

FEASIBILITY STUDY OF A POTENTIAL NEW YOUTH AND AMATEUR SPORTS COMPLEX

in Mounds View, Minnesota

July 13, 2022





July 13, 2022

Mr. Nyle Zikmund
City Administrator
City of Mounds View
2401 Mounds View Boulevard
Mounds View, Minnesota 55112

Dear Mr. Zikmund:

Conventions, Sports & Leisure International (CSL) has completed a report summarizing the results of a feasibility study of a potential new Youth and Amateur Sports Complex in Mounds View, Minnesota. The purpose of the analysis is to assist the City of Mounds View (City) and other stakeholders in evaluating key market, program, financial and economic aspects of a potential new Youth and Amateur Sports Complex in Mounds View. The City is considering development of three additional courts adjacent to the Mounds View Community Center's existing two-court complex to create a total of five full-sized basketball courts within a single complex.

The analysis presented in this report is based on estimates, assumptions and other information developed from industry research, data and certain assumptions provided by stakeholders, discussions with industry participants, and analysis of competitive/comparable facilities and communities. The sources of information, the methods employed, and the basis of significant estimates and assumptions are stated in this report. Some assumptions inevitably will not materialize, and unanticipated events and circumstances may occur. Therefore, actual results achieved will vary from those described and the variations may be material.

The analysis and findings considered the initial years of facility operation, including an anticipated COVID-19 post-pandemic recovery period. All information provided to us by the stakeholders was not audited or verified and was assumed to be correct. As in all studies of this type, the recommendations and estimated results are based on competent and efficient management of the subject facilities and assume that no significant changes in the event/utilization markets or assumed immediate and local area market conditions will occur beyond those set forth in this report.

We express no opinion or assurances of any kind on the achievability of any projected information contained herein and this report should not be relied upon for that purpose. Furthermore, there will be differences between projected and actual results. This is because events and circumstances frequently do not occur as expected, and those differences may be material.

We sincerely appreciate the opportunity to assist you with this project and would be pleased to be of further assistance in the interpretation and application of the study's findings.

Very truly yours,

A handwritten signature in black ink that reads 'CSL International' in a cursive, flowing script.

CSL International



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EXECUTIVE SUMMARY



EXECUTIVE SUMMARY

Background & Methods

Conventions, Sports & Leisure International (CSL) was retained by the City of Mounds View to conduct a feasibility study of a potential new Youth and Amateur Sports Complex in Mounds View, Minnesota. The purpose of the analysis is to assist the City of Mounds View and other stakeholders in evaluating key market, program, financial and economic aspects of a potential new Youth and Amateur Sports Complex in Mounds View. The City is considering development of three additional courts adjacent to the Mounds View Community Center's existing two-court complex to create a total of five full-sized basketball courts within a single complex.

The attached report outlines the findings associated with the analysis. The full report should be reviewed in its entirety to gain an understanding of analysis methods, limitations and implications.

The envisioned Youth and Amateur Sports Complex would address opportunities and needs related to local youth and amateur sports and recreation users, while also enhancing opportunities for sports tourism (i.e., tournaments) activity in Mounds View. The information developed as part of the study outlined herein is intended to assist City of Mounds View and other community stakeholders with the information necessary to make informed decisions regarding the potential development and operation of a potential new Youth and Amateur Sports Complex in Mounds View.

The study process consisted of detailed research and analysis, including a comprehensive set of market-specific information derived from the following:

- **PROJECT EXPERIENCE:** Experience garnered through more than 1,000 planning and benchmarking projects involving sports, recreation and event facilities throughout the country.
- **LOCAL VISIT:** Local market visit at the outset of the project, including community and facility tours, and discussions with study stakeholders and community leaders
- **BENCHMARKING:** Research and analysis of facility data and interviews conducted with nearly 40 competitive/regional and/or comparable indoor amateur sports facilities.
- **INTERVIEWS & OUTREACH:** Telephone interviews and virtual meetings with stakeholders and representatives of potential user groups, including key local, state, regional and national athletic associations, organizations, clubs and leagues that run sports programs, leagues, tournaments, competitions and meets that could have an interest in a potential new Youth and Amateur Sports Complex in Mounds View. More than 80 organizations were targeted and 30 telephone interviews were completed with organizations representing in excess of 100 annual activities.

An outline of the study's contracted scope of work is provided below:

1. Kickoff, Project Orientation, and Interviews
2. Local Market Conditions Analysis
3. Industry Trends Review
4. Competitive/Comparable Facility Analysis
5. Market Outreach, Interviews and Surveys
6. Program, Site and Capital Cost Analysis
7. Financial Operations Analysis
8. Economic Impact Analysis
9. Preparation and Presentation of Final Report

Market Demand

The potential development of a new Youth and Amateur Sports Complex in Mounds View has the opportunity to better accommodate demand among Mounds View area residents and provide a venue capable of attracting sports tourism activity to the destination. Currently, Mounds View and the Mounds View Independent School District offer a variety of indoor amateur sports and recreation facilities; however, there are very few existing facilities that can offer a critical mass of indoor court or activity space capable of accommodating the growing local demand or hosting tournaments, meets or other large competitions.

ES EXECUTIVE SUMMARY

In order to provide guidance to the City and other community stakeholders, CSL's project leader initially participated in a kick-off visit to Mounds View, which included tours and meetings with key client representatives, stakeholders and business leaders. Subsequently, CSL conducted direct outreach to local area user group candidates and national/regional sports team, club, association and tournament organizers that could represent candidates for use of a new Youth and Amateur Sports Complex in Mounds View. Overall, more than 80 organizations were targeted and 30 telephone interviews were completed with organizations representing in excess of 100 annual activities. These groups were contacted in order to determine their interest in a new facility and the amenities and elements that would be necessary to host a variety of programming essential to the successful operations of the facility, including practices, camps, clinics, training, recreational programs, and other such uses.

Based on the results of the research and analyses conducted under this feasibility study, overall findings suggest that a distinct market opportunity exists for a new Youth and Amateur Sports Complex in Mounds View inclusive of three additional full-size basketball courts adjacent to the Mounds View Community Center. Key findings and conclusions related to market demand include the following:

- 1. OVERALL DEMAND & FACILITY FOCUS:** In general, interest in a potential new Youth and Amateur Sports Complex in Mounds View, measured through interviews with stakeholders and potential user groups, is considered moderately-strong to strong. Market research and analysis suggest that a state-of-the-industry Youth and Amateur Sports Complex, suitable to accommodate basketball, volleyball, pickleball, martial arts, indoor soccer, and off-season/supplemental training for various field sports and their related practices and training activities, could address certain local and non-local market demand that is not currently being met by existing facilities in the local and regional marketplace. In particular, volleyball and basketball appear to be some of the most prominent sports that would represent core uses of a new Youth and Amateur Sports Complex in Mounds View. Activities such as pickleball, training for baseball, softball and soccer, and community space for before and after school care would be expected to supplement utilization.
- 2. DEMOGRAPHICS:** The goal of any new investment in a new Youth and Amateur Sports Complex in Mounds View would be envisioned to not only meet the needs of Mounds View residents, but also the needs of tournaments, meets and competitions that draw out-of-town visitors to the area and generate economic and fiscal impacts to Mounds View. As a result, the viability of any potential investment in a new Youth and Amateur Sports Complex is dependent, in large part, on local market demographic and socioeconomic characteristics of both the local and regional area, and the marketability of the community to potential visiting participants and spectators. A substantial population base exists within both the primary and secondary markets serving Mounds View (nearly 600,000 within 15 minutes and 2.4 million within 30 minutes' drive).
- 3. LACK OF DEDICATED INDOOR COURT TOURNAMENT AND TRAINING FACILITIES:** Research suggests that unmet demand exists in Mounds View for a quality indoor sports facility that is optimized for youth and amateur sports activity. Outreach and interviews have indicated the lack of facilities in Mounds View and the greater Minneapolis/St. Paul metropolitan area offering a critical mass of indoor courts in one location. Importantly, a new Youth and Amateur Sports Complex in Mounds View would serve residents of other communities surrounding Mounds View that are similarly experiencing challenges with accessing quality indoor training, game and tournament court space.
- 4. IMPROVED COMMUNITY ACTIVITY SPACE:** While optimized to attract youth and amateur sports activities (i.e., practices, games, tournaments, meets and competitions), state-of-the-industry amateur sports facilities, such as the proposed subject Youth and Amateur Sports Complex, often deliver substantial benefits to local community members through enhancing the rental, practice, programming and alternatives available for sports, recreation, leisure and wellness activities. Local usage and attendance (as opposed to non-local usage and attendance) normally contribute the majority of utilization at comparable indoor sports facilities—positively contributing to the quality of life for local citizens.
- 5. OPTIMIZED OPERATIONS IN CONJUNCTION WITH EXISTING MVCC:** Mounds View currently has much of the operational staff and management infrastructure in place to manage additional indoor court space at the MVCC. While there will be additional staffing requirements to manage incremental event activity (e.g., event sales/service, custodial, operations, etc.), the MVCC can expect to realize some economies of scale with existing staffing levels.
- 6. HIGH-IMPACT, YEAR-ROUND PRODUCT:** Unlike outdoor sports facilities (such as baseball, softball or soccer complexes), hardcourt indoor sports facilities typically have broad-based usage and tend to be highly-utilized year-round, delivering some of the highest returns-on-investment in terms of utilization, revenue and economic impact per square foot. Typical use types for indoor sports facilities offering hardcourt activity space include, but are not limited to:

- | | | | |
|----------------|----------------------|----------------|------------------------------|
| • Basketball | • Table Tennis | • Baseball | • Open Leisure / Recreation |
| • Volleyball | • Running / Walking | • Softball | • Public / Consumer Shows |
| • Wrestling | • Fitness / Aerobics | • Soccer | • Tradeshows |
| • Cheerleading | • Martial Arts | • Lacrosse | • Special Events |
| • Dance | • Pickleball | • Rugby | • Graduations |
| • Gymnastics | • Weightlifting / | • Field Hockey | • Civic events / Festivals |
| • Futsal | Strength Training | • Badminton | • Before / After School Care |

Facility Concept & Program

The purpose of this section is to build off the market demand research, analysis and conclusions related to a potential new Youth and Amateur Sports Complex in Mounds View to evaluate market-indicated facility development options. Recommendations regarding potential facility components and other aspects evaluated in this section are based on the results of the market analysis, including the historical, current and projected demographic and socioeconomic characteristics of the market area, an assessment of existing sports and recreation facilities in the marketplace, characteristics of comparable sports facility developments throughout the country and discussions with potential users of a new Youth and Amateur Sports Complex in Mounds View.

Specifically, the following elements represent a target market supportable program and key attributes for a potential new Youth and Amateur Sports Complex in Mounds View inclusive of three additional full-size basketball courts adjacent to the Mounds View Community Center :

- **CONCEPT:** Three additional full-sized (95’ x 50’ alleys) hardwood basketball courts (total of 5 basketball courts, convertible to 10 volleyball courts) extending from the two existing hardwood courts at the Mounds View Community Center.
- **INCREMENTAL FACILITY SIZE:** Approximately 30,000 gross square feet.
- **PARKING:** Approximately 400 total spaces.

Order-of-Magnitude Project Costs

The table below summarizes the order-of-magnitude program cost summary for a new Youth and Amateur Sports Complex in Mounds View. As shown, it is estimated that the total cost (hard and soft costs) to develop the site and construct the Complex is estimated at approximately \$9.9 million (in 2022 dollars).

While the final project costs could vary based on changes to the building program, timing of the project, recent economic conditions (e.g., inflation) and other such factors, this cost estimate is useful in determining the appropriate amount of project funding that may be required. Further discussions between stakeholder, local community leaders, project architects and other such individuals will be necessary in order to finalize the building program. This figure does not include any costs related to site acquisition, nor does it consider the highly-volatile steel, lumber and materials costs presently impacting the construction industry nationwide. It is assumed that current construction cost volatility will largely be normalized to pre-pandemic levels by the time that construction services would be contracted/purchased for any new Youth and Amateur Sports Complex in Mounds View.

Description	Quantity	Unit	Cost	Total
Hard Cost Detail:				
Hardwood courts	24,000	GSF	\$250.00	\$6,000,000
Support space	6,000	GSF	\$275.00	\$1,650,000
HARD CONSTRUCTION COST SUBTOTAL				\$7,650,000
Soft Cost Detail:				
General Requirements			10%	\$765,000
Design Contingency			15%	\$1,147,500
FF&E			5%	\$382,500
ESTIMATED SOFT COSTS				\$2,295,000
ESTIMATED TOTAL CONSTRUCTION COSTS				\$9,945,000

Cost / Benefit Analysis

An analysis was completed to produce key cost/benefit estimates associated with a potential new Youth and Amateur Sports Complex in Mounds View, Minnesota inclusive of three additional full-size basketball courts adjacent to the Mounds View Community Center. Performance estimates for the Youth and Amateur Sports Complex have been presented over a 20-year projection period. For purposes of this analysis, construction is assumed to commence during 2023 and be completed in 2024, while the first full year of operations is assumed to be 2025. A stabilized year of operation is assumed to occur by the fourth full year of operation (assumed 2028). The assumptions used in this analysis are based on the market research and analysis, past experience with hundreds of similar sports facility projects, local market visits and City and stakeholder-provided data, industry trends, knowledge of the marketplace, and use/financial results from comparable facilities. These estimates are designed to assist project representatives in assessing the financial and economic effects of a new Youth and Amateur Sports Complex and cannot be considered a presentation of expected future results. Accordingly, the analysis of potential financial operating results and economic impacts may not be useful for other purposes. The assumptions disclosed herein are not all inclusive but are those deemed to be significant. Because events and circumstances frequently do not occur as expected, there usually will be differences between estimated and actual results and these differences may be material.

A detailed utilization model was developed to consider a large number of variables and inputs to analyze each sport/use for a potential Youth and Amateur Sports Complex in Mounds View. For instance, when considering different types of usage (i.e., use from local leagues/clubs versus non-local tournaments/meets versus clinics/camps/lessons versus open recreation, etc.), separate assumptions were used to generate usage and attendance (participants and spectators) estimates. The exhibit below presents a summary of key utilization levels associated with a Youth and Amateur Sports Complex in Mounds View, pursuant to the previously outlined facility program and assumptions.

UTILIZATION	Opening Year 1	Year 2	Year 3	Stabilized Year 4	20-Year Cumulative
LEAGUE TEAMS					
Basketball	10	12	14	18	342
Volleyball	24	30	36	40	770
Indoor Spring Sports	0	0	0	0	0
Total	34	42	50	58	1,112
LEAGUE GAMES					
Basketball	80	96	112	144	2,736
Volleyball	240	300	360	400	7,700
Indoor Spring Sports	0	0	0	0	0
Total	320	396	472	544	10,436
TOURNAMENTS					
Basketball	15	17	19	20	391
Volleyball	9	11	13	16	305
Indoor Spring Sports	0	0	0	0	0
Total	24	28	32	36	696
TOURNAMENT GAMES					
Basketball	1,000	1,160	1,320	1,360	26,600
Volleyball	360	504	576	672	12,864
Indoor Spring Sports	0	0	0	0	0
Total	1,360	1,664	1,896	2,032	39,464
CAMPS & OTHER RENTALS					
Basketball	60	72	84	84	1,644
Volleyball	20	32	40	40	772
Indoor Spring Sports	24	24	24	24	480
Private Rentals/Practices/Drop-in	1,500	1,580	1,710	1,790	35,220
Total	1,604	1,708	1,858	1,938	38,116

ES EXECUTIVE SUMMARY

The exhibit below presents a summary of projected annual financial operating results associated with a potential Youth and Amateur Sports Complex in Mounds View, as previously outlined herein. Based on the preliminary analysis, upon stabilization (assumed fourth full year of operation), a Youth and Amateur Sports Complex in Mounds View is estimated to generate a net operating profit of approximately \$16,500, before debt service and capital repair/replacement funding. This projected level of operating profit is consistent with other comparable indoor sports facilities throughout the country.

FINANCIAL OPERATIONS	Opening Year 1	Year 2	Year 3	Stabilized Year 4	20-Year Cumulative
OPERATING REVENUES					
Rental Income	\$154,400	\$175,500	\$208,800	\$232,200	\$5,609,200
Camps/Clinics	\$10,400	\$13,200	\$21,800	\$22,200	\$543,600
Concessions	\$103,700	\$132,700	\$157,400	\$177,000	\$4,246,100
Advertising/Sponsorship	\$6,600	\$7,600	\$8,700	\$9,900	\$237,400
Subtotal	\$275,100	\$329,000	\$396,700	\$441,300	\$10,636,300
OPERATING EXPENSES					
Salaries, Wages and Benefits	\$160,000	\$166,900	\$174,900	\$184,100	\$4,507,500
Utilities	\$65,900	\$67,900	\$69,900	\$72,000	\$1,860,500
Maintenance and Repair	\$27,500	\$28,300	\$29,100	\$30,000	\$775,000
Materials and Supplies	\$16,500	\$17,000	\$17,500	\$18,000	\$465,000
Insurance	\$1,600	\$1,700	\$1,700	\$1,800	\$45,500
Concessions	\$57,000	\$73,000	\$86,600	\$97,400	\$2,335,400
General and Administrative	\$15,000	\$17,500	\$19,000	\$21,500	\$519,400
Subtotal	\$343,500	\$372,300	\$398,700	\$424,800	\$10,508,300
NET OPERATING INCOME	(\$68,400)	(\$43,300)	(\$2,000)	\$16,500	\$128,000

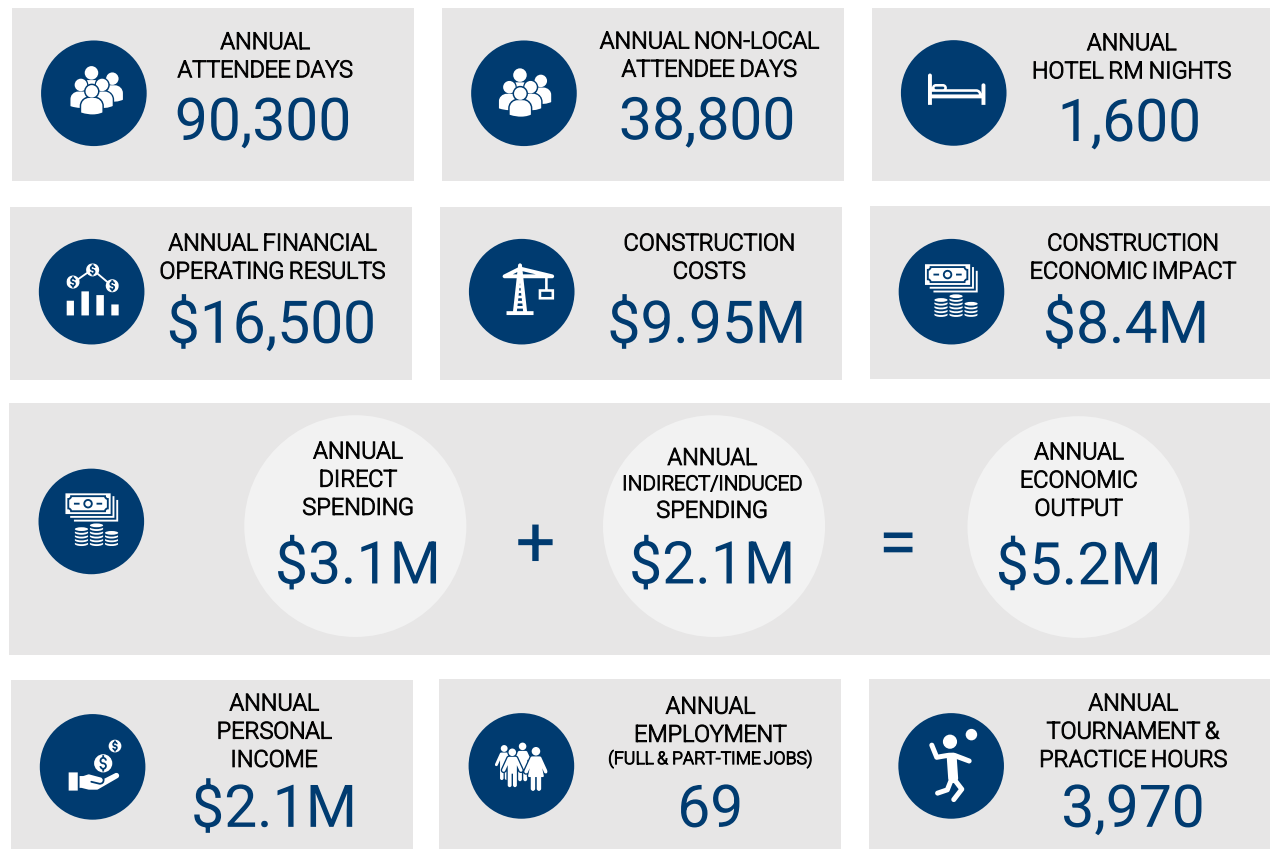
It is assumed that the additional courts consistent with a Youth and Amateur Sports Complex would share important operating synergies with existing Mounds View Community Center operations including shared management and staffing, supplies and equipment, support space and other such elements. Should the City of Mounds View or another entity seek to independently develop a multi-court indoor youth sports complex elsewhere in the area, that complex would be expected to operate with a significantly higher expense budget and much lower cost coverage ratio.

ES EXECUTIVE SUMMARY

Summary & Key Projections

Based on analysis results, a summary of key cost/benefit projections for a Youth and Amateur Sports Complex in Mounds View, inclusive of three additional full-size basketball courts adjacent to the Mounds View Community Center, associated with its construction and annual operations is presented below (upon stabilization of operations, assumed to occur by the fourth full year of operations).

SUMMARY OF ESTIMATED KEY PROJECTIONS ASSOCIATED WITH A NEW YOUTH AND AMATEUR SPORTS COMPLEX IN MOUNDS VIEW, MINNESOTA (Operating Impacts Reflect Annual Impacts Upon Stabilization, Assumed Fourth Full Year of Operations)



In addition to the quantifiable projections of utilization, financial operations and economic impacts shown above, there are a number of potential benefits associated with a Youth and Amateur Sports Complex in Mounds View that cannot be quantified. In fact, these qualitative benefits tend to be a critical factor in the consideration of public and private investment in facilities of this nature. These qualitative impacts/benefits may include:

- Potential transformative and iconic effects.
- Enhanced quality of life for community residents.
- Additional programmable space for Mounds View Community Center.
- Inducement of follow-up visitation.
- Spin-off development.
- Anchor for revitalization of targeted areas within a community.
- Various other benefits.



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INTRODUCTION

Introduction & Background

Conventions, Sports & Leisure International (CSL) was retained by the City of Mounds View to conduct a feasibility study of a potential new Youth and Amateur Sports Complex in Mounds View, Minnesota. The purpose of the analysis is to assist the City of Mounds View and other stakeholders in evaluating key market, program, financial and economic aspects of a potential new Youth and Amateur Sports Complex in Mounds View. The City is considering development of three additional courts adjacent to the Mounds View Community Center's existing two-court complex to create a total of five full-sized basketball courts within a single complex.



The envisioned Youth and Amateur Sports Complex would address opportunities and needs related to local youth and amateur sports and recreation users, while also enhancing opportunities for sports tourism (i.e., tournaments) activity in Mounds View. The information developed as part of the study outlined herein is intended to assist the City of Mounds View and other community stakeholders with the information necessary to make informed decisions regarding the potential development and operation of a potential new Youth and Amateur Sports Complex in Mounds View.

The study process consisted of detailed research and analysis, including a comprehensive set of market-specific information derived from the following:

- **PROJECT EXPERIENCE:** Experience garnered through more than 1,000 planning and benchmarking projects involving sports, recreation and event facilities throughout the country.
- **LOCAL VISIT:** Local market visit at the outset of the project, including community and facility tours, and discussions with study stakeholders and community leaders
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An outline of the study's contracted scope of work is provided below:

1. Kickoff, Project Orientation, and Interviews
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LOCAL & REGIONAL CONDITIONS

2 LOCAL & REGIONAL CONDITIONS

Introduction

An important component in assessing the potential success of a new Youth and Amateur Sports Complex in Mounds View is the demographic and socioeconomic profile of the local and regional market. The strength of a market in terms of its ability to support and utilize sports and recreation facilities is measured, to some extent, by the size of the regional market area population, its age, income, and other characteristics. In addition to the demographic profile of the local and regional market area, other local market characteristics have relevance when considering the attractiveness of a particular community as a host for high-quality sports and recreation facilities. These include items such as transportation accessibility, existing inventory of athletic facilities, and visitor amenities (such as hotels, attractions and other such items).

Market & Destination Attributes

Located in Ramsey County, Mounds View is a small suburb of the Twin Cities located immediately off 35-W. Mounds View is located in close proximity to Blaine Sports Center, downtown Minneapolis and the Mississippi River.

With a total area of 4.12 square miles, the 2020 census estimated population of the city of Mounds View is approximately 13,250, while the population of Ramsey County is estimated at 550,200. City government is comprised of a Mayor and four Council Members. The Anoka County-Blaine Airport (Janes Field) serves the area and sits within a ten minutes drive of Mounds View.

Mounds View is in close proximity to the National Sports Center in Blaine, which hosts a calendar of amateur sporting events and tournaments with participants from all over the country.

Medtronic, the worldwide medical device company, has its Cardiac Rhythm Management campus, with approximately 3,000 employees, in Mounds View.

Mounds View features the Mermaid Entertainment and Event Center and Mounds View AmericInn Hotel and Suite. Offered are two event spaces that include the Coral Bay Ballroom and the Atlantis Ballroom.

Mounds View Public Schools includes two high schools, three middle schools and six elementary schools. They include Irondale High School, Mounds View High School, Chippewa Middle School, Edgewood Middle School, Highview Middle, and Bel Air, Island Lake, Pinewood, Sunnyside, Turtle Lake and Valentine Hills Elementary Schools.

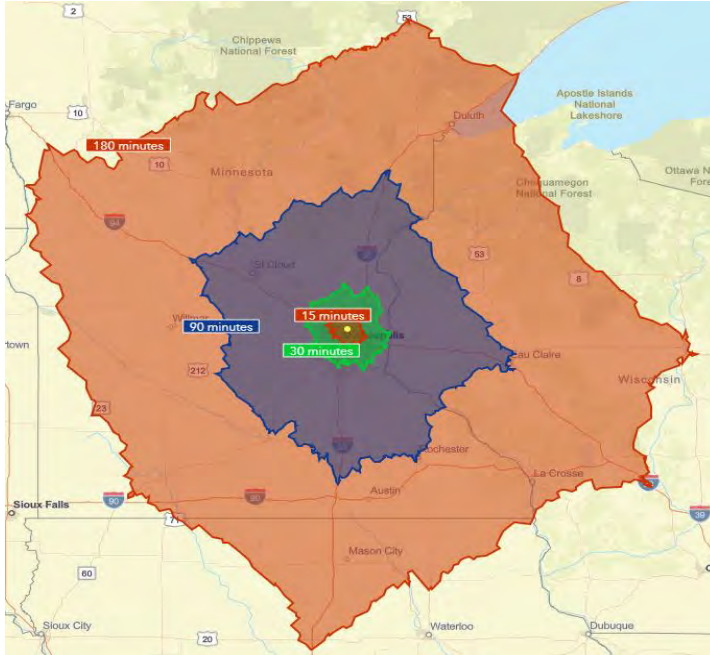


2 LOCAL & REGIONAL CONDITIONS

Location & Accessibility

Transportation access is vital to the success of any sports or event facility. Ease of access is not only important from the perspective of attracting participants and spectators, but also factors into the site selection process of tournament producers and other sponsoring organizations. The exhibit and map below illustrates the proximity of Mounds View with other nearby markets and the markets/land area captured within 15, 30, 90, and 180 minutes of drive-time of the Mounds View Community Center. These distances will be utilized on the subsequent page and later in the report for purposes of comparing demographic and socioeconomic variables.

Proximity and Drive Times of Key Regional Markets to Mounds View



City, State	Distance to Mounds View (miles)	Distance to Mounds View (hrs:min)	Market Population
Minneapolis, MN	13	0:18	430,000
Saint Paul, MN	14	0:15	312,000
Eden Prairie, MN	30	0:33	64,000
Lakeville, MN	37	0:41	69,000
Rochester, MN	91	1:28	121,000
Mankato, MN	93	1:33	44,000
Eau Claire, WI	97	1:31	69,000
Brainerd, MN	118	1:59	14,000
Duluth, MN	145	2:08	87,000
Waterloo, IA	203	3:27	67,000
Fargo, ND	232	3:30	126,000
Madison, WI	273	4:10	270,000

Demographic & Socioeconomic Characteristics

The exhibit on the following page presents a summary of key demographic metrics associated within the aforementioned driving distances surrounding the Mounds View Community Center, along with city of Mounds View, Ramsey County, state of Minnesota and United States benchmarking data.

As shown in the exhibit, the estimated population within a 30-minute drive of the Mounds View Community Center is approximately 2.3 million and is expected to grow slightly over the next five years. The population within 90 minutes of Mounds View increases significantly to more than 4.4 million, while an estimated 6.5 million people reside within a three-hour's drive of Mounds View.

Additionally, household income is another important socioeconomic characteristic of host markets that typically impacts facility performance. Median household income within 30 minutes of Mounds View is lower than that of the Minnesota and US benchmarks.

Summary of Key Demographics Associated with Mounds View, Minnesota

DEMOGRAPHIC VARIABLE	15-Minutes	30-Minutes	90-Minutes	180-Minutes	City of Mounds View	Ramsey County	State of Minnesota	United States
POPULATION:								
2010 Total Population	500,030	2,086,748	3,998,881	5,985,294	12,155	508,640	5,303,925	308,745,538
2021 Total Population	544,415	2,290,424	4,408,431	6,460,746	12,807	536,985	5,762,325	333,934,112
2026 Total Population	567,484	2,393,454	4,612,903	6,698,028	13,329	553,787	5,992,188	345,887,495
Historical Annual Growth (2010-2020)	0.89%	0.98%	1.02%	0.79%	0.54%	0.56%	0.86%	0.82%
Projected Annual Growth (2021-2026)	0.42%	0.45%	0.46%	0.37%	0.41%	0.31%	0.40%	0.36%
AGE:								
Median Age	37.5	37.6	38.0	39.1	39.2	36.7	39.0	38.5
Population age 25 to 44	26.49%	26.04%	26.84%	26.50%	28.10%	26.17%	26.06%	26.60%
AGE DISTRIBUTION:								
Under 15	17.78%	18.19%	18.93%	18.36%	17.97%	18.20%	18.52%	18.40%
15 to 24	13.94%	13.05%	12.88%	12.74%	10.82%	13.86%	12.60%	13.00%
25 to 34	14.73%	14.98%	13.92%	13.36%	14.60%	15.56%	13.48%	14.00%
35 to 44	13.41%	13.76%	13.61%	12.89%	13.92%	12.96%	12.97%	12.60%
45 to 54	11.22%	11.78%	12.18%	11.92%	11.71%	10.77%	11.90%	12.50%
55 and over	28.93%	28.25%	28.48%	30.72%	31.01%	28.67%	30.53%	29.50%
HOUSEHOLD INCOME:								
Median Household Income	\$76,569	\$78,817	\$80,782	\$73,265	\$72,784	\$69,113	\$75,244	\$62,203
Per Capita Income	\$37,409	\$41,661	\$40,853	\$37,841	\$34,501	\$36,404	\$38,556	\$34,136
INCOME DISTRIBUTION:								
\$0 to \$24,999	12.95%	13.72%	12.40%	14.16%	12.21%	15.75%	13.93%	19.10%
\$25,000 to \$49,999	18.57%	17.27%	16.86%	18.80%	21.51%	19.86%	18.29%	20.90%
\$50,000 to \$74,999	17.14%	16.21%	16.56%	17.92%	17.40%	17.49%	17.58%	17.30%
\$75,000 to \$99,999	15.78%	14.31%	14.48%	14.58%	16.58%	14.01%	14.53%	12.84%
\$100,000 to \$149,999	19.74%	18.89%	19.83%	18.34%	23.42%	18.74%	18.63%	15.30%
\$150,000 or more	15.81%	19.60%	19.88%	16.20%	8.89%	14.15%	17.03%	14.80%
POPULATION BY RACE/ETHNICITY:								
White/Caucasian	67.70%	69.37%	78.10%	82.37%	73.49%	61.99%	80.73%	72.40%
Black/African American	13.10%	13.32%	8.91%	6.65%	7.80%	13.70%	7.30%	12.60%
American Indian	0.78%	0.80%	0.70%	0.85%	0.73%	0.76%	1.22%	0.99%
Asian	11.60%	9.26%	6.54%	5.04%	11.11%	16.20%	5.31%	4.80%
Pacific Islander	0.04%	0.06%	0.06%	0.06%	0.11%	0.06%	0.06%	0.20%
Other Race	2.76%	3.32%	2.50%	2.19%	2.73%	3.07%	2.35%	6.20%
Two or More Races	4.00%	3.87%	3.21%	2.84%	4.02%	4.22%	3.03%	2.90%
Hispanic Origin	6.21%	7.39%	5.98%	5.46%	6.00%	7.64%	5.83%	16.30%
Diversity Index	56.8	56.2	44.8	38.5	50.4	63.1	41.2	60.6
BUSINESS:								
Total Business 2021	17,783	81,910	146,233	233,229	219	18,141	206,473	11,994,763
Total Employees 2021	299,379	1,473,654	2,395,345	3,512,200	4,128	349,723	3,142,038	146,120,824
Employee/Residential Population Ratio	0.55:1	0.64:1	0.54:1	0.54:1	0.32:1	0.65:12	0.55:1	0.44:1

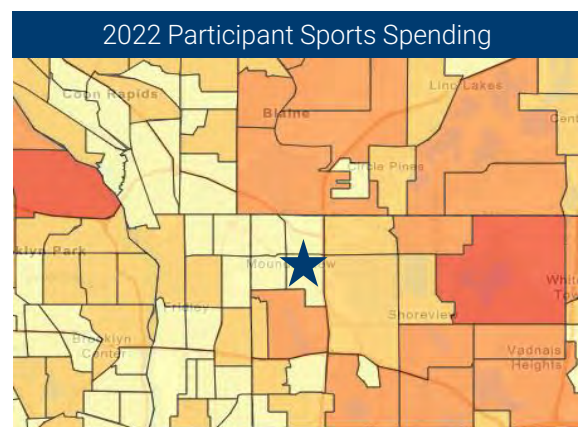
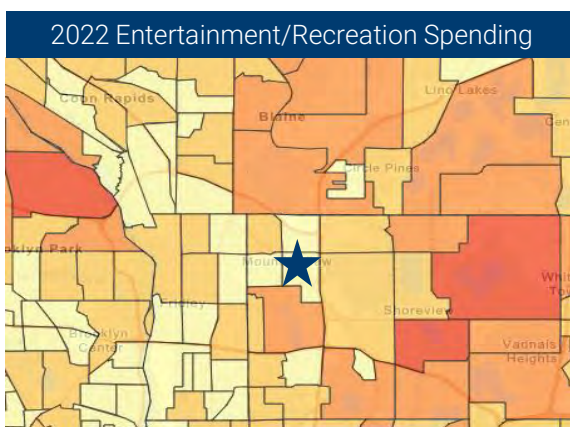
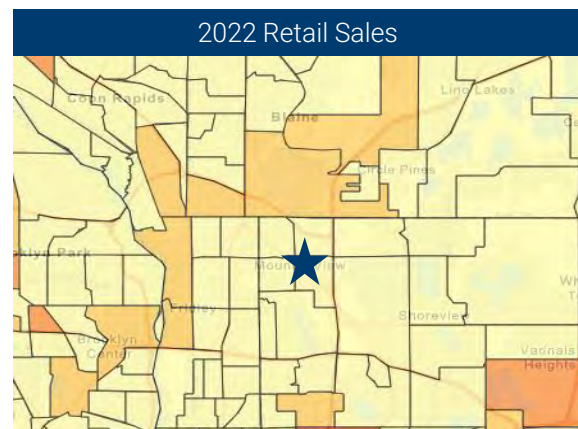
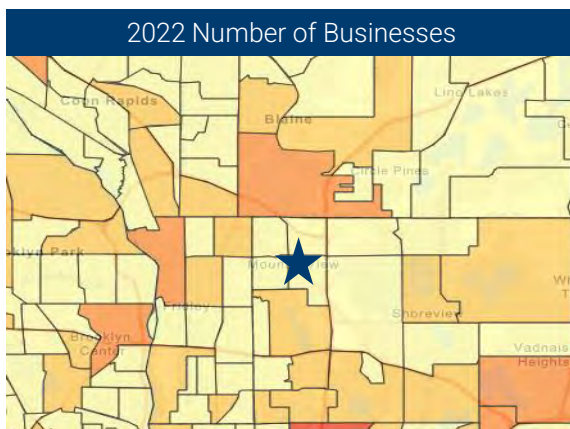
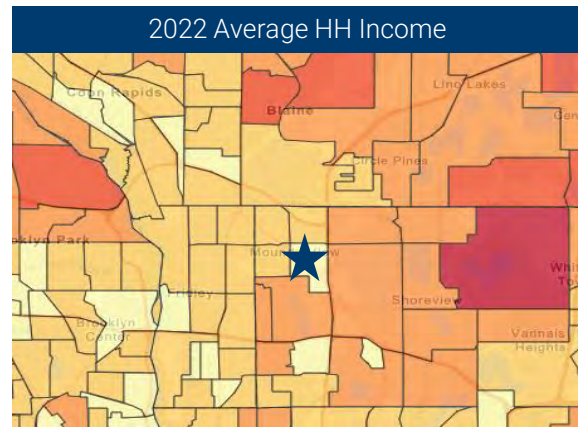
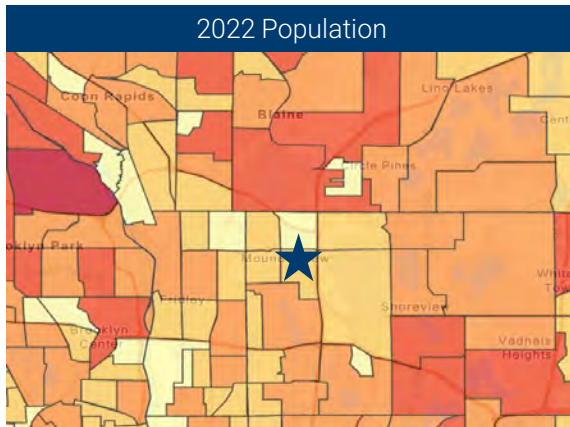
Source: Esri, 2022.

The level of population from which sports and recreation facilities will draw participants, both short-term and long-term, impacts the utilization of the facilities. Additionally, household income is another important socioeconomic characteristic of host markets that typically impacts facility performance. Income levels can serve as an indication of area households' ability to support sports and recreation in the region by paying league and registration fees and other costs associated with participation. The affluence of area households can also impact the types of programming that will be most successful at a sports and recreation facility.

As is typical in most communities housing a sports and recreation facility of the nature being considered, the marketplace will likely be sensitive to material increases in sports registration fees that may become necessary to support the operations of a potential new Youth and Amateur Sports Complex. In developing fee structures for a potential new Youth and Amateur Sports Complex in Mounds View, it will be important to identify price points that allow local swim/sports/recreational organizations to afford to use the facility without pricing-out the participant base through increased participation/registration fees. To potentially mitigate the impact of lower household incomes, it may become important to emphasize the opportunities provided by a sports facility to youths from underprivileged families. Further, it may be beneficial to consider scholarship and other financial assistance programs to maximize utilization of the facility.

The regional corporate base (number of companies) also can play an important role in the success of sports facilities. Corporate sponsorships and donations are potential sources of capital funding and operating income for amateur sports and recreation facilities. The majority of corporate sponsorship opportunities in comparable sports facilities are often in the form of sponsorships, banners, scoreboard advertising and other such opportunities; many of which would be relatively inexpensive. As a result, a significant portion of companies within a host market have the opportunity to participate in advertising and sponsorship opportunities at local sports and recreation facilities.

The maps below detail heat maps by census tract that show the Mounds View area, with the stars indicating the location of the Mounds View Community Center. The heat maps display the relative density of demographic data points as smoothly varying sets of colors ranging from cool (lighter color, indicating a low density of points) to hot (darker color, indicating a high relative density of points).



Corporate Base

The breadth and characteristics of the inventory of companies within a particular market can provide an indication of the general potential for propensity to purchase sponsorship/advertising in major sports facilities. Indirectly, the size of a local corporate base tends to be correlated with the level and breadth of supporting community amenities (i.e., hotels, restaurants, transportation infrastructure, etc.), which are relevant when considering non-local events, such as tournaments, meets and competitions.

The largest 20 employers in Mounds View are listed in the exhibit below. The major employers in Mounds View fall under a variety of industries such as manufacturing, healthcare, technology, education and government.

Sample of Employers in Mounds View

Company Name	Industry	Company Name	Industry
Ace Supply Company	Service	Mermaid Entertainment and Event Center	Entertainment
Allina Ambulance Services	Health & Fitness	Mermaid Restaurant & Sports Bar	Restaurants
Apple Tree Dental	Health & Fitness	MFI Metal Finishers Inc.	Manufacturing
Aramark	Service	Midway Industrial Supply	Distribution
Bauer Welding & Metal Fabricators	Manufacturing	Midwest I.V. and Homecare	Health & Fitness
BioLife Plasma Services	Health & Fitness	Midwest Medical Services	Professional Office
C.G. Hill	Manufacturing	Midwest Medical Services, Inc	Health & Fitness
Carley Foundry	Manufacturing	Midwest Motor Express	Service
Central Sandblasting	Manufacturing	Minvalco	Service
CoAg Medical	Manufacturing	Moe's Restaurant	Restaurants
CrossFit Southpaw	Health & Fitness	MultiTech Systems	Manufacturing
Dahle Law	Professional Office	Outsource Receivables, Inc.	Service
Dell-Comm	Service	Owens & Minor	Distribution
Development Resource Group	Professional Office	Pink Flower Vietnamese	Restaurants
Empirehouse, Inc.	Manufacturing	Pro Guard Sports	Distribution
Eurofins DQCI	Service	Quanex	Manufacturing
Excel Engineering	Professional Office	RJ Riches Family Restaurant	Restaurants
FedTech	Manufacturing	Royal Janitorial Supplies and Equipment	Distribution
InnerActive Playground	Entertainment	Solid Design Solutions	Manufacturing
J&W Instruments, Inc.	Distribution	Terry Enterprises	Distribution
Jonco Die Company	Manufacturing	Tony's Sandwich King	Restaurants
Lee-Noonan/Minnkota Sales	Distribution	Tyson	Distribution
Magno International	Distribution	U.S. Geological Survey	Professional Office
Magnuson Cabinets	Service	Vallen	Distribution
Medtronic	Professional Office	Zero Gravity Trampoline Park	Entertainment

Source: City of Mounds View, 2022.

2 LOCAL & REGIONAL CONDITIONS

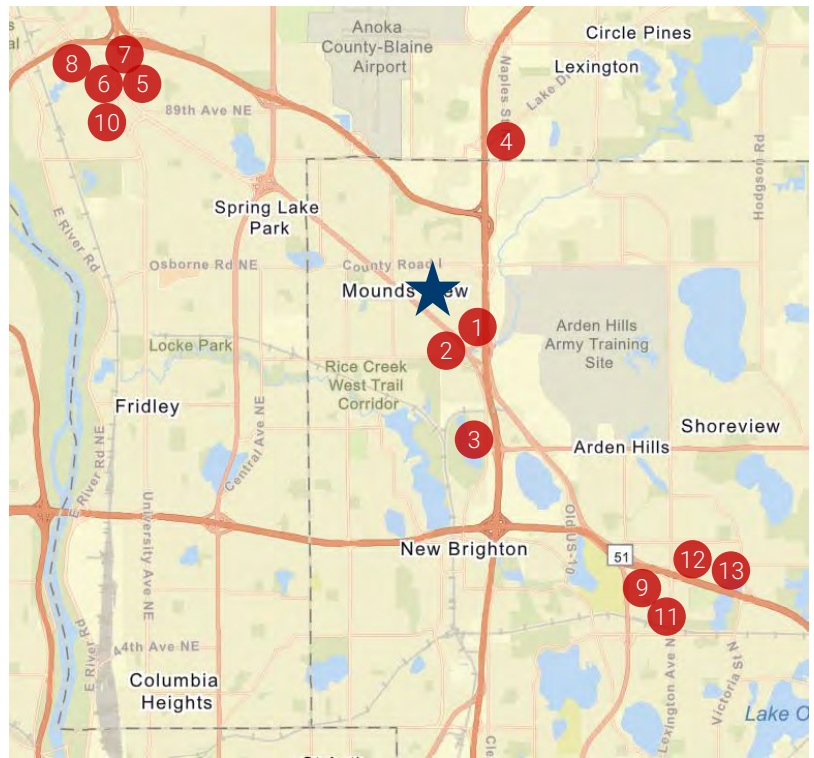
Hotel Inventory

A community's hospitality infrastructure, in terms of hotels, restaurants, entertainment and other such factors, normally contributes heavily to the potential success of a sports tourism facility, such as the potential new Youth and Amateur Sports Complex in Mounds View. The marketability of sports tourism facilities typically increase when supporting amenities infrastructure exist within close driving proximity.

The chart and map below summarize the key lodging facilities located in Mounds View and the surrounding communities within five miles of the Mounds View Community Center. In total, there are just under 1,200 hotel rooms provided through 13 hotels. There are two hotels in the City of Mounds View: The AmericInn provides 69 rooms; each with a microwave, small refrigerator, sitting area, and cable TV. Guests can also utilize the pool and game room in the adjacent restaurant. The Days Inn provides 70 rooms with Wi-Fi and an on-site gym. However, the upkeep of the hotel may prove unsatisfactory for those visiting the potential new facility. All 13 properties are a part of the Twin Cities Gateway – the prime destination for youth and amateur sports, as well as only a short drive from Saint Paul, Minneapolis, and all their attractions.

Summary of Primary Lodging Facilities in Mounds View

	Facility Name	Hotel Guest Rooms (number)	Distance From MVCC (miles)
1	Days Inn	70	1.0
2	AmericInn	69	1.2
3	Homewood Suites	124	2.3
4	Country Inn - Shoreview	83	2.4
5	Quality Inn - Coon Rapids	56	4.0
6	Country Inn - Coon Rapids	108	4.4
7	Holiday Inn	72	4.5
8	InTown Suites	136	4.6
9	Quality Inn - Arden Hills	62	4.7
10	Baymont	59	4.7
11	SpringHill Suites	139	4.8
12	Hilton Garden Inn	99	4.9
13	Best Western Plus	115	4.9
		1,192	
		TOTAL	

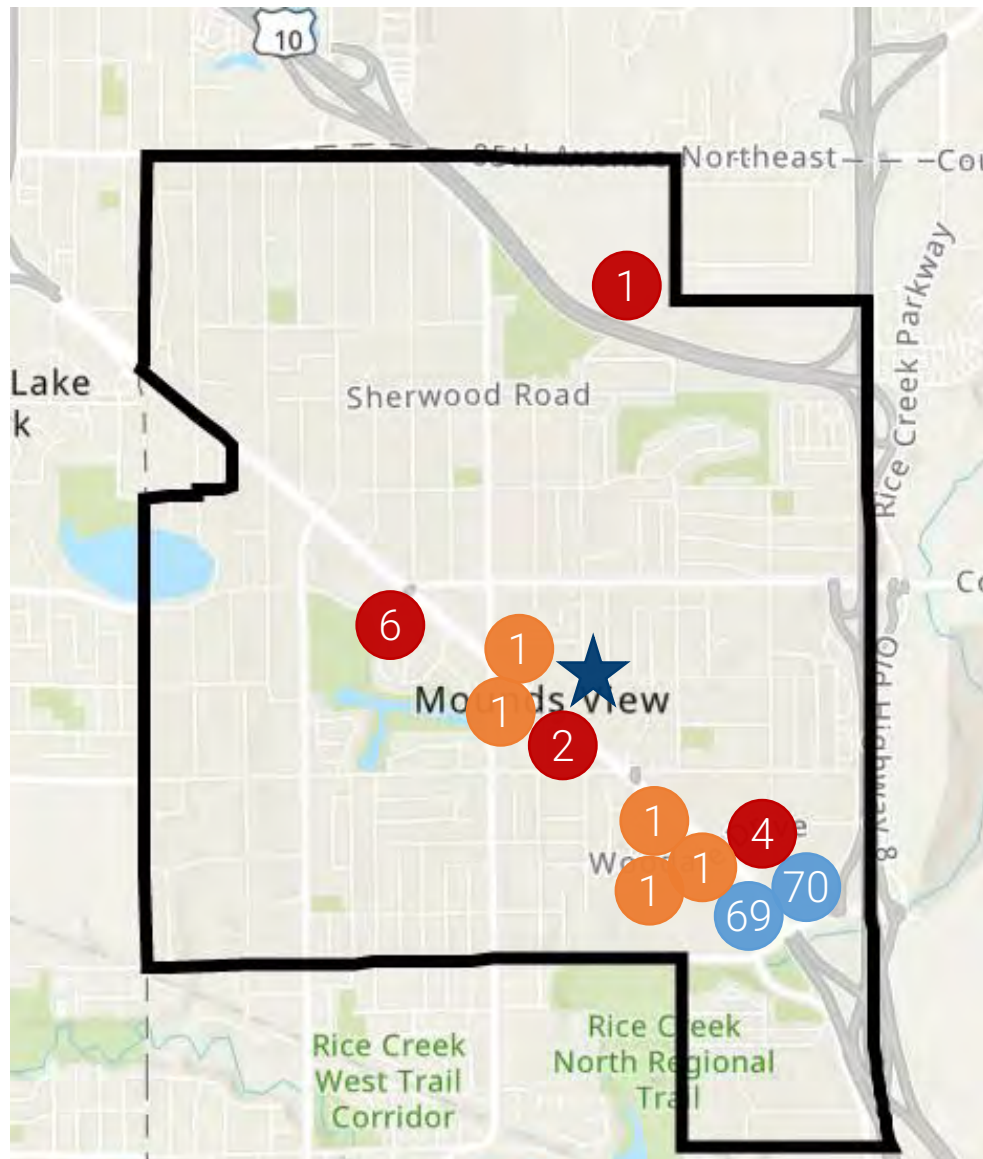


Source: Mounds View Convention & Visitors Bureau, Google maps, 2022.

2 LOCAL & REGIONAL CONDITIONS

Mounds View Attractions & Amenities

Tournament and competition directors frequently consider the destination outside the host facility when selecting a site for their events. To evaluate the appeal of Mounds View, CSL has prepared the map below that displays the hotel, dining, and attractions inventory within the city. There are a total of 13 restaurants and five attractions including Zero Gravity Trampoline Park, InnerActive (indoor playground), Moe's Restaurant, and the Mermaid Entertainment & Event Center. Access to amenities is often critical in the decision-making process of meet, tournament, camp, clinic and other event organizers and attendees.



Attractions and Amenities

Source: Twin Cities Gateway, CSL Research, TripAdvisor, Google Maps, 2022.

139

Hotels
(number of
hotel rooms)

13

Dining Options
(number of
establishments)

5

Attractions
(number of
establishments)

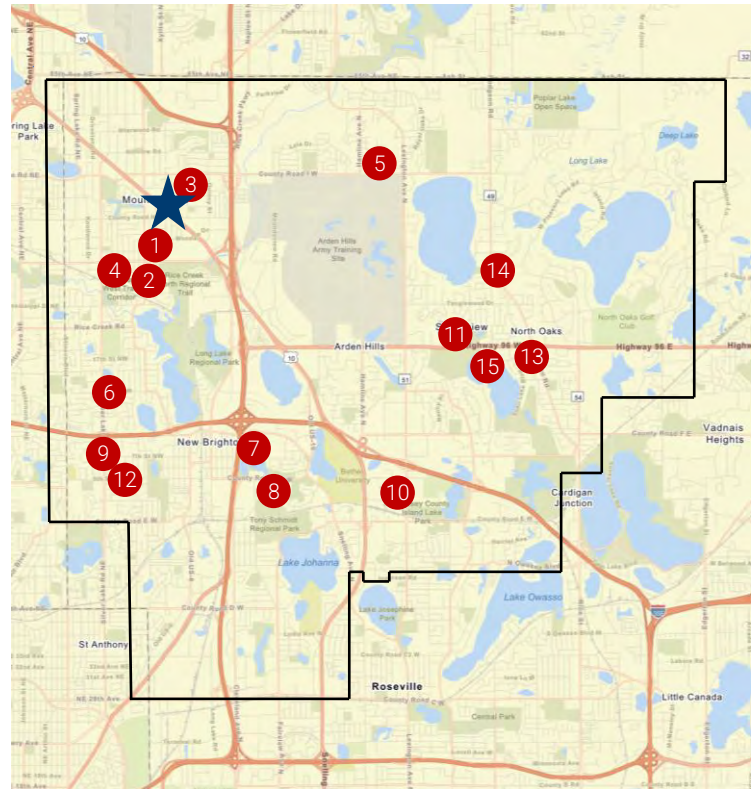
2 LOCAL & REGIONAL CONDITIONS

Local Amateur Sports & Recreation Facilities

The number of potentially competitive sports and recreation facilities in the local market is also an important consideration with respect to the overall viability of any new sports facility project. There are currently 15 facilities within the local area that offer sports surfaces in a single facility, but most facilities listed below would not represent significant competitors for a new Youth and Amateur Sports Complex in Mounds View. Within the area, 13 of the 15 facilities are in the Mounds View Public School District, and school court and gym space are becoming increasingly difficult to access, as school teams and members of the school district receive priority over sports teams and tournaments outside the district. The two facilities not within the school district, the Shoreview YMCA and the Shoreview Community Center, are not set up to host large sports events. A new facility would allow for growth in programming, better accommodation of local sports groups, and has the potential to attract new and larger tournaments to the Mounds View area.

Summary of Local Amateur Sports & Recreation Facilities in Mounds View

	Facility Name	Number Of Courts	Distance From MVCC (miles)
1	Edgewood Middle School	3	1
2	Irondale High School	2	1
3	Pinewood Elementary	1	1
4	Sunnyside Elementary	1	1
5	Turtle Lake Elementary	2	3
6	Pike Lake Elementary	1	3
7	Mounds View High School	5	4
8	Valentine Hills Elementary	1	4
9	Highview Middle School	4	5
10	Shoreview YMCA	2	5
11	Shoreview Community Center	2	5
12	Bel Air Elementary	1	5
13	Snail Lake Elementary	1	5
14	Chippewa Middle School	4	6
15	Island Lake Elementary	2	6
	32 TOTAL		



Source: Mounds View ISD, Google Maps, 2022.

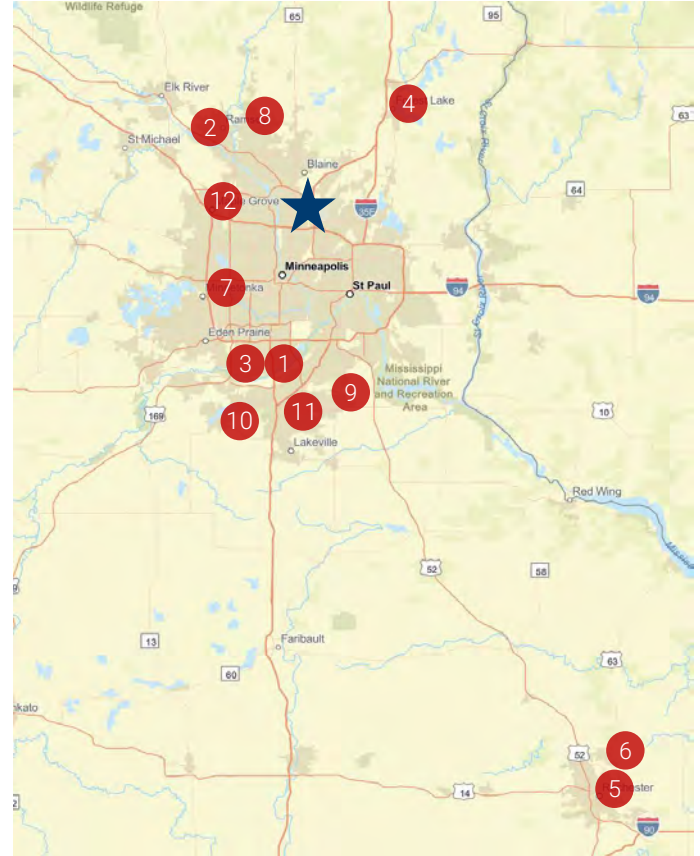
2 LOCAL & REGIONAL CONDITIONS

Regional Amateur Sports & Recreation Facilities

There are presently 12 facilities within the larger Twin Cities region offering high quality facilities and multiple sports surfaces that could potentially compete for sports tourism business (i.e., tournaments, meets, and competitions). However, two of the three largest facilities, Bloomington Kennedy and Bloomington Jefferson High Schools, are within the Bloomington Public School District and are programmed for school sports events. The other ten facilities have limited opportunity and difficulty in getting enough court space to host a large tournament or event.

Summary of Regional Amateur Sports & Recreation Facilities in Mounds View

	Facility Name	Basketball Courts	Volleyball Courts
1	Bloomington Kennedy High School	8	16
2	Anoka Ramsey Athletic Association Complex	8	8
3	Bloomington Jefferson High School	7	7
4	Forest Lake Fieldhouse	6	6
5	Rochester Regional Sports Center	6	6
6	National Volleyball Center	0	11
7	Lindbergh Center	5	7
8	Andover Community Center	4	8
9	Hope Fieldhouse	4	4
10	Prior Lake Fieldhouse	4	6
11	Apple Valley Community Center	4	6
12	Minnesota Select Volleyball Center	0	8
TOTALS		56	93



Source: Facility management, 2022.

Of the facilities listed on the previous page, the five presented below represent key indoor facilities that accommodate a significant share of local and non-local indoor sports facility demand.



Bloomington Kennedy & Jefferson High Schools

The Kennedy Activity Center and Jefferson Activity Center are nearly identical. Both feature five hardwood basketball/volleyball courts, each with their own LED electronic scoreboard and seating for approximately 60 people. They each have a large room adjacent to the courts that can function as tournament headquarters, trainer's room, or a referee hospitality site. Bloomington Kennedy's main gym has seating for 1,900 people and 3 courts; for 8 courts total. Bloomington Jefferson's main gym has seating for 1,250 people and 2 courts; for 7 courts total.



Anoka Ramsey Athletic Association Complex

The Anoka Ramsey Athletic Association plans to build a 180,000-square-foot domed facility in Ramsey, possibly by the end of 2022. The facility would have one and a half indoor turf fields, 8 full-size basketball courts, volleyball courts, batting cages, and a weight training area. Funding would come from charitable gambling and saving the \$250,000 the association pays to vendors annually to rent gym and field space. The complex would also be able to host trade shows and it is estimated to draw in as many as 500,000 visitors per year.



Forest Lake Fieldhouse

The Forest Lake Fieldhouse was recently built in 2017, it's a part of the Forest Lake Area High School. It is roughly the size of a football field containing six basketball/volleyball courts. The facility hosts many sports events as well as gym classes.



Andover Community Center

The Andover Community Center hosts a variety of different sports programs for all ages including the ACC Open Basketball sessions, ACC Indoor Volleyball, open hockey/open skate, indoor soccer lessons, pickleball lessons, and skating lessons. The facility also has an indoor track, snack/beverage vending machines, and meeting room available for meetings, training events and private parties. In addition, the facility offers a free after school program for middle school students, and high school students are eligible to utilize the field house for open basketball.



Rochester Regional Sports Center & National Volleyball Center

The Rochester Regional Sports Center is a multi-purpose facility with 44,000 square feet of competition floor space, and a 1,700-seating capacity. In total, the venue can hold a maximum of six volleyball courts, six basketball courts or sixteen wrestling mats. The National Volleyball Center is a multi-use building that is highly tuned for the sport of volleyball. There are 11 courts within the center and three additional courts in the adjacent Century High School. The facility offers many programs for all ages including open volleyball, summer camps & clinics and private lessons.

Metro-Area Tournament Activity

To gain a better understanding of the market for tournament activity that currently exists, we conducted an inventory of basketball and volleyball tournaments throughout the greater Minneapolis/St. Paul metropolitan area. Leveraging a variety of tournament aggregator websites including Minnesota Youth Athletic Services and SportsEngine, we compiled data on over 900 tournaments that were held in the most recent winter sports season. As shown below, there were over 200 basketball and 700 volleyball tournaments held throughout the metro area, the vast majority of which were conducted within one or two days. The average tournament entry fee was approximately \$330 for basketball and nearly \$200 for volleyball tournaments. The vast majority of these tournaments were hosted by a local community sports association for competition or fundraising purposes or a facility to generate occupancy within the complex. Additional detail is presented below.

Summary of Metro-Area Basketball Tournaments

Season Overview		% of Total	
No. of Tournaments	211		
First Tournament	9/18/2021		
Last Tournament	7/31/2022		
Boys Tournaments	136	53.8%	
Girls Tournaments	117	46.2%	
Tournament Length		% of Total	
Average Length	1.7		
1-day Tournaments	77	36.5%	
2-day Tournaments	121	57.3%	
3-day Tournaments	13	6.2%	
Age of Tournament Participants		% of Total	
3rd Graders	63	6.3%	
4th Graders	173	17.3%	
5th Graders	186	18.6%	
6th Graders	186	18.6%	
7th Graders	184	18.4%	
8th Graders	182	18.2%	
9th - 12th Graders	26	2.6%	
Adults	1	0.1%	
Registration Costs		% of Total	
Average Cost	\$331		
No. of Tournaments <\$100	2	1.1%	
No. of Tournaments \$100-\$199	24	13.3%	
No. of Tournaments \$200-\$299	38	21.0%	
No. of Tournaments \$300-\$399	40	22.1%	
No. of Tournaments \$400-\$499	76	42.0%	
No. of Tournaments \$500+	1	0.6%	
Seasonality		% of Total	
September	1	0.5%	
October	2	0.9%	
November	35	16.6%	
December	43	20.4%	
January	60	28.4%	
February	57	27.0%	
March	1	0.5%	
April	3	1.4%	
May	5	2.4%	
June	1	0.5%	
July	3	1.4%	

Summary of Metro-Area Volleyball Tournaments

Season Overview		% of Total	
No. of Tournaments	723		
First Tournament	12/5/2021		
Last Tournament	6/12/2022		
Tournament Length		% of Total	
Average Length	1.0		
1-day Tournaments	692	95.7%	
2-day Tournaments	31	4.3%	
Age of Tournament Participants		% of Total	
11U	65	6.1%	
12U	133	12.6%	
13U	120	11.4%	
14U	194	18.4%	
15U	152	14.4%	
16U	186	17.6%	
17U	84	7.9%	
18U	123	11.6%	
Registration Costs		% of Total	
Average Cost	\$198		
Tournaments <\$100	55	7.9%	
Tournaments \$100-\$124	97	13.9%	
Tournaments \$125-\$149	231	33.2%	
Tournaments \$150-\$174	95	13.6%	
Tournaments \$175-\$199	24	3.4%	
Tournaments \$200+	194	27.9%	
Seasonality		% of Total	
December	4	0.6%	
January	145	20.1%	
February	135	18.7%	
March	202	27.9%	
April	175	24.2%	
May	47	6.5%	
June	15	2.1%	
Number of Teams		% of Total	
Average No. of Teams	15		
7 Teams or Fewer	35	5.0%	
8-11 Teams	270	38.7%	
12-15 Teams	149	21.4%	
16-19 Teams	132	18.9%	
20-23 Teams	33	4.7%	
24-27 Teams	31	4.4%	
28-31 Teams	14	2.0%	
32 Teams or More	33	4.7%	



3

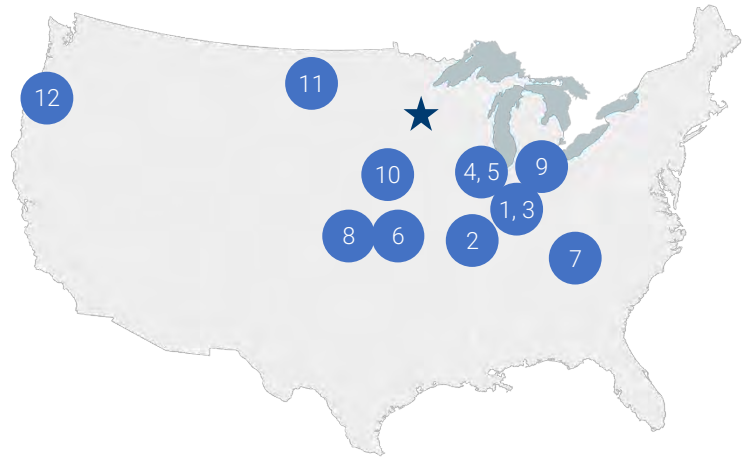
COMPARABLE
FACILITIES

3 COMPARABLE FACILITIES

Overview

A benchmarking analysis of selected comparable indoor amateur sports facilities located throughout the country was conducted. This section provides information on the various physical and operational characteristics of comparable facilities. The data helps place a potential new Youth and Amateur Sports Complex in Mounds View within a comparable context with respect to facility offerings, demographics and other related host market features.

The comparable facilities reviewed were selected based on their characteristics, space offerings and the size and location of the markets in which they are located. The exhibit below presents a summary of the 12 selected comparable indoor sports facilities and markets analyzed.



Summary of Characteristics of Selected Comparable Facilities

	Facility Name	City, State	Year Opened	Owner	Operator	Basketball Courts (number)	Volleyball Courts (number)
1	Best Choice Fieldhouse	Fishers, IN	2013	Private	Private	6	6
2	Cape Girardeau Sportsplex	Cape Girardeau, MO	2017	City of Cape Girardeau	City of Cape Girardeau	6	12
3	Finch Creek Fieldhouse	Noblesville, IN	2018	Klipsch-Card Athletic Facilities	Klipsch-Card Athletic Facilities	5	5
4	Hammond Sportsplex	Hammond, IN	2018	City of Hammond	City of Hammond	6	10
5	Max McCook	McCook, IL	2006	Village of McCook	Village of McCook	6	4
6	New Century Fieldhouse	New Century, KS	2011	Johnson County	Johnson County Parks & Rec	4	8
7	Rocky Top Sports World	Gatlinburg, TN	2014	City of Gatlinburg	Sports Facilities Companies	6	12
8	Salina Fieldhouse	Salina, KS	2017	City of Salina	City of Salina	6	8
9	Epic Center	Fort Wayne, IN	2000	Private	Private	8	8
10	The Arena	Sioux City, IA	2019	Private	Private	5	5
11	West River Community Center	Dickinson, ND	2004	City of Dickinson	City of Dickinson	4	4
12	Bob Keefer Center	Springfield, OR	2010	Willamalane Parks & Rec	Willamalane Parks & Rec	6	11
	AVERAGE					6	8
	MEDIAN					6	8

Source: CSL research, interviews with facility management, facility websites, 2022.

Demographic Comparison

The level of population from which sports facilities will draw participants, both short-term and long-term, impacts the utilization of the facilities. As shown in the exhibits on the following page, Mounds View's population ranks just below the midpoint of comparable facility markets for most demographic measurements.

As previously mentioned, household income is another important socioeconomic characteristic of host markets that typically impacts amateur sports facility performance. Income levels can serve as an indication of area households' ability to support sports and recreation participation by paying league and registration fees and other costs associated with participation. The affluence of area households can also impact the types of programming that will be most successful at a new sports facility.

The regional corporate base (number of companies) also can play an important role in the success of sports facilities. The majority of corporate sponsorship opportunities in comparable sports facilities are often in the form of sponsorships, banners, scoreboard advertising and other such opportunities; many of which would be relatively inexpensive. As a result, a significant portion of companies within a host market have the opportunity to participate in advertising and sponsorship opportunities at local sports and recreation facilities.

Population

Market	15-min	30-min	90-min	180-min
1 McCook, IL	418,696	2,991,218	10,133,454	18,012,509
2 Mounds View, MN	596,931	2,356,740	4,403,092	6,460,668
3 Hammond, IN	331,794	1,598,821	9,637,975	21,407,699
4 Fishers, IN	243,367	1,051,023	3,262,008	15,594,493
5 Noblesville, IN	144,016	783,437	3,198,753	14,906,552
6 New Century, KS	105,055	768,222	2,832,235	5,561,493
7 Fort Wayne, IN	268,916	476,699	2,127,018	19,406,266
8 Springfield, OR	138,925	331,969	1,089,969	4,476,123
9 Sioux City, IA	115,904	146,433	1,109,490	3,516,995
10 Cape Girardeau, MO	74,090	106,684	928,172	6,744,328
11 Salina, KS	51,189	73,748	963,674	4,452,045
12 Dickinson, ND	28,818	33,963	173,089	431,108
13 Gatlinburg, TN	6,656	28,080	1,072,877	5,675,813
AVERAGE	194,181	826,695	3,148,600	9,742,007
Rank (out of 13)	1	2	3	7

Average Household Income

Market	15-min	30-min	90-min	180-min
1 New Century, KS	\$98,787	\$111,498	\$88,059	\$78,799
2 Mounds View, MN	\$96,535	\$104,834	\$105,192	\$95,642
3 Dickinson, ND	\$98,992	\$99,065	\$88,190	\$89,242
4 Noblesville, IN	\$120,287	\$98,627	\$81,072	\$80,302
5 McCook, IL	\$110,013	\$97,803	\$102,926	\$92,792
6 Fishers, IN	\$120,244	\$94,584	\$80,783	\$79,635
7 Sioux City, IA	\$73,994	\$76,617	\$76,538	\$82,748
8 Springfield, OR	\$71,540	\$76,473	\$77,066	\$91,397
9 Fort Wayne, IN	\$76,752	\$75,970	\$71,744	\$80,410
10 Hammond, IN	\$67,986	\$72,836	\$102,371	\$90,779
11 Cape Girardeau, MO	\$72,570	\$70,586	\$70,259	\$76,910
12 Salina, KS	\$68,232	\$70,321	\$73,438	\$83,050
13 Gatlinburg, TN	\$64,118	\$65,684	\$73,495	\$70,583
AVERAGE	\$87,696	\$85,761	\$83,933	\$84,022
Rank (out of 13)	6	2	1	1

Number of Businesses

Market	15-min	30-min	90-min	180-min
1 McCook, IL	13,643	106,955	329,545	598,931
2 Mounds View, MN	18,418	83,597	146,121	233,230
3 Hammond, IN	9,945	42,253	318,905	702,653
4 Fishers, IN	9,583	37,908	103,003	496,498
5 New Century, KS	3,609	30,306	97,395	201,828
6 Noblesville, IN	4,303	27,381	101,544	481,189
7 Fort Wayne, IN	9,963	15,506	68,608	608,313
8 Springfield, OR	5,977	12,323	36,882	166,854
9 Sioux City, IA	4,586	5,599	44,295	141,829
10 Cape Girardeau, MO	3,315	3,960	29,995	221,570
11 Salina, KS	2,353	3,394	39,488	168,877
12 Gatlinburg, TN	737	2,037	36,485	185,390
13 Dickinson, ND	1,525	1,807	9,379	22,337
AVERAGE	6,766	28,694	104,742	325,346
Rank (out of 13)	1	2	3	6

Retail Sales

Market	15-min	30-min	90-min	180-min
1 McCook, IL	\$6,333,979	\$45,072,940	\$151,651,606	\$266,591,784
2 Mounds View, MN	\$10,657,347	\$44,468,361	\$73,494,126	\$106,397,752
3 Hammond, IN	\$5,372,880	\$19,666,673	\$143,205,453	\$312,312,599
4 Fishers, IN	\$5,182,960	\$15,966,428	\$44,256,603	\$211,601,017
5 New Century, KS	\$1,684,226	\$13,270,949	\$40,431,508	\$83,325,481
6 Noblesville, IN	\$2,239,189	\$11,593,759	\$43,691,747	\$207,071,825
7 Fort Wayne, IN	\$5,278,260	\$7,005,154	\$28,571,492	\$267,073,720
8 Springfield, OR	\$2,429,304	\$6,632,426	\$16,871,615	\$74,258,061
9 Sioux City, IA	\$3,003,474	\$3,281,367	\$17,011,982	\$51,122,924
10 Cape Girardeau, MO	\$1,655,855	\$1,822,198	\$12,520,456	\$94,123,597
11 Salina, KS	\$1,252,090	\$1,404,391	\$19,471,243	\$70,257,707
12 Gatlinburg, TN	\$137,640	\$640,649	\$18,055,632	\$82,628,662
13 Dickinson, ND	\$427,064	\$508,823	\$3,702,087	\$8,172,033
AVERAGE	\$3,511,867	\$13,179,548	\$47,148,888	\$141,149,012
Rank (out of 13)	1	2	3	6

Entertainment/Recreation Spending

Market	15-min	30-min	90-min	180-min
1 McCook, IL	\$560,764,347	\$3,617,708,487	\$13,309,188,885	\$22,514,539,764
2 Mounds View, MN	\$775,732,843	\$3,396,346,211	\$6,252,259,251	\$8,802,447,338
3 Hammond, IN	\$304,902,022	\$1,539,817,459	\$12,646,447,118	\$26,233,749,395
4 Fishers, IN	\$385,103,388	\$1,371,814,559	\$3,683,553,040	\$17,481,778,450
5 New Century, KS	\$123,756,075	\$1,169,474,961	\$3,501,210,708	\$6,320,681,400
6 Noblesville, IN	\$213,637,317	\$1,066,423,615	\$3,623,227,010	\$16,901,218,707
7 Fort Wayne, IN	\$291,249,337	\$510,221,855	\$2,180,885,286	\$21,877,630,176
8 Springfield, OR	\$142,145,959	\$366,258,248	\$1,157,850,003	\$5,633,398,836
9 Sioux City, IA	\$115,146,762	\$154,897,101	\$1,248,293,089	\$4,334,491,861
10 Cape Girardeau, MO	\$76,965,196	\$109,652,690	\$970,269,859	\$7,490,320,201
11 Salina, KS	\$50,855,303	\$78,336,783	\$1,018,651,717	\$5,305,752,709
12 Dickinson, ND	\$45,761,280	\$55,281,893	\$253,158,766	\$625,837,045
13 Gatlinburg, TN	\$6,661,559	\$27,353,616	\$1,179,536,200	\$6,028,926,318
AVERAGE	\$237,898,568	\$1,035,660,575	\$3,924,963,918	\$11,503,905,554
Rank (out of 13)	1	2	3	6

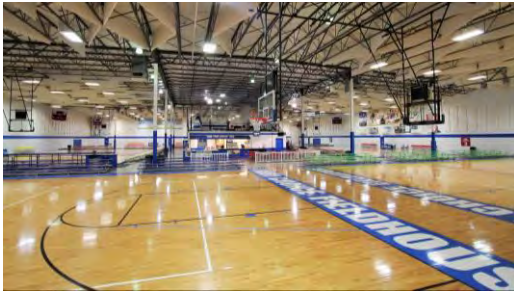
Participant Sports Spending

Market	15-min	30-min	90-min	180-min
1 McCook, IL	\$21,035,691	\$131,093,891	\$488,646,185	\$795,814,420
2 Mounds View, MN	\$28,963,636	\$126,589,625	\$232,708,046	\$299,684,401
3 Hammond, IN	\$10,467,307	\$53,976,329	\$460,214,120	\$923,058,416
4 Fishers, IN	\$15,175,501	\$50,223,854	\$125,697,388	\$590,494,509
5 New Century, KS	\$4,875,636	\$44,461,889	\$123,176,502	\$206,481,106
6 Noblesville, IN	\$8,730,336	\$39,170,672	\$123,963,164	\$571,810,433
7 Fort Wayne, IN	\$10,234,068	\$17,277,744	\$68,261,938	\$743,058,656
8 Springfield, OR	\$4,933,409	\$12,963,902	\$40,816,135	\$203,718,294
9 Sioux City, IA	\$3,939,856	\$5,078,956	\$39,037,605	\$134,573,602
10 Cape Girardeau, MO	\$2,627,376	\$3,480,840	\$29,472,272	\$242,028,941
11 Salina, KS	\$1,786,190	\$2,493,283	\$32,850,888	\$177,075,665
12 Dickinson, ND	\$1,471,884	\$1,640,436	\$7,614,876	\$17,908,923
13 Gatlinburg, TN	\$196,583	\$858,786	\$36,748,226	\$178,964,298
AVERAGE	\$8,802,883	\$37,639,247	\$139,169,796	\$391,128,590
Rank (out of 13)	1	2	3	6

3 COMPARABLE FACILITIES

Case Studies

Case studies for the selected comparable indoor amateur sports facilities are provided below and on the pages that follow. Utilization figures represent the most recent full year not impacted by the COVID-19 pandemic (in most cases, 2019).



1

Best Choice Fieldhouse

CITY, STATE:	Fishers, IN
OWNER:	Private
OPERATOR:	Private
YEAR OPENED:	2013
FACILITY SIZE (SF):	53,000
COST (original, in millions):	N/A
COST (current, in millions):	N/A
COURTS (basketball):	6
COURTS (volleyball):	6



Best Choice Fieldhouse in Fishers, Indiana is a 53,000 sq ft basketball facility privately owned and operated. The facility opened in 2013 and attracts 800,000 players and spectators annually through training, games, tournaments and more.

The fieldhouse contains six full-size basketball/volleyball courts with a championship court seating up to 1,000 attendees. In the center of the complex is a high-quality concession area with an observatory deck above it.



The fieldhouse hosts youth leagues, tournaments, individual trainings, and an elite traveling team. Head trainer, Isaac Loechle, was formerly a D1 basketball coach and has now shifted his skillset to youth sports. Training sessions are available for beginners and advanced players grades 2nd-12th. \$200/month for training once per week (four sessions) and \$320/month for training twice per week (eight sessions).

The facility also offers adult basketball leagues throughout the year and a variety of basketball options available for every age and skill level.





2

Cape Girardeau Sportsplex

CITY, STATE:	Cape Girardeau, MO
OWNER:	City of Cape Girardeau
OPERATOR:	City of Cape Girardeau
YEAR OPENED:	2017
FACILITY SIZE (SF):	121,000
COST (original, in millions):	\$12.5
COST (current, in millions):	\$15.2
COURTS (basketball):	6
COURTS (volleyball):	12



The Cape Girardeau Sportsplex is a 121,000 square-foot, multi-sport facility located on Interstate 55 in Cape Girardeau, Missouri. The Sportsplex opened in May of 2017 at a cost of \$12 million. It is owned and operated by the City of Cape Girardeau, with construction debt service and operations supported by a 1.0 percent restaurant tax, which generates an estimated \$160,000 annually.

The Sportsplex includes two fully-enclosed regulation indoor turf fields with netting and drop-down batting cages; six high school regulation basketball courts convertible to twelve hardwood volleyball courts; multi-use space for meetings; and full-service concessions. The 10+ acres for the building and surrounding parking was donated by Midamerica Hotels Corporation.



Court and turf rentals for tournaments are available with both a commercial and non-profit rate that vary based on number of usage days and number of courts. The average court rate per day is \$425 for commercial and \$305 for non-profit. The average turf rate per day is \$615 for commercial and \$410 for non-profit.

The City of Cape Girardeau Parks & Recreation Department has developed programming for various indoor sports including basketball, volleyball and sports training. The Sportsplex hosts over 40 annual tournaments, most of which are two-day events. Nearly every weekend is occupied from early December through July (with the exception of the two weeks spanning Christmas and New Years).



The facility also has full-service concessions and a multi-use space for team meetings, coach's clinics, team parties and more. The facility is open to the public for court, turf and batting cage use or can be rented for tournaments. According to facility management, the facility draws tournament business from a five-state region including Missouri, Arkansas, Illinois, Kentucky and Tennessee.



The facility generated revenues of \$595,000 and expenses of \$701,000 excluding approximately \$325,000 in depreciation. Revenue include concessions, usage fees and other miscellaneous sources. Expenses include those related to contractual services, general operating expenses, materials and supplies, personnel services and other expenses. Approximately 13 full-time equivalents are dedicated to facility operations.



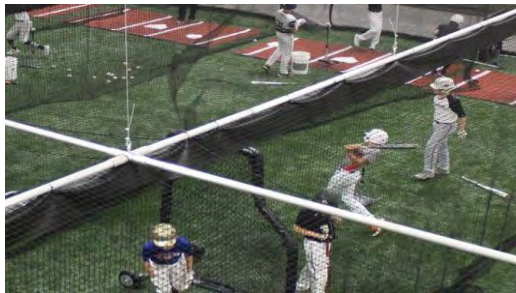
3

Finch Creek Fieldhouse

CITY, STATE:	Noblesville, IN
OWNER:	Klipsch-Card Athletic Facilities
OPERATOR:	Klipsch-Card Athletic Facilities
YEAR OPENED:	2018
FACILITY SIZE (SF):	130,000
COST (original, in millions):	\$24.0
COST (current, in millions):	\$28.1
COURTS (basketball):	5
COURTS (volleyball):	5



The Fieldhouse at Finch Creek Park



The Finch Creek Fieldhouse in Noblesville, Indiana is a 130,000-square foot facility that opened in 2018 at a cost of \$24 million. It was brought to development through a partnership between the City of Noblesville and Klipsch-Card Athletic Facilities, LLC; the owner and operator of the facility. The city funds the project with \$600,000 per year from property taxes and rental fee revenue as well as additional funding of \$200,000 annually.

The fieldhouse consists of 5 hardwood basketball courts, 11 indoor batting cages, and 65,000-square feet of turf space. The complex also offers a 10,000-square foot physical therapy office, indoor and outdoor concessions, a second-floor viewing area and high-definition cameras for streaming and recording game play.

The Finch Creek Fieldhouse grounds contain trails, four pickleball courts, a lighted basketball court, playgrounds, picnic space, and a seasonal splash pad.

Memberships are offered for baseball and softball batting cages for individuals or families at time increments of three months, six months or twelve months.

The facility offers youth sports camps in baseball, softball, football and basketball, with 14 instructors for the various camp and training offerings. St. Vincent Sports Performance is the exclusive provider of athletic trainers and healthcare.

The complex hosts large sporting events, team and individual training and large private parties.

It was initially anticipated the facility would create 40 full-time jobs and 350 part-time jobs.



4

Hammond Sportsplex

CITY, STATE:	Hammond, IN
OWNER:	City of Hammond
OPERATOR:	City of Hammond
YEAR OPENED:	2018
FACILITY SIZE (SF):	135,000
COST (original, in millions):	\$17.0
COST (current, in millions):	\$19.9
COURTS (basketball):	6
COURTS (volleyball):	10



The Hammond Sportsplex officially opened in September 2018. The 135,000-square foot facility includes two regulation-size indoor turf soccer fields that can be utilized as a baseball/softball field, six basketball courts that can be converted into ten volleyball courts, six batting cages, an upper level quarter-mile track open free to the community, a community room, concessions, and restrooms and changing rooms.

The \$17 million facility was constructed by Madison Construction in partnership with the City of Hammond. The Sportsplex sits on the old site of the Woodmar Mall on Indianapolis Boulevard; centrally located in Hammond, yet easily accessible for traveling teams and non-local guests.



The facility was funded by a \$9 million loan from the U.S. Department of Housing and Urban Development in conjunction with a tax-increment financing district (TIF) that covered the additional \$8 million needed.

Major tenants include Kennedy Avenue Chiropractic, Velocity 219 Volleyball Club and various youth volleyball and basketball leagues/camps.

Full-day facility rental (eight hours) for the six basketball and volleyball courts is \$3,000 per day and \$1,600 for two turf soccer fields. Courts and fields rent individually for \$50 per hour during peak for basketball and \$65 per hour for volleyball. Non-peak rentals are \$25 per hour for basketball and \$35 for volleyball. Soccer is \$100 per hour for a full-field and \$60 per hour for a half-field.





5

Max McCook

CITY, STATE:	McCook, IL
OWNER:	Village of McCook
OPERATOR:	Village of McCook
YEAR OPENED:	2006
FACILITY SIZE (SF):	150,000
COST (original, in millions):	N/A
COST (current, in millions):	N/A
COURTS (basketball):	6
COURTS (volleyball):	4



Max McCook Athletic & Exposition, The MAX, is a 150,000-square foot multi-purpose facility located in McCook, Illinois. It is owned and operated by the Village of McCook and opened in 2006.

The facility has 25,000 square feet of hard court space, containing two full-sized main basketball courts, a full-sized private wood court gymnasium, and an elevated private deck court. It also consists of 80,000 square feet of turf space that can be divided into four fields; a baseball/softball academy with 8 batting tunnels, 2 full size dirt pitching mounds, and 3 full size turf/rubber pitching; three locker rooms; a strength training area; and a 6,000 square foot restaurant space.



The complex is home to many special events throughout the year. The space and amenities provide the opportunity to host both large and small events including expositions, corporate events, health fairs, dog shows, birthday parties and school events.

The MAX is designed to allow coinciding events as well as singular, full-building events. The entire building is climate controlled to allow for year-round usage, and an over-field viewing mezzanine with allows for sight-lines from all locations and a comfortable off-field environment. There is also a full concession and vending area within the complex.



Open gym rental is available for \$9 per person or a \$70 punch card that is good for ten visits. Court and turf rental are also available.

The facility's main tenants are Lions Juniors Volleyball Club, Lyons Township Soccer Club, Prep Baseball Report, and Top Tier Baseball.

MAX Days through MAX Camp are offered to children 6-12 years old during summer, fall, winter, and spring break. The program provides full days of sports, activities, and other kinds of fun. Parents have flexibility to choose the number of days for their kids. The program runs 9:00am – 4:00pm, and extended hours are available for an extra fee in the morning and afternoon to accommodate schedules.





6

New Century Fieldhouse

CITY, STATE:	New Century, KS
OWNER:	Johnson County
OPERATOR:	Johnson County Parks & Rec
YEAR OPENED:	2011
FACILITY SIZE (SF):	88,000
COST (original, in millions):	\$5.8
COST (current, in millions):	\$8.9
COURTS (basketball):	4
COURTS (volleyball):	8



The New Century Fieldhouse is located in New Century, Kansas. It opened in 2011 as an 88,000 square foot facility at a total cost of \$5.8 million. It is owned by Johnson County and operated by the Johnson County Parks and Recreation Department.

The indoor sports and multi-use facility has over 40,000 square feet of court space that can be configured to include four basketball courts, eight volleyball courts, four futsal courts, or even pickleball courts. It also features a 27,000 square foot indoor turf field that can be utilized for a variety of field sports and activities. Other features include a large multi-purpose room, concessions, flat screen TVs, a lounge, meeting rooms, an upper-level lounge area with court and field views, and four party rooms for meetings, parties, or other special events.



The fieldhouse offers a wide assortment of programs, activities and clinics for all ages and interests. They offer fitness and health, arts and crafts, walking, adult and youth leagues, youth camps and clinics, and 50 plus programming.

When the facility opened in 2011, it had already booked events for every weekend from December through April. In 2012, they had nearly 93,000 participants, and by 2013, they had nearly 117,000 participants.

Courts and turf space as well as the multi-purpose room are all available to be rented.





7

Rocky Top Sports World

CITY, STATE:	Gatlinburg, TN
OWNER:	City of Gatlinburg
OPERATOR:	Sports Facilities Companies
YEAR OPENED:	2014
FACILITY SIZE (SF):	86,000
COST (original, in millions):	\$20.0
COST (current, in millions):	\$27.4
COURTS (basketball):	6
COURTS (volleyball):	12



The 80-acre Rocky Top Sports World (Complex) opened in 2014 and is a joint development of the City of Gatlinburg and Sevier County. The City of Gatlinburg serves as the owner and Sports Facilities Companies (SFC) operates the complex under contract.

The Complex includes six turf outdoor fields and a natural grass championship stadium with seating for 1,500 people. The outdoor fields are configurable for 14 youth soccer fields. Six of the fields feature lights.



The signature facility of the Complex is an indoor court complex referred to as "The Rock". The Rock has 53,000 SF of hardwood court space in an 86,000-square foot facility. The configuration allows for six basketball courts or 12 volleyball courts in addition to team rooms, referee locker rooms, a full-service indoor/outdoor café, office space for coaches and a balcony viewing area. There is a separate facility in an adjacent location that can accommodate four additional basketball courts and five volleyball courts.

The City contributed approximately 70 percent of the development cost by issuing bonds and the County contributed the balance utilizing bonds and grants.



The Complex was created to encourage sports tourism in the City and County. Any teams that are based in Sevier County or affiliated with a Sevier County School qualify for the opportunity to use the Rocky Top facilities for free. Specific times are allocated during the week for this free use. Local officials indicate that having a booking policy clearly outlining the objectives of the complex is important for long-term success. Marketing of the Complex is part of the private management team's annual budget but is significantly augmented by the City's overall tourism marketing budget. The Complex management team works closely with the City, State, Gatlinburg Convention and Visitors Bureau, school officials and hoteliers to maximize bookings, particularly during the slower winter months when tourism surrounding the Smoky Mountains is not as robust.



In 2018, the complex hosted 190 events, including 61 multi-day events in both traditional and non-traditional sports, and drew over 120,000 athletes and spectators to the complex, according to facility management. This activity was estimated to generate nearly \$50 million in economic impact to Sevier County.

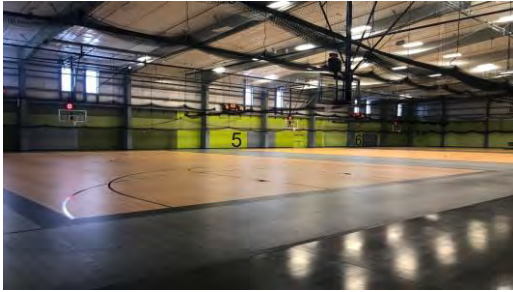
In 2019, Rocky Top Sports World (both indoor and outdoor facilities) generated operating revenues of \$1.2 million and operating expenses of \$1.7 million in 2019, which excludes depreciation of \$1.2 million. Operating revenues primarily consisted of food services, events, sponsorships and rentals. Operating expenses included personnel costs, occupancy and contractual services.



8

Salina Fieldhouse

CITY, STATE:	Salina, KS
OWNER:	City of Salina
OPERATOR:	City of Salina
YEAR OPENED:	2017
FACILITY SIZE (SF):	68,500
COST (original, in millions):	\$11.8
COST (current, in millions):	\$14.4
COURTS (basketball):	6
COURTS (volleyball):	8



The Salina Fieldhouse located in downtown Salina, Kansas opened in 2017, is owned and operated by the Salina Parks and Recreation Department. The 68,500-square foot facility had a cost of \$11.8 million. Funding came through public and private partnerships, and half was funded through private donations held in a provisional fund at the Greater Salina Community Foundation.

The facility contains six basketball courts, three of which are hardwood and three are synthetic turf. The courts can be converted to eight volleyball courts or six futsal courts. The facility also has a 21,000-square foot indoor turf space that can accommodate soccer, football, kickball, baseball, softball and field hockey, as well as drop-down batting cages and pitching tunnels.

Additionally, the complex has a spacious entrance, lobby, team gathering areas, a concession area and a landscaping with featured art elements.

The fieldhouse mainly hosts Parks and Recreation programming, as well as clubs, teams and organizations, and is capable of hosting a variety of athletic events such as league play, tournaments, team practices, camps and clinics.

Court rentals are available for \$30/court/hour for practices, and \$40/court/hour for events. Turf rental is also available at a rate of \$35/one-third of the field/hour before 5:30pm, and \$45/one-third of the field/hour after 5:30pm and on weekends. It is also possible to rent out half the facility or the whole facility.

Salina Fieldhouse has youth and adult programs for basketball, soccer, flag football, volleyball, pickleball and wiffle ball.





9

Spiece Fieldhouse

CITY, STATE:	Fort Wayne, IN
OWNER:	Private
OPERATOR:	Private
YEAR OPENED:	2000
FACILITY SIZE (SF):	150,000
COST (original, in millions):	N/A
COST (current, in millions):	N/A
COURTS (basketball):	8
COURTS (volleyball):	8



The Spiece Fieldhouse in Fort Wayne, Indiana is a state-of-the-art basketball and fitness center, owned and operated by Thomas Spiece. It opened in 2001 as a 150,000-square foot. The facility underwent a \$2.5 million renovation in 2021 that included upgrades to the basketball courts, new fitness equipment and the opening of the new Adrenaline Adventure Park – a family-oriented athletic park.

The fieldhouse consists of eight basketball or volleyball courts, and a 45,000-square foot indoor turf space. Additionally, the building contains spas, saunas, a large fitness and performance center, an indoor track, childcare options and updated locker rooms.



The facility is used for athlete development, weight training, sports games and tournaments and group fitness classes. The facility is youth through senior friendly.

Court rental is available for \$50/court/hour before 5pm Monday-Friday, and \$70/court/hour after 5pm and on weekends. Turf fields are also available to rent at a rate of \$70/field/hour Monday-Sunday.

Membership fees are as follows:

Red Card Membership

- \$20 enrollment fee \$20 monthly fee
 - Includes: Full weight section accessibility with limited hours.

White Card Membership

- \$20 enrollment fee \$35 monthly fee
 - Includes: Full weight section accessibility, 24/7. Basketball access when available.

Blue Card Membership

- \$20 enrollment fee \$50 monthly fee 1-5 family members covered
 - Includes: Full weight section accessibility, 24/7. Basketball access when available. Group fitness classes. Youth sports training.

Black Card Membership

- \$20 enrollment fee \$75 monthly fee 1-5 family members covered
 - Includes: Full weight section accessibility, 24/7. Basketball access when available. Group fitness classes. Youth sports training. 2 monthly guests. Access to turf fields when available.

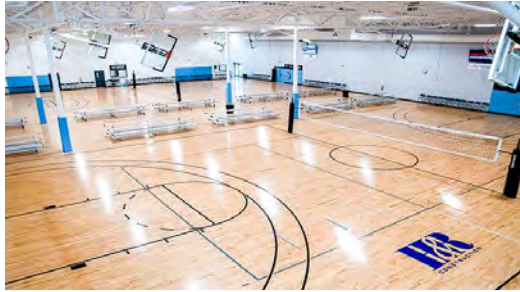




10

The Arena

CITY, STATE:	Sioux City, IA
OWNER:	Private
OPERATOR:	Private
YEAR OPENED:	2019
FACILITY SIZE (SF):	80,000
COST (original, in millions):	\$13.0
COST (current, in millions):	\$14.6
COURTS (basketball):	5
COURTS (volleyball):	5



The Arena is an 80,000-square-foot facility located in Sioux City, Iowa. It opened in 2019 at a cost of \$13 million and is owned by Mike Hesse and operated by HCC Enterprises. The Arena was built by remodeling an existing 60,000-square-foot retail store into a sports facility. \$1.5 million in assistance came from an economic development grant provided by the city.

The facility offers five full-size basketball/volleyball courts with 18 basketball hoops with height control, divider curtains and scoreboards. They have an Arena Performance Facility with new equipment, and a certified performance coach; an Arena Wrestling Academy with new equipment, small group training and tournaments and matches; as well as an Arena Dance Academy with a hardwood dance studio.



Additional amenities include classrooms; locker rooms; batting cages; the Wells Blue Bunny Lounge with flatscreen TVs; the Scheels Snack Shack with a large selection of food, snacks, and drinks; the Chesterman's Sports Bar & Grill with a full bar and food menu; and upper-level mezzanine seating with views of all five courts.

The complex focuses on developing young athletes both physically and mentally, looking to build their character, create team players and enrich the community. They also strive to deliver top tier training through elite coaches, trainers and facilities. They try to emphasize two things: affordable programming without sacrifice.



The Arena hosts leagues, tournaments, clubs, camps and other events for youth baseball, basketball, volleyball, wrestling and dance, as well as fitness classes through the Arena Fit program – all geared toward Siouxland athletes.





11

West River Community Center

CITY, STATE:	Dickinson, ND
OWNER:	City of Dickinson
OPERATOR:	City of Dickinson
YEAR OPENED:	2004
FACILITY SIZE (SF):	135,000
COST (original, in millions):	\$12.2
COST (current, in millions):	\$24.7
COURTS (basketball):	4
COURTS (volleyball):	4



The 135,000-square foot West River Community Center originally opened in 2004 as a 77,000-square foot complex at a cost of \$12.2 million. A half-cent sales tax funded \$8.7 million of the project cost, with \$3.5 million coming from private fundraising efforts. The Center was expanded twice, most recently in 2013, at a total cost of \$15.0 million. Each expansion was funded by an extension of the half-cent sales tax.

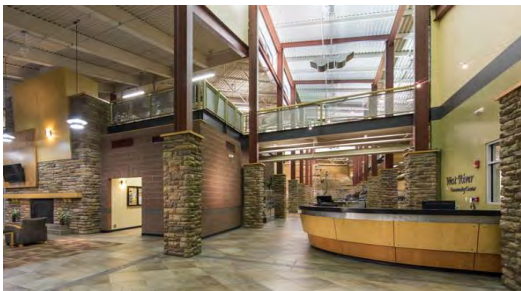
The facility contains four basketball courts, a weight room, daycare, lap and leisure pool, offices, two tennis courts, a golf simulator, an outdoor waterpark and a group fitness area.



One-month memberships are available for \$50 for all ages 2+. 3-month memberships are available as follows: 19+ \$125, 2-18 years old \$90 and seniors 60+ \$115. Corporate memberships for local businesses are a large part of their business as well.

In 2019, the West River Community Center averaged 105 monthly members, 475 three-month memberships and 6,100 annual memberships.

The facility has never operated at a loss. The half-cent sales tax is used to fund the center and the City subsidizes up to \$130,000 for capital repairs. Utilities expense is roughly \$400,000 per year.



Unique revenue opportunities include concessions, tanning beds, indoor vending machines and donations.

All marketing is handled through the City of Dickinson and the Dickinson Conventions and Visitors Bureau.

The facility has 12 full-time employees and 120 part-time employees.





12

Bob Keefer Center

CITY, STATE:	Springfield, OR
OWNER:	Willamalane Parks & Rec
OPERATOR:	Willamalane Parks & Rec
YEAR OPENED:	2010
FACILITY SIZE (SF):	97,000
COST (original, in millions):	\$8.0
COST (current, in millions):	\$12.8
COURTS (basketball):	6
COURTS (volleyball):	11



The Bob Keefer Center located in Springfield, Oregon, opened in 2010, is a 97,000-square foot facility owned and operated by the Willamalane Park and Recreation District. The Park and Recreation District purchased the foreclosed Regional Sports Center for \$1.5 million transforming it into the Willamalane Center after \$450,000 in improvements, repairs and remodeling. It was renamed the Bob Keefer Center in 2016 at the retirement of the long-term Superintendent of the Willamalane Park and Recreation District.

Bob Keefer Center athletic courts provide space for a multitude of sports for group and large-scale events and tournaments. The facility contains six basketball courts that can be converted to 12 volleyball courts, four indoor tennis courts, three roller derby rinks, four outdoor baseball/softball fields, four lighted, outdoor, artificial soccer fields, and seating for 1,000 people. Additionally, the facility has a climbing wall, a fitness/martial arts area, and 25,000-square feet of office space, conference room space, and early childhood educational space.

Indoor courts can be rented for between \$25 to \$60 per hour, and outdoor turf fields can be rented for between \$25 to \$45 per hour, with an extra \$15 per hour for lights.

The complex has four meeting spaces:

Two50 Youth Center

- High-tech youth center that features 8 flat-screen TVs with PS3s and an 18-foot-wide 3D HD projection screen. There is also a pool table and lounge area.
 - Capacity: 49
 - Rental Rate: \$50-\$60 per hour

Heron Room

- 718-square foot room with an advanced sound system. It's great for business meetings, presentations, and workshops. Includes: Full weight section accessibility, 24/7. Basketball access when available.
 - Capacity: 49
 - Rental Rate: \$40-\$50 per hour

Ken Long Room

- 1,772 square feet with a gym-type resilient floor, an adjacent warming kitchen, and an advanced sound system. It can be divided into two rooms and is good for dances, parties, and gatherings.
 - Capacity: 118 full/49 north section/73 south section
 - Rental Rate: \$65-\$75 full/\$40-\$50 north/\$50-\$60 south

Mill Race Room

- 235 square foot conference room.
 - Capacity: 16
 - Rental Rate: \$15-\$18 per hour



4

INDUSTRY TRENDS

4 INDUSTRY TRENDS

Overview

The economy of any destination can be influenced by many factors outside the control of community leaders. Economic conditions, corporate relocations, changes in governmental or institutional presence and other factors will influence employment, income, tax revenues and other critical aspects of an economy.

In Mounds View, as with many communities, the visitor industry also plays an important role in local and regional economic health. Visitors to a market offer an opportunity to inject new dollars into the economy, with relatively limited use of public infrastructure. Visitor spending then generates net new tax revenue, reducing the tax burden on residents.

At the same time, the competition for visitor industry market share is fierce. Communities throughout the country, many competing with Mounds View, continue to invest in assets and amenities that are designed in part to attract visitors. Much of this investment involves sports tourism facilities.

The market success of sports tourism facility products can be partially attributed to broader industry characteristics and trends. In order to assess the current and future strength of the market with regard to sports tourism activity that could utilize a potential new sports facility product in Mounds View, it is important to evaluate prominent and emerging trends from a national perspective.

Sports tourism is one of the fastest growing sectors of tourism. An increasing number of communities throughout the country are investing in the development and operation of large, multi-sport amateur sports complexes for the purpose of driving new sports tourism, as well as better accommodating local sports and recreation demand. An increase in the number of travel sports programs and participation has been matched by the recognition by many communities of the oftentimes high return-on-investment modern sports complexes can have in host destinations in terms of driving visitation, hotel room nights and economic impact.

In 2022, Sports Events and Tourism Association (Sports ETA) released its annual State of the Industry report for 2021 noting an estimated direct spending impact of \$39.7 billion. This impact resulted in a total economic impact of \$91.8 billion, creating 635,000 full- and part-time jobs and generating \$12.9 billion in tax revenue for municipalities throughout the country. Additionally, the study noted that despite decreased attendance at sports tourism activities in 2020, the industry rebounded in 2021 to levels comparable to 2019 levels.

Significant investment in sports facilities and multi-component sports complexes has occurred throughout the country. Modern sports and event facilities have significantly evolved in terms of capabilities, flexibility, amenities, operating efficiencies and revenue generation opportunities.



Participation Levels

A summary overview of sports participation trends in the United States and the West North-Central region has been assembled. An understanding of these trends at a national, regional and local level provides a framework from which to begin to assess potential demand for new Youth and Amateur Sports Complex in Mounds View.

The statistical data presented in this section was derived from the National Sporting Goods Association's Sports Participation study, which was most recently conducted in 2018. The study measures the annual number of participants in a variety of sports and recreational activities, and the frequency of participation during the previous calendar year. Research is derived from a study based on approximately 40,000 interviews encompassing youth and adult sports participation.

Additionally, we have analyzed data from the National Recreation and Park Association 2019 Agency Performance Review (representing the latest relevant pre-pandemic data), which presents data and insights from over 1,000 park and recreation agencies, including metrics on facilities per resident, budgets, staffing and more.

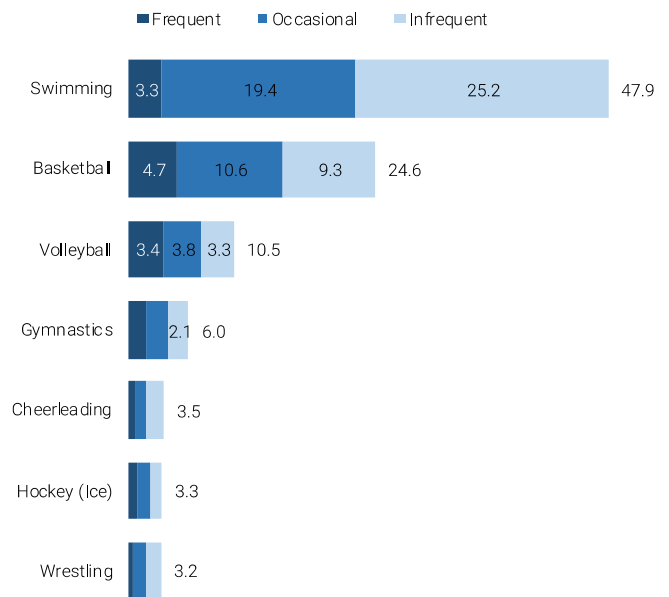
Although it is anticipated that a large portion of programming at a new Youth and Amateur Sports Complex in Mounds View would be dedicated to local sports and recreation, it is important to understand the overall rates on a national level. National participation levels can provide insights into the overall popularity of a sport or athletic activity, as well as the size of the base from which to attract new frequent participants. The exhibit to the top right presents a summary of the national participation rates of indoor sports, broken out by participation level (i.e., frequent, infrequent and occasional).

Swimming, basketball and volleyball have the highest participation levels for indoor sports with a high amount of infrequent and occasional participants, and a relatively normal number of frequent participants. Investing in more of these facilities benefits many communities across the nation.

The exhibit to the bottom right summarizes sports participation levels by age group for indoor sports. A new Youth and Amateur Sports Complex in Mounds View would be anticipated to be utilized by a variety of age groups, and it is important to understand which sports and athletic activities appeal to each age group in order to consider appropriate programming.

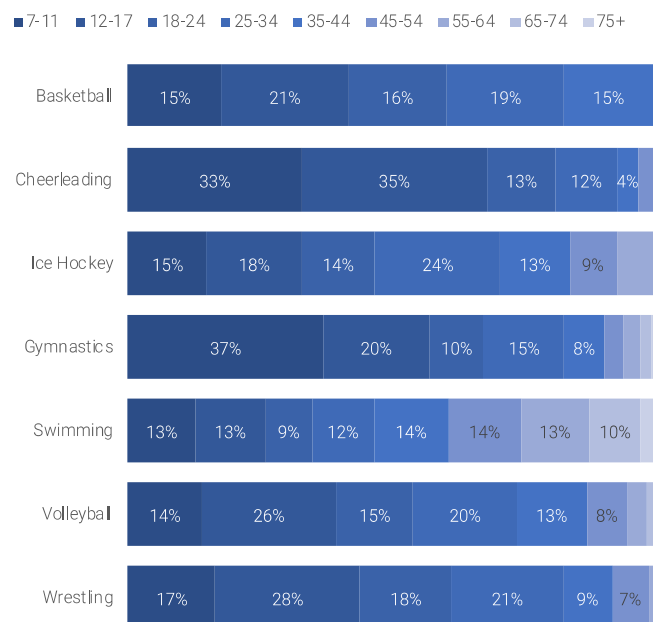
The largest user groups in almost every sport are ages 7 to 11 and ages 12 to 17. Youth sports dominate the national participation levels; therefore, facility management can plan on having most of its programming originating from youth sports and athletics.

National Participation Levels -
Indoor Sports (in millions)



Source: National Sporting Goods Association's Sports Participation Study.

National Participation Levels by Age –
Indoor Sports



Source: National Sporting Goods Association's Sports Participation Study.

This exhibit to the right summarizes the frequent participation rates nationally and regionally for each sport indicated. The rate of participation includes only frequent users and does not account for occasional and infrequent users.

The exhibit below summarizes the estimated population base participating in each identified sport based on participation rates applied to the overall market population. As previously mentioned, the rate of participation includes only frequent users and does not account for occasional and infrequent users. Using this type of extrapolation, the hypothetical number of frequent basketball and volleyball participants within a 30-minute drive of Mounds View calculates to 38,778 and 51,059 persons, respectively. Importantly, this type of evaluation metric is only one of a number of tools that are helpful in assessing demand associated with various sports and activities. Further research, including interviews with potential user groups, will be presented and discussed in subsequent sections of this report.

	Frequent Participation (times annually)	National Frequent Participation Rate	West North Central Index	Adjusted West North Central Participation Rate
Indoor Sports:				
Basketball	50+	1.57%	108	1.69%
Cheerleading	70+	0.28%	70	0.19%
Gymnastics	40+	0.54%	75	0.40%
Martial Arts	80+	0.46%	115	0.53%
Pickleball	30+	0.05%	100	0.05%
Volleyball	20+	1.17%	191	2.23%
Wrestling	50+	0.16%	141	0.22%
Outdoor Sports:				
Baseball	50+	0.70%	110	0.77%
Flag Football	50+	0.14%	124	0.17%
Lacrosse	60+	0.11%	64	0.07%
Soccer	40+	1.31%	128	1.68%
Softball	40+	0.59%	129	0.75%
Tackle Football	50+	0.71%	119	0.84%

Hypothetical Population-Based Extrapolation of Estimated Frequent Participation by Sport

	15-Minute Drive Time of MVCC		30-Minute Drive Time of MVCC		90-Minute Drive Time of MVCC		180-Minute Drive Time of MVCC	
Market Population	544,415		2,290,424		4,408,431		6,460,746	
	National Rate	Regional Rate	National Rate	Regional Rate	National Rate	Regional Rate	National Rate	Regional Rate
Basketball	8,534	9,217	35,905	38,778	69,108	74,636	101,280	109,383
Volleyball	6,354	12,136	26,733	51,059	51,453	98,275	75,407	144,026
Gymnastics	2,940	2,205	12,367	9,275	23,803	17,852	34,884	26,163
Cheerleading	1,511	1,057	6,356	4,449	12,233	8,563	17,927	12,549
Wrestling	856	1,206	3,599	5,075	6,927	9,768	10,153	14,315
Soccer	7,128	9,124	29,989	38,386	57,720	73,882	84,592	108,277
Tackle Football	3,849	4,580	16,192	19,268	31,164	37,086	45,673	54,351
Flag Football	758	939	3,187	3,952	6,134	7,606	8,990	11,148
Lacrosse	615	394	2,588	1,656	4,981	3,188	7,300	4,672
Baseball	3,810	4,191	16,027	17,630	30,848	33,933	45,209	49,730
Softball	3,186	4,110	13,405	17,292	25,800	33,282	37,811	48,777
Martial Arts	2,511	2,887	10,563	12,147	20,330	23,380	29,795	34,264
Pickleball	251	251	1,058	1,058	2,036	2,036	2,983	2,983
Total	42,301	52,298	177,967	220,025	342,538	423,486	502,004	620,638

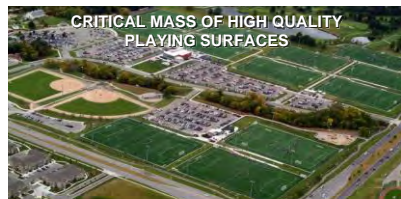
4 INDUSTRY TRENDS

The “state-of-the-industry” in terms of the physical product aesthetics and functionality of youth and amateur sports facilities has continued to advance year-over-year in communities throughout the country. Organizers for youth and amateur sports activities increasingly prefer, and oftentimes demand, modern facility complexes with state-of-the-industry playing surfaces, equipment and amenities. Beyond attracting higher numbers of teams, athletes, tournaments, visitors and economic impact, modern youth and amateur sports facilities often offer significant advancements in operating efficiencies and enhanced revenue generation opportunities, as compared to previous generations of facilities. Synthetic turf is increasingly utilized for both outdoor and indoor sports facility projects, delivering significant advantages over other surfaces, particularly for sports tourism activity. The following present some noteworthy trends relative to design and capabilities of indoor turf sports facilities:

1. **FACILITY DESIGN ELEMENTS:** A typical indoor turf facility has a space of at least 75'x185', with the ability to increase the size of the playing surface to accommodate a variety of user groups, with a minimum ceiling height of thirty feet. The minimum space allotted to turf in a given facility should be no less than 15x60 feet or 900 square feet of turf space. However, those spaces can only support training and clinics, and no competitions or leagues because of the lack of space, and, in fact, are typically located inside of fitness centers as an alternative place to do focused training.
2. **UPKEEP:** Turf, like any other exercise facility, requires regular cleaning and maintenance should occur to keep the facility attractive and inviting. In addition, the use of cleats on turf, regardless of type, reduces its lifespan by 50 percent so it is generally recommended to require use of turf shoes to not need to consistently replace turf padding.
3. **COST:** There are two primary upfront costs regarding installation of turf, the drainage base and the turf itself. The drainage base lies below the turf and allows any liquids to seep through and reach the drainage system without getting trapped. These systems can last 20-30 years, and cost approximately \$4 per square foot. The turf panels themselves are laid atop the drainage base, a conservative price estimate for cost is \$5 per square foot of turf space. All in all, for a typically 75'x185' turf field, installation costs can range from \$120,000 to \$180,000.
4. **DURABILITY:** The industry standard for a given turf field's life span is between eight and twelve years, though with proper maintenance and cleaning fields have been shown to last longer.
5. **ANCILLARY REVENUES:** To generate additional revenues for turf facilities, a variety of programs should be considered such as membership fees, admissions fees, seniors' programs, in-house tournaments and mother's programs. Additionally, more traditional revenue sources such as corporate partnerships (sponsorship and advertising), food service (concessions and hospitality) and event space rental for non-sports activities (e.g., consignment sales, meetings, team building events, etc.) can provide important support to year-round operations.

The following present some noteworthy trends relative to design and capabilities of indoor sports tourism-focused facilities:

- Critical mass of high-quality courts, fields and playing surfaces in one location.
- Maximization of local uses and sports tourism.
- Flexibility to accommodate the widest variety of uses.
- Synthetic turf (indoor & outdoor) is increasing accepted and expected by most tournament and local sports/rec activity.
- Growing emphasis on partnerships (equity, sponsorship and ancillary development).
- Focus on creating/enhancing the quality of sub-destinations surrounding facility complexes.
- Incorporation of quality amenities & specialty components:
 - Performance centers
 - eSports capabilities/technology
 - Restaurants/cafes/food courts
 - Fitness & wellness
 - Leisure amenities (child play areas, mini-golf, AR tech)
 - Ancillary development (hotels, retail, attractions)



CRITICAL MASS OF HIGH QUALITY PLAYING SURFACES



EMPHASIS ON PARTNERSHIPS



TURF FIELDS (INDOOR & OUTDOOR)



PERFORMANCE CENTERS & ESPORTS



RESTAURANTS/CAFES/FOOD COURTS



INCORPORATION OF AMENITIES



CREATION/ENHANCEMENT OF QUALITY SUB-DESTINATIONS



COMPLEMENTARY ANCILLARY DEVELOPMENT

4 INDUSTRY TRENDS

COVID-19 Pandemic Effects & Recovery

Since early 2020, the negative impact of the COVID-19 pandemic on the sports/recreation, event, entertainment, retail, hospitality and tourism industries cannot be understated. Cancellations and postponements of nearly all events and gatherings through the end of 2020 and early 2021 occurred. Most live event activity throughout the country was cancelled, postponed or shifted to a virtual format through mid-2021. These conditions, however, will not be permanent. The timeline for full industry recovery is still somewhat uncertain. Late 2021 and early 2022 saw a widespread loosening of public assembly restrictions and began to manifest a general return of consumer confidence, travel and participation in all types of event activities.

From the perspective of a potential new Youth and Amateur Sports Complex in Mounds View, it is important to consider how the planned product will be positioned following this highly-unusual period. Careful planning during this period could lead to significant and cost-effective product development over the next economic recovery and growth cycle and beyond. Near-term planning, marketing and sales efforts associated with the proposed sports facility project should be able to capitalize on this unique timing. Subsequent operational planning will certainly take into account the evolving needs and best practices facing such facilities in a post-COVID environment (including emphasis on flex spaces, attendee/participant social distancing, PPE and other health/safety policies, amenities and operating practices). A best practices approach developed by Legends, CSL's parent company, is summarized below.



As a long-term planning document, the findings and conclusions presented herein are believed to be relevant with respect to a post-pandemic recovery within the context of the likely timeframe of facility development and operation of a potential new Youth and Amateur Sports Complex in Mounds View. For example, the timeline of facility development would most likely represent construction completion and commencement of operations in 2024 or later. Indications suggest that the industry will most likely be in a post-COVID environment by that time, with a significant portion of event activity nationwide functioning consistent with the pre-COVID environment and a portion of activity continuing to grow or evolve.



5

MARKET DEMAND & PROGRAM

Overview

The potential development of a new Youth and Amateur Sports Complex in Mounds View has the opportunity to better accommodate demand among Mounds View area residents and provide a venue capable of attracting sports tourism activity to the destination. Currently, Mounds View and the Mounds View Independent School District offer a variety of indoor amateur sports and recreation facilities; however, there are very few existing facilities that can offer a critical mass of indoor court or activity space capable of accommodating the growing local demand or hosting tournaments, meets or other large competitions.

In order to provide guidance to the City and other community stakeholders, CSL's project leader initially participated in a kick-off visit to Mounds View, which included tours and meetings with key client representatives, stakeholders and business leaders.

Subsequently, CSL conducted direct outreach to local area user group candidates and national/regional sports team, club, association and tournament organizers that could represent candidates for use of a new Youth and Amateur Sports Complex in Mounds View. Overall, more than 80 organizations were targeted and 30 telephone interviews were completed with organizations representing in excess of 100 annual activities. These groups were contacted in order to determine their interest in a new facility and the amenities and elements that would be necessary to host a variety of programming essential to the successful operations of the facility, including practices, camps, clinics, training, recreational programs and other such uses. Specific groups contacted as part of this process and stakeholder meetings include the following:



- ACE Athletics
- Active Kids Association
- Blaine Soccer Club
- City of Mounds View
- Coon Rapids Cardinal Basketball Club
- Fridley Youth Sports Basketball Association
- Hype Volleyball
- Impact Volleyball
- Irondale Baseball League
- Irondale Basketball Association
- Irondale High School
- Kokoro Volleyball
- Midwest Gymnastics
- Minnesota AAU
- Minnesota Fury Basketball
- Minnesota Heat Hoops
- Minnesota Volleyball Association
- Minnesota Youth Athletic Services (MYAS)
- MKG North Martial Arts
- Mounds View Basketball
- Mounds View Community Center
- Mounds View High School
- Mounds View Parks and Recreation
- North Country Region Volleyball
- North Suburban Soccer Association
- Northern Impact Volleyball Club
- Northern Lights Volleyball
- Prep Network
- Spring Lake Park Panthers Basketball Club
- Tribe Athletics Sports Events
- Triple Crown Sports
- Twin Cities Gateway
- Willie Brown Taekwondo

The purpose of the remainder of this section is to provide a summary of the research and analysis of market demand and opportunities to guide the evaluation and planning for a new Youth and Amateur Sports Complex project Mounds View, as summarized on the following pages.

Basketball Demand

Basketball is the leading participatory team sport in the U.S. Based on national statistics, there are more than 25.2 million individuals that participated at least once in basketball last year. Of these participants, nearly 4.7 million people (19 percent) participated in basketball activities at least 50 times, with another 10.6 million people (42 percent) playing basketball at least ten times. Among team sports, basketball is the activity with the most nationwide participants and has maintained this level of participation for over ten years.

Boys and girls can start out at an early age with adjustable hoops with in-house teams or camps/clinics, working their way up to full-court games and traveling teams for players seven and older. League and tournament games typically feature eight to ten athletes and two to three coaches per team and an average of 1.5 spectators per athlete. Younger teams tend to attract more spectators, as do girls games.



Historically, games and practices have been held in gymnasium space found in local high schools, middle schools and elementary schools, as well as in other community facilities such as churches and health and fitness clubs (e.g., YMCAs, etc.). However, increasing utilization of school gymnasium space, coupled with rising costs of labor, security, utilities, insurance and other costs to operate school gymnasiums and growing demand among sports organizations for practice and game spaces have put pressure on communities to develop purpose-built court spaces to accommodate this demand.

Most basketball leagues and tournaments require access to a minimum of four to six courts to accommodate both boys and girls programs for a variety of age groups. Historically, these courts have been amassed among a variety of locations throughout a community; however, league and tournament organizers increasingly note the ease and importance of maintaining activity at a single location. Court sizes can range from approximately 5,000 square feet per court to up to nearly 10,000 square feet for championship court requirements (which incorporates additional surrounding space for seating, scorer's tables, benches, etc.). Additional requirements include temporary/bleacher seating for 20 to 40 people per court, bathroom facilities, concessions, lobby/registration space, small meeting facilities, dividing walls/curtains for courts and at least five feet of distance around each court (ten feet total between courts).

Conversations with area basketball leagues indicate a moderate to strong level of demand for a multi-court sports facility capable of hosting weekday practices and weekend tournaments. Specific organizations expressing an interest in utilizing indoor court space at the Mounds View Community Center include the Mounds View Basketball Association (MVBA) and Blaine Youth Basketball (BYB). Each association indicated demand for indoor practice space between mid-September through mid-March on Mondays, Tuesday and/or Thursday, during which time they could utilize all five potential courts for between two and four hours per night. On average, basketball organizations would look to rent the facility for approximately \$25 to \$35 per court hour.

Additionally, demand was noted for hosting weekend tournaments between November and February. These tournaments would be two-days long, held on Saturday and Sunday and would look to attract between 50-60 teams per tournament weekend. In addition to tournaments hosted by the MVBA and BYB, organizations including the Spring Lake Park Panthers Basketball Club, Minnesota Fury Basketball, Minnesota Heat Basketball and Tribe Athletics Sports Events indicated demand for hosting weekend tournaments. Tournaments would primarily be held during the primary season; however, moderate demand exists for off-season tournaments as well. On average, tournaments generate approximately \$2,000 to \$2,500 in rental revenue per weekend tournament.

Volleyball Demand

There are over 10.6 million people participating in volleyball in the United States at least once over the past year, of which nearly 33 percent (3.5 million) were considered frequent participants, having participated 20 or more days in the last year. Another 3.7 million (35 percent) participated in at least 5 volleyball activities last year. Volleyball participation rates continue to grow among young girls and many communities have introduced youth and high school boys' volleyball teams and leagues as well.

Most girls start playing volleyball at a slightly older age than basketball, with many not starting out until their pre-teen or early teen years; however, there are some volleyball programs offered for girls as young as 4/5 years old. Teams consist of six players on the court. Younger teams typically have fewer substitutes to maximize playing time, with older and more competitive teams typically rostering 12 players with 2 to 3 coaches per team.



Based on court construction and configuration, it is typical to be able to fit two youth/tournament volleyball courts within one full-sized basketball court. Tournaments can attract 60 to 70 teams within a 6 to 8 court facility and an average of 1.8 spectators per athlete.

Similar to basketball, tournament organizers have historically been forced to utilize multiple venues across a community. However, with the growing interest in the sport, more tournaments are being held in venues that are able to accommodate a greater mass of courts to accommodate multiple age groups and competition levels simultaneously.

Overall, demand for indoor volleyball space is strong, as an estimated 30,000 people currently playing and demand for court space continuing to increase as participation expands into boys volleyball and among adult volleyball leagues. Conversations with area club volleyball programs such as Impact Volleyball Club and Northern Impact Volleyball Club indicated moderate to strong demand for a multi-court sports facility to host weekday practices and weekend tournaments. Each Club indicated primary demand exists for two nights per week for up to four hours of practice time on up to ten volleyball courts (equivalent to approximately five full-sized basketball courts). Club volleyball season typically runs from November through early May. Similar to basketball demand, club volleyball demand is primarily on Mondays, Tuesdays and Thursdays, as many participants attend religious classes on Wednesday nights. Clubs and other organizations typically look to rent out the court space between \$20 and \$30 per court hour.

However, demand also exists for Wednesday night volleyball court space through the Minnesota Volleyball Association (MVA), which is an adult league that currently runs from October through the end of December. Conversations with MVA leadership suggested that an opportunity exists to extend the season or offer additional seasons in the winter and/or spring months.

Moderate weekend tournament demand was also noted for in-season tournaments, which would primarily consist of two-day tournaments that can attract approximately 80 teams per tournament.

Other Indoor Sports Demand

There are a variety of other indoor sports that typically require a critical mass of flat floor space and accompanying seating in which to host practices, games, competitions, tournaments, meets, exhibitions and other such events.

Indoor training space for baseball, softball, soccer and other spring sports is one such potential opportunity from January through March/early April. Organizations such as the Irondale Baseball League, Irondale High School and North Suburban Soccer Association indicated a moderate to strong interest in off-season indoor training space for baseball, softball and/or soccer. These organizations could utilize the entire five-court complex an average of three times per week. While they prefer prime hours (between 5:00 pm and 9:00 pm, these organizations offering opportunities for off-season training are generally flexible with their utilization and willing to utilize early morning, late night and even weekend space for training.

Another opportunity is with Active Kids Association, which is a 501(c)3 non-for-profit organization that offers summer camps, before and after school programs, school release break day programs and community events designed for kids and families to spend time playing a variety of sports, socializing, learning healthy lifestyle skills and attending educational events. Program offerings tend to be early mornings, before the school day, immediately following school release and weekdays during the summer months. They serve over 800 families and 1,000 kids in grades kindergarten through fifth grade, annually. As a non-profit organization, they tend to seek more modest rental terms; however, they utilize indoor activity space during typical non-peak hours and provide an important service to area households with working parents and underserved families.

Pickleball is one of the fastest growing sports in the nation, with an estimated 4.8 million participants, with 4.0 million participants playing eight times per year or more, according to USA Pickleball. Depending on configuration, facilities can get two or three pickleball courts on each full-sized basketball court and can operate year-round on weekdays during typical non-peak rental periods. The average age of pickleball players has been declining in recent years, as younger individuals begin to participate, with an estimated decrease in the average age by 2.9 years from 2020 to 2021. Additionally, pickleball tournaments have been increasingly prevalent in some markets; however, these tournaments tend to be held at dedicated pickleball facilities, and not a multi-sport indoor court complex.

Market Demand Conclusions

Based on the results of the research and analyses conducted under this feasibility study, overall findings suggest that a distinct market opportunity exists for a new Youth and Amateur Sports Complex in Mounds View inclusive of three additional full-size basketball courts adjacent to the Mounds View Community Center. Key findings and conclusions related to market demand include the following:

1. **OVERALL DEMAND & FACILITY FOCUS:** In general, interest in a potential new Youth and Amateur Sports Complex in Mounds View, measured through interviews with stakeholders and potential user groups, is considered moderately-strong to strong. Market research and analysis suggest that a state-of-the-industry Youth and Amateur Sports Complex, suitable to accommodate basketball, volleyball, pickleball, martial arts, indoor soccer, and off-season/supplemental training for various field sports and their related practices and training activities, could address certain local and non-local market demand that is not currently being met by existing facilities in the local and regional marketplace. In particular, volleyball and basketball appear to be some of the most prominent sports that would represent core uses of a new Youth and Amateur Sports Complex in Mounds View. Activities such as pickleball, training for baseball, softball and soccer, and community space for before and after school care would be expected to supplement utilization.
2. **DEMOGRAPHICS:** The goal of any new investment in a new Youth and Amateur Sports Complex in Mounds View would be envisioned to not only meet the needs of Mounds View residents, but also the needs of tournaments, meets and competitions that draw out-of-town visitors to the area and generate economic and fiscal impacts to Mounds View. As a result, the viability of any potential investment in a new Youth and Amateur Sports Complex is dependent, in large part, on local market demographic and socioeconomic characteristics of both the local and regional area, and the marketability of the community to potential visiting participants and spectators. A substantial population base exists within both the primary and secondary markets serving Mounds View (nearly 600,000 within 15 minutes and 2.4 million within 30 minutes' drive).
3. **LACK OF DEDICATED INDOOR COURT TOURNAMENT AND TRAINING FACILITIES:** Research suggests that unmet demand exists in Mounds View for a quality indoor sports facility that is optimized for youth and amateur sports activity. Outreach and interviews have indicated the lack of facilities in Mounds View and the greater Minneapolis/St. Paul metropolitan area offering a critical mass of indoor courts in one location. Importantly, a new Youth and Amateur Sports Complex in Mounds View would serve residents of other communities surrounding Mounds View that are similarly experiencing challenges with accessing quality indoor training, game and tournament court space.
4. **IMPROVED COMMUNITY ACTIVITY SPACE:** While optimized to attract youth and amateur sports activities (i.e., practices, games, tournaments, meets and competitions), state-of-the-industry amateur sports facilities, such as the proposed subject Youth and Amateur Sports Complex, often deliver substantial benefits to local community members through enhancing the rental, practice, programming and alternatives available for sports, recreation, leisure and wellness activities. Local usage and attendance (as opposed to non-local usage and attendance) normally contribute the majority of utilization at comparable indoor sports facilities—positively contributing to the quality of life for local citizens.
5. **OPTIMIZED OPERATIONS IN CONJUNCTION WITH EXISTING MVCC:** Mounds View currently has much of the operational staff and management infrastructure in place to manage additional indoor court space at the MVCC. While there will be additional staffing requirements to manage incremental event activity (e.g., event sales/service, custodial, operations, etc.), the MVCC can expect to realize some economies of scale with existing staffing levels.
6. **HIGH-IMPACT, YEAR-ROUND PRODUCT:** Unlike outdoor sports facilities (such as baseball, softball or soccer complexes), hardcourt indoor sports facilities typically have broad-based usage and tend to be highly-utilized year-round, delivering some of the highest returns-on-investment in terms of utilization, revenue and economic impact per square foot. Typical use types for indoor sports facilities offering hardcourt activity space include, but are not limited to:

- | | | | |
|----------------|----------------------|----------------|------------------------------|
| • Basketball | • Table Tennis | • Baseball | • Open Leisure / Recreation |
| • Volleyball | • Running / Walking | • Softball | • Public / Consumer Shows |
| • Wrestling | • Fitness / Aerobics | • Soccer | • Tradeshows |
| • Cheerleading | • Martial Arts | • Lacrosse | • Special Events |
| • Dance | • Pickleball | • Rugby | • Graduations |
| • Gymnastics | • Weightlifting / | • Field Hockey | • Civic Events / Festivals |
| • Futsal | Strength Training | • Badminton | • Before / After School Care |

Facility Concept & Program

The purpose of this section is to build off the market demand research, analysis and conclusions related to a potential new Youth and Amateur Sports Complex in Mounds View to evaluate market-indicated facility development options. Recommendations regarding potential facility components and other aspects evaluated in this section are based on the results of the market analysis, including the historical, current and projected demographic and socioeconomic characteristics of the market area, an assessment of existing sports and recreation facilities in the marketplace, characteristics of comparable sports facility developments throughout the country and discussions with potential users of a new Youth and Amateur Sports Complex in Mounds View.

Specifically, the following elements represent a target market supportable program and key attributes for a potential new Youth and Amateur Sports Complex in Mounds View inclusive of three additional full-size basketball courts adjacent to the Mounds View Community Center :

- **CONCEPT:** Three additional full-sized (95' x 50' alleys) hardwood basketball courts (total of 5 basketball courts, convertible to 10 volleyball courts) extending from the two existing hardwood courts at the Mounds View Community Center.
- **INCREMENTAL FACILITY SIZE:** Approximately 30,000 gross square feet.
- **PARKING:** Approximately 400 total spaces.

Order-of-Magnitude Project Costs

The table below summarizes the order-of-magnitude program cost summary for a new Youth and Amateur Sports Complex in Mounds View. As shown, it is estimated that the total cost (hard and soft costs) to develop the site and construct the Complex is estimated at approximately \$9.9 million (in 2022 dollars).

While the final project costs could vary based on changes to the building program, timing of the project, recent economic conditions (e.g., inflation) and other such factors, this cost estimate is useful in determining the appropriate amount of project funding that may be required. Further discussions between stakeholder, local community leaders, project architects and other such individuals will be necessary in order to finalize the building program. This figure does not include any costs related to site acquisition, nor does it consider the highly-volatile steel, lumber and materials costs presently impacting the construction industry nationwide. It is assumed that current construction cost volatility will largely be normalized to pre-pandemic levels by the time that construction services would be contracted/purchased for any new Youth and Amateur Sports Complex in Mounds View.

Description	Quantity	Unit	Cost	Total
Hard Cost Detail:				
Hardwood courts	24,000	GSF	\$250.00	\$6,000,000
Support space	6,000	GSF	\$275.00	\$1,650,000
HARD CONSTRUCTION COST SUBTOTAL				\$7,650,000
Soft Cost Detail:				
General Requirements			10%	\$765,000
Design Contingency			15%	\$1,147,500
FF&E			5%	\$382,500
ESTIMATED SOFT COSTS				\$2,295,000
ESTIMATED TOTAL CONSTRUCTION COSTS				\$9,945,000



6

COST / BENEFIT ANALYSIS

Overview & Key Assumptions

An analysis was completed to produce key cost/benefit estimates associated with a potential new Youth and Amateur Sports Complex in Mounds View, Minnesota inclusive of three additional full-size basketball courts adjacent to the Mounds View Community Center. Performance estimates for the Youth and Amateur Sports Complex have been presented over a 20-year projection period. For purposes of this analysis, construction is assumed to commence during 2023 and be completed in 2024, while the first full year of operations is assumed to be 2025. A stabilized year of operation is assumed to occur by the fourth full year of operation (assumed 2028). The assumptions used in this analysis are based on the market research and analysis, past experience with hundreds of similar sports facility projects, local market visits and City and stakeholder-provided data, industry trends, knowledge of the marketplace and use/financial results from comparable facilities. Additional planning (i.e., site selection, soil and environmental testing, architectural design, etc.) must be completed before more precise estimations of the Youth and Amateur Sports Complex's ultimate construction and operating costs can be made. Also, upon completion of further planning, revenue and expense assumptions should be updated to reflect changes to the assumptions made herein.

These estimates are designed to assist project representatives in assessing the financial and economic effects of a new Youth and Amateur Sports Complex and cannot be considered a presentation of expected future results. Accordingly, the analysis of potential financial operating results and economic impacts may not be useful for other purposes. The assumptions disclosed herein are not all inclusive, but are those deemed to be significant. Because events and circumstances frequently do not occur as expected, there usually will be differences between estimated and actual results and these differences may be material.

COSTS (Construction & Operations)

Preliminary analyses were completed to estimate order-of-magnitude construction costs and the annual financial operating performance associated with a Youth and Amateur Sports Complex in Mounds View. Construction cost estimates were generated using industry per-unit data adjusted for conditions in Mounds View and cost data of comparable youth and amateur sports facility projects, modified for time and locations.

To produce the financial operating estimates, a computer-based model was developed incorporating comparable facility data and the estimated levels of utilization and attendance derived from the market analysis to generate estimates with regard to potential annual facility operations. Revenues including rentals, concessions, advertising and sponsorship revenues, and other such sources were estimated. Expenses including salaries/wages/benefits (including contracted services costs), utilities, maintenance & repair, materials & supplies, insurance, general & administrative, programming and others were estimated. The comparison of revenues and expenses enables stakeholders to evaluate the level of facility-supportable revenues or public subsidies that may be required for annual Youth and Amateur Sports Complex operations.

It has been assumed that the Youth and Amateur Sports Complex in Mounds View would be publicly-owned and operated as an expansion of the Mounds View Community Center (MVCC). Figures only represent the incremental annual operations of the MVCC as a result of the development of the Youth and Amateur Sports Complex and do not include construction debt service payments, capital repair/replacement reserve funding or other non-operating income and expenses.

BENEFITS (Economic Impacts & Other)

The ability of an amateur sports facility to generate new spending and associated economic impact in a community is often one of the primary determinants regarding a decision by a public sector entity to participate in investing in the development and/or operation of such facilities. Beyond generating new visitation and associated spending in local communities, amateur sports complexes also benefit a community in other important ways, such as providing venues for athletic and recreation activities attended and participated in by local community members and drawing new visitation/traffic into target areas.

The impact of an amateur sports facility project is maximized when out-of-town athletes/participants and family members or guests spend money in a community while visiting. This spending by visitors represents new money to the community hosting the event. This new money then creates multiplier effects as the initial spending is circulated throughout the local economy.

It is important to note that spending estimates associated with the potential new Youth and Amateur Sports Complex only represent spending that is estimated to be new to the Mounds View area (net new spending), directly attributable to the operation (and existence) of the potential new Youth and Amateur Sports Complex.

Economic Impact Concepts & Methods

The investment in a new Youth and Amateur Sports Complex project will be expected to provide quantifiable benefits. These quantifiable benefits often serve as the “return on investment” of public dollars that are contributed to develop the facility project and site. Quantifiable measurements of the effects that facility project could have on the local economy are characterized in terms of economic impacts and fiscal impacts. Direct spending represents the primary spending that would occur as a result of the construction and operations of the Youth and Amateur Sports Complex. Direct spending occurs in three ways:



CONSTRUCTION SPENDING

Construction materials, labor, design and professional fees, and other soft cost spending are generated during the planning and construction of the new Youth and Amateur Sports Complex.



IN-FACILITY SPENDING

Direct spending is generated by visitors and participants at the new sports facility during the course of annual operations. This spending occurs with respect to both event and non-event items, such as admissions, facility rentals, food and beverage, merchandise, sponsorship and advertising and retail leases.



OUT-OF-FACILITY SPENDING

Outside the Youth and Amateur Sports Complex itself, additional direct spending is generated in city, county and regional areas by visitors, spectators, attendees, participants, event staff and visiting facility users on lodging, food and beverage, retail, entertainment, transportation and other such items in connection with their visit to the area.

A primary intent of this analysis is to estimate the direct spending that could occur directly at the Youth and Amateur Sports Complex itself, in order to approximate the potential associated tax revenues generated from such spending. The vast majority of Construction and In-Facility Spending will be estimated to occur within the Mounds View area. Additionally, net new impacts will be generated throughout the Mounds View area, primarily relating to Out-of-Facility Spending (i.e., spending occurring off the Youth and Amateur Sports Complex site by visitors to the Mounds View area on items such as hotels, restaurants, retail, transportation, etc.).

From a broad perspective, gross direct spending would flow to various economic entities, including the City of Mounds View, Ramsey County and other applicable municipal government(s), restaurants, hotel operators, retail businesses and other such entities. However, some of the spending that occurs in connection with the ongoing operations of the Youth and Amateur Sports Complex project would not fully impact the local area. As such, reductions must be made to gross direct spending to reflect the amount of direct spending associated with the Youth and Amateur Sports Complex project and site improvements that are considered net new to Mounds View. These adjustments include:

LEAKAGE represents the portion of gross spending estimated to occur outside the larger geographic area considered for this analysis (Mounds View). Immediate leakage occurs when initial direct expenditures occur outside the area, such as an out-of-town Youth and Amateur Sports Complex visitor that patronizes a hotel or restaurant located outside of Mounds View. Leakage also occurs when initial local spending is used immediately to pay for goods, services, etc. outside of Mounds View. Examples of this type of secondary leakage include food and beverage profits retained by companies based outside of Mounds View.

DISPLACEMENT refers to spending that would have likely occurred anyway in Mounds View without the presence of the Youth and Amateur Sports Complex. Examples of displaced spending would include spending by Mounds View residents in connection with their visit to the new Youth and Amateur Sports Complex site (registrations, food and beverage, retail items, etc.) that would have been spent in Mounds View anyway on other items (e.g., movies, restaurants, shopping, etc.) if they did not visit the Youth and Amateur Sports Complex site. Another example of displaced spending would include out-of-facility spending by non-local individuals visiting from outside of Mounds View whose primary purpose for visiting Mounds View was something other than visiting or participating in activities at the Youth and Amateur Sports Complex itself, and who would have spent their money in some other form in Mounds View. The concept of displacement is oftentimes referred to as the substitution effect.

The flow of gross direct spending is adjusted to reflect only the spending that is considered net new to the local economy (i.e., Mounds View). The resulting spending after all adjustments is referred to throughout the remainder of this analysis as net new direct spending.

Economic impacts are further increased through re-spending of the direct spending. The total impact is estimated by applying an economic multiplier to initial direct spending to account for the total economic impact. The total output multiplier is used to estimate the aggregate total spending that takes place beginning with direct spending and continuing through each successive round of re-spending. Successive rounds of re-spending are generally discussed in terms of their indirect and induced effects on the area economy. Each is discussed in more detail below.

INDIRECT EFFECTS consist of the re-spending of the initial or direct expenditures. These indirect impacts extend further as the dollars constituting the direct expenditures continue to change hands. This process, in principle, could continue indefinitely. However, recipients of these expenditures may spend all or part of it on goods and services outside the market area, put part of these earnings into savings or pay taxes. This spending halts the process of subsequent expenditure flows and does not generate additional spending or impact within the community after a period of time. This progression is termed leakage and reduces the overall economic impact.

Indirect impacts occur in a number of areas including the following:

- Wholesale industry as purchases of food and merchandise products are made.
- Transportation industry as the products are shipped from purchaser to buyer.
- Manufacturing industry as products used to service the Youth and Amateur Sports Complex and site, vendors and others are produced.
- Utility industry as the power to produce goods and services is consumed.
- Other such industries.

INDUCED EFFECTS consist of the positive changes in spending, employment, earnings and tax collections generated by personal income associated with the operations of the Youth and Amateur Sports Complex and other related facilities. Specifically, as the economic impact process continues, wages and salaries are earned, increased employment and population are generated, and spending occurs in virtually all business, household and governmental sectors. This represents the induced spending impacts generated by direct expenditures.

Indirect and induced effects are calculated by applying the appropriate multipliers to the net new direct spending estimates. The appropriate multipliers to be used are dependent upon certain regional characteristics and also the nature of the expenditure. Generally, an area which is capable of producing a wide range of goods and services within its borders will have high multipliers, a positive correlation existing between the self-sufficiency of an area's economy and the higher probability of re-spending occurring within the region. If a high proportion of the expenditures must be imported from another geographical region, lower multipliers will result.

The multiplier estimates used in this analysis are based on the IMPLAN system. IMPLAN, which stands for Impact Analyses and Planning, is a computer software package that consists of procedures for estimating local input-output models and associated databases. Input-output models are a technique for quantifying interactions between firms, industries and social institutions within a local economy. IMPLAN was originally developed by the U.S. Forest Service in cooperation with the Federal Emergency Management Agency and the U.S. Department of the Interior's Bureau of Land Management to assist in land and resource management planning. Since 1993, the IMPLAN system has been developed under exclusive rights by the Minnesota Implan Group, Inc., which licenses and distributes the software to users. Currently, there are thousands of licensed users in the United States including universities, government agencies and private companies.

The economic data for IMPLAN comes from the system of national accounts for the United States based on data collected by the U.S. Department of Commerce, the U.S. Bureau of Labor Statistics and other federal and state government agencies. Data are collected for 440 distinct producing industry sectors of the national economy corresponding to the Standard Industrial Categories (SICs). Industry sectors are classified on the basis of the primary commodity or service produced. Corresponding data sets are also produced for each county and zip code in the United States, allowing analyses at both the city and county level and for geographic aggregations such as clusters of contiguous cities, counties, individual states or groups of states.

Data provided for each industry sector include outputs and inputs from other sectors; value added, employment, wages and business taxes paid; imports and exports; final demand by households and government; capital investment; business inventories; marketing margins and inflation factors (deflators). These data are provided both for the 440 producing sectors at the national level and for the corresponding sectors at the local level. Data on the technological mix of inputs and levels of transactions between producing sectors are taken from detailed input-output tables of the national economy. National and local level data are the basis for IMPLAN calculations of input-output tables and multipliers for geographic areas. The IMPLAN software package allows the estimation of the multiplier effects of changes in final demand for one industry on all other industries within a local economic area.

The multiplier effects estimated in this analysis include:

- **TOTAL OUTPUT** represents the total direct, indirect and induced spending effects generated by the new Youth and Amateur Sports Complex. Total output is calculated by multiplying the appropriate total output multiplier by the estimated direct spending within each industry.
- **PERSONAL INCOME (EARNINGS)** represent the wages and salaries earned by employees of businesses impacted by the new Youth and Amateur Sports Complex. Personal earnings are calculated by multiplying the appropriate personal earnings multiplier by the estimated direct spending within each industry.
- **EMPLOYMENT** is expressed in terms of total jobs and includes both full and part-time jobs. Employment is calculated by dividing the appropriate employment multiplier by one million, and then multiplying by the estimated direct spending within each industry.

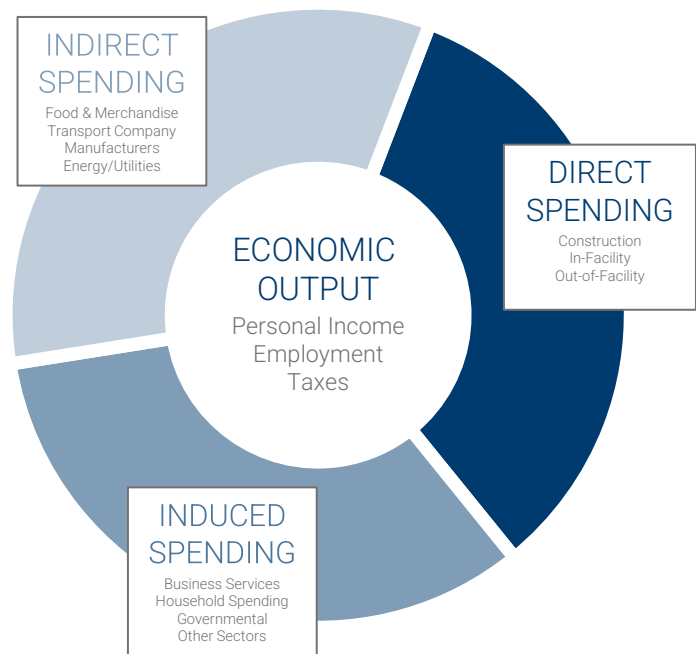
In addition to the economic impacts that could be generated by the new Youth and Amateur Sports Complex, fiscal revenues could be generated to Mounds View and various other municipal/governmental entities from a variety of sources. In preparing estimates of fiscal impacts, revenues generated to Mounds View from direct, indirect and induced spending were examined. As a focus of this analysis relates to the economic and tax impact within the Mounds View area, the primary fiscal revenues estimated herein are sales and lodging taxes that are estimated to be generated within Mounds View. The net new tax impacts consider reductions for assumed displaced spending within Mounds View, as well as spending that is assumed to occur outside of Mounds View.

Although there may be other tax revenues and public sector fees/charges generated as a result of the construction and operations of the new Youth and Amateur Sports Complex, net new food & beverage and innkeeper's taxes represent the most directly-attributable and relevant sources relating to this analysis.

The graphic to the right illustrates key measurements of economic and tax impacts utilized in this analysis. Commencing with the estimation of net new direct spending associated with the Youth and Amateur Sports Complex project, successive rounds of re-spending generate indirect and induced effects. The sum of all this net new spending in Mounds View's economy represents total economic output. This new economic output, in turn, likewise generates added earnings (personal income), jobs (employment) and tax revenues.

In addition to the quantifiable benefits associated with a new Youth and Amateur Sports Complex, there are a number of existing and potential benefits that cannot be quantified. In fact, these qualitative benefits tend to be a critical factor in the consideration of public and private investment in facilities of this nature. These include issues pertaining to quality of life, ancillary economic development facilitation, employment opportunities, community pride, complementing the greater project site and other such items.

The quantitative impact figures do not include economic impact that could be generated by other greater project elements associated with any larger mixed-use project and other ancillary private sector development/investment that may occur as result of the Youth and Amateur Sports Complex development (i.e., hotels, restaurants, etc.). Some of the impacts associated with the new Youth and Amateur Sports Complex would be quantitatively captured by these other developments and improvements, but substantial additional economic impact could be generated by any new public or private investment that occurs at, or near, the site. The net effect of a calculation of quantified economic impact could hypothetically be several times greater in magnitude (depending on the level of investment and development outcomes that are ultimately realized at, or near, the site).



Estimated Utilization

A detailed utilization model was developed to consider a large number of variables and inputs to analyze each sport/use for a potential Youth and Amateur Sports Complex in Mounds View. For instance, when considering different types of usage (i.e., use from local leagues/clubs versus non-local tournaments/meets versus clinics/camps/lessons versus open recreation, etc.), separate assumptions were used to generate usage and attendance (participants and spectators) estimates. The exhibit below presents a summary of key utilization levels associated with a Youth and Amateur Sports Complex in Mounds View, pursuant to the previously outlined facility program and assumptions.

UTILIZATION	Opening Year 1	Year 2	Year 3	Stabilized Year 4	20-Year Cumulative
LEAGUE TEAMS					
Basketball	10	12	14	18	342
Volleyball	24	30	36	40	770
Indoor Spring Sports	0	0	0	0	0
Total	34	42	50	58	1,112
LEAGUE GAMES					
Basketball	80	96	112	144	2,736
Volleyball	240	300	360	400	7,700
Indoor Spring Sports	0	0	0	0	0
Total	320	396	472	544	10,436
TOURNAMENTS					
Basketball	15	17	19	20	391
Volleyball	9	11	13	16	305
Indoor Spring Sports	0	0	0	0	0
Total	24	28	32	36	696
TOURNAMENT GAMES					
Basketball	1,000	1,160	1,320	1,360	26,600
Volleyball	360	504	576	672	12,864
Indoor Spring Sports	0	0	0	0	0
Total	1,360	1,664	1,896	2,032	39,464
CAMPS & OTHER RENTALS					
Basketball	60	72	84	84	1,644
Volleyball	20	32	40	40	772
Indoor Spring Sports	24	24	24	24	480
Private Rentals/Practices/Drop-in	1,500	1,580	1,710	1,790	35,220
Total	1,604	1,708	1,858	1,938	38,116

As shown, the primary sources of utilization at a new Youth and Amateur Sports Complex in Mounds View would consist of weekend tournament activity (just over 2,000 annual court hours of usage) and private rentals, practices and drop-in activity (over 1,900 annual court hours). Limited opportunity exists to host league games, primarily consisting of adult basketball and volleyball games, as the in-season model for youth basketball and volleyball is to practice Monday through Thursday and play tournaments on weekends.

Estimated Attendance

The exhibit below presents a summary of estimated attendance levels associated with a potential Youth and Amateur Sports Complex in Mounds View.

ATTENDANCE	Opening Year 1	Year 2	Year 3	Stabilized Year 4	20-Year Cumulative
LEAGUES					
Basketball	480	576	672	864	16,416
Volleyball	2,400	3,000	3,600	4,000	77,000
Indoor Spring Sports	0	0	0	0	0
Total	2,880	3,576	4,272	4,864	93,416
TOURNAMENTS					
Basketball	8,000	9,280	10,560	10,880	212,800
Volleyball	3,600	5,040	5,760	6,720	128,640
Indoor Spring Sports	0	0	0	0	0
Total	11,600	14,320	16,320	17,600	341,440
CAMPS & OTHER RENTALS					
Basketball	900	1,224	1,512	1,680	32,196
Volleyball	400	704	800	920	17,544
Indoor Spring Sports	432	528	576	624	12,144
Private Rentals/Practices/Drop-in	8,700	9,020	10,340	10,660	209,280
Total	10,432	11,476	13,228	13,884	271,164
SPECTATORS					
Basketball	18,722	21,834	24,929	25,986	507,240
Volleyball	15,320	20,764	24,088	27,676	530,664
Indoor Spring Sports	216	264	288	312	6,072
Total	34,258	42,862	49,305	53,974	1,043,976
TOTAL ATTENDANCE					
Basketball	28,102	32,914	37,673	39,410	768,652
Volleyball	21,720	29,508	34,248	39,316	753,848
Indoor Spring Sports	648	792	864	936	18,216
Private Rentals/Practices/Drop-in	8,700	9,020	10,340	10,660	209,280
Total	59,170	72,234	83,125	90,322	1,749,996

Financial Operating Projections

Many indoor amateur sports facilities of this nature involve public sector funding participation (both in terms of construction and operations). Many similar youth and amateur sports facilities throughout the country operate at an annual financial deficit. Non-operating direct support could come from a variety of sources including public sector support (i.e., general funds, dedicated tax proceeds, etc.), grants, philanthropy and other such sources.

The exhibit below presents a summary of projected annual financial operating results associated with a potential Youth and Amateur Sports Complex in Mounds View, as previously outlined herein. Based on the preliminary analysis, upon stabilization (assumed fourth full year of operation), a Youth and Amateur Sports Complex in Mounds View is estimated to generate a net operating profit of approximately \$16,500, before debt service and capital repair/replacement funding. This projected level of operating profit is consistent with other comparable indoor sports facilities throughout the country.

FINANCIAL OPERATIONS	Opening Year 1	Year 2	Year 3	Stabilized Year 4	20-Year Cumulative
OPERATING REVENUES					
Rental Income	\$154,400	\$175,500	\$208,800	\$232,200	\$5,609,200
Camps/Clinics	\$10,400	\$13,200	\$21,800	\$22,200	\$543,600
Concessions	\$103,700	\$132,700	\$157,400	\$177,000	\$4,246,100
Advertising/Sponsorship	\$6,600	\$7,600	\$8,700	\$9,900	\$237,400
Subtotal	\$275,100	\$329,000	\$396,700	\$441,300	\$10,636,300
OPERATING EXPENSES					
Salaries, Wages and Benefits	\$160,000	\$166,900	\$174,900	\$184,100	\$4,507,500
Utilities	\$65,900	\$67,900	\$69,900	\$72,000	\$1,860,500
Maintenance and Repair	\$27,500	\$28,300	\$29,100	\$30,000	\$775,000
Materials and Supplies	\$16,500	\$17,000	\$17,500	\$18,000	\$465,000
Insurance	\$1,600	\$1,700	\$1,700	\$1,800	\$45,500
Concessions	\$57,000	\$73,000	\$86,600	\$97,400	\$2,335,400
General and Administrative	\$15,000	\$17,500	\$19,000	\$21,500	\$519,400
Subtotal	\$343,500	\$372,300	\$398,700	\$424,800	\$10,508,300
NET OPERATING INCOME	(\$68,400)	(\$43,300)	(\$2,000)	\$16,500	\$128,000

It is assumed that the additional courts consistent with a Youth and Amateur Sports Complex would share important operating synergies with existing Mounds View Community Center operations including shared management and staffing, supplies and equipment, support space and other such elements. Should the City of Mounds View or another entity seek to independently develop a multi-court indoor youth sports complex elsewhere in the area, that complex would be expected to operate with a significantly higher expense budget and much lower cost coverage ratio.

Economic Impacts

The exhibit below presents a summary of the annual, and 20-year cumulative total of projected economic impacts generated in Mounds View by the potential new Youth and Amateur Sports Complex. The economic impact estimates additionally assume :

- Construction impacts occur during the construction period, prior to the first year of operation—these impacts are shown under the 20-year cumulative estimates.
- In-facility impacts are driven by the gross spending occurring at the sports facility itself and represent a percentage of gross operating revenues that are estimated to be net new to Mounds View.
- Out-of-facility impacts are generated across a variety of industries within Mounds View by athletes, families and sponsoring organizations that do not reside in Mounds View. Out-of-facility spending by residents who reside in Mounds View is not considered within this analysis, as such spending is assumed to represent displaced spending that would have otherwise occurred locally. Reductions have been made to account for certain spending (i.e., hotel) that is assumed to leak to areas outside of Mounds View.

ECONOMIC IMPACT	Opening Year 1	Year 2	Year 3	Stabilized Year 4	20-Year Cumulative
A) Construction Impacts					
Net New Hotel Room Nights	0	0	0	0	0
Total Attendee Days	0	0	0	0	0
Net New Non Local Visitor Days	0	0	0	0	0
Direct Spending	\$0	\$0	\$0	\$0	\$4,972,500
Indirect/Induced Spending	\$0	\$0	\$0	\$0	\$3,414,209
Economic Output	\$0	\$0	\$0	\$0	\$8,386,709
Personal Income	\$0	\$0	\$0	\$0	\$2,824,243
Employment (full & part-time jobs)	0	0	0	0	60
B) In-Facility Impacts					
Net New Hotel Room Nights	0	0	0	0	0
Total Attendee Days	0	0	0	0	0
Net New Non Local Visitor Days	0	0	0	0	0
Direct Spending	\$165,060	\$197,400	\$238,020	\$264,780	\$6,381,780
Indirect/Induced Spending	\$113,572	\$135,880	\$163,824	\$182,254	\$4,392,605
Economic Output	\$278,632	\$333,280	\$401,844	\$447,034	\$10,774,385
Personal Income	\$117,001	\$139,577	\$168,402	\$187,259	\$4,514,158
Employment (full & part-time jobs)	4	5	5	6	147
C) Out-of-Facility Impacts					
Net New Hotel Room Nights	1,040	1,284	1,467	1,589	30,797
Total Attendee Days	59,170	72,234	83,125	90,322	1,749,996
Net New Non Local Visitor Days	25,411	31,393	35,870	38,832	752,824
Direct Spending	\$1,674,093	\$2,130,297	\$2,507,100	\$2,795,577	\$67,147,691
Indirect/Induced Spending	\$1,148,028	\$1,460,875	\$1,719,272	\$1,917,098	\$46,047,278
Economic Output	\$2,822,122	\$3,591,172	\$4,226,372	\$4,712,676	\$113,194,970
Personal Income	\$1,160,142	\$1,476,289	\$1,737,412	\$1,937,326	\$46,533,143
Employment (full & part-time jobs)	37	48	56	63	1,503
TOTAL NET NEW IMPACTS					
Net New Hotel Room Nights	1,040	1,284	1,467	1,589	30,797
Total Attendee Days	59,170	72,234	83,125	90,322	1,749,996
Net New Non Local Visitor Days	25,411	31,393	35,870	38,832	752,824
Direct Spending	\$1,839,153	\$2,327,697	\$2,745,120	\$3,060,357	\$78,501,971
Indirect/Induced Spending	\$1,261,600	\$1,596,755	\$1,883,096	\$2,099,353	\$53,854,092
Economic Output	\$3,100,754	\$3,924,452	\$4,628,215	\$5,159,710	\$132,356,063
Personal Income	\$1,277,142	\$1,615,866	\$1,905,815	\$2,124,586	\$53,871,544
Employment (full & part-time jobs)	41	52	62	69	1,709

Summary & Key Projections

Based on analysis results, a summary of key cost/benefit projections for a Youth and Amateur Sports Complex in Mounds View, inclusive of three additional full-size basketball courts adjacent to the Mounds View Community Center, associated with its construction and annual operations is presented below (upon stabilization of operations, assumed to occur by the fourth full year of operations).

SUMMARY OF ESTIMATED KEY PROJECTIONS ASSOCIATED WITH A NEW YOUTH AND AMATEUR SPORTS COMPLEX IN MOUNDS VIEW, MINNESOTA (Operating Impacts Reflect Annual Impacts Upon Stabilization, Assumed Fourth Full Year of Operations)



ANNUAL
ATTENDEE DAYS
90,300



ANNUAL NON-LOCAL
ATTENDEE DAYS
38,800



ANNUAL
HOTEL RM NIGHTS
1,600



ANNUAL FINANCIAL
OPERATING RESULTS
\$16,500



CONSTRUCTION
COSTS
\$9.95M



CONSTRUCTION
ECONOMIC IMPACT
\$8.4M



ANNUAL
DIRECT
SPENDING
\$3.1M

+

ANNUAL
INDIRECT/INDUCED
SPENDING
\$2.1M

=

ANNUAL
ECONOMIC
OUTPUT
\$5.2M



ANNUAL
PERSONAL
INCOME
\$2.1M



ANNUAL
EMPLOYMENT
(FULL & PART-TIME JOBS)
69



ANNUAL
TOURNAMENT &
PRACTICE HOURS
3,970

Qualitative Impacts / Other Benefits

In addition to the more quantifiable benefits, some benefits related to the construction and operation of a Youth and Amateur Sports Complex in Mounds View cannot be quantitatively measured. Beyond the economic activity and jobs indirectly provided, these types of non-quantifiable impacts of a project of this nature and scope can serve to elevate Mounds View's profile and brand as a youth and amateur sports destination and as a quality place to live, work, learn and play.

In fact, these qualitative benefits tend to be a critical factor in the consideration of public and private investment in projects of this nature, particularly those involving a major investment in community assets and infrastructure. These include issues pertaining to quality of life (through accommodating local events that would otherwise not be able to visit Mounds View itself), ancillary economic development facilitation, employment opportunities, community pride and other such issues.

Potential non-quantifiable benefits could include:

- **Potential Transformative and Iconic Effects** – High profile sports facility projects, like the proposed Youth and Amateur Sports Complex, can have extensive, long-lasting transformative impacts on the Mounds View community and destination, in terms of quality of life, community prestige, perception by visitors and non-locals and other such effects.
- **Quality of Life for Residents** – New/enhanced sports, recreation and special event facilities provide diversified activities for local residents and families, which can make Mounds View a more attractive and enjoyable place to reside. Quality public assembly facilities can contribute to enhancing community pride, self-image, exposure and reputation. All these items can assist in retaining and attracting an educated workforce, particularly younger adults who often desire quality sports, recreational, meeting, entertainment, cultural and leisure amenities.
- **Additional Programmable Space for Mounds View Community Center** – While additional courts are expected to provide a direct benefit to indoor youth and amateur sports programming, the additional court space provides important programmable space for daytime community activity such as before/after school childcare, daytime summer youth programming and daytime community health and wellness space (e.g., pickleball, ping pong, wellness classes, etc.).
- **New Visitation** – New visitors will be attracted to the area because of an athletic tournament, meet, competition, clinic or camp. These attendees, in turn, may elect to return to the area later with their families, etc. for a leisure visit after visiting the area for the first time.
- **Spin-Off Development** – New retail/business tend to invariably sprout up near major new sports and event facility developments, spurred by the operations and activities associated with the facilities, representing additions to the local tax base. Enhanced economic growth and ancillary private sector development (or improvement) surrounding the ultimate site for a Youth and Amateur Sports Complex in Mounds View may be spurred by the investment in the project.
- **Anchor for Revitalization** – Major sports facility and other tourism facility developments can oftentimes serve as an anchor for larger master plans and revitalization efforts. Indoor sports facilities, like the proposed project, can attract consistent levels of annual attendees, particularly those with disposable income. This added visitation to an area or district can be critical to the health and vitality of existing nearby businesses, as well as providing the incentive for future investment by the private sector in business improvements and expansions.
- **Other Benefits** – Increased synergy with the other athletic, event, hospitality and entertainment facilities can lead to increased visitation to Mounds View and recognition of the community as a desirable place to reside.