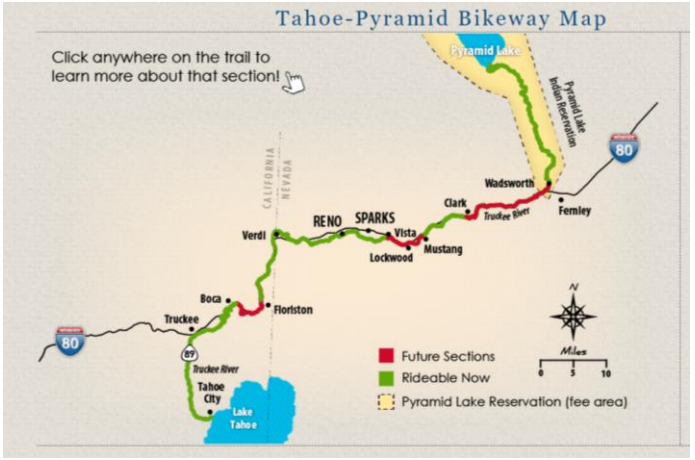
Type: Bikeway

Facility Notes:

- 116-mile long-distance trail along Truckee River from Lake Tahoe to Pyramid Lake
- Awarded “Best Long Distance Trail” from the Coalition of Recreational Trails (2012)
- Awarded Environmental Excellence in Non-Motorized and Multi-Modal Transportation by Federal Highway Administration

Funding Notes:

- Development led by non-profit Tahoe-Pyramid Bikeway
- Funding from federal and state grants, private donations, in-kind service donations
- Federal Highway Administration’s Recreational Trail Programs Funds, awarded $100,000 in 2004, $82,000 in 2006, $59,000 in 2008, $200,000 in 2010



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PUBLIC SPORT AND RECREATION FACILITIES

Facility types	Indoor and outdoor turf, court, aquatics, skate parks, and adventure recreation centers
Objective	To support quality of life, health, and community development; to provide low-cost access to sport and recreation programs
Ownership	Government, managed by parks and recreation departments
Users	General public, youth sports clubs, K-12 schools, low-to-medium competition sports leagues
Financing	General obligation bonds, park dedication fees, real estate transfer tax, user fees, concessionaire licensing, tax increment financing, grants, non-profit partnerships, brownfield redevelopment, crowd funding, philanthropy, corporate sponsorship
Quantity	In 2011, the National Recreation and Park Association estimated there are 12,000+ state and local park and recreation agencies. In 2015, the Trust for Public Land estimated there are 13,533 playgrounds, 2,470 recreation centers, 310 skate parks, 9,941 tennis courts, and 1,283 swimming pools in the 100 most populous cities in the U.S.[5]

A study using data from the Youth Risk Behavior Surveillance System found an association between state spending on parks and vigorous activity in high school-age girls, specifically that "an extra $10 spent per capita on parks and recreation is associated with a third of a day more per week with vigorous exercise."[4]

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STATE AND LOCAL EXPENDITURE ON PARKS AND RECREATION IN 2012

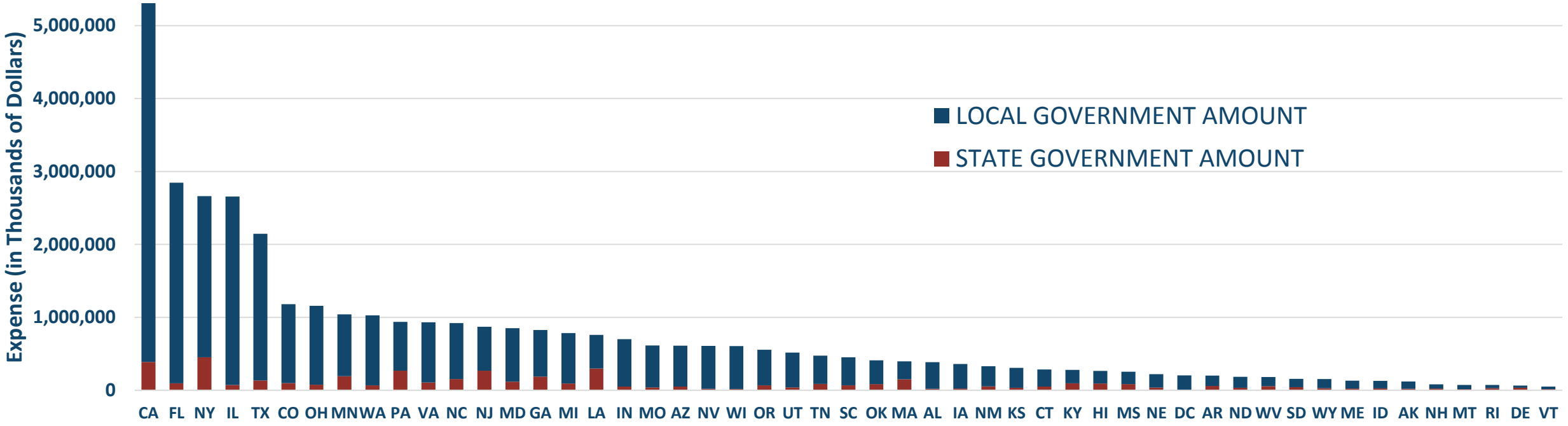

Fig. 2: State and local governments spent $37.4 billion dollars on parks and recreation, $8.3 billion of which was dedicated to capital outlay. This represents a 17.9% decrease in capital outlay expenditures from 2007.[3]

Source: U.S. Census Bureau 2012 Census of Governments: Finance—Surveys of State and Local Government Finances

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PUBLIC SPORT AND RECREATION FACILITIES

Example:
Brooklyn Bridge Park

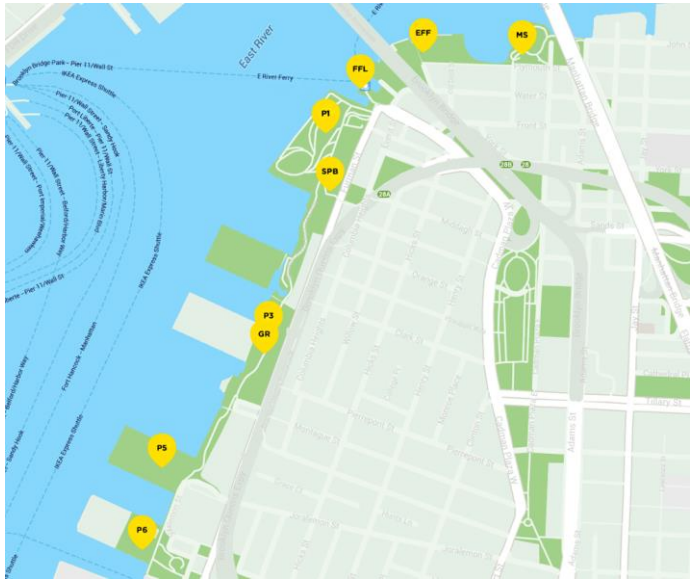
Brooklyn, New York

Type: Public-private partnership

Facility Notes: 85-acre waterfront park, 1.3 miles along Brooklyn's East River shoreline. Nine playgrounds, five basketball courts, soccer fields, sand volleyball, boating, handball, dog runs, bike paths, pop-up pool, environmental education center

Funding Notes:

- $355M for full build-out
- Brooklyn Bridge Park Corporation (non-profit) is responsible for the planning, construction, maintenance and operation of the park
- Mandated to be economically self-sufficient
- Payment in lieu of taxes (PILOT) fees generated from development within project support ongoing maintenance and operation



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PRIVATE SPORT AND RECREATION FACILITIES

Facility types	Indoor and outdoor turf, court, aquatics, waterparks, rock climbing, skate parks, mountain biking
Objective	To address the lack of inventory of recreation spaces through entrepreneurial investments
Ownership	Private developers
Users	Local and regional sports teams, clubs, leagues and organizations; medium-to-high competition organizations and leagues.
Financing	Private investment

Quantity

	1997	2002	2007	2012
Number of Facilities	21,283	25,290	31,919	29,682

Numbers based on facilities categorized under NAICS 71394 (Fitness and Recreational Sports Centers), defined as "Establishments primarily engaged in operating fitness and recreational sports facilities featuring exercise and other active physical fitness condition or recreational sports activities"

Source: US Census Bureau 2012 Economic Census Industry Snapshot, available at www.census.gov/econ/

PRIVATE SPORT AND RECREATION FACILITIES

Example:

Bo Jackson's Elite Sports

Lockport, Illinois

Type: Public-private partnership

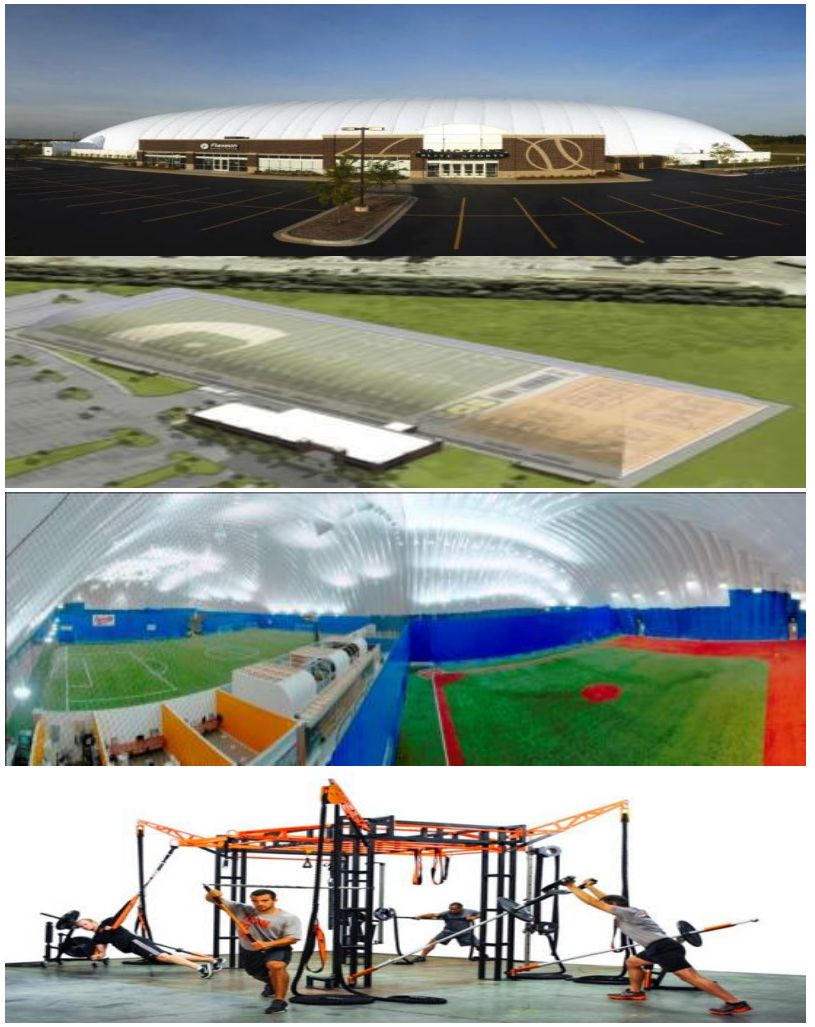
Facility Notes:

- 100,000 square feet multi-sport facility under dome,
- Providing fitness, training, and events.
- An academy-style facility

Funding Notes:

- Public-private partnership
- $7.5M
- Joint venture provides public entity with no-cost access during designated hours of operation
- Private developer invested $6M of $7.5M total start up costs

www.bjeslockport.com



Example provided by SFA|SFM

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PRIVATE SPORT AND RECREATION FACILITIES

Example:
Aviator Sports and Events Center
Brooklyn, New York

Type: For-profit community sport and events facility
Facility Notes: 150,000 square feet, with space for multi-sport, fitness and events
Funding Notes:

- Public-private partnership
- $75M+
- Transitioned to new ownership
- Outsourced feasibility study, economic impact analysis
- Outsourced management advisors

www.aviatorsports.com/

Example provided by SFA|SFM

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PRIVATE SPORT AND RECREATION FACILITIES

Example:

Spooky Nook Sports

Manheim, Pennsylvania

Type: Tournament-style and community sport

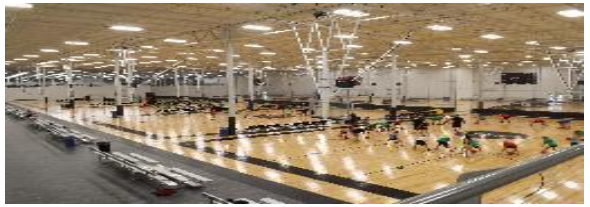
Facility Notes:

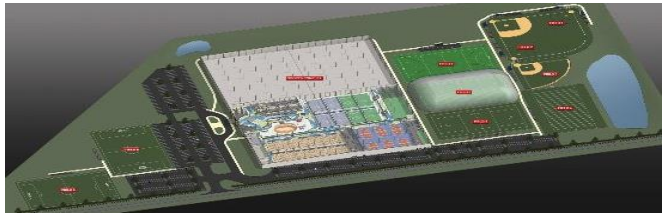
- 700,000 square feet under roof.
- Multi-sport, tournament and events
- Home to USA Field Hockey
- The largest indoor sports complex in the U.S.

Funding Notes:

- $45M+
- Outsourced feasibility study
- Owner-operated
- No public funding

www.spookynooksports.com





Example provided by SFA|SFM

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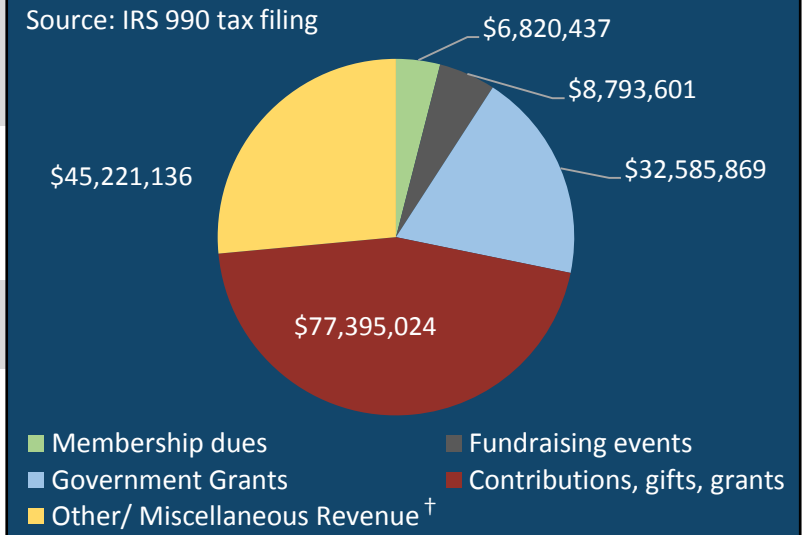
NON-PROFIT RECREATION SPACES

Facility types	YMCAs, Boys & Girls Clubs, faith-based groups, Jewish Community Centers
Objective	To increase community-wide access to sport and recreation facilities and programming
Ownership	501(c)(3) non-profit organizations
Users	General public; non-profit organizations often offer opportunities to families or individuals unable to afford membership fees; low-to-medium competition organizations and leagues
Financing	Contributions, membership dues, fundraising events, government grants, facility leasing, certification revenues, sponsorships/ partnerships
Quantity	4,146 Boys and Girls Club facilities; 2,700 YMCAs; 350 Jewish Community Centers

Fig. 3: Boys and Girls Club of America 2013 annual revenue -- $170M

Source: IRS 990 tax filing



† Includes investment income, rental income, royalties, sales of assets

2013 Club Member Statistics[9]

Approximately 3.8M youth served
55% male, 45% female
47% between ages 6-10, 38% ages 11-15
32% White, 28% African American, 23% Hispanic/Latino
65% qualify for free or reduced lunch

NON-PROFIT RECREATION SPACES

Example:
Upward Star Center
Spartanburg, South Carolina

Type: Faith-based sports and events
Facility Notes: 100,000 square-feet tournament-focused, multi-sport, fitness, training, and events
Funding Notes:

- Non-profit
- Owner-operated
- Outsourced feasibility study
- Outsourced management advisors

http://www.upwardstarcenter.com/

Example provided by SFA|SFM

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SPORT TOURISM FACILITIES

Facility types	Indoor and outdoor turf, court, aquatics, skate parks and adrenaline sports arenas
Objective	Attract visiting teams and events to produce overnight stays in local hotels. These venues are economic impact initiatives designed to take advantage of the growth in travel sports, and are often used by the local community in non-tournament times
Ownership	Private developers
Users	Local, regional, and international sports teams, clubs, leagues and organizations; destination for tournaments and competitions; high competition
Financing	General Obligation bonds

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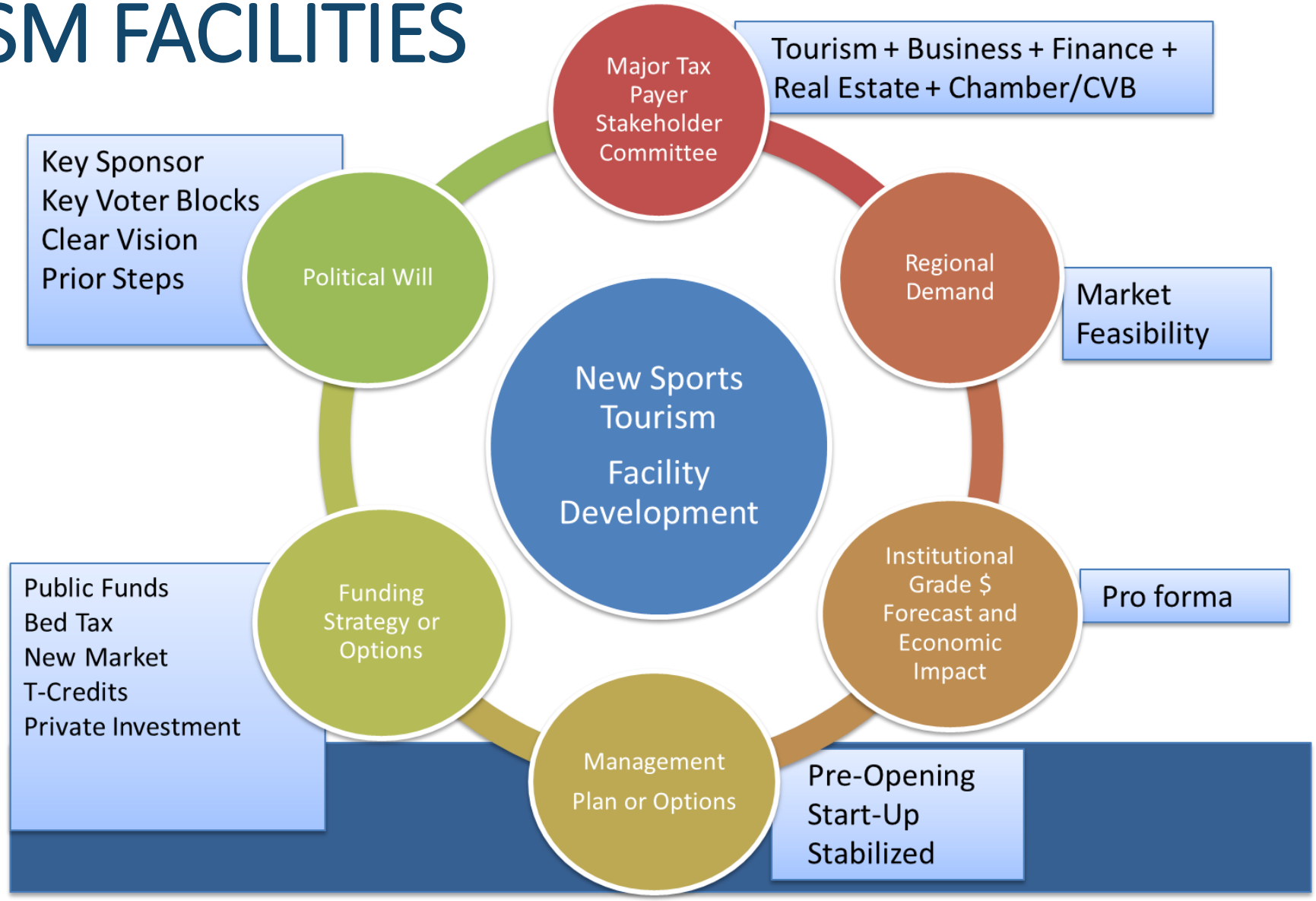
SPORT TOURISM FACILITIES

Figure 4: Sport tourism funding model developed by The Sports Facilities Advisory & The Sports Facilities Management



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SPORT TOURISM FACILITIES

Example:

Rocky Top Sports World

Gatlinburg, Tennessee

Type: Tournament-style sports tourism and community sport

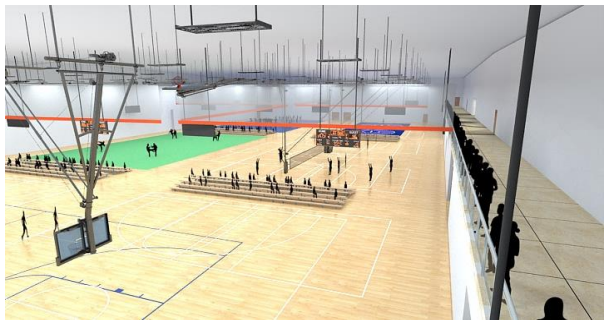
Facility Notes:

- 80 acres
- Sharing property with the high school
- Six outdoor turf fields
- 90,000 square-feet of indoor courts

Funding Notes:

- $25M
- 70/30 joint venture between the city and county.
- General Obligation debt used for bond financing
- Outsourced feasibility study & economic impact analysis
- Outsourced management

rockytopsportsworld.com



Example provided by SFA|SFM

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SPORT TOURISM FACILITIES

Example:

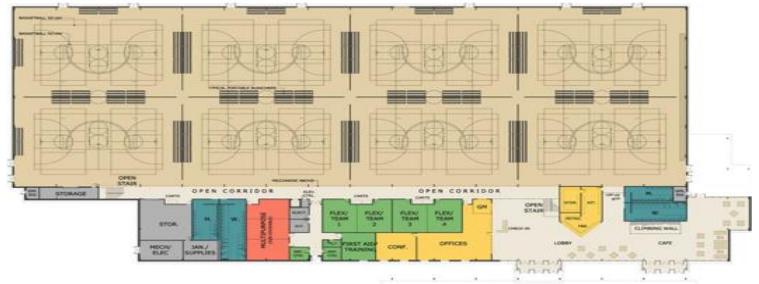
Myrtle Beach Sports Center

Myrtle Beach, South Carolina

Type: Tournament-style sports tourism and community sport
Facility Notes: 90,000 square-feet of 8 indoor courts
Funding Notes:

- $12.5M
- General Obligation bonds
- Outsourced feasibility study & economic impact analysis
- Outsourced management
- CVB budgeted marketing support

http://www.myrtlebeachsportscenter.com/



Example provided by SFA|SFM

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COMMERCIAL FITNESS FACILITIES

Facility types	Workout and multi-sport spaces (LA Fitness, Gold's Gym, etc.)
Objective	Provide facilities and programming to support fitness, athletics, and exercise
Ownership	Private, corporate
Users	Those seeking opportunities for active physical fitness conditioning, aerobics, and exercise programming
Financing	Private/public investment, membership fees

Table 1: Examples and number of commercial fitness facilities

Gym	# of Facilities
Anytime Fitness	2,193
Snap Fitness	1,400
Planet Fitness	800+
LA Fitness	600+
24 Hour Fitness	400+
Gold's Gym	273
LifeTime Fitness	117
Equinox	99
David Barton Gym	12

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FUNDING SOURCES FOR SPORT AND RECREATION FACILITIES

Borrowing	
General Obligation Bond, Capital Investment	
	Loan taken out by a government agency with the taxing authority. Property taxes are levied to pay back bondholders, therefore considered to be back by the "full faith and credit" of the issuing agency.[10]
General Obligation Bond, Voter Referendum	
	Loan taken out by government agency with taxing authority. Requires voter approval.
Revenue Bond	
	Loan taken out by government agency based on anticipated revenue generated from the project for which the bond is issued (e.g. parking garage).
Special Districts	
Tax Increment Financing (TIF)	
	The development of a district specifically for the purpose of renewal and revitalization, requires demonstrated indicators of blight. Upon establishment, the tax base of the district is frozen and any increase to the tax base as a results of redevelopment projects are used to repay the TIF bonds.[11,12]
Taxes on Business Improvement Districts (BIDs)	

Taxes/ Fees Associated with Development

Park Dedication Fees

Parkland dedication is “a local government requirement imposed on subdivision developers or builders, mandating that they dedicate land for a park and/ or pay a fee to be used by the government entity to acquire and develop park facilities”.[13 (p71)] Also known as Developer Impact Fees or Developer Exactions.[14]

Real Estate Transfer Tax (RETT)

A tax on the sale or transfer of property, paid by either the seller or buyer. Also known as real property transfer tax, reality transfer tax, excise stamp tax, deed recording fee, conveyance tax, documentary stamp tax.[15]

Purchase of Development Rights

Private landowners relinquish their right to build on their land, but retain the title to the property. Most commonly applied to agricultural and farm land, but recreation and open space are eligible land uses in some states.[16]

Traditional Tax Generated Revenue

Property Tax

Tax paid by commercial and residential property owners. Can be appropriated through the general fund to support park and recreation operations, maintenance, and construction.

Sales Tax/Use Tax

Tax on the sale of goods or services. Examples of specialty excise tax includes the tax collected on non-highway fuel use to fund the Federal Highway Trust Fund, a portion of which supports the Recreation Trails Program. Hotel occupancy tax is another consideration for sport tourism facility development.

Other Sources of Revenue

Federal Grant Funds

Land and Water Conservation Fund (LWCF)

The LWCF provides matching grants to state and tribal governments to support the development of public parks and outdoor recreational opportunities. Since 1965, LWCF has funded approximately 42,000 projects and has provided nearly $3.9 billion in funds.

Transportation Enhancement Grants (Department of Transportation)

The Recreation Trails Program, for example, was reauthorized by the Moving Ahead for Progress in the 21st Century Act (MAP-21). Excise tax collected on non-highway recreational fuel use is deposited into the Federal Highway Trust Fund. Grants are awarded to recreational trails projects in each state. Since 1993, over $1 billion in funds have been distributed, with an additional $710 million in matching funds, to support 19,400 projects.[17]

Community Development Block Grants (Department of Housing and Urban Development)

Flexible funding to allow communities to invest in development that strategically benefits low- to-moderate income persons.[18]

Brownfield Redevelopment (Environmental Protection Agency)

Brownfield-to-greenspace is redevelopment is the process by which abandoned, underused, or environmentally contaminated urban land is remediated and ultimately redeveloped as a park, trail, or other public open space.[19,20] Federal funds are made available to redevelopment projects through the EPA according to the Small Business Liability Relief and Brownfields Revitalization Act of 2002.[21]

Other Sources of Revenue (Cont.)
Grants from Professional Sports Entities
U.S. Soccer Foundation, Baseball Tomorrow Fund, NFL Foundation, United States Tennis Association
General Grants
Examples include: Lowe's Charitable and Educational Foundation, Miracle's Grants for America's Children, KaBOOM!, Shade Structure Grant Program, Lego Children's Fund, Let's Play Initiative, Tony Hawk Foundation Skatepark Grants
Non-profit partnerships
"Friends of Park," Conservancies, Foundations
Crowd Funding
Collecting monetary contributions from a large number of donors, generally via an online fundraising platform. Examples include the National Recreation and Parks Association's Fund Your Park, Citizinvestor, Indiegogo, Kickerstarter, GoFundMe, Neighborly, and Fundly.
Corporate Sponsorships
Advertising, contributions, partnerships
User Fees, Leasing, Contracts
User fees, concessionaire licensing, building leases

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