

City of Richland Resolution No. 100-20 temporarily designates virtual locations for all municipal meetings until such time as Benton County moves into a phase of the Safe Start reopening plan that authorizes public gatherings and the opening of public facilities. For this workshop, the Arts Commission will meet remotely via Zoom. There will be no public comments for this workshop. The public may attend this workshop through telephonic access by calling the phone number provided. All members of the public must mute their electronic devices upon entering the workshop and remain silent during the workshop.



Agenda
Parks and Recreation Commission Workshop
Thursday, March 25, 2021
Zoom Remote Workshop ID: 810 1472 1376
Dial In: 1(206) 337-9723 or 1(253) 215-8782

Commission Members: Chair Gutierrez, Vice-Chair Buelt and Commissioners Andrews, Doran, Henry, Mason, Richards, Slughter and Smith

Liaisons: Council Liaison Kent
Staff Liaison: Parks and Public Facilities Director Schiessl

Regular Workshop - 6:00 p.m.

Call to Order/Attendance:

Presentations:

Discussion Items:

1. Hanford Legacy Master Plan
2. Unauthorized Motor Vehicles at Badger Mountain Park

Commissioner Comments:

Adjournment

The next Parks and Recreation Commission Workshop is Thursday, April 22, 2021

Richland Community Center is ADA accessible with special parking and access available at the entrance off Amon Park Drive. Requests for sign interpreters, audio equipment, and/or other special services must be received 48 hours prior to the Parks and Recreation Commission Workshop by calling the City Clerk's Office at 942-7389.



PARKS AND RECREATION COMMISSION WORKSHOP AGENDA ITEM COVERSHEET

Meeting Date: 3/25/2021

Agenda Category: Discussion Items

Prepared By: Joe Schiessl, Parks & Public Facilities Director

Subject:
Hanford Legacy Master Plan

Department:
Parks & Public Facilities

Recommended Motion:
Discussion only.

Summary:
The report prepared by Visit Tri Cities regarding regional sports tourism and Hanford Legacy Park is attached to this cover sheet. Staff will present a summary of the project options for commission consideration.

Fiscal Impact:
There is no fiscal impact to discuss the Hanford Legacy Park Master Plan. Future fiscal impacts may occur depending on implementation of additional planning and design efforts prior to construction.

Attachments:
1. Tri-Cities Sports Facilities Market Analysis & Feasibility Study FINAL



TRI-CITIES, WA SPORTS FACILITIES MARKET ANALYSIS & FEASIBILITY STUDY

SUBMITTED TO
Visit Tri-Cities

SUBMITTED BY
Johnson Consulting

DATE
December 30, 2019



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SECTION 1

TRANSMITTAL LETTER



December 30th, 2019

Kim Shugart
Visit Tri-Cities
7130 W. Grandridge Blvd., Suite B
Kennewick, WA 99336

Re: Tri-Cities Sports Facilities Market Analysis & Feasibility Study

Dear Ms. Shugart,

C.H. Johnson Consulting, Inc. (“**Johnson Consulting**”) is pleased to submit this Sports Facilities Market Analysis and Feasibility Study to Visit Tri-Cities (“Client”) detailing our market study to evaluate the potential of developing a sports complex in Kennewick, Pasco, and/or Richland. This report presents conclusions for each of the three cities. Our report includes an economic and demographic overview, a comparison of local and regional facilities, industry trends in team sports, and case studies, both regionally and nationally of comparable venues. This report also presents a detailed site analysis for the previously identified sites in each of the cities as well as demand projections, funding strategies, and an economic and fiscal impact analysis.

Johnson Consulting has no responsibility to update this report for events and circumstances occurring after the date of this report. The findings presented herein reflect analyses of primary and secondary sources of information. Johnson Consulting used sources deemed to be reliable, but cannot guarantee their accuracy. Moreover, some of the estimates and analyses presented in this study are based on trends and assumptions which can result in differences between the projected results and the actual results. Because events and circumstances frequently do not occur as expected, those differences may be material. This report is intended for the client’s internal use and cannot be used for project underwriting purposes without Johnson Consulting’s written consent.

Sincerely yours,



C.H. JOHNSON CONSULTING, INC.

SECTION 2

INTRODUCTION



INTRODUCTION

Visit Tri-Cities (“Client”) engaged Johnson Consulting to conduct a Sports Facilities Market Analysis and Feasibility Study evaluating the potential of developing a sports complex in Kennewick, Pasco, and/or Richland, Washington. The report that follows presents findings and conclusions for all three cities individually. To perform this study, we analyzed the demographics of Kennewick, Pasco, and Richland in relation to a 30-minute, 1.5-hour, and 4-hour drive time of the Tri-Cities, which are likely drive times for local, regional, and national youth sports tournaments. Johnson Consulting also analyzed local, regional, and national facilities to understand the current sports inventory within the immediate and surrounding areas. These are the likely facilities that would compete with a potential sports development in the Tri-Cities. Johnson Consulting interviewed multiple members of the local community and sports stakeholders in an effort to gain the best possible local perspective. The following report presents Johnson Consulting’s findings and conclusions.

OBJECTIVES OF THE STUDY

Johnson Consulting has undertaken a program of services designed to accomplish the following major objectives:

- To provide a market analysis for a sports complex in the Kennewick, Pasco, and/or Richland as well as the Tri-Cities region
- Identify any gaps in the regional sports facility marketplace
- To provide regional and national comparable facilities analysis that could be considered similar in size, program, and development cost
- Confirm whether a market demand exists for the proposed development and its initial program
- To recommend the viability of programming that future sports complexes will bring so that the client can make the most informed decision regarding the proposed development

In addition to this introduction and methodology review, the report contains the following sections:

- **Section 3** – Includes an economic and demographic overview of the Tri-Cities and the regional market. The information in this section is essential for understanding the ability of the marketplace to support a new sports complex.

- **Section 4** – Provides an overview of the participation trends in the national sports industry. This section provides participation rates focused on team sports as well as participation by age and gender, to understand the overall trends in team sports participation.
- **Section 5** – Presents a sports complex benchmarking analysis. Identifies all regional competitors for both indoor and outdoor sports and to determine the overall need for additional demand.
- **Section 6** – Presents a program and site recommendation and for each city as well as an operating recommendation.
- **Section 7** – Presents a demand and financial breakdown for each city based on the recommended program.
- **Section 8** – Presents an economic and fiscal impact analysis as the result of the increased demand to the Tri-Cities region.
- **Appendix I** – Presents case studies for similar complexes for each of the suggested land uses.

METHODOLOGY

In order to accomplish these objectives, the program of analysis conducted by Johnson Consulting has undertaken the following research tasks:

- Interviewed stakeholders to gather information, obtain work performed to date, and understand the expectations and objectives of this development
- Examined regional economic and demographic data and projected regional economic trends relevant to supporting the proposed development
- Interviewed local industry participants and those familiar with the local market to identify unmet needs and specific market opportunities
- Analyzed national sports participation trends as well potential market penetration analysis
- Conducted an assessment of programming and utilization of regional and national sports complex developments



ABOUT THE CONSULTING TEAM

Johnson Consulting, Inc. was founded in 1995 in Chicago, Illinois, is a nationally recognized sports consulting firm with specific expertise in the analysis, planning, and financing of multi-purpose complexes, stadiums, arenas, and adjacent mixed-use, hospitality/entertainment elements that may evolve around them. We have a reputation for quality, integrity and success among municipalities, facility owners and operators, developers and within the public finance community. Our firm works extensively in the area of recreation and sports complex business planning, tournament and event programming and development, and maximizing economic return from such venues. We also specialize in public-private partnership projects, organizational studies and can comprehensively evaluate operational strategies.

TERMS OF THE ASSIGNMENT

This report is based on estimates, assumptions, actual operating data and other information obtained from our research, our prior experience with similar assignments, and information received from the Development Team and other sources. The sources of information and basis of estimates and assumptions are stated herein. Projections of facility demand and attendance presented within this report are based on Johnson Consulting's assessment of various data, market characteristics, discussions with project stakeholders, and documented assumptions. We cannot represent our projections as results that will actually be achieved.

In accordance with our engagement letter, Johnson Consulting did not ascertain the legal or regulatory requirements applicable to this project, including zoning or other state and local government regulations, permits, and licenses. Furthermore, no effort has been made to determine the possible effect on this project of present or future federal, state, or local legislation, including those related to jurisdictional, environmental, or ecological matters or interpretations thereof.

SECTION 3

MARKET OVERVIEW



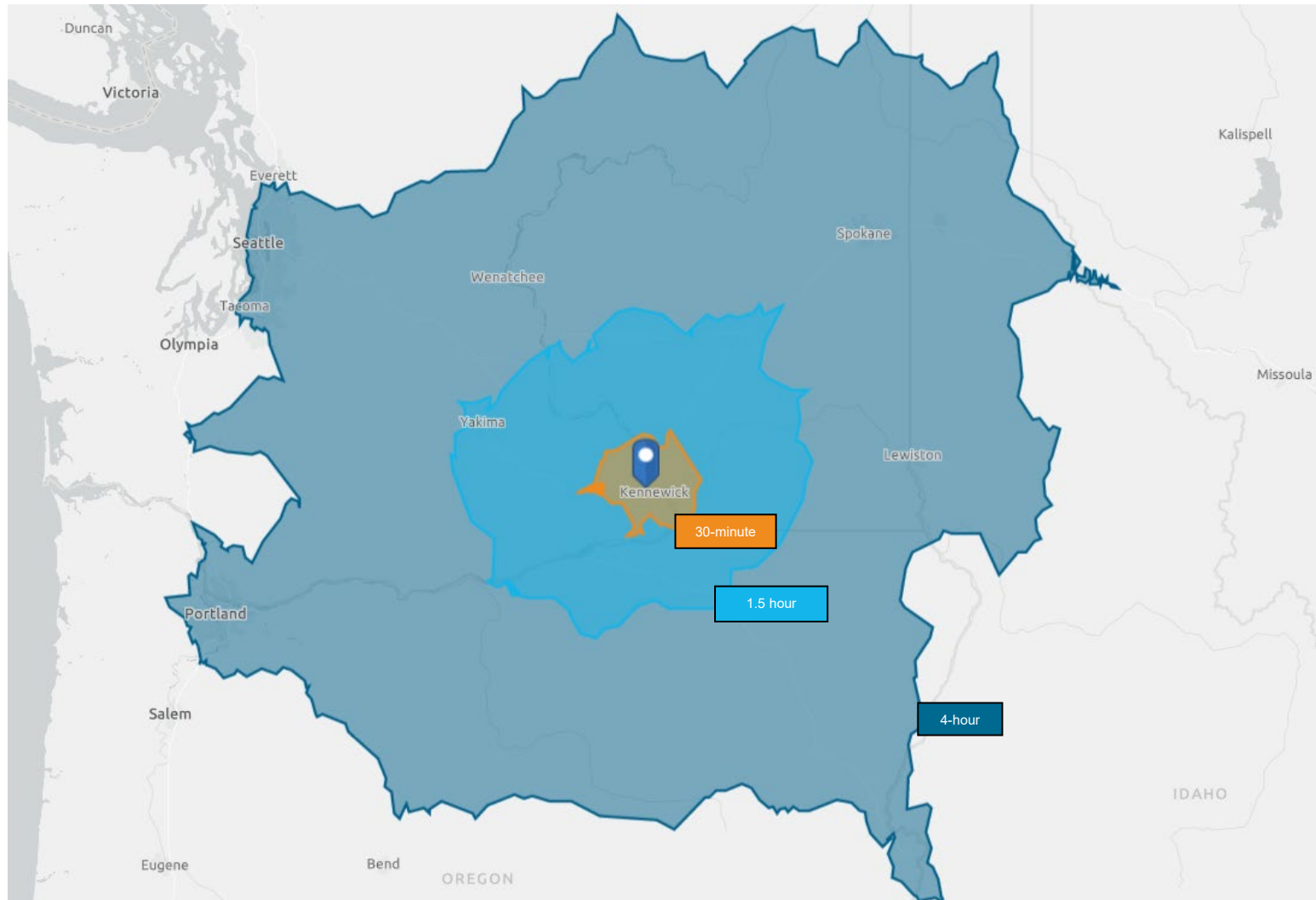
MARKET OVERVIEW

To analyze the market opportunity in each of the Tri-Cities, Johnson Consulting undertook a detailed analysis of market conditions in all three cities - Kennewick, Pasco, and Richland. An analysis of a 30-minute, 90-minute, and 4-hour drive time was also analyzed, which is the likely distance for people to travel for local games and practices, regional tournaments, and national tournaments. These statistics were compared to the Tri-Cities Metropolitan Statistical Area (MSA), the State of Washington, and the United States averages. While characteristics such as population, employment, and income are not strict predictors of performance for sports complexes, these variables provide insight into the capacity and ability of a market to provide ongoing support for facilities and activities. In addition, the size and role of a marketplace, its civic leadership, corporate presence, proximity to other metropolitan areas, transportation concentrations, and the location of competing or complementary attractions directly influence the scale and quality of new facilities that can be supported within a particular market. The objective of this analysis is to assess the strength of Kennewick, Pasco, and Richland markets individually and their ability to leverage their existing and proposed sports facilities to make Tri-Cities a destination for sports tourism. While the goal is to make Tri-Cities a regional sports destination, local demand is important as well and it will be critical to have adequate facilities to host local games, practices, camps, and other activities throughout the week to make sure all of the facilities are appropriately utilized.

Characteristics and market conditions are additionally analyzed across three sub markets: primary, secondary and tertiary. First, the primary target market is a 30-minute drive from the site. It has been noted nationally on average, parents are willing to drive up to 30 minutes for practice and games during the middle of the week (Monday – Thursday). In some instances the willingness to drive greater than 30 minutes during the week has been realized. However, for planning purposes a 30-minute radius is conservative. Next is the secondary market, which is an approximately 90-minute drive time from the subject site. This is the likely the regional area in which a complex would be able to draw participants, teams and visitors for weekend tournaments. Lastly, the tertiary market is representative of a 4-hour drive from the subject site. This market is the likely distance in which the facility will be able to draw larger regional and national tournaments.

The following figure provides a map showing both the 30-minute drive time, 90-minute, and 4-hour drive time from the proposed site, likely distances where most of the demand will come from for local, regional, and national sports tourism.

Figure 3-1



CURRENT POPULATION

In general, a strong local population base is important to support a sports facility, whether it be a local or national sports facility. A majority of attendees for recurring events, such as local sporting events, will live within a relatively short distance of the facility (30-minute drive time). However, special events such as regional tournaments and competitions generally have a greater geographic draw, depending on the availability of these events in nearby markets. Given its proximity to many in the middle of many major metropolitan markets including Spokane, Seattle, and Portland, the Tri-Cities is in a unique position to leverage their high regional population base.

The following figure shows the historic and current population of the Tri-Cities MSA, as well as within a 30-minute, 90-minute, and 4-hour drive to state and national averages.

Figure 3-2

Historic & Current Population - Tri-Cities (2010-2018)				
	2010	2018	% Growth 2010-2018	CAGR* 2010-2018
U.S.	308,745,538	330,088,686	6.9%	0.8%
Washington	6,724,540	7,452,102	10.8%	1.3%
Tri-Cities MSA	253,340	289,286	14.2%	1.7%
30-minute drive	233,836	267,077	14.2%	1.7%
1.5-hour drive	702,544	758,546	8.0%	1.0%
4-hour drive	6,709,718	7,479,424	11.5%	1.4%
Kennewick	73,910	82,655	11.8%	1.4%
Pasco	60,892	70,486	15.8%	1.8%
Richland	48,143	56,134	16.6%	1.9%

* Compounded Annual Growth Rate
Source: Esri BAO, Johnson Consulting

The current population in the Tri-Cities MSA is 289,286 people. Over the last eight years, the population of the Tri-Cities metropolitan area has grown by 14.2 percent, which is 4 percent higher than the state average (10.8 percent) and more than double the national average (6.9 percent). Looking at the location buffers, within a 30-minute, 90-minute, and 4-hour drive time all have significantly higher growth rates than the national average. Also, Kennewick (11.8 percent), Pasco (15.8 percent) and Richland (16.6 percent) have all outpaced the state and national averages significantly. The state of Washington, specifically in the Tri-Cities, is growing at an incredible pace, and the continuation of this trend would be a positive for the addition of athletic fields or a complex as there will be an increase of young children and adults to the area. This historical growth is a strength of the marketplace and illustrates the potential local demand, which will play a large role in a proposed complex's ultimate success.

PROJECTED POPULATION

By 2023, the population of the Tri-Cities MSA is projected to be 311,842 people, which represents a growth rate of 7.8 percent over the next five years. This growth rate 1 percent higher than the state of Washington average (6.7 percent) and 4.5 percent higher than the national average (4.2 percent). Additionally, the 30-minute, 90-minute, and 4-hour drive time are expected to grow at 8 percent, 4.5 percent, and 6.9 percent, respectively. Over the next five years, Pasco (8.5 percent) and Richland (8.4 percent) are expected to have growth rates that are more than double the national average (4.2 percent). This bodes well for the Tri-Cities metropolitan area, as it looks poised to become a larger and more prominent region in the local and national sports market. The Tri-Cities MSA is already one of the largest metropolitan areas in the state. If population is any indication, there could be a need for additional fields to support this boom alone.

The figure below presents the population projections over the next five years.

Figure 3-3

Projected Population - Tri-Cities (2018-2023)				
	2018	2023	% Growth 2018-2023	CAGR* 2018-2023
U.S.	330,088,686	343,954,683	4.2%	0.8%
Washington	7,452,102	7,950,929	6.7%	1.3%
Tri-Cities MSA	289,286	311,842	7.8%	1.5%
30-minute drive	267,077	288,363	8.0%	1.5%
1.5-hour drive	758,546	792,940	4.5%	0.9%
4-hour drive	7,479,424	7,994,774	6.9%	1.3%
Kennewick	82,655	88,475	7.0%	1.4%
Pasco	70,486	76,451	8.5%	1.6%
Richland	56,134	60,849	8.4%	1.6%

* Compounded Annual Growth Rate
Source: Esri BAO, Johnson Consulting

AGE CHARACTERISTICS

The success of a multipurpose complex lies in its ability to develop a program that appeals to a broad cross-section of the marketplace. A market's age composition can be a decisive factor in determining potential event demand, as certain types of events appeal to specific age groups. Sports are unique as they can target a wide range of attendees, from youth to senior citizens. Age characteristics can also determine the likelihood of an area to develop into a tourist location, from having enough workers to support the industry, to influencing what types of tourists are attracted to the area.

Figure 3-4 summarizes the age distribution of the local and regional Tri-Cities market.

Figure 3-4

Age Distribution - Tri-Cities (2018)									
	United States	Washington	Tri-Cities MSA	Kennewick	Pasco	Richland	30-minute drive	1.5-hour drive	4-hour drive
0-4	6.0%	6.0%	7.9%	7.8%	10.6%	5.8%	7.8%	8.0%	6.1%
5-9	6.2%	6.1%	7.7%	7.4%	9.9%	6.0%	7.7%	7.7%	6.1%
10-14	6.3%	6.2%	7.6%	7.2%	9.0%	6.5%	7.6%	7.5%	6.2%
15-19	6.4%	6.1%	6.8%	6.7%	7.5%	6.1%	6.8%	7.0%	6.1%
20-24	6.9%	6.8%	6.6%	7.1%	7.1%	5.7%	6.5%	7.0%	6.7%
TOTAL 5-24	25.8%	25.2%	28.7%	28.4%	33.5%	24.3%	28.6%	29.2%	25.1%
25-34	13.9%	14.2%	14.5%	15.2%	16.5%	12.9%	14.3%	14.4%	14.7%
35-44	12.5%	12.8%	12.7%	12.3%	13.6%	11.8%	12.5%	12.0%	13.3%
45-54	12.8%	12.8%	11.6%	11.2%	9.7%	12.4%	11.6%	11.2%	12.8%
55-64	13.0%	13.3%	11.6%	11.5%	7.8%	14.2%	11.7%	11.3%	13.0%
65-74	9.4%	9.5%	8.1%	8.2%	5.4%	10.9%	8.3%	8.3%	9.1%
75-84	4.6%	4.2%	3.5%	3.8%	2.1%	5.3%	3.6%	3.8%	4.0%
85+	2.0%	1.9%	1.4%	1.7%	0.8%	2.4%	1.5%	1.7%	1.9%
TOTAL 5-64	78.0%	78.3%	79.1%	78.6%	81.1%	75.6%	78.7%	78.1%	78.9%
Source: Esri, Johnson Consulting									

For the most part, the age distribution of the Tri-Cities MSA is on par with the national average. The largest difference that was seen was in the 5-19 age range. Within the Tri-Cities MSA, they have a total of 22.1 percent of people that fall within this category. This is significantly higher than the national (18.9 percent) and state (18.4 percent) averages. This is important to note because it is the age group that will use new and existing facilities for practices, games, leagues, and camps, among other things. Looking regionally, within a 1.5-hour drive time also sees a higher than average influx of people in the 5-19 age range, representing 22.2 percent of the population. Having a local and regional population that is younger than average is an indicator that the amount of demand for athletic fields and space might increase. It is important to increase supply accordingly.

as to not have too much competition among organizations for field space. Being able to draw upon the participants not only in the Tri-Cities, but the regional area is something that could make a sports complex in Tri-Cities unique and can be one of the main reasons for its ultimate success.

MEDIAN AGE

The trend towards a younger population will be important for supporting a new sports complex. While adult recreation and sports leagues are increasingly popular, a steady population of young athletes is important for ensuring the long-term stability of a complex. Children that participate in sports today are more likely to continue playing sports into and through adulthood. It is important to understand not only the needs of a community today, but we need to also consider the future needs of a community. This will be an especially important reason to consider population retention within the local community as well.

Figure 3-5

Median Age - Tri-Cities (2010-2023)					
	2010	2018	2023	Growth 2010-2018	Growth 2018-2023
U.S.	37.1	38.3	39.0	1.2	0.7
Washington	37.2	38.4	39.1	1.2	0.7
Tri-Cities MSA	32.9	34.2	35.0	1.3	0.8
30-minute drive	33.1	34.4	35.2	1.3	0.8
1.5-hour drive	32.8	33.8	34.6	1.0	0.8
4-hour drive	36.7	37.9	38.5	1.2	0.6
Kennewick	32.7	34.1	34.8	1.4	0.7
Pasco	27.4	28.6	28.9	1.2	0.3
Richland	39.3	40.7	41.8	1.4	1.1

Source: Esri BAO, Johnson Consulting

The Tri-Cities MSA has a median age of 34.2 years, which is significantly younger than the state (38.4 years) and United States (38.3 years). When looking at the individual cities within the Tri-Cities, Pasco has the youngest population by far at just 28.6 years while Richland has the oldest at 40.7 years. It is important to note the discrepancies between Kennewick, Pasco, and Richland as the location of a sports complex is crucial for local competition. All three distances – 30-minute, 90-minute and 4-hour drive times – have a median age younger than the national average. It is important to locate a local and regional sports complex in a place that not only has a current younger population, but also one that is projected to remain young well into the future. By 2023, all of the areas that were examined are expected to grow approximately the same as the United States, meaning that in five years, this area should still have a younger than average median age. The low median age is a positive sign as younger people are usually more physically active and have younger children. It will be important to consider the age breakdowns of the market when designing the facility and selecting programming as different age groups can use the facility for different events.

INCOME

Income characteristics of the local market are a key indicator of the ability to support sports facilities. In general, higher income levels lead to greater amounts of disposable income that can be spent on non-essential items, such as recreation and entertainment. For a youth sports development project, it is necessary to determine the ability of the market to support a complex. While a certain amount of demand currently exists from local youths, are the conditions in the marketplace favorable within the Tri-Cities and the surrounding areas for it to become a regional draw? Figure 3-6 analyzes the median household income across all markets in the local and regional Tri-Cities market, relative to state and national averages.

Figure 3-6

Median Household Income - Tri-Cities (2018-2023)			
	2018	2023	CAGR* 2018-2023
U.S.	\$58,100	\$65,727	2.5%
Washington	\$68,734	\$79,382	2.9%
Tri-Cities MSA	\$66,200	\$77,979	3.3%
30-minute drive	\$67,434	\$78,908	3.2%
1.5-hour drive	\$55,864	\$64,321	2.9%
4-hour drive	\$67,729	\$77,847	2.8%
Kennewick	\$60,002	\$71,367	3.5%
Pasco	\$58,000	\$67,822	3.2%
Richland	\$79,412	\$90,646	2.7%

* Compounded Annual Growth Rate
Source: Esri BAO, Johnson Consulting, Census.gov

Currently, the median household income (MHI) in the Tri-Cities MSA is 66,200, which is approximately \$8,000 higher than the national average. The state of Washington as a whole has a Median Household Income that is over \$10,000 more than the national average, which is a positive sign in that many people will have excess money to spend on their children state-wide. Looking at Kennewick, Pasco, and Richland, the median household incomes vary by quite a bit. Richland has the highest MHI by far, currently at almost \$80,000 and reaching over \$90,000 by 2023. Kennewick (\$60,002) and Pasco (\$58,000) have MHI's that are more on par with the national average (\$58,100). However, they are both projecting to increase at a significantly higher rate than the United States and will both be higher than the national average by 2023.

ENTERTAINMENT SPENDING

Understanding how people spend their money is another key component of this analysis. Knowing how much disposable income residents have is important as well as how they spend it. In order to maximize revenue at a new regional sports complex, there has to be entertainment options available within the community that will attract people from outside the region and give them reason to come back. Tracking how much the residents spend on entertainment can help determine if the demand for sports and entertainment spending exists within the market. For a sports complex, a market that is willing to spend on sports is a positive for things such as demand, field rental, tournament fees, and gate fees. Figure 3-7 provides a breakdown of entertainment spending on sports fees and admissions for the Tri-Cities local and regional areas.

Figure 3-7

Entertainment Spending By Category - Tri-Cities (2018)			
	Sports Fees & Admissions	Total Entertainment Spending	Sports Fees & Admissions as % of Total Entertainment Fees
U.S.	\$21,387,876,472	\$84,801,881,483	25.2%
Washington	\$556,540,394	\$2,225,179,202	25.0%
Tri-Cities MSA	\$18,402,073	\$73,022,683	25.2%
30-minute drive	\$17,630,020	\$70,033,109	25.2%
1.5-hour drive	\$39,734,369	\$157,847,259	25.2%
4-hour drive	\$561,741,908	\$2,258,548,783	24.9%
Kennewick	\$5,029,061	\$20,083,265	25.0%
Pasco	\$3,228,880	\$13,319,348	24.2%
Richland	\$5,291,388	\$20,873,781	25.3%

Source: Esri BAO, Johnson Consulting

In total, the Tri-Cities spends \$18,402,073 on sports fees and admissions annually, which represents 25.2 percent of their total entertainment spending throughout the metropolitan area. This is consistent with the state (25 percent) and national (25.2 percent) averages, as well as within a 30-minute (25.2 percent), 90-minute (25.2 percent) and 4-hour (24.9 percent) drive time. When looking at the total annual sports fees and admissions, Kennewick and Richland spend the most at approximately \$5 million annually while Pasco spends approximately \$3.2 million. Having a community that is willing to spend money on sports is an important aspect in developing a sports complex and Tri-Cities is on par with the rest of the United States, which is a positive sign.

EMPLOYMENT

Johnson Consulting performed an employment audit of the Tri-Cities MSA in relation to the United States employment by industry. This method involves using a calculation called a location quotient. A location quotient of less than 1 indicates a lower concentration of that industry in the MSA, while a location quotient higher than 1 indicates a higher concentration of the industry within the MSA.

The largest three industries in the Tri-Cities by employment are: Retail, Health Care and Social Assistance, and Professional, Scientific, and Technical Services employ a combined 42,453 people. Health Care and Social Assistance (1.13 location quotient) and Professional, Scientific, and Technical Services (1.77 location quotient) are above the national average. The top industries in which the location quotient is the highest is Agriculture and Natural Resources (8.04 location quotient), and Utilities (3.71 location quotient). These represent two industries in the Tri-Cities that are much higher than the national average. The following table provides the total employment by sector for both the Tri-Cities MSA and the United States as well as the location quotient for each industry.

Figure 3-8

Tri-Cities, WA Employment Industry Location Quotient (2018)			
Sector	Tri-Cities MSA Employment	United States Employment	Location Quotient
Retail	15,716	19,759,360	1.13
Health Care and Social Assistance	14,007	22,044,409	0.90
Professional, Scientific, and Technical Services	12,730	10,178,710	1.77
Accommodation and Food Services	8,962	13,727,519	0.93
Education	8,485	12,955,842	0.93
Public Administration	5,997	9,963,983	0.85
Manufacturing	5,826	12,312,749	0.67
Other Services	5,476	8,483,678	0.92
Construction	5,046	6,655,825	1.08
Wholesale	4,600	6,529,317	1.00
Agriculture and Natural Resources	3,594	633,837	8.04
Administration, Support, and Remediation	2,906	4,045,230	1.02
Finance and Insurance	2,412	6,140,978	0.56
Transportation and Warehousing	2,387	3,889,741	0.87
Arts, Entertainment, and Recreation	2,373	3,784,619	0.89
Information	2,034	4,089,688	0.71
Real Estate	1,878	4,103,866	0.65
Utilities	1,743	665,830	3.71
Unclassified	365	474,546	1.09
Management of Companies and Enterprises	15	304,956	0.07
Mining	11	429,080	0.04
Total	106,563	151,173,763	

Source: Johnson Consulting, Esri

UNEMPLOYMENT

The following figure shows unemployment rates in the Tri-Cities MSA, relative to the state of Washington and the United States as a whole. The Tri-Cities MSA has historically had a higher unemployment rate than both Washington and the United States. However, they also have had an unemployment rate that has been decreasing since 2011, when it reached a peak of 10.4 percent. As of April of 2019, the unemployment rate in the metropolitan area is 5.7 percent, which is 1 percent higher than the state average (4.7 percent) and approximately 2 percent higher than the United States average (3.6 percent).

Figure 3-9

Labor Statistics - Tri-Cities MSA (2008-2018)						
	Labor Force	Employment	Unemployment	Rate	WA Rate	US Rate
2011	128,573	115,179	13,394	10.4%	8.8%	8.5%
2012	127,098	114,057	13,041	10.3%	7.4%	7.9%
2013	124,515	112,667	11,848	9.5%	6.6%	6.7%
2014	127,042	116,142	10,900	8.6%	5.8%	5.6%
2015	129,665	119,256	10,409	8.0%	5.6%	5.0%
2016	132,550	122,922	9,628	7.3%	4.9%	4.7%
2017	135,290	126,223	9,067	6.7%	4.6%	4.1%
2018	140,576	131,456	9,120	6.5%	4.5%	3.9%
2019*	144,991	136,662	8,329	5.7%	4.7%	3.6%

*As of April 2019
Source: Bureau of Labor Statistics, Johnson Consulting

CORPORATE PRESENCE

Corporate and business presence can be an important factor in the success of a youth sports complex because local businesses can attract residents to an area, provide disposable income, and support facilities through donations, advertising, and their requirement for event space. The following figure shows the largest employers throughout in the Tri-Cities MSA.

Figure 3-10

Largest Employers - Tri-Cities		
	Industry	Employees
Battelle/Pacific Northwest National Laboratory	Research & Development	4,500
Kadlec Regional Medical Center	Health Services	3,800
Kennewick School District	Education	3,000
Lamb Weston	Food Processing	3,000
Pasco School District	Education	3,000
Washington River Protection Solutions	Environmental Remediation	2,971
Mission Support Alliance, LLC	Support Services	2,240
Richland School District	Education	1,800
CH2M	Environmental Remediation	1,550
Tyson Foods	Food Processing	1,375
Bechtel National	Engineering & Construction	1,300
First Fruits Farms	Food Processing	1,200
Energy Northwest	Utilities	1,175
Trios Health	Health Services	1,100
Lourdes Health Network	Health Services	1,000
Source: Tri-City Development Council, Johnson Consulting		33,011

The top 15 employers in the Tri-Cities metropolitan area have over 33,000 employees combined. The largest employer is Battelle/Pacific Northwest National Laboratory, which is a research and development firm that employs approximately 4,500 people. The largest industry in the area for large corporations is the Health Services industry. This industry has three of the largest fifteen corporations in the Tri-Cities area and employ a combined 5,900 employees. An industry that is somewhat unique to the Tri-Cities is the environmental remediation industry, which has two corporations and employs approximately 4,500 people.

HOSPITALITY-RELATED INFRASTRUCTURE

In order for sports tourism facilities to be successful – and to get visitors to come back more than once – there must be tourism infrastructure and assets in place. For instance, an adequate hotel supply is critical, but so is the type of hotel (limited services are preferred by sports tourists), the average daily rate (on average \$100 or less), the location of the hotels relative to the sports facility (less than 15-minute drive is preferred), and last but not least the ability to secure room blocks and book well enough in advance. Occupancy rates of hotels, as well as their seasonality is important in terms of when communities can host large events. For example, if hotels are at 90% occupancy on weekends during the summer months in a particular community, it will be difficult to host a large tournament during that time. The proper hotel inventory is important to the overall success of a sport complex as the competition for larger regional and national tournaments is becoming more competitive. Tournament right holders are realizing the overall experience of the tournament is more than just the quality of the complex but also the support infrastructure that caters to the hospitality and family entertainment aspect that enhances that user experience.

Below is a list of hotels in Kennewick, Pasco, and Richland with more than 75 rooms - the likely hotels in which families and teams would prefer to stay.

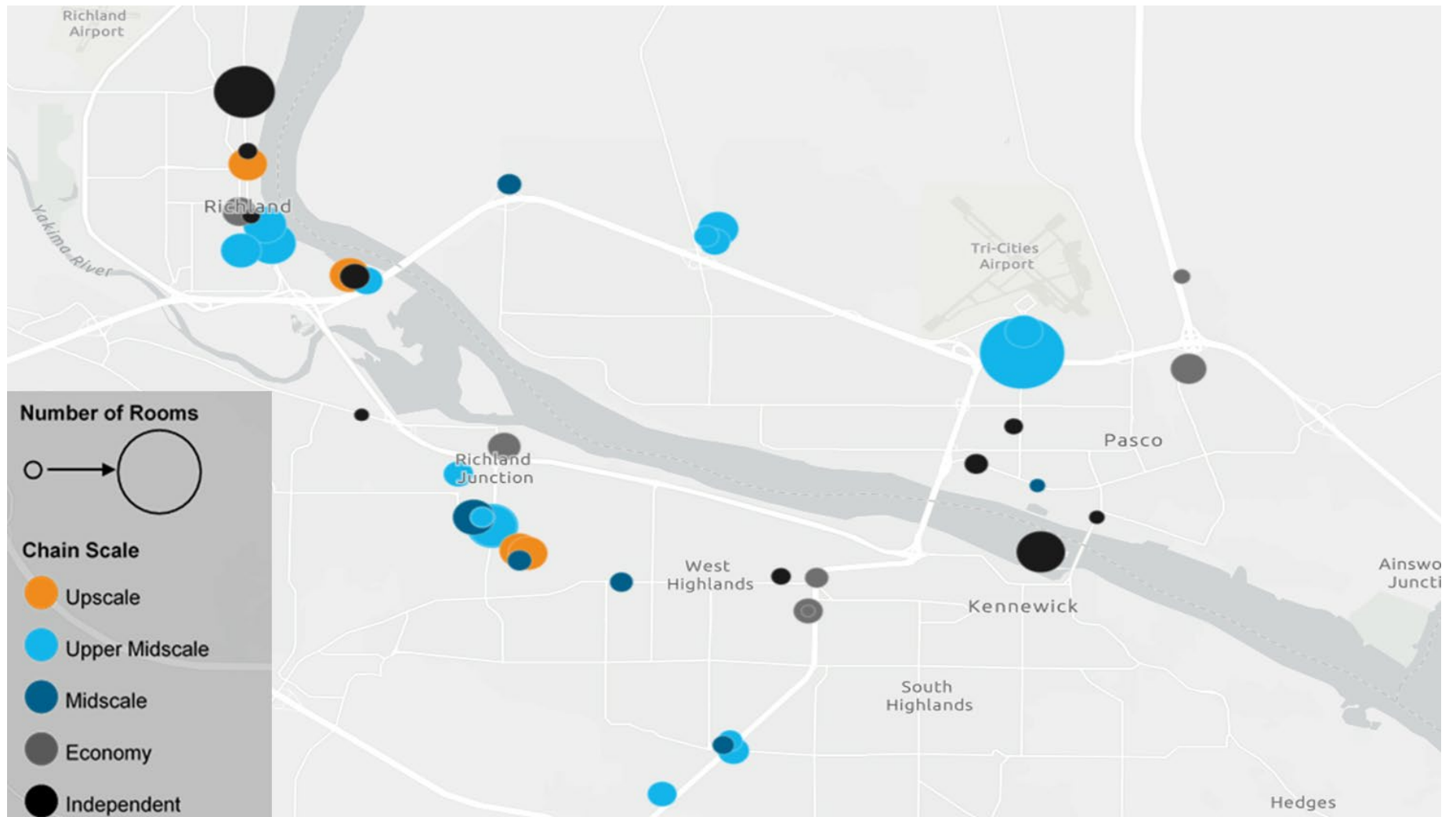
Figure 3 - 11

Hotel Inventory - Tri-Cities (75+ Rooms)					
Kennewick		Pasco		Richland	
Hotel	# of Rooms	Hotel	# of Rooms	Hotel	# of Rooms
Best Western Plus Kennewick Inn	88	Best Western Plus Pasco Inn & Suites	110	Courtyard by Marriott	120
Clover Island Inn	151	Hampton Inn & Suites Pasco	121	Days Inn Richland	97
Comfort Suites (2019)	95	Holiday Inn Express & Suites Pasco	85	Hampton Inn Richland	130
Hampton Inn Kennewick at Southridge	80	Red Lion Hotel & Conference Center	279	Holiday Inn Express & Suites Richland	82
Hilton Garden Inn	120	Roadway Inn Pasco	104	Home2 Suites by Hilton	120
Motel 6 Kennewick	81	-	-	Homewood Suites by Hilton	115
Quality Inn Kennewick	125	-	-	M Hotel & Conference Center	195
Red Lion Hotel Columbia Center	162	-	-	Motel 6 Kennewick/Richland	82
SpringHill Suites by Marriott	116	-	-	Red Lion Hotel Richland Hanford House	149
Super 8 Kennewick	95	-	-	Richland Riverfront Shilo Inn	150
		-	-	Shilo Inn Suites Hotel Richland	150
		-	-	The Lodge at Columbia Point	82
				TownePlace Suites by Marriott	90
TOTAL	1,113		699		1,562
AVERAGE	111		140		120

Source: STR, Visit Tri Cities, Johnson Consulting

The Tri-Cities metropolitan area has 4,191 total rooms in the market. Johnson Consulting only included hotels with 75+ rooms in this section due to the fact that these are the types of hotels that teams prefer to stay at for youth sports on a national level. When looking at these hotels specifically, the market has 3,374 rooms total, which is a significant amount for sports tourism. Kennewick and Richland lead the way for hotels and represent over 75 percent of the midscale to upscale rooms in the Tri-Cities market. However, Pasco has the largest hotel in the Red Lion Hotel and Conference Center, which has 279 rooms.

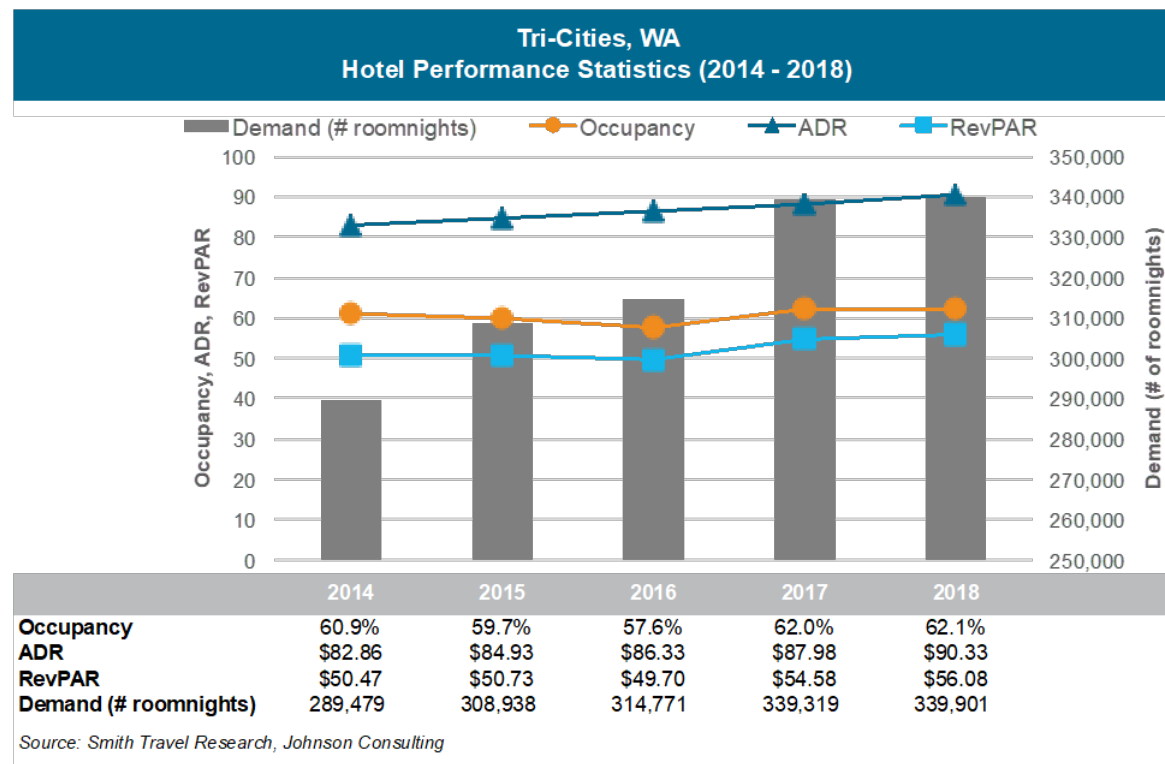
Figure 3-12



HOTEL SEASONALITY

Having an adequate supply of hotels is important. The performance statistics of the hotel stock are also vital to understanding the ability of the Tri-Cities to host events. If occupancy is too high, there won't be enough lodging available for attendees, and if room rates are too high, cost effectiveness will suffer from the event planner's perspective. Performance statistics can also be helpful in evaluating the potential for constructing additional hotels within the Tri-Cities market.

Figure 3-13



As shown, demand (number of rooms sold) for hotel rooms rose drastically over the past 5 years from approximately 289,000 room nights demanded in 2014 to nearly 340,000 room nights demanded in 2018. Occupancy, ADR, and RevPAR trended upward during this time period as well. These statistics are indicative of a generally healthy environment for hotels market-wide in the Tri-Cities. In 2018, hotels in the Tri-Cities had an average occupancy rate of 62.1 percent, an ADR of \$90.33, and a RevPAR of \$56.08, which represents a market that would be an attraction for youth sports tourism.

SUPPORT INFRASTRUCTURE

Having local entertainment options available to teams and families is an important factor in the success of a youth sports tourism complex. Today, there is a trend among families, as they have been transitioning their children's youth sports tournaments into family vacations. Because of this, having something that appeals to the entire family will be important in ensuring that teams and families will return to the market, which is ultimately what makes a complex successful from a regional tournament standpoint. This section analyzes the current types of entertainment options in the Tri-Cities and the surrounding region to determine if they are adequate enough for sports tourism. Tri-Cities is in an excellent location for nice weather and sees approximately 300 days of sunshine per year, making it an ideal sports destination. They also have entertainment options for the entire family, a trend that is becoming increasingly popular in youth sports.

Figure 3-14 lists the different types of entertainment options throughout the Tri-Cities.

Figure 3-14



Source: Visit Tri-Cities

The Tri-Cities has over 300 local restaurants as well as 200+ breweries and wineries with an hour drive time, making it a unique location that a sports tourism complex can possibly draw upon. They also have 3 sports teams in the market that would be an ideal source of entertainment for the entire family. Other sources of entertainment in the market are museums and art galleries (24), public parks (125) and golf courses (10).

ACCESSIBILITY

The Tri-Cities is located in southeast Washington about a 3-and-a-half-hour drive from Seattle. Because of its location, it is “equally far”, but central to many major metropolitan areas, including Seattle, Tacoma, Portland, and Spokane. These are the major metropolitan areas that a new sports complex in the Tri-Cities would have to draw from for regional tournaments and competitions. Having so many major markets within driving distance is a positive, but it is also crucial to look at local and regional supply as to not overdevelop a complex and oversaturate the market. Having access to approximately 7.5 million people within a 4-hour drive time makes Tri-Cities unique and they can potentially take advantage of this.

- **Roads:** Tri-Cities has one interstate that passes through it, I82. This Interstate connects the Tri-Cities with Seattle to the West and I84 to the east. I84 connects Portland with Salt Lake City. There are also two federal highways: US 12 and US 395. US 395 connects the Tri-Cities with Spokane while US 12 connects the Tri-Cities with Missoula.
- **Airports:** The Tri-Cities Airport (PSC) is located in Pasco and offers approximately **36 flights per day**. The airport offers direct flights to Mesa/Phoenix, AZ; Los Angeles, CA; San Francisco, CA; Denver, CO; Minneapolis, MN; Las Vegas, NV; Portland, OR; Salt Lake City, UT; and Seattle, WA. The airport services Alaska Airlines, Allegiant Air, Delta, and United.
- **Train:** The Amtrak Station is located in Pasco and runs on the Empire Builder line that connects the Tri-Cities with Spokane and Portland

IMPLICATIONS

Over the last eight years, the Tri-Cities and the surrounding areas have seen a population boom, increasing more than 14 percent since 2010. This is a number that is more than double the national average and is a good indication that it will continue to grow. The local market, within a 30-minute drive time, has also increased by double the national average. If a sports complex were to be considered in the Tri-Cities, this trend in population would need to continue as a strong local population base is crucial to the longevity and success of a sports development. The good news for the Tri-Cities is that their population is expected to increase by 7.8 percent over the next five years, which is almost double the national average (4.2



percent). A sports complex in the Tri-Cities would need to generate high demand from within the Tri-Cities area as well as draw demand from markets such as Seattle, Portland, Yakima, and Spokane. With a lower than average median age and a well above average median household income, the Tri-Cities, from an economic and demographic standpoint, is in a prime position for a sports complex development.

From an accessibility standpoint, the Tri-Cities is centrally located to major markets such as Seattle, Portland, Yakima, and Spokane. Within a 4-hour drive time, the Tri-Cities has access to 7.4 million people. The Tri-Cities is easily accessible by car and plane, as Pasco has an airport with direct flights to many major cities in the region. There is also an Amtrak station in Pasco with access to all of the major metropolitan areas in the region. If a complex in the Tri-Cities were to be successful, they would need to leverage their easy accessibility in order to generate increased demand from all of the major markets of the Pacific Northwest.

The main area of concern in the Tri-Cities market is the high-unemployment rate, which is historically higher than the state of Washington and the United States averages. Also, there is not a large corporate presence within the region. Though there are a lot of corporations within the Tri-Cities market, youth sports complexes look to large corporations for things such as naming rights, sponsorships, and advertising. If a sports complex were to be built in the Tri-Cities, finding a naming rights or advertising sponsor is crucial as they can help offset some of the development cost or can be used as an additional source of revenue. Also, with approximately 3,000 mid to upscale hotels rooms, there might be demand difficulties on weekends where there are multiple events planned. A successful sports tourism complex needs to have more rooms in the local market as to ensure all teams and families have room blocks in addition to the normal occupancy from outside guests.

SECTION 4

INDUSTRY TRENDS



INDUSTRY TRENDS

In the United States today, there are over twenty sports that are classified as team sports. In this section, Johnson Consulting undertook a detailed analysis of these sports, with an emphasis on team sports that have the potential to generate high economic impacts. The following section will detail the findings of this analysis. The future of youth sports, while bright, also faces some concerns in relation to participation trends. Overall participation has decreased by over 1 million in just one year, a trend that is concerning considering the investment into the industry by countless stakeholders throughout the United States. This is, however, still a significant increase in participation from only five years ago, when participation was approximately ten percent lower than it is currently. 68 million Americans are playing currently participating in sports in the United States, which is positive. However, the fact that this number is not higher can pose some concern among youth sports stakeholders. This section will breakdown both the positives and negatives of the current sports market in the United States and explore solutions on how to better improve it.

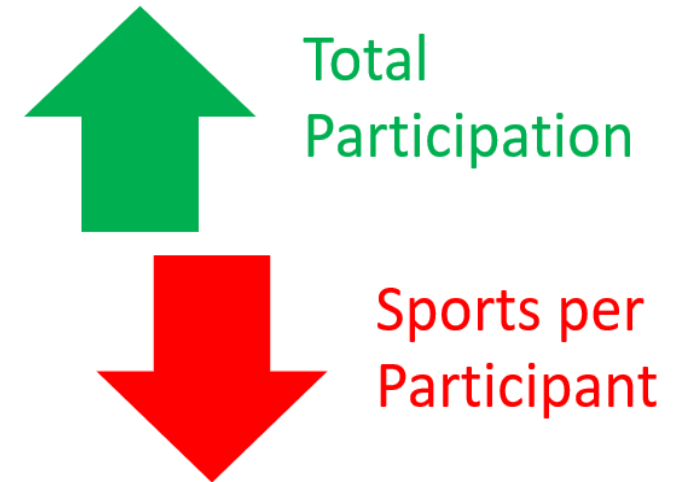
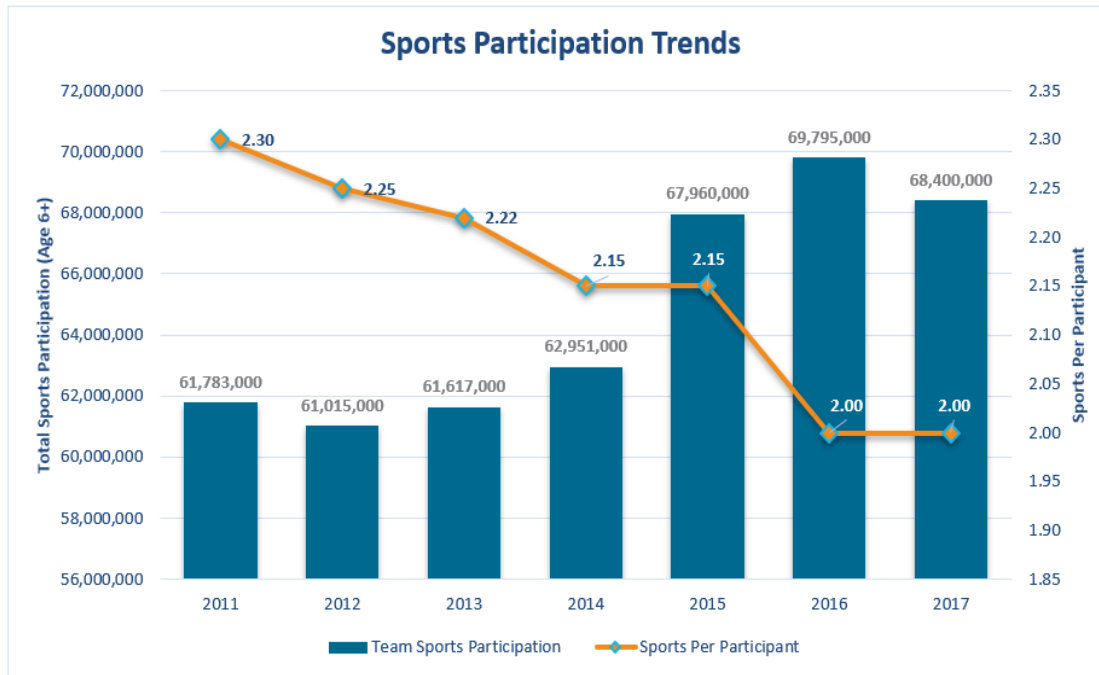
PARTICIPATION RATES

While there are many factors that contribute to fluctuation among youth sports participants, most of them center around single sports specialization among youths as well as rising costs to play sports. Sports specialization in the youth sports industry is something that is becoming increasingly popular today. Whereas children before would grow up playing multiple different sports, today they stick to playing one sport throughout the entire year. This can skew the total participation numbers as children used to count as a participant for every sport that they participated in. This type of information is critical for understanding potential local demand.

Over the last five years, the number of sports per participant has decreased by about .3 sports. While that does not seem like it is a significant decrease, it represents a total of approximately 9 million in lost participants due to specialization. The year-round specialization in sports has had a significant influence in the increase in the number of tournaments and showcase events nationally, which in turn has caused the cost to play competitive travel sports to increase as well. The goal of a potential scholarship is more commonly being realized as sports tournaments or national showcases have begun to cause a de-emphasis of high school sports nationally.

The table below shows the relationship between overall participation among children age 6+ as well as the trend in sports per participant.

Figure 4-1



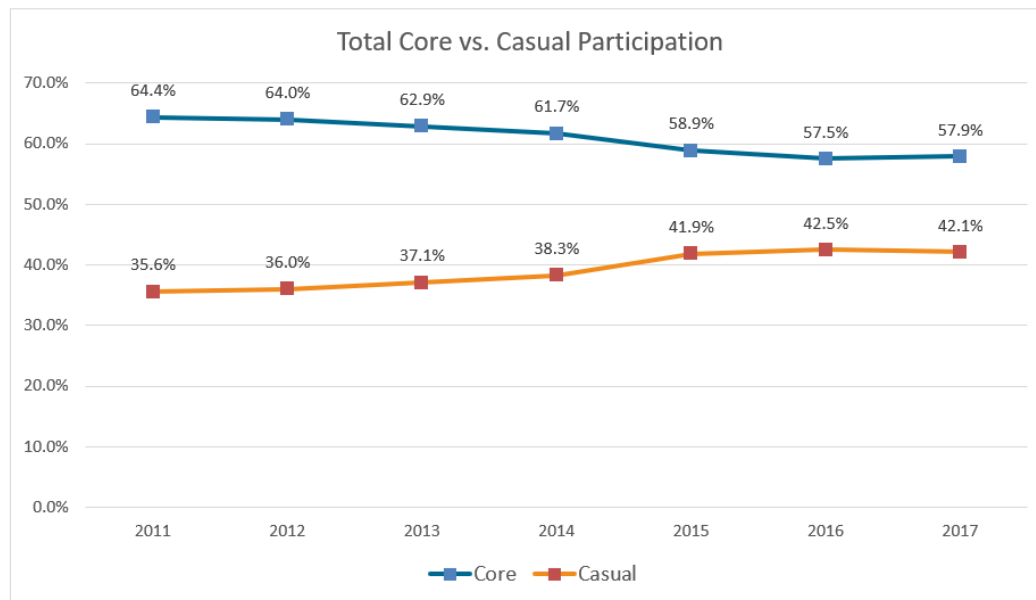
Source: SFIA, Johnson Consulting

Total Participation is defined as all total sports played by all participants, regardless of how many times they played a sport (SFIA). As stated in the figure above, over the last 6 years, total participants among team sports in the United States has increased significantly. In 2017, there were just under 70 million participants in team sports in the United States, which is a 10.71 percent increase from 2011. The largest year over year increase came in 2015, where total participants grew by approximately 5 million people, which is an 8 percent increase. It is important to note that between 2016 and 2017, the most recent data available, participation dropped by 1.4 million people, which is a 2 percent decrease year over year. While this decrease is not particularly concerning yet, it is something to be wary of if this trend continues on into the future.

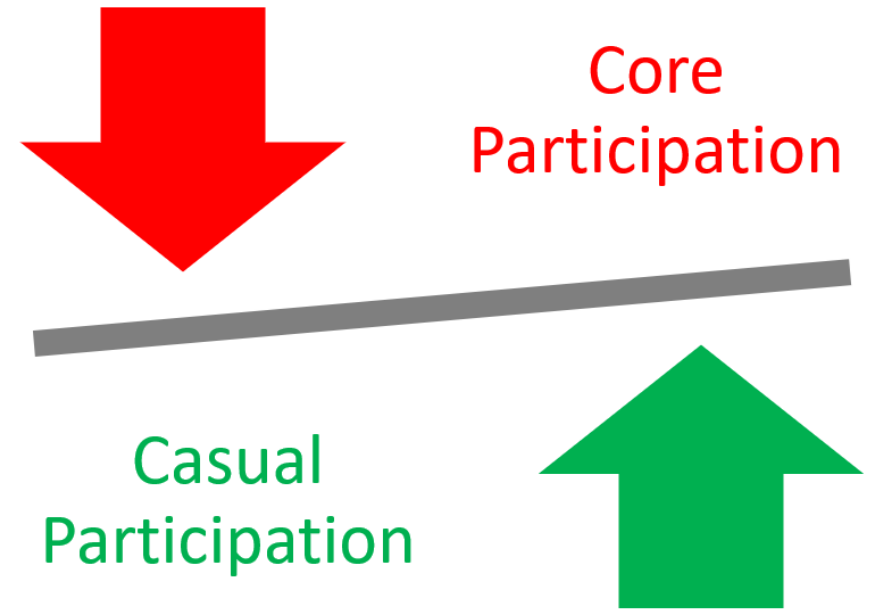
CORE VS. CASUAL PARTICIPATION

As children get older, their participation levels in certain kinds of sports fluctuate as well. Because of this, participation is broken down into CORE and CASUAL participants. A core participant is defined as more avid and will participate 13 or more times throughout the course of a year. This is important to know because core participants are the ones who generate the most demand from a youth sports travel standpoint through tournaments, leagues, show cases, and exhibition games among other events. Because of this, these are the types of participants that youth sports target when perusing tournaments. This section breaks down core vs. casual participation industrywide as well as by sports, in this case being all team sports. The figure below provides an overall industrywide participation outlook over the last six years and shows how the relationship between core and casual participation has changed.

Figure 4-2



Source: SFIA, Johnson Consulting



Currently, 57.9 percent of participants in sports today are core while 42.1 percent are casual. While core participation still heavily outweighs casual participation, the two are becoming closer by the year. As one would expect, higher amounts of core participants are those that are children or teenagers, as they play more than the average adult. There are many reasons for this, with the most prevalent being that as participants age, they have other priorities that will take the place of sports. Also, the opportunity for organized sports through school or recreational programs decreases after turning 18, which forces participants to stop playing.

PARTICIPATION BY SPORT

Below is a list of the most common team sports in the United States as well as a breakdown of core vs. casual for each one. The list also presents total growth of each sport both year over year and a 5-year percentage change.

Figure 4-3

Team Sports by Participation									
Sport	Definition	2013	2014	2015	2016	2017	2018	YTY % Change	5 Year % Change
Baseball									
Total Participation	1+ time	13,284	13,152	13,711	14,760	15,643	15,877	1.5%	3.7%
Casual	1-12 times	4,201	4,295	4,803	5,673	6,405	6,563	2.5%	9.5%
CORE	13+ times	9,083	8,857	8,908	9,087	9,238	9,314	0.8%	0.5%
Basketball									
Total Participation	1+ time	23,669	23,067	23,410	22,343	23,402	24,225	3.5%	0.5%
Casual	1-12 times	6,998	7,321	7,774	7,486	8,546	9,335	9.2%	6.1%
CORE	13+ times	16,671	15,746	15,636	14,857	14,856	14,890	0.2%	-2.2%
Football (Flag)									
Total Participation	1+ time	5,610	5,507	5,829	6,173	6,551	6,572	0.3%	3.3%
Casual	1-12 times	2,813	2,838	3,105	3,249	3,572	3,573	0.0%	5.0%
CORE	13+ times	2,797	2,669	2,724	2,924	2,979	2,999	0.7%	1.5%



Team Sports by Participation									
Sport	Definition	2013	2014	2015	2016	2017	2018	YTY % Change	5 Year % Change
Football (Touch)									
Total Participation	1+ time	7,140	6,586	6,487	5,687	5,629	5,517	-2.0%	-4.9%
Casual	1-12 times	3,952	3,727	3,809	3,304	3,332	3,313	-0.6%	-3.3%
CORE	13+ times	3,188	2,859	2,678	2,383	2,297	2,204	-4.0%	-7.1%
Football (Tackle)									
Total Participation	1+ time	6,165	5,978	6,222	5,482	5,223	5,156	-1.3%	-3.4%
Casual	1-12 times	2,601	2,588	2,842	2,242	2,145	2,258	5.3%	-2.2%
CORE	13+ times	3,564	3,390	3,380	3,240	3,078	2,898	-5.8%	-4.0%
Ice Hockey									
Total Participation	1+ time	2,393	2,421	2,545	2,697	2,544	2,447	-3.8%	0.6%
Casual	1-12 times	1,093	1,129	1,219	1,353	1,227	1,105	-9.9%	0.6%
CORE	13+ times	1,300	1,292	1,326	1,344	1,317	1,342	1.9%	0.6%
Lacrosse									
Total Participation	1+ time	1,813	2,010	2,093	2,091	2,172	2,097	-3.4%	3.1%
Casual	1-12 times	914	978	1,146	1,153	1,142	1,036	-9.2%	2.9%
CORE	13+ times	899	1,032	947	938	1,030	1,061	3.1%	3.7%
Rugby									
Total Participation	1+ time	1,183	1,276	1,349	1,550	1,621	1,560	-3.8%	5.9%
Casual	1-7 times	756	836	918	1,090	1,097	998	-9.1%	6.2%
CORE	8+ times	427	440	431	460	524	562	7.3%	5.8%
Soccer (Outdoor)									
Total Participation	1+ time	12,726	12,593	12,647	11,932	11,924	11,405	-4.3%	-2.1%
Casual	1-25 times	6,532	6,622	6,698	6,342	6,665	6,430	-3.5%	-0.2%
CORE	26+ times	6,194	5,971	5,949	5,590	5,259	4,975	-5.4%	-4.3%
Softball (Fast Pitch)									
Total Participation	1+ time	2,498	2,424	2,460	2,467	2,309	2,303	-0.3%	-1.6%
Casual	1-25 times	1,117	1,158	1,187	1,198	1,077	1,084	0.7%	-0.5%
CORE	26+ times	1,381	1,266	1,273	1,269	1,232	1,219	-1.1%	-2.4%



Team Sports by Participation									
Sport	Definition	2013	2014	2015	2016	2017	2018	YTY % Change	5 Year % Change
Softball (Slow Pitch)									
Total Participation	1+ time	6,868	7,077	7,114	7,691	7,283	7,386	1.4%	1.6%
Casual	1-12 times	2,685	2,825	3,004	3,377	3,060	3,281	7.2%	4.4%
CORE	13+ times	4,183	4,252	4,110	4,314	4,223	4,105	-2.8%	-0.3%
Track & Field									
Total Participation	1+ time	4,071	4,105	4,222	4,116	4,161	4,143	-0.4%	0.4%
Casual	1-25 times	1,808	1,797	1,973	1,961	2,040	2,071	1.5%	2.8%
CORE	26+ times	2,263	2,308	2,249	2,155	2,121	2,072	-2.3%	-1.7%
Ultimate Frisbee									
Total Participation	1+ time	5,078	4,530	4,409	3,673	3,126	2,710	-13.3%	-11.7%
Casual	1-12 times	3,715	3,448	3,371	2,746	2,270	1,852	-18.4%	-12.7%
CORE	13+ times	1,363	1,082	1,038	927	856	858	0.3%	-8.6%
Volleyball (Court)									
Total Participation	1+ time	6,433	6,304	6,424	6,216	6,317	6,317	0.0%	-0.3%
Casual	1-12 times	2,715	2,759	2,849	2,852	2,939	2,867	-2.4%	1.1%
CORE	13+ times	3,718	3,545	3,575	3,364	3,378	3,450	2.1%	-1.4%
Volleyball (Sand)									
Total Participation	1+ time	4,770	4,651	4,786	5,489	4,947	4,770	-3.6%	0.3%
Casual	1-12 times	3,261	3,174	3,348	3,989	3,544	3,261	-8.0%	0.6%
CORE	13+ times	1,509	1,477	1,438	1,500	1,403	1,509	7.5%	0.1%
Wrestling									
Total Participation	1+ time	1,829	1,891	1,979	1,921	1,896	1,908	0.7%	0.9%
Casual	1-25 times	948	941	1,094	1,139	1,179	1,160	-1.6%	4.3%
CORE	26+ times	881	950	885	782	717	748	4.3%	-2.9%



In total, 10 out of the 16 most common team sports in the United States saw an increase in total participation over the last five years. Rugby grew the most by far from 2013 to 2018, growing approximately 5.9 percent in total during this time. It is important to note that in rugby, their largest growth came from Core participants, which is positive as these are the participants that will spend the money to travel to regional and national tournaments and can really have an impact on sports tourism. Baseball (3.7 percent) and Lacrosse (3.1 percent) were the two other sports that saw the largest growth over the last five years. Baseball participation increased by 1.5 percent year over year, which is a positive sign especially since the total participation rate among all team sports dropped by 1.4 million participants. When breaking it down by core vs. casual for baseball, causal participation has increased the most by far, increasing 2.5 percent year over year and 9.5 percent since 2013.

For sports that are losing participation, Ultimate Frisbee lost the most amount of participation by far, both year over year and over a 5-year average. Over the last five years, Ultimate Frisbee's participation has dropped over 11 percent in total. In the last year alone, they saw their participation decrease by over 13 percent. Touch and Tackle football also lost a combined 8.3 percent participation over the last 5 years, going along with the trend of an overall decrease in football participants nationally. Surprisingly, outdoor soccer has lost an average of 2.1 percent of their participants over the last 5 years. However, with the participant base of soccer being so high, this is not yet a problem as the sport still has over 11 million total participants.

PARTICIPATION BY INCOME

With the rising costs to play youth sports across the United States, household income has become directly correlated with youth sports participation. For every traditional sport listed, the highest percentage of participants come from family homes that produce more than \$100,000 annually. Participation among wealthy families is higher because they can afford to pay for league fees, personal training sessions, and private coaches. They can also play sports in which participants need to buy expensive equipment such as hockey and lacrosse. The high cost to play sports is directly

correlated with sports specialization among youths as travel programs cost thousands of dollars per year due to the high travel cost and high quality of the facilities in which they play at. The table below lists team sports and how income levels equate to the level of participation.

Figure 4-4

Core Participation by Income - Traditional Sports (2017)											
	<\$25,000	\$25,000-\$50,000	\$50,000-\$75,000	\$75,000-\$100,000	\$100,000+		<\$25,000	\$25,000-\$50,000	\$50,000-\$75,000	\$75,000-\$100,000	\$100,000+
Baseball	7.6%	18.5%	20.5%	20.5%	32.8%	Soccer (Outdoor)	12.1%	16.0%	18.4%	19.1%	34.4%
Basketball	12.2%	18.3%	22.0%	17.6%	29.9%	Softball (Fast Pitch)	7.6%	12.5%	16.2%	26.8%	36.9%
Football (Flag)	12.0%	25.5%	20.8%	17.1%	24.7%	Softball (Slow Pitch)	10.3%	18.7%	18.8%	22.4%	29.7%
Football (Tackle)	12.9%	18.9%	23.9%	16.1%	28.2%	Track & Field	13.1%	18.0%	18.3%	15.6%	35.0%
Football (Touch)	18.6%	22.9%	19.9%	19.7%	18.8%	Ultimate Frisbee	16.3%	22.3%	19.8%	20.5%	21.2%
Ice Hockey	3.8%	9.1%	21.4%	25.2%	40.5%	Sand Volleyball	13.4%	20.2%	18.5%	16.6%	31.2%
Lacrosse	7.6%	6.5%	20.9%	18.1%	46.9%	Volleyball (Court)	9.4%	13.9%	20.8%	18.9%	37.1%
Rugby	11.6%	32.6%	25.1%	9.7%	21.0%	Wrestling	12.7%	28.5%	12.8%	22.3%	23.8%
Source: SFIA, Johnson Consulting											

Source: SFIA, Johnson Consulting

The high cost associated with playing these sports has excluded a large percentage of the population, which is unfortunate. Most of the team sports on the list have over half of their participation coming from households which make more than \$75 thousand per year. The discrepancy among high income and low income families will continue to grow as long as sport specialization increases. Though the Tri-Cities has a higher than average Median Household Income, they need to realize how income affects a family's ability to play sports as to not price a new complex out of the range of local families who will drive demand during the week. If priced properly, a complex should be accessible to most, if not all, of a specific place's population.

INDUSTRY TRENDS AND SPORTS FACILITY DEVELOPMENTS

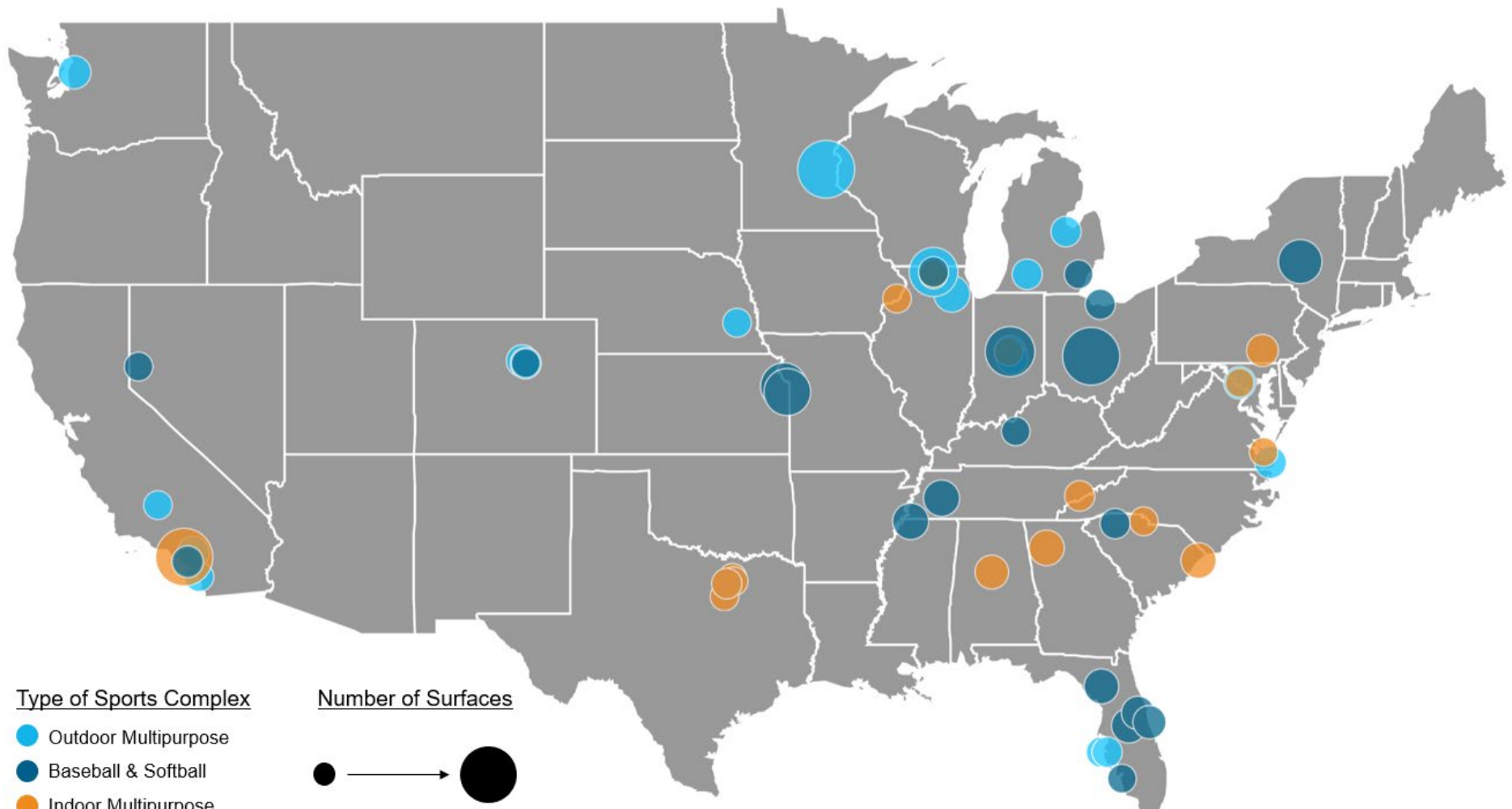
The goal of sports tourism facilities is to attract events and visitors from outside of the region and/or state in order to generate additional room nights and introduce new dollars to the community. As a rule of thumb, many sports tourism facilities operate at a deficit – mostly the result of capital costs to build a top-notch facility, the costs associated with operating large facilities, and the costs associated with attracting or hosting large events. The net benefit of the sports tourism facility, however, is the new dollars introduced to the community, the hotel rooms booked, and all of the tax revenues collected from visitors. Although often times sport tourism facilities will operate at a loss but generate large economic and fiscal impacts for the community. Sports tourism facilities can offer space to local groups as a supplement, but priority scheduling will be given to regional and national events. The key to success is balancing the appropriate program and number of surfaces that will not only meet the need of the local (30 minute drive time) as well as capable and large enough to host the larger regional as well as national tournaments on the weekends.

Sports Tourism facilities are often referred to as a “Mega Sports Complex,” since they consist of a high number of surfaces to accommodate large numbers of teams and participants. These facilities attract large tournaments and special events, usually hosting such events on weekends. During the week, some of these facilities will host events, leagues, and practices for local park district, recreational little leagues, or travel teams to generate additional revenues. But priority scheduling will be given to the travel tournaments that will generate economic and fiscal impacts for the local communities.

To better understand the existing inventory of established sports tourism facilities we have compiled several databases broken down by sport surface – outdoor multipurpose field, basketball/volleyball courts, and baseball/softball fields. This will provide context to the competition that a sports tourism facility in the Tri-Cities could face if one is developed..

The charts on the following pages provide a national inventory of sports tourism facilities outdoor multipurpose complexes, basketball/volleyball courts, and baseball/softball fields at national sports tourism facilities. As you can see, the facilities continue to grow in size. Later, our case studies will detail the state-of-the-art amenities that are becoming standard at such facilities.

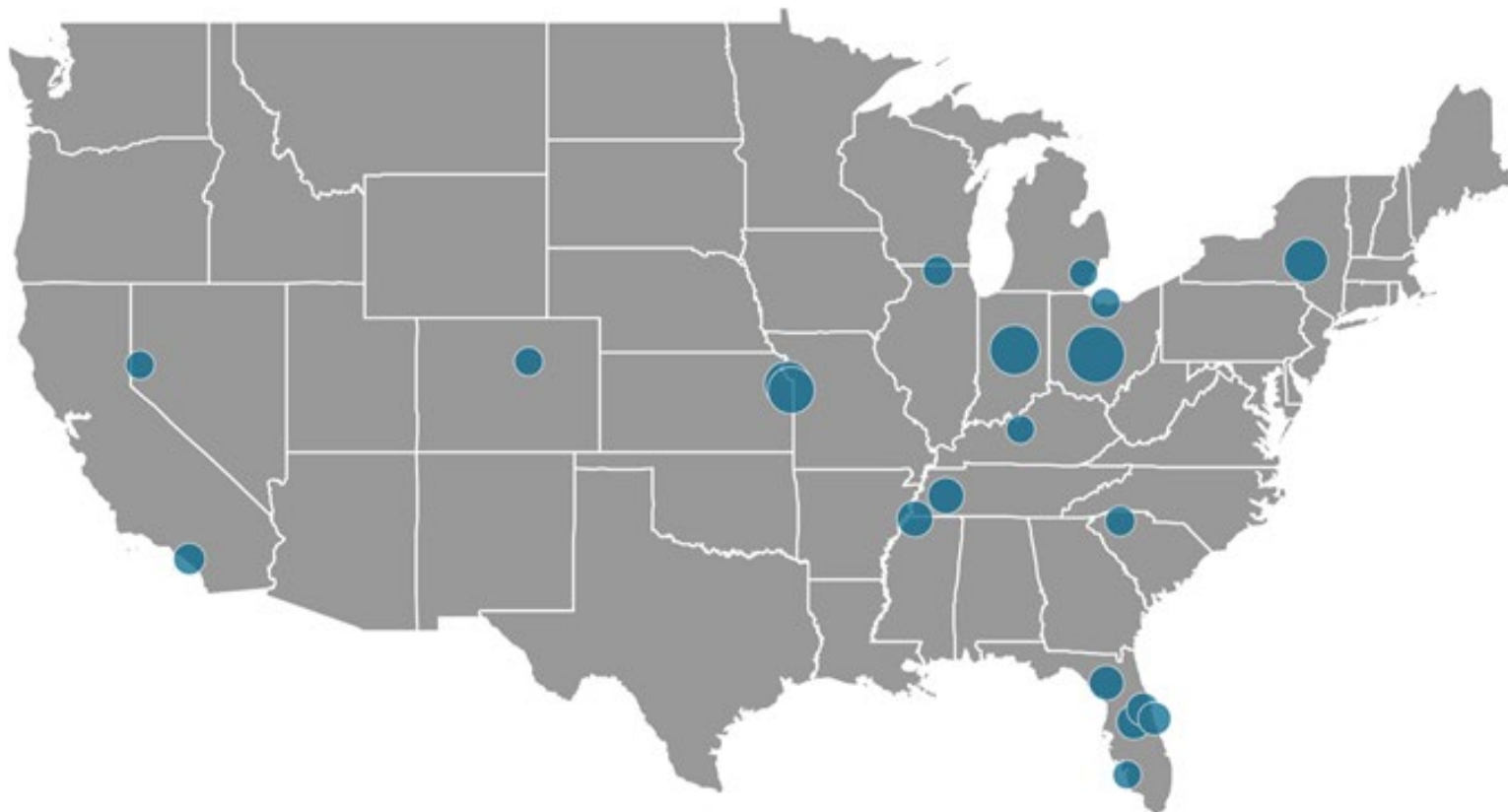
Figure 4-5



MEGA BASEBALL/SOFTBALL COMPLEXES

A Mega-Baseball/Softball facility is defined as a complex that has twelve (12) or more fields at one location. These fields are state-of the art grass or turf and are usually part of a larger sports development. Below is a map of a Johnson Consulting audit of Mega-Baseball/Softball facilities in the US.

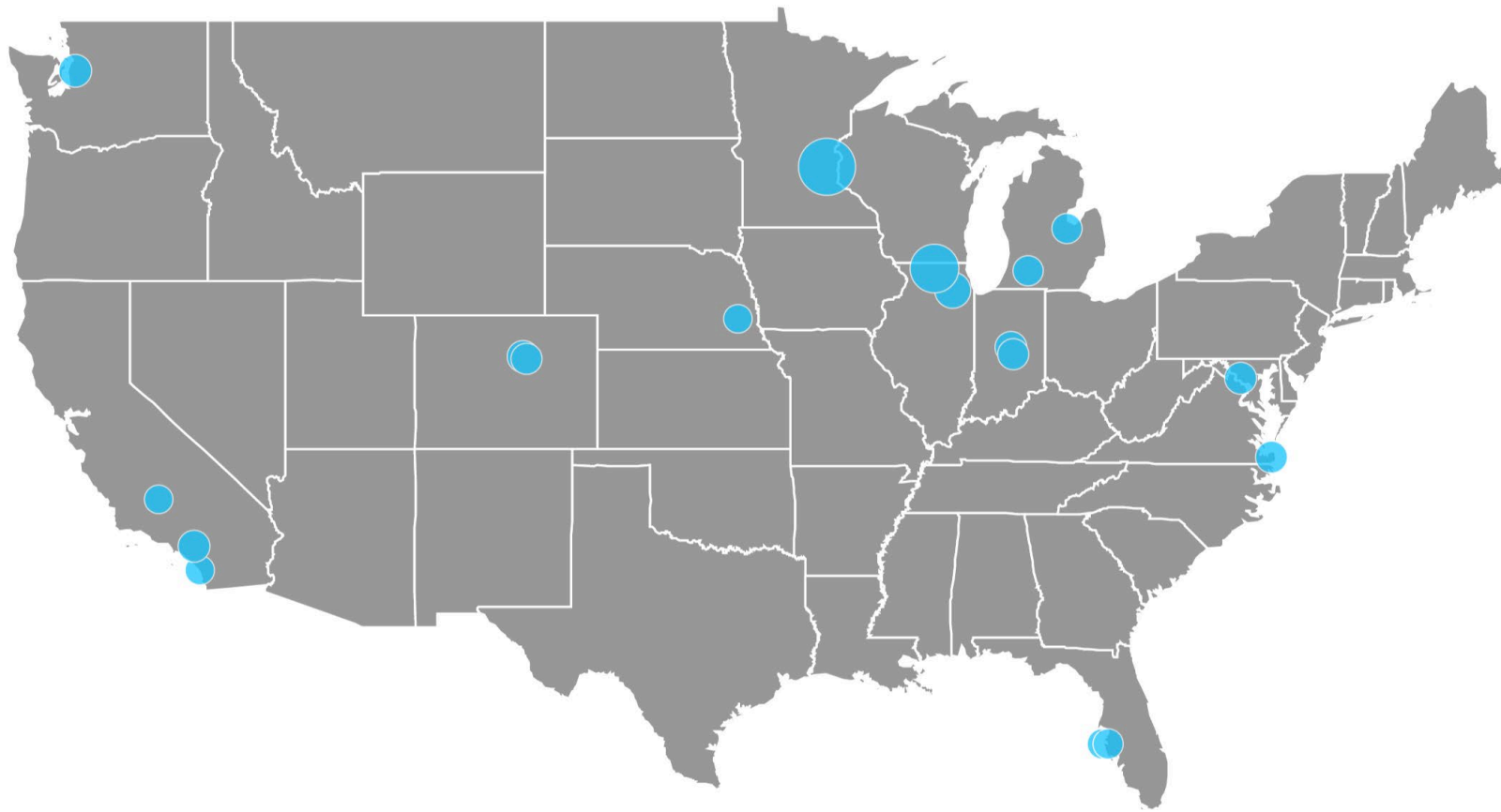
Figure 4-6



MEGA-SOCCER COMPLEXES

A Mega-Soccer Complex is defined as twenty (20) or more fields at one location that can host a variety of events for soccer, lacrosse, football, and multiple other sports that require an outdoor multipurpose field. Below is a Johnson Consulting audit of all soccer facilities in the United States over 20 surfaces.

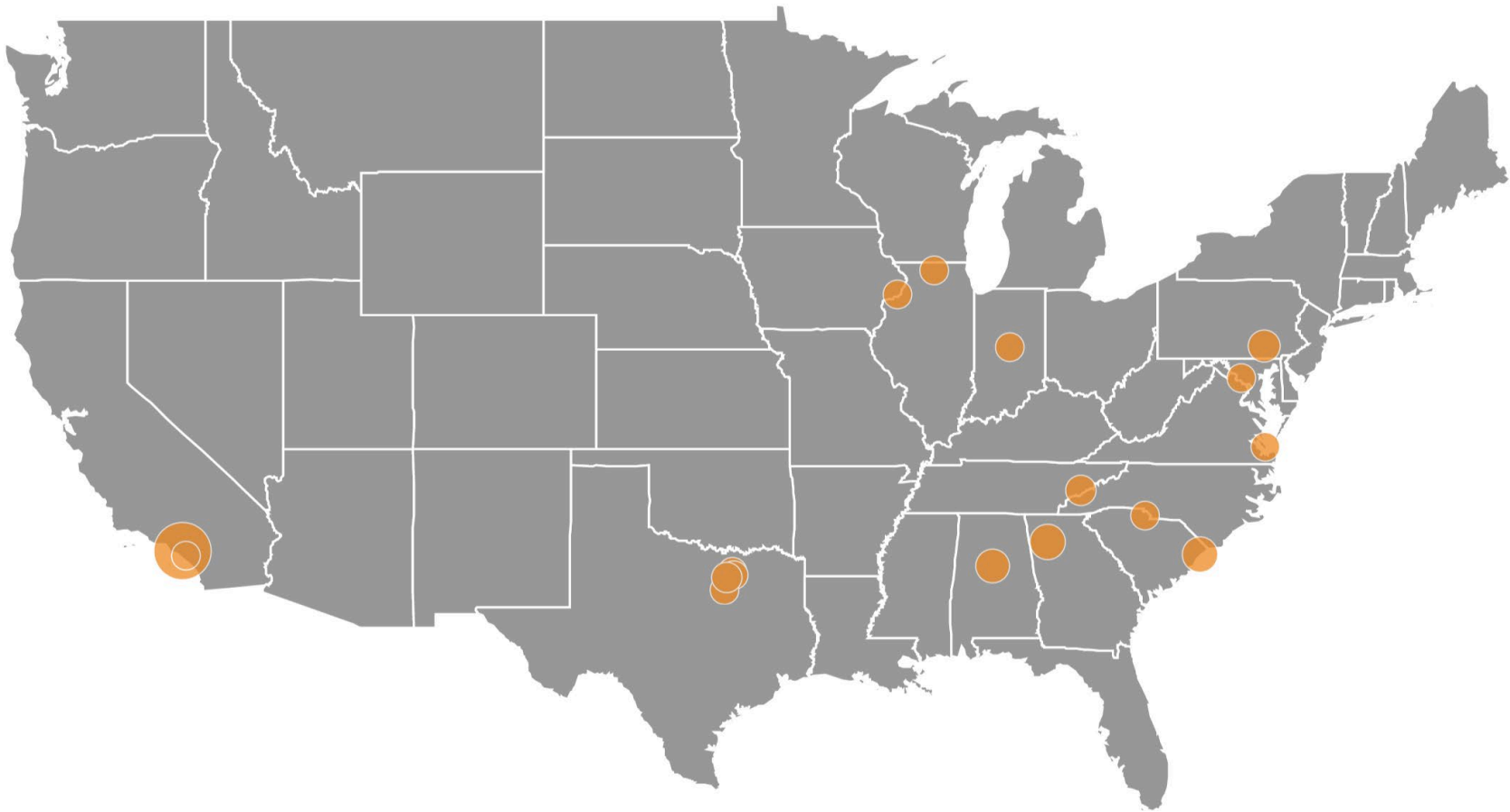
Figure 4-7



MEGA-INDOOR COMPLEXES

A Mega-Indoor Complex is defined as an indoor facility composing of eight (8) or more basketball courts, convertible into sixteen (16) or more volleyball courts under one roof. Below is a list of a Johnson Consulting audit of the largest indoor facilities in the United States.

Figure 4-8



IMPLICATIONS

Over the last two decades, sports facilities have become destination tourism generators. Whereas two decades ago, the common tactic was to develop single-purpose facilities with the intent to serve as a local community resource. Today's facilities are often developed to attract a multi-purpose niche of visitors to an area. As a result, they are considered based on their ability to induce economic activity through an increasingly diversified demand. As this has occurred, society has also become more mobile and time constraints for families are much greater, which has translated to the rise of short duration, purpose-driven trips that coincide with tournaments and competition lengths.

For communities, the entertainment and sports market has led to changes in development strategies and the emergence of facilities and attractions that offer either niche focused venues or multi-purpose venues, and fee-for-service amenities that appeal to a broad base. In addition to the factors mentioned above, many facilities now are expected to demonstrate some degree of investment return. An increase in sport specialization and the need for sophisticated training have influenced the design and makeup of the facilities. Facilities are now designed with the specific mission of the building in mind and create an atmosphere with amenities that drive the specialized business of the facility, such as "Championship Stadiums" that target national and regional tournament play. For the Tri-Cities specifically, it is important to work together to sell the potential users on the Tri-Cities as a whole instead of three individual cities to generate the highest amount of economic impact for the community as well as return for the investors.

SECTION 5

REGIONAL OVERVIEW



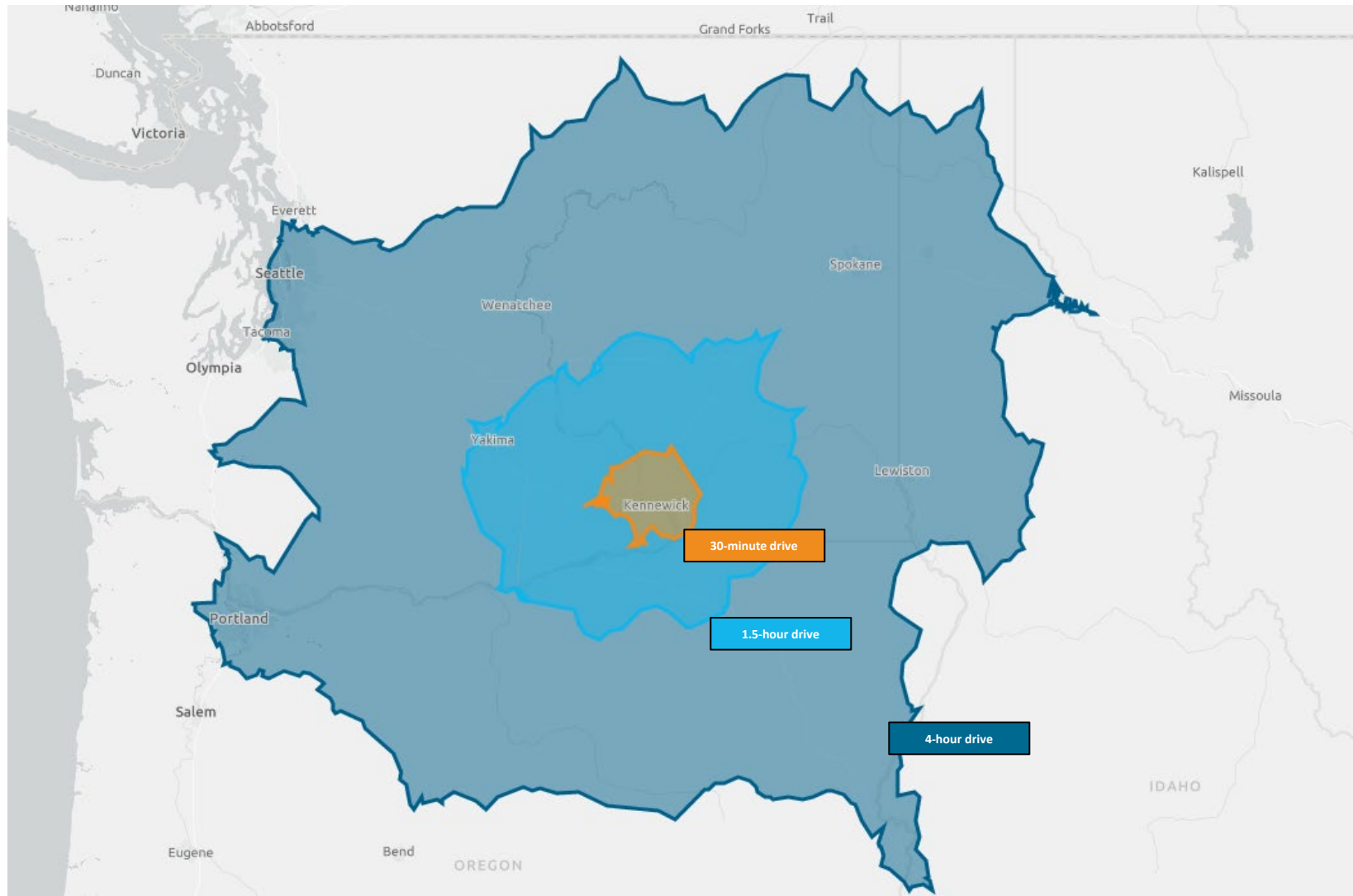
REGIONAL OVERVIEW & CASE STUDIES

The Tri-Cities market is in an ideal location for the addition of a new sports complex. Given their population, which is projected to grow at approximately double the national average, their market is drastically underserved. A growing population and an above average median household income are characteristics that bode well for a new sports complex. Though the local Tri-Cities market is underserved, challenges could present themselves as there are already regional players in the state of Washington that have well-established complexes.

In this section, Johnson Consulting undertook a comprehensive review of conditions in Kennewick, Pasco, and Richland to determine the total number of tournament quality complexes between the cities. Then, a detailed analysis of the surrounding markets within 4-hour drive time of the Tri-Cities was audited. These complexes would be the main competitors from a regional and national tournament standpoint and could potentially pull demand away from a new development in the Tri-Cities. Johnson Consulting also compiled a list of carefully chosen case studies both in the state of Washington and in the United States as a whole, which are presented in **Appendix I**. The case studies provide key information including program, demand, and economic impact for the local community among other things.

The figure below provides a map of the local (30-minute), regional (1.5 hours), and national (4 hours) drive times from the Tri-Cities.

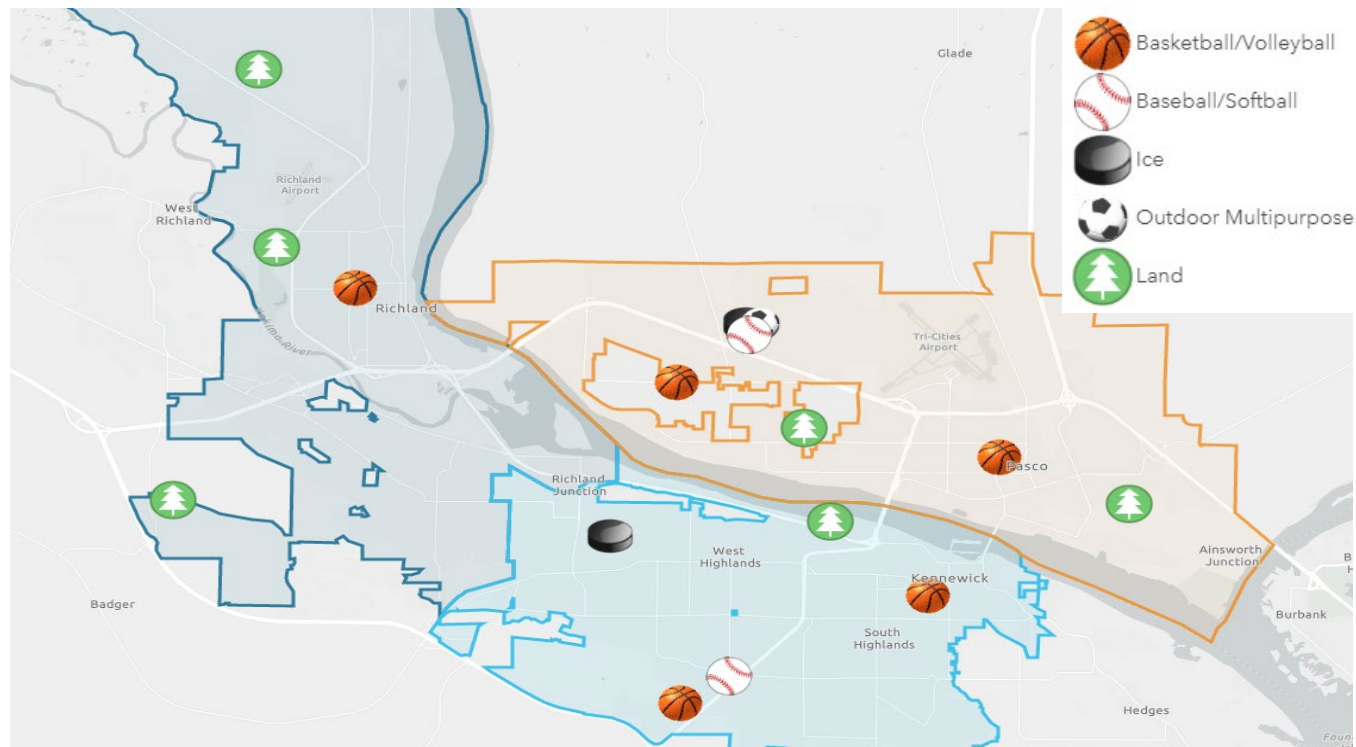
Figure 5-1



TRI-CITIES OVERVIEW

This section presents an audit of all of the tournament quality facilities for outdoor multipurpose, baseball/softball, basketball/volleyball, and ice complexes within the Kennewick, Pasco, and Richland city limits. Because tournament quality facilities are generally larger than a typical local sports facility, Johnson Consulting used the following boundaries for each audit - Outdoor Multipurpose: Greater than 10 fields, Baseball/Softball: Greater than 8 diamonds, Basketball/Volleyball: Greater than 4 basketball courts, and Ice: greater than 1 sheet. Johnson Consulting also included sites on this map that could possibly be expanded or renovated as part of future sports developments.

Figure 5-2



LOCAL OUTDOOR MULTIPURPOSE

Tournament quality outdoor field complexes typically consist of 10 or more multi-purpose sports fields, which are traditionally intended for soccer, football, and lacrosse among other field sports. These fields can also be utilized for rugby, field hockey, Ultimate Frisbee, and practice functions for baseball and softball. The marketability of these facilities is based on the number and type (natural grass or turf) of surfaces that are available, the lighting capabilities at the complexes, the capacity for attendees (parking and seating), and the cost to rent the complex.

Within Kennewick, Pasco, and Richland, the only tournament quality outdoor multipurpose complex is the Tri-Cities Youth Soccer Association (TCYSA) Complex located in Pasco. This complex is the largest in the region at 17 total multipurpose fields. However, TCYSA has exclusive right of use of the complex, making it difficult for other teams in the area, both soccer and lacrosse, to use the complex. Because of this, other soccer and lacrosse teams in the area play and practice at facilities such as Columbia Park and the Southridge Sports Complex. These are high quality facilities. However, they are not large enough to really move the sports tourism needle the way that the TCYSA complex has the potential to do.

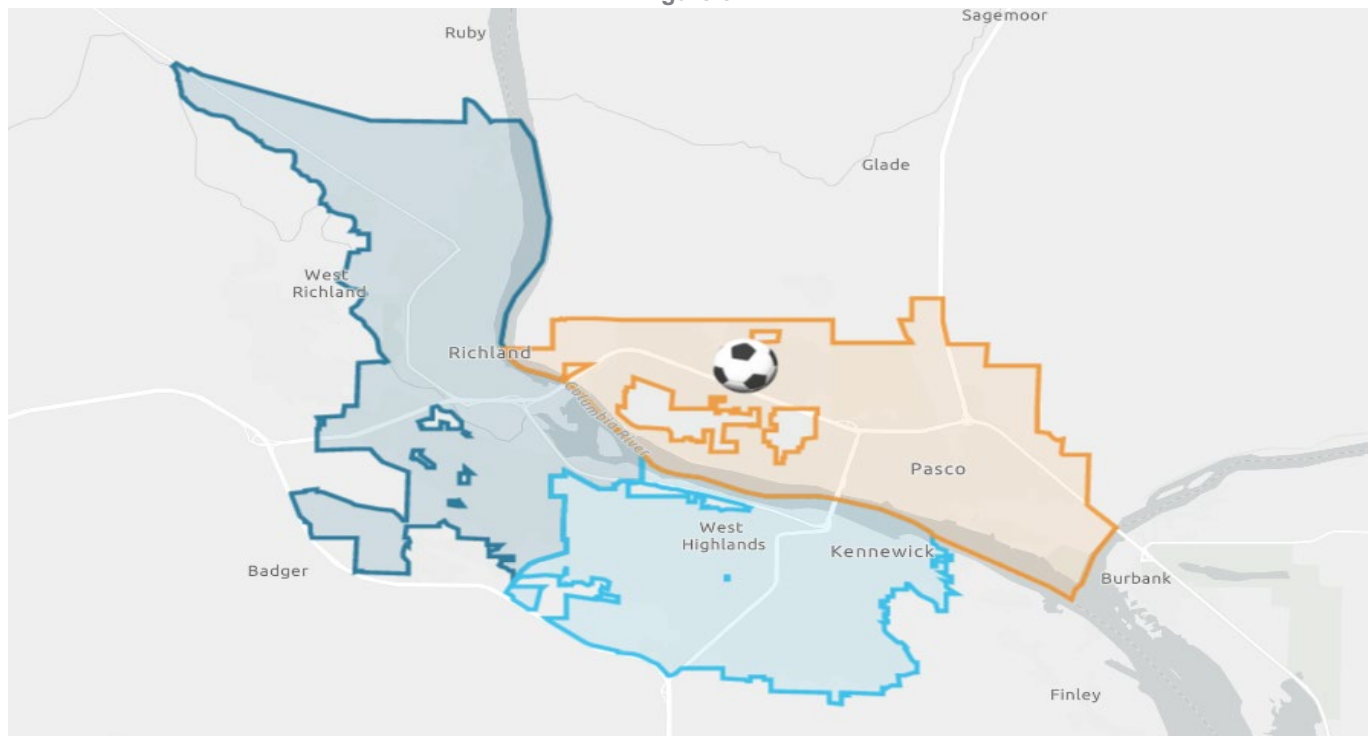
The figure below presents a map of the TCYSA complex. It should be noted that there are no current rental rates at this complex given their exclusive use agreement with TCYSA.

Figure 5-3

Outdoor Multipurpose Complex Tri-Cities, WA		
Facility	Location	Total Fields
Tri-Cities Youth Soccer Association (TCYSA)	Pasco	17
Total		17
Average		17.0

Source: Local Municipalities/Facilities

Figure 5-4



LOCAL BASEBALL/SOFTBALL

In order to determine the appropriate mix of baseball and softball fields, Johnson Consulting first performed an audit of existing baseball and softball facilities within each of the Tri-Cities. Baseball/Softball complexes typically consist of eight or more diamonds and the main surface can be grass or turf with a dirt infield. These diamonds are specifically designed to meet the requirements of baseball/softball, but can hold most traditional field sports such as soccer, football, lacrosse, and rugby among others. The marketability of these facilities is based on the location, number of surfaces that are available, the capacity for attendees, amenities within the facility (restrooms, concessions, dugouts, etc.), and the cost to rent the fields.

Currently, there are no tournament quality baseball or softball facilities within the Tri-Cities market. They do have two complexes that are close to tournament quality, however, are on the smaller side. The Pasco Sporting Complex has six full sized baseball/softball diamonds and the Southridge Sports Complex has 4. If these facilities were to expand to approximately eight diamonds or more at the same location, they would become much more attractive sites for regional tournaments. The Southridge Sports Complex's fields are used at a price of \$14 per hour, with an additional \$6 per hour for lights. The Pasco Sporting Complex's fields cost \$7 to \$19 per hour. There is also an option of a \$25 field prep fee, \$19 per hour for lights, and a \$15 hourly supervisor rate.

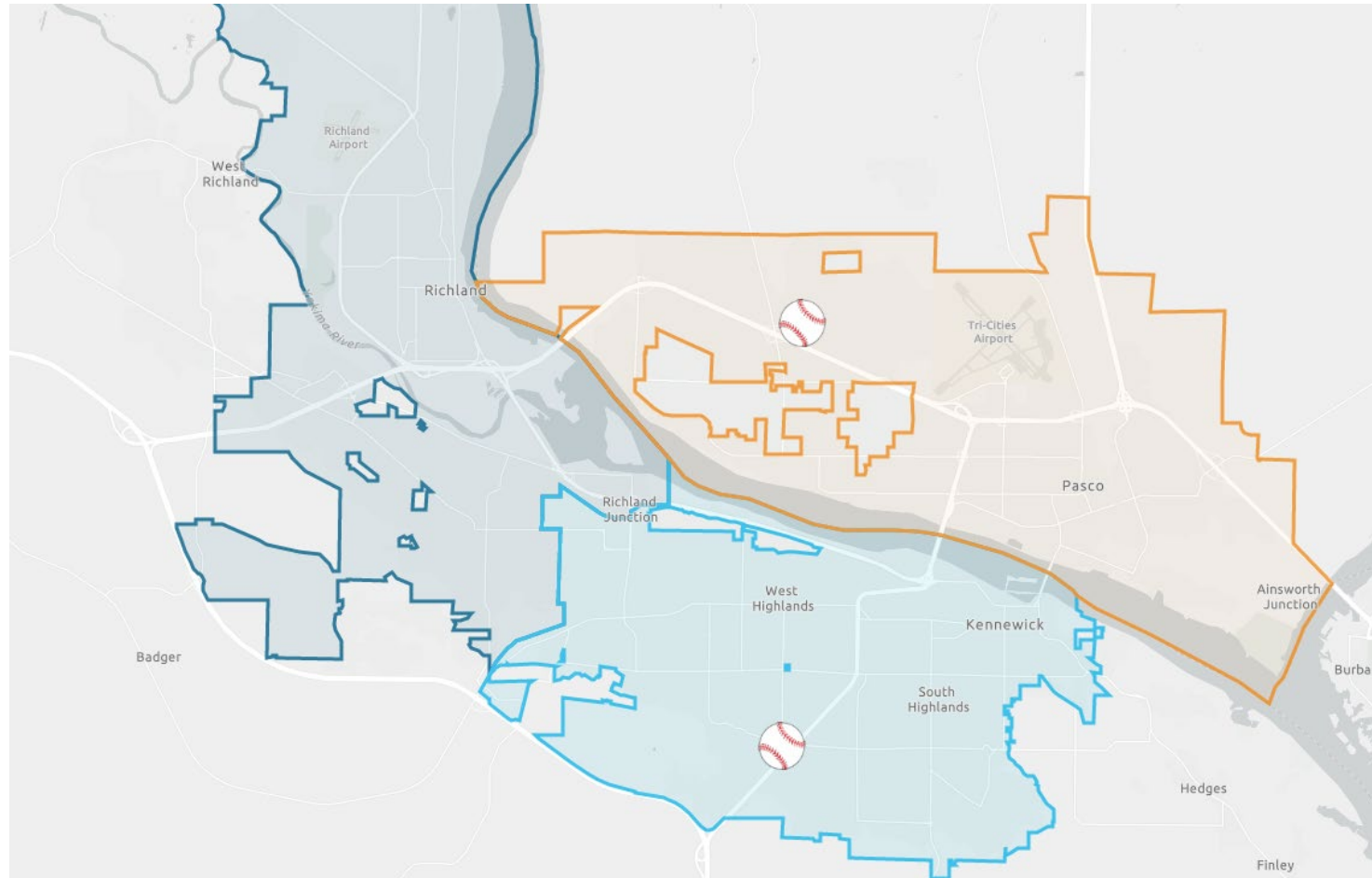
Figure 5-5

Baseball/Softball Tri-Cities, WA				
Facility	Location	Total Fields	\$\$ Per Hour - Low	\$\$ Per Hour - High
Southridge Sports Complex	Kennewick	4	\$14	\$20
Pasco Sporting Complex	Pasco	6	\$7	\$19
Total		10	-	-
Average		5.0	\$11	\$20

*Rental \$\$ does not include additional amenities such as lights, locker room fees, etc.

Source: Local Municipalities/Facilities, Johnson Consulting

Figure 5-6



LOCAL BASKETBALL/VOLLEYBALL

Tournament quality indoor court complexes typically consist of at least four full size basketball, convertible into eight volleyball courts, under one roof. Courts are primarily used for basketball and volleyball events. However, they can also be used for indoor soccer, lacrosse, football, rugby, field hockey, baseball, softball and training. Hard court surfaces are also able to be used for non-sports events such as trade shows and entertainment events. The marketability of these facilities is based on the number of surfaces that are available, the capacity for attendees, amenities within the facility (restaurants, pro-shops, locker rooms, etc.), and the cost to rent the complex.

Within the Tri-Cities, there are 20 total courts spread across five different high schools, with all of the high schools having four courts each. Basketball and volleyball are unique in that they do not mind travelling from complex to complex, as long as they are located relatively close. With that, if the Tri-Cities were to host a basketball or volleyball tournament, they could have it across all three cities. They could also use the Southridge Sports Complex, which has three courts, for tournament runoff in case they became too large to be held at the high schools. It should be noted that a major problem with high schools is that school programs take priority over outside tournaments. Because of this, scheduling is usually an issue and court time is limited. Given that all of the facilities are high-school facilities, pricing information will not be relevant.

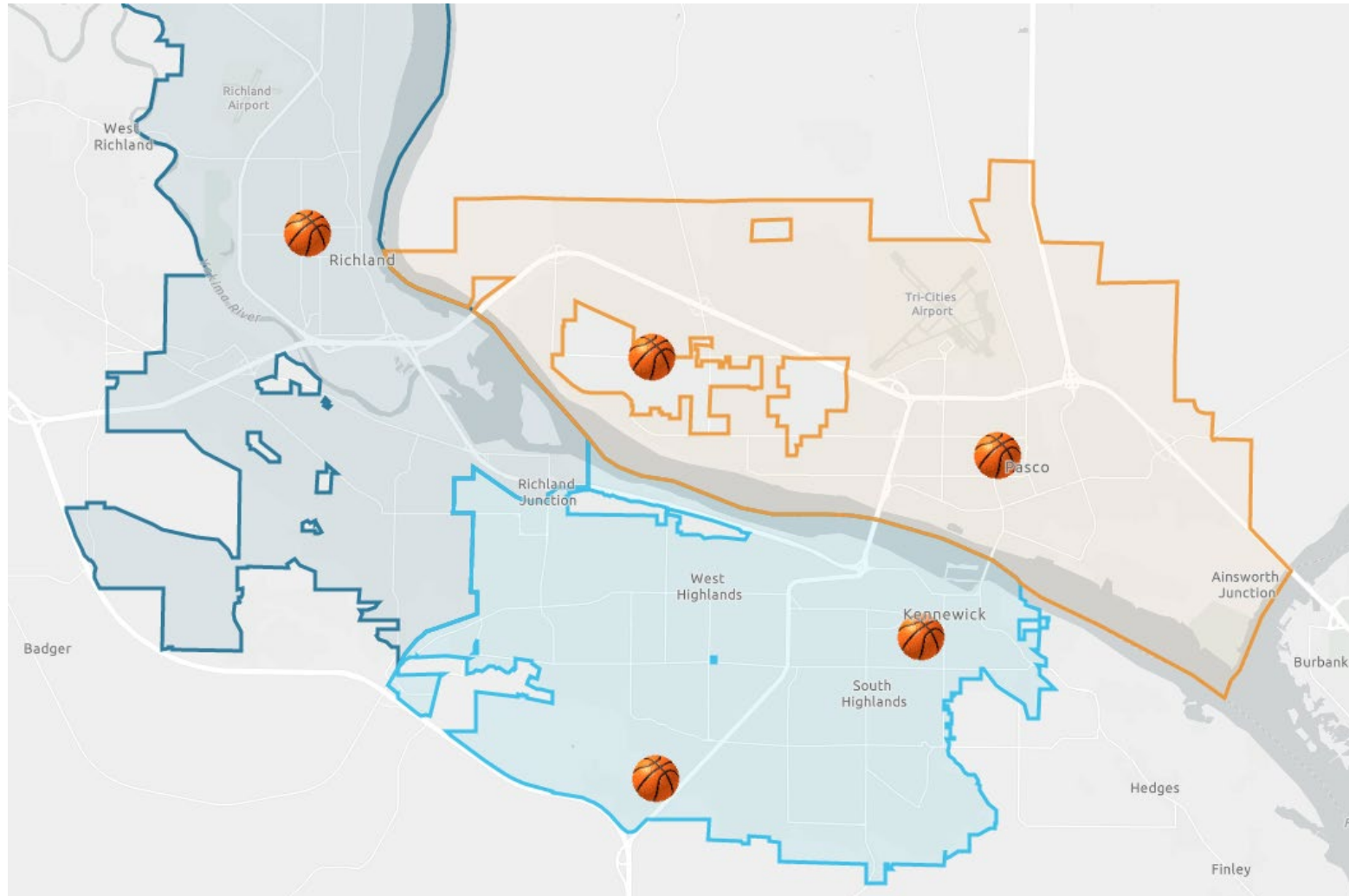
Figure 5-7

Basketball/Volleyball Tri-Cities, WA		
Facility	Location	Total Courts
Kennewick High School	Kennewick	4
South Ridge High School	Kennewick	4
Pasco High School	Pasco	4
Chiawana High School	Pasco	4
Richland High School	Richland	4
Total		20
Average		4.0

*Rental \$\$ does not include additional amenities such as lights, locker room fees, etc.

Source: Local Municipalities/Facilities, Johnson Consulting

Figure 5-8



LOCAL ICE/HOCKEY COMPLEXES

Johnson Consulting compiled a list of local ice facilities in Kennewick, Pasco, and Richland to determine the local need for ice in the area. Tournament quality ice/hockey complexes consist of two (2) or more sheets under the same roof. These sheets of ice typically host youth hockey leagues, tournaments, speed skating, and figure skating, and open skating for the public. The largest issue on a national level with ice is the high cost to rent it, which is often out of the price range of local individuals.

In the Tri-Cities, there is only one ice facility that has more than one sheet. The Toyota Center and Toyota Arena together have two full sheets of ice at one facility. Tri-Cities also has the HAPO Center, which only consists of one rink and cannot host tournaments given its size. It would also require a significant investment if it were to move the needle from a sports tourism perspective. The Toyota Center, while it is higher quality than the HAPO Center, is harder to book due to the demand currently there from outside events. Currently rental rates at Toyota run anywhere from \$165 per hour to \$215 dollars per hour depending on the time of year as well as the time of day while the HAPO Center is \$220 per hour and does not distinguish between prime and non-prime.

Below is a map that shows where the Toyota Center is in relation to the Tri-Cities.

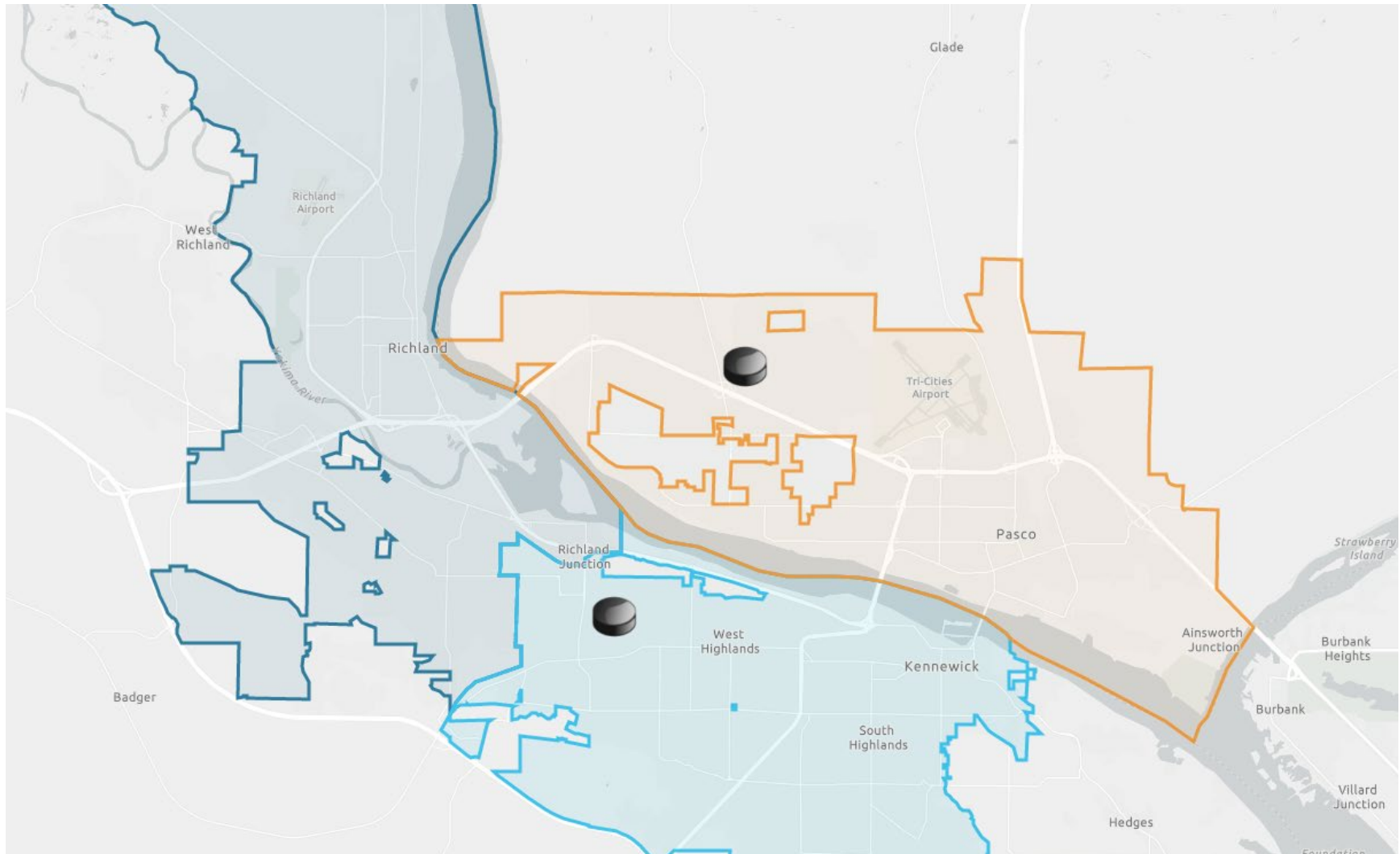
Figure 5-9

Ice/Hockey Facility Tri-Cities, WA				
Facility	Location	Total Rinks	\$\$ Per Hour - Low	\$\$ Per Hour - High
Toyota Center & Arena	Kennewick	2	\$165	\$215
HAPO Center	Pasco	1	\$220	\$220
Total		3	-	-
Average		1.5	\$193	\$218

*Rental \$\$ does not include additional amenities such as lights, locker room fees, etc.

Source: Local Municipalities/Facilities, Johnson Consulting

Figure 5-10



REGIONAL MARKET OVERVIEW

Johnson Consulting performed a regional audit of a 4-hour drive time, the likely distance that teams would travel for a regional tournament in the Tri-Cities. Within this drive time radius, large markets such as Seattle, Tacoma, Olympia, Spokane, and Portland are captured. In total, the Tri-Cities has access to approximately 8 million people within this drive time radius, which is a significant population base and makes the Tri-Cities an ideal location to build a complex given its proximity to other markets. The goal of this section is to identify any major regional tournament quality sports complexes within this drive time to gauge the regional demand from other markets. Though Tri-Cities has a strong local demand for a new youth sports complex, if the regional supply of tournament quality sports complexes is too high, building another one in the Tri-Cities will not be feasible.

Johnson Consulting identified all of the tournament quality sports complexes within 4-hours of the Tri-Cities for Outdoor Multipurpose, Baseball/Softball, Basketball/Volleyball, and Ice Facilities. When examining the regional market, there are 19 current tournament quality complexes that have a total of 178 total surfaces. Figure 5-13 and 5-14 present these findings.

Figure 5-11

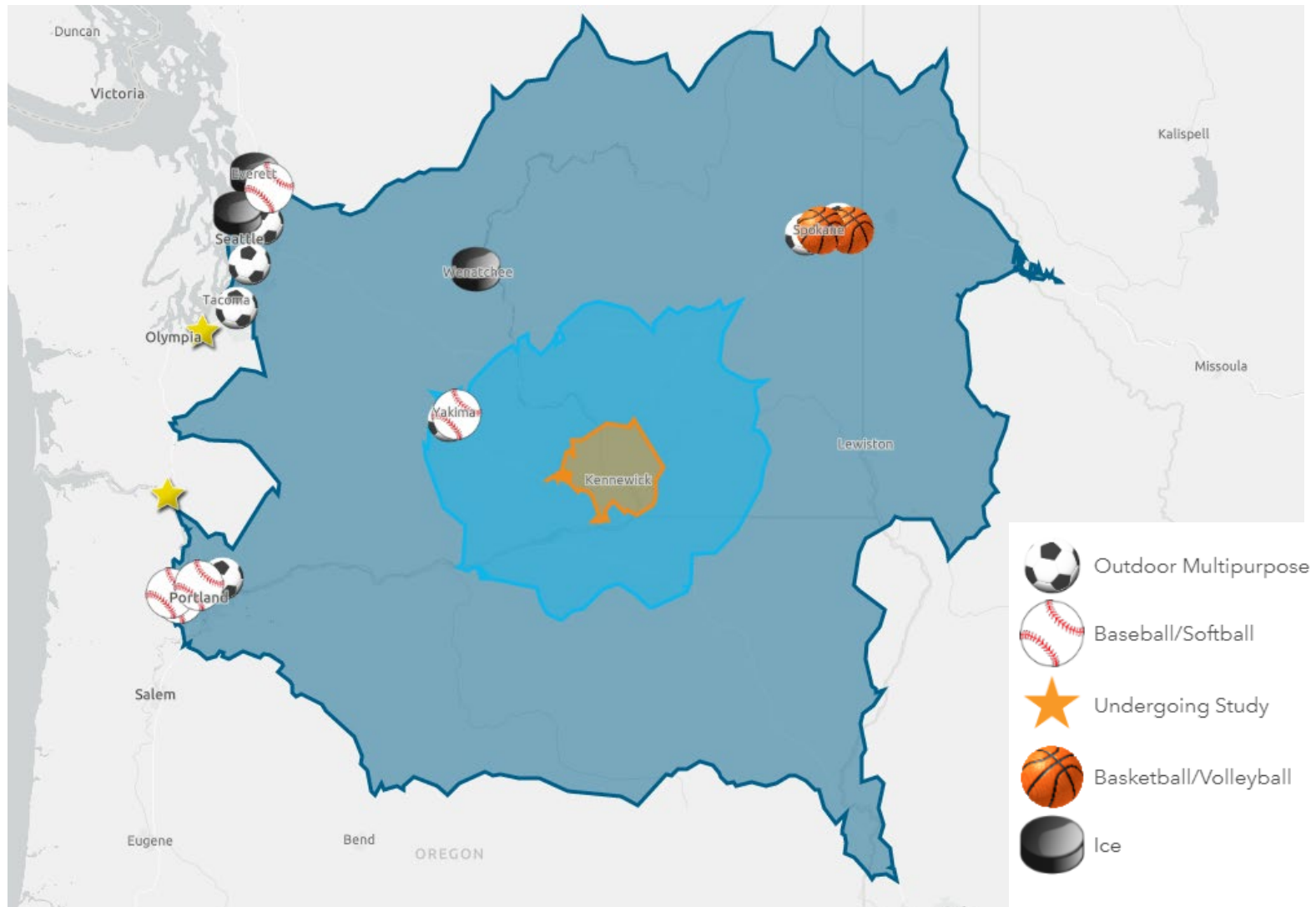


Figure 5-12

**All Facilities
4-hour drive time**

Facility	City	Type	Total Surfaces	Distance From Tri Cities (miles)	\$\$ Per Hour - Low	\$\$ Per Hour - High
SOZO Sports Complex	Yakima	Outdoor Multipurpose	14	68	\$20	\$125
Spokane Polo Club	Spokane	Outdoor Multipurpose	12	140	-	-
Plante's Ferry Sports Complex	Spokane Valley	Outdoor Multipurpose	12	145	\$20	\$80
60-Acres Park	Redmond	Outdoor Multipurpose	25	160	\$45	\$60
Harmony Sports Complex	Vancouver	Outdoor Multipurpose	10	160	\$45	\$125
Washington Premier Complex	Puyallup	Outdoor Multipurpose	10	170	-	-
Starfire Sports Complex	Seattle	Outdoor Multipurpose	12	170	\$38	\$130
Delta Park - Owens Sports Complex	Portland	Outdoor Multipurpose	11	192	\$30	\$70
Stocker Fields (Snohomish Soccer)	Snohomish	Outdoor Multipurpose	10	200	-	-
Average	-	-	13	156	\$33	\$98
Town Toyota Center	Wenatchee	Ice	2	103	\$150	\$315
Highland Ice Arena	Shoreline	Ice	2	185	\$145	\$310
Xfinity Community Ice Rink	Everett	Ice	2	190	-	-
Average	-	-	2	159	\$148	\$313
Spokane Regional SportsPlex*	Spokane	Basketball/Volleyball	10	131	-	-
The Warehouse	Spokane	Basketball/Volleyball	6	139	\$46	\$46
The HUB Sports Center	Liberty Lake	Basketball/Volleyball	5	141	\$50	\$60
Average	-	-	7	137	\$48	\$53
Gateway Sports Complex	Yakima	Baseball/Softball	8	65	\$25	\$55
Tualatin Hills Sports Complex	Beaverton	Baseball/Softball	8	181	-	-
Ron Tonkin Field and Gordon Recreation Complex	Hillsboro	Baseball/Softball	8	184	\$22	\$75
Delta Park - Owens Sports Complex	Portland	Baseball/Softball	11	193	\$17	\$40
Average	-	-	9	156	\$21	\$57
Total			178	-	-	-
Average			9	154	\$50	\$115

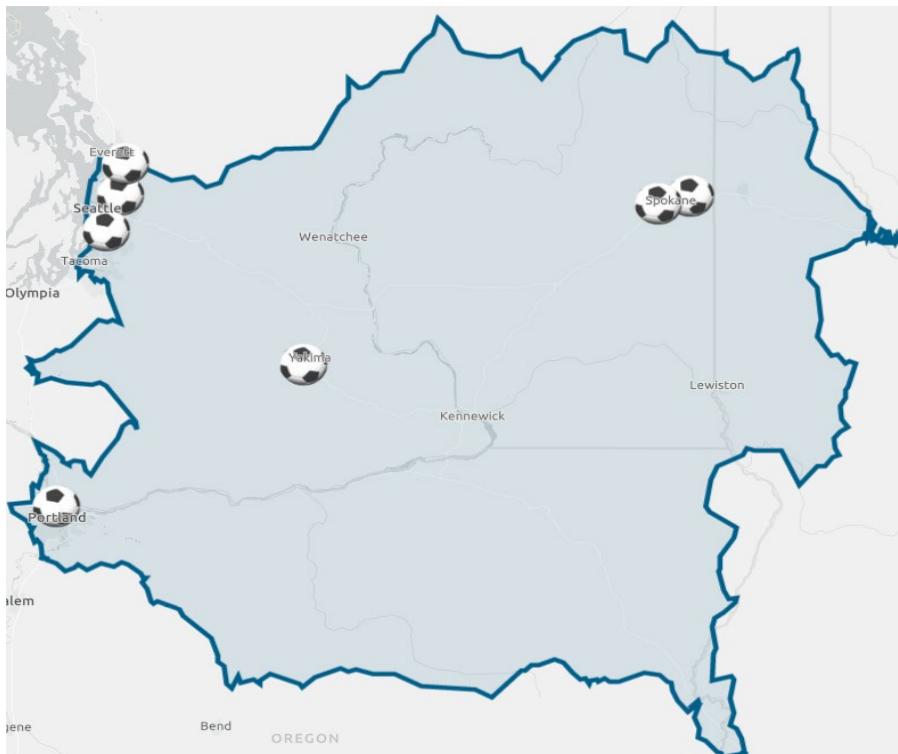
*Rental \$\$ does not include additional amenities such as lights, locker room fees, etc.

Source: Local Municipalities/Facilities, Johnson Consulting

REGIONAL OUTDOOR MULTIPURPOSE

When looking at the outdoor multipurpose market throughout the Pacific Northwest, there are 116 total surfaces across nine different complexes. The largest outdoor multipurpose complex in the region is 60-Acres Park, located in Redmond, WA – approximately 160 miles from the Tri-Cities. The closest tournament quality complex and also one of the nicest is the SOZO Sports Complex, located in Yakima. This complex has 14 total multipurpose fields, 9 of which are grass. SOZO opened in 2016 and also includes an indoor portion with turf fields for indoor training. Also, they are in the process of funding for a second portion of the indoor complex, which could include eight basketball courts and 16 volleyball courts.

Figure 5-13



Outdoor Multipurpose 4-hour drive time					
Facility	City	Total Surfaces	Distance From Tri- Cities (miles)	\$\$ Per Hour - Low	\$\$ Per Hour - High
SOZO Sports Complex	Yakima	14	68	\$20	\$125
Spokane Polo Club	Spokane	12	140	-	-
Plante's Ferry Sports Complex	Spokane Valley	12	145	\$20	\$80
60-Acres Park	Redmond	25	160	\$45	\$60
Harmony Sports Complex	Vancouver	10	160	\$45	\$125
Washington Premier Complex	Puyallup	10	170	-	-
Starfire Sports Complex	Seattle	12	170	\$38	\$130
Delta Park - Owens Sports Complex	Portland	11	192	\$30	\$70
Stocker Fields (Snohomish Soccer)	Snohomish	10	200	-	-
Total		116	-	-	-
Average		12.9	156	\$33	\$98

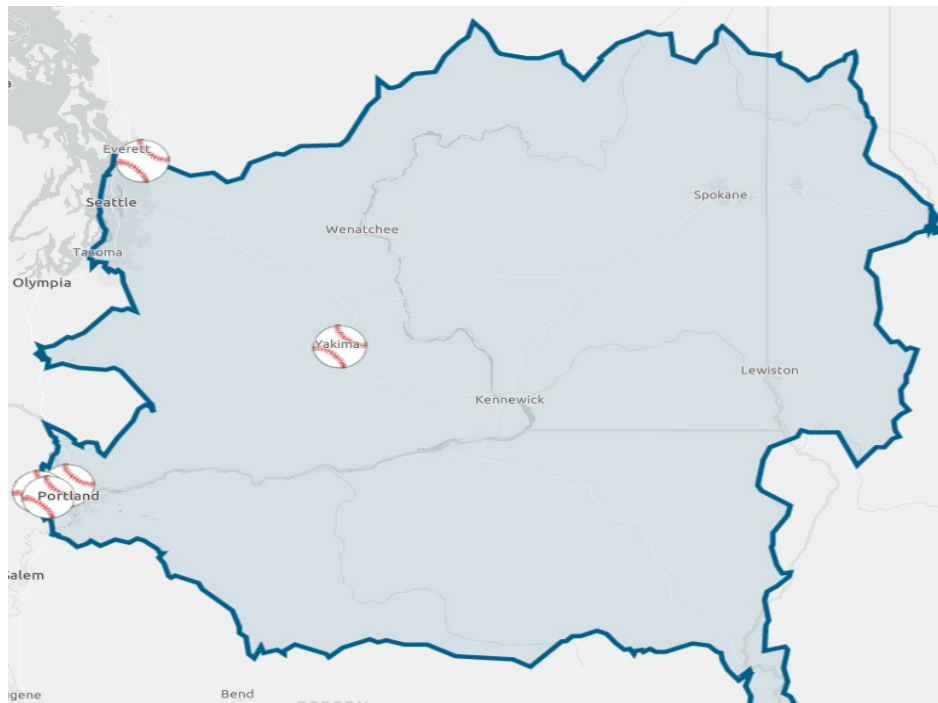
*Rental \$\$ does not include additional amenities such as lights, locker room fees, etc.

Source: Local Municipalities/Facilities, Johnson Consulting

REGIONAL BASEBALL/SOFTBALL

Regional Baseball and Softball complexes usually consist of two eight fields, or two “wheels”. Within a 4-hour drive time of the Tri-Cities, Johnson Consulting identified five complexes, consisting of 44 total fields. The largest complex, Delta Park – Owens Sports Complex, is located in Portland, approximately 190 miles away. In fact, all of the complexes, with the exception of the Gateway Sports Complex in Yakima, are located more than 180 miles from the Tri-Cities. This is a positive in that there are not many major players immediately surrounding the Tri-Cities. The Gateway Sports Complex is 65 miles away and consists of eight baseball/softball fields and will likely present the largest challenger to a complex in the Tri-Cities given its location. Regionally, three of the five complexes identified are located in the Portland Metropolitan area. The Tri-Cities has the potential to draw demand from the north, south, and east as there are not any complexes that were identified within 4 hours in any of those directions.

Figure 5-14



Baseball/Softball 4-hour drive time					
Facility	City	Total Surfaces	Distance From Tri Cities (miles)	\$\$ Per Hour - Low	\$\$ Per Hour - High
Gateway Sports Complex	Yakima	8	65	\$25	\$55
Tualatin Hills Sports Complex	Beaverton	8	181	-	-
Ron Tonkin Field and Gordon Recreation Complex	Hillsboro	8	184	\$22	\$75
Delta Park - Owens Sports Complex	Portland	11	193	\$17	\$40
Total		35	623	-	-
Average		8.8	156	\$21	\$57

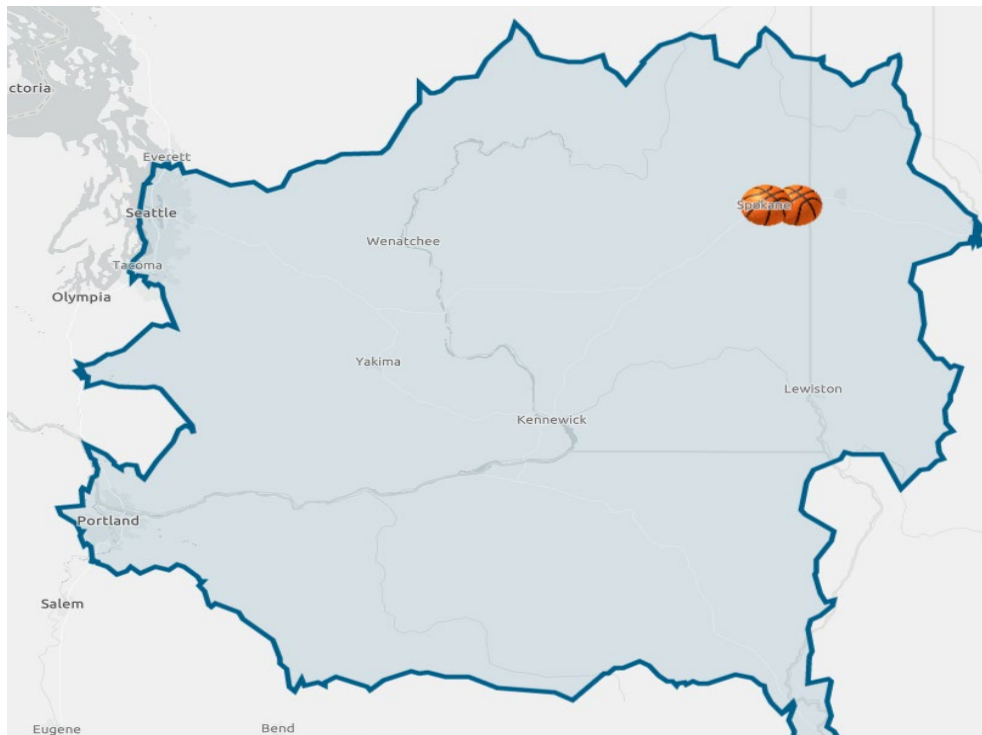
*Rental \$\$ does not include additional amenities such as lights, locker room fees, etc.

Source: Local Municipalities/Facilities, Johnson Consulting

BASKETBALL/VOLLEYBALL

Regional Basketball and Volleyball complexes usually consist of four full sized basketball courts, which can be converted into eight volleyball courts. Within 4-hours of the Tri-Cities, there are 21 total full-sized basketball courts, spread across three complexes. It is important to note that these three complexes are not located close to the Tri-Cities, and have an average distance of 137 miles away. The largest complex, which has not been complete yet, is the Spokane Regional Sports Plex, which is expected to have 10-total basketball courts, convertible into 20 volleyball courts. It is also expected to have indoor turf space as well as a full-sized NHL ice sheet. They are expected to break ground in 2019. Interestingly, all three complexes that were identified as having four or more courts were located in Spokane. This leaves a major opportunity for the Tri-Cities to pull demand from the Seattle, Yakima, and Portland markets as it is a shorter drive and equal-distant from the markets.

Figure 5-15



Basketball/Volleyball 4-hour drive time					
Facility	City	Total Surfaces	Distance From Tri Cities (miles)	\$\$ Per Hour · Low	\$\$ Per Hour · High
Spokane Regional SportsPlex*	Spokane	10	131	-	-
The Warehouse	Spokane	6	139	\$46	\$46
The HUB Sports Center	Liberty Lake	5	141	\$50	\$60
Total		21	-	-	-
Average		7.0	137	\$48	\$53

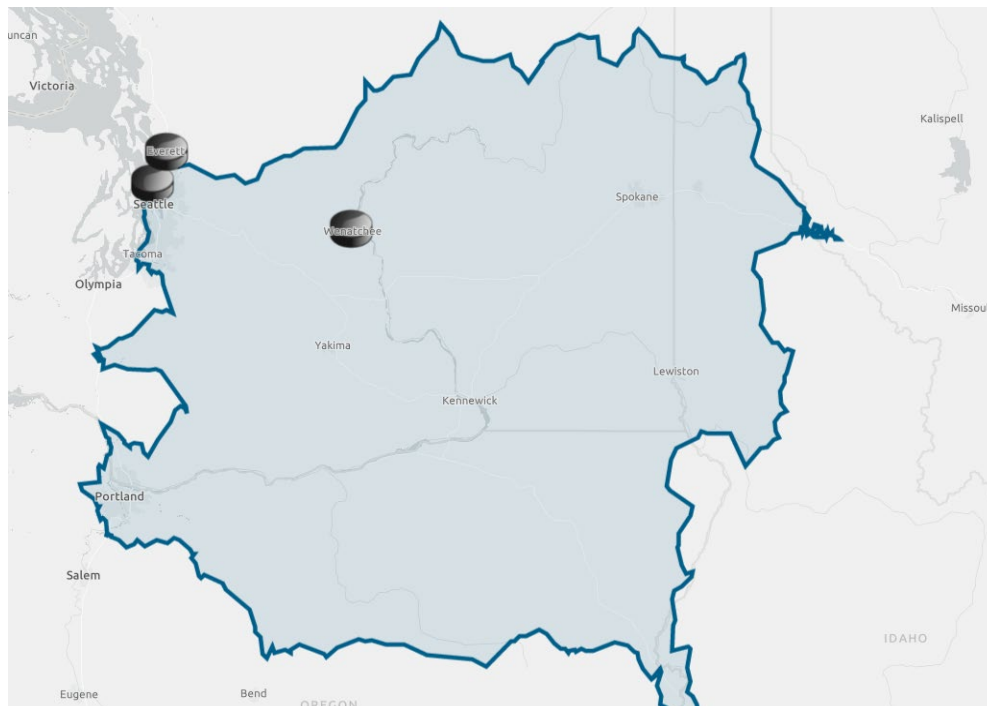
*Rental \$\$ does not include additional amenities such as lights, locker room fees, etc.

Source: Local Municipalities/Facilities, Johnson Consulting

ICE/HOCKEY FACILITIES

Tournament quality ice or hockey complexes consist of two or more surfaces under the same roof. The Tri-Cities has one tournament quality ice complex when you combine the Toyota Center and Toyota Arena, which have a combined two full sheets of ice. Within a 4-hour drive time of the Tri-Cities, there are three tournament quality ice complexes, all with two sheets each. The closest one is the Town Toyota Center, located in Wenatchee, which is located approximately 100-miles from the Tri-Cities. Surprisingly, there were not any complexes in the Pacific Northwest with more than two sheets, which is something that is more common in the Midwest and East Coast. All three complexes that were identified are located to the northwest of the Tri-Cities and two are located in the Seattle Metropolitan area. This leaves an opportunity for the Tri-Cities to pull demand for hockey for markets such as Portland and Spokane. However, a significant investment would need to be made in order to build the proper facility.

Figure 5-16



Ice/Hockey Facilities 4-hour drive time					
Facility	City	Total Surfaces	Distance From Tri Cities (miles)	\$\$ Per Hour - \$ Per Hour - High Low	
Town Toyota Center	Wenatchee	2	103	\$150	\$315
Highland Ice Arena	Shoreline	2	185	\$145	\$310
Xfinity Community Ice Rink	Everett	2	190	-	-
Total		6	-	-	-
Average		2.0	159	\$148	\$313

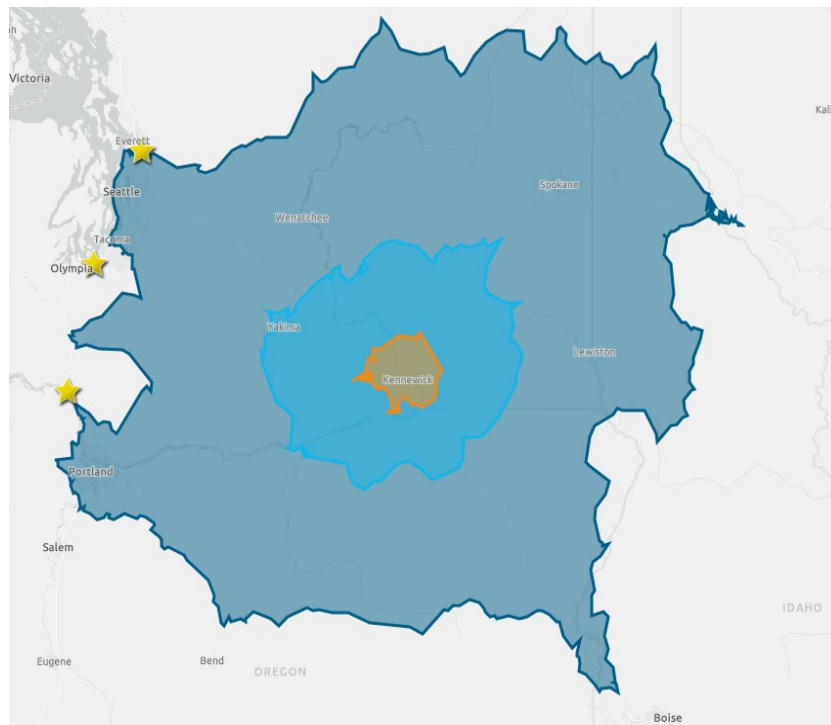
*Rental \$\$ does not include additional amenities such as lights, locker room fees, etc.

Source: Local Municipalities/Facilities, Johnson Consulting

LOCATIONS UNDER STUDY

In this section, Johnson Consulting identified cities within a 4-hour drive time that are currently studying and perusing a sports complex for their community. It will be critical to pay attention to how these studies progress as to not build the same thing and be second to market. Tri-Cities is in a unique location in that it has a strong local and regional population base. The three cities that are currently perusing a sports feasibility study are: DuPont, WA; Longview, WA; and Snohomish, WA. Figure 5-17 lists a map and distance from the Tri-Cities for each of the identified locations.

Figure 5-17



Studying Sports 4-hour drive time	
City	Distance From Tri Cities (miles)
DuPont, WA	178
Longview, WA	178
Snohomish, WA	190
Total	-
Average	182

Source: Local Municipalities/Facilities

LOCAL DEVELOPMENT SITES

Johnson Consulting audited previously identified sites in Kennewick, Pasco, and Richland. The goal of this section is to identify the location or locations in each city that would be the most ideal for a development. An ideal location is one that is surrounded by hotels and retail as well as easy accessibility via driving. Some of the sites that were examined were pieces of land while others would be an addition to an already existing complex.

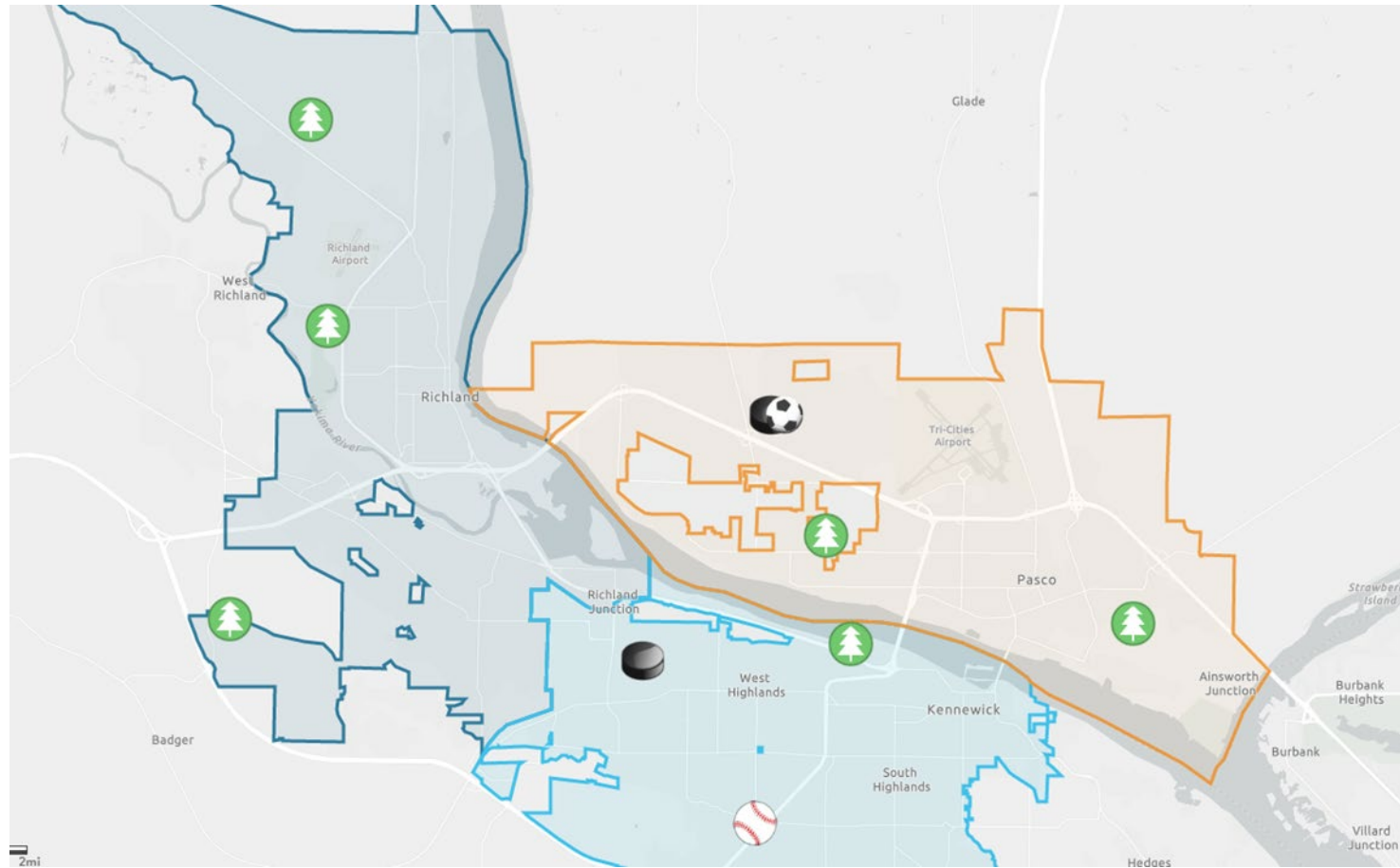
There were approximately 10 total sites that were examined by Johnson Consulting. Six of the 10 sites were vacant land while the remaining four would be additions or renovations to current complexes that already exist in the Tri-Cities. The table below presents the list of sites that were examined as well as a map identify their location. Johnson Consulting examined these sites in detail in our recommendations section. **Johnson Consulting will further break down and select a site for each of the three cities in the coming sections.**

Figure 5-18

Development Sites Tri-Cities, WA		
Facility	Location	Type
Columbia Park	Kennewick	Land
Southridge Sports Complex	Kennewick	Existing Complex
Toyota Center & Arena	Kennewick	Existing Complex
A' Street Sports Complex	Pasco	Land
Road 48 Complex	Pasco	Land
TCYSA Complex	Pasco	Existing Complex
HAPO Center	Pasco	Existing Complex
Badger Mountain South	Richland	Land
Hanford Legacy Park	Richland	Land
W.E. Johnson Park	Richland	Land

Source: Visit Tri-Cities, Johnson Consulting

Figure 5-19



IMPLICATIONS

The Tri-Cities, over the last eight years, has grown at approximately two times the national average. With that, their local sports facilities have not increased to support the increase in population. Currently, they only have one outdoor multipurpose complex at TCYSA that could compete on a regional level. However, the complex's agreement with TCYSA makes it nearly impossible for other teams in the Tri-Cities to use it. If this agreement were to be rearranged, it would allow for more equal usage of the fields. Because all of the tournament quality indoor facilities in the Tri-Cities are located at high-schools, they can not host significant regional basketball and AAU tournaments due to scheduling conflicts with high-school sports, which have priority. When looking at all of the complexes in the Tri-Cities, there is a significant supply of facilities for local use. However, demand is so great that the supply can not keep up with the growing population. Not only does the Tri-Cities need more facilities, they also need to review current contracts with the facilities that they currently have in order to make them more inclusive of all programs. If the Tri-Cities is going to look into new sports complex developments, there needs to also be a review of operations at their current facilities to determine if they can more equally split field and ice time equally.

As for regional facilities, the closest major player is the city of Yakima, which is approximately 65 miles northwest of the Tri-Cities. Yakima has the SOZO Sports Complex, which is a high quality indoor and outdoor soccer complex. They are also in the process of looking to build an indoor basketball and volleyball complex. However, they seem to be in the very early stages of this. When considering what to build, it is important to examine the surrounding markets as to not build the same complex as your competitors. Johnson Consulting looks into a detailed analysis of regional complexes in our case study section, which is presented in **Appendix I**.

SECTION 6

SITE ANALYSIS & RECOMMENDATIONS



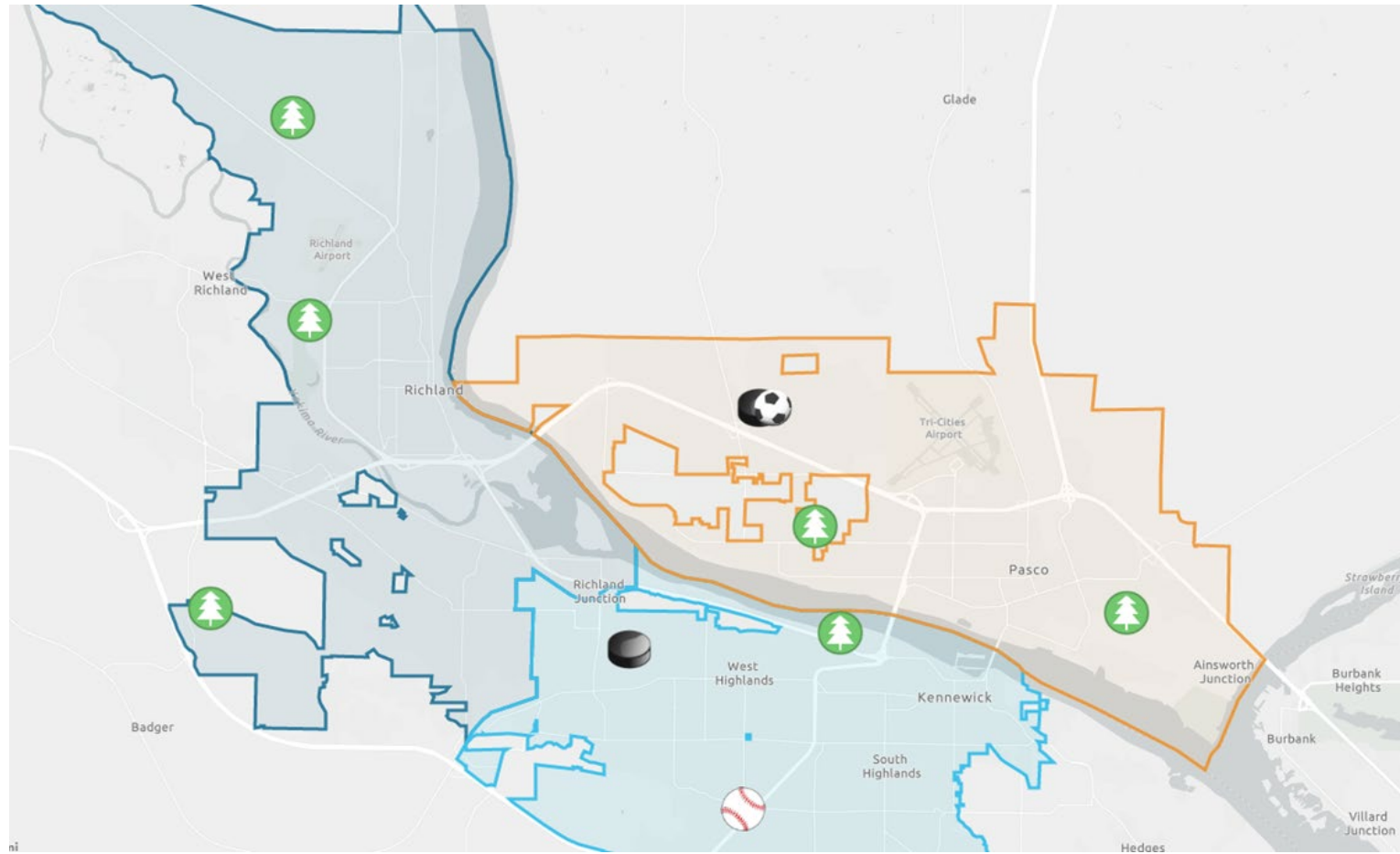
SITE ANALYSIS, RECOMMENDATIONS & OPERATING STRATEGY

In this section we present an analysis of sites for Kennewick, Pasco, and Richland. All of the sites in this section were examined and the most ideal one for each city was then chosen. It is critical to establish a hierarchy of sites and should give each city and clear and conscience direction moving forward. It is also a key process in determining, and then confirming, the development goals and sensitivities for completing a potential sports project in each of the three cities.

Site selection is a crucial decision, and a myriad of factors, both objective and subjective, influence the potential performance and contribution of a facility. The choice of a site that is poor for a facility can inhibit the ultimate success of a project and affect its performance for generations. Far too often, communities locate a facility on a site not because it is the most advantageous spot or in the location that will best contribute to the overall objectives of the community, but out of immediacy, availability, cost or other factors that speak to convenience over market strategy and product positioning. The Consulting Team analyzed a total of 10 potential sites within Kennewick, Pasco, and Richland combined. Each of the sites below could potentially provide for a high quality, functional sports facility and ancillary development that would have the potential to effectively contribute to the growth of not only the individual cities, but the Tri Cities and the surrounding areas as a whole.

This section also presents a summary of the recommended program for each city, including the type and size of a potential facility. These recommendations are based on location within each city as well as gaps in the marketplace from a sports and recreation standpoint. Johnson Consulting also examined outside factors such as proximity to hotels and restaurants before making a final site and program recommendation. With each site will also come an operating model for which is a basis for how each facility should be operated if it is built. The four types of operating models are: Public, Private, Public/Private, and Public/Non-Profit. These model types are broken down in the text below.

Figure 6-1



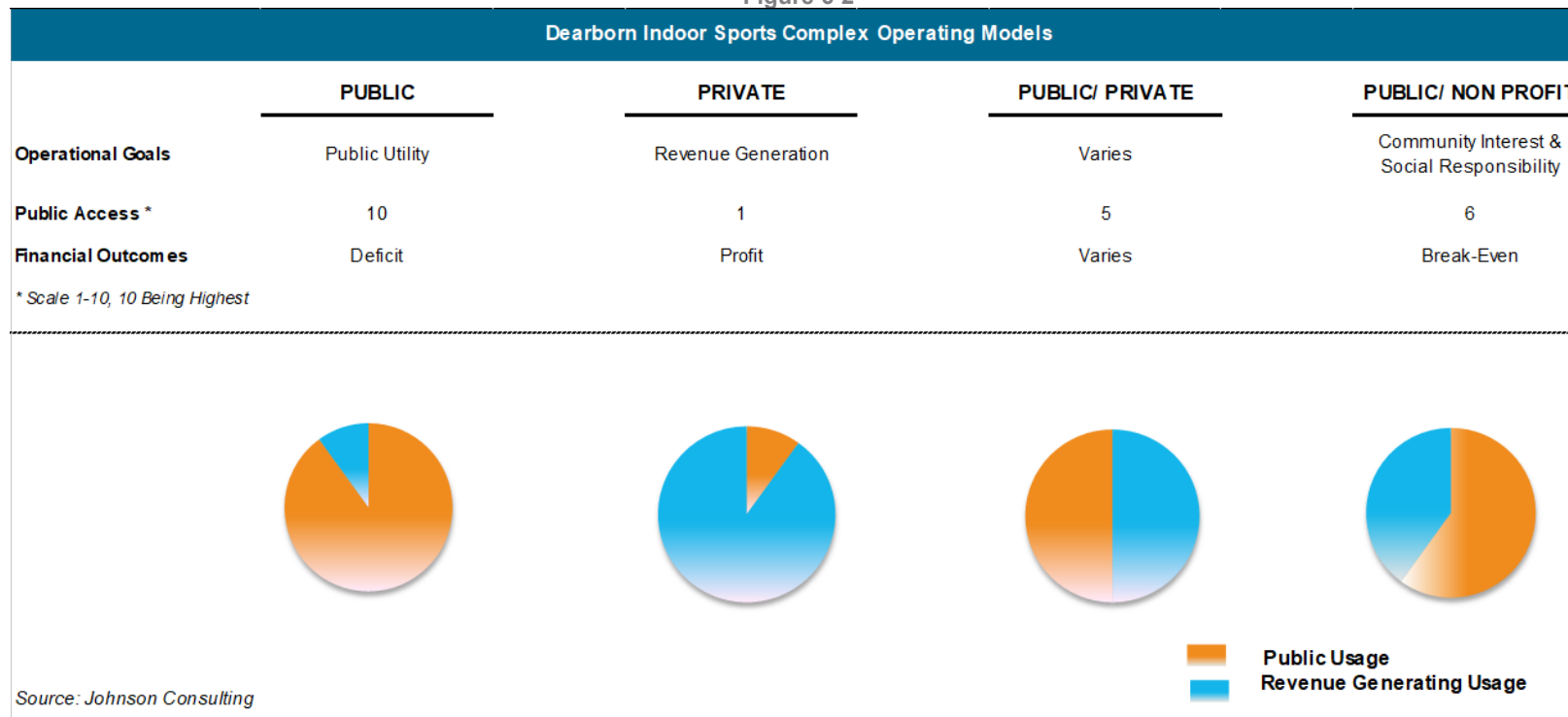
RECOMMENDED STRATEGY BASED ON UNMET DEMAND AND OPPORTUNITIES

The Tri-Cities is well positioned to grow its overall tourism with the addition of multiple different complexes. Part of the challenge of developing new complexes is knowing how to best operate, manage, and market them and what methods could cut down on cost. Each model presented below varies significantly in cost. However, each is unique in that they all provide different benefits. The challenge in this section is determining which benefits will best affect each of the proposed developments in Kennewick, Pasco, and Richland. The four typical models include: Public, Private, Public/Private, and Public/Non-Profit. Each of the four models varies in terms on operational goals and financial performance.

- **PUBLIC MODEL:** In this model the land and facility are owned and operated by a public entity, such as the parks and recreation department. The primary goal is to provide unlimited community access to residents, with facilities that operate under this model generally attracting more local attendance than regional and national attendance. Publicly operated facilities are typically funded through the City/County's general obligation fund and an array of taxes. Additionally, these facilities generally rely on government subsidy to offset any operational shortfalls.
- **PRIVATE MODEL:** Both the land and the complex are privately developed, maintained and operated. This operational model is designed for profit and hinders the ability to allow much community access for leagues and tournaments. The funding for such facilities usually comes from private equity and revenue generated through successfully programmed tournaments, camps and league play. This model has been successful at numerous youth sports complexes throughout the United States.
- **PUBLIC/ PRIVATE MODEL:** The land is generally owned by a public entity and leased to a third- private entity responsible for operating and maintaining the complex. These models vary from community to community throughout the United States in terms of operational goals and objectives. These expectations are generally set during negotiations of the lease agreement between the public entity and private management company. This operational model requires a firm understanding between the two entities due to potentially contrasting public and private sectors goals and objectives for the complex.
- **PUBLIC/NON-PROFIT:** In this model, the land is typically owned by a public entity and the complex is leased and operated by a 501(c)3, which utilizes relationships with local sports organizations to generate strategic partnerships. The non-profit entity typically gives priority to its partnerships, with public use given a secondary priority. This model usually serves the public more than the standard Public/Private

model. As the name suggests, this model relies on public funding, as well as the access non-profit organizations have to several large grant programs. These grants can be used to contribute towards the construction of the complex or offset any operational deficits.

Figure 6-2



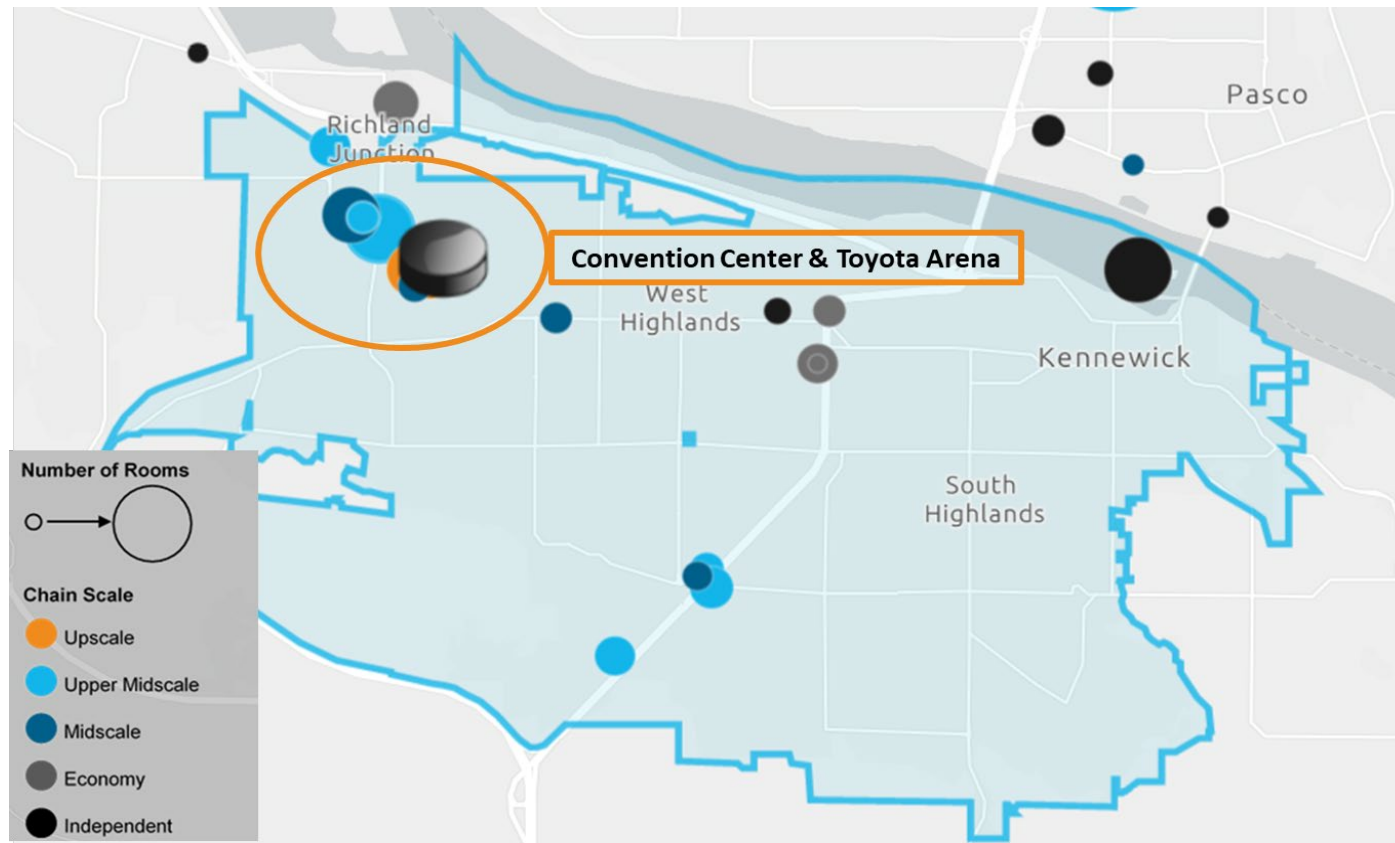
KENEWICK

Kennewick is the largest of the Tri-Cities and is expected to have a population of approximately 90,000 by 2023. It is also home to Columbia Park, a 400-acre park on the banks of the Columbia River. Columbia Park is among the largest parks in the Tri-Cities and features a golf course, disc golf course, multipurpose fields, and volleyball courts among many other features. Columbia Park is also home to the Tri-Cities Water Follies, which are the annual boat races in the Tri-Cities that run toward the end of July. This event has been operating for over 40 years and draws a crowd in the tens of thousands, generating the most significant economic impact out of all current events in the Tri-Cities. Kennewick is known for its outdoor recreation year-round, with boating and fishing on the Columbia, Yakima, and Snake Rivers a big part of their culture. The sports market in Kennewick is highlighted by the Toyota Center and Arena, which is home to the Western Hockey League's Tri-City Americans as well as the American West Football Conference's Tri-City Fire (visittricity.com). The section below presents the site selection within Kennewick as well as the recommended program of facilities for the market.

SITE SELECTION

Where a complex is located within the Kennewick will have a big impact on things such as hotel room nights generated, total visitors, and the potential return rate of visitors. Currently, there are three total sites in Kennewick where a potential complex could be built: The Southridge Sports Complex, Columbia Park, and the 3-Rivers Convention Center & Toyota Arena. Johnson Consulting is recommending the site that is adjacent to the 3-Rivers Convention Center as well as the Toyota Center & Arena given its proximity to high end hotels and retail. With the Toyota Center, Arena, and Convention Center being so close, there is an opportunity to leverage that with a large, regional indoor sports complex. Given there are already two sheets of ice, a complement to that would be a third sheet of ice as well as an indoor basketball/volleyball complex that could also serve residents of the Tri-Cities. The full program of recommendations is presented below.

Figure 6-3



RECOMMENDED PROGRAM AND STRATEGY

Johnson Consulting's recommendation for the City of Kennewick hinges on the commitment of the both local and regional participants supporting the facility. Also, given its location at the current adjacent to the current 3-Rivers Convention Center and Toyota Arena, some form of a partnership should be formed with them as well as surrounding hotels. This will help with room blocks and decreased rates for participants. Given there are already two sheets of ice, a perfect complement to that would be a third sheet of ice to host large tournaments and an indoor basketball/volleyball complex that could also serve residents of the Tri-Cities.

- **1 Additional sheet of ice**
- **60,000 Square Foot Indoor Sports Complex**
 - 4 basketball courts/8 volleyball courts
 - Indoor Walking Track
- **20,000-30,000 Family Entertainment Space**

The envisioned facilities draw upon a combination of an indoor multipurpose sports complex complimented by an indoor ice complex. There is a need for basketball and volleyball facilities in not only Kennewick, but in all of the Tri-Cities. Local leagues (both youth and adult) can utilize the facilities throughout the year, while hockey, basketball, and volleyball organizations can rent the space for practice and occasional tournaments. Additionally, there are several sports that can be accommodated on the flat floor space, including:

- Wrestling
- Cheer/dance
- Martial Arts
- Strength competitions
- Personal Sports Performance Training



Lastly, there are non-sports events that could utilize the facility, including:

- Trade shows
- Expos
- Farmer's Markets
- Additional meeting/convention space

RECOMMENDED OPERATING MODEL

PUBLIC/ PRIVATE MODEL: The land is generally owned by a public entity and leased to a third- private entity responsible for operating and maintaining the complex. These models vary from community to community throughout the United States in terms of operational goals and objectives. These expectations are generally set during negotiations of the lease agreement between the public entity and private management company. This operational model requires a firm understanding between the two entities due to potentially contrasting public and private sectors goals and objectives for the complex.

It is recommended that the complex in Kennewick use a public/private operating model. This model assumes that the city will own the land and lease it out to a 3rd party management company. Given that this complex will be the largest in the Tri-Cities and the regional surrounding areas, it is expected to host some of the region's largest hockey and ice tournaments. Given this, a private management company can better attract large tournaments and correctly market the complex on a regional and national scale. This will be important as the complex in Kennewick looks to attract the most events possible. Though this is a private model, it will still be able to accommodate local ice hockey, ice sports, basketball, volleyball, and other programs during the weekdays to help with the local demand.

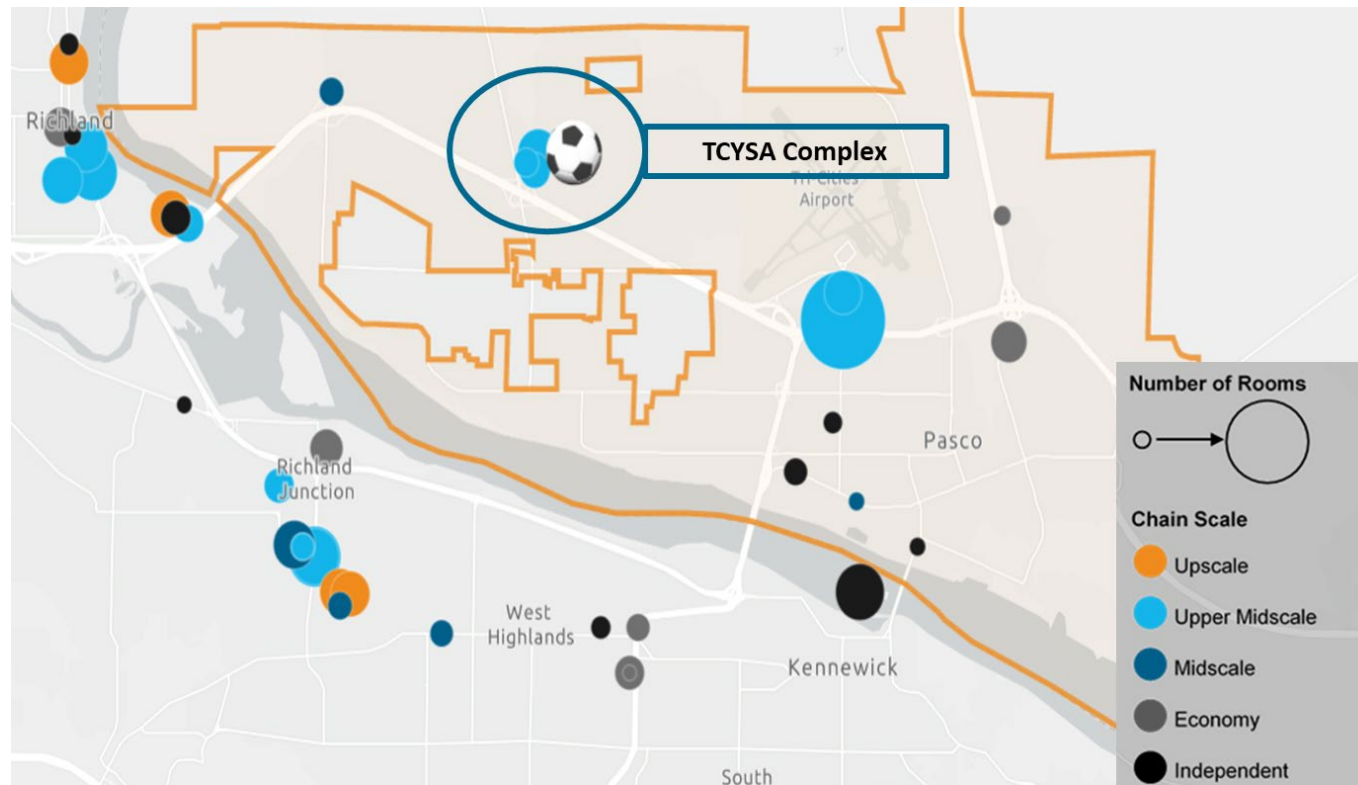
PASCO

Pasco is the second most populous city in the Tri-Cities and is also the county seat of Franklin County, Washington. Currently, Pasco hosts an array of activities and events, including: Fiery Foods Festival, Cinco de Mayo Celebration, the Sacajawea Blue Grass Festival, and Heritage Days. Pasco, similar to the Tri-Cities region as a whole, is in an ideal setting for outdoor recreation. It has miles of bike trails as well as multiple golf courses, twenty soccer fields, fifteen baseball and softball fields, and Gesa Stadium - home to the Tri-Cities Dust Devils of the Class A-Short Season League (visitttricity.com). The Tri-Cities Airport, which sees approximately 395,000 people per year, is also located in Pasco. The airport is served by Delta, Alaska Air, United and Allegiant with flights to Seattle, San Francisco, Minneapolis/St. Paul, Denver, Salt Lake City, Los Angeles, Las Vegas and Phoenix-Mesa, Arizona (flytricity.com).

SITE SELECTION

Johnson Consulting examined four different sites in Pasco: 'A' Street Sports Complex Site, Road 48 Complex Site, TCYSA Complex, and The TRAC Center site. Two of these sites, The TCYSA Complex and The TRAC Complex, are existing sports complexes while the other two, 'A' Street and Road 48 are vacant sites. Johnson Consulting is recommending that the city of Pasco select the TCYSA Soccer Complex site due to its close location to multiple hotels as well as existing restaurants and retail. There is also an opportunity to leverage the TRAC Center, given its location adjacent to the TCYSA Complex in an attempt to create a sports destination. This site is also located right off of Interstate 182, making the location ideal for local and regional travelers.

Figure 6-4



RECOMMENDED PROGRAM AND STRATEGY

Johnson Consulting is recommending that the current TCYSA Soccer Complex is repurposed and turf is laid down on most fields. Turf will help the fields be used for longer periods of time while being able to accompany different sports. It is also recommended that the city review their current contract with TCYSA and their exclusive rights to field use. Having a complex of this size should be more accessible and would greatly assist in the overall problem of demand shortage among multiple different programs across multiple different sports. The full recommended program is presented below:

▪ **Repurpose the TCYSA Soccer Complex**

- Turf 8 – 10 fields
- Championship Stadium with seating for approximately 500
- 4-6 lighted fields
- Practice/Warm Up Turf
- Enhanced Concessions
- Restrooms
- Equipment Storage Area

This recommendation also hinges on the fact that the Pasco renegotiates their current contract with TCYSA, which gives them exclusive use to the complex. Renegotiating the contract with TCYSA will allow for the fields to be opened up to multiple different programs in the Tri-Cities for sports such as soccer, lacrosse, football, and rugby. Also, with most of the fields being turfed as well as lit, the complex will be utilized for more hours than it is currently.



RECOMMENDED OPERATING MODEL

PUBLIC MODEL: In this model the land and facility are owned and operated by a public entity, such as the parks and recreation department. The primary goal is to provide unlimited community access to residents, with facilities that operate under this model generally attracting more local attendance than regional and national attendance. Publicly operated facilities are typically funded through the City/County's general obligation fund and an array of taxes. Additionally, these facilities generally rely on government subsidy to offset any operational shortfalls.

The public operating model is suggested for the Pasco Soccer Complex given that it will serve parks and recreation on top of local and regional soccer, lacrosse, and football tournaments among many other sports. Also, with the city of Pasco already operating the complex, they already have the necessary experience required to operate a large complex such as this. The positive of turf field as opposed to grass is that they require little maintenance. Given this, the fields will be easier to maintain than before.

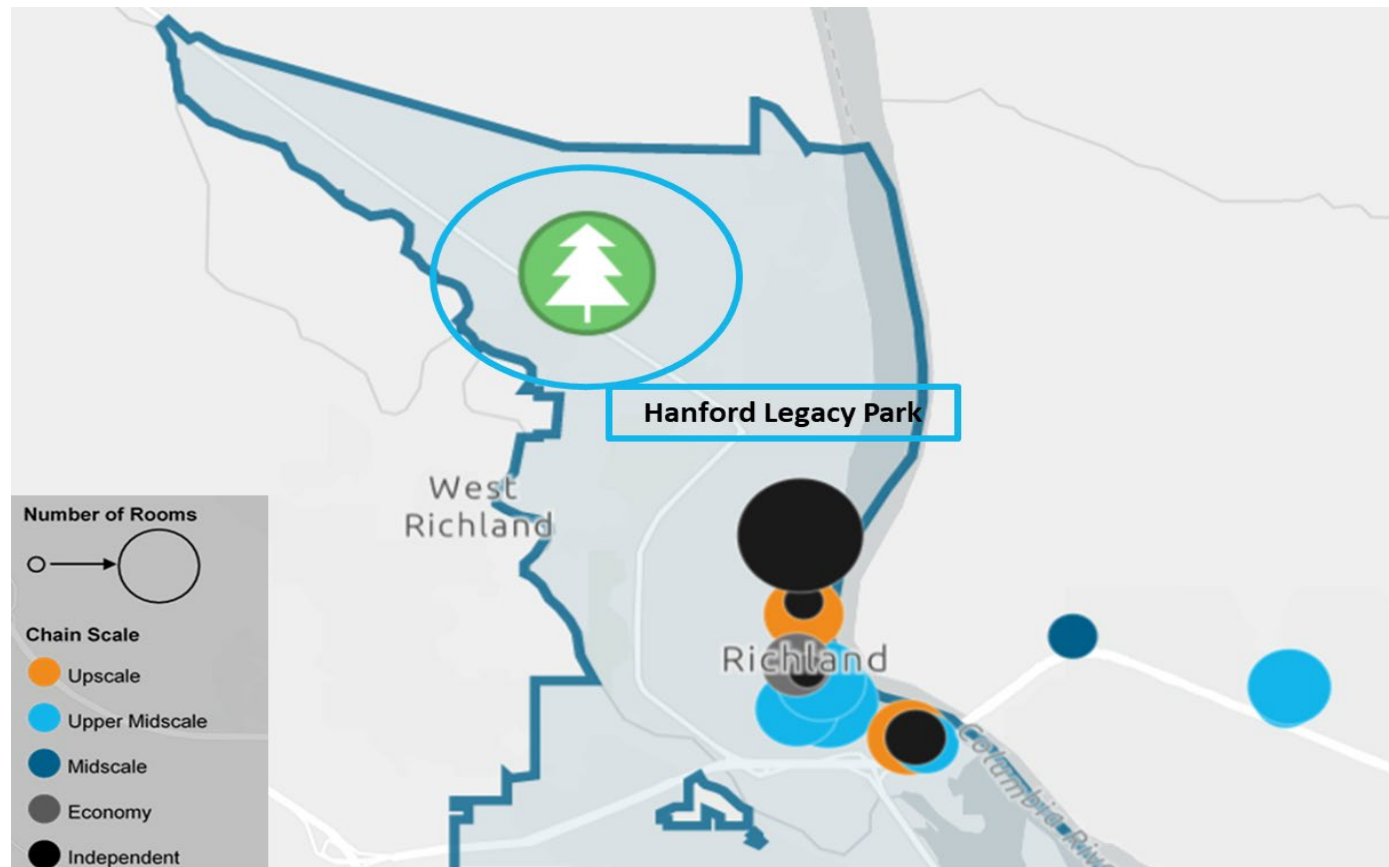
RICHLAND

Richland is the smallest city in the Tri-Cities in terms of population. However, it is also the wealthiest, having a median household income that is well above the local, state, and national average. Richland is known as more of a laid back and quiet city that, and like the rest of the Tri-Cities, is known for being an avid outdoor city. Their community offers residents and visitors opportunities to fish, boat, bike, and water ski as it is located mostly along the Columbia River. Recently, they have begun to expand their offerings in terms of events including a new performance stage at John Dam Plaza and several new events in the Waterfront District. Another event that they host, Cool Desert Nights, is one of Richlands largest events that is in its 26th year of operations. This classic car, and motorcycle show is held over three days and draws people from all over the region (visittricitie.com).

SITE SELECTION

Johnson Consulting examined three potential sites in Richland, all of which are currently pieces of land. They are: Badger Mountain South, Hanford Legacy Park, and W.E. Johnson Park. In discussions with the City of Richland, it was determined that W.E Johnson Park would not be available for a new sports related development. Because of this as well as the distant location of Badger Mountain South, Johnson Consulting ultimately recommended Hanford Legacy Park as the desired development site. Though there is nothing directly adjacent to Hanford Legacy Park, it less than a 10-minute drive to the main cluster of hotels, restaurants, and entertainment options in Richland.

Figure 6-5



RECOMMENDED PROGRAM AND STRATEGY

Johnson Consulting is recommending that the Hanford Legacy Park site is used for additional development of outdoor multipurpose fields as well as additional baseball/softball fields to compliment the already existent Babe Ruth fields. These fields will be a mixture of grass and turf and should be able to cater to all sports. Also, it should be noted that the current Babe Ruth fields should be updated and enhanced to match the 4 proposed baseball and softball fields. The full program is listed below:

- **8 Outdoor Multipurpose Fields**
 - All turf fields
 - Soccer, lacrosse, rugby, etc.
 - 4 lighted fields
 - Championship Stadium
- **4 Additional Baseball/Softball Fields**
 - All fields lighted
 - Dugouts, bullpens, batting cages
- **Concessions – multiple selling points**
- **Restrooms**
- **Equipment Storage Area**



RECOMMENDED OPERATING MODEL

PUBLIC MODEL: In this model the land and facility are owned and operated by a public entity, such as City of Richland Parks and Recreation Department. The primary goal is to provide unlimited community access to residents, with facilities that operate under this model generally attracting more local attendance than regional and national attendance. Publicly operated facilities are typically funded through the City/County's general obligation fund and an array of taxes. Additionally, these facilities generally rely on government subsidy to offset any operational shortfalls.

Richland, like Pasco, should be operated under the public management model. Given this is the smallest as well as most diverse of the offerings, it is expected to host a wide variety of local games, practices, leagues, and tournaments for multiple different sports including baseball, softball, soccer, lacrosse, football, rugby, among many others.

OBSERVATIONS

Tri-Cities is unique in that there are recommendations for each city. These recommendations, site selections, and operating models vary based on site. With that, these facilities are all designed to be operated in unison to provide increased economic and fiscal impacts not only for the individual cities, but for the Tri-Cities region as a whole. As for the analysis, Johnson Consulting based their selections off of many factors, including proximity to hotels, restaurants, retail, and entertainment. Accessibility was also a key factor in deciding the appropriate site for each city. It is a positive that the Tri-Cities has commercial airport. They can leverage this, as well as their proximity to major interstates, to help market its easy accessibility by both plane and car.

When discussing the operating model for each of these facilities, it is clear that they will all be publicly managed. Though this is the case, it is crucial that the cities work together to help market the region as a whole. This will help sell the Tri-Cities as a regional sports destination, and not just individual cities. Also, these facilities can complement each other in many different ways, including hosting joint tournaments or hosting tournament runoff games. This will allow the Tri-Cities to host larger events, and thus, create more economic and fiscal impacts for the region.

SECTION 7

DEMAND & FINANCIAL ANALYSIS

DEMAND AND FINANCIAL OPERATING PROJECTIONS

To properly estimate potential demand for a new or upgraded sports complexes in the Tri-Cities, we first developed recommendations regarding each facility's physical program (e.g. number of playing surfaces, storage, community space and other amenities). Based upon this program, demand and financial operating projections were prepared for the first ten years of operations for each facility.

Johnson Consulting's recommendations for the Tri-Cities hinges on the commitment of the local residents to support the facility through weekday demand as well as regional travelers to support it on the weekends. A significant positive for the Tri-Cities is the 300 days of sunshine that they receive per year, making it a truly unique environment to play sports in. This makes successful operation of a sports complex more viable given tournaments could be run for longer periods of time, especially at outdoor complexes. This section will break down the recommended facilities in Kennewick, Pasco, and Richland as well as break down demand estimates and financial projections that each complex is predicted to generate.

DEMAND ESTIMATES

It will take time for facilities in the Tri-Cities to reach maximum utilization, but as they are integrated into the network of facilities available regionally, the complexes will become prominent additions to the local and regional marketplace. During the first few years of operations, there will be a need for in-house promoters, local sports organizations, and facility managers to aggressively target tournaments and promote hour-long rentals. Establishing a presence in the growing regional sports facility market will be important in establishing the Tri-Cities as a tournament destination location. With these developments, the demand profiles at the complexes will, over time, increase in volume and improve in quality. The following demand sectors can be expected:

Tournaments – Based upon interviews with local industry professionals, there are currently insufficient facilities in the area to host local and regional indoor and outdoor tournaments for mostly all sports. The addition of new facilities with greater capacity and amenities is perceived to have the ability to attract regional youth sport associations. In addition, the location of the hotels, airport and proximity, and family entertainment attractions in the Tri-Cities will help to increase economic impacts generated by visitors.

League Play – The sports complexes will all be natural fits for the increasing number of leagues, specifically baseball, softball, soccer, lacrosse, rugby, basketball, volleyball, and ice hockey among many others. These leagues will generate weekday demand that may not otherwise be filled through tournament play. Both youth and adult leagues are suitable for these facilities. In order to ensure a seamless integration into the market, the facilities should work to expand existing leagues that are short on space that is currently offered in the market.

Camps/Clinics/Lessons/Practice – Similar to tournaments and leagues, camps, and clinics can either be held by outside promoters that rent the facilities to hold events, or held in-house with participants charged an entrance fee. Camps are currently offered by some local facilities, but the size and quality of the new facilities will enable it to handle larger camps and sports festivals that could possibly draw from a larger market as well. These types of events can expect to last three-to-four days and draw professional athletes and coaches as instructors. Lastly, the facilities can be made available to Tri-Cities public schools' sports teams that are in need of indoor and outdoor space.

Skills Training – Another type of event that could be used to maximize use of the facilities is skills training sessions. Skills training would draw demand from those looking to take their game to the next level. This event type would likely consist of hour-long rentals that can be offered during downtime at the facilities during the week when there is no league play. This training can be held indoor or outdoor, depending on the type of sport.

Community Events – Special events account for many different types of events, depending on the type of sports facility. For an indoor complex, special events can include trade shows, conferences, seminars, and large community gatherings. For outdoor complexes, special events can be events such as farmers markets, festivals, and concerts. Ideally, the promotional arm of each facility would take an active role in attracting and developing special events at each venue. These events could potentially generate room nights during off peak months or when the complex is not being used, thus creating increased economic and fiscal impacts for the Tri-Cities.

EVENT ASSUMPTIONS

Annual event projections were conservatively developed based on the standard peaks and lulls in the youth and amateur sports market both regionally and nationally. The following assumptions were made:

- Local tournaments are held Friday through Sunday.

- Regional/national tournaments are generally held Friday through Sunday, but some larger will be Wednesday through Sunday.
- Each month has four available tournament weekends.
- League play will typically occur Monday through Thursday evenings with multiple leagues and age divisions competing on any given evening.
- Leagues are assumed to last eight weeks with peak capacity during peak months depending on the complex.
- Camps and clinics take place after school, and all-day during the summer months and school breaks.

MARKET PENETRATION ANALYSIS SUMMARY

Johnson Consulting performed a market penetration analysis on the primary, secondary and tertiary markets, which are within a 30-minute drive time, 100-mile radius, and 4-hour drive time from the proposed sites in Kennewick, Pasco, and Richland. These distances were chosen because they represent an accurate depiction of local demand, regional demand, and national demand. The findings from this analysis break down the Kennewick, Pasco, and Richland local and regional markets by population of residents ages 5-24, which was determined to be the likely target market for a new sports complex. However, it is important to note, there are opportunities from adult league play that could be captured as well but in effort to be conservative, the focus was on youth and amateur play. This section looks at each city separately and breaks down the potential market that each of these complexes can draw within the desired drive times.

One of the largest indicators of a market's spending preference is by measuring the annual entertainment and recreation spending per household. This is the likelihood of households in the identified markets to spend money on events, which includes admission to sporting events. The Market Potential Index (MPI) is the metric used to measure total entertainment spending and compares the identified distances to the national average. For reference, the national average for MPI is 100, which means anything above 100 is greater than the average and anything below is less than the average. This section measures the identified markets sensitivity to participating in or spending money on entertainment and recreation as well as sporting events. Identifying the size and target market for new complexes in Kennewick, Pasco, and Richland is crucial. This helps to determine the total possible participants that the complexes could draw locally, regionally, and nationally.

KENNEWICK

This section breaks down the city of Kennewick's projected demand for tournaments, league play, camps/clinics/lessons, and special events for the indoor sports and entertainment complex proposed for the 3-Rivers Convention Center and Toyota Arena site. This section also is composed of a market penetration analysis, which will determine the total market for a proposed indoor sports complex within a 30-minute, 1.5 hour and 4-hour drive time.

MARKET PENETRATION ANALYSIS

SPORTS AND LEISURE MARKET POTENTIAL

In Kennewick and within a 30-minute drive time of the proposed site, the population spends, on average, \$728.71 annually on entertainment and recreation, which produces an MPI that is higher than the national average. Also, the local Kennewick market seems to be interested in sports, as they have a higher than average MPI for percentage of their population that attends sporting events, watches sports on TV, participated in ice skating, and participated in basketball. This is reflective of a very active local market that has a high desire to play or watch sports, either in person or on TV. Within 1.5 hours of Kennewick, however, their average annual expenditures on entertainment and recreation is \$602, which is significantly below the national average. The smaller regional market is also below average across all categories that were examined in terms of both watching and participating in sports. Normally, this would not be a good indication of a new sport's complex development in Kennewick. However, when looking at the larger regional marketplace (4-hour drive time), it is well above average in all categories that were examined. Their spending is 18 percent higher than the national average while they participate in sports anywhere from 3 to 12 percent more than the national average. This indicates a market that is active and can support additional regional sports complex developments.

Figure 7-1

Sports & Leisure Market Potential - Kennewick						
	30-minute drive time	Market Potential Index (MPI)	1.5-hour drive time	Market Potential Index (MPI)	4-hour drive time	Market Potential Index (MPI)
Average Annual Expenditures on Entertainment/Recreation	\$728.71	102	\$602.75	84	\$839.18	118
Attended Sports Event	17.7%	106	15.9%	95	18.4%	111
Watch Sports on TV	58.3%	101	55.2%	96	59.4%	103
Participated In Ice Skating (last 12-months)	2.9%	101	2.6%	92	3.2%	112
Participated in Basketball (last 12 months)	8.2%	102	8.0%	100	8.4%	104
Participated in Volleyball (last 12 months)	3.5%	99	3.4%	98	3.6%	103

Source: Esri BAO, Johnson Consulting

TARGET MARKET SIZE & DEMAND

The total possible target market for a 30-minute drive time is 80,029 in 2019 and 85,238 by 2024, representing a growth of approximately 6.5 percent. The total largest target market that a new sports complex in Kennewick could hope to draw from is within a 4-hour drive time, which has a total population of people age 5-24 of 1.76 million, increasing to 1.82 million by 2024. It is important to note that these numbers represent 100% participation from this demographic age range. Obviously, sports complexes will not be able to attract 100% participation, which will be reflected on the tables shown later in this analysis.

The market demand is found by taking the total potential market and multiplying it by the percentage of the population that participates in ice skating as well as basketball/volleyball. When doing this, it was found to currently be 11,684 within a 30-minute drive time, 19,588 within a 1.5-hour drive, and 268,090 within a 4-hour drive time. These numbers represent a significant amount of local and regional residents who participate in sporting events that could potentially use a new complex. The figure below shows these numbers as well as the total 2024 projections.

Figure 7-2

Target Market Demand									
30-minute drive time	Target Primary Market Area Demand: Ages 5 - 24								
	Year	Ages 5-9	Ages 10-14	Ages 15-19	Ages 20-24	Potential Market	% Participated In Ice-Skating (last 12 months)	% Participated in Basketball/Volleyball (last 12 months)	Total Market
	2019	21,583	21,341	19,042	18,063	80,029	2.9%	11.7%	11,684
	2024	23,120	23,073	20,746	18,299	85,238	2.9%	11.7%	12,445
1.5-hour drive time	Target Primary Market Area Demand: Ages 5 - 24								
	Year	Ages 5-9	Ages 10-14	Ages 15-19	Ages 20-24	Potential Market	% Participated In Ice-Skating (last 12 months)	% Participated in Basketball/Volleyball (last 12 months)	Total Market
	2019	58,799	57,084	52,404	51,655	139,913	2.6%	11.4%	19,588
	2024	61,419	60,904	55,542	50,426	143,053	2.6%	11.4%	20,027
4-hour drive time	Target Primary Market Area Demand: Ages 5 - 24								
	Year	Ages 5-9	Ages 10-14	Ages 15-19	Ages 20-24	Potential Market	% Participated In Ice-Skating (last 12 months)	% Participated in Basketball/Volleyball (last 12 months)	Total Market
	2019	464,715	473,523	463,567	501,856	1,763,748	3.2%	12.0%	268,090
	2024	482,725	490,616	487,313	508,382	1,825,983	3.2%	12.0%	277,549

Source: Esri BAO, Johnson Consulting

FINAL DEMAND ANALYSIS

Johnson Consulting used the target market demand analysis to project the total penetration that a complex could conservatively capture from within a 30-minute drive time, 1.5-hour, and 4-hour drive time. A 33 percent penetration rate for a 30-minute drive time, 15 percent penetration rate for 100-mile radius, and 7.5 percent for 4-hour drive time was assumed, which were determined to be conservative given the local need for facilities. These numbers were taken to be the average market percentages that a new complex in Kennewick could draw. When using these rates, the total market penetration for a 30-minute drive time, 100-mile radius, and 4-hour drive time are **3,856– 2,938 – 20,107** respectively. This results in potential participation of 26,901 participants across the basketball/volleyball and ice-skating markets.

Figure 7-3

Final Demand Analysis - Kennewick								
30-minute drive time	Target Primary Market Area Demand: Ages 5 - 24							
	Year	Potential Market	% Participated In Ice-Skating (last 12 months)	Total Ice Skating Market	% Participated in Basketball/Volleyball (last 12 months)	Total Basketball/Volleyball Market	Total Market	33% Market Penetration
	2019	80,029	2.9%	2,321	11.7%	9,363	11,684	3,856
	2024	85,238	2.9%	2,472	11.7%	9,973	12,445	4,107
1.5-hour drive time	Target Primary Market Area Demand: Ages 5 - 24							
	Year	Potential Market	% Participated In Ice-Skating (last 12 months)	Total Ice Skating Market	% Participated in Basketball/Volleyball (last 12 months)	Total Basketball/Volleyball Market	Total Market	15% Market Penetration
	2019	139,913	2.6%	3,638	11.4%	15,950	19,588	2,938
	2024	143,053	2.6%	3,719	11.4%	16,308	20,027	3,004
4-hour drive time	Target Primary Market Area Demand: Ages 5 - 24							
	Year	Potential Market	% Participated In Ice-Skating (last 12 months)	Total Ice Skating Market	% Participated in Basketball/Volleyball (last 12 months)	Total Basketball/Volleyball Market	Total Market	7.5% Market Penetration
	2019	1,763,748	3.2%	56,440	12.0%	211,650	268,090	20,107
	2024	1,825,983	3.2%	58,431	12.0%	219,118	277,549	20,816
Total Potential Participants (2018)								26,901
Total Potential Participants (2023)								27,927

Source: Esri BAO, Johnson Consulting

DEMAND AND FINANCIAL OPERATING PROJECTIONS

The following table shows the total demand by year at a new indoor sports complex in Kennewick. Stabilization is assumed to be in Year 5. Events in this section are broken down by local tournaments, regional tournaments, leagues, camps/clinics/lessons. Johnson Consulting is of the opinion that many of the projected utilization levels as well rental rates assumed are fairly conservative and in line with this conceptual planning phase of the proposed development.

Figure 7-4

Kennewick Indoor Sports Complex													
Number of Events													
Activity	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 5 (Stabilization)		
											Participant Attendance	Spectator Attendance	Total Attendance
Tournaments - Regional													
Ice Sports	3	4	5	5	6	6	6	6	6	6	4,800	14,400	19,200
Basketball	1	1	2	2	2	2	2	2	2	2	800	2,400	3,200
Volleyball	1	1	2	2	2	2	2	2	2	2	800	2,400	3,200
Other (futsal, wrestling, Judo/Jiu Jitsu)	1	1	2	2	2	2	2	2	2	2	900	2,700	3,600
Tournaments - Local													
Ice Sports	3	3	4	5	5	5	5	5	5	5	2,000	5,000	7,000
Basketball	3	4	5	5	6	6	6	6	6	6	900	2,250	3,150
Volleyball	3	4	5	5	6	6	6	6	6	6	900	2,250	3,150
Other (futsal, wrestling, Judo/Jiu Jitsu)	3	3	4	5	5	5	5	5	5	5	1,125	2,813	3,938
Leagues													
Ice Sports	8	10	11	14	15	15	15	15	15	15	3,000	3,000	6,000
Basketball	7	8	10	12	13	13	13	13	13	13	1,300	1,300	2,600
Volleyball	5	7	8	9	10	10	10	10	10	10	1,000	1,000	2,000
Other (futsal, wrestling, Judo/Jiu Jitsu)	5	6	7	8	9	9	9	9	9	9	1,350	1,350	2,700
Camps/ Clinics/ Lessons													
Ice Sports	4	5	5	6	7	7	7	7	7	7	1,050	1,050	2,100
Basketball	4	5	5	6	7	7	7	7	7	7	1,050	1,050	2,100
Volleyball	4	5	5	6	7	7	7	7	7	7	1,050	1,050	2,100
Other (futsal, wrestling, Judo/Jiu Jitsu)	3	3	4	5	5	5	5	5	5	5	375	375	750
Special Events													
Community Events	2	2	2	3	3	3	3	3	3	3	3,000	0	3,000
Total	60	72	86	100	110	110	110	110	110	110	25,400	44,388	69,788

Source: Johnson Consulting

Figure 7-4 presents a projected event demand calendar for the first ten years of operations at the indoor sports complex in Kennewick. Demand at this facility is expected to ramp up in the first four years of operations, with stabilization occurring in Year 5. By Year 5, the complex is expected to see approximately 110 total events, the largest portion of which are going to come from ice sports, basketball, and volleyball participation. In total, the complex will draw almost 70,000 total people by stabilization in Year 5.

OPERATING PRO FORMA

To illustrate the potential for the complex to be financially viable, Johnson Consulting has developed financial projections based on the recommended program and demand that this complex is projected to generate. The financial model assumes that the complex will operate under the private operational model. If a different operational model is ultimately chosen, however, the demand and financial projections provided below would vary greatly. We have assumed that the complex receives programming income from outside rentals and complex programming. We have also assumed the complex will generate concession revenue on a per capita basis.

REVENUE ASSUMPTIONS

The total usage of surfaces has been projected based on the assumption of only one ice rink. To remain conservative, Johnson Consulting did not take into account the Toyota Center and Toyota Arena, which are also expected to be operated as part of this facility. Given this, utilization has been projected based upon one ice rink and as well as the additional basketball and volleyball courts. Rental rates for the complex were assumed to be \$200 per hour for ice and \$50 per hour for the basketball and volleyball courts, which are in line with market rates. Because the only indoor comparable facilities are part of high-schools, these rental rates were taken from the regional audit and are priced competitively.

Johnson Consulting has estimated the hours of utilization at the complex to be approximately 45 percent of maximum possible usage for the ice rink and 35 percent usage for the courts, which is conservative and could surely grow as a complex begins to gain local and regional popularity. The complex is also assumed to be open from 8:00am – 10:00pm, which assumes 14 hours per day and 98 hours per week. Given the utilization rates, it is assumed that the complex will be used for a total of 181 hours per week per rink and 4 courts, which equals 7,600 hours per year.

As for the entertainment space, Johnson Consulting used CoStar to find the market price per square foot for retail space in Kennewick and determined that to be \$15.68 per square foot. To remain conservative, Johnson Consulting assumed that the entertainment component would only be 20,000 square feet, though it could surely be larger. In total, this generates a Year 1 rental revenue of \$313,600 for the entertainment revenue portion of the complex.

Figure 7-5

Kennewick Indoor Sports Complex Revenue Assumptions						
Ice/Courts Usage						
Surface	# of Surfaces	# of Hours/ Week	Total Hours	Utilized Hours/ Week	# of Weeks/ Year	Total Hours/ Year
Ice Rink	1	98	98	44	42	1,852
Indoor Courts	4	98	392	137	42	5,762
			Total:	181		7,615
Ice/Courts Rental Revenues						
Surface	Avrg Cost/ Hour	Occupancy	Total Hours/ Year	Total Rental Fees		
Ice Rink	\$200	45%	1,852	\$370,440		
Indoor Courts	\$50	35%	5,762	\$288,120		
			Total:	\$658,560		
Entertainment Entertainment Revneue						
Surface	Price Per Square Foot	Square Feet	Total Rental Fees			
Family Entertainment	\$15.68	20,000	\$313,600			
Source: Johnson Consulting, Costar						

CONCESSION & ADVERTISING REVENUE

Concessions were taken as a percentage of projected Year 1 participants and spectators, generating \$,925 in total net revenue. Concession expenses were assumed to be 65 percent of total operating costs at a \$3.50 cent per cap. It was further assumed that advertising revenue was \$112,500 in Year 1 out of a possible \$150,000, which accounts for a 75 percent advertising sales rate. However, as the complex grows, advertising revenue is expected to increase as the complex becomes more known locally and regionally.

Figure 7-6

Kennewick Indoor Sports Complex Revenue Assumptions			
Concession Revenues			
Per Capita	Players	Spectators	Annual (NET)
\$3.50	6,352	11,100	\$21,379
Advertising			
Inventory	% Sold	Annual	
\$150,000	75%	\$112,500	

Source: Johnson Consulting, Costar

TOURNAMENT & CAMP FEES

Tournament fees were assumed to be \$61,500 in Year 1, increasing to \$232,000 by stabilization in Year 5 as the complex ramps up its tournament demand. By stabilization, fees for each tournament are reflective \$7,500 for ice, and \$6,500 for basketball, volleyball, and other sports that want to rent out the courts such as futsal, Judo, Jiu Jitsu, and wrestling. In total there 18 tournaments in Year 1 across all sports, increasing to 34 tournaments by Year 5.

As for camps, clinics, and lessons, rental fees were assumed to be \$30 per person per event. Total camps, clinics, and revenues revenue is \$50,625 in Year 1, increasing to \$117,000 by stabilization in Year 5. This number increases due to the number of camps, clinics, and lessons increase that will result from the complex becoming more well known in the overall local and regional marketplace.

The figure below presents a breakdown of tournament, camps, clinics, and lessons fees and revenues generated in the first 5 years of operations.

Figure 7-7

Kennewick Indoor Sports Complex Revenue Assumptions									
Tournament Fees					Camps/ Clinics/ Lessons				
Sports	Facility Rental Fee	Avrg Team/ Tourn.	Avrg Events/ Year	Annual	Sports	Participant Fee	Avrg Participants	Avrg Events/ Year	Annual
Year 1 at 50% Stabilization					Year 1 at 50% Stabilization				
Ice Sports	\$3,750	40	6	\$22,500	Ice Sports	\$30	113	4	\$13,500
Basketball	\$3,250	40	4	13,000	Basketball	\$30	113	4	13,500
Volleyball	\$3,250	40	4	13,000	Volleyball	\$30	113	4	13,500
Other (futsal, wrestling, Judo/Jiu Jitsu)	\$3,250	30	4	13,000	Other (futsal, wrestling, Judo/Jiu Jitsu)	\$30	113	3	10,125
			Total	\$61,500				Total	\$50,625
Year 2 at 65% Stabilization					Year 2 at 65% Stabilization				
Ice Sports	\$4,875	40	7	\$34,125	Ice Sports	\$30	113	5	\$16,875
Basketball	\$4,225	40	5	21,125	Basketball	\$30	113	5	16,875
Volleyball	\$4,225	40	5	21,125	Volleyball	\$30	113	5	16,875
Other (futsal, wrestling, Judo/Jiu Jitsu)	\$4,225	30	4	16,900	Other (futsal, wrestling, Judo/Jiu Jitsu)	\$30	113	3	10,125
			Total	\$93,275				Total	\$60,750
Year 3 at 75% Stabilization					Year 3 at 75% Stabilization				
Ice Sports	\$5,625	40	9	\$50,625	Ice Sports	\$30	128	5	\$19,125
Basketball	\$4,875	40	7	34,125	Basketball	\$30	128	5	19,125
Volleyball	\$4,875	40	7	34,125	Volleyball	\$30	128	5	19,125
Other (futsal, wrestling, Judo/Jiu Jitsu)	\$4,875	30	6	29,250	Other (futsal, wrestling, Judo/Jiu Jitsu)	\$30	128	4	15,300
			Total	\$148,125				Total	\$72,675
Year 4 at 90% Stabilization					Year 4 at 90% Stabilization				
Ice Sports	\$6,750	40	10	\$67,500	Ice Sports	\$30	150	6	\$27,000
Basketball	\$5,850	40	7	40,950	Basketball	\$30	150	6	27,000
Volleyball	\$5,850	40	7	40,950	Volleyball	\$30	150	6	27,000
Other (futsal, wrestling, Judo/Jiu Jitsu)	\$5,850	30	7	40,950	Other (futsal, wrestling, Judo/Jiu Jitsu)	\$30	150	5	22,500
			Total	\$190,350				Total	\$103,500
Year 5 at 100% Stabilization					Year 5 at 100% Stabilization				
Ice Sports	\$7,500	40	11	\$82,500	Ice Sports	\$30	150	7	\$31,500
Basketball	\$6,500	40	8	52,000	Basketball	\$30	150	7	31,500
Volleyball	\$6,500	40	8	52,000	Volleyball	\$30	150	7	31,500
Other (futsal, wrestling, Judo/Jiu Jitsu)	\$6,500	30	7	45,500	Other (futsal, wrestling, Judo/Jiu Jitsu)	\$30	150	5	22,500
			Total	\$232,000				Total	\$117,000

Source: Johnson Consulting

OPERATING PROFORMA

The total for all operating revenues in Year 1 are assumed to be \$1.22 million, increasing to \$1.66 million by stabilization in Year 5. Rental income makes up the largest portion of revenues by far, accounting for more than \$972,000 in Year 1 and \$1.1 million by Year 5. As for expenses, they total \$1.4 million in Year 1, increasing to \$1.56 by Year 5. The complex is assumed to have 8 full-time staff, ranging from a general manager to maintenance and custodian staff. In total, the staff, including benefits and overtime, accounts for an expense of \$481,000 in Year 1 after factoring in salaries, benefits, and overtime. Benefits were assumed to be 30 percent of total salaries in the first Year. Also, given that this is a privately managed facility, management expenses totaled \$165,000 in Year 1. The rest of the expenses were calculated as a percentage of total operating revenues. A 5 percent capital reserve fund was placed in Year 4. In total, the complex is projected to lose \$169,238 in Year 1 and begin to breakeven by Year 5. Figure 7-8 provides the full breakdown of revenues and expenses.

Figure 7-8

Kennewick Indoor Sports Complex											
REF		Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Operating Revenues											
1	Rental Income	\$658,560	\$691,900	\$709,197	\$726,927	\$745,100	\$763,728	\$782,821	\$802,391	\$822,451	\$843,012
2	Entertainment Rental Income	\$313,600	\$329,476	\$337,713	\$346,156	\$354,810	\$363,680	\$372,772	\$382,091	\$391,643	\$401,435
3	Tournament Rental Fees	61,500	93,275	148,125	190,350	232,000	243,745	249,839	256,085	262,487	269,049
4	Camps, Clinics, Lessons	50,625	60,750	72,675	103,500	117,000	122,923	125,996	129,146	132,375	135,684
5	Food & Beverage Rent	21,379	42,746	64,123	76,942	85,490	89,818	92,063	94,365	96,724	99,142
6	Advertising	112,500	118,195	121,150	124,179	127,283	130,466	133,727	137,070	140,497	144,010
7	Total Revenues	\$1,218,164	\$1,336,342	\$1,452,983	\$1,568,054	\$1,661,683	\$1,714,359	\$1,757,218	\$1,801,148	\$1,846,177	\$1,892,331
Operating Expenses											
9	Wages (including overtime)	\$370,000	\$388,731	\$398,450	\$408,411	\$418,621	\$429,087	\$439,814	\$450,809	\$462,079	\$473,631
10	Benefits	\$111,000	\$111,000	\$111,000	\$111,000	\$111,000	\$111,000	\$111,000	\$111,000	\$111,000	\$111,000
11	Utilities	\$245,000	\$257,403	\$263,838	\$270,434	\$277,195	\$284,125	\$291,228	\$298,509	\$305,971	\$313,621
12	Repairs & Maintenance	\$219,269	\$236,129	\$242,032	\$248,083	\$254,285	\$260,642	\$267,159	\$273,838	\$280,683	\$287,701
13	Materials, Supplies, Equipment	\$146,180	\$153,580	\$157,419	\$161,355	\$165,389	\$169,524	\$173,762	\$178,106	\$182,558	\$187,122
14	Insurance	\$70,044	\$73,590	\$75,430	\$77,316	\$79,249	\$81,230	\$83,261	\$85,342	\$87,476	\$89,663
15	General and Administrative	\$60,908	\$63,992	\$65,591	\$67,231	\$68,912	\$70,635	\$72,401	\$74,211	\$76,066	\$77,968
15	Management Fee	\$165,000	\$173,353	\$177,687	\$182,129	\$186,682	\$191,349	\$196,133	\$201,036	\$206,062	\$211,214
16	Total Expenses	1,387,402	1,457,779	1,491,448	1,525,959	1,561,333	1,597,592	1,634,757	1,672,851	1,711,897	1,751,919
17	Reserve for Replacement				(78,403)	(83,084)	(85,718)	(87,861)	(90,057)	(92,309)	(94,617)
18	Net Operating Income(NOI)	(\$169,238)	(\$121,437)	(\$38,465)	(\$36,308)	\$17,265	\$31,049	\$34,600	\$38,240	\$41,971	\$45,796

Source: Johnson Consulting

PASCO

This section provides a full demand and financial breakdown of a proposed outdoor sports complex in Pasco. The recommendation for Pasco is to repurpose the TCYSA Soccer Complex with multiple turf fields and lights. This, in turn, will allow the complex will to be utilized for more hours per day and help to offset increased demand for outdoor multipurpose fields. The Pasco recommendation is also based on the assumption that the contract with TCYSA is renegotiated to allow for more programs access to the fields. This section presents a market penetration analysis for the City of Pasco for a 30-minute, 1.5-hour, and 4-hour drive times for the sports of soccer and football, though it is assumed that additional sports will utilize the complex.

MARKET PENETRATION ANALYSIS

SPORTS AND LEISURE MARKET POTENTIAL

In Pasco, a drive time of 30-minutes, 1.5-hours, and 4-hours was examined to find the total potential market that a renovated TCYSA Soccer Complex could draw from each of these distances. To do this, Johnson Consulting examined relevant factors, including average expenditures on entertainment and recreation, and percentage of the population that attends sporting events, watches sports on TV, participates in soccer, and participates in football. When examining the local market within a 30-minute drive time, Pasco is above average in all categories that were examined. Their average annual entertainment and recreation expenditures are \$734.96, which is 3 percent above the national average. In terms of participation, they are 4 percent higher than the national average for soccer participation and 8 percent above the national average for football participation.

The regional marketplace within a 1.5-hour drive time, on the other hand, ranks significantly lower than the national average in terms of entertainment and recreation spending. This is due to a number of factors, including not having a facility to spend money at in a smaller market. When looking at the larger regional market, they spend 18 percent more than the national average on entertainment and recreation and are also significantly above average in terms of watching sports and participating in soccer and football. This should bode well for a potential renovated complex in Pasco as it looks to attract this market.

Figure 7-9

Sports & Leisure Market Potential - Pasco						
	30-minute drive time	Market Potential Index (MPI)	1.5-hour drive time	Market Potential Index (MPI)	4-hour drive time	Market Potential Index (MPI)
Average Annual Expenditures on Entertainment/Recreation	\$734.96	103	\$606.30	85	\$842.55	118
Attended Sports Event	17.8%	107	15.9%	96	18.5%	111
Watch Sports on TV	58.4%	101	55.3%	96	59.4%	103
Participated in Soccer (last 12-months)	4.1%	104	3.9%	98	4.4%	109
Participated in Football (last 12 months)	5.1%	108	5.1%	108	4.9%	103

Source: Esri BAO, Johnson Consulting

TARGET MARKET SIZE & DEMAND

In Pasco, the total target market for a 30-minute drive time is 78,163 in 2019 and projected to be 83,314 by 2024. This represents the entire population age 5-24 currently living in the target parameters and represents a growth of 6.5 percent over the next 5 years. The total largest target market that a new sports complex in Pasco could hope to draw from is within a 4-hour drive time, which encompasses some large markets, including Spokane, Seattle, Tacoma, and Portland. This market has a total population of people within 5-24 of 1.73 million, increasing to 1.79 million by 2024. The target market represents 100 percent of the people in the 5-24 age category, which is not an attainable number for any sports complex. Johnson Consulting will further break down this segment toward the end of the analysis.

The market demand is found by taking the total potential market and multiplying it by the percentage of the population that participates in soccer and football. When doing this, there was found to be 7,191 total potential participants within a 30-minute drive time, 13,004 potential participants within a 1.5-hour drive time, and 160,691 potential participants within a 4-hour drive time. These numbers represent the total number of participants that an outdoor complex could potentially see if it was able to draw 100 percent of all participants that played football or soccer within a 4-hour drive time.

Figure 7-10

Target Market Demand - Pasco									
30-minute drive time	Target Primary Market Area Demand: Ages 5 - 24								
	Year	Ages 5-9	Ages 10-14	Ages 15-19	Ages 20-24	Potential Market	% Participated In Soccer (last 12 months)	% Participated in Football (last 12 months)	Total Market
	2019	21,137	20,932	18,641	17,453	78,163	4.1%	5.1%	7,191
	2024	22,647	22,616	20,330	17,721	83,314	4.1%	5.1%	7,665
1.5-hour drive time	Target Primary Market Area Demand: Ages 5 - 24								
	Year	Ages 5-9	Ages 10-14	Ages 15-19	Ages 20-24	Potential Market	% Participated In Soccer (last 12 months)	% Participated in Football (last 12 months)	Total Market
	2019	59,491	57,785	53,078	52,298	144,489	3.9%	5.1%	13,004
	2024	62,151	61,639	56,210	51,030	147,716	3.9%	5.1%	13,294
4-hour drive time	Target Primary Market Area Demand: Ages 5 - 24								
	Year	Ages 5-9	Ages 10-14	Ages 15-19	Ages 20-24	Potential Market	% Participated In Soccer (last 12 months)	% Participated in Football (last 12 months)	Total Market
	2019	456,476	465,018	454,752	496,145	1,727,902	4.4%	4.9%	160,695
	2024	473,999	481,484	478,582	503,035	1,789,384	4.4%	4.9%	166,413

Source: Esri BAO, Johnson Consulting

FINAL DEMAND ANALYSIS

When examining the total market penetration that could come as a result of an upgraded complex in Pasco, Johnson Consulting assumed a very conservative penetration rate of 33 percent for a 30-minute drive time, 15 percent for a 1.5-hour drive, and 7.5 percent for a 4-hour drive time. In total, these penetration rates account for 2,373 total participants for a 30-minute drive time, 1,951 participants for a 1.5-hour drive time, and 12,052 participants for a 4-hour drive time. As the drive time increases, the total penetration rate decreases given that there is more competition the further you expand your catch radius. In total, assuming the current penetration rates, the total participants that the renovated Pasco Soccer Complex could be expected to draw is 16,376, increasing to 17,005 by 2024.

Figure 7-11

Final Demand Analysis - Pasco							
30-minute drive time	Target Primary Market Area Demand: Ages 5 - 24						
	Year	Potential Market	% Participated In Soccer (last 12 months)	Total Soccer Market	% Participated in Football (last 12 months)	Total Football Market	33% Market Penetration
	2019	78,163	4.1%	3,205	5.1%	3,986	2,373
	2024	83,314	4.1%	3,416	5.1%	4,249	2,529
1.5-hour drive time	Target Primary Market Area Demand: Ages 5 - 24						
	Year	Potential Market	% Participated In Soccer (last 12 months)	Total Soccer Market	% Participated in Football (last 12 months)	Total Football Market	15% Market Penetration
	2019	144,489	3.9%	5,635	5.1%	7,369	1,951
	2024	147,716	3.9%	5,761	5.1%	7,534	1,994
4-hour drive time	Target Primary Market Area Demand: Ages 5 - 24						
	Year	Potential Market	% Participated In Soccer (last 12 months)	Total Soccer Market	% Participated in Football (last 12 months)	Total Football Market	7.5% Market Penetration
	2019	1,727,902	4.4%	76,028	4.9%	84,667	12,052
	2024	1,789,384	4.4%	78,733	4.9%	87,680	12,481
						Total Potential Participants (2019)	16,376
						Total Potential Participants (2024)	17,005

Source: Esri BAO, Johnson Consulting

DEMAND AND FINANCIAL OPERATING PROJECTIONS

The following table shows the total demand by year at a new indoor sports complex in Pasco. Stabilization is assumed to be in Year 5. Events in this section are broken down by local tournaments, regional tournaments, leagues, camps/clinics/lessons, and community events. Johnson Consulting is of the opinion that many of the projected utilization levels as well rental rates assumed are fairly conservative and in line with this conceptual planning phase of the proposed development.

Figure 7-12

Pasco Sports Complex Number of Events													
Activity	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 5 (Stabilization)		
											Participant Attendance	Spectator Attendance	Total Attendance
Tournaments - Regional													
Soccer	2	3	3	4	4	4	4	4	4	4	5,600	14,000	19,600
Lacrosse	1	1	2	2	2	2	2	2	2	2	1,600	4,000	5,600
Football	0	0	0	0	0	0	0	0	0	0	100	250	350
Rugby	0	0	0	0	0	0	0	0	0	0	0	0	0
Tournaments - Local													
Soccer	4	5	5	6	7	7	7	7	7	7	2,100	5,250	7,350
Lacrosse	1	1	2	2	2	2	2	2	2	2	600	1,500	2,100
Football	2	2	2	3	3	3	3	3	3	3	400	1,000	1,400
Rugby	1	1	2	2	2	2	2	2	2	2	600	1,500	2,100
Leagues													
Soccer	11	14	16	19	21	21	21	21	21	21	4,200	4,200	8,400
Lacrosse	2	2	2	3	3	3	3	3	3	3	600	600	1,200
Football	0	0	0	0	0	0	0	0	0	0	0	0	0
Rugby	4	5	6	7	8	8	8	8	8	8	1,600	1,600	3,200
Camps/ Clinics/ Lessons													
Soccer	5	6	7	8	9	9	9	9	9	9	1,350	675	2,025
Lacrosse	2	3	3	4	4	4	4	4	4	4	600	300	900
Football	2	2	2	3	3	3	3	3	3	3	450	225	675
Rugby	1	1	1	1	1	1	1	1	1	1	150	75	225
Special Events													
Community Events	1	1	2	2	2	2	2	2	2	2	2,000	0	2,000
Total	39	47	55	66	71	71	71	71	71	71	21,950	35,175	57,125

Source: Johnson Consulting

The renovated soccer complex in Pasco is expected to reach 71 total events at stabilization, drawing approximately 22,000 participants and 35,000 spectators. Soccer is assumed to be the largest driver of events at the renovated complex, drawing 4 regional tournaments and 7 local tournaments at its peak. These tournaments alone will account for almost 27,000 in total attendance in Year 5. It is also important to note that leagues are

counted per league per month. Total leagues reach a peak of 21 by stabilization in Year 5. Leagues are spread throughout soccer, lacrosse, and rugby. Soccer is assumed to operate 1 spring league, 2 summer leagues, and 4 fall leagues throughout the course of a year. Lacrosse, not as popular in the Pacific Northwest, is assumed to have 1 spring league while rugby is assumed to have 2 leagues operating through the fall months. These leagues can be for a multitude of different ages, including youth leagues, high-school leagues, and adult leagues that can operate during the same months.

OPERATING PRO FORMA

To illustrate the potential for the complex to be financially viable, Johnson Consulting has prepared financial projections, based upon programs and events hosted at the renovated complex. The financial model assumes that the complex will operate under the public operational model. If a different operational model is ultimately chosen, however, the demand and financial projections provided below would vary greatly. We have assumed that the complex receives programming income from outside rentals and complex programming. We have also assumed the complex will generate concession revenue on a per capita basis.

REVENUE ASSUMPTIONS

The total usage of fields at the Pasco Soccer Complex has been projected based upon the number of fields and their utilization per week. Rental rates at the complex are conservatively assumed to be \$35 per field per hour for the grass fields, \$45 dollars per hour for the turf fields, and an additional \$15 per hour for lights at the turf fields. These rental rates are based on a local and regional audit of newer soccer facilities in order to remain competitive and not outprice local organizations.

To remain conservative, Johnson Consulting has estimated the hours of utilization of the proposed complex to be approximately 25 percent of maximum possible utilization for the grass fields, 30 percent for the turf fields, and 50 percent for the lights. The lighted turf fields are assumed to be open for 14 hours per day (8:00 am – 10:00pm) while the unlit turf and grass fields are assumed to be open for 12 hours per day (8:00am – 8:00pm), equating to 98 and 84 hours of available time per week, respectively. Given the utilization rates, it is assumed the complex will be used for a total of 416 hours per week per field, equating to 14,553 total hours per year.

Given the weather in the Tri-Cities, it was estimated that the complex will operate from the end of February to the beginning of November, approximately 35 weeks to be conservative. Given the rental rates listed above as well as the high utilization rates, the complex is expected to generate \$604,538 in total rental revenue in Year 1.

Figure 7-13

Tri-Cities Sports Facilities: Pasco Outdoor Sports Complex - Outdoor Soccer Complex Revenue Assumptions						
Recreation Fields Usage						
Surface	# of Surfaces	# of Hours/ Week	Total Hours	Utilized Hours/ Week	# of Weeks/ Year	Total Hours/ Year
Turf Fields w/ out Lights	7	77	539	162	35	5,660
- With Lights	7	21	147	44	35	1,544
Grass Fields	10	84	840	210	35	7,350
			Total:	416		14,553
Fields Rental Revenues						
Surface	Avg Cost/ Hour	Occupancy	Total Hours/Week	Total Rental Fees		
Turf Fields w/ out Lights	\$45	30%	77	\$254,678		
- With Lights	\$60	30%	21	\$92,610		
Grass Fields	\$35	25%	84	\$257,250		
			Total:	\$604,538		

Source: Johnson Consulting

CONCESSION & ADVERTISING REVENUE

Concessions were taken as a percentage of projected Year 1 participants and spectators, generating \$10,000 in total net revenue in after assuming expenses for concessions at 65 percent of total revenues at \$2.00 per person. It was further assumed that advertising revenue was \$50,000 in Year 1 out of a possible \$100,000. However, as the complex grows, advertising revenue is expected to increase as the complex becomes more known locally and regionally. Figure 7-14 shows total concession and advertising revenue in Year 1.

Figure 7-14

Tri-Cities Sports Facilities: Pasco Outdoor Sports Complex - Outdoor Soccer Complex Revenue Assumptions			
Concession Revenues			
Per Capita	Players	Spectators	Annual (NET)
\$2.00	5,489	8,795	\$9,999
Advertising			
Inventory	% Sold	Annual	
\$100,000	50%	\$50,000	

Source: Johnson Consulting

TOURNAMENT & CAMP FEES

Tournament fees were assumed to be \$46,750 in Year 1, increasing to \$170,000 by stabilization in Year 5 as the complex ramps up its tournament demand. In Year 5, fees for each tournament are based off the average cost per team and are 8,500 for soccer, lacrosse, football and rugby. These fees are likely to change based on the market supply and demand as it is important to not over or underprice a complex. In total, there are 11 regional and local tournaments programmed for Year 1, increasing to 20 total tournaments by stabilization in Year 5.

As for camps, clinics, and lessons, rental fees were assumed to be \$30 per person per event. Total camps, clinics, and revenues revenue is \$25,500 in Year 1, increasing to \$67,500 by stabilization in Year 5. This number increases due to the number of camps, clinics, and lessons increase that will result from the complex becoming more well known in the overall local and regional marketplace.

The figure below presents a breakdown of tournament, camps, clinics, and lessons fees and revenues generated in the first 5 years of operations.

Figure 7-15

Tri-Cities Sports Facilities: Pasco Outdoor Sports Complex - Outdoor Soccer Complex Revenue Assumptions									
Tournament Fees					Camps/ Clinics/ Lessons				
Sports	Facility Rental Fee	Avrg Team/ Tourn.	Avrg Events/ Year	Annual	Sports	Participant Fee	Avrg Participants	Avrg Events/ Year	Annual
Year 1 at 50% Stabilization					Year 1 at 50% Stabilization				
Soccer	\$4,250	70	6	\$25,500	Soccer	\$30	100	5	\$15,000
Lacrosse	\$4,250	40	2	8,500	Lacrosse	\$30	100	2	6,000
Football	\$4,250	40	2	8,500	Football	\$30	75	2	4,500
Rugby	\$4,250	40	1	4,250	Rugby	\$30	0	1	0
			Total	\$46,750				Total	\$25,500
Year 2 at 65% Stabilization					Year 2 at 65% Stabilization				
Soccer	\$5,525	70	8	\$44,200	Soccer	\$30	125	6	\$22,500
Lacrosse	\$5,525	40	2	11,050	Lacrosse	\$30	125	3	11,250
Football	\$5,525	40	2	11,050	Football	\$30	90	2	5,400
Rugby	\$5,525	40	1	5,525	Rugby	\$30	0	1	0
			Total	\$71,825				Total	\$39,150
Year 3 at 75% Stabilization					Year 3 at 75% Stabilization				
Soccer	\$6,375	70	8	\$51,000	Soccer	\$30	125	7	\$26,250
Lacrosse	\$6,375	40	4	25,500	Lacrosse	\$30	125	3	11,250
Football	\$6,375	40	2	12,750	Football	\$30	90	2	5,400
Rugby	\$6,375	40	2	12,750	Rugby	\$30	0	1	0
			Total	\$102,000				Total	\$42,900
Year 4 at 90% Stabilization					Year 4 at 90% Stabilization				
Soccer	\$7,650	70	10	\$76,500	Soccer	\$30	150	8	\$36,000
Lacrosse	\$7,650	40	4	30,600	Lacrosse	\$30	150	4	18,000
Football	\$7,650	40	3	22,950	Football	\$30	100	3	9,000
Rugby	\$7,650	40	2	15,300	Rugby	\$30	0	1	0
			Total	\$145,350				Total	\$63,000
Year 5 at 100% Stabilization					Year 5 at 100% Stabilization				
Soccer	\$8,500	70	11	\$93,500	Soccer	\$30	150	9	\$40,500
Lacrosse	\$8,500	40	4	34,000	Lacrosse	\$30	150	4	18,000
Football	\$8,500	40	3	25,500	Football	\$30	100	3	9,000
Rugby	\$8,500	40	2	17,000	Rugby	\$30	0	1	0
			Total	\$170,000				Total	\$67,500

Source: Johnson Consulting

OPERATING PROFORMA

The subtotal for all operating revenues in Year 1 is \$736,786, increasing to \$1,1 million by stabilization in Year 5. Expenses in Year 1 total 806,815, increasing to \$915,338 million in Year 5. The complex shows a net operating loss of approximately \$70,000 in Year 1 and a net income of

approximately \$52,000 by Year 5. In Year 4, a conservative reserve replacement fund is set at 5 percent of net operating income to allow for long term capital replacement of the Pasco Sports Complex.

The complex is assumed to have 9 full-time staff, ranging from a general manager to maintenance and custodian staff. In total, the staff, including benefits and overtime, accounts for an expense of \$455,000 in Year 1 after factoring in salaries, benefits, and overtime. Benefits were assumed to be 30 percent of total salaries in the first Year. The rest of the expenses were calculated as a percentage of total operating revenues. Figure 7-16 presents a full breakdown of operating revenues and expenses for the first 10 Years of operations.

Figure 7-16

Pasco Outdoor Sports Complex											
REF		Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Operating Revenues											
1	Rental Income	\$604,538	\$635,142	\$651,021	\$667,296	\$683,979	\$701,078	\$718,605	\$736,570	\$754,984	\$773,859
2	Tournament Rental Fees	46,750	71,825	102,000	145,350	170,000	178,606	183,071	187,648	192,339	197,148
3	Camps, Clinics, Lessons	25,500	39,150	42,900	63,000	67,500	70,917	72,690	74,507	76,370	78,279
4	Concessions	9,999	19,995	29,992	35,990	39,988	42,012	43,062	44,139	45,242	46,373
5	Advertising	50,000	52,531	53,845	55,191	56,570	57,985	59,434	60,920	62,443	64,004
6	Total Revenues	\$736,786	\$818,643	\$879,757	\$966,827	\$1,018,037	\$1,050,598	\$1,076,863	\$1,103,785	\$1,131,379	\$1,159,664
Operating Expenses											
8	Wages (including overtime)	\$350,000	\$367,719	\$376,912	\$386,335	\$395,993	\$405,893	\$416,040	\$426,441	\$437,102	\$448,030
9	Benefits	\$105,000	\$110,316	\$113,074	\$115,900	\$118,798	\$121,768	\$124,812	\$127,932	\$131,131	\$134,409
10	Utilities	\$110,518	\$116,113	\$119,016	\$121,991	\$125,041	\$128,167	\$131,371	\$134,655	\$138,022	\$141,472
11	Repairs & Maintenance	\$88,414	\$95,213	\$97,593	\$100,033	\$102,534	\$105,097	\$107,724	\$110,417	\$113,178	\$116,007
12	Materials, Supplies & Equipment	\$73,679	\$77,409	\$79,344	\$81,327	\$83,361	\$85,445	\$87,581	\$89,770	\$92,015	\$94,315
13	Insurance	\$42,365	\$44,510	\$45,623	\$46,763	\$47,932	\$49,131	\$50,359	\$51,618	\$52,908	\$54,231
14	General and Administrative	\$36,839	\$38,704	\$39,672	\$40,664	\$41,680	\$42,722	\$43,790	\$44,885	\$46,007	\$47,157
15	Total Expenses	806,815	849,983	871,232	893,013	915,338	938,222	961,677	985,719	1,010,362	1,035,621
16	Reserve for Replacement				(48,341)	(50,902)	(52,530)	(53,843)	(55,189)	(56,569)	(57,983)
17	Net Operating Income(NOI)	(\$70,029)	(\$31,339)	\$8,525	\$25,472	\$51,796	\$59,846	\$61,342	\$62,876	\$64,448	\$66,059

Source: Johnson Consulting

RICHLAND

This section provides a breakdown of estimated demand for a new multipurpose baseball/softball and outdoor multipurpose complex in Richland. The site chosen in Richland is Hanford Legacy Park given its close location to hotels as well as existing current field inventory with the four Babe Ruth Fields serving the local community. This recommendation is under the assumption that the current Babe Ruth baseball fields also be upgraded to be able to host local and larger regional tournaments on them. This section will also provide a market penetration analysis for the sports of baseball, softball, soccer, and football markets given they will likely be the largest tenants at a complex at Hanford Legacy Park.

SPORTS AND LEISURE MARKET POTENTIAL

For Richland, like Kennewick and Pasco, a 30-minute, 1.5-hour, and 4-hour drive time was used a reasonable local, regional, and larger regional catchment times. Relevant factors to the proposed development at Hanford Legacy Park were examined, including average expenditures on entertainment and recreation, and percentage of the population that attends sporting events, watches sports on TV, participating in baseball/softball, participating in soccer, and participating in football.

When looking at the local market within a 30-minute drive time, they spend 3 percent above average on annual entertainment and recreation. They are also above average in terms of participation – 14 percent above average in baseball/softball participation, 5 percent above average in soccer participation, and 9 percent above average in football participation. Given this, there seems to be a growing need to accommodate the growth in these sports. When examining the 1.5-hour drive time, they spend significantly less than the local population. However, similar to Kennewick and Pasco, there might not be opportunities to spend money given the location within a 1.5-hour drive time. When looking at 4-hour drive time, they spend significantly more than the national average on entertainment and recreation and have above average participation across all relevant markets examined. Given this, a new complex at Hanford Legacy Park should aim to attract this large demographic of potential participants.

Figure 7-17

Sports & Leisure Market Potential - Richland						
	30-minute drive time	Market Potential Index (MPI)	1.5-hour drive time	Market Potential Index (MPI)	4-hour drive time	Market Potential Index (MPI)
Average Annual Expenditures on Entertainment/Recreation	\$736.14	103	\$608.55	85	\$837.94	117
Attended Sports Event	17.8%	107	16.0%	96	18.4%	110
Watch Sports on TV	58.4%	101	55.3%	96	59.4%	103
Participated in Baseball/Softball (last 12-months)	7.7%	114	7.7%	114	7.1%	104
Participated in Soccer (Last 12-months)	4.2%	105	3.9%	98	4.4%	110
Participated in Football (last 12 months)	5.1%	109	5.2%	110	4.9%	104

Source: Esri BAO, Johnson Consulting

TARGET MARKET SIZE & DEMAND

In Richland, the total target market for a 30-minute drive time is 76,723 in 2019 and projected to be 81,833 by 2024. This represents the entire population age 5-24 currently living in the target parameters and represents a growth of 6.6 percent. The total largest target market that a new sports complex in Richland could hope to draw from is within a 4-hour drive time, which has a total population of people age 5-24 of 1.83 million, increasing to 1.9 million by 2024. The target market represents 100 percent of the people in the 5-24 age category, which obviously is not attainable. Johnson Consulting will further break down this segment toward the end of the analysis. Further breakdown of the target market size is detailed later in this analysis.

The market demand is found by taking the total potential market and multiplying it by the percentage of the population that participates in soccer and football. In Richland, there was found to be 13,043 total potential participants within a 30-minute drive time, 23,487 total participants within a 1.5-hour drive time, and 300,254 total participants within a 4-hour drive time, making it a very attractive location from a local and regional standpoint. These numbers represent the total number of people ages 5-24 that participate in either baseball, softball, soccer, or football in the given parameters set by this analysis.

Figure 7-18

Target Market Demand - Richland										
30-minute drive time	Target Primary Market Area Demand: Ages 5 - 24									
	Year	Ages 5-9	Ages 10-14	Ages 15-19	Ages 20-24	Potential Market	% Participated In Baseball/Softball (last 12 months)	% Participated in Soccer (last 12 months)	% Participated in Football (last 12 months)	Total Market
	2019	20,774	20,549	18,266	17,134	76,723	7.7%	4.2%	5.1%	13,043
	2024	22,267	22,210	19,941	17,415	81,833	7.7%	4.2%	5.1%	13,912
1.5-hour drive time	Target Primary Market Area Demand: Ages 5 - 24									
	Year	Ages 5-9	Ages 10-14	Ages 15-19	Ages 20-24	Potential Market	% Participated In Baseball/Softball (last 12 months)	% Participated in Soccer (last 12 months)	% Participated in Football (last 12 months)	Total Market
	2019	57,920	56,205	51,563	50,838	139,803	7.7%	3.9%	5.2%	23,487
	2024	60,564	60,052	54,597	49,505	142,885	7.7%	3.9%	5.2%	24,005
4-hour drive time	Target Primary Market Area Demand: Ages 5 - 24									
	Year	Ages 5-9	Ages 10-14	Ages 15-19	Ages 20-24	Potential Market	% Participated In Baseball/Softball (last 12 months)	% Participated in Soccer (last 12 months)	% Participated in Football (last 12 months)	Total Market
	2019	479,716	487,409	477,748	525,745	1,830,815	7.1%	4.4%	4.9%	300,254
	2024	498,963	505,690	502,867	531,964	1,896,599	7.1%	4.4%	4.9%	311,042

Source: Esri BAO, Johnson Consulting

FINAL DEMAND ANALYSIS

When examining the total market penetration that would result in a new complex at Hanford Legacy Park, Johnson Consulting assumed a conservative penetration rate of 33 percent for a 30-minute drive time, 15 percent for a 1.5-hour drive time, and 7.5 percent for a 4-hour drive time. In total, these penetration rates account for total projected participants of 30,346 within a 4-hour drive time – 4,304 within a 30-minute, 3,523 with a 1.5-hour, and 22,519 within a 4-hour drive. As the drive time increases, the total penetration rate decreases given that there is more competition the further you expand your catch radius. In total, assuming the current penetration rates, the total participants that a new complex could draw by 2024, given the same penetration and participant rates, is 31,520.

Figure 7-19

Final Demand Analysis - Richland									
30-minute drive time	Target Primary Market Area Demand: Ages 5 - 24								
	Year	Potential Market	% Participated In Baseball/Softball (last 12 months)	Total Baseball/Softball Market	% Participated in Soccer (last 12 months)	Total Soccer Market	% Participated in Football (last 12 months)	Total Football Market	33% Market Penetration
	2019	76,723	7.7%	5,908	4.2%	3,222	5.1%	3,913	4,304
	2024	81,833	7.7%	6,301	4.2%	3,437	5.1%	4,173	4,591
1.5-hour drive time	Target Primary Market Area Demand: Ages 5 - 24								
	Year	Potential Market	% Participated In Baseball/Softball (last 12 months)	Total Baseball/Softball Market	% Participated in Soccer (last 12 months)	Total Soccer Market	% Participated in Football (last 12 months)	Total Football Market	15% Market Penetration
	2019	139,803	7.7%	10,765	3.9%	5,452	5.2%	7,270	3,523
	2024	142,885	7.7%	11,002	3.9%	5,573	5.2%	7,430	3,601
4-hour drive time	Target Primary Market Area Demand: Ages 5 - 24								
	Year	Potential Market	% Participated In Baseball/Softball (last 12 months)	Total Baseball/Softball Market	% Participated in Soccer (last 12 months)	Total Soccer Market	% Participated in Football (last 12 months)	Total Football Market	7.5% Market Penetration
	2019	1,830,815	7.1%	129,988	4.4%	80,556	4.9%	89,710	22,519
	2024	1,896,599	7.1%	134,659	4.4%	83,450	4.9%	92,933	23,328
Total Potential Participants (2019)									30,346
Total Potential Participants (2024)									31,520

Source: Esri BAO, Johnson Consulting

DEMAND AND FINANCIAL OPERATING PROJECTIONS

The following table shows the total demand by year at a new indoor sports complex in Richland. Stabilization is assumed to be in Year 5. Events in this section are broken down by local tournaments, regional tournaments, leagues, camps/clinics/lessons. Johnson Consulting is of the opinion that many of the projected utilization levels as well rental rates assumed are fairly conservative and in line with this conceptual planning phase of the proposed development.

Figure 7-20

Richland Outdoor Multipurpose and Baseball/Softball Complex											Year 5 (Stabilization)		
Number of Events											Participant	Spectator	Total
Activity	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Attendance	Attendance	Attendance
Tournaments - Regional													
Baseball/Softball	1	1	2	2	2	2	2	2	2	2	1,440	3,600	5,040
Lacrosse	1	1	2	2	2	2	2	2	2	2	2,160	5,400	7,560
Soccer	1	1	1	1	1	1	1	1	1	1	1,000	2,500	3,500
Rugby/Football/Other	0	0	0	0	0	0	0	0	0	0	0	0	0
Tournaments - Local													
Baseball/Softball	3	3	4	5	5	5	5	5	5	5	1,200	3,000	4,200
Lacrosse	2	3	3	4	4	4	4	4	4	4	1,080	2,700	3,780
Soccer	1	1	2	2	2	2	2	2	2	2	325	813	1,138
Rugby/Football/Other	1	1	1	1	1	1	1	1	1	1	225	563	788
Leagues													
Baseball/Softball	9	11	13	15	17	17	17	17	17	17	2,040	2,040	4,080
Lacrosse	4	5	6	7	8	8	8	8	8	8	1,440	1,440	2,880
Soccer	4	5	5	6	7	7	7	7	7	7	1,050	1,050	2,100
Rugby/Football/Other	2	3	3	4	4	4	4	4	4	4	600	600	1,200
Camps/ Clinics/ Lessons													
Baseball/Softball	3	4	5	5	6	6	6	6	6	6	900	450	1,350
Lacrosse	3	3	4	5	5	5	5	5	5	5	750	375	1,125
Soccer	0	0	0	0	0	0	0	0	0	0	0	0	0
Rugby/Football/Other	2	2	2	3	3	3	3	3	3	3	225	113	338
Special Events													
Community Events	0	0	0	0	0	0	0	0	0	0	0	0	0
Total	37	44	53	62	67	67	67	67	67	67	14,435	24,643	39,078

Source: Johnson Consulting

In total, there are 67 projected different events spread across local and regional tournaments, leagues, camps, clinics, lessons, and community events. Johnson Consulting accounted for 5 regional tournaments, mostly spread across baseball/softball and lacrosse. It is important to note that this complex can complement the Pasco Outdoor Complex and can potentially host joint tournament with them or support the complex through runoff games. However, in this analysis, that is not accounted for. In total, the Richland Outdoor Multipurpose and Baseball Softball/Complex is projected to draw 14,435 participants and 24,643 spectators by stabilization in Year 5 for a total of just over 39,000 people.

OPERATING PRO FORMA

To illustrate the potential for the complex to be financially viable, Johnson Consulting has prepared financial projections, based upon programs and events hosted at the facility. The financial model assumes that the complex will operate under the public operational model given it will operate as more of a parks and recreation facility. If a different operational model is ultimately chosen, however, the demand and financial projections provided below would vary greatly. We have assumed that the complex is used frequently given the local demand in the Tri-Cities marketplace. The table below presents the operational assumptions.

REVENUE ASSUMPTIONS

The total usage of fields at the Richland Outdoor Multipurpose and Baseball/Softball Complex was projected based on the number of fields that were recommended by Johnson Consulting as well as how often they will be utilized per week. Rental rates for baseball and softball were assumed to be a conservative \$25 per hour without lights and an additional \$20 per hour with lights. For the turf outdoor multipurpose fields, rental rates were assumed to be \$30 per hour without light and an additional \$20 per hour with lights. These prices are very conservative and can rise as the complex begins to increase demand going forward.

To remain conservative, Johnson Consulting has estimated the hours of utilization of the proposed complex to be approximately 30 percent of maximum possible utilization for the baseball/softball fields and multipurpose turf fields. Lights were assumed to be used for approximately 3 hours per day (7:00pm – 10:00pm), for a total of 21 hours per week. Lights were assumed to be used for 50 percent of all possible hours. The lighted baseball/softball and turf fields are assumed to be open for 14 hours per day (8:00 am – 10:00pm) while the unlit turf and baseball/softball fields are assumed to be open for 12 hours per day (8:00am – 8:00pm), equating to 98 and 84 hours of available time per week, respectively. Given the utilization rates, it is assumed the complex will be used for a total of 454 hours per week per field, equating to 15,876 total hours per year.

It is estimated that the complex will operate from the end of February to the beginning of November, approximately 35 weeks to be conservative. Given the rental rates listed above as well as the high utilization rates, the complex is expected to generate \$495,390 in total rental revenue in Year 1, increasing to \$560,500 by stabilization in Year 5.

Figure 7-21

Richland Outdoor Multipurpose and Baseball/Softball Complex Revenue Assumptions						
Fields Usage						
Surface	# of Surfaces	# of Hours/ Week	Total Hours	Utilized Hours/ Week	# of Weeks/ Year	Total Hours/ Year
Outdoor Multipurpose Fields (w/out lights)	8	77	616	185	35	6,468
- With Lights	4	21	84	42	35	1,470
Baseball Softball Fields (w/out lights)	8	77	616	185	35	6,468
- With Lights	4	21	84	42	35	1,470
Total:				454		15,876
Fields Rental Revenues						
Surface	Avrg Cost/ Hour	Occupancy	Total Hours/Week	Total Rental Fees		
Outdoor Multipurpose Fields (w/out lights)	\$30	30%	77	\$194,040		
- With Lights	\$50	50%	21	\$73,500		
Baseball Softball Fields (w/out lights)	\$25	30%	77	\$161,700		
- With Lights	\$45	50%	21	\$66,150		
Total:				\$495,390		

Source: Johnson Consulting

CONCESSION & ADVERTISING REVENUE

Concessions were taken as a percentage of projected Year 1 participants and spectators, generating \$6,840 in total net revenue in after assuming expenses for concessions at 65 percent of total revenues at \$2.00 per person. This number will increase significantly as the complex begins to increase demand and will reach approximately \$27,000 by Year 5. It was further assumed that advertising revenue was \$37,500 in Year 1 out of a possible \$75,000. However, as the complex grows, advertising revenue is expected to increase as the complex becomes more known locally and regionally. The following figure shows the Year 1 revenue for both concessions and advertising

Figure 7-22

Richland Outdoor Multipurpose and Baseball/Softball Complex Revenue Assumptions			
Concession Revenues			
Per Capita	Players	Spectators	Annual (NET)
\$2.00	3,609	6,162	\$6,840
Advertising			
Inventory	% Sold	Annual	
\$75,000	50%	\$37,500	

Source: Johnson Consulting

TOURNAMENT & CAMP FEES

Tournament fees were assumed to be \$22,000 in Year 1, increasing to \$75,000 by stabilization in Year 5 as the complex ramps up its tournament demand. Fees for each tournament are based off the average cost per team and are 5,000 for baseball/softball and 4,000 for all other tournaments. These fees are likely to change based on the market supply and demand as it is important to not over or underprice a complex. In total, there are 10 regional and local tournaments programmed for Year 1, increasing to 17 total tournaments by stabilization in Year 5.

As for camps, clinics, and lessons, rental fees were assumed to be \$30 per person per event. Total camps, clinics, and revenues revenue is \$18,000 in Year 1, increasing to \$49,500 by stabilization in Year 5. This number increases due to the number of camps, clinics, and lessons increase that will result from the complex becoming more well known in the overall local and regional marketplace.

The figure below presents a breakdown of tournament, camps, clinics, and lessons fees and revenues generated in the first 5 years of operations.

Figure 7-23

**Richland Outdoor Multipurpose and Baseball/Softball Complex
Revenue Assumptions**

Tournament Fees

Sports	Facility Rental Fee	Avg Team/ Tourn.	Avg Events/ Year	Annual
Year 1 at 50% Stabilization				
Baseball/Softball	\$2,500	12	4	\$10,000
Lacrosse	\$2,000	18	3	6,000
Soccer	\$2,000	15	2	4,000
Rugby/Football/Other	\$2,000	15	1	2,000
			Total	\$22,000
Year 2 at 65% Stabilization				
Baseball/Softball	\$3,250	12	4	\$13,000
Lacrosse	\$2,600	18	4	10,400
Soccer	\$2,600	15	2	5,200
Rugby/Football/Other	\$2,600	15	1	2,600
			Total	\$31,200
Year 3 at 75% Stabilization				
Baseball/Softball	\$3,750	12	6	\$22,500
Lacrosse	\$3,000	18	5	15,000
Soccer	\$3,000	15	3	9,000
Rugby/Football/Other	\$3,000	15	1	3,000
			Total	\$49,500
Year 4 at 90% Stabilization				
Baseball/Softball	\$4,500	12	7	\$31,500
Lacrosse	\$3,600	18	6	21,600
Soccer	\$3,600	15	3	10,800
Rugby/Football/Other	\$3,600	15	1	3,600
			Total	\$67,500
Year 5 at 100% Stabilization				
Baseball/Softball	\$5,000	12	7	\$35,000
Lacrosse	\$4,000	18	6	24,000
Soccer	\$4,000	15	3	12,000
Rugby/Football/Other	\$4,000	15	1	4,000
			Total	\$75,000

Camps/ Clinics/ Lessons

Sports	Participant Fee	Avg Participants	Avg Events/ Year	Annual
Year 1 at 50% Stabilization				
Baseball/Softball	\$30	100	3	\$9,000
Lacrosse	\$30	100	3	9,000
Soccer	\$30	75	0	0
Rugby/Football/Other	\$30	0	2	0
			Total	\$18,000
Year 2 at 65% Stabilization				
Baseball/Softball	\$30	125	4	\$15,000
Lacrosse	\$30	125	3	11,250
Soccer	\$30	90	0	0
Rugby/Football/Other	\$30	0	2	0
			Total	\$26,250
Year 3 at 75% Stabilization				
Baseball/Softball	\$30	125	5	\$18,750
Lacrosse	\$30	125	4	15,000
Soccer	\$30	90	0	0
Rugby/Football/Other	\$30	0	2	0
			Total	\$33,750
Year 4 at 90% Stabilization				
Baseball/Softball	\$30	150	5	\$22,500
Lacrosse	\$30	150	5	22,500
Soccer	\$30	100	0	0
Rugby/Football/Other	\$30	0	3	0
			Total	\$45,000
Year 5 at 100% Stabilization				
Baseball/Softball	\$30	150	6	\$27,000
Lacrosse	\$30	150	5	22,500
Soccer	\$30	150	0	0
Rugby/Football/Other	\$30	0	3	0
			Total	\$49,500

Source: Johnson Consulting

OPERATING PROFORMA

The subtotal for all operating revenues in Year 1 is \$579,730, increasing to \$754,770 by stabilization in Year 5. Expenses in Year 1 total 660,000, increasing to \$737,000 in Year 5. The complex shows a net operating loss of approximately \$80,500 in Year 1, \$20,000 in Year 5, \$6,000 in Year 10. In Year 4, a conservative reserve replacement fund is set at 5 percent of net operating income to allow for long term capital replacement of the Richland Multipurpose and Baseball/Softball Complex.

The complex is assumed to have 7 full-time staff, ranging from a general manager to maintenance and custodian staff. In total, the staff, including benefits and overtime, accounts for an expense of \$383,500 in Year 1 after factoring in salaries, benefits, and overtime. Benefits were assumed to be 30 percent of total salaries in the first Year. The rest of the expenses were calculated as a percentage of total operating revenues. The figure below presents a full breakdown of operating revenues and expenses for the first 10 Years of operations.

Figure 7-24

Richland Outdoor Multipurpose and Baseball/Softball Complex											
REF		Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Operating Revenues											
1	Rental Income	\$495,390	\$520,469	\$533,481	\$546,818	\$560,488	\$574,501	\$588,863	\$603,585	\$618,674	\$634,141
2	Tournament Rental Fees	22,000	31,200	49,500	67,500	75,000	78,797	80,767	82,786	84,856	86,977
3	Camps, Clinics, Lessons	18,000	26,250	33,750	45,000	49,500	52,006	53,306	54,639	56,005	57,405
4	Food & Beverage Rent	6,840	13,678	20,517	24,620	27,354	28,739	29,458	30,194	30,949	31,723
5	Advertising	37,500	39,398	40,383	41,393	42,428	43,489	44,576	45,690	46,832	48,003
6	Total Revenues	\$579,730	\$630,996	\$677,631	\$725,331	\$754,770	\$777,531	\$796,969	\$816,893	\$837,316	\$858,249
Operating Expenses											
8	Wages (including overtime)	\$295,000	\$309,934	\$317,683	\$325,625	\$333,765	\$342,110	\$350,662	\$359,429	\$368,415	\$377,625
9	Benefits	\$88,500	\$88,500	\$88,500	\$88,500	\$88,500	\$88,500	\$88,500	\$88,500	\$88,500	\$88,500
10	Utilities	\$86,959	\$91,362	\$93,646	\$95,987	\$98,387	\$100,846	\$103,367	\$105,952	\$108,600	\$111,315
11	Repairs & Maintenance	\$57,973	\$62,431	\$63,991	\$65,591	\$67,231	\$68,912	\$70,634	\$72,400	\$74,210	\$76,066
12	Materials, Supplies, Equipment	\$69,568	\$73,089	\$74,917	\$76,790	\$78,709	\$80,677	\$82,694	\$84,761	\$86,880	\$89,052
13	Insurance	\$33,334	\$35,022	\$35,898	\$36,795	\$37,715	\$38,658	\$39,624	\$40,615	\$41,630	\$42,671
14	General and Administrative	\$28,986	\$30,454	\$31,215	\$31,996	\$32,796	\$33,615	\$34,456	\$35,317	\$36,200	\$37,105
15	Total Expenses	660,321	690,792	705,849	721,283	737,103	753,318	769,938	786,974	804,436	822,334
16	Reserve for Replacement				(36,267)	(37,739)	(38,877)	(39,848)	(40,845)	(41,866)	(42,912)
17	Net Operating Income (NOI)	(\$80,591)	(\$59,797)	(\$28,218)	(\$32,219)	(\$20,071)	(\$14,663)	(\$12,817)	(\$10,925)	(\$8,986)	(\$6,998)

Source: Johnson Consulting

OBSERVATIONS

Kennewick, Pasco, and Richland are all primed for significant sports tourism growth. In total, the three complexes will generate approximately 166,000 new participants and spectators across multiple different sports, including soccer, lacrosse, football, baseball, softball, basketball, volleyball, and hockey among many others that have the potential to increase economic impacts in the Tri-Cities. Given this, all three complexes that were recommended complement each other in a way that they will not ever be competing for local and regional games, practices, and tournaments. In fact, these complexes could work together as one to host large national tournaments to increase impacts and room night demand for the entire Tri-Cities region, which is the ultimate goal of Johnson Consulting's study.

The Tri-Cities seems vastly underserved across all sports. The decision to increase or renovate existing complexes in the Tri-Cities is reflective of the market and the overall growth and increasing demand that comes with that. The successful development and management of the recommended complexes will ensure that the Tri-Cities becomes a regional sports destination given its weather as well as location in the middle of multiple major markets.

SECTION 8

ECONOMIC & FISCAL IMPACT ANALYSIS

ECONOMIC IMPACT ANALYSIS

This report section analyzes the total economic and fiscal benefit that is being generated by the proposed developments in the Tri-Cities. There are all kinds of economic, social, economic development, and image benefits that happen as the result of the presence and operation of such sports facilities. This analysis quantifies the effect of the spending of visitors to these attractions, as well as the business operation of the facilities, based on the projected usage and visitation to the indoor sports complexes in the Tri-Cities.

While these are mathematical calculations, which are based on experience seen in numerous other settings, perhaps the most important thing to visualize is what will happen to the Tri-Cities as a community. It will have a major influence on the economy of the Tri-Cities and will enhance the regional role of the Cities development as well redevelopment opportunities. This is a structural shift in the market, not quantitatively captured in this analysis.

This analysis quantifies the effect of the spending of visitors to this project, as well as the business operations of the facilities. This analysis also projects the economic and fiscal impact that the proposed complexes would have on the community. This section, like the previous one, assumes economic and fiscal impact projections for each section.

METHODOLOGY AND DEFINITIONS

Economic impact is defined as added spending in an economy that is the direct result of certain activities, facilities, or events. The easiest way to visualize impacts is to imagine if the facility was not there. That whole business would be gone, all the events would be gone from the landscape and people would have to leave the Tri-Cities for the events that will potentially take place at these complexes. This analysis shows how the proposed sports complexes could help the economy and community in general.

Economic spending, which is defined as the total value of industry production that results from an activity. It includes both gross domestic product and spending to produce intermediate goods.

Employee compensation, which is defined as the total payroll cost paid by an employer, including wages, all benefits, and employer paid payroll taxes.

Jobs, which are defined differently for one-time construction and ongoing activities. One-time construction jobs represent the amount of work completed by one person in one year. Ongoing jobs represent full-time equivalent employees on an annual basis.

The levels of impact are described as follows:

- **Direct Spending** – is an expression of the spending that occurs as a direct result of the games and events that occur at sports complexes. For example, tournament's game attendee's expenditure on hotel rooms, shopping, and meals are direct spending.
- **Indirect Spending** – consists of re-spending of the initial or direct expenditures, or, the supply of goods and services resulting from the initial direct spending in the sports complex. For example, a sports complex participant's direct expenditure on a restaurant meal causes the restaurant to purchase food and other items from suppliers. The portion of these restaurant purchases that are within the local, regional, or state economies is counted as an indirect spending.
- **Induced Spending** – represent changes in local consumption due to the personal spending by employees whose incomes are affected by direct and indirect spending. For example, a waiter at the restaurant may have more personal income as a result of the sports tournament attendee's visit. The amount of the increased income the waiter spends in the local economy is called induced spending.
- **Increased Earnings** – measures increased employee and worker compensation related to the project being analyzed. This figure represents increased payroll expenditures, including benefits paid to workers locally. It also expressed how the employees of local businesses share in the increased outputs.
- **Employment** – measures the number of jobs supported in the study area related to the spending generated as a result of the game and events occurring in the sports complex. Employment impact is stated in a number of full-time equivalent jobs.

This section will present economic impacts for each City as they will all have their own complexes. The figure below presents the average daily spend for visitors of the Tri-Cities, broken down by lodging, meals, and entertainment per person. In total, the average daily spend per day by a visitor of the Tri-Cities is approximately \$166.

Figure 8-1

Tri-Cities, Washington Average Daily Spending	
	Daily Amount*
Lodging (per room night)	\$100.00
Meals & Entertainment (per person)	66.00
Total	\$166.00
*Based on Per Diem per U.S. General Services Administration Source: Johnson Consulting	

Multipliers are an important factor to consider when determining economic and fiscal impacts for a certain place. Multipliers are used as a percentage of direct spending – 30 percent for indirect spending, 40 percent for induced spending, and 34 percent for increased earnings. It is also important to note that for every \$1-million of direct spending in the Tri-Cities economy, it will create over 15 full time employment opportunities.

Figure 8-2

Tri-Cities, Washington Economic Impact Multipliers		
Impact	Multiplier	Base
Indirect Spending	0.30	of direct spending
Induced Spending	0.40	of direct spending
Increased Earnings	0.34	of direct spending
Increased Employment	15.14	per \$1 million of direct spending
Source: Johnson Consulting		

KENNEWICK – ECONOMIC & FISCAL IMPACTS

This section provides the total economic and fiscal impact projections for the Kennewick Indoor Sports Complex. The Figures below summarize the both local and regional economic impacts and how they will impact the city of Kennewick as well as the Tri-Cities region moving forward.

Figure 8-3

Kennewick Indoor Sports Complex Number of Events											Year 5 (Stabilization)		
Activity	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Participant Attendance	Spectator Attendance	Total Attendance
Tournaments - Regional													
Ice Sports	3	4	5	5	6	6	6	6	6	6	4,800	14,400	19,200
Basketball	1	1	2	2	2	2	2	2	2	2	800	2,400	3,200
Volleyball	1	1	2	2	2	2	2	2	2	2	800	2,400	3,200
Other (futsal, wrestling, Judo/Jiu Jitsu)	1	1	2	2	2	2	2	2	2	2	900	2,700	3,600
Tournaments - Local													
Ice Sports	3	3	4	5	5	5	5	5	5	5	2,000	5,000	7,000
Basketball	3	4	5	5	6	6	6	6	6	6	900	2,250	3,150
Volleyball	3	4	5	5	6	6	6	6	6	6	900	2,250	3,150
Other (futsal, wrestling, Judo/Jiu Jitsu)	3	3	4	5	5	5	5	5	5	5	1,125	2,813	3,938
Leagues													
Ice Sports	8	10	11	14	15	15	15	15	15	15	3,000	3,000	6,000
Basketball	7	8	10	12	13	13	13	13	13	13	1,300	1,300	2,600
Volleyball	5	7	8	9	10	10	10	10	10	10	1,000	1,000	2,000
Other (futsal, wrestling, Judo/Jiu Jitsu)	5	6	7	8	9	9	9	9	9	9	1,350	1,350	2,700
Camps/ Clinics/ Lessons													
Ice Sports	4	5	5	6	7	7	7	7	7	7	1,050	1,050	2,100
Basketball	4	5	5	6	7	7	7	7	7	7	1,050	1,050	2,100
Volleyball	4	5	5	6	7	7	7	7	7	7	1,050	1,050	2,100
Other (futsal, wrestling, Judo/Jiu Jitsu)	3	3	4	5	5	5	5	5	5	5	375	375	750
Special Events													
Community Events	2	2	2	3	3	3	3	3	3	3	3,000	0	3,000
Total	60	72	86	100	110	110	110	110	110	110	25,400	44,388	69,788

Source: Johnson Consulting

REGIONAL IMPACTS

As shown on the Figure 8-4, by its stabilized year of operation (Year 5), statewide/regional activities and events at the Kennewick Indoor Sports Complex are estimated to generate approximately \$5.2 million of total spending, \$1.05 million of increased earnings, 47 jobs, and \$285,000 of tax revenues.

Figure 8 – 4

Kennewick Indoor Sports Complex		
Projected Economic and Fiscal Impacts - Regional Tournaments / Special Events		
	Assumptions	Year 5
# of Events*		15
Attendance		
Participants		7,300
Spectators		21,900
Total		29,200
Length of Stay	2 <i>Night(s)</i>	
Est. Room Nights (assumes double occupancy)	<i>Ratio</i>	
Of Participants	30.0%	2,190
Of Spectators	30.0%	6,570
Total		8,760
Est. Direct Spending (\$000)	<i>Average Daily (\$)</i>	
On Lodging	\$100.00	\$967
On Meals and Incidentals	\$66.00	2,127
Total Direct Spending		\$3,094
Economic Impact (\$000)	<i>Multipliers</i>	
Direct Spending		\$3,094
Indirect Spending	0.30	928
Induced Spending	0.40	1,238
Total Spending		\$5,260
Increased Earnings	0.34	\$1,052
Employment (FTE jobs)	15.14	47
Fiscal Impact (\$000)	<i>Rate</i>	
Sales Tax	8.6%	\$266
Hotel/ Motel Tax	2.0%	19
Total		\$285

Source: Johnson Consulting

LOCAL IMPACTS

Figure 8-5 shows the impact of local events at the sports complex. By its stabilized year of operation (Year 5), local activities and events at the Kennewick Indoor Sports Complex are estimated to generate approximately \$2.8 million of total spending, \$565,000 of increased earnings, 25 jobs, and \$176,000 of tax revenues.

Figure 8 – 5

Kennewick Indoor Sports Complex Projected Economic and Fiscal Impacts - Local Operations		
	Assumptions	Year 5
Total Indoor Sports Complex Operating Revenues		\$1,662
Economic Impact (\$000)	<u>Multipliers</u>	
Direct Spending		\$1,662
Indirect Spending	0.30	499
Induced Spending	0.40	665
Total Spending		\$2,825
Increased Earnings	0.34	\$565
Employment (FTE jobs)	15.14	25
Fiscal Impact (\$000)	<u>Rate</u>	
Sales Tax	8.6%	\$143
Hotel/ Motel Tax	2.0%	33
Total		\$176
Source: Johnson Consulting		

IMPACTS SUMMARY

Figure 8-6 summarizes the combined estimated economic impact of the Kennewick Indoor Sports Complex in Year 5 (stabilization). In total, the Kennewick Indoor Sports Complex is estimated to produce approximately \$8 million in total spending by the time of stabilization in Year 5. Increased earnings are projected to be approximately \$1.6 million and the complex being built will result in 72 total local and regional jobs. In total, the Tri-Cities is expected to earn approximately \$461,000 in tax revenues by Year 5

Figure 8 – 6

Kennewick Indoor Sports Complex Summary of Local & Regional Economic Impacts (\$000s)		
	Multiplier*	Year 5
Direct Spending		\$4,756
Indirect Spending	0.30	\$1,427
Induced Spending	0.40	\$1,902
Total Spending		\$8,085
Increased Earnings	0.34	\$1,617
Employment (FTE Jobs)	15.14	72
Sales Tax	8.6%	\$409.0
State of Washington	6.5%	\$309.1
City & County	2.10%	\$99.9
Hotel/ Motel Tax	2.0%	\$52.6
Est. Room Nights		8,760
*Reflects the impact for each \$1 million of direct spending.		
Source: Johnson Consulting		

CONSTRUCTION IMPACTS

Total renovation costs at the Kennewick Indoor Sports Complex are expected to be \$30 million to \$45 million depending on the chosen program. For the impact analysis, construction costs are assumed to be \$40 million, but it is understood these numbers could change based on a different construction cost. In total, the once time construction impacts of this complex are estimated to generate \$24.48 million in total spending, \$4.9 million in increased earnings, 220 full time jobs, and \$2.1 million in fiscal tax revenue.

Figure 8-7

Kennewick Indoor Sports Complex Estimated One-Time Construction Impact		
	Multiplier or Tax Rate	Amount
Est. Hard Costs for Development		\$40,000,000
Impact on Construction Jobs		
% of Costs Spent on Labor		55.0%
Labor Costs		\$22,000,000
Average Construction Laborer Salary		\$30,000
# of On-Site Construction Jobs		730 ✓
Economic Impact		
% of Costs Spent on Material		45.0%
Material Costs		\$18,000,000
% Spent Locally		80.0%
Direct Construction Spending		\$14,400,000
Indirect Spending	0.30	4,320,000
Induced Spending	0.40	5,760,000
Total Spending		\$24,480,000 ✓
Increased Earnings	0.34	\$4,900,000 ✓
Employment (in FTE Jobs)	15.14	220 ✓
Fiscal Impact		
Sales Tax	8.60%	\$2,110,000
Total		\$2,110,000 ✓
Source: Johnson Consulting		

PASCO – ECONOMIC & FISCAL IMPACTS

Figure 8-8 shows an overview of the demand at the Pasco Outdoor Sports Complex. These are the events that will drive economic impacts and participant and spectator attendance. By Year 5, the complex is projected to have 71 total events and 57,125 visitors – 22,000 of which are participants and 35,000 of which are spectators.

Figure 8 - 8

Pasco Sports Complex Number of Events													
Activity	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 5 (Stabilization)		
											Participant Attendance	Spectator Attendance	Total Attendance
Tournaments - Regional													
Soccer	2	3	3	4	4	4	4	4	4	4	5,600	14,000	19,600
Lacrosse	1	1	2	2	2	2	2	2	2	2	1,600	4,000	5,600
Football	0	0	0	0	0	0	0	0	0	0	100	250	350
Rugby	0	0	0	0	0	0	0	0	0	0	0	0	0
Tournaments - Local													
Soccer	4	5	5	6	7	7	7	7	7	7	2,100	5,250	7,350
Lacrosse	1	1	2	2	2	2	2	2	2	2	600	1,500	2,100
Football	2	2	2	3	3	3	3	3	3	3	400	1,000	1,400
Rugby	1	1	2	2	2	2	2	2	2	2	600	1,500	2,100
Leagues													
Soccer	11	14	16	19	21	21	21	21	21	21	4,200	4,200	8,400
Lacrosse	2	2	2	3	3	3	3	3	3	3	600	600	1,200
Football	0	0	0	0	0	0	0	0	0	0	0	0	0
Rugby	4	5	6	7	8	8	8	8	8	8	1,600	1,600	3,200
Camps/ Clinics/ Lessons													
Soccer	5	6	7	8	9	9	9	9	9	9	1,350	675	2,025
Lacrosse	2	3	3	4	4	4	4	4	4	4	600	300	900
Football	2	2	2	3	3	3	3	3	3	3	450	225	675
Rugby	1	1	1	1	1	1	1	1	1	1	150	75	225
Special Events													
Community Events	1	1	2	2	2	2	2	2	2	2	2,000	0	2,000
Total	39	47	55	66	71	71	71	71	71	71	21,950	35,175	57,125

Source: Johnson Consulting

REGIONAL IMPACTS

As shown on the Figure 8-9, by its stabilized year of operation (Year 5), statewide/regional activities and events at the Pasco Outdoor Sports Complex are estimated to generate approximately \$4.6 million of total spending, \$921,000 of increased earnings, 41 jobs, and \$250,000 of tax revenues.

Figure 8-9

Pasco Outdoor Sports Complex		
Projected Economic and Fiscal Impacts (\$000's) - Regional Tournaments / Special Events		
	Assumptions	Year 5
# of Events*		8
Attendance		
Participants		7,300
Spectators		18,250
Total		25,550
Length of Stay	2 <i>Night(s)</i>	
Est. Room Nights (assumes double occupancy)	<i>Ratio</i>	
Of Participants	30.0%	2,190
Of Spectators	30.0%	5,475
Total		7,665
Est. Direct Spending (\$000)	<i>Average Daily (\$)</i>	
On Lodging	\$100.00	\$846
On Meals and Incidentals	\$66.00	1,861
Total Direct Spending		\$2,707
Economic Impact (\$000)	<i>Multipliers</i>	
Direct Spending		\$2,707
Indirect Spending	0.30	812
Induced Spending	0.40	1,083
Total Spending		\$4,603
Increased Earnings	0.34	\$921
Employment (FTE jobs)	15.14	41
Fiscal Impact (\$000)	<i>Rate</i>	
Sales Tax	8.6%	\$233
Hotel/ Motel Tax	2.0%	17
Total		\$250

Source: Johnson Consulting

LOCAL IMPACTS

Figure 8-10 shows the impact of local events at the sports complex. By its stabilized year of operation (Year 5), local activities and events at the Pasco Outdoor Sports Complex are estimated to generate approximately \$1.7 million of total spending, \$346,000 of increased earnings, 15 jobs, and \$108,000 of tax revenues.

Figure 8-10

Pasco Outdoor Sports Complex		
Projected Economic and Fiscal Impacts (\$000's) - Annual Operations		
	Assumptions	Year 5
Total Indoor Sports Complex Operating Revenues		\$1,018
Economic Impact (\$000)	<u>Multipliers</u>	
Direct Spending		\$1,018
Indirect Spending	0.30	305
Induced Spending	0.40	407
Total Spending		\$1,731
Increased Earnings	0.34	\$346
Employment (FTE jobs)	15.14	15
Fiscal Impact (\$000)	<u>Rate</u>	
Sales Tax	8.6%	\$88
Hotel/ Motel Tax	2.0%	20
Total		\$108
Source: Johnson Consulting		

IMPACTS SUMMARY

Figure 8-11 summarizes the combined estimated economic impact of the Pasco Outdoor Sports Complex in Year 5 (stabilization). In total, events at the Pasco Outdoor Soccer Complex are expected to generate \$6.3 million in total spending between local and regional events. Total increased earnings are projected to be \$1.27 million and total sales tax is projected to be \$358,000 annually.

Figure 8 – 11

Pasco Sports Complex Summary of Local & Regional Economic Impacts (\$000s)		
	Multiplier*	Year 5
Direct Spending		\$3,725
Indirect Spending	0.30	\$1,118
Induced Spending	0.40	\$1,490
Total Spending		\$6,333
Increased Earnings	0.34	\$1,267
Employment (FTE Jobs)	15.14	56
Sales Tax	8.6%	\$320.4
<i>State of Washington</i>	6.5%	\$242.2
<i>Benton County</i>	2.10%	\$78.2
Hotel/ Motel Tax	2.0%	\$37.3
Est. Room Nights		7,665
*Reflects the impact for each \$1 million of direct spending.		
Source: Johnson Consulting		

CONSTRUCTION IMPACTS

Total renovation costs at the Pasco Outdoor Sports Complex are expected to be \$7 million to \$10 million depending on the chosen program. For the impact analysis, construction costs are assumed to be \$9 million, but it is understood these numbers could change based on a different construction cost. In total, the once time construction impacts of this complex are estimated to generate \$5.5 million in total spending, \$1.1 million in increased earnings, 50 full time jobs, and \$470,000 in fiscal tax revenue.

Figure 8 – 12

Pasco Outdoor Sports Complex Estimated One-Time Construction Impact		
	Multiplier or Tax Rate	Amount
Est. Hard Costs for Development		\$9,000,000
Impact on Construction Jobs		
% of Costs Spent on Labor		55.0%
Labor Costs		\$4,950,000
Average Construction Laborer Salary		\$30,000
# of On-Site Construction Jobs		170 ✓
Economic Impact		
% of Costs Spent on Material		45.0%
Material Costs		\$4,050,000
% Spent Locally		80.0%
Direct Construction Spending		\$3,240,000
Indirect Spending	0.30	970,000
Induced Spending	0.40	1,300,000
Total Spending		\$5,510,000 ✓
Increased Earnings	0.34	\$1,100,000 ✓
Employment (in FTE Jobs)	15.14	50 ✓
Fiscal Impact		
Sales Tax	8.60%	\$470,000
Total		\$470,000 ✓
Source: Johnson Consulting		

RICHLAND – ECONOMIC & FISCAL IMPACTS

Figure 8-13 provides the demand for Richland Outdoor Sports Complex and shows total events and total participants and spectators. By Year 5, the complex is expected to host approximately 67 events and generate total attendance of just over 39,000. The Figures below provide

Figure 8 - 13

Richland Outdoor Multipurpose and Baseball/Softball Complex											Year 5 (Stabilization)		
Number of Events											Participant	Spectator	Total
Activity	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Attendance	Attendance	Attendance
Tournaments - Regional													
Baseball/Softball	1	1	2	2	2	2	2	2	2	2	1,440	3,600	5,040
Lacrosse	1	1	2	2	2	2	2	2	2	2	2,160	5,400	7,560
Soccer	1	1	1	1	1	1	1	1	1	1	1,000	2,500	3,500
Rugby/Football/Other	0	0	0	0	0	0	0	0	0	0	0	0	0
Tournaments - Local													
Baseball/Softball	3	3	4	5	5	5	5	5	5	5	1,200	3,000	4,200
Lacrosse	2	3	3	4	4	4	4	4	4	4	1,080	2,700	3,780
Soccer	1	1	2	2	2	2	2	2	2	2	325	813	1,138
Rugby/Football/Other	1	1	1	1	1	1	1	1	1	1	225	563	788
Leagues													
Baseball/Softball	9	11	13	15	17	17	17	17	17	17	2,040	2,040	4,080
Lacrosse	4	5	6	7	8	8	8	8	8	8	1,440	1,440	2,880
Soccer	4	5	5	6	7	7	7	7	7	7	1,050	1,050	2,100
Rugby/Football/Other	2	3	3	4	4	4	4	4	4	4	600	600	1,200
Camps/ Clinics/ Lessons													
Baseball/Softball	3	4	5	5	6	6	6	6	6	6	900	450	1,350
Lacrosse	3	3	4	5	5	5	5	5	5	5	750	375	1,125
Soccer	0	0	0	0	0	0	0	0	0	0	0	0	0
Rugby/Football/Other	2	2	2	3	3	3	3	3	3	3	225	113	338
Special Events													
Community Events	0	0	0	0	0	0	0	0	0	0	0	0	0
Total	37	44	53	62	67	67	67	67	67	67	14,435	24,643	39,078

Source: Johnson Consulting

REGIONAL IMPACTS

As shown on the Figure 8-14, by its stabilized year of operation (Year 5), statewide/regional activities and events at the Richland Outdoor Sports Complex are estimated to generate approximately \$2.9 million of total spending, \$580,000 of increased earnings, 26 jobs, and \$157,000 of tax revenues.

Figure 8 - 14

Richland Outdoor Multipurpose and Baseball/Softball Complex		
Projected Economic and Fiscal Impacts (\$000's) - Regional Tournaments / Special Events		
	Assumptions	Year 5
# of Events*		5
Attendance		
Participants		4,600
Spectators		11,500
Total		16,100
Length of Stay	2 <i>Night(s)</i>	
Est. Room Nights (assumes double occupancy)	<i>Ratio</i>	
Of Participants	30.0%	1,380
Of Spectators	30.0%	3,450
Total		4,830
Est. Direct Spending (\$000)	<i>Average Daily (\$)</i>	
On Lodging	\$100.00	\$533
On Meals and Incidentals	\$66.00	1,173
Total Direct Spending		\$1,706
Economic Impact (\$000)	<i>Multipliers</i>	
Direct Spending		\$1,706
Indirect Spending	0.30	512
Induced Spending	0.40	682
Total Spending		\$2,900
Increased Earnings	0.34	\$580
Employment (FTE jobs)	15.14	26
Fiscal Impact (\$000)	<i>Rate</i>	
Sales Tax	8.6%	\$147
Hotel/ Motel Tax	2.0%	11
Total		\$157

Source: Johnson Consulting

LOCAL IMPACTS

Figure 8-15 shows the impact of local events at the sports complex. By its stabilized year of operation (Year 5), local activities and events at the Richland Outdoor Sports Complex are estimated to generate approximately \$1.3 million of total spending, \$257,000 of increased earnings, 11 jobs, and \$80,000 of tax revenues.

Figure 8 - 15

Richland Outdoor Multipurpose and Baseball/Softball Complex Projected Economic and Fiscal Impacts (\$000's) - Annual Operations		
	Assumptions	Year 5
Total Indoor Sports Complex Operating Revenues		\$755
Economic Impact (\$000)	<u>Multipliers</u>	
Direct Spending		\$755
Indirect Spending	0.30	226
Induced Spending	0.40	302
Total Spending		\$1,283
Increased Earnings	0.34	\$257
Employment (FTE jobs)	15.14	11
Fiscal Impact (\$000)	<u>Rate</u>	
Sales Tax	8.6%	\$65
Hotel/ Motel Tax	2.0%	15
Total		\$80

Source: Johnson Consulting

IMPACTS SUMMARY

Figure 8-16 summarizes the combined estimated economic impact of the Richland Outdoor Sports Complex in Year 5 (stabilization). In total, events at the Richland Outdoor Soccer Complex are expected to generate \$4.2 million in total spending between local and regional events. Total increased earnings are projected to be \$837,000 and total sales tax is projected to be \$237,000 annually.

Figure 8 - 16

Richland Outdoor Multipurpose and Baseball/Softball Complex Summary of Local & Regional Economic Impacts (\$000s)		
	Multiplier*	Year 5
Direct Spending		\$2,461
Indirect Spending	0.30	\$738
Induced Spending	0.40	\$984
Total Spending		\$4,183
Increased Earnings	0.34	\$837
Employment (FTE Jobs)	15.14	37
Sales Tax	8.6%	\$211.6
<i>State of Washington</i>	6.5%	\$160.0
<i>City of Richland & Benton County</i>	2.10%	\$51.7
Hotel/ Motel Tax	2.0%	\$25.8
Est. Room Nights		4,830
*Reflects the impact for each \$1 million of direct spending. Source: Johnson Consulting		

CONSTRUCTION IMPACTS

Total development costs at the Richland Outdoor Sports Complex are expected to be \$18 million to \$25 million depending on the chosen program. For the impact analysis, construction costs are assumed to be \$20 million, but it is understood these numbers could change based on a different construction cost. In total, the one-time construction impacts of this complex are estimated to generate \$12.2 million in total spending, \$2.5 million in increased earnings, 110 full-time jobs, and \$1 million in fiscal tax revenue.

Figure 8 – 17

Richland Outdoor Sports Complex Estimated One-Time Construction Impact		
	Multiplier or Tax Rate	Amount
Est. Hard Costs for Development		\$20,000,000
Impact on Construction Jobs		
% of Costs Spent on Labor		55.0%
Labor Costs		\$11,000,000
Average Construction Laborer Salary		\$30,000
# of On-Site Construction Jobs		370 ✓
Economic Impact		
% of Costs Spent on Material		45.0%
Material Costs		\$9,000,000
% Spent Locally		80.0%
Direct Construction Spending		\$7,200,000
Indirect Spending	0.30	2,160,000
Induced Spending	0.40	2,880,000
Total Spending		\$12,240,000 ✓
Increased Earnings	0.34	\$2,450,000 ✓
Employment (in FTE Jobs)	15.14	110 ✓
Fiscal Impact		
Sales Tax	8.60%	\$1,050,000
Total		\$1,050,000 ✓
Source: Johnson Consulting		

OBSERVATIONS

Given that there are three different proposed complexes, the Tri-Cities is primed to see a significant amount of economic and fiscal revenue with the addition of these three developments. In total, the three complexes are projected to see \$18.6 million in total spending, which will result in \$3.7 million in increased earnings, 165 jobs, and \$1.05 million in fiscal tax revenue. Given the size and type of the proposed developments, the costs will vary quite a bit and which will result in different economic and fiscal impacts as the result of construction of these projects. Given Kennewick is an indoor complex, it will have the highest development cost, followed by the Richland Outdoor Sports Complex and the Pasco Outdoor Sports Complex.

APPENDIX I

CASE STUDIES



REGIONAL OUTDOOR MULTIPURPOSE CASE STUDIES

The following case studies provide insight into each of the markets listed below to support a regional outdoor multipurpose complex. These complexes typically host events for sports such as soccer, football, and lacrosse. However, depending on the complex, they can also host practices for sports such as baseball and softball as well as camps and clinics.

Figure A-1

Outdoor Multipurpose - Key Characteristics of Comparable Complexes						
	Tri-Cities, WA	Sozo Sports Complex	Starfire Sports Complex	Dick's Sporting Goods Park	60-Acres Park	Average
Location						
City	Kenewick, Pasco, Richland, WA	Yakima, WA	Seattle, WA	Commerce City, CO	Redmond, WA	-
MSA	Tri-Cities, WA MSA	Yakima, WA MSA	Seattle-Tacoma-Bellevue, WA MSA	Denver-Aurora-Lakewood, CO MSA	Seattle-Tacoma-Bellevue, WA MSA	-
MSA Demographic Characteristics (2018)						
MSA Population	267,077	252,759	3,888,235	2,928,292	3,888,235	2,739,380
Median Age	34.2	32.9	38.0	37.0	38.0	36.5
Median Household Income	\$66,200	\$51,609	\$79,251	\$71,904	\$79,251	\$70,504
Total Businesses	7,806	7,156	139,206	112,532	139,206	99,525
Unemployment Rate (2018)	5.7%	7.5%	5.1%	2.7%	5.1%	5.1%
Sports Admission Spending	\$18,402,073	\$11,638,077	\$336,184,730	\$235,197,760	\$336,184,730	\$229,801,324
Total Hotel Rooms (10-mile radius)	2,968	1,509	15,000+	12,000+	15,000+	1,509
% of Population Playing Soccer	4.1%	4.2%	4.6%	4.5%	4.6%	4.5%
Facilities						
Total Soccer Surfaces	-	14	15	24	25	20
Total Approximate Cost (millions)	-	\$13.0	\$10.0	\$64.5	\$25.0	\$28.1
Total Event Days	-	130	120	-	150	133
Largest Seating Capacity	-	-	4,500	18,061	-	11,281
Size (acres)	-	118	61	140	94	103

Sources: Johnson Consulting, Esri BAO, Facility websites, Smith Travel Research

*Note: Only mid-upscale hotels with 60+ rooms counted

SOZO SPORTS COMPLEX YAKIMA, WA

SOZO Sports Complex

Location	Yakima, WA
Year Opened	2016
Total Surfaces	14
Size (acres)	118
Hotels	1,509
Total Cost	\$13
Ownership	City of Yakima

Sources: Facility website, Johnson Consulting



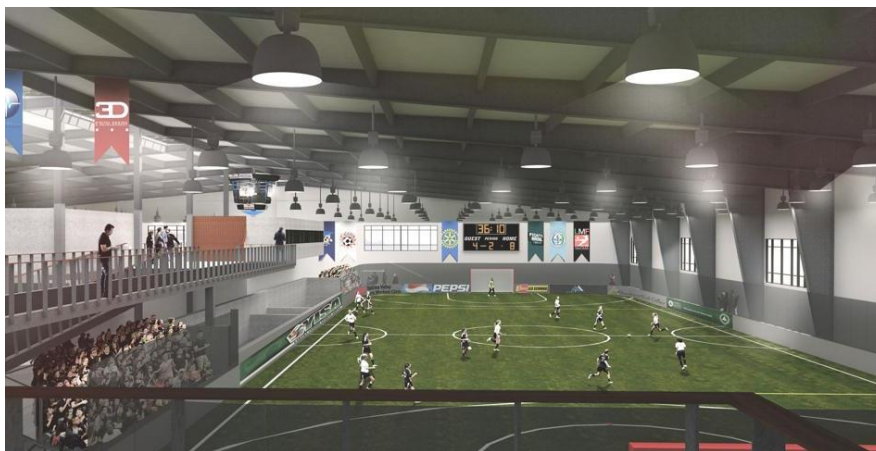
ABOUT: The Sozo Sports Complex, located approximately 1-hour from the Tri-Cities, opened in 2016 and is currently one of the premier outdoor and indoor multipurpose complexes in the Northwest. The facility is owned by the City of Yakima and features 14 total multipurpose fields, including two full sized indoor turf fields. Sozo sits on over 118 acres of land and originally cost approximately \$13 million to complete in 2016. They are currently in the process of building an indoor facility for soccer, basketball and volleyball.

Facilities: In total, Sozo has built 14 total soccer fields, 10 of which are natural grass with the remaining 4 being turf. Also included in the development is a 128,000 square foot indoor facility that is expected to house 16 volleyball courts, 8 basketball courts, 4 soccer/futsal courts, and seating for up to 3,000 people. Construction of the indoor portion of Sozo is expected to be approximately \$13.5 million. This project is expected to be complete in 2020.

It is also important to note that there is another indoor development adjacent to Sozo called the Yakima Rotary Aquatics Center. This \$20 million project is the result of a partnership between the City of Yakima and the YMCA and should be complete in September of 2019. Sozo is expected to operate the facility.

DEMAND/FINANCIALS: In 2017, visitors in Yakima generated approximately \$48 million in economic impact to the local community, most of which came from the Sozo Complex. Also, in 2017, Benton and Franklin counties hosted 223 sporting events, about half of which attracted out of town visitors. Demand at the complex is high due to Sozo's partnership with local soccer organizations. When the indoor complex is complete, there are also partnerships lined up with local basketball and volleyball organizations. In 2017 alone, visitor spending reached \$400 million. On top of partnering with local soccer, basketball, and volleyball organizations, Sozo is beginning to host youth leagues for football and hockey organizations have also inquired about a possible facility.

FUNDING ANALYSIS: The \$13 million complex was funded using a public private partnership between Sozo Sports and the City of Yakima. Because it is on city owned land, the two parties agreed to a 40-year lease agreement, with two 10-year options to extend. At the end of the lease, the city will own the land and the permanent improvement while Sozo will retain the buildings and be responsible for all of the maintenance and improvements. When all phases of development are complete, the public side will likely account for 38 percent of the \$13 million cost while the other 62 percent will come from Sozo Sports.



STARFIRE SPORTS COMPLEX SEATTLE, WA

Starfire Sports Complex

Location	Tukwila, WA
Year Opened	2005
Total Surfaces	15
Size (acres)	61
Hotels	15,000+
Total Cost	\$10
Ownership	Starfire Sports (private)

Sources: Facility website, Johnson Consulting



ABOUT: The Starfire Sports Complex is in Tukwila, Washington, 10 miles south of downtown Seattle. The Complex is accessible by either Interstate Highways 5 or 405 and is 5 miles east of the Seattle-Tacoma International Airport. The City has a population of 20,098 and home to Boeing Field and Museum of Flight. The complex opened in 2005 and features 15 soccer fields. Nine of the fifteen fields are synthetic turf and at the time it was built, it was considered the largest all turf soccer complex in the United States. The complex also has an outdoor stadium with seating for 4,500 people. Starfire Sports, a private organization, has owned and operated the complex since it was complete.

Facilities: There are fifteen total fields at the Starfire Sports Complex – 5 grass fields, 8 outdoor turf fields, and 2 indoor turf fields. The stadium, which is considered one of the nicest in the region, is home to two organizations and can seat 4,500 people. It is currently home to the Seattle Sounders Women’s Team and the Seattle Seawolves (Major League Rugby) and in the past has been home to six other organizations including the Seattle Sounders 2 of the USL. Included in the indoor portion of the complex is administrative offices, a restaurant, and a game room.

DEMAND/FINANCIALS: Due to its partnership with the Seattle Sounders, most Starfire sports’ event schedule is made of soccer-based events. The indoor facility hosts adult and youth leagues six nights a week, which are offered in multiple sessions during the year. Each session attracts 155

teams with 2,250 participants during the summer and 250 teams and 3,500 participants from fall through the spring. Adult leagues are offered year-round and attract up to 250 teams each session. Youth leagues are not offered during the summer to avoid competition with other local leagues and Clubs. Aside from these leagues the complex hosts a plethora of soccer and other sport-specific events including:

- 7 regional soccer tournaments
- 20 soccer camps
- 12 single day clinics or show cases.

FUNDING ANALYSIS: Starfire was privately funded with approximately \$10 million in debt financing. As of 2015, over 50 percent of the outstanding debt has been paid and Starfire is ahead of schedule in repaying the full amount.



DICK'S SPORTING GOODS PARK COMMERCE CITY, CO

Dick's Sporting Goods Park	
Location	Commerce City, CO
Year Opened	2007
Total Surfaces	24
Size (acres)	140
Hotels	12,000+
Total Cost	\$64.5
Ownership	Commerce City, CO

Sources: Facility website, Johnson Consulting



ABOUT: Dick's Sporting Goods Park is located in Commerce City, Colorado, approximately 20 minutes north of Denver and right off of Interstate 270. The complex was originally built in 2007 and has been home of the Colorado Rapids (Major League Soccer) since its completion. The stadium can seat over 18,000 people and over 27,000 people for events such as concerts. The stadium is owned by the city, but privately managed by Kroenke Sports and Entertainment, who also own the Colorado Avalanche, Denver Nuggets, Colorado Mammoth, and Arsenal F.C of the English Premier League.

Facilities: In total, Dick's Sporting Goods Park cost \$64.5 million to build and has 24 soccer fields in total, making it one of the largest complexes in the United States. All of the fields are fully lit and 22 of the 24 fields are natural grass, with the other two being turf. The fields can be lined for any age group or tournament needs. The stadium as well as complex is home to the Colorado Rapids, who play as well as train here. The stadium seats 18,000 people for sporting events, but can also be used for private events such as weddings, banquets, and receptions to name a few.

DEMAND/FINANCIALS: Because Dick's Sporting Goods Park is home to the Colorado Rapids, most of the events center around their game and practice schedule. They have also begun to host concerts at the stadium, and are lined up to host 5 of them this summer. This is an excellent way to generate economic impact for a complex on the off days. Besides the Rapids and concerts, Dick's Sporting Goods Park hosts approximately 23 youth soccer tournaments per year, which generates an estimated \$30-million in economic impact per year. Dick's Sporting Goods Park also hosts events for rugby, flag football, Gaelic Football, Ultimate Frisbee, Kickball, and Dodgeball as well as several camps, clinics, national tournaments, and international tournaments throughout the year for soccer.



60-ACRES PARK REDMOND, WA

60 Acres Park	
Location	Redmond, WA
Year Opened	-
Total Surfaces	25
Size (acres)	94
Hotels	15,000+
Total Cost	\$25.0
Ownership	King County & LYWSA

Sources: Facility website, Johnson Consulting



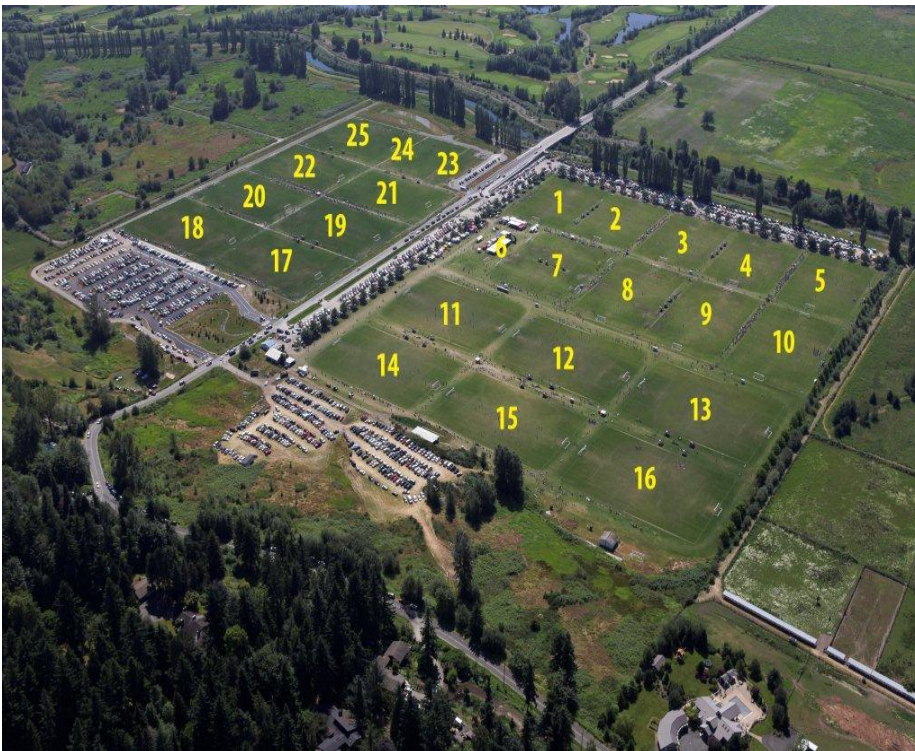
ABOUT: 60 Acres Park is located in Redmond, WA off of Sammamish River Trail, 150 miles Northwest of Yakima and 15 miles due East of Seattle. The 60 acres fields are a part of a 94-acre park that was developed by the Lake Washington Youth Soccer Association and King County Washington. The 60 acres Park in King County is a soccer facility that sufficiently accomplishes its goal by serving the community youth leagues and local soccer participants. Because of its size and number of fields 60 Acres is also able to host regional tournaments and make as the home for a preeminent club soccer program in the Pacific Northwest.

Facilities: The park is divided into two sections – 60 Acres North and 60 – Acres South. Together, they have 25 full sized all grass fields.

DEMAND: The Park is co-managed and operated by King County and Lake Washington Youth Soccer Association. All upgrades and construction costs are to be assumed by LWYSA. The park is open for athletic use from June 1st to October 31st each year. Lake Washington Youth Soccer

hosts its league at the complex and rents the park out to local club teams such as Crossfire Premier for them to manage and host their own tournaments.

FUNDING: The cost of 60 Acres and the funding strategies King County and LWYSA used to develop the facility were not able to be obtained by Johnson Consulting. The Park is co-managed and operated by King County and Lake Washington Youth Soccer Association. All upgrades and construction costs are to be assumed by LWYSA. The park is open for athletic use from June 1st to October 31st each year. Lake Washington Youth Soccer hosts its league at the complex and rents the park out to local club teams such as Crossfire Premier for them to manage and host their own tournaments.



REGIONAL BASEBALL/SOFTBALL CASE STUDIES

The following case studies provide insight into each of the markets listed below to support baseball or softball complexes. These complexes are located in different parts of the United States and each offers different features.

Figure A-2

Baseball/Softball - Key Characteristics of Comparable Complexes					
	Tri-Cities, WA	Golden Eagle Regional Park	Space Coast Sports Complex	Ballparks of America	Average
Location					
City	Kenewick, Pasco, Richland, WA	Sparks, NV	Melbourne, FL	Branson, MO	-
MSA	Tri-Cities, WA MSA	Reno, NV MSA	Palm Bay-Melbourne-Titusville, FL MSA	Branson, MO MSA*	-
MSA Demographic Characteristics (2018)					
MSA Population	267,077	475,680	586,206	87,515	383,134
Median Age	34.2	38.1	45.7	46.2	43.3
Median Household Income	\$66,200	\$55,295	\$43,455	\$43,477	\$47,409
Total Businesses	7,806	16,752	20,675	4,275	13,901
Unemployment Rate (2018)	5.7%	2.9%	3.2%	4.0%	3.4%
Sports Admission Spending	\$18,402,073	\$29,023,141	\$4,677,534	\$3,971,668	\$12,557,448
Total Hotel Rooms (10-mile radius)	2,968	1,845	2,426	15,000+	2,136
% of Population Playing Baseball/Softball	7.6%	7.2%	6.8%	6.3%	6.8%
Facilities					
Total Baseball/Softball Surfaces	-	12	15	5	11
Total Approximate Cost (millions)	-	\$30.0	\$32.0	\$24.0	\$28.7
Total Event Days	-	226	136	150	171
Largest Seating Capacity	-	-	8,100	500	4,300
Size (acres)	-	140	85	66	97

Sources: Johnson Consulting, Esri BAO, Facility websites

*Note: Only mid-upscale hotels with 60+ rooms counted

GOLDEN EAGLE REGIONAL PARK SPARKS, NV

Golden Eagle Regional Park	
Location	Sparks, NV
Year Opened	2008
Total Surfaces	18
Size (acres)	140
Hotels	1,845
Total Cost	\$30.0
Ownership	City of Sparks (public)

Sources: Facility website, Johnson Consulting



ABOUT: The Golden Eagle Regional Park is located in Northeast Sparks, Nevada – approximately 4 miles east of Reno. The complex opened in 2008 and sits on 140 acres of artificial turf – the single largest installation of artificial turf in North America. The complex, which is owned and operated by the City of Sparks, has seen over 8-million visitors since its opening. In total, there are 18 different fields for all types of sports. Since opening in 2008 the complex has been host to numerous Regional and National events for organizations like the Amateur Softball Association, Senior Softball USA, and Triple Crown Sports and National televised tournaments.

Facilities: Facilities at the Golden Eagle Regional Park include: 6 softball fields, 6 baseball fields, and 3 full size outdoor multipurpose fields. The complex also has a 3,600 square foot restaurant and sports bar as well as concessions located throughout the park.

DEMAND/FINANCIALS: In 2017, the Golden Eagle Regional Park hosted 52 tournaments or rental events, which generated an estimated economic impact of \$27.74 million. Since the complex opened in 2008, it has attracted over 8 million people, including over 1 million in 2017 alone. The 52

tournaments brought 1,215 teams to Sparks which created 45,000 room nights for local hotels. In total, there was over 9,000 total games played on the 15 synthetic turf fields. In 2017, the complex also received over \$177,000 in direct income from rentals, which is a 15 percent increase from 2016. Outside of the 52 tournaments, the complex is home to approximately 500 adult softball and kickball teams which use the complex 11 months out of the year.

The complex is also host to league games and practices for Sparks Babe Ruth, Sparks Centennial Little League, Sparks National Little League, Sparks Centennial Softball, Pop Warner Football, Sierra Youth Football League, AYSO Soccer, Great Basin Youth Soccer, and Northern Nevada Soccer League seven days a week, for 9 months of the year (cityofsparks.com)

FUNDING: Funding for the \$30 million sports complex came from the sale of the Don Mello Sports Complex and consolidated revenue bonds, park impact fees and the Washoe County Parks and Open Space bond. It was 100% funded using bonds and the sale of the land, meaning the public did not pay for any of it.



SPACE COAST SPORTS COMPLEX MELBOURNE, FL

Space Coast Sports Complex

Location	Melbourne, FL
Year Opened	1994, 2017*
Total Surfaces	15
Size (acres)	85
Hotels	2,426
Total Cost	\$32 (renovation cost)
Ownership	Brevard County (public)

Sources: Facility website, Johnson Consulting



ABOUT: The USSSA Space Coast Sports Complex, originally only Space Coast Stadium, opened in 1994 as an 8,100-seat baseball stadium. This stadium was the spring training home for the Florida Marlins (1994-2002), Montreal Expos (2003-2004), and Washington Nationals (2005-2016). In 2017, the complex underwent a \$32 million renovation to add fourteen turf fields in addition to renovating the stadium. After the renovation, the complex became the home of the United States Specialty Sports Association (USSSA), which currently governs 13 youth sports.

Facilities: The Space Coast Sports Complex has 15 total baseball/softball fields, including an 8,100-seat, 11 suite stadium. These fields are all lighted and have the highest quality turf on the market. The complex has fields of all sizes: Five (5) 225-foot fences, Four (4) 325-foot fields, Four (4) 385-foot fields, One (1) 175-foot 8U field. Though it is not complete yet, the complex is also expected to have an 18,000 square foot training and rehabilitation facility as well as the USSSA Hall of Fame and Sports Museum.

DEMAND/FINANCIALS: Currently USSSA has 3.5 million members. Space Coast hosts tournaments for fast pitch softball, slow pitch softball, baseball, and soccer. In its first year of operations, the complex generated 75,000 room nights at surrounding hotels and generated a \$12 million economic impact. This complex hosts some of the largest and most prominent tournaments for both baseball and softball, including: The Space Coast Fast Pitch World Series, The USA Fast Pitch Elite Select, The USA Elite Select Summer Nationals, The All American Games Fast Pitch, The Wilson Demarini Elite World Series (8U – 14U), The All American Games, the Select 30 Championships (9U -14U), and numerous USSSA Pride events. The complex has 20 full time employees and currently hosts tournaments on 55-60 weekends per year.

Previous to their relocation to the Space Coast Complex, USSSA posted revenues of \$13.7 million in 2015. Gate fees for all tournaments are anywhere from \$7 to \$12 per day.

FUNDING ANALYSIS: \$10 million of the \$30 million renovation cost of the facility came from revenue generated by Brevard County's 5 percent Tourist Development Tax on hotel rooms and rentals. The other \$20 million came from USSSA, with the guarantee that they would generate 75,000 room nights in year 1 and 100,000 room nights annually after that. With this funding, USSSA is required to make a direct lease payment to the county of \$250,000 annually.



BALLPARKS OF AMERICA BRANSON, MO

Ballparks of America	
Location	Branson, MO
Year Opened	2016
Total Surfaces	5
Size (acres)	66
Hotels	15,000+
Total Cost	\$24.0
Ownership	Ballparks of America (private)

Sources: Facility website, Johnson Consulting



ABOUT: Ballparks of America, located in Branson Missouri, provides 10-13-year olds with the opportunity to play at replicas of some of their favorite stadiums. Tournaments are usually 7-days long and include the following amenities: 6-game guarantee, accommodations in team suites for players and coaches, flat screen televisions and pro style locker rooms, three meals per day, opening ceremony, home run derby, and skills competition, free admission to White Water Park (region's largest water park), and apparel including t-shirt, baseball cap, and water bottle among other collectibles. The goal of Ballparks of America is to allow children to experience the history of baseball at one location.

AVERAGE TOURNAMENT COST PER PLAYER: \$785

Facilities: Ballparks of America are truly unique in terms of facilities. Here you will find five replicas current or old Major League baseball stadiums designed to meet the requirements of children ages 10-13. The current replica stadiums are: Detroit Stadium (Old Briggs Stadium), St. Louis Stadium (Busch Stadium), Chicago Field (Wrigley Field), Brooklyn Field (Ebbets Field), and Boston Field (Fenway Park). These fields all have lights as well as the highest quality turf available. They also have fourteen player barracks that can house as many as eighteen players at one time,

making total player capacity approximately 250 people. They also have over 15,000 hotel rooms in a 10-mile radius that makes it an ideal location for parents and families.

An interesting aspect of Ballparks of America is that they give the children a day off in the middle of the tournament to explore the surrounding amenities such as the White Waterpark, Silver Dollar City, The Titanic Museum, Fritz's Outdoor Ropes Course, and the Old Navy Pier Ferris Wheel among others.

DEMAND/FINANCIALS: Ballparks of America hosts approximately nineteen tournaments annually across multiple age groups ranging from 10U to 13U. These tournaments run from March through August, which is a benefit of having an all-turf facility. Ballparks of America drew approximately 100,000 people in 2018, which was their second year of operations. Though they host 19 baseball tournaments, the total events annually at the complex is around 30. In 2017, the most recent data available and Ballparks of America's first full year of operations, they generated an economic impact around \$16.4 million.

Ballparks of America pays the city of Branson \$2,000 per acre annually on top of a percentage of gross receipts. The developers of Ballparks of America actually donated the land to the city of Branson and agreed to lease it back to them, giving the city \$1 per year for the first 5 years and then \$60,000 annually after that. For their tournaments, they charge each player approximately \$785 for an all-inclusive week at their facility, including accommodations, meals, gear, and 7-guaranteed games among other amenities.



REGIONAL INDOOR SPORTS FACILITIES

Below is a list of regional basketball and volleyball complexes. Regional Basketball and Volleyball complexes usually consist of four full sized basketball courts, which can be converted into eight volleyball courts.

Figure A-3

Basketball/Volleyball - Key Characteristics of Comparable Complexes					
	Tri-Cities, WA	Spokane Regional Sports Complex	TBK Bank Sports Complex	Cedar Point Indoor Sports Center	Average
Location					
City	Kenewick, Pasco, Richland, WA	Spokane, WA	Bettendorf, IA	Sandusky, OH	-
MSA	Tri-Cities, WA MSA	Spokane-Spokane Valley, WA MSA	Davenport-Moline-Rock Island, IL-IA MSA	Sandusky, OH MSA	-
MSA Demographic Characteristics (2018)					
MSA Population	267,077	573,328	386,682	76,015	345,342
Median Age	34.2	39.0	40.4	45.7	41.7
Median Household Income	\$66,200	\$55,851	\$53,497	\$57,504	\$55,617
Total Businesses	7,806	20,591	14,031	3,020	12,547
Unemployment Rate (2018)	5.7%	5.8%	3.9%	3.5%	4.4%
Sports Admission Spending	\$18,402,073	\$36,045,824	\$24,500,738	\$4,823,306	\$21,789,956
Total Hotel Rooms (10-mile radius)	2,968	4,885	4,754	4,019	4,553
% of Population Playing Basketball/Volleyball	11.5%	11.5%	10.8%	10.0%	10.8%
Facilities					
Total Basketball/Volleyball Surfaces	-	10/17	8/16	10/20	8.3/14
Total Approximate Cost (millions)	-	\$42.0	\$50.0	\$28.0	\$40.0
Indoor Size (SF)	-	180,000	260,000	145,000	171,250

Sources: Johnson Consulting, Esri BAO, Facility websites, Smith Travel Research

*City Demographics used for Mamba Sports Academy

SPOKANE REGIONAL SPORTSPLEX SPOKANE, WA

Spokane Regional SportsPlex

Location	Spokane, WA
Year Opened	2021*
Total Surfaces	10/17
Size (acres)	10
Hotels	4,885
Total Cost	\$42.0
Ownership	City of Spokane (Public)

Sources: Facility website, Johnson Consulting



Note: Image of Spooky Nook Sports Complex

ABOUT: The Spokane Regional Sportsplex is set to break ground in 2019 and open in 2021. This facility is set to be one of the largest in the region with 10 basketball courts, convertible into 17 volleyball courts. This project is a venture by the City of Spokane to grow the local economy and grow the local sports community. The facility will have two primary purposes – to host large tournaments that generate tourism and to be a practice competition facility for local sports organization. This complex, when complete, could potentially have major implications for a future indoor development in the Tri-Cities.

FACILITY: The facility will be approximately 180,000 square feet of indoor space that is expected to house a multi-purpose fields house. In the fieldhouse will be a 200-meter 6 lane indoor track, 10 basketball courts convertible into 17 volleyball courts, 21 wrestling mats, and multi-sports space. Also expected is a full icehouse that can fit a full NHL sized sheet of ice. The design of the complex is expected to be highly flexible and can be easily convertible to accommodate a multitude of sports. It is also expected to have a community aspect and serve as a recreation facility for local sports programs.

DEMAND/FINANCIALS: The Spokane Regional Sportsplex is expected to generate 18,000 to 23,000 additional out of town visitors per year, which is expected to generate approximately \$33 million annually in direct tourism spending to the community. It would also generate 26,000 to 46,000 hotel room nights per year. Because of the room night demand and the projected increase in annual direct tourism spending, the City of Spokane is projecting approximately \$1.5 million in increased general tax revenues per year.

FUNDING: Funding for the Sportsplex will be funded mostly by the Washington State sales tax rebate, which will give approximately \$25 million. The next largest source of money, approximately \$10 million will come from the Spokane Public Facilities District reserve fund, who is in charge of the project. The Spokane City Council also approved a \$5 million grant while an additional \$2 million is being requested from the state budget for design add-ons.

TBK BANK SPORTSPLEX BETTENDORF, IA

TBK Bank Sports Complex

Location	Bettendorf, IA
Year Opened	2018
Total Surfaces	8/16
Size (acres)	6
Hotels	4,754
Total Cost	\$50.0
Ownership	BettPlex, LLC

Sources: Facility website, Johnson Consulting



ABOUT: The TBK Bank Sportsplex, previously the BettPlex, is located in Burlington, Iowa and is part of the Quad Cities. The complex was built at a cost of \$50 million dollars and includes 8 basketball courts, 16 volleyball courts, as well as a full-size indoor turf field and an outdoor complex.

FACILITIES: The TBK Bank Sports Plex, which is located in Bettendorf Iowa, has the following facilities:

Indoor:

One (1) 11v11 indoor turf field
 Eight (8) basketball/16 volleyball courts
 Four (4) sand volleyball courts
 Team training area, fitness center, physical therapy facility
 Concessions with a tiki bar
 Retail shop

Outdoor:

Two (2) 11v11 lighted turf soccer fields
 Two (2) 11v11 grass soccer fields
 Four (4) 7v7 soccer fields
 Ten (10) lighted baseball/softball fields
 Five (5) sand volleyball courts
 Concessions

High 5 Lanes & Games:

32 bowling lanes
65 arcade games
Laser tags
Escape room
Sports bar/restaurant and banquet room

DEMAND/FINANCIALS: The fields at TBK Bank Sports Plex are used for youth baseball, softball, soccer, basketball, volleyball, and sand volleyball tournaments, practices, leagues, and individual rentals. Because this is their first year of operations, they don't have demand numbers currently. However, they host a youth tournament every weekend throughout the summer as well as indoor basketball, soccer, and volleyball tournaments during the winter months. Recently, the TBK Sports Plex was selected to host a soccer tournament that was moved from Des Moines due to flooded fields. The tournament will attract 82 teams and over 2,000 people. The pricing at the TBK Bank Sports Plex is based on season:

- Outdoor Turf Fields: \$100/hr.
- Small Baseball Fields: \$100/hr.
- Large Baseball Fields: \$100/hr.
- Outdoor Sand Volleyball Courts: \$35/hr.
- Indoor Sand Volleyball Courts: \$35/hr.
- Basketball/Volleyball Courts: \$50/hr.
- Indoor Soccer: \$200
- Batting Cages: \$35



CEDAR POINT INDOOR SPORTS CENTER SANDUSKY, OH

Cedar Point Indoor Sports Center

Location	Sandusky, OH
Year Opened	2019
Total Surfaces	10/20
Size (square feet)	145,000
Hotels	4,019
Total Cost	\$28.0
Ownership	Cedar Fair

Sources: Facility website, Johnson Consulting



ABOUT: Cedar Point Indoor Sports Center is a new indoor development that opened in 2019 and is part of the larger Sports Force Parks. Sports Force Parks is a family-oriented tourism destination with a focus on sports as well as entertainment for the whole family. The Cedar Point Indoor Sports Center was built at for 28 million dollars and is 145,000 total square feet.

FACILITY: The Cedar Point Indoor Sports Center has 10 full sized basketball courts that are convertible into 20 volleyball courts. One of these courts will be a championship arena with retractable seating. Attached to the indoor sports center is a sports medicine facility as well as a fitness area.

The outdoor portion of the complex includes the following facilities: (8) youth baseball diamonds and four (4) full-sized diamonds. Sports Force Parks also has eleven (11) softball fields, all of which are synthetic turf. All of the baseball and softball fields come equipped with batting cages and bullpens as well. For soccer and lacrosse, Sports Force Parks has eight (8) full-sized soccer fields, five (5) of which are lighted. They also have ten (10) separate youth soccer fields, all of which have lights to play at night.

DEMAND/FINANCIALS: Because it is a new facility, there are no exact demand and financials on the indoor complex. However, Cedar Fair is expecting the complex to generate 70,000 new visitors, generating an estimated economic impact of \$20 million that will go to local hotels, restaurants, and stores. The indoor project is also expected to generate over \$700,000 in new tax revenue that will be used for local schools, governments and public services.

In the first year of the outdoor operations, Sports Force Park drew 111,000 visitors and generated \$22.3 million in economic impacts. This surpassed their projections of \$16 million. In 2017, approximately 1,300 youth sports teams visited Sports Force Parks.

FUNDING: In total, the indoor sports complex costed \$28 million. Most of the funding, about \$23 million, came from the county bed tax. Cedar Fair picked up the remaining \$5 million cost and also contributed 25 acres of land to build the indoor complex on.



REGIONAL ICE/HOCKEY FACILITIES

Below is a list of regional ice complexes. Tournament quality ice or hockey complexes consist of two or more surfaces under the same roof.

Figure A-4

Ice/Hockey - Key Characteristics of Comparable Complexes					
	Tri-Cities, WA	Toyota Sports Center	Advent Health Center Ice	Community First Champion Center	Average
Location					
City	Kenewick, Pasco, Richland, WA	El Segundo, CA	Wesley Chapel, FL	Grand Chute, WI	-
MSA	Tri-Cities, WA MSA	Los Angeles-Long Beach-Anaheim, CA MSA	Tampa-St. Petersburg-Clearwater FL, MSA	Appleton, WI MSA	-
MSA Demographic Characteristics (2018)					
MSA Population	267,077	16,641,168	3,098,274	242,200	6,660,547
Median Age	34.2	37.2	42.8	39.0	39.7
Median Household Income	\$66,200	\$63,041	\$51,596	\$67,114	\$60,584
Total Businesses	7,806	610,311	102,138	8,626	\$240,358
Unemployment Rate (2018)	5.7%	4.0%	3.2%	3.1%	\$0
Sports Admission Spending	\$18,402,073	\$1,085,661,953	\$191,166,873	\$16,238,068	\$431,022,298
Total Hotel Rooms (10-mile radius)	2,968	8,000	3,522	3,545	5,022
% of Population Ice Skating	2.8%	3.2%	2.8%	2.7%	\$0
Facilities					
Total Surfaces	-	3	5	10	6.0
Total Approximate Cost (millions)	-	\$20.0	\$22.5	\$30.0	\$24.2
Indoor Size (SF)	-	135,500	150,500	160,000	148,667

Sources: Johnson Consulting, Esri BAO, Facility websites

*Note: Only mid-upscale hotels with 60+ rooms counted

TOYOTA SPORTS CENTER EL SEGUNDO, CA

Toyota Sports Center	
Location	El Segundo, CA
Year Opened	2000
Total Surfaces	3
Size (SF)	135,500
Hotels	8,000
Total Cost	\$20.0
Ownership	AEG (private)

Sources: Facility website, Johnson Consulting



ABOUT: The Toyota Sports Center is located in El Segundo, California – approximately 20 miles southwest of Los Angeles. The complex was built in 2000 and includes 3 full sized rinks under the same roof, one of which is used as the home of the Los Angeles Kings practice facility. The total cost of the project was \$20 million and the complex is owned by AEG, which is a private firm designed to generate maximum profit for these types of facilities.

FACILITIES: The Toyota Sports Center features 3 rinks under the same roof. Two of the three rinks are NHL sized while the third one is Olympic sized. The complex also features a basketball court as well as an indoor restaurant and bar. The rinks, primarily the Olympic sized ice, is also used for US Olympic training for figure skating. The rinks are used by the Los Angeles Kings (NHL) for practices while the basketball court is used by the Los Angeles Sparks (WNBA) for practice.

DEMAND: The complex sees over one million players and guests per year and has multiple different amateur and youth hockey leagues that call the complex home. The most popular youth team is the LA Kings Jr. team which hosts some of the largest tournaments on the west coast at the complex that generate an estimated \$30 million per year in economic impacts for El Segundo. The largest tournament that the Jr Kings put on is called the Holiday Showdown, which is part of the Jr. Kings Tinseltown Tournament Series - 2018-19 events: the Labor Day Festival (Aug. 31-Sept. 3); Thanksgiving Extravaganza (Nov. 22-25); Holiday Showdown (Dec. 27-20); Presidents' Day Challenge (Feb. 15-18, 2019); and Carmen Starr Memorial Day Classic (May 24-27, 2019). Prices for these tournaments usually run anywhere from \$1,000 to \$2,000 dollars per team depending on age and ice time demand.

FUNDING: Funding for the project was 100 percent private and came as a result of the LA Kings, AEG, and local donations.



ADVENT HEALTH CENTER ICE WESLEY CHAPEL, FL

Advent Health Center Ice	
Location	Wesley Chapel, FL
Year Opened	2017
Total Surfaces	5
Size (SF)	150,000
Hotels	3,522
Total Cost	\$22.5
Ownership	Private

Sources: Facility website, Johnson Consulting



ABOUT: Advent Health Center Ice, previously Florida Hospital Center Ice, is located in Wesley Chapel, Florida – approximately 20 miles north of Tampa. It is said to be the largest ice complex in the southeastern United States at 5 total rinks. The complex was finished in 2017 at a total cost of \$22.5 million.

FACILITIES: Advent Health Center Ice is a 150,000 square foot facility that has an Olympic-sized rink, 3 NHL sized rinks, and a junior rink. The facility is one of the only two-story ice complexes in the United States. Several rinks are convertible into other surfaces to accommodate sports such as soccer, lacrosse, volleyball, and basketball to name a few. Advent Health Center Ice is also home to a fully equipped fitness center, onsite sports medicine clinic, a well-stocked pro shop and our own sports-themed restaurant. (floridahospitalcenterice.com)

DEMAND/FINANCIALS: Because it is a newer facility, completed in late 2017, the exact demand numbers for the complex are not known. However, during its completion, officials had already lined up the Florida high school state championships to take place at the complex as well as a National adult tournament. They also projected to host multiple high-level events for youth hockey, figure skating, and curling. The complex is also home to the University of South Florida (USF) men's hockey team. The complex is also being used by visiting NHL teams when playing the Tampa Bay Lightning due to the close proximity of Saddlebrook – a high quality golf and tennis resort. Pasco County already hosts a national lacrosse tournament that generates approximately \$3 million annually and are in the process of building an indoor sports facility in Wiregrass Ranch.



COMMUNITY FIRST CHAMPION CENTER GRAND CHUTE, WI

Community First Champion Center

Location	Grand Chute, WI
Year Opened	2019
Total Surfaces	10
Size (SF)	160,000
Hotels	8,626
Total Cost	\$30.0
Ownership	Fox Cities CVB

Sources: Facility website, Johnson Consulting



ABOUT: The Community First Champion Center is a 160,000 square foot indoor ice and basketball/volleyball facility located in Fox Cities, Wisconsin – about 20 miles southwest of Green Bay. The facility opened in 2019 and was built at a total cost of \$30 million. The facility is owned and operated by the Fox Cities CVB. The goal of the facility is to be the number one destination for sports and events in the mid-west.

FACILITIES: The Champion Center will opened in Fall of 2019 and include the following features: 4 basketball hardwood courts (convertible into 8 volleyball courts), ice rink with seating for 1,000 people, seasonal ice rink that can also convert into 4 additional hardwood basketball courts (8 volleyball courts), viewing areas for both basketball/volleyball and ice, on-site concessions, meeting and event spaces, and elevated seating. The facility has a modern design feature that makes the facility flexible for both sporting events and non-sporting events.

DEMAND/FINANCIALS: Because it is a newer facility, completed in Fall of 2019, the exact demand numbers for the complex are not known. However, at stabilization, the complex is expected to host 48 total tournaments that include basketball, volleyball, hockey, and skating. There is also expected to be approximately 4,300 league games per year for basketball and volleyball as well as 26,000 in attendance from events such as

camps, clinics, and private lessons. For the ice complex, it is expected to generate 4,000 hour of ice time for leagues, which are projected to see 140,000 total players. They are also expected to host 5,000 hours of camps, leagues, and clinics, which is expected to draw 75,000 total participants. There is belief among Fox Cities that the attendees and participants will be 60 percent local, 30 percent day trippers, and 10 percent overnight visitors. The facility is expected to generate approximately 20 million annually to the Fox Cities (total economic output) and create approximately 250 full time jobs as a result.

**SEASONAL ICE CONFIGURATION****SEASONAL COURTS CONFIGURATION**

IMPLICATIONS

While there is surely competition from surrounding markets for a sports complex, the Pacific Northwest region as a whole seems to be underserved on sports tourism facilities as a whole. Soccer presents the most competition by far, with 9 complexes and 116 fields located within a 100-mile radius of the Tri-Cities. However, with the location and climate of the Tri-Cities, a potential soccer complex there could be used as the “middle ground” between all of the major markets of the Northwest and can easily connect the Spokane, Portland, and Seattle markets. There will be regional competition from already established venues such as Sozo Sports Complex, 60-Acres Park, and the Starfire Sports Complex, which may be challenging to pull away demand.

For complexes that support baseball/softball, basketball/volleyball, and hockey facilities, there is not much regional competition. For baseball, there are only three sports tourism complexes within 100 miles of the Tri-Cities, all located to the west of the site. With that, the Tri-Cities could leverage their location and pull demand from the eastern markets such as Spokane and the State of Idaho. The same can be said for basketball/volleyball and ice complexes as most of the tournament quality facilities are located in the same direction.

The hope is that the Tri-Cities can leverage its 300 days of sunshine and location in proximity to every major market to become the premier sports tourism destination for the Pacific Northwest. The location of the complex is ideal, with regional access (4-hours) to approximately 7.5 million people.



PARKS AND RECREATION COMMISSION WORKSHOP AGENDA ITEM COVERSHEET

Meeting Date: 3/25/2021

Agenda Category: Discussion Items

Prepared By: Joe Schiessl, Parks & Public Facilities Director

Subject:
Unauthorized Motor Vehicles at Badger Mountain Park

Department:
Parks & Public Facilities

Recommended Motion:
Discussion only.

Summary:
Badger Mountain park is approximately 83 acres in size and roughly half of the park is located south of Englewood Drive and is developed with athletic fields, a splash pad and a dog park. The remaining acreage north of Englewood Drive is largely undeveloped except for the overlook parking lot and covered gazebo commonly called "Top of the World" and is designated as "natural open space". The City's natural open space park land is adjacent to property owned by the federal Bureau of Land Management (BLM). Unauthorized motor vehicles have been using both the BLM and City land and staff from both agencies are developing access management and other plans to curtail the unauthorized use. Staff will present the issue and the status of discussions with BLM.

Fiscal Impact:
There is no fiscal impact to discuss unauthorized motor vehicles at Badger Mountain Park.

Attachments: