FEASIBILITY STUDY OF A NEW AMATEUR SPORTS COMPLEX

IN NORTHERN KENTUCKY

October 31, 2023

meet nky
Northern Kentucky CVB

CSL

October 31, 2023

Ms. Julie Kirkpatrick, CDME
President & CEO
MeetNKY
50 East RiverCenter Boulevard, Suite 1100
Covington, Kentucky 41011

Dear Ms. Kirkpatrick,

Conventions, Sports & Leisure International (CSL) has completed a report summarizing the results of a feasibility study of a new Amateur Sports Complex in Northern Kentucky, comprising Boone, Campbell and Kenton counties. The purpose of the analysis is to assist MeetNKY and other stakeholders in evaluating key market, program, financial, operational, economic and ownership/management aspects of a potential new Amateur Sports Complex in the Northern Kentucky area for the purpose of driving sports tourism and enhancing opportunities for local user groups.

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 findings presented herein are primarily based on analyses of current conditions in the Northern Kentucky market area. 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 sports and event markets or assumed immediate and local area market conditions will occur beyond those set forth in this report. Furthermore, all information provided to us by others was not audited or verified and was assumed to be correct.

The report has been structured to provide decision makers with the foundational information necessary to evaluate issues related to potential future investment in a new Amateur Sports Complex in the Northern Kentucky area and should not be used for any other purpose. This report, its findings or references to CSL may not be included or reproduced in any public offering statement or other financing document.

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 our findings.

Very truly yours,

CSL International

CSL International

TABLE OF CONTENTS

ES

EXECUTIVE SUMMARY

ES EXECUTIVE SUMMARY

Background & Methods

Conventions, Sports & Leisure International (CSL) was retained by MeetNKY to conduct a feasibility study of a potential new Amateur Sports Complex in Northern Kentucky, comprising Boone, Campbell and Kenton counties. The purpose of the study is to assist MeetNKY and other stakeholders in evaluating key market, program, financial, economic and ownership/management aspects of a potential new Amateur Sports 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.

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 often high return-on-investment (ROI) modern sports complexes can have in host destinations in terms of driving visitation, hotel room nights, and economic impact through new spending in the community and the creation of new jobs.

A new Amateur Sports Complex would address opportunities and needs related to sports tourism (i.e., tournaments) in the Northern Kentucky area, while also enhancing opportunities for local amateur sports and recreation users. The information developed as part of the study outlined herein is intended to assist MeetNKY, constituent local municipalities, and other stakeholders with the information necessary to make informed decisions regarding the potential development/operation of a new Amateur Sports Complex.

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 existing sports and recreation facility tours, and discussions with study stakeholders and community leaders.
- BENCHMARKING: Research and analysis of facility data and interviews conducted with more than 40 competitive/regional and/or comparable 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 new Amateur Sports Complex in Northern Kentucky. Overall, more than 100 organizations were targeted, and more than 40 in-person and telephone interviews were completed with organizations representing in excess of 1,000 teams, leagues, tournaments, meets and competitions.

Local & Regional Conditions

- FAVORABLE GEOGRAPHIC POSITIONING: Many successful amateur sports facility products are situated in the peripheral urban or suburban areas of large metropolitan areas—consistent with Northern Kentucky's location within the greater Cincinnati/Northern Kentucky metropolitan market area. Depending on the location of the ultimate site within Northern Kentucky, between 1.9 and 2.5 million people reside within 60 minutes' drive. When considering the market potential for new and/or improved sports tourism assets within a destination, access to a significant population base is an important factor. Many tournament, meet and competition participants target regional drive markets to help manage costs associated with travel and transporting equipment.

- LODGING INFRASTRUCTURE: Nearly 7,500 total hotel rooms exist within Northern Kentucky, representing a wide array of brands, products and price points. Additionally, Cincinnati and the surrounding area north of the Ohio River provide substantial additional lodging supply. There are clusters of sleeping rooms proximate to much of the existing inventory of youth/amateur sports facilities in Northern Kentucky, including a variety of hotels within an estimated 20-minutes' drive of all primary youth/amateur sports facilities. This is important, as most non-local visitors participating in tournaments, meets, competitions or other sports tourism activities are willing to drive up to 20 minutes between their hotel and game/activity location. Additionally, the hotel inventory in the destination is well-distributed among a variety of price points, service levels and loyalty programs/brands.

- EXISTING LOCAL FIELD SPORTS FACILITIES: The existing inventory of outdoor youth/amateur sports facilities (primarily rectangle and diamond fields) in Northern Kentucky is limited, in terms of sizeable, tournament-quality products with a critical mass of fields which limits the ability to attract and retain non-local sports tourism activities and participants. Few facilities integrate synthetic turf and field lighting. Additional physical limitations such as site accessibility, parking availability, limited/no on-site concession facilities, and other such factors limit demand from the sports tourism sector.

- EXISTING LOCAL INDOOR COURT FACILITIES: There is a limited number of tournament-quality indoor amateur sports facilities in Northern Kentucky, especially in terms of indoor hardwood multi-court facilities NKU Recreation Center, Town & Country Sports Complex, and Sports of All Sorts are primary facilities in this category; however, each have certain limitations in terms of accommodating local area demand and tournament demand. The majority of other indoor courts are located in high schools, middle schools, Boys & Girls Clubs, and community centers. As is typical throughout the country, colleges and schools tend to give priority to school and student functions, often limiting access to outside rentals.

- OTHER LOCAL SPORTS & RECREATION FACILITIES: There are a variety of other sports, recreation and leisure facilities and infrastructure addressing single sports and niche sports throughout Northern Kentucky and the greater metropolitan area. While there are limitations in the number of quality products serving certain sports/rec, such as ice, aquatics, racket sports, track & field, golf, biking/trails, and other such activities, these sports tend to have lower participation levels and/or are less impactful in terms of sports tourism ROI (relative to core team sports, such as basketball, volleyball, soccer, baseball and softball).

- REGIONAL COMPETITIVE FACILITIES: A wide variety of indoor and outdoor sports facilities exist with the greater Cincinnati area that are located within relatively short driving distance from Northern Kentucky. While regular games and practices held by local sports organizations and clubs tend to prefer facility options that are situated nearby key participant neighborhoods, travel team and tournament activity will often utilize facilities within longer driving distances. A number of larger outdoor field complexes exist in the greater Cincinnati area; however, few offer significant deployment of synthetic turf fields (which can be instrumental in addressing sports tourism demand). Additionally, while Northern Kentucky itself currently lacks a traditional, state-of-the-industry indoor court facility optimized for tournaments, Spooky Nook Champion Mill in Hamilton (OH), located less than an hour's drive from most of Northern Kentucky, offers 28 basketball courts and 46 volleyball courts and would represent a major competitor to any new Northern Kentucky indoor court facility in terms of tournaments, as well as certain local demand.

Industry Trends

- CONTINUED GROWTH OF SPORTS TOURISM SECTOR: 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 ROI modern sports complexes can have in host destinations in terms of driving visitation, hotel room nights, and economic impact.

- IMPORTANT CONSIDERATIONS FOR LOCAL DEMAND: The ability to activate sports tourism within a destination can oftentimes be directly tied to the strength of sports and activities within the local market. Most sports tourism occurs on weekends, leaving four or five days of programming that must be filled by demand from area residents participating in youth and amateur sports activities.

- FACILITY DESIGN TRENDS: Synthetic turf is increasingly utilized for both outdoor and indoor sports facility projects, delivering significant advantages over other surfaces, particularly for sports tourism activity. Organizers for youth and amateur sports activities increasingly prefer, and often demand, modern facility complexes with state-of-the-industry playing surfaces, equipment, and amenities. Beyond ensuring a critical mass of courts, fields or other playing surfaces at one location, an increasingly important focus of tournament, meet or other competition participants is the strength of a destination in terms of hotel, restaurant, entertainment and other factors. This can help in terms of a destination's ability to maximize economic impact capture, minimizing spending leakage to area communities and increasing the likelihood of participants returning for future years.

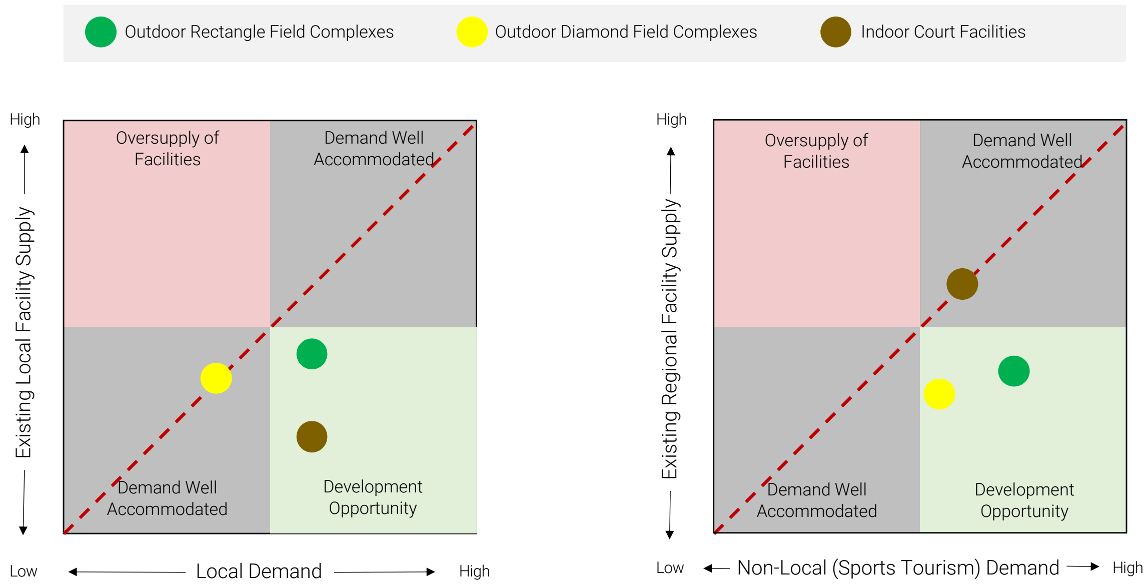
- HIGHLY UTILIZED, HIGH-IMPACT FACILTY MODELS: Four primary sports tourism-oriented facility types (indoor hardwood complex, indoor turf complex, diamond field complex, and rectangle field complex represent the most common and highly-utilized sports tourism facility products throughout the country that can be most impactful and deliver the highest ROI, in terms of driving new tourism and economic impact relative to costs (development and operating costs). As such, based on the analysis of local market conditions in the Northern Kentucky area (including consideration competitive/regional facility supply), evaluation of industry trends in terms of participation and tourism volume, and industry experience, the four aforementioned primary facility models represent the primary product models appropriate for further analysis as logical, high-impact sports tourism facility product development candidates that would be key concepts of focus for consideration in Northern Kentucky.

ES EXECUTIVE SUMMARY

Market Demand & Opportunities

- OVERALL DEMAND & FACILITY FOCUS: 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 Amateur Sports Complex in Northern Kentucky for the purpose of attracting new sports tourism activity and better serving local area user groups.
- PRIMARY DEMAND: In general, interest in a potential new Amateur Sports Complex in Northern Kentucky, measured through interviews with stakeholders and potential nonlocal and local user groups, is considered moderately-strong to strong for a tournament-quality outdoor rectangle multisport field complex. Market research and analysis suggest that a state-of-the-industry rectangle field complex, suitable to accommodate soccer, lacrosse and other such field sports and their related tournaments, games, practices and training activities, could address sports tourism and certain local market demand that is not currently being met by existing facilities in the local and regional marketplace. Additionally, a year-round, cost-efficient bubble structure covering one rectangle field could accommodate demand for indoor turf space for off-season training, recreation and periods of inclement weather—allowing for year-round usage of the complex.
- SECONDARY DEMAND: Additionally, high local and nonlocal demand was also noted for an indoor court facility. However, the presence of Spooky Nook Sports Champion Mill in nearby Hamilton, Ohio, as a very large and capable court facility serving the greater Cincinnati/Northern Kentucky metropolitan area, is believed to largely mitigate a matching supply-side need for a new, large court facility product to address tournament demand. However, given the high local and nonlocal demand that was measured for indoor courts, a new indoor court facility in Northern Kentucky could both serve to better accommodate local demand emanating within Northern Kentucky, while also offering a competitive option for a portion of the nonlocal tournament market. Key sports that could be accommodated include basketball, volleyball, wrestling, pickleball, dance/cheer, martial arts, table tennis, futsal, gymnastics and other sports/uses. Under this development scenario, the presence of two large indoor multi-court facilities located in relative short driving proximity within the greater destination would theoretically result in an oversupply of facility product serving tournament demand; however, at the present and foreseeable timeframe, virtually none of these tournaments are currently, or will in the future, occur in Northern Kentucky. As such, the development of a new indoor court facility product in Northern Kentucky would be expected to pull some of this tournament demand and associated economic impact into Northern Kentucky, while also serving to lower market rates/pricing and expand availability for local groups. Therefore, an indoor sports facility product in Northern Kentucky could be considered as an alternate, or secondary, strategy for sports facility product development.
- DEMOGRAPHICS: The goal of any new investment in new youth/amateur sports facilities in Northern Kentucky would be envisioned to not only meet the needs of Northern Kentucky 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 the greater marketplace. As a result, the viability of any potential investment in a new 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 Northern Kentucky (between 1.9 and 2.5 million people within 60 minutes' drive and 13 to 15 million within three hour's drive).
- VISITOR INDUSTRY INFRASTRUCTURE: The breadth, quality, mix and location of key visitor industry amenities in a local area significantly contributes to the appeal of a destination and its competitiveness in attracting tournament and other non-local activity. Approximately 7,500 hotel rooms within Northern Kentucky, representing a wide array of brands, products and price points. Important to identify locations proximate to hospitality infrastructure to maximize economic impact & guest experience.
- LIMITATIONS IN TOURNAMENT-QUALITY FACILITIES: Research suggests that unmet demand exists in Northern Kentucky for a state-of-the-industry Amateur Sports Complex that is optimized for sports tourism attraction. Northern Kentucky and the surrounding region (including the greater Cincinnati metropolitan area) are limited in terms of facilities offering a critical mass of tournament-quality rectangle fields in a single facility/location. While there is a large competitive indoor court facility product in nearby Hamilton, Ohio, Northern Kentucky itself is limited in terms of dedicated indoor hardwood sports facilities offering multiple courts in a single facility.
- OPPORTUNITY TO BETTER SERVE LOCAL USERS: While optimized to attract sports tourism (i.e., tournaments, meets, and competitions), state-of-the-industry amateur sports facilities, such as a new state-of-the-industry rectangle multisport field complex and/or a new indoor court facility, would be expected to deliver substantial benefits to local Northern Kentucky residents and families 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 youth/amateur sports facilities—positively contributing to the quality of life for local citizens.
- SUPPLY AND DEMAND ISSUES: The exhibit on the following page presents a graphical summary of estimated amateur sports facility supply and demand in Northern Kentucky related to local user groups (lefthand side) and nonlocal, or sports tourism, user groups (righthand side). The diagonal dashed line indicates estimated relative equilibrium between supply and demand.

Summary of Estimated Northern Kentucky Amateur Sports Supply & Demand by Facility & Demand Type



Facility Concept & Program

Based on the findings of the market analysis, two facility concept scenarios have been developed for a new Amateur Sports Complex that would be expected to address unmet market demand in Northern Kentucky, as shown in the exhibit below.

Identified Facility Concept Scenarios for a New Amateur Sports Complex in Northern Kentucky

	FACILITY CONCEPT 1: Multisport Rectangle Field Complex	FACILITY CONCEPT 2: Indoor Sports Facility (Courts + Turf)
Concept:	12 full-sized multisport soccer fields. All synthetic turf fields. 345' x 210' per field. Including one championship field w/ 1,500 seats.	8 full-sized basketball courts (95' x 50' alleys). or 16 full-sized volleyball courts (60' x 30' alleys). plus 1 regulation-size indoor turf field (200' x 85').
Facility Size:	5.5 gross acres per field.	120,000 gross square feet.
Parking:	1,100 spaces.	950 spaces.
Site Size:	Apporoximately 70 acres.	Minimum of 10 acres.
Characteristics:	Lighting for all fields. Central hub with concessions and restrooms. Additional concessions/restrooms throughout. Pavilions/shaded areas. Field operations building. Warm-up space (open lawn space). Park entrance signage. Option for seasonal bubble over 1 turf field	Minimum 35-foot ceiling height. Dropdown nets to separate courts. Bleachers, scoreboards, athletic equipment. Locker/team rooms and party rooms. Fitness/wellness spaces and equipment. Walking track. Play areas. Food court / café. Performance and esports spaces (optional).

Site/Location, Development Opportunities & Business Model

Overall, there are a number of characteristics and factors are typically important when evaluating site locations, including:

- Size, cost, and ownership complexity of site.
- Nearby accessibility to major interstates/roadways.
- Driving proximity to primary population concentrations.
- Ability to leverage existing infrastructure/prior investment.
- Requirements/preferences of a private partner.
- Proximity to quality hotel inventory.
- Proximity to restaurants, retail, nightlife, and entertainment.
- Parking availability.
- Ingress/egress.
- Site visibility.
- Synergy with public sector initiatives/master plans.
- Compatibility with surroundings.

Given these factors, an ideal location for a new Amateur Sports Complex within Northern Kentucky would be one that is roughly centralized within the three-county area and is also conveniently accessible via major roadways to concentrations of residential neighborhoods and retail and hospitality pockets. A centralized location would serve to maximize both local access and opportunity to generate economic benefit from outside user groups and activities. However, identifying a centralized, large site (i.e., between 70 and 100 acres) will likely be challenging. All else equal, identifying a large enough site that is proximate to major roadways, residential and hospitality infrastructure is more important than selecting a centralized location. Finally, it is suggested that opportunities be investigated that would result in leveraging existing field complexes or parks to execute the Amateur Sports Complex project. With respect to Facility Concept 1 (Multisport Rectangle Field Complex), this could include expansion of existing fields, synthetic turf installation, addition of field lights, and other modern amenities constituent of state-of-the-industry tournament field complexes.

Based on the analysis conducted, the following represents recommendations concerning ownership and operation of a potential new Amateur Sports Complex in Northern Kentucky:

FACILITY OWNER & MODEL: Given the expected sports tourism mission of a potential new Amateur Sports Complex, along with the project's expected physical and operational characteristics (under either Facility Concept scenario), it is believed that the appropriate governance and oversight model for a new Sports Complex in Northern Kentucky would be a hybrid public/private model. This would involve public ownership via some governmental entity or sports authority (such as one of the three counties or a newly-created sports authority focusing on sports tourism), contracted private management, and an Oversight Board. Through coordination and collaboration with the facility owner, management team, tenant groups, and other local area facilities, the Oversight Board would be responsible for the Sports Complex's schedule and use calendar, as well as its rates and discounting policies. This type of structure could work to ensure equitable scheduling and rates, as well as mitigating cannibalization of local user group activity at existing local sports facilities. This would allow for appropriate scaling should the initial sports product development represent one of several phases of development of a larger amateur sports complex destination. The facility owner outlines facility policies informed by aims and goals for the facility. To refine these policies and ensure that they are being implemented by the private management firm, the facility owner would establish an Oversight Board populated by appointed facility and community stakeholders.

OVERSIGHT BOARD: The Oversight Board, a handful of appointed individuals with facility and community ties, has de facto control of the schedule and use calendar for the Amateur Sports Complex (or greater campus), as well as rates and discounting. The Oversight Board would initially work the County or Authority stakeholder and the selected Private Management Firm to establish a formal booking and scheduling policies, as well as policies related to rates and discounting. The Oversight Board would be best served if it included a mix of public sector and private sector members, including representatives of the County or Authority stakeholder, the contracted private management firm, key tenants/user groups, other existing local area athletic facilities, schools, tourism organizations, and/or other local business leaders. The Board would have established bylaws and would meet monthly.

PRIVATE MANAGEMENT FIRM: The private management firm hired by the Owner would be responsible for operating the Amateur Sports Complex as guided by defined Owner policies. A firm account executive on the national corporate level would directly report to the Owner's designee (or the Oversight Board, if it is organized with expanded responsibilities), and is responsible for hiring and overseeing the on-site complex staff. The account executive would also act as an intermediary for support functions provided by the firm's national corporate office, including human resources, brand and marketing strategy, financial reporting and legal/risk assistance. The firm is typically compensated with a flat annual management fee, plus incentive payments for producing desired results. Incentives could be based on achieving specific revenue goals, attendance, events, room night generation or other targets.

ON-SITE FACILITY STAFF: The facility general manager serves as the on-site lead and directly reports to the private management firm's property-specific account executive. The marketing coordinator oversees all facility marketing and sponsorship efforts, the tournament director works with third-party organizations to schedule tournaments, the local program director works with local organizations to schedule practices, league play and camps, the office manager oversees facility bookkeeping and the operations manager runs facility maintenance and food and beverage operations as well as oversees most of the part-time employees that are hired for event-specific operations. This on-site staff is responsible for operating the facility within the budget submitted by the private management firm and in coordination with Oversight Board.

Construction Costs (order-of-magnitude)

An analysis was conducted associated with order-of-magnitude hard construction costs pursuant to the two identified facility concepts. Site costs (acquisition and preparation) have not been included. Construction costs tend to vary widely among comparable sports facility projects. Many variables exist that influence actual realized construction costs, including type of facility, size, components, level of finish, integrated amenities, costs of goods and services in the local market, location and topography of the site, ingress/egress issues, and other such aspects. Importantly, a detailed architectural concept, design and costing study would be required to specifically determine construction costs for a potential new project.

Total order-of-magnitude development costs (including hard costs plus soft costs, but excluding site acquisition costs) for the two identified facilities concepts are as follows:

- Facility Concept 1 (Rectangle Field Complex) = $40 million
- Facility Concept 2 (Indoor Sports Facility) = $52 million

Cost / Benefit Analysis

An analysis was completed to produce key cost/benefit estimates associated with a potential new Amateur Sports Complex in Northern Kentucky. For purposes of this study effort, projections have been developed for each of the two identified facility concepts (Facility Concept 1 – Multisport Rectangle Field Complex and Facility Concept 2 – Indoor Sports Facility). A detailed market, financial and economic impact model was developed to consider a large number of variables and inputs to analyze each sport/use for a potential new Amateur Sports Complex in Northern Kentucky. 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.

Based on analysis results, a summary comparison of key assumptions and cost/benefit projections for new Amateur Sports Complex development opportunities in Northern Kentucky associated with the construction and annual operations of the two identified facility concepts is presented below (upon stabilization of operations, assumed to occur by the fourth full year of operations). A ROI estimate was also developed, as defined for this analysis by a ratio of incremental economic output relative to development costs. As shown, a new Amateur Sports Complex under Facility Concept 1 is estimated to deliver the highest tourism ROI among the two facility concept variations, while a new Amateur Sports Complex under Facility Concept 2 would be expected to generate the highest utilization of the two variations in terms of attendance (albeit with a greater percentage of local user attendance that does not drive net new economic impact within Northern Kentucky). Both facility concepts would positively add to the quality of life and provide other benefits to Northern Kentucky residents and families.

Summary Comparison of Key Estimates and Projections –
Identified Northern Kentucky Amateur Sports Complex Facility Concepts
(all figures represent annual amounts upon stabilization, except one-time development costs)

	FACILITY CONCEPT 1: Multisport Rectangle Field Complex	FACILITY CONCEPT 2: Indoor Sports Facility (Courts + Turf)
Owner	Public	Public
Operator	Private	Private
Development Costs	$40,000,000	$52,000,000
Financial Operating Profit (excluding debt service)	$110,901	$306,229
Tournaments	25	43
Attendee Days	389,412	448,275
Non-Local Attendee Days	113,686	89,571
Hotel Room Nights	20,301	15,995
Direct Spending	$15,711,692	$13,561,809
Economic Output	$26,473,353	$22,852,064
ROI (Output to Development Cost)	**0.66**	**0.44**

Note: Development costs and financial operating figures are order-of-magnitude estimates. Operating and economic figures represent annual amounts upon stabilization of operations (assumed Year 4).

1

INTRODUCTION

1 INTRODUCTION

Introduction & Background

Conventions, Sports & Leisure International (CSL) was retained by MeetNKY to conduct a feasibility study of a potential new Amateur Sports Complex in Northern Kentucky, comprising Boone, Campbell and Kenton counties. The purpose of the study is to assist MeetNKY and other stakeholders in evaluating key market, program, financial, economic and ownership/management aspects of a potential new Amateur Sports Complex.

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- 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 new Amateur Sports Complex in Northern Kentucky. Overall, more than 100 organizations were targeted, and more than 40 in-person and telephone interviews were completed with organizations representing in excess of 1,000 teams, leagues, tournaments, meets and competitions.

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 Characteristics & Trends Analysis
4. Competitive & Comparable Facility Analysis
5. Market Outreach, Interviews & Surveys
6. Program, Site & Preliminary Capital Cost Analysis
7. Financial Operating Analysis
8. Economic Impact Analysis
9. Ownership, Management, Funding & Partnership Options
10. Preparation & Presentation of Final Report

2

LOCAL & REGIONAL CONDITIONS

2 LOCAL & REGIONAL CONDITIONS

Introduction

An important component in assessing the potential success of a new Amateur Sports Complex in Northern Kentucky is the profile of the local and regional market. The strength of a market in terms of its ability to support and utilize amateur 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 ability of a community to host youth/amateur sports activities and attract sports tourism tournaments, meets and competitions.

Characteristics to be discussed in this chapter include transportation accessibility of the market, inventory of sleeping rooms to accommodate non-local participants and families, the strength of the local economy as presented by a summary of the corporate base, the existing/future inventory of local sports facilities and an analysis of state and regional facilities that may present competition for sports tourism activities.

Northern Kentucky Destination

Northern Kentucky, the northernmost region of Kentucky encompassing Boone County, Campbell County, and Kenton County, is located just south of the Ohio River and the Cincinnati metropolitan area. From a visitor/tourist standpoint, Northern Kentucky is closely connected to Cincinnati and often considered to be part of the Cincinnati metropolitan area. The largest cities in each of the three constituent counties are Covington, Florence, and Independence. The northernmost areas in each of the three counties are urban and suburban in nature, with more rural makeup of each of the counties at their southern ends.

The population of Northern Kentucky is approximately 406,000, while the estimated population of the greater Cincinnati metropolitan area (including Northern Kentucky) is approximately 2.3 million.

Northern Kentucky is accessible via I-71/75 and several US highways. The Northern Kentucky and Cincinnati destinations are directly served by the Northern Kentucky/Cincinnati International Airport (CVG), located in Hebron, Kentucky. The airport is a major transportation hub and provides non-stop service to various cities via Southwest, American, United, Frontier, Delta, Allegiant, Breeze Airways, and Air Canada Airlines.

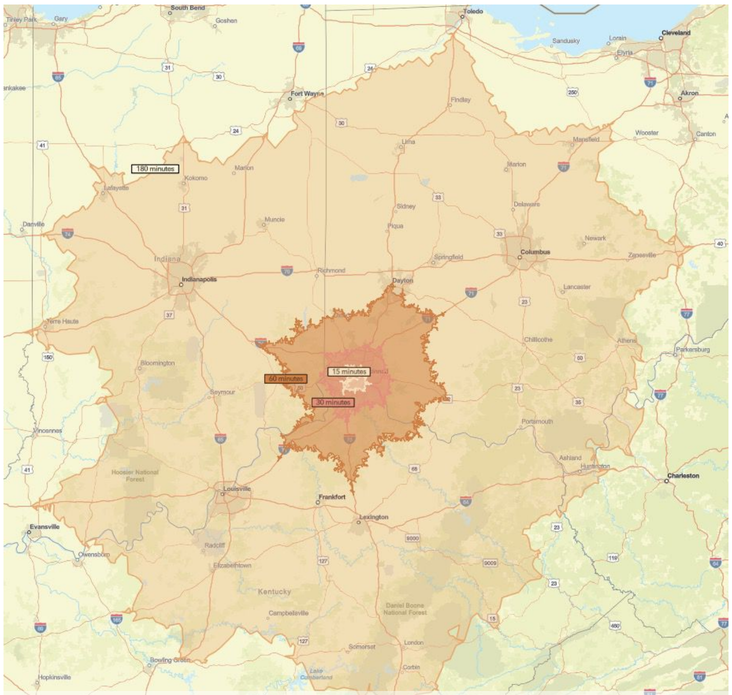
Northern Kentucky has a diverse economy with a mix of industries, including manufacturing, healthcare, education, and logistics. The region is home to several universities and colleges, including Northern Kentucky University (NKU), Thomas More University, and Gateway Community and Technical College.

In addition to the large array of attractions and amenities located in Cincinnati, Northern Kentucky itself offers various attractions, such as the Newport Aquarium, Newport on the Levee entertainment complex, the William Howard Taft National Historic Site, General James Taylor Park, the Creation Museum, and a variety of outdoor parks and recreational activities.

2 LOCAL & REGIONAL CONDITIONS

Location & Accessibility

Transportation access is vital to the success of any amateur sports facility or complex. 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 Northern Kentucky (using NKCC as a center point) with other nearby markets and the markets/land area captured within 15, 30, 60 and 180 minutes of drive-time to downtown Covington. These distances will be utilized on the subsequent page and throughout the report for purposes of comparing demographic and socioeconomic variables.



Note: Covington used as point of origin for drive time distances.
Source: ESRI, Google Maps, 2023.

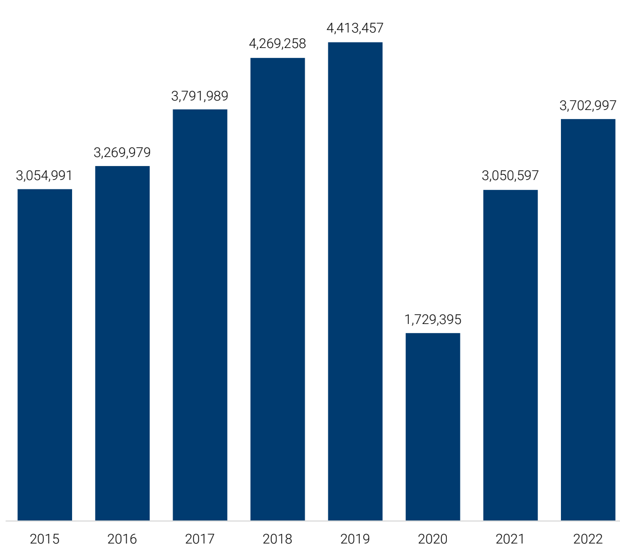
City, State	Distance to NKY (miles)	Drive Time (hrs:min)	Metro Area Population
Cincinnati, OH	2	0:05	1,775,000
Dayton, OH	55	1:12	746,000
Lexington, KY	81	1:27	344,000
Louisville, KY	98	1:36	1,395,900
Columbus, OH	110	1:45	1,708,000
Indianapolis, IN	113	1:50	2,075,000
Fort Wayne, IN	180	3:15	426,100
Knoxville, TN	250	3:40	784,000
Cleveland, OH	250	3:50	2,077,000
Detroit, MI	265	4:03	4,390,000
Nashville, TN	272	4:09	1,315,000
Pittsburgh, PA	289	4:27	2,350,000
Chicago, IL	295	4:41	9,806,200
Charleston, NC	334	5:47	734,000

Air Access

Airlift accessibility to a destination can be an important decision criteria for certain tournament planners and sports tourism participants. Tournament producers and participant families prefer fewer layovers, competitive flight costs and flexible flight options.

As a mid-sized destination, Northern Kentucky is unique in that it is accessible by a large, international airport. The Cincinnati/Northern Kentucky International Airport (CVG) generally received positive reviews from stakeholders and event planners that were interviewed as part of this study process. Enplanements at CVG were steadily increasing from 2015 to 2019, with a significant drop during COVID. Following COVID, enplanement figures are returning to normal levels, with 2022 figures being closely comparable to 2017 levels.

Annual Enplanements by Year –
Cincinnati / Northern Kentucky International Airport



Source: FAA, 2023.

2 LOCAL & REGIONAL CONDITIONS

Climate Conditions

A key consideration in both league play and tournament organizers' decisions to book a facility/site is the climate of the local area, particularly for outdoor events during times of extreme temperatures or excessive precipitation. The chart to the right summarizes the average monthly maximum and minimum temperatures as well as precipitation and snowfall for Northern Kentucky.

Overall, Northern Kentucky experiences a moderate climate with four distinct seasons. The average annual temperature in the region is around 55 degrees Fahrenheit, with warm temperatures during the summer months and cold temperatures near freezing during winter months.

In terms of playing surfaces, synthetic turf can offer a significant advantage for sports activities in this region. The use of synthetic fields minimizes the risk of cancellations due to inclement weather and allows for continuous play even during periods of rain. Further, as will be discussed later in this report, relative to the rest and maintenance required of tournament-quality natural grass fields, synthetic turf fields typically result in significantly higher levels of use hours with lower maintenance costs.

Average Temperature & Precipitation by Month – Northern Kentucky Area

Month	Temperature (°F)			Precipitation	Snowfall
	Maximum	Minimum	Average	Avg (inches)	Avg (inches)
January	40	25	32	2.1	2.8
February	44	28	34	2.2	3.0
March	55	36	44	3.1	1.1
April	66	45	55	3.8	0.1
May	75	55	64	4.1	0.0
June	82	63	72	3.5	0.0
July	86	67	76	3.2	0.0
August	85	65	74	2.6	0.0
September	78	58	67	2.5	0.0
October	67	46	56	2.8	0.0
November	55	37	45	2.9	0.2
December	44	30	36	2.8	1.8
Average	65	46	55	2.97	0.75

Source: Weather Spark, 2023.

Demographic & Socioeconomic Characteristics

The exhibit below presents a summary of key demographic metrics associated with the three counties within Northern Kentucky, along side the region, state of Kentucky and United States benchmarking data. As shown in the exhibit, the estimated population within Northern Kentucky is approximately 405,600. Population within Boone County is expected to grow at a rate higher than that projected for the other counties comprising Northern Kentucky.

Key Northern Kentucky Demographic Statistics Relative to State and U.S. Averages

DEMOGRAPHIC VARIABLE	Boone County	Campbell County	Kenton County	Northern Kentucky	State of Kentucky	United States
POPULATION:						
2010 Total Population	118,811	90,336	159,720	368,867	4,339,367	308,745,538
2023 Total Population	140,981	93,934	170,696	405,611	4,537,160	335,707,897
2028 Total Population	145,678	95,055	172,248	412,981	4,569,772	339,902,796
Annual Growth Rate (2010-2023)	1.6%	0.3%	0.6%	0.8%	0.4%	0.7%
Annual Growth Rate (2023-2028)	0.7%	0.2%	0.2%	0.4%	0.1%	0.2%
AGE:						
Median Age	37.9	39.4	38.3	38.5	40.2	38.9
Under 15	21.2%	17.1%	19.6%	19.3%	17.8%	18.1%
15 to 24	11.8%	12.4%	11.6%	11.9%	12.2%	12.8%
25 to 34	12.9%	14.5%	14.0%	13.8%	13.2%	14.0%
35 to 44	14.4%	13.0%	13.9%	13.8%	12.9%	12.8%
45 to 54	13.0%	11.6%	12.0%	12.2%	12.4%	12.0%
55 and over	26.8%	31.5%	29.0%	29.1%	31.6%	30.3%
HOUSEHOLD INCOME:						
Median Household Income	$84,138	$75,748	$75,686	$78,524	$57,014	$72,414
Per Capita Income	$42,183	$45,344	$38,843	$42,123	$32,336	$40,363
INCOME DISTRIBUTION:						
$0 to $24,999	8.0%	16.3%	13.8%	12.7%	21.4%	15.8%
$25,000 to $49,999	17.3%	18.1%	19.5%	18.3%	21.6%	18.6%
$50,000 to $74,999	19.1%	15.1%	16.2%	16.8%	18.8%	16.9%
$75,000 to $99,999	12.9%	12.6%	13.6%	13.0%	13.3%	13.2%
$100,000 to $149,999	23.2%	17.9%	21.7%	20.9%	14.5%	17.2%
$150,000 or more	19.5%	20.1%	15.2%	18.2%	10.3%	18.3%

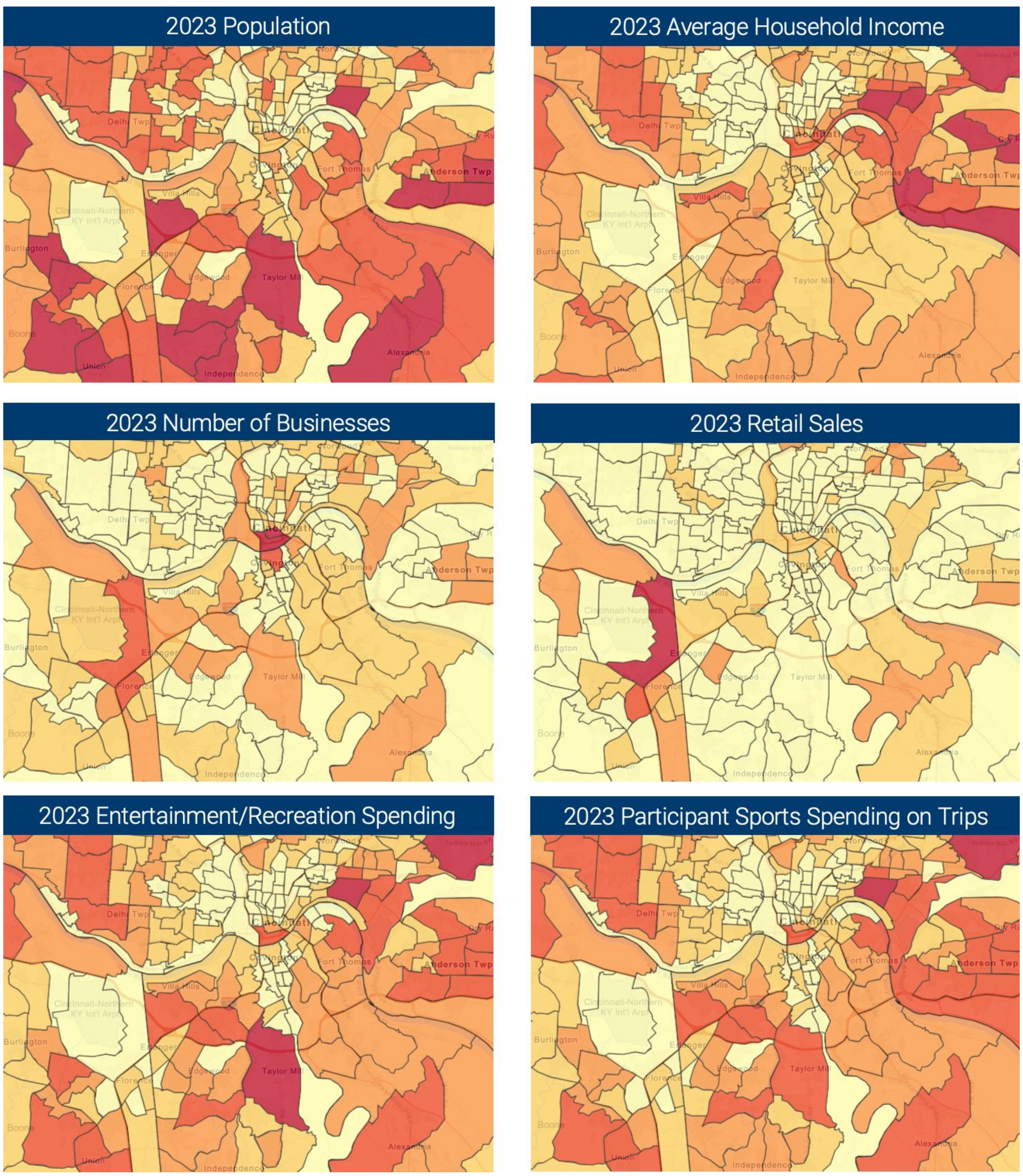
Source: Esri, 2023.

Household income is an important socioeconomic characteristic of host markets that typically impacts facility performance. Estimated median household income for all the counties within Northern Kentucky are significantly higher than that of the state of Kentucky. Median age is another important demographic in terms of the long-term viability of a new youth/amateur sports facility in Northern Kentucky. Northern Kentucky is younger than state and national metrics regarding median age. When analyzing the age distribution of the population, a higher percentage of the population within Northern Kentucky represents persons under the age of 15, as compared with state and national figures. Additionally, the population age 55 or older in Northern Kentucky is lower than state and national metrics. This is critical to consider when developing age-appropriate youth/amateur sports facilities to serve community members.

The regional corporate base (number of companies) also can play an important role in the success of amateur sports facilities/complexes. Corporate sponsorships and donations are potential sources of capital funding and operating income for amateur sports and recreation facilities, in the form of sponsorships, banners, scoreboard advertising and other such opportunities; many of which would be relatively inexpensive.

The maps below detail heat maps by census tract that show the Northern Kentucky area. 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).

Demographic Heat Maps by Census Tract for the Greater Northern Kentucky Area

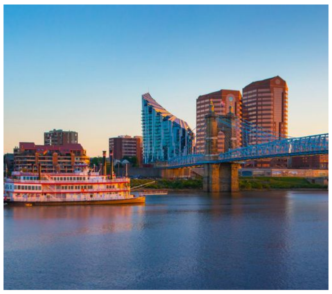


Source: Esri, 2023.

2 LOCAL & REGIONAL CONDITIONS

Submarket Analysis

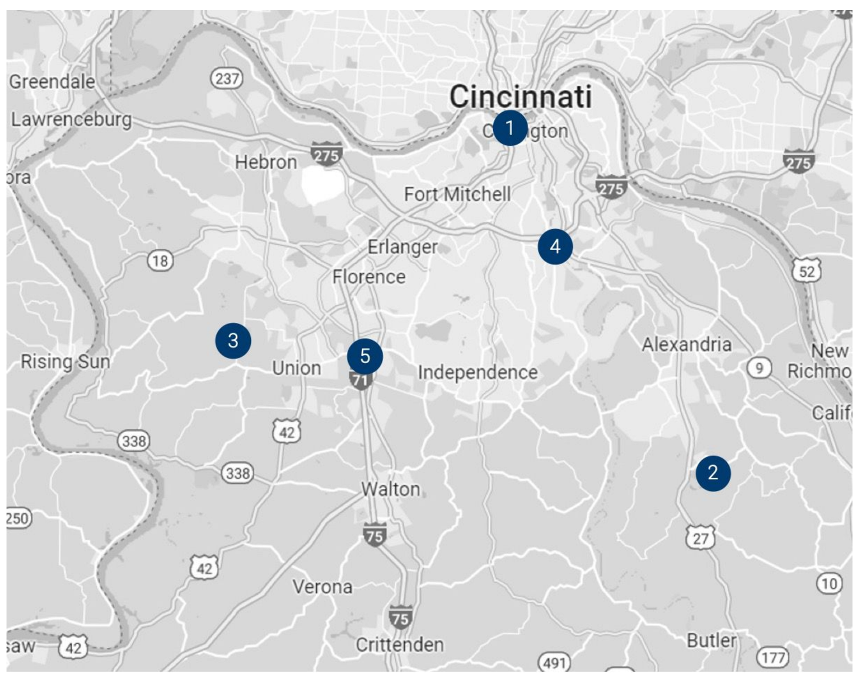
In addition to the overall market demographic and socioeconomic profile, it is also useful to evaluate the demographics of submarkets surrounding various existing sports/recreation facility sites or logical potential site locations within the Northern Kentucky market that may represent opportunities for a new Amateur Sports Complex.




As presented below, five (5) specific geographic locations have been identified in Northern Kentucky that represent geographic variation in terms of location within the region, most of which accommodate existing sports and recreation facility products. At this point in the analysis, these locations are not necessarily meant to suggest recommended site locations for any product development; rather, they are intended to demonstrate differences in the demographic profile of distinct areas within Northern Kentucky.

Identified Northern Kentucky Demographic Sub-Markets

1. DOWNTOWN COVINGTON (Kenton County)
2. A.J. JOLLY PARK (Campbell County)
3. CENTRAL PARK (Boone County)
4. TOWN & COUNTRY SPORTS (Campbell County)
5. SPORTS OF ALL SORTS (Boone County)



The exhibit on the following page presents a summary of key demographic metrics associated with a 15-minute drive time of the given geographic areas identified. On the pages that follow, demographic data is additionally provided for 30-, 60- and 180-minute drive of the various sub-market locations in Northern Kentucky.

15-Minute Drive Time Submarket Demographics Surrounding Alternate Site Locations

DEMOGRAPHIC VARIABLE	1 - Downtown Covington	2 - A.J. Jolly Park	3 - Boone County Central Park	4 - Town & Country Sports	5 - Sports of All Sorts
POPULATION:					
2010 Total Population	339,406	21,192	74,627	211,339	160,463
2023 Total Population	351,213	24,207	89,776	219,997	185,293
2028 Total Population	354,600	24,893	93,373	222,512	190,213
Annual Growth Rate (2010-2023)	0.3%	1.2%	1.7%	0.3%	1.3%
Annual Growth Rate (2023-2028)	0.2%	0.6%	0.8%	0.2%	0.5%
AGE:					
Median Age	35.1	40.9	38.2	38.7	38.1
Population age 25 to 44	28.8%	26.0%	26.7%	28.5%	27.2%
AGE DISTRIBUTION:					
Under 15	17.1%	18.1%	20.8%	17.5%	20.4%
15 to 24	16.9%	10.9%	12.1%	12.3%	12.1%
25 to 34	16.0%	13.7%	12.7%	14.8%	13.2%
35 to 44	12.8%	12.3%	14.1%	13.8%	14.1%
45 to 54	10.4%	12.6%	13.3%	11.4%	12.5%
55 and over	26.9%	32.5%	27.1%	30.3%	27.9%
HOUSEHOLD INCOME:					
Median Household Income	$53,482	$95,251	$85,168	$66,334	$78,922
Per Capita Income	$39,392	$46,199	$43,035	$43,799	$40,782
INCOME DISTRIBUTION:					
$0 to $24,999	26.8%	9.4%	7.5%	20.6%	9.6%
$25,000 to $49,999	20.4%	14.4%	17.5%	18.5%	18.5%
$50,000 to $74,999	14.8%	14.0%	19.1%	14.9%	19.2%
$75,000 to $99,999	10.7%	14.4%	12.6%	12.3%	13.8%
$100,000 to $149,999	13.2%	21.5%	23.7%	16.6%	21.1%
$150,000 or more	14.2%	26.4%	19.7%	17.0%	17.9%
POPULATION BY RACE/ETHNICITY:					
White/Caucasian	63.0%	93.7%	82.8%	78.1%	83.3%
Black/African American	24.6%	0.6%	4.2%	11.5%	4.3%
American Indian	0.3%	0.1%	0.3%	0.3%	0.3%
Asian	2.5%	0.7%	3.1%	1.6%	2.2%
Pacific Islander	0.1%	0.0%	0.2%	0.2%	0.2%
Other Race	3.0%	0.6%	2.6%	2.0%	2.7%
Two or More Races	6.4%	4.3%	6.8%	6.3%	6.9%
Hispanic Origin	5.5%	1.2%	6.3%	4.3%	6.2%
Diversity Index	58.5	14.1	38.9	42.4	37.9
BUSINESS:					
Total Business 2023	16,243	550	2,400	12,068	6,784
Total Employees 2023	365,250	5,307	32,166	269,464	101,928
Employee to Residential Pop. Ratio	1.04	0.22	0.36	1.22	0.55

Source: Esri, 2023.

As shown above, the population base within 15 minutes of Downtown Covington, using the Northern Kentucky Convention Center as a center point (Location 1) is the largest among the sub-locations analyzed. Nearby population density tends to be an important indicator of utilization levels, as the level of population impacts the "local" utilization (largely mid-week) of sports/recreation facilities. Median household income is strongest in the submarket surrounding A.J. Jolly Park in Campbell County (Location 2). 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, also tending to be correlated with higher levels of involvement in travel sports by families. The affluence of area households can also impact the types of programming that will be most successful at a new Amateur Sports Complex.

The demographic and socioeconomic comparison of the five identified geographic areas is presented below in terms of drive time within 30 minutes. This drive time metric is considered particularly relevant for comparison of the most likely "local" base of sports and recreation participation for traditional sports leagues, clubs and recreation (all important for driving utilization and revenues in typical amateur sports facilities). As shown, as with the previous submarket metric comparison, the population within 30 minutes' drive of Downtown Covington (Location 1) is strongest. Median household income is highest within 30 minutes' drive time of Boone County/Central Park (Location 3). As the driving distance measurements considered increase, the difference among metrics tends to lessen.

30-Minute Drive Time Submarket Demographics Surrounding Alternate Site Locations

DEMOGRAPHIC VARIABLE	1 - Downtown Covington	2 - A.J. Jolly Park	3 - Boone County Central Park	4 - Town & Country Sports	5 - Sports of All Sorts
POPULATION:					
2010 Total Population	1,216,946	250,291	328,389	1,069,006	730,645
2023 Total Population	1,290,579	263,281	361,839	1,134,549	776,466
2028 Total Population	1,297,223	265,683	369,197	1,142,698	784,808
Annual Growth Rate (2010-2023)	0.5%	0.4%	0.8%	0.5%	0.5%
Annual Growth Rate (2023-2028)	0.1%	0.2%	0.4%	0.1%	0.2%
AGE:					
Median Age	38.8	38.8	38.1	38.6	37.3
Population age 25 to 44	26.7%	28.1%	28.0%	26.8%	27.6%
AGE DISTRIBUTION:					
Under 15	18.3%	17.9%	19.7%	18.4%	18.5%
15 to 24	12.9%	12.2%	11.9%	13.1%	14.0%
25 to 34	13.6%	14.5%	14.0%	13.7%	14.4%
35 to 44	13.1%	13.7%	14.1%	13.2%	13.3%
45 to 54	11.6%	11.8%	12.1%	11.7%	11.5%
55 and over	30.5%	29.9%	28.3%	30.0%	28.4%
HOUSEHOLD INCOME:					
Median Household Income	$69,203	$70,387	$74,372	$67,839	$65,370
Per Capita Income	$42,379	$42,799	$40,504	$42,013	$40,172
INCOME DISTRIBUTION:					
$0 to $24,999	17.9%	19.1%	14.6%	18.6%	19.6%
$25,000 to $49,999	18.7%	18.1%	18.4%	18.8%	19.2%
$50,000 to $74,999	16.2%	15.0%	17.3%	16.3%	16.2%
$75,000 to $99,999	12.7%	13.0%	13.2%	12.6%	12.2%
$100,000 to $149,999	17.4%	17.6%	19.8%	16.9%	17.0%
$150,000 or more	17.1%	17.4%	16.7%	17.0%	15.8%
POPULATION BY RACE/ETHNICITY:					
White/Caucasian	70.2%	81.1%	82.4%	72.8%	73.1%
Black/African American	17.8%	9.6%	6.2%	16.3%	15.7%
American Indian	0.3%	0.2%	0.3%	0.3%	0.3%
Asian	3.0%	1.4%	1.8%	2.3%	2.1%
Pacific Islander	0.1%	0.1%	0.2%	0.1%	0.1%
Other Race	2.5%	1.6%	2.4%	2.2%	2.5%
Two or More Races	6.2%	5.9%	6.7%	6.1%	6.2%
Hispanic Origin	4.9%	3.7%	5.4%	4.4%	4.9%
Diversity Index	51.9	37.6	38.2	48.7	48.9
BUSINESS:					
Total Business 2023	50,341	12,604	14,127	40,733	27,990
Total Employees 2023	872,799	270,539	265,035	695,121	523,453
Employee to Residential Pop. Ratio	0.68	1.03	0.73	0.61	0.67

Source: Esri, 2023.

As presented below, the population base within 60 minutes' drive increases considerably for all the sub-locations evaluated. Being the northern-most sub-location, the Downtown Covington location (Location 1) possesses the highest population within 60 minutes' drive. This is an important factor to consider when evaluating a potential new Amateur Sports Complex, as greater populated communities often have a wider array of sport offerings in the form of participants, leagues and clubs that drive local utilization and are indirectly related to the attraction of nonlocal tournaments/competitions.

60-Minute Drive Time Submarket Demographics Surrounding Alternate Site Locations

DEMOGRAPHIC VARIABLE	1 - Downtown Covington	2 - A.J. Jolly Park	3 - Boone County Central Park	4 - Town & Country Sports	5 - Sports of All Sorts
POPULATION:					
2010 Total Population	2,348,764	1,738,137	1,789,244	2,137,180	2,058,462
2023 Total Population	2,505,729	1,848,106	1,897,037	2,283,986	2,207,764
2028 Total Population	2,521,211	1,860,566	1,907,936	2,300,438	2,226,101
Annual Growth Rate (2010-2023)	0.6%	0.5%	0.5%	0.6%	0.6%
Annual Growth Rate (2023-2028)	0.1%	0.1%	0.1%	0.1%	0.2%
AGE:					
Median Age	39.5	39.3	39.3	39.4	39.3
Population age 25 to 44	25.9%	26.3%	26.3%	26.2%	26.3%
AGE DISTRIBUTION:					
Under 15	18.4%	18.6%	18.6%	18.8%	18.8%
15 to 24	12.7%	12.5%	12.5%	12.4%	12.4%
25 to 34	12.9%	13.2%	13.2%	13.1%	13.1%
35 to 44	13.0%	13.1%	13.1%	13.2%	13.2%
45 to 54	12.1%	12.1%	12.1%	12.2%	12.2%
55 and over	30.9%	30.6%	30.6%	30.5%	30.3%
HOUSEHOLD INCOME:					
Median Household Income	$74,648	$73,922	$73,451	$74,772	$74,255
Per Capita Income	$41,967	$42,569	$42,217	$41,844	$41,648
INCOME DISTRIBUTION:					
$0 to $24,999	15.8%	16.5%	16.5%	15.9%	16.1%
$25,000 to $49,999	18.1%	17.8%	18.1%	18.0%	18.0%
$50,000 to $74,999	16.3%	16.2%	16.2%	16.2%	16.3%
$75,000 to $99,999	13.5%	13.1%	13.2%	13.6%	13.5%
$100,000 to $149,999	18.0%	17.9%	17.8%	18.1%	18.0%
$150,000 or more	18.3%	18.5%	18.3%	18.3%	18.2%
POPULATION BY RACE/ETHNICITY:					
White/Caucasian	76.1%	74.0%	73.9%	75.7%	75.2%
Black/African American	12.0%	13.9%	13.8%	12.3%	12.7%
American Indian	0.3%	0.3%	0.3%	0.3%	0.3%
Asian	3.3%	3.5%	3.4%	3.3%	3.2%
Pacific Islander	0.1%	0.1%	0.1%	0.1%	0.1%
Other Race	2.2%	2.2%	2.4%	2.3%	2.4%
Two or More Races	6.1%	6.1%	6.1%	6.1%	6.2%
Hispanic Origin	4.6%	4.5%	4.8%	4.6%	4.8%
Diversity Index	45.4	47.8	48.2	45.9	46.7
BUSINESS:					
Total Business 2023	85,202	65,737	67,472	77,021	74,831
Total Employees 2023	1,364,121	1,070,991	1,098,415	1,226,048	1,191,558
Employee to Residential Pop. Ratio	0.54	0.58	0.58	0.54	0.54

Source: Esri, 2023.

As presented below, the population base within 180 minutes is very high and similar across each of the evaluated sub-locations. Three hours' drive time is considered to represent the periphery of the practical distance for most drive-in tournament activity at facilities/complexes throughout the country.

180-Minute Drive Time Submarket Demographics Surrounding Alternate Site Locations

DEMOGRAPHIC VARIABLE	1 - Downtown Covington	2 - A.J. Jolly Park	3 - Boone County Central Park	4 - Town & Country Sports	5 - Sports of All Sorts
POPULATION:					
2010 Total Population	13,180,144	12,007,708	12,261,182	12,848,071	12,844,139
2023 Total Population	14,085,473	12,916,326	13,173,843	13,753,941	13,763,787
2028 Total Population	14,208,718	13,044,082	13,302,410	13,878,017	13,890,207
Annual Growth Rate (2010-2023)	0.6%	0.6%	0.6%	0.6%	0.6%
Annual Growth Rate (2023-2028)	0.2%	0.2%	0.2%	0.2%	0.2%
AGE:					
Median Age	39.4	39.3	39.4	39.5	39.5
Population age 25 to 44	26.2%	26.3%	26.2%	26.2%	26.2%
AGE DISTRIBUTION:					
Under 15	18.0%	18.1%	18.1%	18.1%	18.1%
15 to 24	13.1%	13.0%	12.9%	12.9%	12.9%
25 to 34	13.2%	13.2%	13.2%	13.1%	13.1%
35 to 44	13.0%	13.1%	13.1%	13.1%	13.1%
45 to 54	12.0%	12.1%	12.1%	12.1%	12.1%
55 and over	30.7%	30.6%	30.7%	30.8%	30.8%
HOUSEHOLD INCOME:					
Median Household Income	$64,756	$65,884	$65,678	$65,135	$65,150
Per Capita Income	$37,353	$37,956	$37,793	$37,550	$37,540
INCOME DISTRIBUTION:					
$0 to $24,999	17.6%	17.3%	17.3%	17.5%	17.5%
$25,000 to $49,999	20.2%	19.8%	19.9%	20.1%	20.0%
$50,000 to $74,999	18.1%	18.0%	18.0%	18.1%	18.0%
$75,000 to $99,999	13.5%	13.5%	13.5%	13.5%	13.5%
$100,000 to $149,999	16.3%	16.5%	16.5%	16.4%	16.4%
$150,000 or more	14.4%	14.9%	14.7%	14.5%	14.5%
POPULATION BY RACE/ETHNICITY:					
White/Caucasian	77.1%	76.3%	76.6%	77.0%	77.1%
Black/African American	10.8%	11.4%	11.2%	10.9%	10.9%
American Indian	0.3%	0.3%	0.3%	0.3%	0.3%
Asian	2.9%	3.0%	3.0%	2.9%	2.9%
Pacific Islander	0.1%	0.1%	0.1%	0.1%	0.1%
Other Race	2.6%	2.7%	2.7%	2.7%	2.6%
Two or More Races	6.2%	6.2%	6.2%	6.2%	6.1%
Hispanic Origin	5.5%	5.5%	5.5%	5.4%	5.4%
Diversity Index	45.2	46.1	45.9	45.2	45.1
BUSINESS:					
Total Business 2023	459,616	422,104	431,257	447,768	448,670
Total Employees 2023	6,933,236	6,370,116	6,512,741	6,758,923	6,767,871
Employee to Residential Pop. Ratio	0.49	0.49	0.49	0.49	0.49

Source: Esri, 2023.

The exhibit below highlights a summary comparison of key demographic metrics across the five reviewed locations, showing similarities and differences in the metrics as the driving distance from each location progresses.

Overall Summary of Submarket Demographics Surrounding Alternate Site Locations

Demographic Metric by Submarket	1 - Downtown Covington	2 - A.J. Jolly Park	3 - Boone County Central Park	4 - Town & Country Sports	5 - Sports of All Sorts
15-MIN DRIVE TIME					
2023 Total Population	351,213	24,207	89,776	219,997	185,293
Historical Annual Growth Rate (2010-2023)	0.3%	1.2%	1.7%	0.3%	1.3%
Median Age	35.1	40.9	38.2	38.7	38.1
Population age 25 to 44	28.8%	26.0%	26.7%	28.5%	27.2%
Median Household Income	$53,482	$95,251	$85,168	$66,334	$78,922
30-MIN DRIVE TIME					
2023 Total Population	1,290,579	263,281	361,839	1,134,549	776,466
Historical Annual Growth Rate (2010-2023)	0.5%	0.4%	0.8%	0.5%	0.5%
Median Age	38.8	38.8	38.1	38.6	37.3
Population age 25 to 44	26.7%	28.1%	28.0%	26.8%	27.6%
Median Household Income	$69,203	$70,387	$74,372	$67,839	$65,370
60-MIN DRIVE TIME					
2023 Total Population	2,505,729	1,848,106	1,897,037	2,283,986	2,207,764
Historical Annual Growth Rate (2010-2023)	0.6%	0.5%	0.5%	0.6%	0.6%
Median Age	39.5	39.3	39.3	39.4	39.3
Population age 25 to 44	25.9%	26.3%	26.3%	26.2%	26.3%
Median Household Income	$74,648	$73,922	$73,451	$74,772	$74,255
180-MIN DRIVE TIME					
2023 Total Population	14,085,473	12,916,326	13,173,843	13,753,941	13,763,787
Historical Annual Growth Rate (2010-2023)	0.6%	0.6%	0.6%	0.6%	0.6%
Median Age	39.4	39.3	39.4	39.5	39.5
Population age 25 to 44	26.2%	26.3%	26.2%	26.2%	26.2%
Median Household Income	$64,756	$65,884	$65,678	$65,135	$65,150

Source: Esri, 2023.

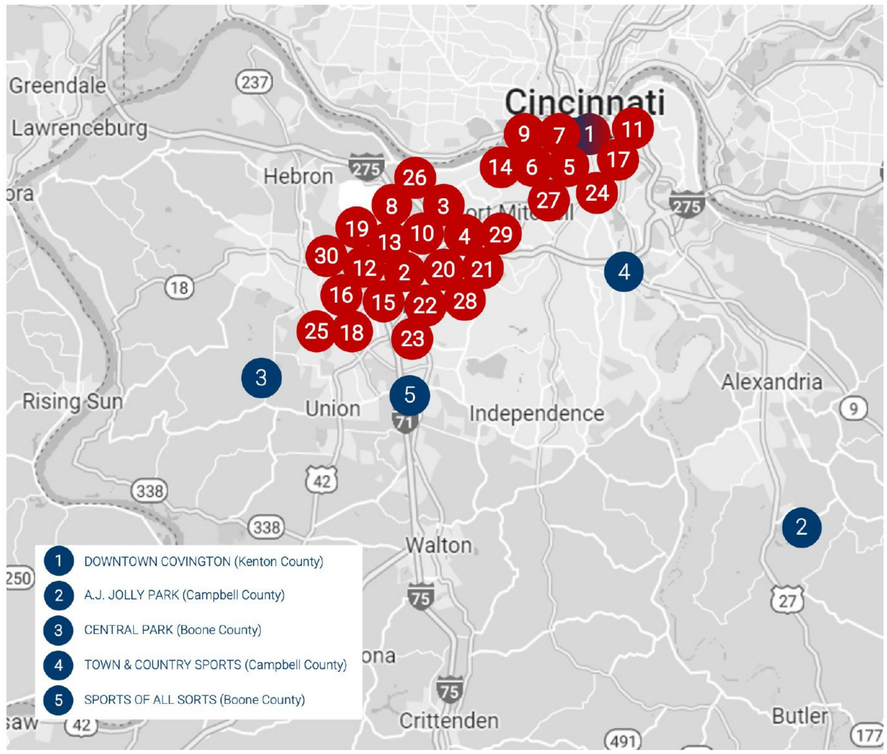
2 LOCAL & REGIONAL CONDITIONS

Hotel Inventory

The charts and map below summarize the key lodging facilities located in Northern Kentucky. There are more than 4,700 rooms and a wide array of service levels and price points within the 30 lodging properties offering at least 100 sleeping rooms, including significant clusters in Covington and Florence. When considering smaller and non-traditional lodging properties, nearly 7,500 lodging guest rooms are offered in total throughout Northern Kentucky. Additionally, a substantial amount of hotel inventory is also located north of the Ohio River in downtown Cincinnati and throughout the greater Cincinnati metro area.

Primary Lodging Properties in Northern Kentucky

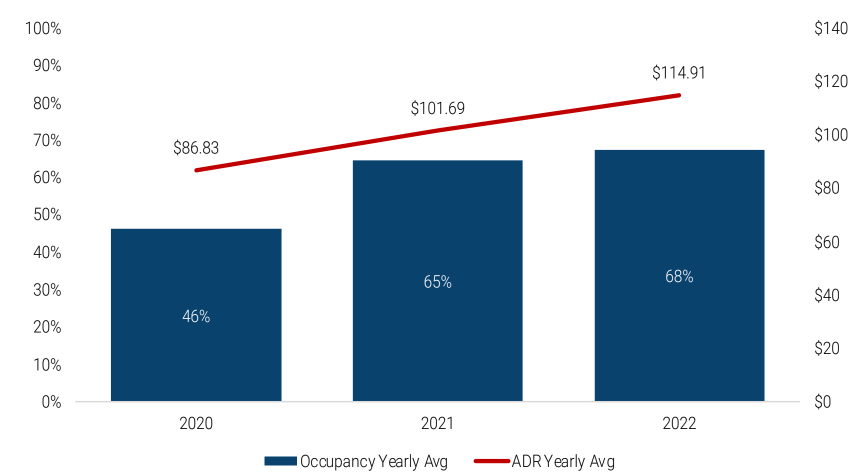
Key	Hotel	City	Guest Rooms
1	Marriott / RiverCenter	Covington	321
2	Hilton Cincinnati Airport	Florence	314
3	Marriott / Cincinnati Airport	Hebron	302
4	Holiday Inn / Cincinnati Airport	Erlanger	287
5	Embassy Suites RiverCenter	Covington	227
6	Radisson Hotel / Cincinnati Riverfront	Covington	220
7	Courtyard by Marriott / Covington	Covington	194
8	Doubletree by Hilton Cincinnati Airport	Cincinnati	177
9	Holiday Inn / Riverfront	Covington	155
10	Residence Inn Marriott / Cincinnati Airport	Erlanger	150
11	Aloft Newport on the Levee	Newport	144
12	Red Roof Inn Erlanger	Erlanger	135
13	Country Inn & Suites Erlanger	Erlanger	135
14	Holiday Inn Express Cincinnati Riverfront	Covington	127
15	Hyatt Place Cincinnati Airport	Florence	126
16	Fairfield Inn & Suites Cincinnati Newport	Newport	124
17	Hampton Inn & Suites Newport/Cincinnati	Newport	122
18	Stay Lodge of Florence	Florence	121
19	Courtyard by Marriott / Cincinnati Airport	Erlanger	120
20	Quality Inn & Suites	Florence	120
21	Hampton Inn / Cincinnati Airport South	Florence	116
22	Days Inn Florence	Florence	115
23	Wildwood Inn	Florence	115
24	Hotel Covington	Covington	114
25	Home2Suites by Hilton Florence	Florence	109
26	Quality Inn & Suites / Erlanger	Erlanger	107
27	Extended Stay America / Covington	Covington	105
28	Towneplace Suites Florence	Florence	105
29	Extended Stay America Florence Turfway	Florence	101
30	SpringHill Suites Cincinnati Airport South	Florence	101
	TOTAL (properties with more than 100 rooms)		4,709
	TOTAL (all properties)		7,479



Note: Considers short-term lodging properties offering more than 100 guest rooms.
Source: MeetNKY, CSL research, facility interviews, Google maps, 2023.

As shown to the right, the Northern Kentucky hotel market experienced notable growth emerging from COVID from 2020 to 2021, with average occupancy rates nearing 70 percent (typically a key benchmark indicating a healthy hotel marketplace). Average daily rate (ADR) has followed a similar growth pattern to that of occupancy in Northern Kentucky. This growth supports existing trends within the hotel industry following COVID, in which ADR across the country is experiencing significant growth without mitigating occupancy levels.

Yearly Occupancy and ADR Averages – Northern Kentucky Hotels



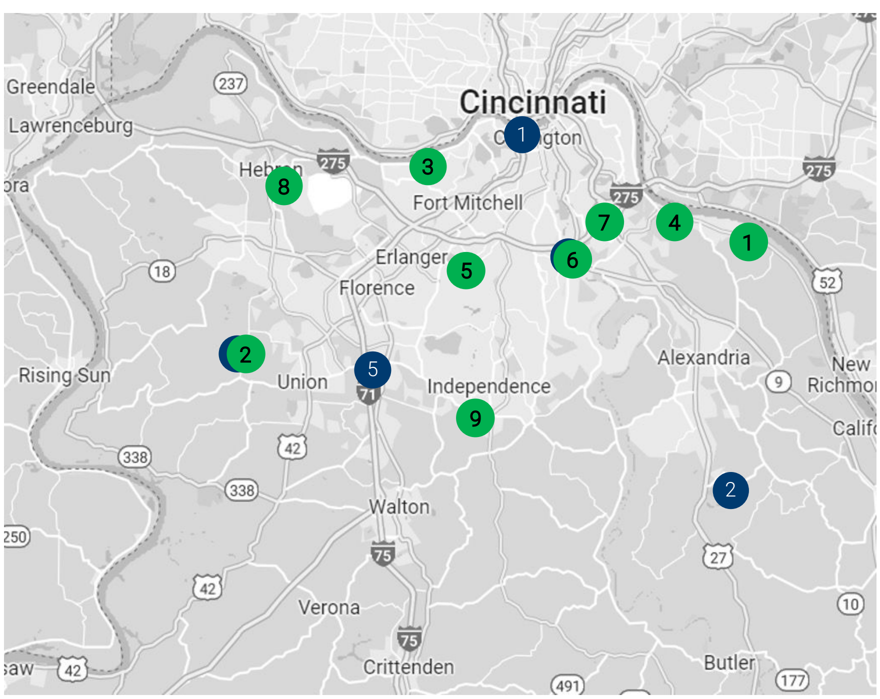
Source: STR, MeetNKY, 2023.

Local Area 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 Amateur Sports Complex project. There are presently a limited number of facilities within Northern Kentucky that offer high quality facilities and multiple sports surfaces that could potentially compete for the types of sports tourism business (i.e., tournaments, meets and competitions) that modern, state-of-the-industry sports facilities/complexes could. This page highlights the inventory of outdoor rectangle fields in the region, and we will analyze the inventory of other youth/amateur sports facilities on subsequent pages. There are nine facilities listed below; offering at least three or more multi-sport rectangle fields for soccer, lacrosse, flag football, rugby, and football leagues, tournaments and training. These primary nine facilities offer a total of 42 outdoor rectangle fields (adult, youth, and other).

Summary of Primary Rectangle Field Facilities in Northern Kentucky

			Rectangle Fields				Surface
	Facility Name	Location	Adult	Youth	Other	Total	Type
1	Pendery Sports Park	Melbourne, KY	3	3	0	6	Grass
2	Boone County Central Park	Union, KY	6	0	0	6	Grass
3	Bud Cunningham Field	Villa Hills, KY	1	5	0	6	Grass
4	Morscher Park Sports Complex	Highland Heights, KY	1	4	1	6	Grass
5	Freedom Park Fields	Edgewood, KY	0	5	0	5	Grass
6	Town & Country Sports Complex	Wilder, KY	1	0	3	4	Grass/Turf
7	NKU Intramural Sports Complex	Highland Heights, KY	0	3	0	3	Turf
8	Conner High School	Hebron, KY	1	0	2	3	Grass/Turf
9	Simon Kenton High School	Independence, KY	1	2	0	3	Grass/Turf
	TOTAL		14	22	6	42	
	AVERAGE		2	2	1	5	



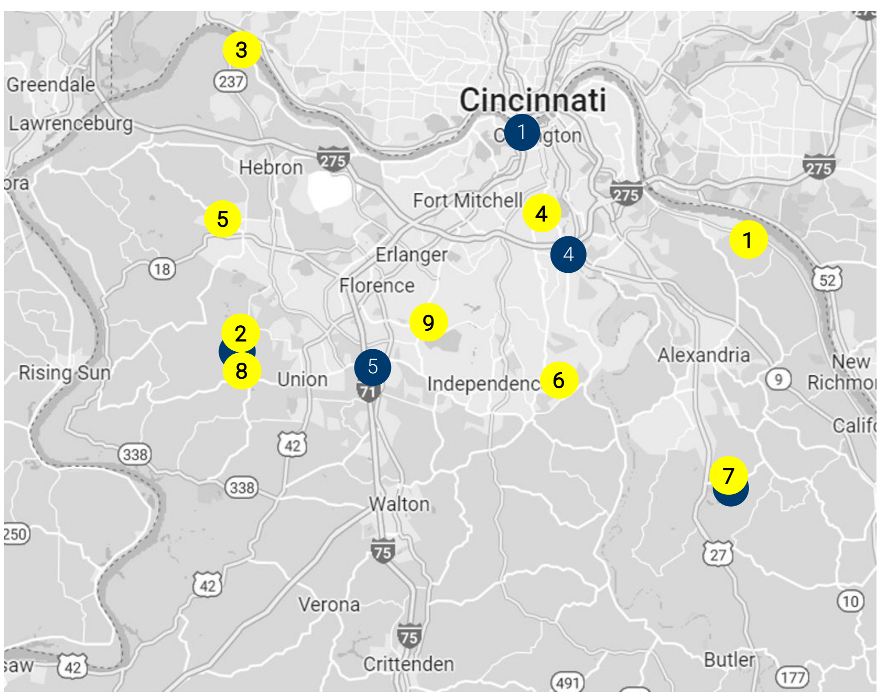
Source: CSL research, interviews with facility management, Google maps, 2023.

2 LOCAL & REGIONAL CONDITIONS

The chart and map below summarize the current inventory of diamond fields (baseball and softball) located in Northern Kentucky. There are nine facilities with at least three or more available diamond fields. Fields are categorized specifically for baseball when there is a grass infield and an elevated pitching mound, as softball fields contain a skinned/dirt infield without a permanent pitching mound. Currently, there are 46 outdoor diamond fields in the area, with the vast majority representing softball fields, most of which can also accommodate youth baseball (in most cases with use of portable pitching mounds).

Summary of Primary Diamond Field Facilities in Northern Kentucky

			Baseball Fields		Softball Fields		
	Facility Name	Location	Adult	Youth	Adult	Youth	Total
1	Pendery Sports Park	Melbourne, KY	0	0	8	0	8
2	Boone County Central Park	Union, KY	0	1	5	0	6
3	Rivershore Sports Park	Hebron, KY	0	0	6	0	6
4	Bill Cappel Youth Sports Complex	Covington, KY	0	0	0	5	5
5	England Idlewild Park	Burlington, KY	0	0	5	0	5
6	Middleton-Mills Park	Covington, KY	0	0	5	0	5
7	AJ Jolly Park	Alexandria, KY	0	0	4	0	4
8	Boone County Knothole Complex	Union, KY	0	0	3	1	4
9	Richardson Road Park	Independence, KY	0	0	0	3	3
	TOTAL		0	1	36	9	46
	AVERAGE		0	0	4	1	5



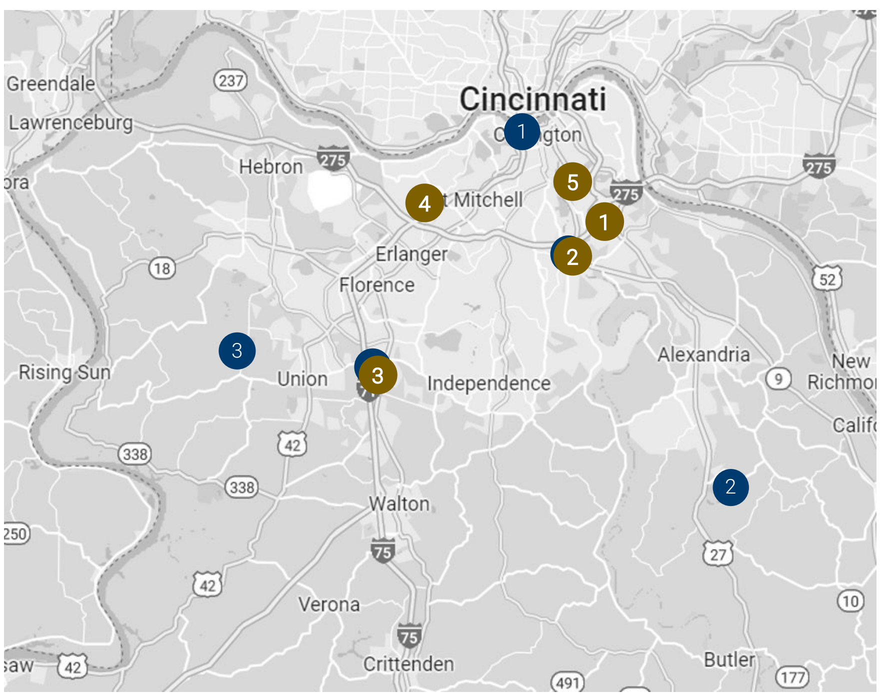
Source: CSL research, interviews with facility management, Google maps, 2023.

2 LOCAL & REGIONAL CONDITIONS

The chart and map below summarize the current inventory of facilities in Northern Kentucky with indoor gym space (i.e., basketball and volleyball courts). Currently, there are five facilities in this region which offer rentable gymnasium space. Additionally, like in most communities, there are several additional single court gyms located at schools throughout the three counties. Overall, the number of quality indoor court facilities located within Northern Kentucky is low relative to other similarly-sized markets throughout the country. However, as will be subsequently discussed, Spooky Nook Sports Champion Mill in Hamilton (OH) represents a major nearby indoor facility product that is situated less than one hour's drive from the majority of the Northern Kentucky market. Currently, a number of Northern Kentucky area basketball, volleyball and other sports organizations/teams frequently utilize Spooky Nook for tournaments, games, and training.

Summary of Primary Indoor Court Facilities in Northern Kentucky

			Courts		
	Facility Name	Location	Basketball	Volleyball	Other
1	NKU Recreation Center	Highland Heights, KY	6	6	Racquetball courts, pool, weight room
2	Town & Country Sports Complex	Wilder, KY	5	7	Indoor turf, weight room
3	Sports of All Sorts	Florence, KY	4	4	Bowling alley, arcade, weight room
4	Griffin Elite	Erlanger, KY	3	3	Indoor turf, golf simulator, weight room
5	Next Level Academy	Wilder, KY	3	3	Classrooms, weight room
	TOTAL		21	23	
	AVERAGE		4	5	



Source: CSL research, interviews with facility management, Google maps, 2023.

The chart and map on the following page summarize the current inventory of racket courts and ice sheets located in Northern Kentucky. There are a total of 29 courts, with nine designated pickleball courts. Out of the six facilities listed, all but two are exclusively outdoor facilities. Most facilities with courts are open to the public and free of charge as they are situated at local parks and schools. The two ice sheets currently available in Northern Kentucky are at one primary facility—the Northern Kentucky Ice Center. The facility is open year-round in Kenton County with one full-sized NHL rink and a smaller studio rink. As will be discussed in a later chapter, the number of ice sheets in Northern Kentucky is lower than other similarly-sized markets throughout the country; however, hockey and figure skating participation and resultant facility demand in the area is currently lower across all age groups.

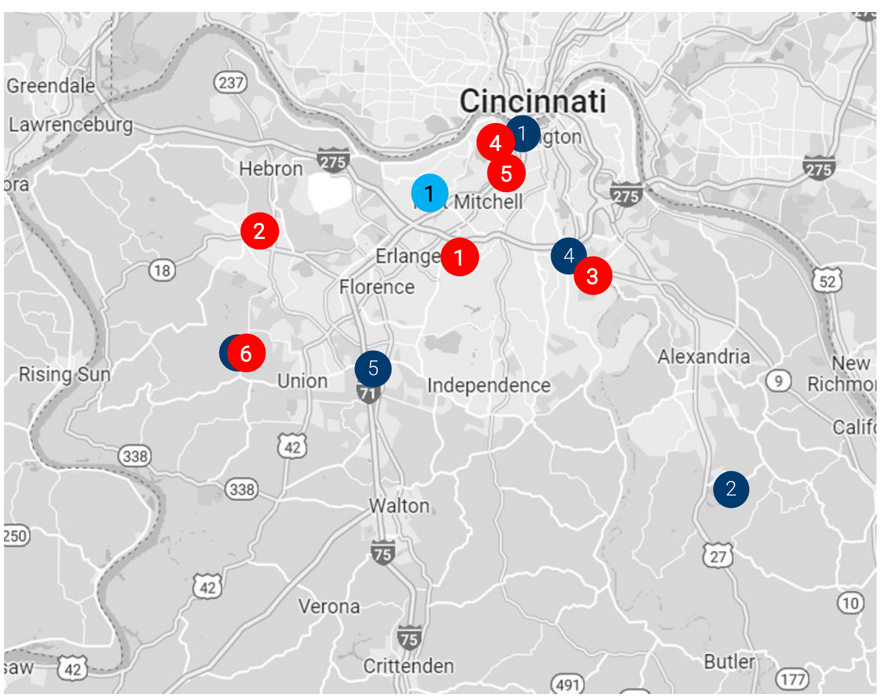
2 LOCAL & REGIONAL CONDITIONS

Summary of Primary Ice Sports/Rec Facilities in Northern Kentucky

	Facility Name	Location	Rinks	Type
1	Northern Kentucky Ice Center	Cresent Springs, KY	2	NHL
	TOTAL		2	
	AVERAGE		2	

Summary of Primary Racket Facilities in Northern Kentucky

				Courts			
	Facility Name	Location	Type	Tennis	Pickleball	Total	Lighted
1	Five Seasons Family Sports Club	Crestview Hills, KY	In/Out	8	0	8	Yes
2	Boone Woods Park	Burlington, KY	Outdoor	6	2	8	Yes
3	Town & Country Athletic Center	Wilder, KY	Indoor	0	7	7	Yes
4	Covington Catholic High School	Covington, KY	Outdoor	6	0	6	No
5	Notre Dame Academy	Covington, KY	Outdoor	5	0	5	No
6	Boone County Central Park	Union, KY	Outdoor	4	0	4	Yes
	TOTAL			29	9	38	
	AVERAGE			5	2	6	



Source: CSL research, interviews with facility management, Google maps, 2023.

2 LOCAL & REGIONAL CONDITIONS

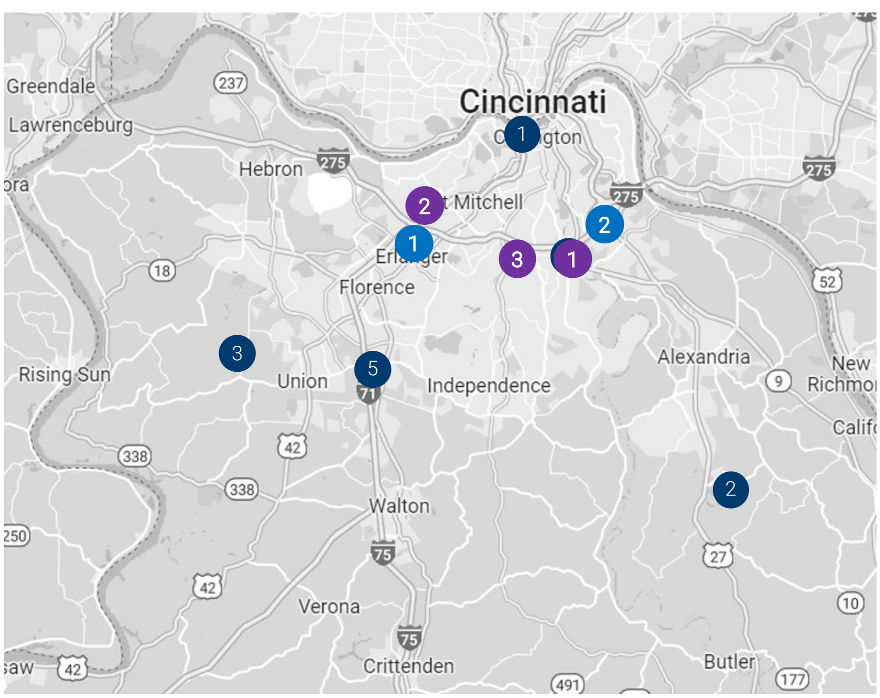
The primary indoor aquatic facilities in Northern Kentucky are displayed in the map and table below. Silverlake "The Family Place" is the only facility in the local market offering an indoor 50-meter Olympic pool, with the Aquatic Center at Northern Kentucky University representing the other primary indoor competition pool in Northern Kentucky (offering a 25-yard pool). Both of these facilities host a myriad of swim meets, practices, classes and recreational activities for student athletes and the general public. The three indoor turf facilities in Northern Kentucky are also summarized below. They are utilized for camps, leagues and off-season training for soccer, lacrosse, football, baseball, softball and other field sports. The average square footage of these three facilities in just over 22,100 square feet of turf. Travel clubs and competitive leagues within a variety of sports often seek out facilities of this nature for training.

Summary of Primary Aquatic Facilities in Northern Kentucky

	Facility Name	Location	Size (SF)	Additional Facilities
1	Town & Country Sports Complex	Wilder, KY	37,400	5 basketball courts, 7 volleyball courts
2	Griffin Elite Sports & Wellness	Erlanger, KY	21,000	3 basketball courts, 3 volleyball courts, weight room
3	Hits Indoor Baseball	Covington, KY	8,000	Batting cages, pitching lanes
	TOTAL		66,400	
	AVERAGE		22,133	

Summary of Primary Indoor Turf Facilities in Northern Kentucky

	Facility Name	Location	Pools	Type
1	Silverlake "The Family Place"	Erlanger, KY	2	8 lane, 50M
2	Aquatic Center at NKU Rec. Ctr.	Highland Heights, KY	1	8 lane, 25Y
	TOTAL		3	
	AVERAGE		2	



Source: CSL research, interviews with facility management, Google maps, 2023.

2 LOCAL & REGIONAL CONDITIONS

Additional information pertaining to the five primary facilities that currently serve local and nonlocal sports and recreational activities in Northern Kentucky is provided below and on the subsequent pages.

Pendery Sports Park

Pendery Sports Park is a 72-acre public park located in Melbourne, Campbell County, providing an array of sporting facilities for residents and visitors. The park features eight diamond fields and four rectangle fields. Additional amenities include an NBA size basketball court, three-quarter mile walking trail, and five picnic shelters equipped with tables, which are available for private rentals.

Pendery Sports Park plays a pivotal role in the community, hosting two sports programs: the Campbell County Youth Soccer League (CCYSL) and Campbell County Knothole, a youth baseball and softball association.

CCYSL utilizes the park's rectangle fields during the spring and fall seasons for their recreation leagues. These leagues cater to young athletes from 6U to 14U and attract an impressive participation of over 1,100 registered players from Campbell County, fostering a vibrant soccer community. On the other hand, Campbell County Knothole runs leagues for aspiring baseball and softball players aged 5U to 14U. The typical season for these leagues spans from March through June.

Boone County Central Park

Boone County Central Park, situated in Union, Kentucky, opened the spring of 1994. Encompassing 121 acres, the park offers a diverse range of sports facilities and natural attractions, making it a popular sports venue. One of the park's standout features is the Arboretum at Central Park, providing a serene and educational environment for visitors to explore and learn about various tree species.

Central Park offers 12 rectangle fields, with one of them equipped with lighting for evening play. Additionally, there are six diamond fields, all equipped with lighting, and four lighted tennis courts. In addition, there are basketball courts and over two miles paved trails. The Born Learning Trail, launched in partnership with United Way of Greater Cincinnati, Boone County Success by Six, and the Boone County Fiscal Court, adds a unique and interactive element to the park. This trail is designed to engage families and children in a fun and educational outdoor experience. Other amenities include two concession/restroom buildings and a playground which provides conveniencee and entertainment for park visitors.

Boone County Soccer Association calls Central Park its home and hosts all of its games and some practices at the facility. With a total of 90 teams in the association, leagues are organized in both the spring and fall seasons. Northern Kentucky Baseball is another local sports organization that utilizes the park's diamond fields for league play, spanning from T-ball to 13U, providing a well-rounded sports experience for young baseball players.

Northern Kentucky Ice Center

Northern Kentucky Ice Center is an ice complex situated in Crescent Springs, Kentucky. The Ice Center is open year-round offering two ice sheets, including a full-size NHL rink and a smaller studio rink.

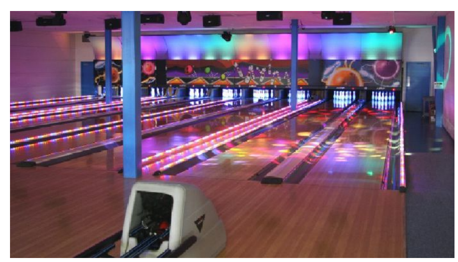
Northern Kentucky Skating Club (NKSC) and Northern Kentucky Youth Hockey Association (NKYHA) are the two primary tenants of Northern Kentucky Ice Center. These sports organizations program the rinks for competitions, practices and camps. The facility also hosts eight-week "Learn to Skate" sessions and public skating sessions that are open to all ages and skill levels.

After over 30 years of operation, a number of capital improvement and maintenance investments are needed at the Ice Center. As the sole ice facility in the Northern Kentucky region, the Ice Center has been a vital hub for local ice sport athletes, families, and the community as a whole.

Sports of All Sorts

Sports of All Sorts is an indoor sports complex in Florence, Kentucky. Established in 2004 under a different owner, the facility was acquired by Elite Wellness in 2015, but retained its well-known name. The facility features four basketball courts which can also be four volleyball courts. In addition to these courts, visitors can access a fitness center, a bowling alley, and an arcade, ensuring a wide range of activities for entertainment and exercise.

Sports of All Sorts offers a variety of sports and recreational programming for all ages and skill levels. The leagues include: 3v3 basketball, recreation volleyball, Kenton County Schools bowling, boys' volleyball, flag football, futsal and other opportunities.



The facility also hosts summer camps for kids first grade through eighth grade. The camp includes team building, crafts, sports activities, movies and visits from the Cincinnati Museum, Critters in the Classroom and other local attractions. In addition to summer camps, Sports of All Sorts is available to rent for birthday parties, corporate team building, field trips and fundraisers.

In collaboration with Under Our Wings Athletics & Wellness LLC, the complex extends its offerings to outdoor sports leagues as well. These outdoor leagues span various sports, including youth soccer and T-ball, typically taking place during the spring months. The outdoor season consists of eight regular season games, providing an opportunity for participants to enjoy sports in an outdoor setting.

Town & Country Sports Complex

The Town & Country Sports Complex is a sports and health club situated in Wilder, Kentucky, within Campbell County. Comprising two adjacent facilities, namely The Sports Health Club and The Athletic Center, this complex represents one of the largest sports and health clubs in the Tri-State area.

The Sports Health Club offers a wide range of indoor amenities to cater to members' fitness and recreational needs. These amenities include two indoor pools, a weight room, two floors of cardio equipment, a barre studio, and locker rooms. Moreover, the club boasts over 37,000 square feet of indoor turf, which is programmed throughout the year with various youth and adult soccer leagues.

Beyond the indoor facilities, the Health Club extends its offerings to the outdoors, featuring two sand volleyball courts and a full-size turf field. The Athletic Center also caters to the needs of basketball and volleyball programs as the center offers five basketball courts and seven volleyball courts. Additionally, the court space can be programmed to accommodate five futsal courts or ten pickleball courts, offering versatility in sports options.

The Athletic Center serves as the home practice facility for the Northern Kentucky Youth Volleyball Club (NKYVC), which conducts its practice and training sessions on Monday through Thursday evenings from January to June. During this period, the courts are unavailable for public rental due to NKYVC's activities.

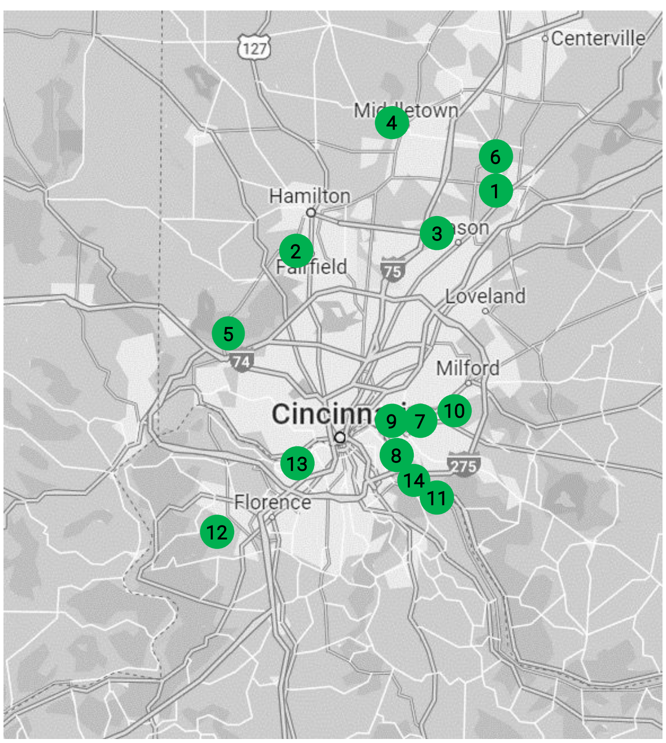
While the complex no longer offers youth basketball leagues, it continues to host two annual tournaments—the Crossing Classic in November and the St. Nick Invitational in December—bringing together athletes and teams for competitive events.

Regional Area Sports & Recreation Facilities

Continuing with an assessment of regional competitive product supply, the chart and map on the following page summarize the current inventory of primary competitive rectangle field complexes throughout the regional area (primarily including Northern Kentucky and the greater Cincinnati metro area). Many of the listed complexes have the capability to host major regional and national tournaments. Within this primary facility set, there are a total of 221 fields including 62 full-size competition fields. The largest facilities include Lebanon Sports Complex, which offers 41 fields in Lebanon, Joyce Park which offers 29 total fields in Fairfield and Voice of America Athletic Complex features 25 fields, with two of those having turf surfaces. Only three of the 14 facilities offer some synthetic turf fields, which allow for extended hours at a facility and more flexibility when weather presents challenges for high-quality grass field usage.

Summary of Key Rectangle Field Facilities in the Regional Area

	Facility Name	Location	Rectangle Fields: Adult	Youth	Other	Total	Surface Type
1	Lebanon Sports Complex	Lebanon, OH	0	41	0	41	Grass
2	Joyce Park	Fairfield, OH	7	22	0	29	Grass
3	Voice of America Athletic Complex	West Chester, OH	15	9	1	25	Grass/Turf
4	Smith Park	Middletown, OH	1	19	4	24	Grass
5	Miami Whitewater Soccer Complex	Cleves, OH	1	8	9	18	Grass
6	Warren County Sports Park	Lebanon, OH	10	7	0	17	Grass/Turf
7	Clear Creek Park	Cincinnati, OH	6	8	0	14	Grass
8	Kellogg Avenue Park	Cincinnati, OH	2	10	0	12	Grass
9	Otto Armleder Memorial Park	Cincinnati, OH	7	2	0	9	Grass
10	Riverside Park	Cincinnati, OH	2	6	0	8	Grass/Turf
11	Pendery Sports Park	Melbourne, KY	3	3	0	6	Grass
12	Boone County Central Park	Union, KY	6	0	0	6	Grass
13	Bud Cunningham Field	Villa Hills, KY	1	5	0	6	Grass
14	Morscher Park Sports Complex	Highland Heights, KY	1	4	1	6	Grass
	TOTAL		62	144	15	221	
	AVERAGE		4	10	1	16	



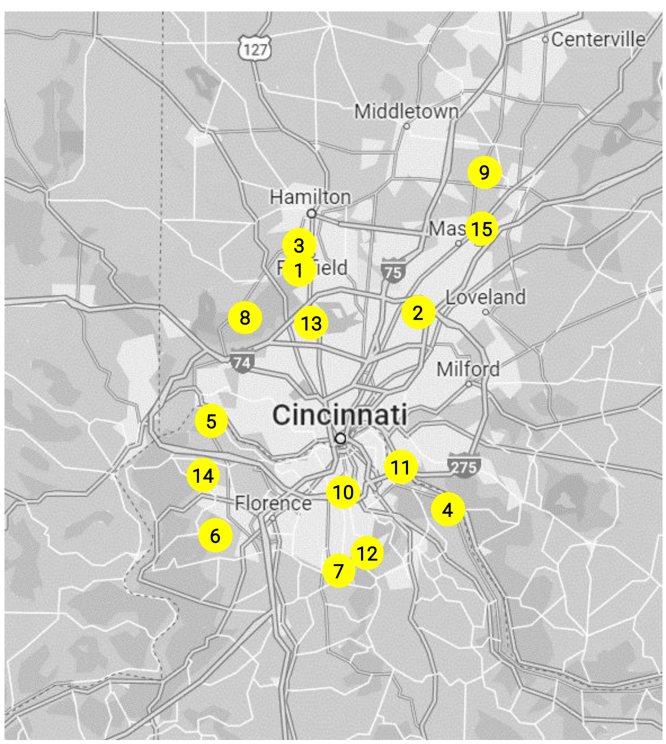
Note: Considered facilities offer minimum of 6 or more total fields.
Source: CSL research, interviews with facility management, Google maps, 2023.

2 LOCAL & REGIONAL CONDITIONS

The chart and map below summarize the current inventory of major baseball and softball complexes located in the nearby regional area. There are 15 facilities that met the threshold of five or more fields offered at a single site. Currently, there are 101 outdoor diamond fields (adult and youth) in the area, including 88 softball and 13 baseball fields. As previously mentioned, a number of the fields classified as softball fields are cross-utilized by baseball groups through deployment of portable mounds and adjustable bases. The largest facility is situated in Fairfield, Ohio, offering 12 fields, with two of those being full-size baseball fields.

Summary of Key Diamond Field Facilities in the Regional Area

			Baseball Fields		Softball Fields		
	Facility Name	Location	Adult	Youth	Adult	Youth	Total
1	Waterworks Park	Fairfield, OH	2	0	8	2	12
2	Blue Ash Sports Center	Cincinnati, OH	2	0	9	0	11
3	Joyce Park	Fairfield, OH	3	1	5	1	10
4	Pendery Sports Park	Melbourne, KY	0	0	8	0	8
5	Rivershore Sports Park	Hebron, KY	0	0	6	0	6
6	Boone County Arboretum	Union, KY	0	1	5	0	6
7	Kenton County Youth Sports Complex	Independence, KY	0	0	4	2	6
8	River City Sports Complex West	Harrison, OH	0	0	6	0	6
9	Warren County Sports Park	Lebanon, OH	3	0	3	0	6
10	Bill Cappel Youth Sports Complex	Covington, KY	0	0	5	0	5
11	River City Sports Complex	Cincinnati, OH	0	0	5	0	5
12	Middleton-Mills Park	Covington, KY	0	0	5	0	5
13	Heroes Sports Park	Cincinnati, OH	0	0	3	2	5
14	England Idlewild Park	Burlington, KY	0	0	5	0	5
15	Mason Sports Park	Mason, OH	1	0	4	0	5
	TOTAL		11	2	81	7	101
	AVERAGE		1	0	5	0	7

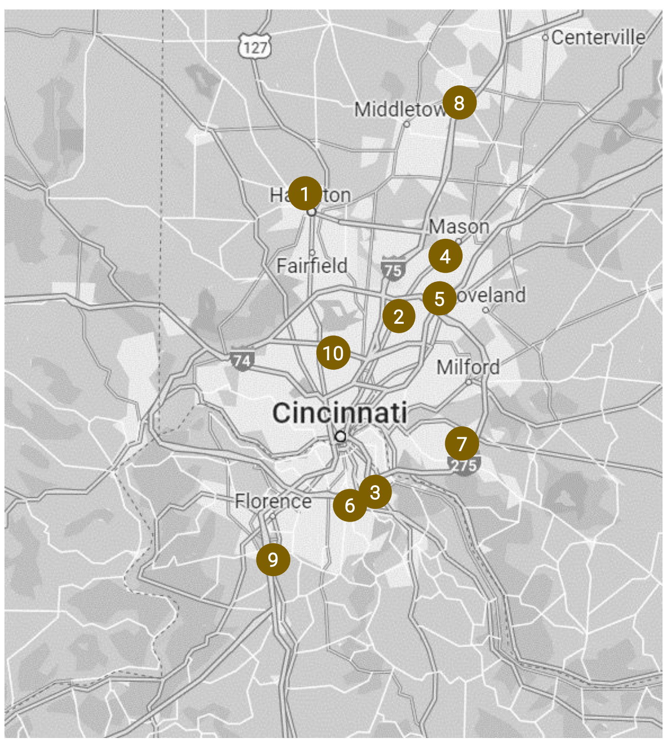


Note: Considered facilities offer minimum of 5 or more total fields.
Source: CSL research, interviews with facility management, Google maps, 2023.

The chart and map below summarize the current inventory of indoor court complexes located in Northern Kentucky and the nearby regional area. There are a total of 75 basketball courts and/or 101 volleyball courts (partially depending on facility configurations). These are distributed among 10 facilities, including Spooky Nook Sports Champion Mill with 28 basketball courts and 46 volleyball courts and Sports Plus features six basketball and 13 volleyball courts. Spooky Nook Champion Mill is considered a prominent industry product, attracting a significant number of regional and national tournaments, along with hosting numerous local and regional sports leagues, clubs, camps, clinics and training. Many of the facilities listed below offer amenities in addition to courts, such as indoor turf, fitness and wellness facilities/amenities, and other sports/entertainment options.

Summary of Key Indoor Court Facilities in the Regional Area

			Courts		
	Facility Name	Location	Basketball	Volleyball	Other
1	Spooky Nook Sports Champion Mill	Hamilton, OH	28	46	Outdoor turf field, track, pickleball, arcade
2	Sports Plus	Cincinnati, OH	6	13	Indoor trampoline, rock climbing, zipline
3	NKU Recreation Center	Highland Heights, KY	6	6	Fitness center, pools, track, outdoor turf
4	Courts 4 Sports	Mason, OH	6	6	Weight room
5	Ronnie Grandison Sports Academy	Cincinnati, OH	6	8	
6	Town & Country Sports Complex	Wilder, KY	5	7	Sand volleyball, fitness ctr., yoga studio, futsal
7	Nothin But Net Sports Complex	Mount Carmel, OH	5	5	
8	Kingdom Sports Center	Franklin, OH	5	2	Indoor turf
9	Sports of All Sorts	Florence, KY	4	4	Bowling, fitness center, arcade
10	Game On! Sports Complex	Cincinnati, OH	4	4	Indoor turf
	TOTAL		75	101	
	AVERAGE		8	10	



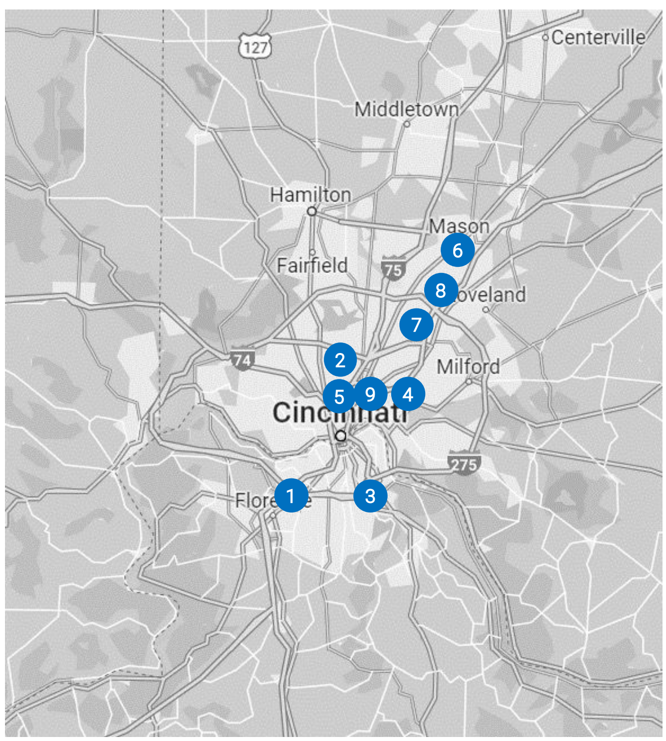
Note: Considered facilities offer minimum of 4 or more total courts.
Source: CSL research, interviews with facility management, Google maps, 2023.

2 LOCAL & REGIONAL CONDITIONS

The chart and map below summarize the current inventory of major competitive pools located in the regional area. There are a total of 10 pools at nine locations. There are four natatoriums (aquatic centers) in the regional area that offer a 50-meter Olympic size pool.

Summary of Key Aquatic Facilities in the Regional Area

	Facility Name	Location	Pools	Type
1	Silverlake "The Family Place"	Erlanger, KY	2	8 lane, 50M
2	Keating Natatorium	Cincinnati, OH	1	8 lane, 50M
3	Aquatic Center at NKU Rec. Ctr.	Highland Heights, KY	1	8 lane, 25Y
4	Cincinnati Sports Club	Cincinnati, OH	1	3 lane, 25M
5	University of Cincinnati Rec Center	Cincinnati, OH	1	8 lane, 50M
6	Mason Municipal Aquatic Center	Mason, OH	1	8 lane, 50M
7	Tri Health Fitness & Health Pavilion	Cincinnati, OH	1	5 lane, 25M
8	Five Seasons Family Sport Club	Cincinnati, OH	1	4 lane, 35Y
9	O'Connor Sports Center	Cincinnati, OH	1	6 lane, 25M
	TOTAL		10	
	AVERAGE		1	



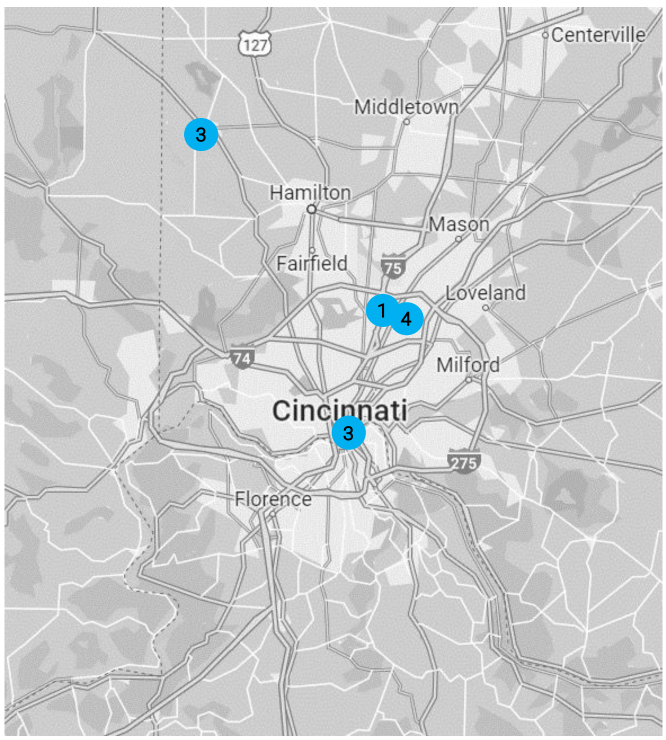
Source: CSL research, interviews with facility management, Google maps, 2023.

2 LOCAL & REGIONAL CONDITIONS

The chart and map highlights the major ice complexes in the regional area. There are a total of six ice sheets offered through four complexes, all of which are NHL-size rinks. Three of the complexes are situated in Cincinnati, although the Heritage Bank Center is a multi-use indoor arena that is home to the Cincinnati Cyclones, a ECHL affiliate of the NHL's New York Rangers. As previously mentioned, the Northern Kentucky Ice Center (not shown on this page) is an additional ice facility located in Crescent Springs, Kentucky, that serves as Northern Kentucky's only ice facility.

Summary of Key Ice Sports/Rec Facilities in the Regional Area

	Facility Name	Location	Rinks	Type
1	Sports Plus	Cincinnati, OH	2	NHL
2	Heritage Bank Center	Cincinnati, OH	2	NHL
3	Goggin Ice Center	Oxford, OH	2	NHL
4	Northland Ice Center	Cincinnati, OH	1	NHL
	TOTAL		7	
	AVERAGE		2	



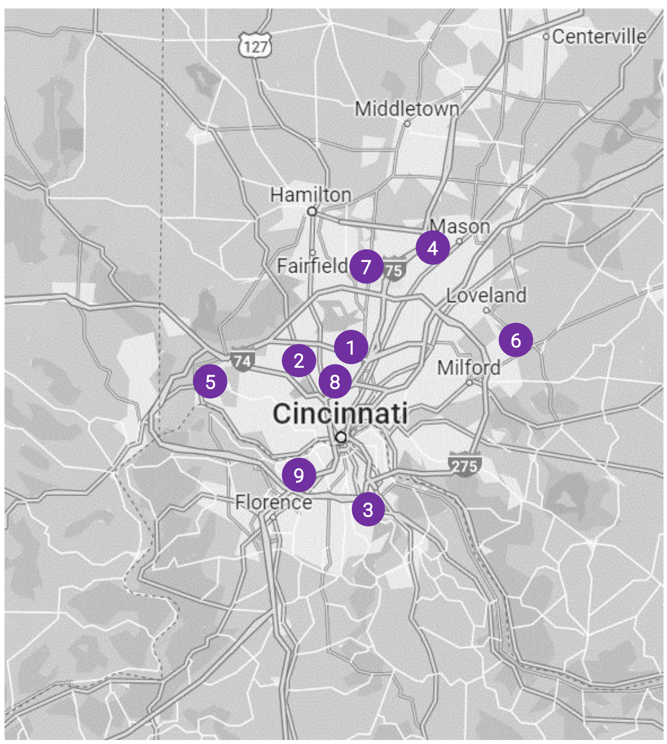
Source: CSL research, interviews with facility management, Google maps, 2023.

2 LOCAL & REGIONAL CONDITIONS

The chart and map below highlights nine major indoor turf facilities throughout Northern Kentucky and the nearby surrounding regional area. The facilities listed below have the capability to host indoor leagues, off-season training, and camps/clinics, especially during the winter season. The largest facilities include Sheakley Athletic Complex, which is covered turf from November through February and Soccer City, offering 52,700 square feet of turf. The average turf available among these nine facilities is 34,400 square feet. Many of the complexes below also feature additional onsite amenities, other athletic spaces and fitness/wellness facilities.

Summary of Key Indoor Turf Facilities in the Regional Area

	Facility Name	Location	Size (SF)	Additional Facilities
1	Sheakley Athletic Complex	Cincinnati, OH	57,600	Temporary seasonal turf, seating for 1,200
2	Soccer City	Cincinnati, OH	52,700	
3	Town & Country Sports Complex	Wilder, KY	37,400	Outdoor fields, fitness center, adjacent basketball center
4	Wall 2 Wall Soccer	Mason, OH	36,200	Batting cages
5	River's Edge Indoor Sports	Cleves, OH	28,800	
6	TOCA Soccer Center Cincinnati	Milford, OH	27,800	Weight room
7	GameTime Training Center	Fairfield, OH	26,400	
8	Game On! Sports Complex	Cincinnati, OH	21,800	Indoor court
9	Griffin Elite Sports & Wellness	Erlanger, KY	21,000	Fitness Center, indoor courts
	TOTAL		309,700	
	AVERAGE		34,400	



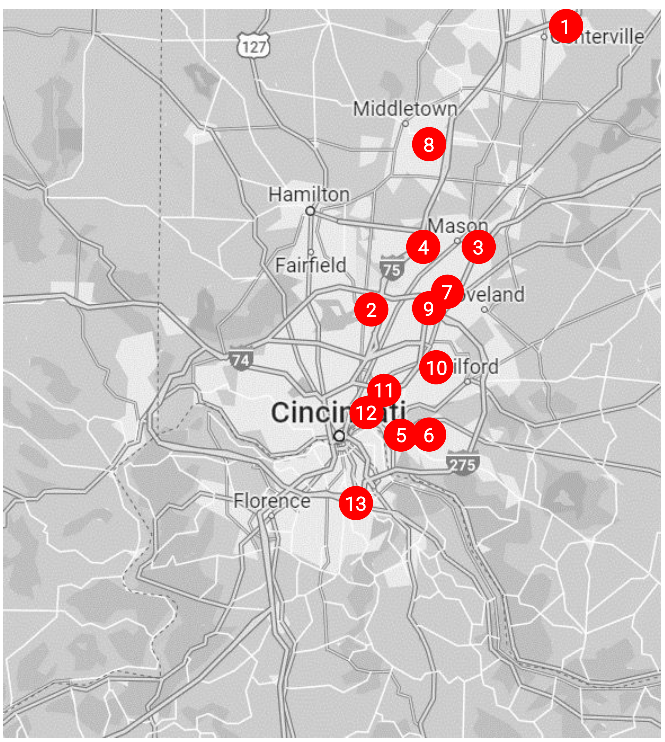
Note: Considered facilities offer minimum of 20,000 SF or more turf space.
Source: CSL research, interviews with facility management, Google maps, 2023.

2 LOCAL & REGIONAL CONDITIONS

Key competitive tennis and pickleball court complexes in the region are shown below on the chart and map. These 13 complexes integrate a total of 202 courts, including 79 pickleball courts and 123 tennis courts. The Pickle Lodge is the largest facility for pickleball, offering 17 pickleball courts. Queen City Racquet Club and Fitness Center is the largest tennis facility with 20 tennis courts. Six of the 13 total facilities represent outdoor complexes.

Summary of Key Racket Facilities in the Regional Area

	Facility Name	Location	Type	Courts		Total	Lighted
				Tennis	Pickleball		
1	Kettering Tennis Center	Kettering, OH	In/Out	18	7	25	No
2	Queen City Racquet Club & Fitness Ctr.	Cincinnati, OH	In/Out	20	0	20	Yes
3	Lindner Family Tennis Center	Mason, OH	Outdoor	17	0	17	Yes
4	The Pickle Lodge	W. Chester Twp., OH	Indoor	0	17	17	Yes
5	Lunken Tennis Center	Cincinnati, OH	Outdoor	16	0	16	Yes
6	Eastern Hills Tennis Club Inc	Cincinnati, OH	Outdoor	16	0	16	Yes
7	Five Seasons Family Sports Club	Crestview Hills, KY	Indoor	16	0	16	Yes
8	Lefferson Park	Middletown, OH	Outdoor	0	16	16	Yes
9	Ronnie Grandison Sports Academy	Cincinnati, OH	Indoor	0	16	16	Yes
10	Camargo Racquet Club	Cincinnati, OH	Indoor	10	2	12	Yes
11	Aces Pickleball + Kitchen	Cincinnati, OH	Outdoor	0	11	11	Yes
12	Cincinnati Tennis Club	Cincinnati, OH	Outdoor	10	0	10	No
13	Town & Country Athletic Center	Wilder, KY	Indoor	0	10	10	Yes
	TOTAL			123	79	202	
	AVERAGE			9	6	16	



Note: Considered facilities offer minimum of 10 or more total courts.
Source: CSL research, interviews with facility management, Google maps, 2023.

Summary & Conclusions

- FAVORABLE GEOGRAPHIC POSITIONING: Many successful amateur sports facility products are situated in the peripheral urban or suburban areas of large metropolitan areas—consistent with Northern Kentucky's location within the greater Cincinnati/Northern Kentucky metropolitan market area. Depending on the location of the ultimate site within Northern Kentucky, between 1.9 and 2.5 million people reside within 60 minutes' drive. When considering the market potential for new and/or improved sports tourism assets within a destination, access to a significant population base is an important factor. Many tournament, meet and competition participants target regional drive markets to help manage costs associated with travel and transporting equipment.

- LODGING INFRASTRUCTURE: Nearly 7,500 total hotel rooms exist within Northern Kentucky, representing a wide array of brands, products and price points. Additionally, Cincinnati and the surrounding area north of the Ohio River provide substantial additional lodging supply. There are clusters of sleeping rooms proximate to much of the existing inventory of youth/amateur sports facilities in Northern Kentucky, including a variety of hotels within an estimated 20-minutes' drive of all primary youth/amateur sports facilities. This is important, as most non-local visitors participating in tournaments, meets, competitions or other sports tourism activities are willing to drive up to 20 minutes between their hotel and game/activity location. Additionally, the hotel inventory in the destination is well-distributed among a variety of price points, service levels and loyalty programs/brands.

- EXISTING LOCAL FIELD SPORTS FACILITIES: The existing inventory of outdoor youth/amateur sports facilities (primarily rectangle and diamond fields) in Northern Kentucky is limited, in terms of sizeable, tournament-quality products with a critical mass of fields which limits the ability to attract and retain non-local sports tourism activities and participants. Few facilities integrate synthetic turf and field lighting. Additional physical limitations such as site accessibility, parking availability, limited/no on-site concession facilities, and other such factors limit demand from the sports tourism sector.

- EXISTING LOCAL INDOOR COURT FACILITIES: There is a limited number of tournament-quality indoor amateur sports facilities in Northern Kentucky, especially in terms of indoor hardwood multi-court facilities NKU Recreation Center, Town & Country Sports Complex, and Sports of All Sorts are primary facilities in this category; however, each have certain limitations in terms of accommodating local area demand and tournament demand. The majority of other indoor courts are located in high schools, middle schools, Boys & Girls Clubs, and community centers. As is typical throughout the country, colleges and schools tend to give priority to school and student functions, often limiting access to outside rentals.

- OTHER LOCAL SPORTS & RECREATION FACILITIES: There are a variety of other sports, recreation and leisure facilities and infrastructure addressing single sports and niche sports throughout Northern Kentucky and the greater metropolitan area. While there are limitations in the number of quality products serving certain sports/rec, such as ice, aquatics, racket sports, track & field, golf, biking/trails, and other such activities, these sports tend to have lower participation levels and/or are less impactful in terms of sports tourism ROI (relative to core team sports, such as basketball, volleyball, soccer, baseball and softball).

- REGIONAL COMPETITIVE FACILITIES: A wide variety of indoor and outdoor sports facilities exist with the greater Cincinnati area that are located within relatively short driving distance from Northern Kentucky. While regular games and practices held by local sports organizations and clubs tend to prefer facility options that are situated nearby key participant neighborhoods, travel team and tournament activity will often utilize facilities within longer driving distances. A number of larger outdoor field complexes exist in the greater Cincinnati area; however, few offer significant deployment of synthetic turf fields (which can be instrumental in addressing sports tourism demand). Additionally, while Northern Kentucky itself currently lacks a traditional, state-of-the-industry indoor court facility optimized for tournaments, Spooky Nook Champion Mill in Hamilton (OH), located less than an hour's drive from most of Northern Kentucky, offers 28 basketball courts and 46 volleyball courts and would represent a major competitor to any new Northern Kentucky indoor court facility in terms of tournaments, as well as certain local demand.

3

INDUSTRY TRENDS

3 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.

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 the communities comprising the Northern Kentucky region, 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 potential new sports facility product in Northern Kentucky, 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 2020, Tourism Economics prepared a study of the economic benefits generated by sports tourism throughout the country. The study estimated that the number of travelers attending sports events in the US increased by more than 10 million since 2015, an increase of 5.9 percent cumulative growth. Additionally, the study projected total direct spending by sports travelers, event organizers and venues at $45.1 billion, an increase of 16.7 percent since 2015.

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 East South Central region (containing Kentucky) 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 a new Amateur Sports Complex in Northern Kentucky.

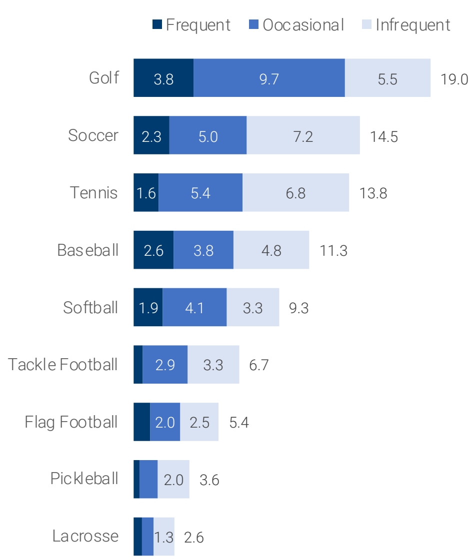
The statistical data presented in this section was derived from the National Sporting Goods Association's Sports Participation study, which was most recently conducted in 2022. The study measures the annual number of participants in a variety of sports and recreational activities, and the frequency of participation during the previous calendar year. Research is derived from a study based on approximately 40,000 interviews encompassing youth and adult sports participation.

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 exhibits below present a summary of the national participation rates of key outdoor and indoor sports, broken out by participation level (i.e., frequent, infrequent and occasional).

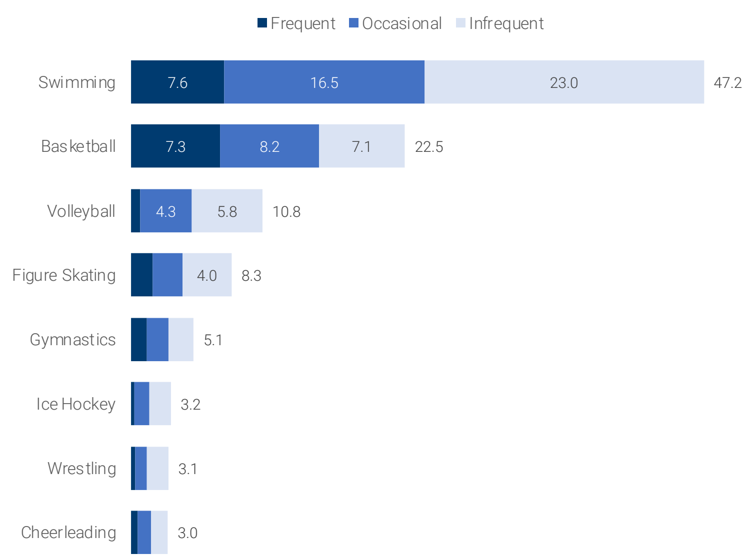
Among traditional outdoor team-based sports, soccer, baseball and softball have the highest participation levels for outdoor sports with a fairly-balanced range of frequent to infrequent participants. Investing in more of these fields benefits many communities across the nation.

Beyond swimming with very high occasional and infrequent participation by all age groups, basketball has the highest participation levels among traditional team-based indoor sports, with a high percentage of infrequent and occasional participants. Frequent participant data is similar between basketball and volleyball, which has the next highest overall participation levels noted.

National Participation Levels – Outdoor Sports (in millions)



National Participation Levels – Indoor Sports (in millions)



Source: NSGA, 2022.

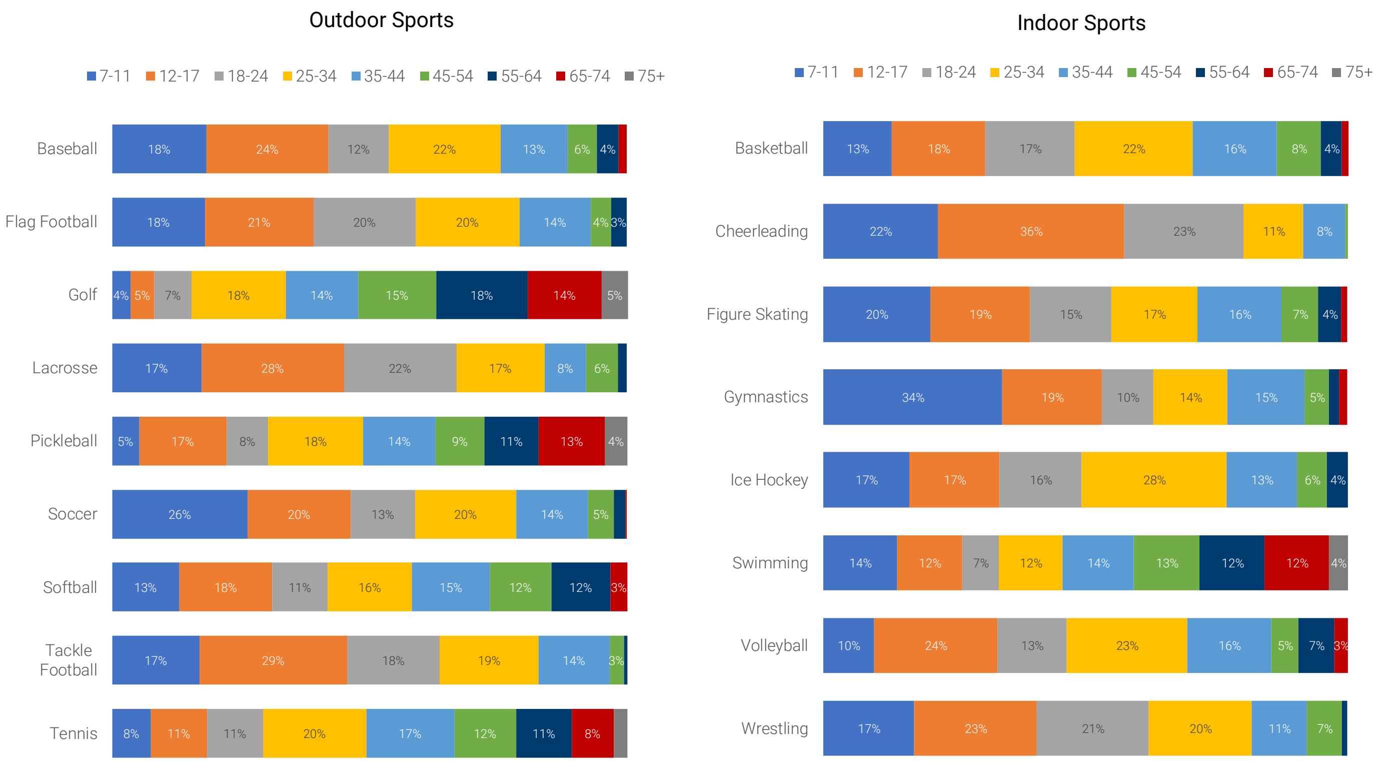
3 INDUSTRY TRENDS

The exhibits below summarize sports participation levels by age group for outdoor and indoor sports. A new Amateur Sports Complex in Northern Kentucky 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 (with the exception of golf, pickleball and tennis, which are not considered traditional team sports) are ages 7 to 11 and ages 12 to 17. Youth sports dominate the national participation levels; therefore, management of any new Amateur Sports Complex can plan on having most of their programming originating from youth sports and athletics.

Importantly, field sizes tend to vary based on the age group competing. For example, two or even three youth soccer fields can be overlayed on a full-size adult field. Additionally, base plugs at varying lengths on diamond fields with portable fences can provide opportunities to accommodate multiple age ranges and competitive levels.

National Participation Levels –
Outdoor & Indoor Sports (percentage participation by age group per sport)



Source: NSGA, 2022.

As the local facility review indicated a low number of ice facilities presently serving Northern Kentucky, additional research was conducted to evaluate estimated participation levels for hockey, as shown on the subsequent page. USA Hockey is the national ice hockey organization that is recognized as the governing body for organized ice hockey in the United States. Its mission is to promote the growth of ice hockey in the U.S. USA Hockey programs support and develop players, coaches, officials, and facilities, including certification programs for officials and coaches. Many organized hockey associations, leagues, clubs and sponsoring organizations throughout the country either require or encourage players, coaches and officials to register as members of USA Hockey. Membership is required for players to participate in any USA Hockey sanctioned event, including many tournaments. Membership also provides a wide set of resources and benefits for players, coaches, officials and parents, including information and handbooks involving directories, rules, safety, games, leagues, education, skills training, and other items. A review of USA Hockey member statistics offers one of the most complete representations of ice hockey participation throughout the country.

The exhibit below presents USA Hockey member data relating to number of players by state and age group. As shown, while possessing the 26th largest population of U.S. states, Kentucky currently ranks 44th out of 51 (50 states plus District of Columbia) in terms of hockey players per thousand population. This indicates a relatively low level of current hockey participation at all age levels than the average U.S. state, which is typical of other states within the East South Central and other southern U.S. regions. Ohio has a higher level of hockey participation per population; however, it is still below the average U.S. state.

2021/22 USA Hockey Member Players by State and Age

State	2021 Census Population	Total Hockey Players	Players Per Thousand Population	Age 19 & Over	Age 17 to 18	Age 15 to 16	Age 13 to 14	Age 11 to 12	Age 9 to 10	Age 7 to 8	Age 6 & Under
Alaska	733,391	8,130	**11.09**	3,302	393	534	626	730	717	751	1,077
Minnesota	5,707,390	58,666	**10.28**	8,343	2,300	4,100	7,433	8,454	8,934	9,208	9,894
North Dakota	779,094	7,310	**9.38**	502	282	564	988	1,121	1,228	1,250	1,375
Massachusetts	6,984,723	46,966	**6.72**	4,749	3,568	5,490	6,656	6,737	6,610	6,290	6,866
Vermont	643,077	4,289	**6.67**	823	148	243	490	538	576	635	836
Montana	1,084,225	5,581	**5.15**	2,839	191	269	377	461	488	461	495
Maine	1,362,359	5,909	**4.34**	1,133	330	497	632	679	770	741	1,127
New Hampshire	1,388,992	5,662	**4.08**	625	433	696	853	837	790	698	730
Wyoming	576,851	2,195	**3.81**	420	125	198	285	286	305	287	289
Michigan	10,050,811	37,381	**3.72**	13,431	2,119	2,675	3,597	3,813	3,857	3,680	4,209
Wisconsin	5,895,908	20,975	**3.56**	3,901	780	1,113	2,370	2,826	3,024	2,992	3,969
Connecticut	3,605,944	12,729	**3.53**	1,431	893	1,385	1,724	1,772	1,845	1,804	1,875
South Dakota	886,667	3,056	**3.45**	282	222	349	410	401	436	432	524
Rhode Island	1,097,379	3,495	**3.18**	435	236	421	487	482	425	428	581
Colorado	5,812,069	15,547	**2.67**	4,759	928	1,420	1,638	1,814	1,897	1,729	1,362
New York	19,835,913	46,410	**2.34**	9,905	2,889	4,279	5,171	5,362	5,923	6,044	6,837
Idaho	1,839,106	4,259	**2.32**	1,843	177	259	339	359	422	376	484
Pennsylvania	12,964,056	29,465	**2.27**	9,133	2,443	3,232	3,419	3,458	3,221	2,670	1,889
Illinois	12,671,469	26,297	**2.08**	7,037	2,210	3,141	3,510	3,444	3,141	2,134	1,680
New Jersey	9,267,130	18,267	**1.97**	4,956	1,378	2,004	2,167	2,215	2,153	2,045	1,349
Washington DC	689,545	1,295	**1.88**	608	45	59	98	127	119	92	147
Missouri	6,168,187	10,651	**1.73**	2,956	571	869	1,073	1,269	1,378	1,271	1,264
Nevada	3,104,614	5,342	**1.72**	2,370	94	272	379	588	687	647	305
Maryland	6,165,129	10,080	**1.64**	4,231	724	971	1,014	941	1,001	766	432
Washington	7,738,692	11,403	**1.47**	6,028	394	541	746	848	1,054	956	836
Ohio	11,780,017	16,882	**1.43**	5,449	941	1,284	1,729	1,951	2,134	1,798	1,596
Arizona	7,276,316	9,232	**1.27**	4,500	442	641	716	736	870	769	558
Utah	3,271,616	3,861	**1.18**	1,440	308	445	460	377	352	271	208
Virginia	8,642,274	10,112	**1.17**	4,174	548	869	961	978	1,063	909	610
Iowa	3,190,369	3,710	**1.16**	850	222	285	414	491	465	483	500
Nebraska	1,961,504	2,144	**1.09**	378	156	232	294	300	267	268	249
Indiana	6,805,985	6,536	**0.96**	2,467	418	507	667	676	670	615	516
Delaware	989,948	947	**0.96**	317	76	97	100	122	94	83	58
Florida	21,781,128	18,725	**0.86**	10,346	673	1,094	1,231	1,448	1,606	1,345	982
California	39,237,836	28,167	**0.72**	15,438	1,187	1,742	2,118	2,235	2,409	1,898	1,140
Tennessee	6,975,218	4,932	**0.71**	2,194	271	351	415	406	501	448	346
North Carolina	10,551,162	7,191	**0.68**	2,759	322	558	665	742	913	774	458
New Mexico	2,117,522	1,425	**0.67**	574	84	94	106	129	142	134	162
Oregon	4,237,256	2,672	**0.63**	1,653	102	129	169	184	193	136	106
Kansas	2,937,880	1,758	**0.60**	943	80	107	130	166	141	113	78
West Virginia	1,793,716	980	**0.55**	265	64	92	101	111	134	108	105
Texas	29,527,941	16,032	**0.54**	9,163	682	931	1,137	1,235	1,251	977	656
South Carolina	5,190,705	2,791	**0.54**	1,697	97	128	180	178	184	193	134
Kentucky	4,505,836	1,866	**0.41**	870	80	102	122	164	204	163	161
Alabama	5,039,877	2,080	**0.41**	894	66	98	152	194	212	198	266
Oklahoma	3,959,353	1,017	**0.26**	311	47	67	103	135	166	104	84
Georgia	10,799,566	2,078	**0.19**	515	187	262	272	256	252	194	140
Arkansas	3,025,891	366	**0.12**	57	14	23	31	63	65	66	47
Mississippi	2,961,279	246	**0.08**	118	1	16	28	24	20	14	25
Louisiana	4,624,047	294	**0.06**	154	9	22	19	28	30	23	10
Hawaii	1,441,553	25	**0.02**	16	-	2	4	2	1	-	-
Totals	331,678,516	547,429	**--**	163,584	30,950	45,759	58,806	62,893	65,340	60,471	59,627
Average	6,503,500	10,734	**2.32**	3,208	619	897	1,153	1,233	1,281	1,209	1,193
Median	4,505,836	5,581	**1.43**	1,697	295	445	490	588	670	641	520
Kentucky Rank (out of 51)	26	41	**44**	33	41	41	42	42	39	40	39

Source: USA Hockey Registration Reports, U.S. Census data, 2022.

The 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 at the bottom of the page 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. For purposes of our analysis, we used each county within Northern Kentucky as a geographic area. Using this type of extrapolation, the hypothetical number of frequent participants among all analyzed sports and activities within Boone County ranges between approximately 10,700 and 13,600 persons. Campbell County data ranges from 7,100 to 9,000 persons, while Kenton County has the largest numbers between 12,900 and 16,400 participants. 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.

Estimated National & Regional Frequent Participation by Sport

	Frequent Participation (times annually)	National Frequent Participation Rate	East South Central Index	Adjusted East South Central Participation Rate
Outdoor Sports:				
Baseball	50+	0.72%	60	0.43%
Flag Football	50+	0.17%	108	0.19%
Golf	40+	1.19%	79	0.94%
Lacrosse	60+	0.07%	18	0.01%
Pickleball	30+	0.24%	69	0.16%
Soccer	40+	1.09%	69	0.75%
Softball	40+	0.35%	64	0.22%
Tackle Football	50+	0.35%	105	0.37%
Tennis	30+	0.92%	62	0.57%
Indoor Sports:				
Basketball	50+	1.21%	103	1.24%
Cheerleading	70+	0.10%	92	0.09%
Figure Skating	30+	0.22%	58	0.13%
Gymnastics	40+	0.42%	76	0.32%
Ice Hockey	30+	0.23%	20	0.05%
Swimming	110+	1.01%	95	0.96%
Volleyball	20+	1.16%	92	1.07%
Wrestling	50+	0.16%	33	0.05%

Extrapolated Frequent Participation by Sport Per Geographic Area

	Boone County		Campbell County		Kenton County		State of Kentucky		United States	
Market Population	140,981		93,934		170,696		4,537,160		335,707,897	
	National Rate	Regional Rate	National Rate	Regional Rate	National Rate	Regional Rate	National Rate	Regional Rate	National Rate	Regional Rate
Outdoor Sports:										
Baseball	1,013	608	675	405	1,227	736	32,614	19,568	2,413,107	1,447,864
Flag Football	244	264	163	176	296	319	7,855	8,484	581,214	627,712
Golf	1,676	1,324	1,117	882	2,029	1,603	53,934	42,608	3,990,649	3,152,612
Lacrosse	103	19	69	12	125	22	3,321	598	245,713	44,228
Pickleball	335	231	223	154	405	280	10,777	7,436	797,430	550,226
Soccer	1,534	1,059	1,022	705	1,858	1,282	49,375	34,069	3,653,276	2,520,760
Softball	495	317	330	211	599	383	15,923	10,191	1,178,191	754,043
Tackle Football	494	519	329	346	599	629	15,912	16,708	1,177,342	1,236,210
Tennis	1,301	807	867	537	1,575	977	41,868	25,958	3,097,837	1,920,659
Indoor Sports:										
Basketball	1,703	1,755	1,135	1,169	2,062	2,124	54,821	56,466	4,056,239	4,177,926
Cheerleading	141	130	94	87	171	158	4,551	4,187	336,721	309,784
Figure Skating	312	181	208	121	378	219	10,048	5,828	743,431	431,190
Gymnastics	585	445	390	296	709	539	18,840	14,319	1,394,004	1,059,443
Ice Hockey	324	65	216	43	392	78	10,427	2,085	771,477	154,295
Swimming	1,431	1,359	953	906	1,732	1,646	46,040	43,738	3,406,554	3,236,226
Volleyball	1,638	1,507	1,091	1,004	1,983	1,825	52,718	48,500	3,900,634	3,588,583
Wrestling	231	76	154	51	279	92	7,423	2,450	549,269	181,259
TOTAL	13,562	10,664	9,036	7,105	16,420	12,911	436,448	343,192	32,293,089	25,393,021

Source: NSGA, 2022, Esri, 2023.

Facility Design & Characteristics

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 presents noteworthy trends relative to design and capabilities for sports facilities integrating synthetic turf:

1. OUTDOOR TURF: Fast moisture draining, recovery and durability of synthetic fields result in a significant reduction in cancelled tournaments and games due to inclement weather relative to natural grass/dirt fields. This leads to enhanced marketability for tournaments and higher, more consistent, use/attendance levels. Synthetic fields can increase the number of playable hours by 50 percent or more over quality grass fields. Synthetic turf fields are now preferred by most tournament organizers, due to the significant reduction in cancelation risk due to poor weather and/or field conditions. Key advantages include:

    - Upfront vs. Ongoing Costs: Although synthetic turf fields can cost $800,000 to $900,000 per full-size outdoor rectangle field (under a multi-field competitive bid) to purchase and install (versus $300,000 to $400,000 for tournament-quality natural grass rectangle fields), annual maintenance for a synthetic turf rectangle field typically costs between $5,000 and $10,000, while maintenance for natural grass rectangle fields can cost between $30,000 and $40,000 per year on average.

    - Enhanced Usage & Marketability: Fast moisture draining, recovery and durability of synthetic fields result in a significant reduction in cancelled tournaments and games due to inclement weather relative to natural grass/dirt fields. This leads to enhanced marketability for tournaments and higher, more consistent, use/attendance levels. Synthetic fields are estimated to increase the number of playable hours by approximately 50 percent (or more with appropriate field lighting) due to the ability to withstand weather conditions and lengthened use windows.

2. INDOOR TURF: 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. A full-sized indoor soccer field is typically similar in size to an NHL-sized hockey ice sheet (200'x85', or 17,000 square feet).

3. UPKEEP: Synthetic turf 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.

4. 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. The turf panels themselves are laid atop the drainage base. A typical indoor turf field installation (200'x85') can range from $200,000 to $300,000, while a typical outdoor rectangle multisport turf field can range between $700,000 to $900,000, with discounted rates possible for multifield deployment.

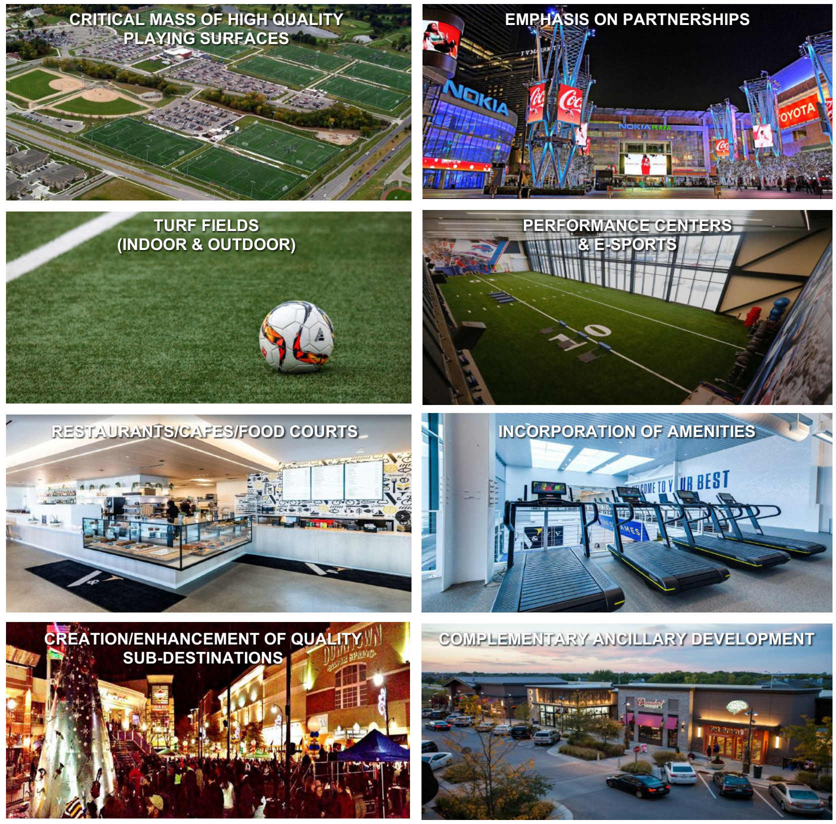
5. DURABILITY: The industry standard for a given turf field's life span is between eight and twelve years, though life spans can be extended further with proper maintenance and field cleaning. The underlying drainage/pad base can last 20 to 30 years and normally is not redeveloped during the subsequent one or two cycles of top-level synthetic turf replacement.

6. ANCILLARY REVENUES: To generate additional revenues for turf facilities (particularly with indoor turf facilities), a variety of programs and techniques are often 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.

3 INDUSTRY TRENDS

The following present some noteworthy trends relative to design and capabilities of 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 increasingly 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 and specialty components:
  - Performance centers.
  - eSports capabilities/technology.
  - Restaurants/cafes/food courts.
  - Fitness and wellness.
  - Child play areas, mini-golf, AR tech, leisure space.
  - Ancillary development, such as hotels, retail, entertainment attractions.



Typical Characteristics of Indoor Facility Models

Of all the types of the amateur sports facility products, indoor court and turf facilities tend to be the most productive in terms of attendance (athletes and spectators) per square foot, as well as revenue generation per square foot. Additionally, facilities with a critical mass of hardwood courts tend to generate high sports tourism and economic impacts in host communities (through basketball, volleyball and other types of tournaments). Ice complexes tend to have higher construction costs per square foot, as well as higher annual operating costs, with a minimum of two ice sheets normally required to allow for significant penetration into tournament activity. Typical tournament-quality hardwood and indoor turf facilities tend to be operationally profitable, while a typical ice facility/complex generates an operating deficit, requiring an operating subsidy. In terms of traditional outdoor complexes (rectangle and diamond field complexes), complexes that have a full deployment of synthetic turf fields are typically the only variety that can regularly financially operate at breakeven or better (excluding debt service on capital costs). Throughout the industry, successful implementation of new amateur sports facility projects are often influenced by a variety of factors, including:

- Site/location.
- Design collaboration (including advisors, stakeholders, operator, and key user groups).
- Partnerships (operator, naming, sponsorship, use, service provision).
- Best practices approach to amenities, functionality, flexibility and branding.
- Appropriate business plan:
  - Inclusiveness to maximize local participation and growth of sports and recreation programs.
  - Booking policy, scheduling priorities and rates.
  - Balancing local and non-local usage, in-house programming and rentals.
  - Quality services and amenities.

The exhibit on the following page presents a summary of the typical characteristics of six primary models of outdoor and indoor amateur sports facilities. As shown, in terms of indoor facility models, ice complexes tend to have a more focused set of uses and user groups, while hardwood and indoor turf complexes tend to have broader usage mixes and profiles. In terms of typical outdoor facility models, diamond fields have a more focused set of uses and user groups, while rectangle fields and rectangle field complexes with one or more seasonal bubbles tend to have a broader mix of uses and profiles.

Typical Characteristics of Common Amateur Sports Facility Models

	INDOOR FACILITY MODELS		
	Ice Complex	Hardwood Complex	Indoor Turf Facility
Building Size:	80,000 to 120,000 GSF	100,000 to 140,000 GSF	40,000 to 200,000 GSF
Playing Surfaces:	Ice sheets (2 @ 200' x 85' each)	Courts (6-12 bball or 12-24 vball)	Turf space (15,000-80,000 SF)
Owner:	Public	Public	Public or Private
Operator:	Public or Private	Public or Private	Public or Private
Private Partner Equity Contribution/Profit Sharing:	No	Sometimes	No
Number of Tenant User Groups:	3 to 6	5 to 10	4 to 8
Annual Attendance (athletes + spectators):	150,000 to 300,000	200,000 to 500,000	75,000 to 200,000
Annual Operating Profit/Loss:	($500,000) to ($200,000)	($200,000) to $1,000,000	($400,000) to $200,000
Sports Tourism Impact (per surface):	Moderate	High	Moderate
Use Types:	Ice Hockey Figure Skating Curling Open Skating / Learn-to-Skate	Basketball Volleyball Cheerleading Dance Wrestling Gymnastics Futsal Pickleball Table Tennis Badminton Running / Walking Fitness / Aerobics Martial Arts Public / Consumer Shows Tradeshows Special Events Open Leisure / Recreation	Soccer Lacrosse Rugby Field Hockey Football (American) Football (Flag) Football (Austrailian Rules) Baseball Softball Running / Walking Special Events Open Leisure / Recreation

	OUTDOOR FACILITY MODELS		
	Diamond Field Complex	Rectangle Field Complex	Rectangle Field w/ Bubble
Field Size:	200,000 to 260,000 GSF per field	200,000 GSF per field	280,000 GSF
Playing Surfaces:	Turf or Natural Grass	Turf or Natural Grass	Turf space (87,000 SF)
Owner:	Public	Public	Public or Private
Operator:	Public or Private	Public or Private	Public or Private
Private Partner Equity Contribution/Profit Sharing:	No	No	No
Number of Tenant User Groups:	2 to 6	4 to 8	5 to 10
Annual Attendance (athletes + spectators):	300,000 to 600,000	400,000 to 1,000,000	50,000 to 250,000
Annual Operating Profit/Loss:	($200,000) to $200,000	($200,000) to $400,000	($400,000) to $200,000
Sports Tourism Impact (per surface):	Moderate	High	Moderate
Use Types:	Baseball Softball Kickball	Soccer Lacrosse Rugby Field Hockey Football (American) Football (Flag) Football (Austrailian Rules) Cheerleading Special Events Open Leisure / Recreation	Soccer Lacrosse Rugby Field Hockey Football (American) Football (Flag) Football (Austrailian Rules) Cheerleading Baseball Softball Running / Walking Fitness / Aerobics Special Events Open Leisure / Recreation

It is important to note that there exists a number of additional types of amateur sports and recreation facility products beyond the primary indoor and outdoor facility models indicated above. Additional facility types include, but are not limited to, natatoriums/aquatic centers, tennis centers (outdoor and indoor), gymnastics centers, track & field facilities (outdoor and indoor), cross country courses, velodromes (cycling), cricket stadium/field complexes, rowing/watersports centers, hiking/biking trail courses, extreme/adventure sports courses, and other such facilities/complexes. However, the facility types listed on this page represent the most common and highly-utilized sports tourism facility products throughout the country that can be most impactful and deliver the highest ROI, in terms of driving tourism and economic impact relative to costs (development and operating costs).

Sports ETA State of the Industry

The Sports Events & Tourism Association (Sports ETA) was established in 1992 to provide education and networking opportunities to sports tourism destinations, event rights holders and other industry partners. In 2021, Sports ETA partnered with Northstar Meetings Group and Tourism Economics to develop the second edition of a State of the Industry report with detailed information about spending, economic impact, tax revenue generation, job creation and destination profile information among nationwide destinations hosting adult and youth amateur sports events and collegiate tournaments.

Overall, it is estimated that the sports tourism sector generated approximately $39.7 billion in direct spending operating venues hosting sports tourism activities and through an estimated 174.7 million travelers attending sports tournaments, meets and other competitions either as a participant or spectator. This spending is estimated to have resulted in a total economic impact of $91.8 billion, which supported approximately 635,000 total full- and part-time jobs and generated $12.9 billion in total tax revenue.

$3.7B Tournament Operations **+** **$36.0B** Sports Traveler Visitor Spending **=** **$39.7B** Total Direct Spending Impact of the Sports Tourism Sector

Approximately $9.7 billion in direct spending occurred within the transportation sector on airfare, rental cars, taxis, buses, parking public transportation and ride share. An estimated $8.4 billion was spent on housing (hotels, motels, private home rentals, etc.) and $7.5 billion on food and beverage service. Recreation and entertainment spending accounted for approximately $5.3 billion in spending, while $5.0 billion was generated for the retail sector. An estimated $3.7 billion was generated through tournament operations on payroll, marketing, general administrative and other expenses. Of the estimated 174.7 million sports tourism travelers, approximately 94.7 million (54 percent) were overnight visitors to respective event destinations, which resulted in an estimated 66.5 million room nights. The average sports traveler spent $317 per person trip, while day-trippers were projected to have spent $75 per person trip. Among the 635,000 estimated jobs supported, the food and beverage industry experienced the greatest impact, with approximately 135,000 jobs, while the recreation and entertainment industry realized an estimated 108,500 in jobs supported.

In February 2022, Sports ETA distributed an email survey to destination members including convention and visitor bureaus (CVBs), sports commissions, chambers of commerce and other destination marketing organizations (DMOs), generating responses from 176 organizations. The goal of the survey was to develop benchmarking metrics to highlight key characteristics for Sports ETA members. Some of the key findings of this survey are outlined below:

- Approximately half of respondent organizations operate with a budget of $500,000 or less, while just 13 percent of organizations have a budget in excess of $2.0 million.
- 49 percent of organizations reported a budget decrease, while just 23 percent reported an increased budget between 2019 and 2021.
- Full-time sports-related staff by overall organization budget:
    - $500,000 or less – 2.3 full-time staff.
    - Between $500,000 and $1.0 million – 3.1 full-time staff.
    - Between $1.0 and $2.0 million – 5.6 full-time staff.
    - Between $2.0 and $5.0 million – 9.3 full-time staff.
    - More than $5.0 million – 20.4 full-time staff.
- 34 percent of organizations reported staffing level decreases, while just nine percent of organizations increased staffing between 2019 and 2021.
- Regardless of budget, destinations hosted an average of 52 events in 2021 attracting an average of 2,360 participants and spectators per event. Events per destination by organization budget include:
    - $100,000 or less – 53 events.
    - Between $100,000 and $500,000 – 49 events.
    - Between $500,000 and $1.0 million – 45 events.
    - $1.0 million or more – 61 events.
- Approximately 80 percent of destinations paid bid fees in 2021, with an average funding pool of $200,000. The bid fee pool increased for 21 percent of organizations and decreased for 30 percent of organizations.
- 60 percent of destinations required "stay to play" in 2021.
- 44 percent of destinations participated in community-based health and wellness activities.

3 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, tournaments 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, while a significant portion of sports games and tournaments were also canceled during this period. 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 and sports activities.

From the perspective of a potential new Amateur Sports Complex in Northern Kentucky, it is important to consider how any new facility 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 best practices facing such facilities in a post-COVID environment (including emphasis on outdoor spaces, flex spaces, attendee/participant social distancing, PPE and other health/safety policies, amenities and operating practices).

Given the timeline of facility development for any major Amateur Sports project in Northern Kentucky would most likely represent construction completion and commencement of operations in 2026 or later, the findings and conclusions presented herein assume the amateur sports and sports tourism industry will have fully recovered from any pandemic-related impacts.

Summary & Conclusions

- CONTINUED GROWTH OF THE SPORTS TOURISM SECTOR: 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 ROI modern sports complexes can have in host destinations in terms of driving visitation, hotel room nights, and economic impact.
- IMPORTANT CONSIDERATIONS FOR LOCAL DEMAND: The ability to activate sports tourism within a destination can oftentimes be directly tied to the strength of sports and activities within the local market. Most sports tourism occurs on weekends, leaving four or five days of programming that must be filled by demand from area residents participating in youth and amateur sports activities.
- FACILITY DESIGN TRENDS: Synthetic turf is increasingly utilized for both outdoor and indoor sports facility projects, delivering significant advantages over other surfaces, particularly for sports tourism activity. 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 ensuring a critical mass of courts, fields or other playing surfaces at one location, an increasingly important focus of tournament, meet or other competition participants is the strength of a destination in terms of hotel, restaurant, entertainment and other factors. This can help in terms of a destination's ability to maximize economic impact capture, minimizing spending leakage to area communities and increasing the likelihood of participants returning for future years.
- HIGHLY UTILIZED, HIGH-IMPACT FACILTY MODELS: Four primary sports tourism-oriented facility types (indoor hardwood complex, indoor turf complex, diamond field complex, and rectangle field complex represent the most common and highly-utilized sports tourism facility products throughout the country that can be most impactful and deliver the highest ROI, in terms of driving new tourism and economic impact relative to costs (development and operating costs). As such, based on the analysis of local market conditions in the Northern Kentucky area (including consideration competitive/regional facility supply), evaluation of industry trends in terms of participation and tourism volume, and industry experience, the four aforementioned primary facility models represent the primary product models appropriate for further analysis as logical, high-impact sports tourism facility product development candidates that would be key concepts of focus for consideration in Northern Kentucky.

4

COMPARABLE FACILITIES

4 COMPARABLE FACILITIES

Overview

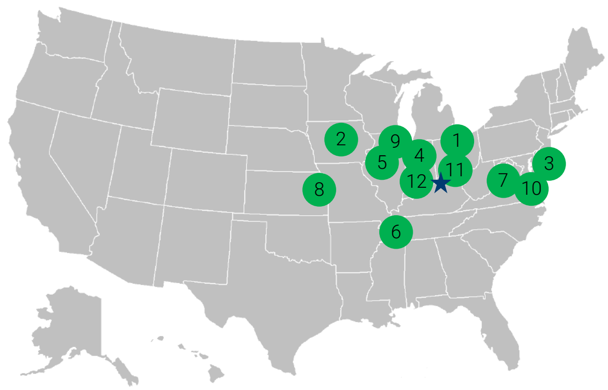
To assist in the market analysis, a set of comparable amateur sports facility products were identified within a set of four groupings of facility type. A benchmarking analysis, including selected case studies, was conducted for the identified comparable facilities/complexes located throughout the country within each of the product groupings. This chapter provides information on the various physical and operational characteristics of comparable facilities. The data helps place a potential new Amateur Sports Complex in Northern Kentucky within a comparable context with respect to facility offerings, demographics and other related host market features. The four groupings, indicated to the right, are presented herein in sequence and are denoted with unique color schemes. While there are a wide variety of amateur sports facility products serving broad-based as well as niche sports, these groupings represent some of the most common and highly-utilized sports tourism-oriented amateur sports facility products throughout the country.

- Outdoor Rectangle Field Complexes
- Outdoor Diamond Field Complexes
- Indoor Court Facilities
- Other Sports Tourism Assets

Outdoor Rectangle Field Complexes

A benchmarking analysis of selected comparable multi-sport rectangle field complexes located throughout the country was conducted. 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 multi-sport rectangle field complexes and markets analyzed.



Characteristics of Selected Comparable Rectangle Field Complexes

			Rectangle Fields			Surface
	Facility Name	Location	Adult	Youth	Total	Type
1	John Ankeney Soccer Complex	Dayton, OH	11	19	30	Grass
2	James Cownie Soccer Complex	Des Moines, IA	12	0	12	Grass
3	DE Turf	Fredrica, DE	12	0	12	Turf
4	Lawrence Soccer Complex	Indianapolis, IN	23	0	23	Grass
5	MercyHealth Sportscore Two	Loves Park, IL	26	3	29	Grass / Turf
6	Mike Rose Soccer Complex	Memphis, TN	16	0	16	Turf
7	River City Sportsplex	Midlothian, VA	12	0	12	Turf
8	Scheels Overland Park Soccer Complex	Overland Park, KS	12	0	12	Turf
9	MercyHealth Sportscore One	Rockford, IL	13	6	19	Grass
10	Hampton Roads Soccer Complex	Virginia Beach, VA	16	3	19	Grass / Turf
11	Voice of America Park	West Chester, OH	23	2	25	Grass / Turf
12	Grand Park	Westfield, IN	31	0	31	Grass / Turf
	AVERAGE		17	3	20	
	MEDIAN		15	0	19	

Source: CSL research, interviews with facility management, facility websites, 2023.

The level of population from which sports facilities will draw participants, both short-term and long-term, impacts the utilization of the facilities. 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. Additionally, the regional corporate base (number of companies) also can play an important role in the success of sports facilities in terms of sponsorships, advertising and other such opportunities.

4 COMPARABLE FACILITIES

Key demographic metrics associated with the host markets of each of the comparable rectangle field complexes are presented in the exhibits below, sorted by 30-mile drive distances. For purposes of this demographic analysis associated with comparable facility markets, Downtown Covington was used as a center point for comparison. Importantly, Northern Kentucky ranks within the top two in comparable facility markets within a 60-minute drive range for all but one metric. This is important to note as that presents an opportunity to host regional sports tourism events as Northern Kentucky is a nearby location to major markets, such as Louisville and Indianapolis. The level of population from which sports facilities will draw participants, both short-term and long-term, impacts the utilization of the facilities. Northern Kentucky ranks within the top three of population within 15-, 30- and 60-minute drive times. A selection of case studies for these comparable facilities are provided on the pages that follow.

Market Demographics of Selected Comparable Rectangle Field Complexes

Population

	Market	15-min	30-min	60-min	180-min
11	West Chester, OH	263,296	1,338,077	3,127,634	14,994,203
4	Indianapolis, IN	289,516	1,322,289	2,403,130	16,610,868
	Covington, KY	351,624	1,290,133	2,506,096	14,089,776
8	Overland Park, KS	312,714	1,245,148	2,313,532	5,948,741
6	Memphis, TN	257,520	964,229	1,341,443	5,069,881
10	Virginia Beach, VA	262,460	891,392	1,538,554	4,991,675
1	Dayton, OH	233,405	799,249	2,360,260	15,802,612
7	Midlothian, VA	116,052	765,471	1,365,219	15,120,853
12	Westfield, IN	150,412	653,131	2,236,928	15,476,009
2	Des Moines, IA	154,120	615,476	941,114	4,971,842
5	Loves Park, IL	140,272	431,478	2,000,716	17,030,367
9	Rockford, IL	150,053	380,139	1,198,812	16,446,699
3	Fredrica, DE	40,482	195,238	732,669	24,831,495
	Average	209,400	837,800	1,851,200	13,183,500
	Rank (out of 13)	1	3	2	9

Average Household Income

	Market	15-min	30-min	60-min	180-min
12	Westfield, IN	$143,145	$126,878	$101,686	$93,800
7	Midlothian, VA	$132,205	$115,742	$111,180	$129,684
8	Overland Park, KS	$138,071	$110,566	$105,619	$91,281
11	West Chester, OH	$133,793	$107,254	$100,843	$93,328
2	Des Moines, IA	$75,125	$106,520	$103,035	$94,786
10	Virginia Beach, VA	$107,484	$105,696	$102,444	$101,850
4	Indianapolis, IN	$83,662	$104,836	$101,341	$93,266
	Covington, KY	$88,012	$102,212	$104,746	$93,167
1	Dayton, OH	$91,785	$92,673	$98,963	$93,761
6	Memphis, TN	$115,255	$91,575	$89,898	$78,660
3	Fredrica, DE	$89,440	$86,663	$102,035	$132,232
5	Loves Park, IL	$96,806	$83,039	$107,375	$107,195
9	Rockford, IL	$78,823	$82,811	$95,916	$107,949
	Average	$105,700	$101,300	$101,900	$100,800
	Rank (out of 13)	10	8	4	11

Number of Businesses

	Market	15-min	30-min	60-min	180-min
11	West Chester, OH	11,519	51,151	103,846	490,008
8	Overland Park, KS	17,185	51,044	79,875	216,334
	Covington, KY	16,263	50,330	85,194	459,790
4	Indianapolis, IN	10,739	47,041	77,246	537,221
6	Memphis, TN	9,160	34,539	43,154	169,793
10	Virginia Beach, VA	10,522	31,824	47,840	163,496
7	Midlothian, VA	3,252	26,671	42,386	514,921
12	Westfield, IN	5,188	26,591	72,558	512,661
1	Dayton, OH	7,918	25,874	78,197	520,084
2	Des Moines, IA	6,207	21,287	31,865	182,969
5	Loves Park, IL	5,188	12,876	69,354	582,094
9	Rockford, IL	4,516	11,293	38,806	559,194
3	Fredrica, DE	1,215	7,957	26,907	856,904
	Average	8,400	30,700	61,300	443,500
	Rank (out of 13)	2	3	2	9

Entertainment/Recreation Spending (in $000s)

	Market	15-min	30-min	60-min	180-min
11	West Chester, OH	$448,842	$2,054,094	$4,538,102	$20,319,502
8	Overland Park, KS	$590,372	$1,963,213	$3,451,234	$7,991,545
4	Indianapolis, IN	$360,511	$1,950,594	$3,437,257	$22,349,988
	Covington, KY	$482,445	$1,923,975	$3,733,769	$19,032,196
10	Virginia Beach, VA	$365,921	$1,291,539	$2,157,957	$7,155,578
7	Midlothian, VA	$201,403	$1,246,983	$2,105,801	$26,448,335
6	Memphis, TN	$400,429	$1,215,931	$1,656,972	$5,871,312
12	Westfield, IN	$286,925	$1,179,274	$3,210,423	$20,894,394
1	Dayton, OH	$322,301	$1,103,012	$3,395,522	$21,581,535
2	Des Moines, IA	$167,289	$921,771	$1,391,083	$7,121,112
5	Loves Park, IL	$198,011	$522,129	$2,946,761	$25,683,423
9	Rockford, IL	$177,483	$456,941	$1,610,252	$24,898,867
3	Fredrica, DE	$49,629	$234,174	$1,034,613	$43,145,794
	Average	$311,700	$1,235,700	$2,666,900	$19,422,600
	Rank (out of 13)	2	4	2	9

Fees for Participant Sports on Trips (in $000s)

	Market	15-min	30-min	60-min	180-min
11	West Chester, OH	$19,740	$84,089	$183,310	$785,257
8	Overland Park, KS	$25,867	$81,419	$141,981	$302,266
4	Indianapolis, IN	$14,149	$79,618	$138,288	$870,699
	Covington, KY	$18,274	$78,113	$151,796	$731,060
10	Virginia Beach, VA	$15,808	$54,658	$90,988	$287,754
7	Midlothian, VA	$9,099	$52,858	$88,738	$1,095,376
12	Westfield, IN	$12,846	$50,244	$129,647	$813,417
6	Memphis, TN	$17,346	$49,737	$66,447	$208,380
1	Dayton, OH	$12,762	$43,954	$135,260	$834,883
2	Des Moines, IA	$6,557	$39,008	$55,801	$264,213
5	Loves Park, IL	$8,119	$20,261	$123,296	$1,040,779
9	Rockford, IL	$6,905	$17,696	$65,107	$1,011,409
3	Fredrica, DE	$2,046	$9,616	$43,263	$1,837,070
	Average	$13,000	$50,900	$108,800	$775,600
	Rank (out of 13)	3	4	2	9

Attend Sports Events

	Market	15-min	30-min	60-min	180-min
11	West Chester, OH	24,569	120,842	284,138	1,360,854
4	Indianapolis, IN	23,527	114,924	213,979	1,486,450
	Covington, KY	30,360	114,663	229,037	1,283,522
8	Overland Park, KS	30,498	110,921	209,651	544,655
10	Virginia Beach, VA	24,472	81,278	140,847	461,878
6	Memphis, TN	23,616	79,396	112,533	437,813
7	Midlothian, VA	11,354	73,123	128,735	1,394,032
1	Dayton, OH	21,719	71,884	213,820	1,435,041
12	Westfield, IN	14,296	61,506	197,949	1,378,870
2	Des Moines, IA	12,890	55,691	88,623	468,204
5	Loves Park, IL	12,965	37,344	181,845	1,529,365
9	Rockford, IL	12,763	32,786	108,181	1,475,221
3	Fredrica, DE	3,766	17,590	66,207	2,213,452
	Average	19,000	74,800	167,300	1,190,000
	Rank (out of 13)	2	3	2	9

Source: EsrI, 2023.

4 COMPARABLE FACILITIES

FACILITY:	James W. Cownie Soccer Park
COMP ID #:	2
CITY, STATE:	Des Moines, IA
OWNER:	Des Moines Parks & Recreation
OPERATOR:	Des Moines Parks & Recreation
YEAR OPENED:	1998
COST (current $, in millions):	$14.7
FIELDS (soccer/multisport):	12
PLAYING SURFACE:	Natural Grass

James W. Cownie Park, located in Des Moines, represents the local area's largest outdoor rectangle field complex. Owned and operated by Des Moines Parks and Recreation, Cownie Park opened in 1998 and is located approximately ten minutes southeast of downtown Des Moines near the Des Moines River.

James W. Cownie Soccer Park sits on over 60 acres and consists of 12 high-quality natural grass, full-sized soccer fields. Field maintenance is handled by the Iowa Cubs under contract. The quality of Cownie Park fields are highly regarded as some of the most playable fields in the country.

There are lights and scoreboards on four fields while there is seating available at three fields. Field 9 has 2,000 bleacher seats; Field 6 contains 750 bleacher seats; and Field 8 offers 400 bleacher seats. This available seating is ideal for tournaments, championship games, and hosting local colleges and high schools.

Fields at James W. Cownie Soccer Park serve as a home field for local high schools and colleges in Des Moines, including Grand View University, Drake University and Roosevelt, Lincoln, East high schools.

The facility offers a 1,500-square foot building that has a concessions stand and indoor restrooms. Additionally, there are 1,200 parking spots available, with 806 of those representing paved spaces.

Since Cownie Soccer Park opened, a number of competitive rectangle field complexes have been developed throughout the region and country. Many of these complexes offer synthetic turf fields as part of their complexes. Fast moisture draining, recovery and durability of synthetic fields result in a significant reduction in cancelled tournaments and games due to inclement weather relative to natural grass/dirt fields. In recent years, there have been a number of indications that Cownie Soccer Park is unable to accommodate a growing level of local user group and tournament demand. With respect to tournaments, an increasing number of high-impact tournaments are selecting other facility complexes in competitive destinations.

The City commissioned a feasibility study in 2019 to assess the opportunity for expansion/improvement of Cownie Park. Study findings indicated market support for an expansion that would add 12 synthetic turf, lighted fields at a nearby parcel walkable from the existing complex, bringing the total number of fields to 24. The City paused advanced planning related to the project upon the onset of the COVID-19 pandemic but is expected to revisit the expansion strategy in 2024.

4 COMPARABLE FACILITIES

FACILITY:	Scheels Overland Park Soccer Complex
COMP ID #:	8
CITY, STATE:	Overland Park, KS
OWNER:	City of Overland Park
OPERATOR:	City of Overland Park
YEAR OPENED:	2009
COST (current $, in millions):	$62.3
FIELDS (soccer/multisport):	12
PLAYING SURFACE:	Synthetic turf

Located in Overland Park, Kansas (a suburban area of Kansas City, Missouri), the Scheels Overland Soccer Complex (SOPSC) opened in 2009 and is comprised of 96 acres. The complex is owned and operated by the City of Overland Park.

The complex is considered one of the premier soccer complexes in the country offering a total of 12 lighted, regulation-size synthetic turf fields. The soccer fields are regulated by a field cooling system to keep the turf temperature manageable for players in the summer months. The fields are available from 7 a.m. to 11 p.m., seven days a week.

Construction of the Scheels Overland Park Soccer Complex totaled approximately $36 million. Funding was provided by the City of Overland Park through a revenue bond issuance, secured by a hotel tax increase of three percent (a tax increase from six percent to nine percent). As a result, income from facility operations is not required to support debt payments.

The facility includes 1,100 square feet of meeting space for event and tournament check-ins and volunteer or team meetings. Additional amenities include a referee lounge, tournament storage area, free Wi-Fi and three Corner Kick Cafés which offer food at the complex.

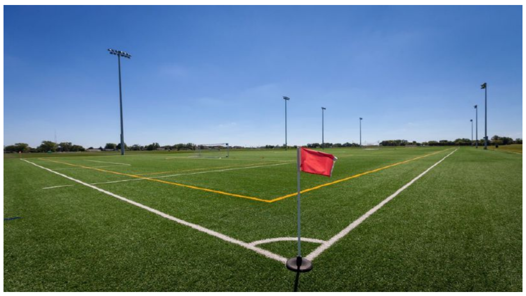
Scheels Overland Park Soccer Complex offers internal and partnered club sports teams that include Sporting Blue Valley, Overland Park Soccer Club, Heartland Soccer Association and 23 local and regional club soccer teams. Blue Valley Soccer Club and Overland Park Soccer Club are two primary tenants who have priority access to field space.

In a recent year, Scheels Overland Park Soccer Complex hosted more than 20 tournaments, including the Kansas State Cup, USYSA Region II President's Cup, US Adult Soccer Regional and National Championships, USYSA National Championships and VW Masters.

Scheels Overland Park Soccer Complex primarily works with five external tournament organizers each year to schedule tournaments. Approximately 40 percent of the tournaments hosted at the facility reached their maximum number of participating teams (approximately 210). Most of the tournaments hosted at the Complex are regional tournaments, with the complex management estimating approximately 25 to 35 percent of participants and visitors originate beyond the local market and require hotel accommodations. Management at SOPSC cited having a strong state association within sport governing bodies, as well as a strong volunteer base required to be in the bidding process for national tournaments as factors for success in securing national and larger regional tournaments.

4 COMPARABLE FACILITIES

FACILITY:	Voice of America Park
COMP ID #:	11
CITY, STATE:	West Chester Township, OH
OWNER:	MetroParks of Butler County
OPERATOR:	MetroParks of Butler County
YEAR OPENED:	2014
COST (current $, in millions):	$4.3
FIELDS (soccer/multisport):	25
PLAYING SURFACE:	Natural grass (23), synthetic turf (2)



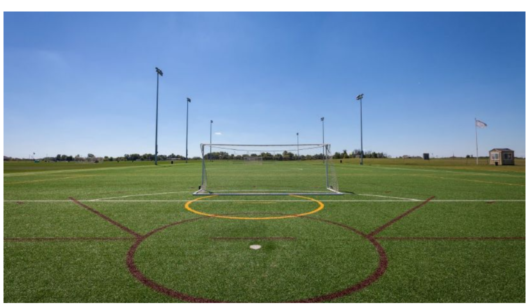
Voice of America Park is located in West Chester Township, Ohio. Originally opened in 2014, the facility is owned and operated by MetroParks of Butler County. Located between Cincinnati and Dayton, Voice of America Park is within a half-day's drive for 60 percent of the U.S. population.

Comprised of 435 acres, the Park includes 23 natural grass fields and two multi-purpose lighted turf fields. The Park also features a 35-acre stocked lake, nine miles of trails, the Ronald Reagan Lodge Banquet Facility, Chill Hill sledding hill, a cricket field, Wiggly Field Dog Park, five multi-purpose practice fields and the UC Health Fieldhouse.

UC Health Fieldhouse contains amenities, such as space for trainers, a second-story press box for enhanced scouting, a concession stand and restrooms.

Voice of America Park has been hosting tournaments, leagues, concerts, and other special events, with over 100,000 attendees per year. Some of the sports that are prominently played there include soccer, lacrosse, ultimate Frisbee, archery, and even quidditch.

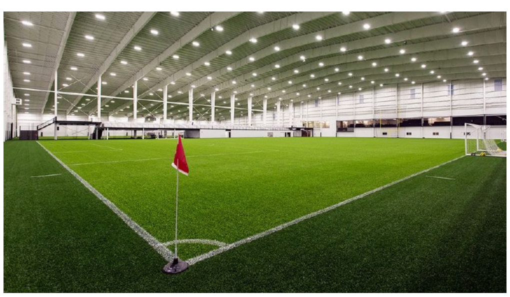
The Park has been open year-round since Fall 2014, having undergone a few renovations, including the additional of turf fields in 2015 and the construction of the fieldhouse in 2018.

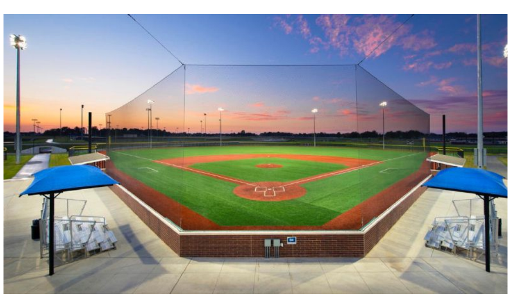


In a recent year, in addition to hosting local league games, practices and other activity, Voice of America Park hosted 60 tournaments and special events, attracting more than 106,400 participants and spectators. Specifically, the Park hosted 13 tournaments attracting 72,200 attendees; 31 special events attracting more than 30,000 attendees, and 16 concert/art series events attracting approximately 4,000 attendees.

4 COMPARABLE FACILITIES

FACILITY:	Grand Park
COMP ID #:	12
CITY, STATE:	Westfield, IN
OWNER:	City of Westfield
OPERATOR:	City of Westfield
YEAR OPENED:	2014
COST (current $, in millions):	$121.0
FIELDS (soccer/multisport):	31
PLAYING SURFACE:	Natural grass (23), synthetic turf (8)





Grand Park is a multi-purpose sports facility located in Westfield, Indiana. The facility is owned by the City of Westfield and operated by the Indiana Bulls and Indiana Sports Properties. Opening in 2014, Grand Park is situated on 400 acres of land. The $49 million complex is appealing to sports tourism events as its adjacent to Grand Park Village, a 220-acre entertainment district. There are construction projects that began in 2022 for the mixed-use retail district. The concept for Grand Park Village included a New England-style community with shops, restaurants, entertainment venues and multifamily housing surrounding a 15-acre lake with a boardwalk.

The goal was to fund it entirely through TIF and sponsorship revenues, but the City Council lent the project $6 million from an infrastructure fund. Ultimately, the $8.5 million fieldhouse opened in January 2016 while the $20 million privately-funded, 370,000 square-foot event center opened Summer 2016, is being leased by the City for 25 years at $53 million (with interest).

Outside, the facility features 26 diamond fields and 31 multi-purpose rectangle fields, which are primarily used for soccer. Eight of the multi-purpose fields are lighted. In addition to lined fields, Grand Park also offers two unlined field areas, which are ready to use for impromptu sports purposes. Indoors, the facility houses three more multi-purpose rectangle fields. There is also a small amount of space for court sports and athlete development. For customers' convenience, Grand Park features seven concession areas spread throughout the park.

It is estimated that Grand Park attracts more than a half million athletes and spectators annually, hosting in excess of 75 major tournaments.

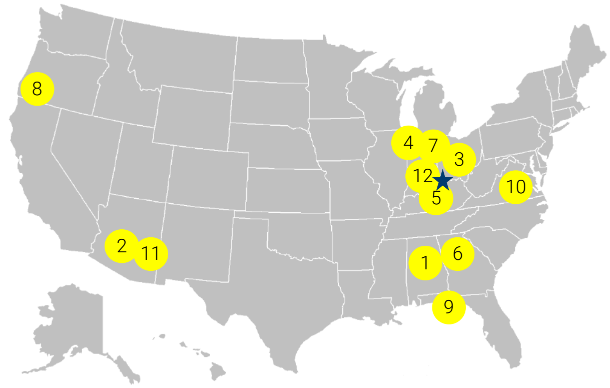
One cautionary aspect of the project that is often discussed relates to the initial mismatch between the large size of the complex when it opened and the available hotel product support within the city of Westfield. Hotel room night demand during many tournaments extended to hotel properties outside Westfield itself, which displaced economic impact outside of the municipality that provided the funding for the facility project. In recent years, additional hotels, restaurants and retail offerings have materialized in Westfield near the site, and more development is planned.

4 COMPARABLE FACILITIES

Outdoor Diamond Field Complexes

A benchmarking analysis of selected comparable diamond field complexes located throughout the country was conducted. 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 diamond field complexes and markets analyzed.



Characteristics of Selected Comparable Diamond Field Complexes

	Facility Name	Location	Baseball Fields Adult	Baseball Fields Youth	Softball Fields Adult	Softball Fields Youth	Total
1	Hoover East Sports Complex	Birmingham, AL	2	10	1	0	13
2	Snedigar Sports Complex	Chandler, AZ	2	2	6	0	10
3	Lou Berliner Sports Park	Columbus, OH	31	0	0	0	31
4	Crown Point Sports Complex	Crown Point, IN	3	0	6	0	9
5	Elizabethtown Sports Park	Elizabethtown, KY	7	0	6	0	13
6	LakePoint Sports	Emerson, GA	8	0	0	0	8
7	Wallen Baseball Complex	Fort Wayne, IN	0	4	4	2	10
8	Lithia & Driveway Fields	Medford, OR	3	0	7	0	10
9	Publix Sports Park	Panama City Beach, FL	5	5	0	0	10
10	Harry Daniel Park	Richmond, VA	1	1	6	12	20
11	Kino Sports Complex	Tuscon, AZ	8	2	0	0	10
12	Grand Park	Westfield, IN	14	12	0	0	26
	AVERAGE		7	3	3	1	14
	MEDIAN		4	2	3	0	10

Source: CSL research, interviews with facility management, facility websites, 2023.

As shown above, the median complex among the identified comparable diamond complex reviewed incorporates 10 diamond fields, with a slightly greater number of baseball fields than softball fields represented.

In terms of a comparison of demographic statistics, as shown on the following page, Northern Kentucky ranks first of the markets hosting the comparable diamond complexes in terms of fees for participant sports and attending sporting events within the 15-minute driving distance measurement.

Market Demographics of Selected Comparable Diamond Field Complexes

Population

	Market	15-min	30-min	60-min	180-min
2	Chandler, AZ	296,743	1,711,254	4,597,790	6,909,557
3	Columbus, OH	519,842	1,630,565	2,536,394	17,001,108
	Covington, KY	351,624	1,290,133	2,506,096	14,089,776
10	Richmond, VA	196,203	982,316	1,423,882	15,519,053
11	Tuscon, AZ	381,955	946,080	1,125,749	6,426,414
1	Birmingham, AL	187,182	764,150	1,406,518	12,645,679
12	Westfield, IN	150,412	653,131	2,236,928	15,476,009
6	Emerson, GA	56,511	625,986	3,602,013	14,453,204
4	Crown Point, IN	122,298	595,961	2,914,129	20,859,618
7	Fort Wayne, IN	176,979	466,471	926,999	19,080,803
8	Medford, OR	131,986	196,634	308,400	1,193,234
9	Panama City Beach, FL	57,448	153,452	251,580	2,500,449
5	Elizabethtown, KY	57,622	140,165	1,244,499	11,601,317
	Average	206,700	781,300	1,929,300	12,135,100
	Rank (out of 13)	3	3	5	7

Average Household Income

	Market	15-min	30-min	60-min	180-min
12	Westfield, IN	$143,145	$126,878	$101,686	$93,800
6	Emerson, GA	$101,351	$118,672	$121,743	$99,385
2	Chandler, AZ	$136,605	$113,989	$111,436	$105,128
	Covington, KY	$87,613	$106,148	$101,852	$93,208
10	Richmond, VA	$88,620	$105,401	$110,727	$128,831
3	Columbus, OH	$88,012	$102,212	$104,746	$93,167
1	Birmingham, AL	$133,105	$101,033	$91,475	$99,245
4	Crown Point, IN	$101,709	$93,948	$90,589	$103,985
11	Tuscon, AZ	$65,304	$90,375	$92,264	$106,442
9	Panama City Beach, FL	$89,217	$88,412	$93,305	$84,292
8	Medford, OR	$83,717	$87,879	$85,628	$85,247
7	Fort Wayne, IN	$87,270	$87,264	$85,496	$93,155
5	Elizabethtown, KY	$90,516	$85,490	$84,937	$95,753
	Average	$99,700	$100,600	$98,100	$98,600
	Rank (out of 13)	10	4	5	9

Number of Businesses

	Market	15-min	30-min	60-min	180-min
2	Chandler, AZ	7,602	52,961	128,535	189,670
3	Columbus, OH	19,994	51,976	78,519	563,321
	Covington, KY	16,263	50,330	85,194	459,790
1	Birmingham, AL	12,758	32,594	50,319	415,630
10	Richmond, VA	5,061	32,178	44,280	527,012
11	Tuscon, AZ	14,228	27,986	30,866	173,354
12	Westfield, IN	5,188	26,591	72,558	512,661
6	Emerson, GA	3,026	24,320	142,069	472,160
4	Crown Point, IN	5,070	18,993	84,204	687,217
7	Fort Wayne, IN	7,913	15,488	31,102	607,084
8	Medford, OR	6,370	8,889	12,957	46,958
9	Panama City Beach, FL	4,145	8,269	12,521	96,251
5	Elizabethtown, KY	2,686	4,521	48,494	385,172
	Average	8,500	27,300	63,200	395,100
	Rank (out of 13)	2	3	3	7

Entertainment/Recreation Spending (in $000s)

	Market	15-min	30-min	60-min	180-min
2	Chandler, AZ	$531,255	$2,603,889	$6,678,767	$9,808,013
3	Columbus, OH	$674,784	$2,422,065	$3,638,870	$23,426,155
	Covington, KY	$482,445	$1,923,975	$3,733,769	$19,032,196
10	Richmond, VA	$229,905	$1,455,609	$2,189,234	$26,977,481
11	Tuscon, AZ	$349,965	$1,242,150	$1,505,932	$9,151,652
12	Westfield, IN	$286,925	$1,179,274	$3,210,423	$20,894,394
1	Birmingham, AL	$366,086	$1,097,041	$1,838,248	$17,486,945
6	Emerson, GA	$75,676	$963,125	$5,980,304	$19,923,836
4	Crown Point, IN	$169,669	$787,436	$3,625,495	$30,262,271
7	Fort Wayne, IN	$228,734	$586,394	$1,165,378	$25,582,612
8	Medford, OR	$159,637	$248,936	$390,809	$1,508,138
9	Panama City Beach, FL	$79,556	$202,187	$344,343	$3,072,089
5	Elizabethtown, KY	$74,786	$170,112	$1,574,905	$15,957,550
	Average	$285,300	$1,144,800	$2,759,700	$17,160,300
	Rank (out of 13)	3	3	3	7

Fees for Participant Sports on Trips (in $000s)

	Market	15-min	30-min	60-min	180-min
2	Chandler, AZ	$23,521	$109,592	$280,309	$410,541
	Covington, KY	$25,736	$99,135	$145,985	$904,798
3	Columbus, OH	$18,274	$78,113	$151,796	$731,060
10	Richmond, VA	$9,767	$60,917	$92,007	$1,116,031
11	Tuscon, AZ	$13,457	$51,170	$62,563	$383,072
12	Westfield, IN	$12,846	$50,244	$129,647	$813,417
1	Birmingham, AL	$15,638	$45,398	$71,015	$671,612
6	Emerson, GA	$3,147	$40,683	$244,270	$770,466
4	Crown Point, IN	$7,103	$31,891	$145,600	$1,215,773
7	Fort Wayne, IN	$9,123	$22,838	$43,125	$997,175
8	Medford, OR	$6,579	$10,266	$15,614	$59,423
9	Panama City Beach, FL	$3,152	$7,932	$13,202	$113,030
5	Elizabethtown, KY	$3,084	$6,612	$60,298	$615,532
	Average	$11,600	$47,300	$112,000	$677,100
	Rank (out of 13)	1	2	4	4

Attend Sports Events

	Market	15-min	30-min	60-min	180-min
2	Chandler, AZ	26,479	150,687	386,803	581,226
	Covington, KY	46,972	148,667	231,684	1,543,268
3	Columbus, OH	30,360	114,663	229,037	1,283,522
10	Richmond, VA	17,610	91,202	134,096	1,428,989
11	Tuscon, AZ	30,636	82,366	95,722	541,040
1	Birmingham, AL	17,963	66,922	126,839	1,137,853
12	Westfield, IN	14,296	61,506	197,949	1,378,870
6	Emerson, GA	5,127	58,625	325,159	1,299,324
4	Crown Point, IN	11,171	51,991	238,671	1,850,981
7	Fort Wayne, IN	15,511	40,336	81,350	1,680,830
8	Medford, OR	11,638	17,379	26,219	104,412
9	Panama City Beach, FL	5,231	13,474	22,253	224,796
5	Elizabethtown, KY	5,078	12,701	110,391	1,057,933
	Average	18,300	70,000	169,700	1,085,600
	Rank (out of 13)	1	2	4	3

Source: Esri, 2023.

4 COMPARABLE FACILITIES

FACILITY:	Crown Point Sportsplex
COMP ID #:	4
CITY, STATE:	Crown Point, IN
OWNER:	City of Crown Point
OPERATOR:	City of Crown Point
YEAR OPENED:	2011
COST (current $, in millions):	$16.8
FIELDS (diamond):	9
FIELDS (rectangle/other):	2

Located in Crown Point, Indiana, the Crown Point Sportsplex began its development in 2008. The facility is owned and operated by the City of Crown Point, and the site placement is great as it is easily accessible off I-65.

The 95-acre Crown Point Sportsplex is the result of a phased project to address the shortage of fields for sports teams to use for local practice. From that point, the project grew into an effort to increase national sports tourism and stimulate economic activity in the Crown Point area.

The Sportsplex began its development in 2008 when Crown Point Mayor David Uran began talks with the City about making Crown Point a sports tourism destination. The project proceeded into its first phase with funding from the City's Redevelopment Commission, tax from a bond issue, and the Dean and Barbara White Foundation. Federal funds were also secured to improve the local roads surrounding the park. As development continued, additional funding was secured from the White Foundation as well as from private investments on the property. One of those investments is the 122,000-square foot Sparta Dome, an athletic facility with turf fields that are covered in the winter months.

The complex offers a total of nine diamond fields, three 300' fields and six skinned fields, lighted with scoreboards. One of the 300' fields is a Championship field featuring stadium seating for 750 fans, press box, PA systems and observation deck.

In addition to the diamond fields, Crown Point Sportsplex offers two lighted turf fields marked for football, soccer and lacrosse. All fields at the facility feature lighting and scoreboards with stadium-style entry.

There are adjustable bases and pitchers' mounds at the diamond fields, so it may be utilized by both youth and adult uses. The complex also features amenities such as an on-site playground, walking path, batting cages and 1,000 paved parking spots.

The Sportsplex is currently undergoing a $1.0 million renovation replacing the infields on six softball fields with synthetic turf and updating the facilities drainage infrastructure.

4 COMPARABLE FACILITIES

FACILITY:	Elizabethtown Sports Park
COMP ID #:	5
CITY, STATE:	Elizabethtown, KY
OWNER:	City of Elizabethtown
OPERATOR:	Sports Facilities Companies (SFC)
YEAR OPENED:	2012
COST (current $, in millions):	$44.6
FIELDS (diamond):	13
FIELDS (rectangle/other):	14

The Elizabethtown Sports Park in Elizabethtown, Kentucky opened in 2012 and is owned by the City of Elizabethtown while Sports Facilities Companies (SFC) is responsible for operations. The Sports Park is situated on 158 acres of land offering three quads for baseball, softball and fast pitch. Out of the 12 synthetic turf, lit diamonds, six of those contain turf infields for a standard baseball field. There is an additional diamond field, the Cecilian Bank Miracle Field for adapted play.

Elizabethtown Sports Park also caters to soccer, lacrosse, football and field hockey organizations as they offer 12 natural turf fields. An additional two synthetic turf fields are on site which provide a playing space for championship games.

The construction cost of this development totaled $31.0 million, which was financed through a City of Elizabethtown restaurant tax assessed at two percent within the City limits. In 2014, the restaurant tax collected exceeded the $1.0 million originally projected, reaching nearly $2.7 million, allowing the City to cover the debt obligation and fund an escrow account for future capital improvements.

The facility hosts youth and adult leagues for flag football, baseball, softball, soccer and kickball. The facility includes additional non sports amenities such as three large pavilions for ceremonies, events and meeting space. Also, free Wi-Fi throughout the park, three miles of multi-model path and a plaza for vendors are key amenities for sports tourism opportunities.

4 COMPARABLE FACILITIES

FACILITY:	LakePoint Sports
COMP ID #:	6
CITY, STATE:	Emerson, GA
OWNER:	Rimrock Capital Management
OPERATOR:	LakePoint Sports
YEAR OPENED:	2014
COST (current $, in millions):	N/A
FIELDS (diamond):	8
FIELDS (rectangle/other):	3

LakePoint Sports is a multipurpose sports facility in Emerson, Georgia. The facility is owned by Rimrock Capital Management and is operated by LakePoint Sports. Opening in 2014, LakePoint Sports is a 1,300-acre sports facility equipped to host over 30 sports year-round including baseball, basketball, volleyball, soccer, lacrosse, football, gymnastics, and cheer. With both indoor and outdoor sports facilities, hotels, restaurants, offices, living, and other developments, the entire private campus is slated to cost a total of $1 billion.

The outdoor facilities consist of eight full-size adult baseball fields, 10 pro-regulation sand volleyball courts, a three-lake wake park, and three multipurpose rectangular fields. Both the baseball and rectangular fields offer Shaw Sports synthetic turf, designed to accurately imitate the bounce of the ball off of real dirt and grass. The rectangular fields are all equipped with Musco LED lighting.

The sand volleyball complex includes on-site showers and bathrooms and a cooling area for participants, Musco LED lights, and a state-of-the-art electronic scoreboard and tournament tracker for the players. There is a full-service concession stand and shade under a two-level permanent cabana.

Lastly, the Terminus Wake Park is Georgia's first cable wake venue aimed to target any skill level. It consists of two full-sized cable lakes and a smaller cable lake aimed to train new riders. An inflatable aqua park can be added as an obstacle course on the water.

The 170,000-square foot indoor facility offers 12 hardwood basketball courts that can be converted into 24 volleyball courts, each with digital scoreboards. Additionally, the indoor facilities can host corporate events, conventions, trade shows, and more. It also contains nine meeting rooms that can be separated of combined as well as a food court, and mezzanine seating.

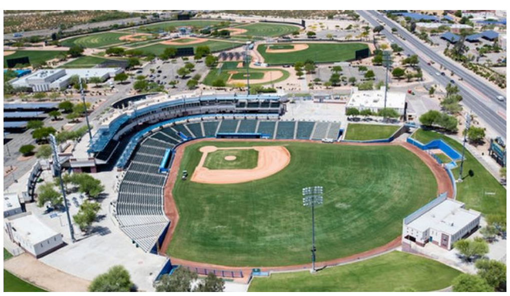
FACILITY:	Kino Sports Complex
COMP ID #:	11
CITY, STATE:	Tucson, AZ
OWNER:	Pima County
OPERATOR:	Pima County Stadium District
YEAR OPENED:	1998
COST (current $, in millions):	$96.0
FIELDS (diamond):	10
FIELDS (rectangle/other):	22

The Kino Sports Complex located in Tucson, Arizona is owned by Pima County and operated by the Pima County Stadium District. The complex originally opened in 1998 at a cost of $38 million as the Tucson Electric Park before being renamed to the Kino Sports Complex in 2010. The facility consists of over 300 acres and offers a variety of sports fields, amenities, and parking.

The complex contains eight full-size baseball fields and two youth baseball fields. One of the full-size fields is the Kino Veterans Memorial Stadium which has seating for 11,500 spectators and can be used for concerts.

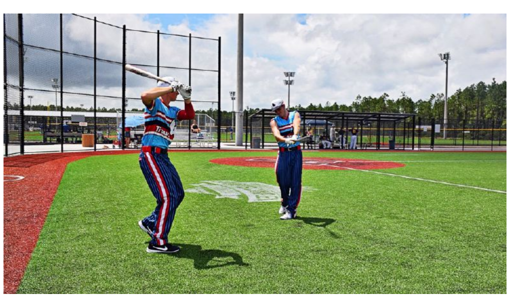
The Complex offers 22 total rectangle fields, 13 of which are full-size soccer fields. The North Grandstand soccer field has bleacher style seating for up to 1,000 people and the North Stadium has seating for 3,200, lights, a press box, restrooms, and a scoreboard.

The facilities also include parking for over 5,000 vehicles, an indoor event center, a basketball court, three clubhouses. In 2020, indoor batting cages and 20 pickleball courts were included to the list of facilities.



Kino Sports Complex hosts large events such as the Fort Lowell Shootout youth soccer tournament, which attracted over 300 youth teams in 2022. The Pathway Fall Classic youth baseball tournament drew 30 teams to the complex and the Arizona Pickleball Open is a weekend pickleball tournament that is growing in popularity.

FACILITY:	Publix Sports Park
COMP ID #:	9
CITY, STATE:	Panama City Beach, FL
OWNER:	Panama City Beach
OPERATOR:	Sports Facilities Companies
YEAR OPENED:	2019
COST (current $, in millions):	$45.6
FIELDS (diamond):	10
FIELDS (rectangle/other):	13



Formerly known as Panama City Beach Sports Complex, Publix Sports Park, located in Panama City Beach, Florida, opened in 2019. The facility is owned by Panama City Beach and operated by Sports Facilities Companies (SFC). The Park offers 13 configurable multipurpose fields including nine synthetic turf fields and four natural grass rectangle fields. The nine synthetic fields include five collegiate baseball fields, three rectangle fields that can be converted into five softball/youth baseball fields and one dedicated rectangle field. The four of the five collegiate baseball fields can be converted into four youth rectangle fields.

Additionally, the Park offers three concession areas, four bathroom areas, an umpire/referee locker room and lounge, a warmup area and over 1,000 parking spaces. Each field offers a scoreboard and lighting. Two of the fields are championship fields with seating for up to 1,500 spectators each. Also offered are lounging pavilions, seven batting cages, a scenic boardwalk, and free Wi-Fi spanning the full campus.

The $37 million Park was constructed through a partnership between Bay County, the Panama City Beach Convention and Visitors Bureau (PCBCVB) and a private developer. The developer donated the land, as they have complementary investments in area hotels, restaurants and other community assets. Bonds were issued by the PCBCVB, which dedicated hotel/motel tax revenue to support debt service and Park operations.

In a recent year of operations, the Park hosted tournaments on 46 weekends, attracting nearly 2,500 teams and 113,000 participants. The Park operates with on an annual budget of approximately $1.8 million (2023$). The most-hosted sports at the Park include soccer, baseball, softball, lacrosse, football and field hockey. The operating group also hosts leagues/programs in adult kickball, softball and flag football. Its most notable tournaments and events include the Visit PBC College Baseball Classis, the SpringFling College Women's Lacrosse Event and Spring Collegiate Softball. In 2021, the facility hosted an estimated 47 anchor events, with nearly 55 anchor events in 2022. The Park estimates that it had 208,000 visitors from July 2019 to June 2022 and generated about $170 million in total economic impact.

In June 2022, the County broke ground on a $2 million outdoor skate park and is currently planning development of a 112,000-square foot indoor sports complex that can operate as an emergency operations center to help with post-disaster response times.

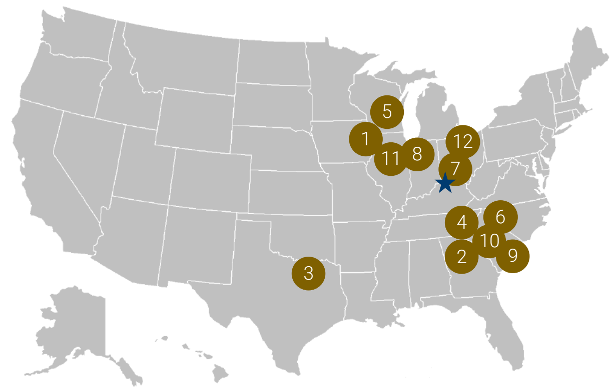
In 2022, Publix Super Markets purchased naming rights for the Park, investing $100,000 annually over five years.

4 COMPARABLE FACILITIES

Indoor Court Facilities

A benchmarking analysis of selected comparable indoor court facilities located throughout the country was conducted. 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 indoor court facilities and markets analyzed.



Characteristics of Selected Comparable Indoor Court Facilities

	Facility Name	Location	Courts	
			Basketball	Volleyball
1	TBK Bank Sportsplex	Bettendorf, IA	8	8
2	LakePoint Sports	Emerson, GA	12	24
3	Fieldhouse USA	Frisco, TX	12	12
4	Rocky Top Sports World	Gatlinburg, TN	6	12
5	Community First Champion Center	Grand Chute, WI	8	14
6	Greensboro Sportsplex	Greensboro, NC	8	8
7	Spooky Nook Champion Mill	Hamilton, OH	28	46
8	Hammond Sportsplex	Hammond, IN	6	10
9	Myrtle Beach Sports Center	Myrtle Beach, SC	8	16
10	Rock Hill Sports and Event Center	Rock Hill, SC	10	18
11	UW Sports Factory	Rockford, IL	8	16
12	Cedar Point Sports Center	Sandusky, OH	10	18
	AVERAGE		10	17
	MEDIAN		8	15

Source: CSL Research, Facility Management, 2023.

As shown in the above exhibit, the median indoor court complex among the identified comparable set reviewed incorporates eight basketball courts and/or 15 volleyball courts. In terms of a comparison of demographic statistics, as shown on the following page, the Northern Kentucky market falls within the top two for various metrics.

Market Demographics of Selected Comparable Indoor Court Facilities

Population

	Market	15-min	30-min	60-min	180-min
3	Frisco, TX	417,985	2,014,857	6,815,822	12,058,358
8	Hammond, IN	332,251	1,564,861	6,064,037	21,642,373
	Covington, KY	351,624	1,290,133	2,506,096	14,089,776
7	Hamilton, OH	167,161	714,438	2,909,097	14,179,268
6	Greensboro, NC	228,131	692,253	2,114,297	12,759,100
2	Emerson, GA	56,511	625,986	3,602,013	14,453,204
10	Rock Hill, SC	112,910	483,296	2,386,961	12,561,965
5	Grand Chute, WI	204,259	437,065	974,380	8,019,006
11	Rockford, IL	199,757	356,511	1,247,612	16,645,747
1	Bettendorf, IA	97,257	349,314	688,697	15,390,346
9	Myrtle Beach, SC	88,244	293,777	490,686	4,944,948
12	Sandusky, OH	46,438	145,629	1,114,263	17,623,833
4	Gatlinburg, TN	5,183	23,445	181,268	5,639,494
	Average	177,500	691,700	2,391,900	13,077,500
	Rank (out of 13)	2	3	5	7

Average Household Income

	Market	15-min	30-min	60-min	180-min
3	Frisco, TX	$166,657	$141,498	$116,587	$103,487
2	Emerson, GA	$101,351	$118,672	$121,743	$99,385
10	Rock Hill, SC	$86,532	$108,990	$110,186	$91,806
7	Hamilton, OH	$98,192	$105,546	$100,424	$93,942
	Covington, KY	$88,012	$102,212	$104,746	$93,167
5	Grand Chute, WI	$96,120	$97,329	$93,463	$106,860
1	Bettendorf, IA	$122,388	$92,398	$87,942	$108,273
6	Greensboro, NC	$83,469	$88,546	$89,215	$93,397
12	Sandusky, OH	$78,094	$86,595	$88,484	$94,943
9	Myrtle Beach, SC	$81,492	$83,897	$83,000	$84,872
11	Rockford, IL	$71,281	$83,875	$97,295	$107,564
8	Hammond, IN	$75,734	$81,210	$110,123	$104,184
4	Gatlinburg, TN	$69,831	$72,157	$75,330	$83,327
	Average	$93,800	$97,100	$98,300	$97,300
	Rank (out of 13)	6	5	5	10

Number of Businesses

	Market	15-min	30-min	60-min	180-min
3	Frisco, TX	14,823	86,485	251,967	422,069
	Covington, KY	16,263	50,330	85,194	459,790
8	Hammond, IN	9,738	42,703	199,958	718,290
6	Greensboro, NC	10,654	29,006	76,116	440,332
2	Emerson, GA	3,026	24,320	142,069	472,160
7	Hamilton, OH	4,345	24,103	98,551	465,415
10	Rock Hill, SC	3,793	17,649	86,461	423,799
5	Grand Chute, WI	7,922	15,553	34,273	295,004
9	Myrtle Beach, SC	5,246	12,568	18,711	164,745
1	Bettendorf, IA	4,233	12,303	24,938	528,667
11	Rockford, IL	6,657	10,508	39,140	566,447
12	Sandusky, OH	2,136	5,743	37,026	588,729
4	Gatlinburg, TN	631	2,079	6,547	187,013
	Average	6,900	25,600	84,700	441,000
	Rank (out of 13)	1	2	6	7

Entertainment/Recreation Spending (in $000s)

	Market	15-min	30-min	60-min	180-min
3	Frisco, TX	$852,968	$3,754,869	$10,071,173	$16,381,931
	Covington, KY	$482,445	$1,923,975	$3,733,769	$19,032,196
8	Hammond, IN	$353,223	$1,768,736	$9,127,788	$31,562,822
7	Hamilton, OH	$220,372	$1,021,257	$4,225,921	$19,296,445
2	Emerson, GA	$75,676	$963,125	$5,980,304	$19,923,836
6	Greensboro, NC	$262,176	$881,879	$2,744,432	$17,194,716
10	Rock Hill, SC	$137,925	$727,693	$3,643,944	$16,717,104
5	Grand Chute, WI	$291,944	$620,910	$1,359,841	$12,368,424
1	Bettendorf, IA	$173,280	$485,837	$931,920	$23,444,424
11	Rockford, IL	$212,585	$430,886	$1,683,971	$25,141,357
9	Myrtle Beach, SC	$111,829	$391,577	$649,555	$6,074,160
12	Sandusky, OH	$57,420	$201,417	$1,523,113	$24,810,307
4	Gatlinburg, TN	$630	$25,941	$209,140	$7,156,156
	Average	$248,700	$1,015,200	$3,529,600	$18,392,600
	Rank (out of 13)	2	2	5	7

Fees for Participant Sports (in $000s)

	Market	15-min	30-min	60-min	180-min
3	Frisco, TX	$38,089	$161,915	$417,987	$643,397
	Covington, KY	$18,274	$78,113	$151,796	$731,060
8	Hammond, IN	$13,878	$71,074	$372,728	$1,270,548
7	Hamilton, OH	$9,029	$42,313	$170,469	$749,615
2	Emerson, GA	$3,147	$40,683	$244,270	$770,466
6	Greensboro, NC	$10,411	$35,133	$106,330	$654,555
10	Rock Hill, SC	$5,567	$29,975	$148,489	$632,675
5	Grand Chute, WI	$12,009	$25,386	$53,316	$498,350
1	Bettendorf, IA	$7,408	$19,264	$35,290	$945,443
11	Rockford, IL	$8,076	$16,845	$68,230	$1,020,280
9	Myrtle Beach, SC	$4,545	$15,869	$25,549	$231,797
12	Sandusky, OH	$2,147	$7,477	$59,392	$969,800
4	Gatlinburg, TN	$220	$967	$7,228	$251,745
	Average	$10,200	$41,900	$143,200	$720,700
	Rank (out of 13)	2	2	5	7

Attend Sports Events

	Market	15-min	30-min	60-min	180-min
3	Frisco, TX	40,070	191,598	594,058	1,054,076
8	Hammond, IN	25,378	120,148	518,038	1,926,954
	Covington, KY	30,360	114,663	229,037	1,283,522
7	Hamilton, OH	14,776	65,577	263,275	1,284,652
6	Greensboro, NC	19,151	62,332	191,052	1,163,431
2	Emerson, GA	5,127	58,625	325,159	1,299,324
10	Rock Hill, SC	9,431	43,067	217,603	1,134,709
5	Grand Chute, WI	18,701	40,619	90,576	733,045
1	Bettendorf, IA	9,122	31,475	64,122	1,388,180
11	Rockford, IL	16,569	30,944	111,724	1,493,036
9	Myrtle Beach, SC	8,050	25,931	42,860	439,429
12	Sandusky, OH	4,062	13,372	102,177	1,587,248
4	Gatlinburg, TN	430	2,095	16,576	513,199
	Average	15,500	61,600	212,800	1,177,000
	Rank (out of 13)	2	3	5	7

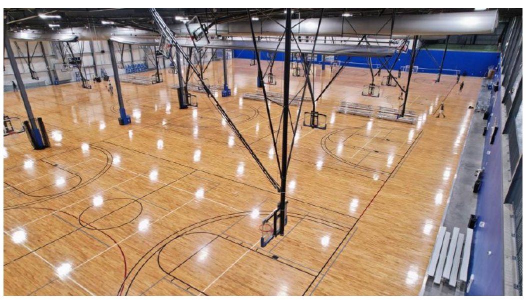
Source: Esri, 2023.

4 COMPARABLE FACILITIES

FACILITY:	TBK Bank Sportsplex
COMP ID #:	1
CITY, STATE:	Bettendorf, IA
OWNER:	The BettPlex, LLC
OPERATOR:	The BettPlex, LLC
YEAR OPENED:	2018
COST (current $, in millions):	$60.8
COURTS (bball / vball):	8 / 8
INDOOR TURF (SF):	78,000

The TBK Bank Sportsplex, located just off Interstate 80 in Bettendorf, Iowa, is a privately-owned and operated multisport indoor and outdoor amateur sports complex.

Comprising nearly 80 acres, the Sportsplex offers facilities and space to accommodate a wide variety of sports and recreation uses, including volleyball, basketball, soccer, baseball, softball, football, and other activities.



Indoors there is an 11v11 turf field, eight basketball courts, four sand volleyball courts and additional entertainment and support facilities. Outdoors there are two lighted turf soccer fields, ten lighted convertible diamond fields, and five sand volleyball courts. The facility also includes a high-end fitness center and a full-service two-story family entertainment center.

The facility includes 1,571 parking spots with both indoor and outdoor concessions. There is a restaurant at the sand volleyball courts, the Digs Bar & Grill.

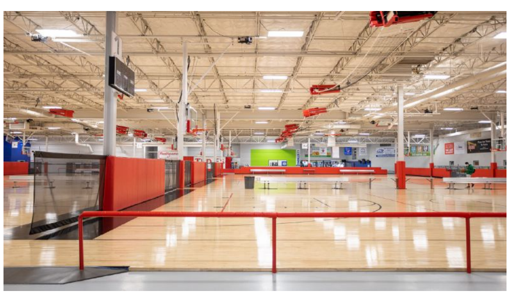
The family entertainment center includes 32 bowling lanes, 65 arcade games, two-story laser tag, two escape rooms, multi-sport simulator, a full-service sports bar and restaurant and banquet/meeting space.

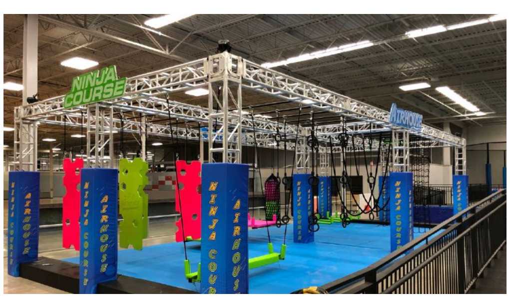
TBK Bank Sports Complex offers internal and partnered club sports teams that include Barnstormers Baseball Club, Legends Baseball and Softball Academy, QC Sticks, Texas Glory Fastpitch Softball, Platform Elite Volleyball Club, Sporting Iowa East Soccer Club, TBK Bank Basketball Academy and Iowa Storm Basketball.

In February of 2022, Bettendorf approved expansions for the complex, including two large synthetic turf fields for football, baseball and soccer, a three-story golf facility with 60 driving stations, a restaurant and a bar. Another project would include a commercial strip, convenience story and a hotel, with the goal to make the area a destination for the Quad Cities' tourism industry.

4 COMPARABLE FACILITIES

FACILITY:	Fieldhouse USA
COMP ID #:	3
CITY, STATE:	Frisco, TX
OWNER:	City of Frisco
OPERATOR:	Fieldhouse USE
YEAR OPENED:	2009
COST (current $, in millions):	$30.3
COURTS (bball / vball):	45,272
INDOOR TURF (SF):	20,000





Fieldhouse USA is an indoor amateur sports complex located in Frisco, Texas. The facility is owned by the City of Frisco and is operating under lease by Fieldhouse USA, a private operator of similar facilities throughout Texas and the region. Fieldhouse USA is operating under an initial lease term of 22 years plus two 10-year extensions.

Fieldhouse USA is comprised of 12 full-sized basketball courts that can be reconfigured for 12 or more volleyball courts. It also offers approximately 20,000 square feet of turf space for field sports games, training, camps and clinics. The facility includes three-tiered bleachers on each court that can hold 300 people but can also be adjusted to have larger capacities on select courts if desired.

Also included in the facility are a 5,000-square foot food court, retail space, large screen LCD televisions on each court, a 10,000-square foot athletic training facility, and a sporting goods store. The Fieldhouse also house an EXOS (formerly Athletes' Performance) training facility. EXOS is an industry leader in integrated performance training, nutrition and physical therapy for elite and professional athletes. EXOS offers programs and services for professional, amateur, tactical, collegiate, high school and youth athletes, business executives and industry professionals.

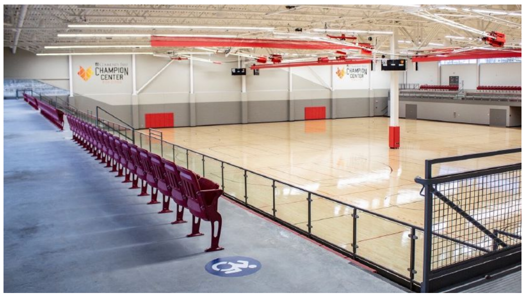
Sports Village USA, LLC (SVUSA), the developer of the project, donated the acreage for Fieldhouse USA, valued at $5 million. The City of Frisco issued $12.5 million in municipal bonds for development of the facility. SVUSA leases the facility from the city for an annual fee that will pay the debt service on the bonds. SVUSA operates the facility as a for-profit enterprise and receives all revenue for rentals and concessions.

A new agreement was negotiated in 2011 providing that Sports Village Holdings, LLC will pay the city $110,000 quarterly. The quarterly payments increased to $260,150 beginning in 2016. By 2033, the lease payments to the city are anticipated to total $25.8 million. By the fourth year of operation, Fieldhouse USA began to generate an operating profit, meeting the terms of the renegotiated lease agreement.

In a typical pre-pandemic year, Fieldhouse USA Frisco generates approximately 15,000 in annual hotel bookings through more than 30 tournaments and 25,000 tournament participants hosted annually. In terms of volleyball tournaments, the facility typically hosts five annual tournaments with an average of 100 teams and 1,200 spectators. In terms of basketball tournaments, the facility typically hosts 25 tournaments annually with an average of 80 teams and 1,000 spectators. Overall, the facility is estimated to have generated more than 150,000 hotel rooms in Frisco since its opening.

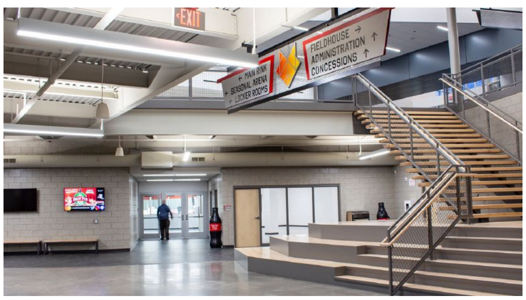
4 COMPARABLE FACILITIES

FACILITY:	Community First Champion Center
COMP ID #:	5
CITY, STATE:	Grand Chute, WI
OWNER:	Grand Chute Authority
OPERATOR:	Sports Facilities Companies (SFC)
YEAR OPENED:	2019
COST (current $, in millions):	$35.1
COURTS (bball / vball):	8 / 14
INDOOR TURF (SF):	0



The Community First Champion Center in Grand Chute, Wisconsin opened in November 2019. The facility is owned by Appleton Development Authority and is operated by Sports Facilities Companies (SFC). The facility is surrounding by many shopping locations and restaurants, as well as being near a Holiday Inn.

With three key facility pods making up 164,000 square feet, the facility contains four permanent basketball courts (which can be utilized as eight volleyball courts) seating over 800 spectators, one permanent ice rink seating 1,000 spectators, and the remaining space being changeable from four basketball courts/eight volleyball courts, an ice rink seating over 300 spectators and a golf simulator.

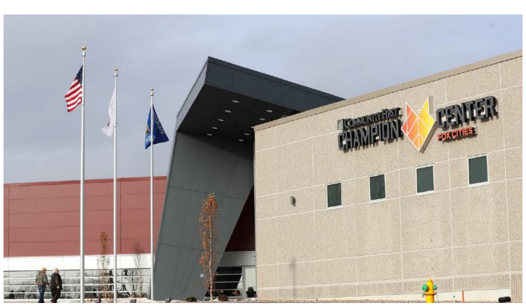


Construction began in July 2018 and was funded by multiple lease revenue bonds at a fixed interest and a hotel and motel room tax. The Town of Grand Chute donated the land valued at $1.0 million. The estimated construction cost was $30.6 million including construction, furniture, fixtures, and equipment.

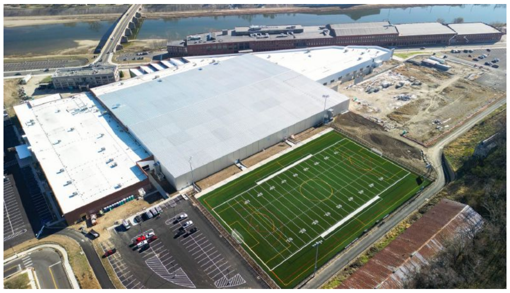
In the first year of operations, the Champion Center was projected to generate $8.9 million in direct spending with a fifth year of operations estimate to be $12 million dollars. The facility is expected to take on majority of ice activity in the Appleton area.

The facility hosts camps in which rinks or courts are rented for multiple days with rates unknown. Rates for renting the golf simulator are $30/hr open all days a week.

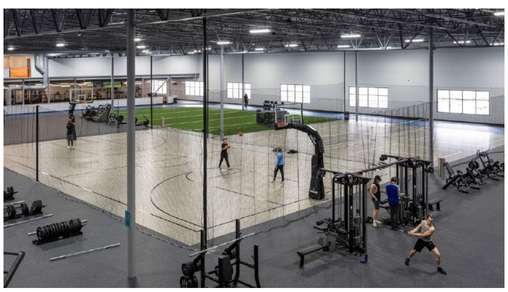
The facility includes additional non-sports amenities such as a restaurant and advanced physical therapy and sports medicine. This on-site therapy includes physical therapy, injury risk assessment, bridge personal training, return to play assessment, concussion management, dry needling and recovery massage/body work.

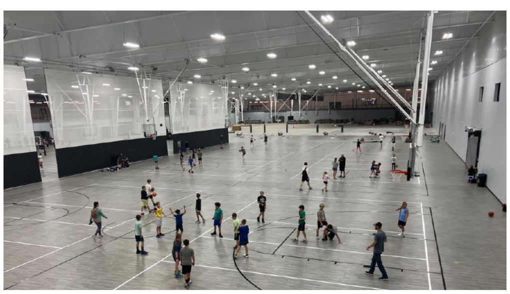


4 COMPARABLE FACILITIES



FACILITY:	Spooky Nook Champion Mill
COMP ID #:	7
CITY, STATE:	Hamilton, OH
OWNER:	Sam Beiler
OPERATOR:	Spooky Nook Sports
YEAR OPENED:	2022
COST (current $, in millions):	$171.6
COURTS (bball / vball):	28 / 46
INDOOR TURF (SF):	0





Spooky Nook Sports Champion Mill, located in Hamilton, Ohio, is advertised as the largest indoor sports complex in the country, consisting of more than 1.2 million square feet. Construction of the complex was delayed during the COVID-19 pandemic, with a grand opening ultimately occurring in December 2022.

Spooky Nook Sports Champion Mill is an expansive sports complex catering to a wide variety of sports, recreation and event uses. The indoor facility offers 14 hardwood courts and 14 sportcourt basketball courts, which can convert to 46 volleyball courts. This court space consists of 100,000 square feet of hardwood courts and an additional 90,000 square feet of sportcourt surfaces. Additionally, the complex offers a 65,000-square foot fitness center, as well as a full-sized, lighted outdoor rectangle multi-sport turf field.

The facility complex, structured under a multi-layered public/private partnership, consists of a $165 million redevelopment of the former Champion Mill paper mill (that closed in 2012). The facility is privately owned and operated by Spooky Nook Sports (founded by owner Sam Beiler).

Spooky Nook members have exclusive access to pickleball and basketball courts. Additionally, a food court and arcade provide convenient dining options and entertainment for athletes and visitors.

The sports complex (termed “Mill 1”) expands into “Mill 2”, which houses a 35,000-square foot conference center and hotel. The conference center features 16 meeting and event rooms of various sizes, ranging from 300 to 8,800 square feet, accommodating different gathering needs. The 233-room Warehouse Hotel offers an on-site option which is convenient for tournament teams and families. In addition, Municipal Brew Works is a local brewery that opened a second location in the conference center, offering food truck options, live music and a private event venue.

Spooky Nook offers youth sports and community programming through leagues, clinics and camps for kids under 12 years old. The complex also hosts adult leagues ranging from volleyball and basketball to flag football and soccer.

While open for less than a year, management expects the facility to annually draw between 1.0 and 1.4 million visitors to the property upon stabilization in three years, including more than 100,000 new hotel room nights driven by tournaments.

4 COMPARABLE FACILITIES

FACILITY:	UW Sports Factory
COMP ID #:	11
CITY, STATE:	Rockford, IL
OWNER:	City of Rockford
OPERATOR:	Rockford Park District
YEAR OPENED:	2016
COST (current $, in millions):	$31.6
COURTS (bball / vball):	8 / 16
INDOOR TURF (SF):	0

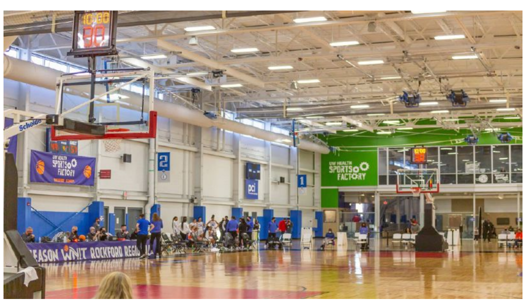
UW Health Sports Factory is an indoor amateur sports and recreation facility located in Rockford, Illinois. The facility is owned by the City of Rockford and operated by the City's Park District.

The 108,000-square foot facility includes eight regulation-size basketball courts which can be converted to 16 volleyball courts, through 96,000 square feet of Maplewood hardcourt. The facility includes a championship court with spectator capacity of 450. There are approximately 430 parking spaces immediately adjacent to the facility.

Construction on the facility began in February of 2015 and the facility officially opened in May of 2016 at a cost of $24.4 million. It is estimated that approximately 125 jobs were created during the construction phase.

UW Health secured the naming rights for the facility for $1.9 million over ten years. The City receives $175,000 annually with payments inflated annually.

The facility's utilization consists of a diverse mix of uses including tournaments, games and practices from basketball, volleyball, wrestling, gymnastics, dance and cheer organizations/leagues, plus a wide variety of recreational and private uses and activities. In pre-pandemic years, total attendance was estimated at overall 500,000 annually.



In recent pre-pandemic years, the facility typically generated a small operating profit (less than $50,000 per year). In 2017, the complex generated approximately $627,000 in annual revenue and $831,000 in annual expenses.

The facility hosts approximately 30 tournaments per year including basketball, volleyball, gymnastics, wrestling, table tennis and wheelchair rugby.

4 COMPARABLE FACILITIES

FACILITY:	Cedar Point Sports Center
COMP ID #:	12
CITY, STATE:	Sandusky, OH
OWNER:	Cedar Point Fair
OPERATOR:	Sports Facilities Companies
YEAR OPENED:	2020
COST (current $, in millions):	$47.2
COURTS (bball / vball):	10 / 18
INDOOR TURF (SF):	--

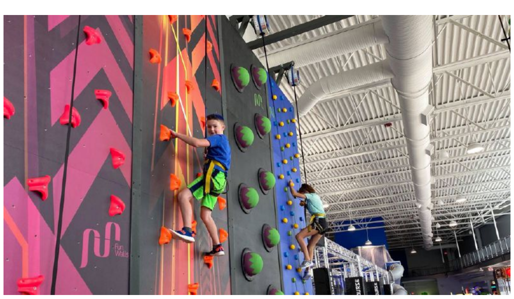
The Cedar Point Sports Center in Sandusky, Ohio opened in January of 2020. The facility is owned by Cedar Point Fair, an amusement park operator, and is operated by Sports Facilities Companies (SFC). The Center is located adjacent to its outdoor counterpart, Sports Force Parks, which is oriented around soccer, baseball and softball. The facility is built on the land which hosted the former Griffing-Sandusky Airport. Additionally, the facility is three miles east of the Cedar Point Amusement Park, which shares the same owner.

The 145,000-square foot facility offers 10 basketball courts, which can be converted in 20 volleyball courts. One of these courts acts as a Championship Court with higher seating levels. The campus offers a sports medicine center, which is funded and run by Firelands Regional Medical Center. Additionally, the facility has a Family Entertainment Center with climbing walls, an arcade and a Ninja Warrior Course.

The project began construction in summer 2018 and wrapped up construction in January 2020. Most of the funding for the project was public, with $23 million coming from Erie County and $2.25 million from the City of Sandusky. Cedar Fair made a significant capital contribution (including 25 acres of land), which totaled to $6.75 million.

The facility was designed to host up to 150 volleyball teams at a single tournament and 100 basketball teams at a single tournament. The facility targets basketball and volleyball, but has capabilities to host wrestling, futsal and more.

Sports Force Parks is estimated to generate an economic impact of $40 million annually. With the addition of the Cedar Point Sports Center, economic impact between the two is expected to reach $60 million annually. Additionally, the Center is expected to attract 70,000 new visitors to Sandusky annually. All athletes competing at the facility will receive a free pass to the Cedar Point Amusement Park, with hopes of generating additional revenue to the surrounding economy.

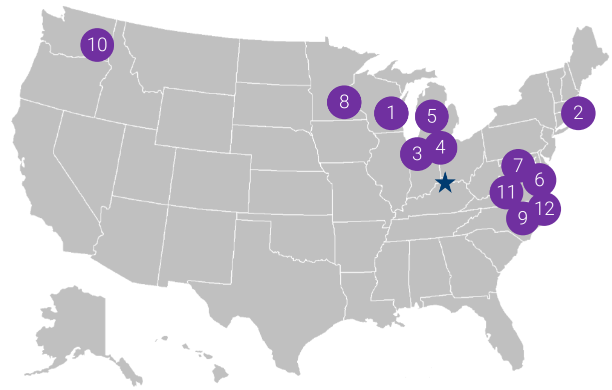


4 COMPARABLE FACILITIES

Other Comparable Facilities

A benchmarking analysis of selected comparable other facilities (court, turf, track and miscellaneous) located throughout the country was conducted. 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 indoor turf and track facilities and markets analyzed.



Characteristics of Selected Comparable Other Sports Tourism Assets

	Facility Name	Location	Indoor/ Outdoor	Courts			Indoor Turf Space (SF)	Indoor Track (length)
				Basketball	Volleyball	Pickleball		
1	Community First Champion Center	Appleton, WI	Indoor	8	14	0	0	none
2	Reggie Lewis Track and Athletic Center	Boston, MA	Indoor	1	2	0	0	200m
3	SpartaDome	Crown Point, IN	Indoor	0	0	0	122,000	none
4	The Plex South	Fort Wayne, IN	Indoor	0	0	0	72,000	none
5	Belknap Park	Grand Rapids, MI	Outdoor	0	0	21	0	none
6	Boo Williams Sportsplex	Hampton, VA	Indoor	8	16	0	0	200m
7	Prince George's Sports & Learning Complex	Landover, MD	Indoor	0	0	0	75,000	200m
8	Lucky Shots Pickleball Club	Minneapolis, MN	Indoor	0	0	12	0	none
9	Rocky Mount Event Center	Rocky Mount, NC	Indoor	8	16	0	0	none
10	Pickleball Playground	Spokane, WA	In/Out	0	0	14	0	none
11	The St. James	Springfield, VA	Indoor	4	9	0	110,000	none
12	Virginia Beach Sports Center	Virginia Beach, VA	Indoor	12	24	0	0	200m
	AVERAGE			3	7	4	31,600	
	MEDIAN			1	1	0	0	

Source: CSL Research, Facility Management, 2023.

As shown in the above exhibit, the median indoor turf and/or track facility among the identified comparable set reviewed integrates 31,600 square feet of indoor turf space. The facilities reviewed include an average of three (3) basketball courts, seven (7) volleyball courts, and four (4) pickleball courts. Four of the facilities incorporate an indoor track—all of which represent 200-meter tracks, with some offering banked tracks with state-of-the-industry Mondo track surfaces. Three of the facilities listed above offer pickleball courts at a dedicated facility, with examples of indoor, outdoor, and a mix of indoor/outdoor courts.

In terms of a comparison of demographic statistics, as shown on the following page, the Northern Kentucky market ranks just above the average (fifth) for most of the statistics analyzed within a 15-minute and 30-minute drive time. A population base of just over 14 million within a 3-hours' drive presents an opportunity to draw from nearby major markets for sports tourism activity.

Market Demographics of Selected Comparable Other Sports Complexes

Population

	Market	15-min	30-min	60-min	180-min
8	Minneapolis, MN	440,272	2,115,547	3,702,320	6,389,930
11	Springfield, VA	455,473	1,983,290	5,783,840	17,935,090
2	Boston, MA	643,910	1,948,920	5,078,732	14,190,172
7	Landover, MD	345,363	1,925,718	6,614,376	21,877,777
	Covington, KY	351,624	1,290,133	2,506,096	14,089,776
5	Grand Rapids, MI	411,316	853,021	1,799,257	15,000,419
12	Virginia Beach, VA	185,271	810,033	1,536,490	4,956,617
6	Hampton, VA	280,987	659,961	1,748,055	7,956,305
3	Crown Point, IN	121,952	598,610	2,915,442	20,869,006
10	Spokane, WA	162,333	450,136	768,828	1,750,788
1	Appleton, WI	204,259	437,065	974,380	8,019,006
4	Fort Wayne, IN	163,196	432,062	873,410	17,800,901
9	Rocky Mount, NC	66,125	183,222	1,370,170	11,053,194
	Average	294,800	1,052,900	2,744,000	12,453,000
	Rank (out of 13)	5	5	6	7

Average Household Income

	Market	15-min	30-min	60-min	180-min
11	Springfield, VA	$162,414	$177,466	$166,048	$130,402
2	Boston, MA	$146,807	$154,925	$149,414	$126,903
7	Landover, MD	$104,731	$135,155	$154,070	$128,433
8	Minneapolis, MN	$95,702	$118,081	$125,122	$110,530
5	Grand Rapids, MI	$91,893	$102,408	$95,069	$95,081
	Covington, KY	$88,012	$102,212	$104,746	$93,167
12	Virginia Beach, VA	$110,202	$101,750	$102,457	$102,204
1	Appleton, WI	$96,120	$97,329	$93,463	$106,860
6	Hampton, VA	$86,609	$95,224	$104,436	$122,898
3	Crown Point, IN	$101,345	$93,903	$90,496	$103,981
10	Spokane, WA	$85,021	$89,603	$94,109	$94,637
4	Fort Wayne, IN	$79,715	$86,955	$84,812	$92,808
9	Rocky Mount, NC	$73,727	$72,346	$91,972	$97,152
	Average	$101,700	$109,800	$112,000	$108,100
	Rank (out of 13)	9	6	5	12

Number of Businesses

	Market	15-min	30-min	60-min	180-min
2	Boston, MA	37,472	85,307	205,503	587,700
11	Springfield, VA	12,601	83,460	204,826	617,948
8	Minneapolis, MN	18,556	77,743	120,262	229,555
7	Landover, MD	10,375	76,675	246,672	755,366
	Covington, KY	16,263	50,330	85,194	459,790
12	Virginia Beach, VA	10,164	29,851	47,756	162,026
5	Grand Rapids, MI	16,745	28,328	59,234	495,079
3	Crown Point, IN	5,052	19,081	84,363	687,631
6	Hampton, VA	8,602	15,965	53,705	257,925
10	Spokane, WA	4,097	15,947	25,386	56,082
1	Appleton, WI	7,922	15,553	34,273	295,004
4	Fort Wayne, IN	6,279	14,564	28,790	568,136
9	Rocky Mount, NC	2,906	6,760	55,474	371,177
	Average	12,100	40,000	96,300	426,400
	Rank (out of 13)	4	5	5	7

Entertainment/Recreation Spending (in $000s)

	Market	15-min	30-min	60-min	180-min
11	Springfield, VA	$940,610	$4,836,681	$12,153,623	$31,339,913
2	Boston, MA	$1,314,014	$4,047,046	$9,966,740	$24,942,616
8	Minneapolis, MN	$595,791	$3,503,385	$6,292,415	$10,307,169
7	Landover, MD	$443,050	$3,479,768	$13,315,617	$37,639,862
	Covington, KY	$482,445	$1,923,975	$3,733,769	$19,032,196
5	Grand Rapids, MI	$529,609	$1,169,492	$2,391,925	$20,562,285
12	Virginia Beach, VA	$290,876	$1,135,039	$2,154,715	$7,123,463
6	Hampton, VA	$355,942	$874,281	$2,512,056	$13,307,364
3	Crown Point, IN	$168,549	$790,692	$3,621,225	$30,273,439
1	Appleton, WI	$291,944	$620,910	$1,359,841	$12,368,424
10	Spokane, WA	$189,329	$573,644	$1,022,022	$2,293,739
4	Fort Wayne, IN	$187,410	$541,219	$1,091,743	$23,807,265
9	Rocky Mount, NC	$75,568	$201,776	$1,810,239	$15,269,831
	Average	$451,200	$1,822,900	$4,725,100	$19,097,500
	Rank (out of 13)	5	5	5	7

Fees for Participant Sports (in $000s)

	Market	15-min	30-min	60-min	180-min
11	Springfield, VA	$40,477	$203,846	$524,664	$1,319,382
2	Boston, MA	$50,161	$164,590	$424,784	$1,060,860
8	Minneapolis, MN	$23,946	$147,312	$270,490	$403,526
7	Landover, MD	$18,169	$143,228	$568,717	$1,586,253
	Covington, KY	$18,274	$78,113	$151,796	$731,060
5	Grand Rapids, MI	$21,138	$47,803	$93,047	$801,093
12	Virginia Beach, VA	$12,170	$47,587	$90,894	$286,999
6	Hampton, VA	$14,552	$36,568	$106,137	$546,127
3	Crown Point, IN	$7,054	$32,018	$145,438	$1,216,217
1	Appleton, WI	$12,009	$25,386	$53,316	$498,350
10	Spokane, WA	$7,728	$23,404	$41,803	$90,212
4	Fort Wayne, IN	$7,179	$21,214	$40,501	$925,879
9	Rocky Mount, NC	$2,768	$7,244	$69,906	$601,294
	Average	$18,100	$75,300	$198,600	$774,400
	Rank (out of 13)	5	5	5	7

Attend Sports Events

	Market	15-min	30-min	60-min	180-min
8	Minneapolis, MN	40,805	198,982	349,767	610,071
11	Springfield, VA	41,120	191,814	528,904	1,643,304
2	Boston, MA	68,317	180,499	458,011	1,312,070
7	Landover, MD	26,008	168,117	596,544	1,985,702
	Covington, KY	30,360	114,663	229,037	1,283,522
5	Grand Rapids, MI	34,978	76,771	161,663	1,310,326
12	Virginia Beach, VA	16,903	73,382	140,609	458,703
6	Hampton, VA	24,946	59,979	161,221	739,941
3	Crown Point, IN	11,126	52,204	238,697	1,851,976
10	Spokane, WA	14,906	41,314	70,171	155,726
1	Appleton, WI	18,701	40,619	90,576	733,045
4	Fort Wayne, IN	13,164	37,312	76,723	1,570,289
9	Rocky Mount, NC	5,304	15,613	123,272	1,008,509
	Average	26,700	96,300	248,100	1,127,900
	Rank (out of 13)	5	5	6	7

Source: Esri, 2023.

4 COMPARABLE FACILITIES

FACILITY:	The Plex South
COMP ID #:	4
CITY, STATE:	Fort Wayne, IN
OWNER:	T. Lapsley & B. Poursanidis
OPERATOR:	The Plex
YEAR OPENED:	2000
COST (current $, in millions):	N/A
INDOOR TURF (SF):	72,000
INDOOR TRACK (type):	N/A

Owned by Tom Lapsley and Bobby Poursanidis, the Plex South opened in 2000 becoming one of the largest and most versatile indoor sports, recreation, and event facilities in the region. Located in Fort Wayne, Indiana, the Plex South is comprised of two dome structures, combining for over 100,000 square feet of indoor sports and entertainment space. The Large Dome is 72,000 square feet with 70-foot-high ceilings, one professional-sized multi-sport field with synthetic, pro-style turf, and batting tunnels. The Mini Dome is 50'x40' with multi-sport synthetic turf field and six batting cages. The facility also contains 40 acres of outdoor recreation space.

The Plex South hosts multiple soccer, football, baseball, and softball leagues and tournaments. In addition, the Plex South Large Dome is often converted to a driving range for local golfers looking to practice. Other than sports facilities, there is 10,000 square feet of banquet space and a concession stand.

Anyone can rent parts of one dome, a whole dome or both domes at the Plex South for private events or parties. During open hours, customers can also pay for a single session at the driving range or in the batting cages for varying prices and packages.

Due to severe weather, the dome collapsed in June of 2022 and had to undergo a total rebuild, with a reopening occurring in 2023 with a brand-new dome facility.

4 COMPARABLE FACILITIES

FACILITY:	The Pickleball Playground
COMP ID #:	10
CITY, STATE:	Spokane, WA
OWNER:	Private
OPERATOR:	Private
YEAR OPENED:	2022
COST (current $, in millions):	N/A
COURTS (pickleball):	14
COURTS (indoor/outdoor):	5 / 9

The Pickleball Playground in Spokane, Washington opened in August of 2022. The first dedicated pickleball facility in Greater Spokane is owned and operated by private entities.

The facility offers five indoor courts and nine outdoor courts. Three of the indoor courts are cushion courts surface which is easy on the knees and joints, and two of them Pickleball Challenge courts, with hard playing surfaces that align with USA Pickleball standards.

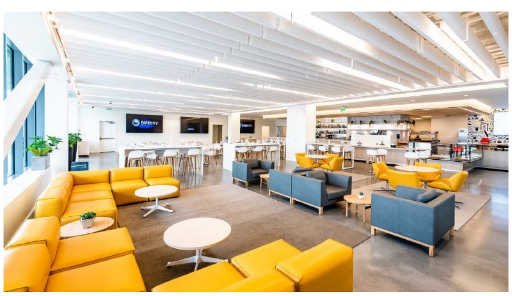
The PICKLEBALL PLAYGROUND
A HEALTH & WELLNESS CENTER

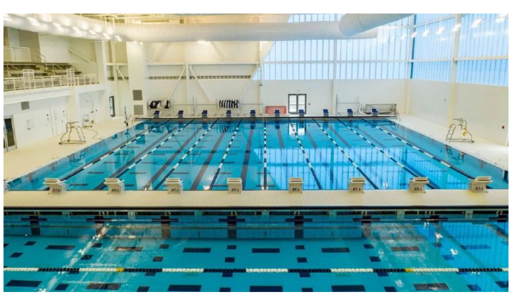
In order to consistently play at The Pickleball Playground, players need to sign up for a membership, but there are also weekly drop-times for people to just drop-in and play. There are currently over 700 active members at The Pickleball Playground and participation numbers are growing rapidly. Visiting non-members can register for open play, organized play and competitive play for $16 per event. Walk-in visitors may request a same-day reservation for $40 per hour.

Members at The Pickleball Playground can participate in lessons, clinics, league play, and a variety of tournaments. In May 2023, there are 10 scheduled tournaments and clinics such as Cinco de Mayo Fiesta Pickleball Round Robin and Memorial Madness Minor League Pickleball. There are events for beginner, intermediate and advanced skill levels.

4 COMPARABLE FACILITIES

FACILITY:	The St. James
COMP ID #:	11
CITY, STATE:	Springfield, VA
OWNER:	K. Ashton & C. Dixon
OPERATOR:	K. Ashton & C. Dixon
YEAR OPENED:	2018
COST (current $, in millions):	$102.2
INDOOR TURF (SF):	110,000
COURTS (basketball/volleyball):	4 / 9





The St. James located in Springfield, Virginia, opened in September of 2018. The facility is owned and operated by Kendrick Ashton and Craig Dixon. This facility is the flagship of the three St. James locations, with the other two facilities being extensions situated in Reston, Virginia and Bethesda, Maryland. The St. James is just over 13 miles southwest of downtown Washington D.C., which improves the facility's marketability.

The 450,000-square foot facility sits on 20 acres of land and offers a broad variety of sports, nutrition, wellness, play and retail programs. The St. James offers four basketball courts, which can convert into nine volleyball courts. Additionally, the facility has 110,000 square feet of turf space, a 50-meter Olympic regulation-length pool, two NHL-regulation size ice rinks, eight squash courts, seven golf simulators and six batting cages.

Other facility amenities include a 50,000-square foot health club, gymnastics center, sports medicine center, and Vim & Victor (an on-site restaurant). Lastly, there is a children's amusement center named Super, Awesome & Amazing which offers over 30,000 square feet of active entertainment. The entertainment includes unique climbing structures, obstacle courses, esports gaming theater, virtual reality center, and an indoor waterpark. This space is utilized often for special occasions such as birthday parties or any other special occasions.

The $84 million project was backed by London-based real estate investment firm, Cain International, which in current dollars would approximate $98.3 million.

Various camps, clinics, tournaments, and events are held at The St. James. A few notable annual events include Corporate Games, Adult Brewery Cup and Gridiron Classic. In addition, training classes and wellness programming is offered in the form of group classes, personal training and high-performance strength and conditioning.

The St. James operates on a membership program where members pay a monthly fee to gain unlimited health club access, group fitness classes, training center, and complimentary rates for the restaurant, spa, sports programs, and more. An individual membership costs $169 on a monthly basis where a family membership is $224 a month. If an individual is only interested in utilizing the children's amusement center the entertainment monthly membership is $95.

4 COMPARABLE FACILITIES

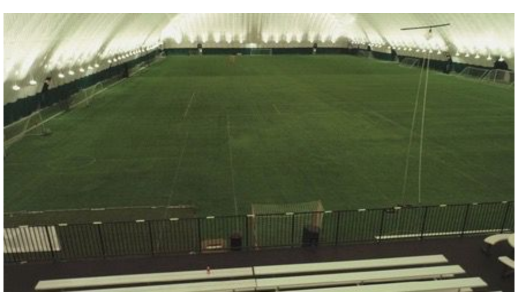
FACILITY:	Sparta Dome
COMP ID #:	3
CITY, STATE:	Crown Point, IN
OWNER:	CS Sports Organization
OPERATOR:	Sparta Sports of Crown Pt, Inc.
YEAR OPENED:	2015
COST (current $, in millions):	$6.2
INDOOR TURF (SF):	108,000
INDOOR TRACK (type):	None

The Sparta Dome, located in Crown Point, Indiana, is owned by CS Sports Group and operated by Sparta Sports Organization of Crown Point, Inc. The 122,000-square foot Sparta Dome was part of a phased development of the Sportsplex in Crown Point which is located approximately 48 miles southeast of downtown Chicago. Initially conceived as an answer to a shortage of fields for local teams to use for practice, the project grew into an effort to increase national sports tourism and stimulate economic activity in the Crown Point area.

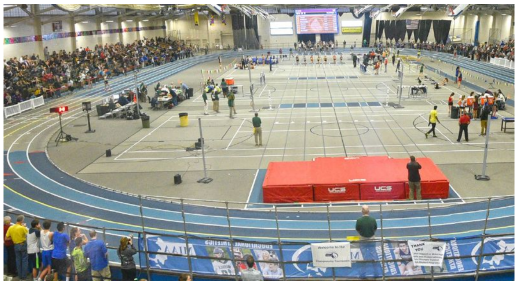
The $4.5 million (cost at time of construction) Sparta Dome can accommodate a variety of sports including football, softball, baseball, volleyball, and Ultimate Frisbee. This is possible with turf field and the two batting cages at the facility. The Dome features a 145x80 yard turf field, which can accommodate one large rectangle field, two medium-sized rectangle fields, four small rectangle fields or two diamond fields. In addition, the venue has bleacher seating from a viewing area and a multipurpose room for parties, clinics and team meetings.

Customers can reserve parts of or all of the Sparta Dome for private events year-round. Community memberships are available for $20 for an individual or $40 per family. Day passes re also available for $5 per person.

The Sparta Dome hosts a variety of leagues, tournaments, and special events. They primarily feature soccer, baseball, softball, and flag football leagues and tournaments year-round. Additionally, the Dome hosts the Annual Arts & Crafts Fair in the Spring and many different kids' programs throughout the year.



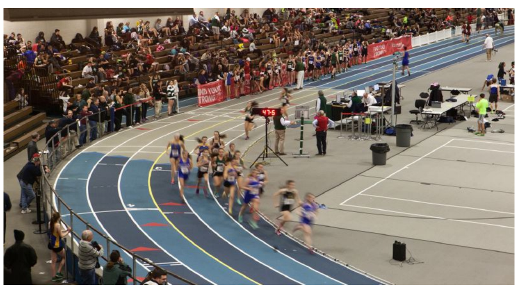
4 COMPARABLE FACILITIES



FACILITY:	Reggie Lewis Track & Athletic Center
COMP ID #:	2
CITY, STATE:	Boston, MA
OWNER:	Roxbury Community College
OPERATOR:	Roxbury Community College
YEAR OPENED:	1995
COST (current $, in millions):	$51.0
INDOOR TURF (SF):	0
INDOOR TRACK (type):	200m, 6-lane, banked

Located in Roxbury Crossing, Massachusetts, about five miles south of Boston, the Reggie Lewis Track and Athletic Center, also known as the "Reggie" consists of a 200-meter, six-lane banked Mondo track. This space is ideal for track meets as there is high jump, long/triple jump and pole vault pits on infield's 60-meter straightway while there is bleacher seating for 3,500 spectators.

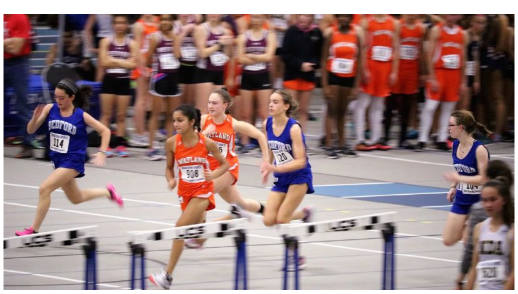
Opened in 1995 at a fully publicly-funded construction cost of $17.0 million, the Center's construction was the culmination of a 30-plus-year effort by the Massachusetts State Track Coaches Association (MSTCA) to build a facility dedicated to statewide Massachusetts public high schools track and field meets.



The "Reggie" hosts over 90 high schools, collegiate and national track meets annually. In addition, the space is regularly used by the Roxbury Community College student-athletes for practices and competitions.

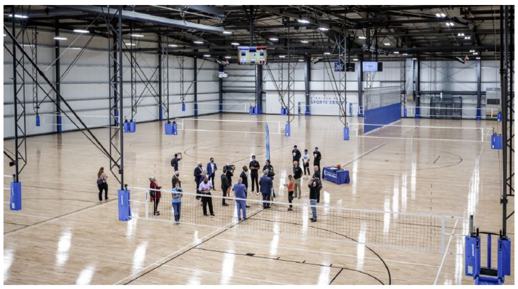
The State of Massachusetts spent $4.0 million in 2014 on renovations and repairs.

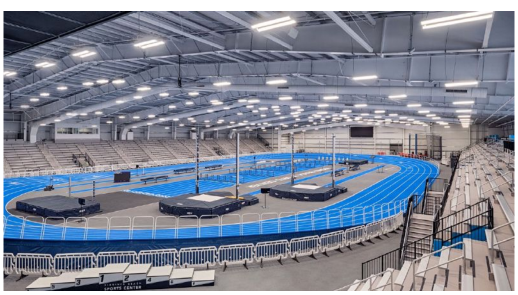
In addition to the indoor track facility, the Athletic Center offers a 1,300-seat gymnasium, dance studio, weight/fitness room and multi-purpose meeting rooms.

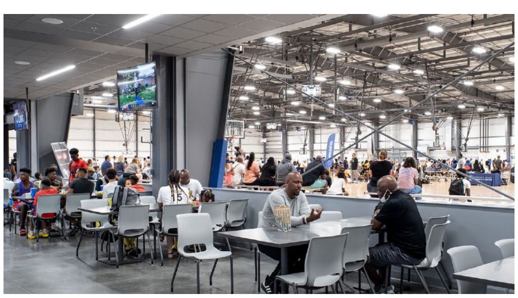


4 COMPARABLE FACILITIES

FACILITY:	Virginia Beach Sports Center
COMP ID #:	12
CITY, STATE:	Virginia Beach, VA
OWNER:	City of Virginia Beach
OPERATOR:	Eastern Sports Management (ESM)
YEAR OPENED:	2020
COST (current $, in millions):	$76.5
INDOOR TURF (SF):	N/A
INDOOR TRACK (type):	200m, 6-lane, banked







The Virginia Beach Sports Center, located in Virginia Beach, Virginia, opened in October 2020. The facility is owned by the City of Virginia Beach and operated by Eastern Sports Management (ESM). The Center is directly across the street from the Virginia Beach Convention Center and is located just a few blocks from the Atlantic Ocean. The facility is situated near multiple hotels, restaurants and attractions, which improve the facility's marketability.

The 285,000-square foot facility offers 12 basketball courts, which can convert into 24 volleyball courts. Additionally, the facility has a 200-meter indoor track capable of seating up to 5,000 spectators. In total, the facility offers 195,000 square feet of sellable/programmable space. Other facility amenities include locker rooms for both athletes and officials, warm-up track lanes, concessions, meeting rooms, outdoor gathering space and an elevated mezzanine to spectate events from above.

Funding for facility development was approved by the City in 2018 and construction began almost immediately, in just under two years. The facility was officially opened in October 2020 and its first event was hosted in November 2020. The facility had a total construction cost of approximately $68 million.

The facility opened in the midst of the COVID-19 pandemic and its initial utilization was depressed relative to projected baselines. However, the facility is already being regarded a success, as it booked 54 events in its first year—39 of which are new to Virginia Beach. The facility's focus surrounds basketball, volleyball and track and field; however, it is also capable and hosting wrestling, gymnastics, field hockey and more.

In its first two years of operations, the facility generated an operating deficit of $1.3 million and $1.4 million, respectively—both figures significantly lower than original projections due to the significant impact of the COVID-19 pandemic. The facility's reserve account of $750,000 was depleted to offset the initial losses and the City covering the remaining subsidy. The facility is expected to generate positive cash flow by 2024.

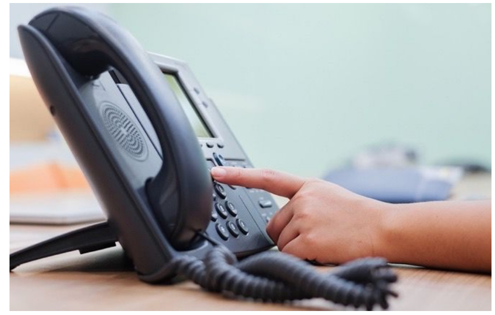
Upon stabilization of operations, the Sports Center is projected to create a $4 million annual impact on the city's lodging and accommodation industry. It is also expected to generate more than $600,000 annually in tax revenue for the city. The facility employs more than 100 full-time, part-time, and seasonal employees.

5

MARKET DEMAND & OPPORTUNITIES

5 MARKET DEMAND & OPPORTUNITIES

Overview



The potential development of a new Amateur Sports Complex in Northern Kentucky has the opportunity to better accommodate demand among Northern Kentucky area residents and provide a venue capable of attracting significant sports tourism activity to the destination. Currently, Northern Kentucky offers a variety of amateur sports and recreation facilities; however, there are few existing facilities that can offer a critical mass of athletic spaces capable of hosting tournaments, meets or other large competitions.

In order to provide guidance to MeetNKY and other stakeholders, CSL's project leaders completed a kick-off visit in Northern Kentucky, which included tours and meetings with key stakeholder groups, government officials, facility management, and other community leaders.

While understanding demand issues associated with local groups is critical in a study of this nature, it is also important to research and analyze non-local demand sources. For nearly all state-of-the-industry amateur sports facilities, demand sources with significant non-local participants and spectators are often critical in driving facility utilization, revenues and community economic impact. The opportunity to attract and accommodate tournaments, meets and competitions with a significant non-local participant and spectator composition forms the basis for driving new sports tourism and associated economic impacts.

Further, distinguishing lines between "local" and "non-local" are often not sharply delineated, as a significant portion of tournaments/meets will have varying degrees of local involvement (direct and indirect) in terms of tournament/meet procurement and athlete/team participation by local organizations in tournaments/meets that might normally be described as "non-local". A full picture of utilization for potential new youth and amateur facilities cannot be reached without testing both local and non-local markets.

As such, CSL conducted direct outreach to local area user group candidates and regional/national sports team, club, association and tournament organizers that could represent candidates for use of a potential new Amateur Sports Complex in Northern Kentucky, both from a local area user group perspective and, importantly, from a non-local sports tourism perspective in terms of potential tournaments, meets, competitions, camps, clinics and other such activities. Overall, more than 100 organizations were targeted, and more than 40 in-person and telephone interviews were completed with organizations representing in excess of 1,000 teams, leagues, tournaments, meets and competitions. These groups were contacted in order to determine their interest in a potential new Amateur Sports Complex in Northern Kentucky and the amenities and elements that would be necessary to host a variety of programming essential to the successful operations of these facilities, including tournaments, leagues, games, practices, camps, clinics, training, recreational programs and other such uses. Specific stakeholders, user groups, facility management, and organizations contacted as part of this study process include the following:

5v5 Soccer Tournaments
Amateur Athletic Union (AAU)
BE NKY
Boone County Officials
Boone County Parks and Recreation
Boone County Soccer Association
Campbell County Officials
Campbell County Parks & Recreation
Campbell County Youth Soccer League
Cincinnati Riverbats Baseball
Cincy Ice Basketball
City of Covington Officials
Commonwealth Hotels
Commonwealth Kings Lacrosse
Florence Y'alls
Game 7 Baseball

Game Day USA
Gameday Communications
GBA Basketball
Gotham Soccer League
Hustle Basketball
Kenton County Officials
Kenton County Parks and Recreation
Kenton County Schools
Kentucky State Government
Kentucky Youth Soccer Association
Keystone Hotel Group
Kings Sports - Baseball
Kolping Soccer Club
Lacrosse America
Marriott Rivercenter
MeetNKY

National Collegiate Athletic Association
National Pickleball
NKY Chamber of Commerce
Northern Kentucky Convention Center
Northern Kentucky Junior Volleyball
Northern Kentucky Youth Hockey Association
PBR Kentucky Baseball
Precision Arts Challenge
Premier Athletic Tournaments LLC
Rolling Hills Hospitality
Skanska
Special Olympics Kentucky
Sports Facilities Companies (SFC)
U.S. Senior Pickleball
USSSA Fastpitch - Kentucky
USSSA Fastpitch - Ohio

5 MARKET DEMAND & OPPORTUNITIES

Soccer Demand

With 14.5 million individuals that participated at least twice in soccer last year, soccer is a predominant outdoor team sport. Based on the National Sporting Goods Association's Sports Participation (NSGA) 2022 study report, 22.7 percent of participants are frequent users playing soccer at least 40 times where 34.2 percent of players engage in soccer activities at least ten times. Most soccer participants are seven to 11 years old, as 3.8 million people play at that age range. Early engagement in soccer is facilitated for both boys and girls, commencing with small nets, in-house teams, and camps/clinics. This progression evolves into full-field games with established player positions and a diverse set of rules. Recreational teams cater to children as young as five, whereas competitive travel teams typically emerge around the age of 10. League and tournament games commonly involve squads comprising 13 to 15 athletes and two coaches per team, attracting an average of 2.0 spectators per athlete.

Soccer activities and matches traditionally find a home in parks and rectangular field complexes. However, challenges can arise smaller facilities with a limited number of grass fields that have one or more primary tenants that claim the majority of field space during prime scheduling periods. In these situations, scheduling and accommodation of non-tenant groups, clubs and leagues can be hindered, including opportunities to attract significant tournament activity. More capable field complexes, in terms of number of fields and features that allow for lengthening daily and seasonal play windows, can serve to maximize utilization and impact in both local and non-local use segments. Contemporary rectangle field complexes throughout the country often offer between eight to 12 full-size rectangular fields, with some or all fields comprising synthetic turf and field lights. These fields span a spectrum from full-sized (360' x 225') to dimensions tailored for youth play. Essential components in modern rectangle field facility design encompass storage provisions, referee and tournament organizer meeting spaces, Wi-Fi availability, permanent restroom facilities, field signage, central concessions with seating, and a parking lot equipped with multiple entry/exit points.

Engaging with soccer tournament organizers suggests moderately-strong to strong demand for a rectangular-field complex capable of hosting weekend tournaments in Northern Kentucky. The envisioned space should ideally encompass 10 to 12 full-sized turf rectangle fields, capable of accommodating 130 teams or more. This number is contingent on seasonality, as spring and summer tournaments tend to attract larger participation compared to the fall counterpart. The potential arises to host 18 to 22 tournaments annually, accompanied by eight to 10 player training camps, clinics and educational sessions. Anticipated participation, should 100 teams compete, would surpass 2,800 individuals among players and spectators. A framework forecasts the primary tournament season spanning from March through June, followed by a secondary Fall season extending from August to October. Respondents expressed the desirability of a new facility positioned north of Highway 275, a strategic choice to avoid traffic congestion. A location off a highway would ensure convenience for regional teams traveling to Northern Kentucky for weekend events. Organizers expressed their eagerness to expand their reach to the Northern Kentucky and Cincinnati marketplace, considering their successful engagements in major markets like Lexington and Louisville within the state.

A summary of selected telephone interviews completed with potential soccer user groups of a new Amateur Sports Complex in Northern Kentucky is provided below and on the following pages.

<u>Campbell County Youth Soccer League</u>

The Campbell County Youth Soccer League (CCYSL) is a thriving recreational club that caters primarily to families in Campbell County, encompassing areas like Newport, Fort Thomas, Cold Spring, Alexandria, and more. Although they do have a few Select teams participating through the Kings Hammer Classic program, CCYSL predominantly focuses on providing recreational soccer opportunities to the local community. Their games take place on fields within the county, including Pendery Park and Ft. Thomas Soccer Park, where they express satisfaction with the current facilities.

With a roster of over 1,100 registered players, CCYSL offers two distinct seasons: Spring from March to May and Fall runs from August to October. They have tailored programs for various age groups, including a 6U Recreation Program and an 8U to 14U Recreation Program. While CCYSL may not foresee significant utilization of a new complex, especially if the facility is located in Kenton or Boone County, they recognize the potential value it could bring to other leagues in the area.

Campbell County Youth Soccer League

Boone County Soccer Association

Boone County Soccer Association is a popular recreation league, serving 1,200 kids each season, spanning Spring and Fall. The association caters to ages three to 13, encompassing both boys' and girls' teams. With a total of around 90 teams, they provide co-ed opportunities for three-, four-, and five-year olds, while the oldest age group, consisting of 70 kids, remains co-ed as well. The league consists of seven games per season and two practices weekly and one league tournament guaranteeing each team three games. Games take place at Boone County Arboretum, the primary location partnered with Boone County Parks, and several other fields are utilized for practices.

As the league continues to thrive, it faces challenges related to game-day logistics. The limited space at Central Park for games restricts their capacity for growth, leading to a waitlist every season. Parking emerges as a significant concern, with insufficient spots and a single exit/entry point causing difficulties.

An ideal facility would feature two additional full-sized fields, with no strong preference for turf or grass, although leadership expressed that grass may be a better option for younger players. Important amenities for the league include strategically located concession stands, accessible bathrooms, and ample parking. Field signage and easily accessible maps are essential for a seamless experience, especially for individuals with mobility issues who may require clear directions to reach fields. In terms of thoughts on an ideal field complex for Northern Kentucky, the league would envision a complex with eight full-size fields to support its needs and the local area’s soccer community.

Kentucky Youth Soccer Association

The Kentucky Youth Soccer Association (KYSA) stands as a prominent governance organization, overseeing a broad network of 40,000 players across the state. Covering age groups from 5U to 18U, KYSA's competitive level and travel programs begin at 10U. The Northern Kentucky region alone boasts around 7,500 registered players, primarily from Boone, Kenton, and Campbell Counties, with Kings Hammer being the largest organization in the area.

KYSA hosts various state league games, a state tournament (comprising both competitive and recreational divisions), as well as three select tournaments and two recreational tournaments. While they mainly utilize the Elizabethtown Sports Park, the organization expresses a strong desire to host events in Northern Kentucky.

Leadership mentioned the existing infrastructure in the region perfectly complements the potential for hosting successful tournaments. For such a facility, KYSA emphasizes the necessity of a minimum of eight full-size fields, all comprising synthetic turf fields. Although the group has not hosted in Northern Kentucky before, the organization is highly motivated to explore this opportunity.

KYSA envisions starting with one or two tournaments in Northern Kentucky and utilizing the facility for six to eight weekends. The tournaments typically span Friday to Sunday, attracting an average of 130 teams, each with 16 players and an estimated 1.5 spectators per player. Approximately 50 percent of the teams are local, while the other half comprises non-local teams.

Key amenities for the facility include permanent bathrooms, a classroom/meeting room, office, storage space, and Wi-Fi, all vital for hosting successful events. While seating is not deemed crucial, covered seating would be a valuable addition. In terms of location, KYSA prefers hotels to be within a 20- to 25-minute drive from the facility, with attractions such as movie theaters and shopping malls nearby to enhance the overall experience.

Gotham Soccer

Gotham Soccer League is an adult-only recreational league catering to players aged 18 and above. With a diverse range of leagues, including women's, men's, and co-ed, Gotham Soccer League operates across the country, with Cincinnati being its largest market.

With 125 teams and approximately 1,500 players, Gotham Soccer League maintains an average team size of 12 players. Their primary season runs from March to November, offering a total of 30 league games. Spectator attendance averages less than one spectator per player, with the focus primarily on providing enjoyable adult league experiences year-round.

The league organizes outdoor and indoor winter leagues without formal practices, relying solely on league games for player participation. They utilize various venues, including Voice of America Park, Willard Stargel Stadium, Clark Montessori High School and Wyoming Recreation and Family Aquatic Center. Gotham Soccer League sees great potential for increased participation if a new facility becomes available in Northern Kentucky, an underserved market. Turf fields with lights are preferred, and they exclusively utilize turf to avoid issues associated with grass fields.

Regarding location, the league prefers a facility father north in Northern Kentucky, ideally situated near a highway for easy access. A location off 71 and 75, north of 275, would be favorable due to traffic flow considerations. Gotham Soccer League is open to hosting one tournament per year at a new facility. The tournament would require two turf fields and typically attracts 30 teams, with 80 percent of them being non-local teams from various Midwest cities.

Kolping Soccer Club

Kolping Soccer Club (Kolping SC) operates within Cincinnati, Ohio and has established themselves with roots dating back to 1931. They own and operate between 10 to 13 grass fields (varying depending on field configuration) at Kolping Park, complemented by a concession stand, bar, and a 700-person event hall known as the Kolping Center. The multi-functional event hall serves as a versatile space, hosting various events such as weddings, parties, referee training, and coaching meetings.

The club caters to a diverse range of players, with 450 participants in the Club Program and an additional 100 in the Recreation Program. With teams for both boys and girls, the club boasts an average team size of 13 to 15 players. Their primary season spans from March to June, followed by a secondary season in the fall, running from late August to November. Notably, they also offer adult leagues throughout the year, operating from April to October.

Kolping Park remains busy with activity, hosting 250 games annually. Recreation teams participate in four to six games per season, drawing an average of 2.0 spectators per player at league games. The facility operates seven days a week, with club teams practicing two to three times a week.

Their own Fall tournament, hosting 65 to 70 teams, draws teams primarily from the local area, with limited hotel room pickup locally. Tournaments generally attract 1.5 spectators per player, emphasizing the importance of proper concessions and bathroom facilities.

Kolping SC is open to expanding their tournament offerings, envisioning hosting one to two additional tournaments if they had access to 10 fields. These new tournaments would likely involve a greater composition of non-local attendees and associated hotel room night consumption. Lastly, representatives of Kolping SC expressed interest in an indoor turf facility offering flexible space for off-season training.

5 MARKET DEMAND & OPPORTUNITIES

Baseball Demand

Baseball is a major team sport in the United States where 11.3 million individuals have participated at least twice in baseball last year. Of these participants, 19.3 percent engage in baseball activities frequently (50+ times) while 30 percent are occasional participants (10 to 49 times). Out of the 11.3 participants, 9.2 million of those are men while the remaining 2.1 million are women.

Boys begin playing competitively as early as six years old. League and tournament games typically host teams that feature 12 to 14 athletes and two to three coaches per team and an average of 2.5 spectators per athlete. Even though the primary season of play is in the spring and fall, it is becoming more common for baseball organizations to train year-round, including increasing use of indoor turf facilities, especially during off-season periods.

Typically, fields have been amassed among a variety of parks and small complexes throughout a community; however, league and tournament organizers increasingly note the ease and importance of maintaining activity at a single location. As such, most modern outdoor diamond field complexes offer eight to 12 full-size softball fields in a quad layout. Field sizes can range from 200- to 400-foot fences and youth baseball typically features 60-foot base lengths while adult baseball has 90-foot base lengths. Another dimension that varies by age level is distance to the mound where the pitching mound is 45 feet away for youth baseball and 60 feet away from home plate for adult baseball. Additional requirements include shaded bleacher seating per field, bathroom facilities, concessions, small meeting facilities, portable bases and pitching mounds, space for food truck and vendors, pavilion for teams, and water fountains in each dugout.

Discussions with baseball tournament organizers indicated a moderate to moderately-strong level of demand for a diamond field facility capable of hosting weekend baseball tournaments in Northern Kentucky. Tournament organizers largely indicated that an eight- to 10-field facility with full-sized turf baseball fields would be ideal to host sports tourism events. The ability to arrange the field set-up with portable mounds and bases is critical in order to host a wide array of age ranges at the same tournament. There is a potential opportunity to program up to 20 baseball tournaments at a new complex in Northern Kentucky. The tournaments primarily are hosted from April to July and the secondary season of "Fall Ball" is programmed for September and October.

Weekend tournaments typically are scheduled Friday to Sunday where some regional tournaments in the summer begin competition on Thursday and conclude Sunday. Multiple organizers expressed the trend of attracting a greater amount of non-local teams to tournaments during the summer months. There is an opportunity to host 60 to 120 teams per tournament weekend, with combined attendance among players and spectators exceeding 2,900 people.

A number of respondents highlighted the opinion that existing diamond fields in Northern Kentucky are not well-maintained and due to a prominent focus on little league activities in Kentucky, many fields are confined to smaller dimensions, limiting their capacity to accommodate games for the 8U to 12U age groups. Organizers also observed rising hotel costs in Cincinnati, making Northern Kentucky an appealing alternative location. Representatives of regional organizations mentioned how Elizabethtown and Grand Park need to be considered as they are substantial diamond field complexes in the region that may compete with a potential new sports complex in Northern Kentucky.

A summary of selected telephone interviews completed with potential baseball user groups of a new Amateur Sports Complex in Northern Kentucky is provided below and on the following pages.

Cincinnati Riverbats Baseball

The Cincinnati Riverbats Baseball program is a well-established organization comprising 18 teams catering to players aged eight to 18. With an average team size ranging from 12 to 18 players, the primary season runs from March through June, followed by a Fall ball program. The older groups maintain a year-round schedule, ensuring continuous development.

The average team competes in 12 tournaments annually, drawing two to five spectators per player. The teams conduct weekly practices, benefitting from their own indoor facility, enabling year-round training opportunities with two practice sessions of two hours each week. The Riverbats Baseball program takes pride in owning its practice facility, facilitating consistent training and preparation. While they have never utilized a sports facility in Northern Kentucky, their tournaments take place in cities like Cincinnati, Dayton, and Columbus.

While they host 55 tournaments from March to July, the Riverbats Baseball program envisions expanding their tournament offerings if sufficient space becomes available. To accommodate their needs, they seek a facility with a minimum of four fields, preferably eight fields, to host their events successfully. For tournament logistics, the Riverbats prefer spectators not to be behind home plate during games. In terms of facility surfaces, the program strongly recommends turf fields, citing financial considerations. Given their dedication to year-round training and an extensive tournament schedule, synthetic turf fields offer durability and cost-effectiveness.

Kings Sports Baseball

Kings Sports Baseball is a prominent organization with a primary focus on youth baseball, catering to age groups ranging from 8U to 18U. Hosting a considerable number of tournaments throughout the year, they attract teams not only from Cincinnati and Northern Kentucky but also from Indiana, Illinois, and Michigan. Most of their tournaments take place from early April to mid-July, drawing a total of 1,000 teams across all events.

Currently utilizing multiple facilities for tournaments, Kings Sports Baseball is eager to consolidate locations and is open to hosting tournaments in Northern Kentucky. The affluent northern part of Cincinnati serves as a strong local base for teams, but they also aim to attract non-local teams to their events. To ensure accessibility and convenience for participants, the new facility complex should be within a 10- to 15-minute drive of hotels.

With a strong baseball culture in Cincinnati, the organization sees significant potential in Northern Kentucky, where well-maintained fields are desired. Turf fields are essential for their tournaments to ensure quality playing surfaces and flexibility. They typically draw 100 teams for spring tournaments and 60 to 70 teams for summer tournaments, with an average of 2.5 spectators per player.

Regarding facility amenities, shaded bleachers, and one to two meeting rooms for organizers and umpires are preferred. While not requiring a public address system, they suggest exploring the possibility of food truck accessibility. To accommodate their needs, Kings Sports Baseball envisions a minimum of eight turf fields that are adjustable to full-size with portable mounds and bases. Flexibility in the design will enhance the facility's appeal and utility.

Game 7 Baseball

Game 7 Baseball, with its national office in St. Louis, Missouri, envisions a facility in Northern Kentucky that can draw participants from both Cincinnati and Indianapolis. The organization serves age groups ranging from 6U to 18U and operate primarily from March to the end of July, with a secondary season in September to October for Fall Ball. Hosting tournaments in multiple states, they are looking to expand to Arkansas and Alabama next year.

With over 120 tournaments annually, June is their busiest month, attracting an average of over 140 teams per event, each with 12 players. To establish a reputation, they plan to bring at least one annual tournament initially and then expand in the following years.

The nature of their use centers around tournaments, with most running from Friday to Sunday. They estimate an average of 2.5 spectators per participant, with around 40 percent of teams being nonlocal during June events and 25 percent for other months.

Game 7 Baseball envisions a well-equipped facility with a pinwheel set-up comprising 16 synthetic turf fields. The complex should have centralized concessions and clean bathrooms with a public address system on the second floor for each field. Additionally, two meeting rooms for tournament organizers and umpires with air conditioning would be beneficial.

Emphasizing the importance of flexible base anchors for softball distances and the ability to accommodate temporary outfield fences, they aim to cater to Kentucky's emphasis on little league. Thus, including a flexible full-size field would offer versatility for different age groups.

PBR Baseball – Kentucky

PBR Baseball - Kentucky has a primary focus on hosting 13U to 17U baseball tournaments, drawing participants from various states, including Michigan, Indiana, Illinois, Ohio, West Virginia, Kentucky, Tennessee, Missouri, and Pennsylvania. The group currently hosts tournaments in seven counties, all within Kentucky, and have generally had positive experiences with the facilities they utilize.

While they have not hosted tournaments in Northern Kentucky in the past, they are open to exploring opportunities in the area. They acknowledge the appeal of Northern Kentucky as a potential destination, especially given its proximity to other states and its potential to attract teams from the surrounding regions.

They aim to host tournaments for around 10 weeks that wrap around the summer, with an additional five weeks in the fall. On average, their tournaments feature around 40 teams, each consisting of 14 athletes, and draw an estimated 2.0 spectators per player.

Leadership of PBR Baseball is receptive to utilizing a new youth/amateur sports complex in Northern Kentucky for their tournaments, depending on factors such as cost, available dates, and facilities. They envision the potential for utilizing such a complex for approximately 12 to 15 weeks per year, hosting both tournaments and clinics.

Amenities that would directly impact their interest in the complex and increase overall utilization include ample batting cages, multiple concession stands, security checkpoints, shelters for shade and storms, umpire locker rooms, ticket booths, water fountains in the dugouts, and air-conditioned offices. Although specific rental rates were not mentioned, PBR Baseball - Kentucky would consider a new youth/amateur sports complex in Northern Kentucky, especially if it has four high school fields, with a rental rate in the range of $3,000 to $4,000 per day.

Softball Demand

Softball consists of 9.3 million participants in The United States. Based on national statistics, nearly 1.0 million people (11 percent) participated in softball activities at least 40 times, with another 3.6 million (39 percent) playing softball at least ten times. Softball is played by both men and women, where 5.1 million of participants are men and 4.2 million are women.

Girls can start out at an early age with pitching machines and shorter base lengths and fence distances, working their way up to full-sized fields and traveling teams for players eight and older. Tournament games typically feature 11 to 13 athletes and two to three coaches per team and an average of 2.0 spectators per athlete. Younger teams tend to attract more spectators than high school level teams.

Historically, fields have been amassed among a variety of parks and small complexes throughout a community; however, league and tournament organizers increasingly note the ease and importance of maintaining activity at a single location. As such, most modern outdoor diamond field complexes offer six to 12 full-size softball fields. Field sizes can range from 200- to 250-foot fences and youth softball typically features 45-foot base lengths while adult softball has 60-foot base lengths. Additional requirements include temporary/bleacher seating per field, bathroom facilities, concessions, small meeting facilities, portable bases and pitching mounds, and a pavilion for teams.

Conversations with basketball tournament organizers indicated a moderate level of demand for a diamond field facility capable of hosting weekend tournaments in Northern Kentucky. Respondents largely indicated than an eight- to 10-field facility could host 50 to 100 teams per tournament weekend, with combined attendance among participants and spectators exceeding 2,000 people. Organizers indicated that multiple tournaments would be possible each month during the season, with the majority of activity occurring between March and November. A complex should offer both turf infields and all dirt infields as either option works well for softball play.

Respondents noted the geographic location of Northern Kentucky, bordering various other states that make it an ideal location for regional events. Tournament organizers expressed many facilities cater toward baseball tournaments which makes it a challenge to rent a complex situated and flexible for softball teams of various ages. Lastly, respondents noted the opportunity to host tournaments, showcase events, and camps that both Kentucky and Ohio athletes can participate and compete against one other.

A summary of selected telephone interviews completed with potential softball user groups of a new Amateur Sports Complex in Northern Kentucky is provided below and on the following pages.

Ohio USSSA Fastpitch

Ohio USSSA Fastpitch caters to girls' fastpitch softball across various age groups, from 8U up to 23U. They offer multiple competition levels and attract participants from all around, depending on the specific tournament. Currently, they host tournaments all over the state of Ohio, with experiences varying based on the facilities they use.

While they have held tournaments in Northern Kentucky before, they faced challenges due to limited availability, lack of sizable quality complexes, and maintenance issues. Nevertheless, they appreciate the proximity of Northern Kentucky to Cincinnati, making it a desirable location for teams from both Kentucky and Ohio to compete.

Ohio USSSA Fastpitch is interested in utilizing a new youth/amateur sports complex in Northern Kentucky, especially if it meets their needs in terms of available fields, dates, and price. They foresee using such a complex whenever there is no snow on the ground, which would encompass a wide range of tournaments, camps, clinics, leagues, and exhibitions. They typically run tournaments for three days, primarily during the spring and summer months.

The organization usually looks for 30 to 40 teams with 12 to 15 players on each team, and the estimated attendance is around 2.5 spectators per player. Teams participating in their tournaments come from nearby states and occasionally from further distances for national events. In terms of amenities, they prioritize concessions, bathrooms, an office building, and an umpire locker room. Technological and on-site amenities are also of interest. Proximity to hotels, restaurants, and entertainment options is crucial to draw regional and national organizations to the area.

Kentucky USSSA Fastpitch

USSSA Fastpitch – Kentucky specializes in running 45 to 50 softball tournaments annually, catering to age groups from 8U to 18U. Focused on higher-level competition, they primarily serve Southern Indiana to Bowling Green, Kentucky, but have not hosted any tournaments in Northern Kentucky due to the lack of sufficient fields.

With teams in NKY and a desire to grow, they consider a facility with enough fields in the region ideal. If they had access to adequate fields, they would aim to host tournaments once a month, potentially even more frequently. Their tournaments typically take place from March to November, mainly over weekends, running from Friday to Sunday or Saturday to Sunday.

Their tournaments see an average of 50 to 100 teams with 11 players per roster and an average of 1.8 spectators per player. Approximately 75 percent of participants are local, while 25 percent are non-local for regular tournaments, and 60 percent local, 40 percent non-local for showcase events.

An ideal facility would feature eight diamond fields, with the option of turf or all-dirt surfaces for softball. A meeting facility for tournament organizers and umpires would be beneficial, as well as the ability to bring in vendors.

Other Outdoor Sports Demand

Based on the most recent NSGA Participation Survey, pickleball has emerged as a rapidly expanding sport in the United States, boasting an estimated 3.6 million participants. This surge in popularity is notably embraced by a predominantly affluent demographic. A key driver of this growth is pickleball's inherent inclusivity, catering to individuals of diverse ages and skill levels. Among these participants, 44.2 percent engage in pickleball occasionally (five to 29 times annually), while 20.1 percent are frequent players, engaging in the sport more than 30 times per year.

In the landscape of pickleball activities, there are a range encompassing open-play sessions, recreational tournaments, and high-profile national and regional competitions. These larger tournaments draw an average of 300 participants each, accompanied by an average spectator turnout of 1.0 person per participant. However, for a facility to act as a catalyst to attract sports tourism, it is normally necessary that it offers a court capacity of a minimum of 16 courts, while a 20-court configuration is preferred. The recommendation leans towards an outdoor venue with individually-fenced courts.

In the context of pickleball facilities, the recently opened Pickle Lodge in Cincinnati offers nine courts in its initial phase while the venue is set to unveil an additional eight courts, a bar, and a restaurant in the Fall season. Acknowledging this, tournament organizers have observed potential competition from this existing facility. However, their aspirations remain undeterred, as they express interest in holding two to four events within Northern Kentucky. This hinges on alignment of dates, pricing, and facility design that caters to their requirements.

Discussions with lacrosse tournament organizers have revealed the popularity of lacrosse in Northern Kentucky, with a noticeable surge in the formation of club-level teams. This positive trend indicates a promising capacity to host a substantial number of events, primarily focusing on tournaments. This projection assumes favorable date availability and reasonable rental rates. These tournaments are typically scheduled during the primary season spanning from June to mid-July, with a secondary peak observed between October and mid-November. The duration of these tournaments typically spans two to three days, encompassing a Friday night initiation and concluding on Sunday. Of particular note is the inclusion of a Friday night showcase event tailored for high school players. This facet garners significance as collegiate coaches actively participate in NCAA-sanctioned events to scout for potential recruits.

It is worth emphasizing that enforcing a "stay-to-play" policy is common practice due to the substantial draw of these tournaments, often attracting over 100 teams, of which a significant 65 percent are comprised of non-local teams. The potential impact of these lacrosse tournaments could manifest in a participation of over 2,000 players and a spectator presence exceeding 3,000 individuals within the Northern Kentucky market. This extrapolation stems from the standard roster size of approximately 22 players per team, accompanied by an average spectator attendance of 1.5 individuals per player.

To adequately accommodate this demand, the consensus among organizers aligns with the necessity of an outdoor, rectangle field complex with eight to 12 fields. The preference is for synthetic turf fields equipped with lights to extend gameplay hours and mitigate disruptions due to inclement weather conditions. Additional desirable amenities mentioned by a number of respondents include a field complex's provision for conspicuous field signage, strategically located central bathroom facilities, and well-equipped concession stands. The integration of live streaming capabilities for games, a pavilion shelter designated for participating teams, designated vendor areas, and the inclusion of a dedicated championship field complemented by bleacher seating are all considered integral components of a successful lacrosse tournament.

The insights demonstrate the upward trajectory of lacrosse in Northern Kentucky. Based on survey results, there is believed to be the potential to host between five and seven lacrosse tournaments annually, contingent upon appropriate space, dates and rental rates.

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 10 athletes and two to three coaches per team and an average of 1.5 spectators per athlete. Younger teams tend to attract more spectators.

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. As such, most modern indoor court complexes offer between six and 12 full-size basketball courts. 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 basketball tournament organizers indicated a moderate to moderately-strong level of demand for a multi-court sports facility capable of hosting weekend tournaments in Northern Kentucky. Respondents largely indicated that an eight- to 12-court facility could host more than 100 teams per tournament weekend, with combined attendance among participants and spectators exceeding 2,000 people. Organizers indicated that multiple tournaments would be possible each month and could run year-round, with the majority of activity occurring between late fall through early spring. In addition to tournaments, local basketball organizations expressed their interest in hosting leagues, camps, and showcase events. A number of respondents noted the presence of Spooky Nook Sports Champion Mill in nearby Hamilton, Ohio, as a large complex that is already accommodating a significant portion of league, club and tournament demand within the greater area. While most basketball groups that were interviewed would like to see a new quality indoor court facility in Northern Kentucky as another option for the greater regional area, most acknowledged a belief that Spooky Nook would represent a major competitor and the tournament capture at each facility would be diluted due to the presence of two large facilities in the greater marketplace.

Respondents noted the geographic location of Northern Kentucky and the good access to a variety of regional markets as a potential draw to over-night tournament teams and participants. Additionally, being situated across the river from Cincinnati is advantageous as organizations can begin to attract athletes from Ohio and expand their offerings. Lastly, respondents noted the strength of the market's hotel, restaurant and entertainment inventory as aspects of a destination capable of attracting and hosting state and regional participants.

A summary of selected telephone interviews completed with potential basketball user groups of a new Amateur Sports Complex in Northern Kentucky is provided on the following pages.

Hustle Basketball

Hustle Basketball, established in 2019, has rapidly grown to become the largest basketball organization in Northern Kentucky. The organization caters to a diverse age range, serving individuals from five-years-old to adults. Their offerings include training, AAU teams, and various leagues, such as the G-league for developmental purposes and AAU select and elite teams. With over 1,000 families involved in the program, they have become a prominent basketball community in the region.

The average team size is around 10 players, and they offer programming year-round, including recreational activities during the winter. On average, each player attracts about 1.5 spectators. While Griffin Sports serves as their primary facility, they often need to utilize other gym spaces due to the growing demand.

Hustle Basketball envisions a facility with at least eight hardwood courts, but ideally, they would prefer to have 12 courts to accommodate the high demand for their services. Spectator space is considered essential, and they offer hot food at concessions, making the overall experience enjoyable for both players and their supporters. Hustle Basketball's successful hosting of the "Hustle Mania" tournament, with 87 teams, indicates their ability to attract significant participation, and they anticipate reaching 100 to 150 teams for the upcoming season.

With experience in operating tournaments and leagues, Hustle Basketball would be interested in discussing the opportunity for them to manage any new hardcourt facility in Northern Kentucky. They express openness to collaboration and intend to explore future opportunities for growth and development.

Cincy Ice Basketball

Cincy Ice Basketball is an organization that supports ten teams, including fourth-grade boys, sixth-grade boys, eighth-grade boys, and fifth-grade to high school girls. Each team typically consists of eight to ten players. Their primary season runs from March to July, during which they participate in an average of thirty to forty games. Spectator attendance is estimated to be around four people per player at their games. The organization conducts weekly practices, scheduling two one-and-a-half-hour sessions per week, and currently does not host camps.

Based in Cincinnati, Cincy Ice has participated in several tournaments within a two- to four-hour radius. The representatives expressed interest in expansion, particularly if they can find a facility with at least six courts, as this would better accommodate their needs. Although their current facility offers six courts, not all teams practice simultaneously, making a larger facility more desirable.

The organization actively participates in numerous tournaments and expressed openness to hosting one to two additional tournaments per year, provided the facility meets their requirement of having six to twelve courts available. The representatives expressed interest in Northern Kentucky as a potential venue for future tournaments due to its favorable proximity, which would reduce travel time for both players and spectators. A few design components that are essential for Cincy Ice Basketball include: portable bleachers or chairs, concession stand with fresh food, sufficient parking and locker rooms are not deemed necessary.

Girls Basketball Association

The Girls Basketball Association (GBA), a leading "girls only" basketball association in the Midwest, has grown exponentially since its establishment in 2003. Today, the GBA stands as a prestigious organization, renowned for hosting well-regarded tournaments across multiple states, including West Virginia, Kentucky, Indiana, Tennessee, Pennsylvania, and even drawing teams from Canada.

With a primary goal of providing girls (third grade through eleventh grade) with a superior platform to enhance their basketball skills during the spring and summer seasons, the GBA prides itself on delivering well-organized, family-friendly tournaments. This commitment has led to the association becoming synonymous with the best "girls only" basketball events in the Midwest. Over the years, the GBA has achieved remarkable growth, hosting tournaments every weekend from March through July.

To meet the rising demand and maintain the high standards of their tournaments, the GBA seeks a new venue with a minimum of six courts. This requirement is essential to accommodate the growing number of teams and participants, as small tournaments can draw around 50 teams, while large events can attract over 100 teams.

In envisioning the new facility, the GBA emphasizes several crucial amenities. Alongside the courts, they require a dedicated training room for athletes, security on-site, a meeting room for tournament organizers and proper portable seating at each court. Drawing from their past positive experiences hosting tournaments in Cincinnati, the association is willing to consider extending their reach and host tournaments at a new facility in Northern Kentucky.

Volleyball Demand

There are over 10.8 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 3.8 million (36 percent) participated in at least five 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 four or five 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 10 players with two to three 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 six- to eight-court facility and an average of 2.0 spectators per athlete. Teams typically play six to eight games over the course of a weekend tournament. Portable bleacher seating, adequate space between courts, and conference rooms for tournament organizers are a few critical amenities for volleyball organizations. The competition season for club volleyball spans from January to the end of April.

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 massing of courts to accommodate multiple age groups and competition levels simultaneously.

Based on conversations with local organizations, there was a limited to moderate demand for an indoor court complex in Northern Kentucky with seven to nine courts to accommodate their specific needs, and 18 courts to host a regional tournament. A number of respondents noted the presence of Spooky Nook Sports Champion Mill in nearby Hamilton, Ohio, as a large complex that is, and will be, accommodating a significant portion of club and tournament demand in the area. Should a new indoor court facility be developed in Northern Kentucky, the potential opportunity exists to host multiple annual tournaments attracting 100 teams, with the tournament running two to three days. Survey respondents noted the accessibility of the destination and the large number of volleyball teams in the region willing to travel for better competition.

A summary of selected telephone interviews completed with potential volleyball user groups of a new Amateur Sports Complex in Northern Kentucky is provided below and on the following pages.

Northern Kentucky Junior Volleyball

Northern Kentucky Junior Volleyball (NKJV) is a well-established organization supporting 26 all-female teams ranging from ages 10 to 18. With an average team size of nine to 10 players, the organization operates from December through June, engaging in two to three days of weekly play and participating in various tournaments. Spectator support is notable, with an average of 2.5 spectators per player at their games.

Practices, lasting two hours on average, take place at various locations, including the St. Henry Sports Complex, Griffin Elite, and Next Level Academy. However, the organization faces space limitations and would prefer a consolidated facility to accommodate all their teams. Expansion plans are contingent on the availability of more space, with seven to nine courts being the target number.

In addition to regular season activities, NKJV hosts off-season camps and practices during the Summer and Fall. A strong desire for expansion is evident, as they express interest in adding boys' teams if space allows. Their experience with hosting tournaments has been favorable, with technology simplifying organization efforts.

Tournaments are well-attended, drawing teams from Kentucky, Ohio, Indiana, Tennessee, and beyond. They typically consist of 20 to 27 courts and last for two to three days. Each team plays six to eight games. The organization has hosted a successful annual tournament with more than 100 teams, showcasing their capabilities and willingness to host more tournaments if space permits.

Seating, parking, and concessions are considered vital aspects for their events. NKJV envisions a facility with 18 courts to efficiently host their tournaments, striking a balance between local and traveling teams. With their current season spanning January to June and their existing tournament held in late April, the organization remains focused on fostering exceptional volleyball experiences for their players, participants, and spectators.

AAU Volleyball

Amateur Athletic Union (AAU) Volleyball both holds and sanctions youth tournaments nationwide. An interviewed representative indicated that the organization's largest and most high-profile volleyball tournaments often prefer host destinations/sites located in warm climates and tourist-friendly destinations. The leader of AAU Volleyball indicated that up to three tournaments could be hosted in an appropriate indoor facility in Northern Kentucky on an annual basis. However, the represented indicated the belief that Spook Nook Sports Champion Mill is largely serving volleyball and other court demand for tournaments in the greater marketplace. The AAU volleyball season runs from January to April and most tournaments are two days and would take place on the weekend. Tournaments could draw up to 500 teams, each with approximately eight players per team. The group estimates 1.5 spectators attend tournaments per player. Approximately 90 percent of teams would be nonlocal overnight guests.

A facility that offers 12 to 16 volleyball courts is sufficient to accommodate the major AAU events. Hardwood floors are preferred and it's beneficial to have the capability to stream games, utilize a PA system, and guide participants and spectators by electronic signage. The group would not be willing to utilize multiple facilities to host their events. Additional facility preferences include high quality concessions, activities to participate in for families and players, and entertainment amenities nearby.

5 MARKET DEMAND & OPPORTUNITIES

Hockey Demand

Based on the latest NSGA Participation Survey, the sport of ice hockey has a significant following in the United States, with an estimated 3.2 million participants, predominantly composed of boys. Among these ice hockey participants, approximately 21.4 percent are categorized as "frequent" participants, engaging in ice hockey activities over 30 times annually, while 29.7 percent fall within the "occasional" participant bracket, participating in the range of five to 29 activities per year.

The current hockey landscape in Northern Kentucky, anchored by the Northern Kentucky Ice Center, which serves as a host to area hockey and figure skating use. However, insights garnered from local hockey leagues underscore a need for facility improvement and possibly expansion. There is sentiment among existing local hockey organizations and representatives that the Ice Center, while well-established, will soon require critical improvements to maintain its long-term viability.

Currently, local hockey clubs are constrained in their capacity to host tournaments locally due to the Ice Center's single NHL-size ice sheet. Local hockey officials believe that a second NHL-size ice sheet or a new multi-sheet hockey complex could grow local hockey participation and lead to new tournaments in Northern Kentucky. Hockey tournaments often extend across a three-day span, running from Friday to Sunday, with many promising teams and participants a four-game guarantee.

While the geographical positioning of Northern Kentucky is strong in terms of proximity to major population markets, hockey as a sport is not as well-established in Northern Kentucky as it is in other markets throughout the Midwest and country. This is underscored by the observation that ice facilities in nearby Cincinnati have not been prolific in hosting youth hockey tournaments, despite the presence of a number of ice facilities serving the marketplace. There is typically a direct correlation between the number of local hockey teams and associated participant base and hockey tournament demand. Often, local demand across all age and skill levels must be built at the grass roots level before a community can appropriately grow its facility supply and, in turn, tournament demand.

Specific hockey supply and demand issues relevant to a potential Amateur Sports Complex in Northern Kentucky include:

1. Low existing hockey participation in local market area relative to population (Northern Kentucky and Cincinnati). In general, hockey participation rates in Kentucky and Ohio are lower than most Midwest and northern U.S. states. Specifically, while possessing the 26th largest population of U.S. states, Kentucky currently ranks 44th out of 51 (50 states plus District of Columbia) in terms of hockey players per thousand population.
2. Demand exists for ice in Northern Kentucky; however, current and near-term projected demand would only support an added single sheet of ice to the marketplace (total of two NHL-size sheets market-wide).
3. A single sheet of ice is not suited for productive generation of sports tourism (i.e., tournaments). Strong local demand is normally the precursor and critical element in driving demand for multiple ice sheets, as well as tournaments (i.e., local hosting teams/leagues support and help attract tournament activity).
4. Ice and aquatic facilities tend to be the most expensive types of amateur sports facilities to construct and operate. Additionally, their usage profiles (i.e., types of sports/rec accommodated) tend to be more focused/limited than other indoor sports facilities, such as court and turf-based facilities.
5. The typical path that most communities take to build and grow grassroots hockey interest and participation locally and address facility supply/demand issues is through the development of a municipal ice rink along with the creation of municipal hockey and learn-to-skate programming (i.e., typically offered through a municipal parks and recreation department). The municipal ice rink is typically owned and operated by the same department that coordinates the programming (house leagues, classes, clinics, camps, etc.). Ideally, the ice rink is constructed at a site that has the ability to accommodate a future second sheet of ice connected to the main rink, should demand grow over time.

Other Indoor Sports Demand

There are a variety of other indoor sports that typically require a critical mass of indoor court or turf space and accompanying seating in which to host large tournaments, meets, competitions, exhibitions and other such events. These sports include wrestling, gymnastics, indoor soccer, futsal, cheer, dance, pickleball, table tennis, badminton, martial arts, and other such activities.

In terms of wrestling, according to NSGA's Participation Survey, it is estimated that there are approximately 3.2 million participants in amateur wrestling in the United States, with the large majority representing boys. Of those wrestling participants, 13.9 percent represent "frequent" participants (engaging in wrestling activities more than 50 times per year), while 37.5 percent are considered "occasional" participants (engaging in between 10 and 49 activities per year). Conversations with various sports organizations indicated that the potential exists to attract certain wrestling meets to a new Amateur Sports Complex in Northern Kentucky. There is an opportunity to host five to seven meets, with several drawing approximately 200 participants and three meets drawing in excess of 800 participants per meet. Invitational wrestling meets tend to last two to three days and typically run Friday night through Sunday.

Gymnastics presents a potential opportunity for hosting meets/competitions in an Indoor Sports Facility in Northern Kentucky. The gymnastics season typically runs from October to May with meets typically requiring at least 20,000 square feet of contiguous flat floor space to host tournaments, with preferences closer to 40,000 square feet for larger meets and competitions (e.g., four teams or more, hosting both boys and girls gymnastics programs, etc.). Based on conversations with regional meet organizers, the space available in the greater Cincinnati area is largely adequate for hosting primary gymnastics meet demand; however, should a new indoor sports facility product be developed in Northern Kentucky that gives affordable access to gymnastics programming, a small number of meets and training activities could be shifted to Northern Kentucky.

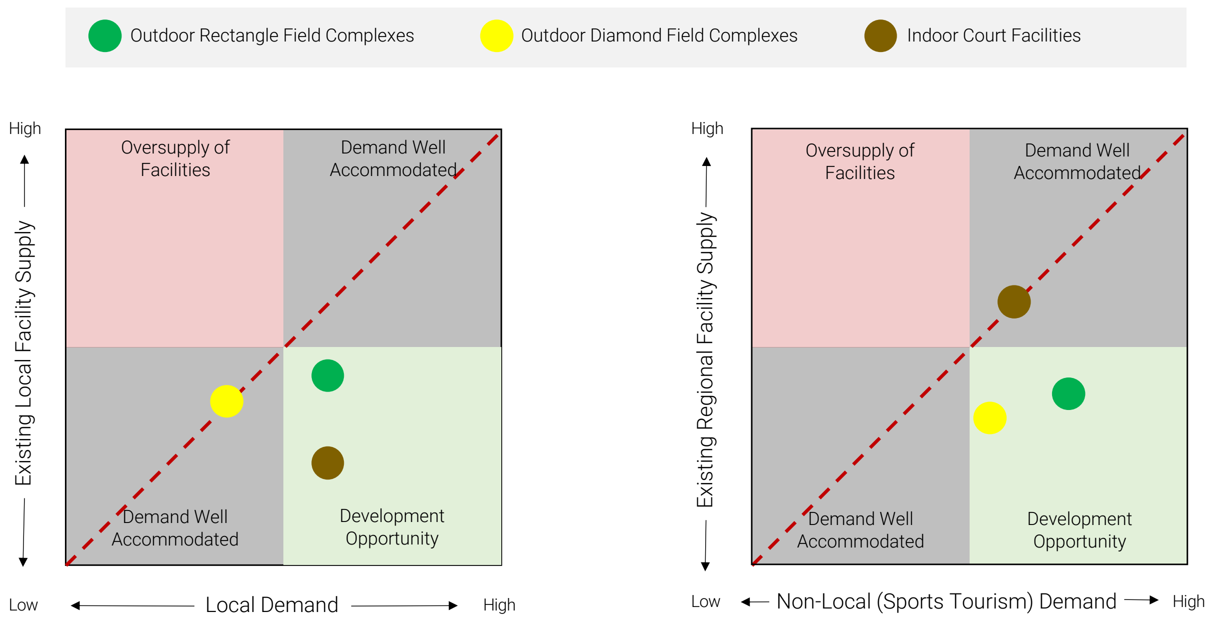
Conversations with dance tournament organizers noted that there is a potential to attract one or two annual dance competitions that could draw between 300 to 1,000 participants. The minimum amount of space needed in order to accommodate their event is approximately 20,000 square feet of space, with preference for two separate spaces offering between 12,000 to 20,000 square feet of space each.

Another opportunity is presented with martial arts organizations, which run year-round programs, typically with a greater emphasis during the summer months. However, organizers of martial arts tournaments noted the availability of a number of regional convention centers, arenas, and gyms that exist that are often used to host regional or national events.

Supply & Demand

The exhibit below presents a graphical summary of estimated amateur sports facility supply and demand in Northern Kentucky related to local user groups (lefthand side) and nonlocal, or sports tourism, user groups (righthand side). The diagonal dashed line indicates estimated relative equilibrium between supply and demand.

Summary of Estimated Northern Kentucky Amateur Sports Supply & Demand by Facility & Demand Type



As shown in the exhibit, from a local demand standpoint, it is estimated that demand for outdoor diamond facilities is currently relatively well-accommodated by existing facility product in the Northern Kentucky area. Conversely, estimated local demand for outdoor rectangle facilities and indoor court facilities is estimated to be greater than what existing Northern Kentucky area facility product can accommodate—therefore, representing a development opportunity.

From a nonlocal (sports tourism) standpoint, outdoor rectangle and outdoor diamond facility demand are both estimated to represent development opportunities, as Northern Kentucky facilities currently have important limitations in successfully competing for this type of sports tourism activity, as well as there being limited multi-field, tournament-quality complexes in the greater regional area. Importantly, the outdoor rectangle facility product type is the only variety that is estimated to represent a development opportunity addressing significant unmet needs in both local and nonlocal demand segments.

While estimated demand is similarly high for an indoor court facility product, the presence of Spooky Nook Sports Champion Mill in nearby Hamilton, Ohio, as a very large and capable court facility serving the greater Cincinnati/Northern Kentucky metropolitan area, is believed to largely mitigate a matching supply side need for a new, large court facility product to address tournament demand. However, given the high local and nonlocal demand that was measured for indoor courts, a new indoor court facility in Northern Kentucky could both serve to better accommodate local demand emanating within Northern Kentucky, while also offering a competitive option for a portion of the nonlocal tournament market. The presence of two large indoor multi-court facilities located in relative short driving proximity within the greater destination would theoretically result in an oversupply of facility product serving tournament demand; however, at the present and foreseeable timeframe, virtually none of these tournaments are currently, or will in the future, occur in Northern Kentucky. As such, the development of a new indoor court facility product in Northern Kentucky would be expected to pull some of this tournament demand and associated economic impact into Northern Kentucky, while also serving to lower market rates/pricing and expand availability for local groups. Therefore, an indoor sports facility product in Northern Kentucky could be considered as an alternate, or secondary, strategy for sports facility product development.

5 MARKET DEMAND & OPPORTUNITIES

Summary & Conclusions

- OVERALL DEMAND & FACILITY FOCUS: 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 Amateur Sports Complex in Northern Kentucky for the purpose of attracting new sports tourism activity and better serving local area user groups.
- PRIMARY DEMAND: In general, interest in a potential new Amateur Sports Complex in Northern Kentucky, measured through interviews with stakeholders and potential nonlocal and local user groups, is considered moderately-strong to strong for a tournament-quality outdoor rectangle multisport field complex. Market research and analysis suggest that a state-of-the-industry rectangle field complex, suitable to accommodate soccer, lacrosse and other such field sports and their related tournaments, games, practices and training activities, could address sports tourism and certain local market demand that is not currently being met by existing facilities in the local and regional marketplace. Additionally, a year-round, cost-efficient bubble structure covering one rectangle field could accommodate demand for indoor turf space for off-season training, recreation and periods of inclement weather—allowing for year-round usage of the complex.
- SECONDARY DEMAND: Additionally, high local and nonlocal demand was also noted for an indoor court facility. However, the presence of Spooky Nook Sports Champion Mill in nearby Hamilton, Ohio, as a very large and capable court facility serving the greater Cincinnati/Northern Kentucky metropolitan area, is believed to largely mitigate a matching supply-side need for a new, large court facility product to address tournament demand. However, given the high local and nonlocal demand that was measured for indoor courts, a new indoor court facility in Northern Kentucky could both serve to better accommodate local demand emanating within Northern Kentucky, while also offering a competitive option for a portion of the nonlocal tournament market. Key sports that could be accommodated include basketball, volleyball, wrestling, pickleball, dance/cheer, martial arts, table tennis, futsal, gymnastics and other sports/uses. Under this development scenario, the presence of two large indoor multi-court facilities located in relative short driving proximity within the greater destination would theoretically result in an oversupply of facility product serving tournament demand; however, at the present and foreseeable timeframe, virtually none of these tournaments are currently, or will in the future, occur in Northern Kentucky. As such, the development of a new indoor court facility product in Northern Kentucky would be expected to pull some of this tournament demand and associated economic impact into Northern Kentucky, while also serving to lower market rates/pricing and expand availability for local groups. Therefore, an indoor sports facility product in Northern Kentucky could be considered as an alternate, or secondary, strategy for sports facility product development.
- DEMOGRAPHICS: The goal of any new investment in new youth/amateur sports facilities in Northern Kentucky would be envisioned to not only meet the needs of Northern Kentucky 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 the greater marketplace. As a result, the viability of any potential investment in a new 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 Northern Kentucky (between 1.9 and 2.5 million people within 60 minutes' drive and 13 to 15 million within three hour's drive).
- VISITOR INDUSTRY INFRASTRUCTURE: The breadth, quality, mix and location of key visitor industry amenities in a local area significantly contributes to the appeal of a destination and its competitiveness in attracting tournament and other non-local activity. Approximately 7,500 hotel rooms within Northern Kentucky, representing a wide array of brands, products and price points. Important to identify locations proximate to hospitality infrastructure to maximize economic impact & guest experience.
- LIMITATIONS IN TOURNAMENT-QUALITY FACILITIES: Research suggests that unmet demand exists in Northern Kentucky for a state-of-the-industry Amateur Sports Complex that is optimized for sports tourism attraction. Northern Kentucky and the surrounding region (including the greater Cincinnati metropolitan area) are limited in terms of facilities offering a critical mass of tournament-quality rectangle fields in a single facility/location. While there is a large competitive indoor court facility product in nearby Hamilton, Ohio, Northern Kentucky itself is limited in terms of dedicated indoor hardwood sports facilities offering multiple courts in a single facility.
- OPPORTUNITY TO BETTER SERVE LOCAL USERS: While optimized to attract sports tourism (i.e., tournaments, meets, and competitions), state-of-the-industry amateur sports facilities, such as a new state-of-the-industry rectangle multisport field complex and/or a new indoor court facility, would be expected to deliver substantial benefits to local Northern Kentucky residents and families 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 youth/amateur sports facilities—positively contributing to the quality of life for local citizens.

6

PROGRAM, SITE & BUSINESS MODEL

6 PROGRAM, SITE & BUSINESS MODEL

Facility Concept & Program

The purpose of this section is to build off the market demand research, analysis and conclusions related to a potential new Amateur Sports Complex in Northern Kentucky to identify new product development that would be estimated to significant ROI to the sports tourism industry, while also serving to fill important local needs. Recommendations regarding an Amateur Sports Complex development strategy, specific facility components and amenities, and other aspects 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 potential new Amateur Sports Complex in Northern Kentucky. For purposes of this analysis, two facility concept scenarios have been developed that would address unmet market demand in Northern Kentucky, as shown in the exhibit below.

Identified Facility Concept Scenarios for a New Amateur Sports Complex in Northern Kentucky

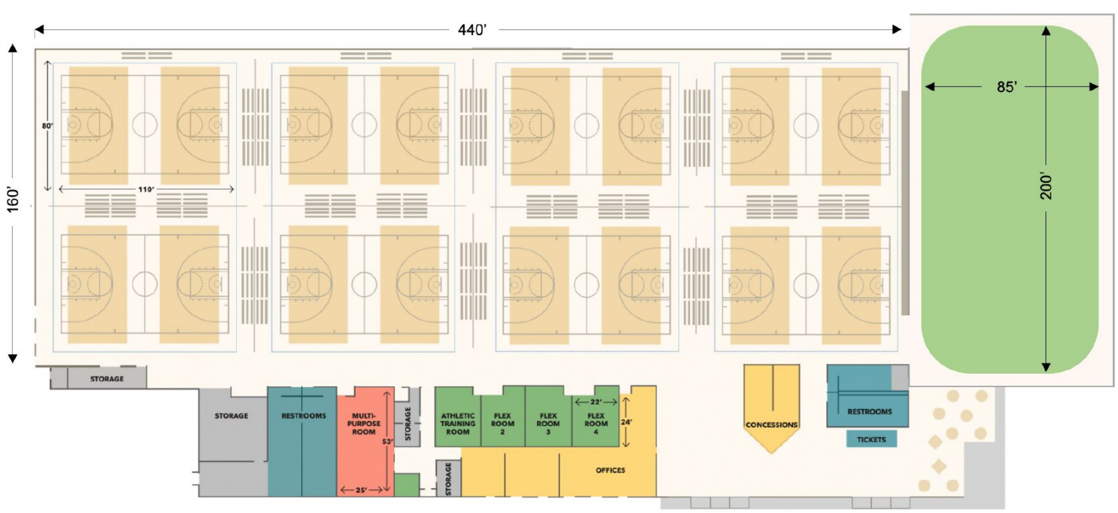
	FACILITY CONCEPT 1: Multisport Rectangle Field Complex	FACILITY CONCEPT 2: Indoor Sports Facility (Courts + Turf)
Concept:	12 full-sized multisport soccer fields. All synthetic turf fields. 345' x 210' per field. Including one championship field w/ 1,500 seats.	8 full-sized basketball courts (95' x 50' alleys). or 16 full-sized volleyball courts (60' x 30' alleys). plus 1 regulation-size indoor turf field (200' x 85').
Facility Size:	5.5 gross acres per field.	120,000 gross square feet.
Parking:	1,100 spaces.	950 spaces.
Site Size:	Apporoximately 70 acres.	Minimum of 10 acres.
Characteristics:	Lighting for all fields. Central hub with concessions and restrooms. Additional concessions/restrooms throughout. Pavilions/shaded areas. Field operations building. Warm-up space (open lawn space). Park entrance signage. Option for seasonal bubble over 1 turf field	Minimum 35-foot ceiling height. Dropdown nets to separate courts. Bleachers, scoreboards, athletic equipment. Locker/team rooms and party rooms. Fitness/wellness spaces and equipment. Walking track. Play areas. Food court / café. Performance and esports spaces (optional).

As mentioned in the previous chapter, the research and analysis conducted for this study indicates that a new multisport rectangle field complex (Facility Concept 1) would address high levels of both local and nonlocal unmet market demand in Northern Kentucky. Additionally, an indoor sports facility (Facility Concept 2) could also serve to address unmet market demand from local user groups in Northern Kentucky and also provide the greater Cincinnati/Northern Kentucky metropolitan area with a second sizeable court facility option in order to compete for tournament activity.

Example layouts of these two facility concept scenarios are provided on the following page. Additionally, cost/benefit estimates and performance projections for these two facility concepts will be presented in the subsequent chapter.

Facility Concept 1 (Multisport Rectangle Field Complex) – Example Layout

Facility Concept 2 (Indoor Sports Facility) – Example Layout



Comparable facilities located throughout the country that are consistent with the programmatic recommendations provided herein for these facility concepts suggest that both facility concepts would represent state-of-the-industry products, and both may have the opportunity to be operationally self-sufficient. Financial and economic aspects associated with these facility concept scenarios will be addressed in the subsequent chapter. An aggressive strategy could entail identifying and securing a site of approximately 100 acres and either pursue development of both of these products at the single location or one of the products with planning for a future phase of development to complete the two projects.

Site & Development Opportunities

As important as size and configuration, the location and site of an amateur sports facility/complex can have a significant impact on the asset's ability to generate attendance (local and nonlocal), as well as its financial and economic success. Optimized modern amateur sports complexes are tend to be located in areas with existing amateur sports facilities or in areas with a well-established economic base of hotels, restaurants, retail and other visitor industry infrastructure.

When co-located with other amateur sports facilities, expanded or new sports and sports tourism assets have an opportunity to create a "sports destination" through a campus of facilities that leverage operating, marketing and branding synergies for the purpose of attracting sports tourism as well as accommodating local demand. Further, developing additional outdoor fields at or near the site of an indoor sports facility has the potential to develop a more year-round destination and create marketing and operational synergy. Extending seasons and creating a more consistent flow of foot traffic at amateur sports facilities can be appealing to existing and potential new private sector investors looking to avoid the peaks and valleys of economic activity surrounding seasonal traffic generators.

Additionally, while youth/amateur sports complexes have the opportunity to supplement (sometimes significantly) economic activity at nearby hotels, restaurants, retail outlets and other establishments, the hours of peak operation for these complexes can present challenges for sustainably supporting economic activity independent of other traffic generators. As such, optimized amateur sports facilities often locate in areas with drivable access (typically within 15 to 20 minutes) of established visitor industry infrastructure to maximize economic impact capture. A by-product of locating an amateur sports complex within these general areas is that existing amateur sports facilities and visitor industry infrastructure tend to be developed near population centers. These locations help to encourage usage among local area residents as they tend to prefer driving 15 minutes or less for regular weekday or weekday evening activities such as practices, games, camps or clinics.

Overall, there are a number of characteristics and factors are typically important when evaluating the attractiveness of a site location. These include, but are not limited to:

- Size, cost, and ownership complexity of site.
- Nearby accessibility to major interstates/roadways.
- Driving proximity to primary population concentrations.
- Ability to leverage existing infrastructure/prior investment.
- Requirements/preferences of a private partner.
- Proximity to quality hotel inventory.
- Proximity to restaurants, retail, nightlife, and entertainment.
- Parking availability.
- Ingress/egress.
- Site visibility.
- Synergy with public sector initiatives/master plans.
- Compatibility with surroundings.

Given these factors, an ideal location for a new Amateur Sports Complex within Northern Kentucky would be one that is roughly centralized within the three-county area and is also conveniently accessible via major roadways to concentrations of residential neighborhoods and retail and hospitality pockets. A centralized location would serve to maximize both local access and opportunity to generate economic benefit from outside user groups and activities. However, identifying a centralized, large site (i.e., between 70 and 100 acres) will likely be challenging. All else equal, identifying a large enough site that is proximate to major roadways, residential and hospitality infrastructure is more important than selecting a centralized location. Finally, it is suggested that opportunities be investigated that would result in leveraging existing field complexes or parks to execute the Amateur Sports Complex project. With respect to Facility Concept 1 (Multisport Rectangle Field Complex), this could include expansion of existing fields, synthetic turf installation, addition of field lights, and other modern amenities constituent of state-of-the-industry tournament field complexes.

Construction Costs (order-of-magnitude)

An analysis was conducted associated with order-of-magnitude hard construction costs pursuant to the two identified facility concepts presented on the previous pages. Site costs (acquisition and preparation) have not been included. Construction costs tend to vary widely among comparable sports facility projects. Many variables exist that influence actual realized construction costs, including type of facility, size, components, level of finish, integrated amenities, costs of goods and services in the local market, location and topography of the site, ingress/egress issues, and other such aspects. Importantly, a detailed architectural concept, design and costing study would be required to specifically determine construction costs for a potential new project.

Total order-of-magnitude development costs (including hard costs plus soft costs, but excluding site acquisition costs) for the two identified facilities concepts are as follows:

- Facility Concept 1 (Rectangle Field Complex) = **$40 million**
- Facility Concept 2 (Indoor Sports Facility) = **$52 million**

Governance & Oversight Model

The purpose of this section is to evaluate and provide recommendations concerning governance for a potential new Amateur Sports Complex in Northern Kentucky. Governance includes both facility/complex ownership, as well as management/operating structure and approach with regard to booking/scheduling/discounting policies and rates.

The following presents a summary of typical industry model groupings relating to owner/operator models utilized in the amateur sports facility industry:

PUBLIC MODEL:
Under the public model, the land and facility are owned and operated by a public entity, such as municipal government's parks and recreation department (i.e., City or County). Typically, the primary goal is to first and foremost provide access to residents of the municipality. Facilities that operate under this model generally attract the greatest percentage of local participation and attendance. Publicly-operated facilities are typically funded through the municipal government owner's general fund and/or other dedicated public sector monies. Additionally, these facilities typically rely on an annual financial operating subsidy provided by the public sector owner.

PRIVATE MODEL:
Under the private model, both the land and the complex are privately-owned, developed, maintained and operated. Facilities under this model tend to be more specialized and cater to a narrower segment of the marketplace. This operational model is designed for profit, with pricing and booking strategies that often limit interest and use by most local community and neighborhood leagues and tournaments. The funding for such facilities usually comes from private equity and revenue generated through programmed tournaments, training, camps and league play.

PUBLIC/PRIVATE MODEL:
Under the public/private model, the land, and often the facility as well, are typically owned by a public entity and leased or contracted to a third-party private entity responsible for operating and maintaining the complex. The goals and objectives of this model can vary widely in examples throughout the country; however, many attempt to balance objectives of (1) economic impact generation, (2) local community use opportunities, and (3) operational self-sufficiency. Under an industry best practices approach, these issues are negotiated and agreed upon by the parties in advance and appropriate booking, pricing, and operational guidance is memorialized within the ultimate lease/management agreement. Similar to the private model, many facilities under this model tend to be more specialized and cater to a narrower segment of the marketplace than the public model or the public/non-profit model. Some facilities under this model are operationally self-sufficient and do not require annual subsidy or external funding support, while some still require annual financial operating support by the public sector facility owner.

PUBLIC/NON-PROFIT MODEL:
Under the public/non-profit model, the land and facility are generally owned by a public entity and the complex is leased and operated by a 501(c)3 non-profit. The non-profit operator often utilizes relationships with local sports organizations to generate strategic partnerships, serving to share operating/maintenance responsibilities and expand revenue-generating and use opportunities. The non-profit entity typically gives first priority to its partnerships, with public use given a secondary priority. This model generally serves more of a public utility than that of a Public/Private model and relies on public funding, as well as the access that non-profit organizations have to a number of applicable grant programs that can either contribute to the construction of the complex or offset operating expenses.

SPORTS AUTHORITY MODEL:
In some cases throughout the country, independent sports authorities have been established to govern and oversee all or a subset of facilities in a community. Sports Authorities are often established via local or state enacting legislation and tend to operate in both sports tourism and local sports/recreational realms. Many operate as quasi-public, nonprofit organizations that are not constrained by the traditional rules, policies, regulations, and operating procedures that exist with local government agencies/departments. Many authorities own their own facilities and have their own independent funding source (i.e., dedicated tax), including the ability to issue dedicated bonds or debt to fund construction and/or operations. There is some precedence in Northern Kentucky with establishing regional authorities involving the tri-county area, including the Northern Kentucky Transit Authority and the Northern Kentucky Port Authority.

There are several reasons why the Sports Authority model can be advantageous. Specifically:

1. Opportunity to create a "regional community" venue – In some communities, the "destination" (from the perspective of tourism and travelers) may encompass a number of cities, towns and even counties. Northern Kentucky is a clear example of this, comprising three counties, multiple municipalities and unincorporated communities. The boundaries of specific municipalities are often irrelevant from the perspective of travelers and tournaments.
2. Lack of a Powerful Local Private Sports Association – A number of privately-owned complexes (or those involving public/private partnerships) are owned and/or operated by a very prominent local sports association or organization with substantial resources. For example, a number of sports complexes in the Southeast U.S. are owned/operated by large, mature soccer associations that have thousands of members.
3. Insulation from municipal politics and funding – Authorities typically are independent, quasi-governmental agencies, often with their own Board of Directors and possessing their own taxing authority. This tends to be more advantageous on a host of levels, providing protection against municipal politics and annual allocation of funding, as well as offering more flexibility than provided under sometimes strict employment and operating codes pertaining to municipally-owned facilities. Furthermore, most amateur sports complexes develop "in-house" sports programming and leagues, which could limit the ability to non-city residents to participate.
4. Dedicated sports / tourism focus – Authorities that own and operate complexes of this nature often are dedicated in focus and mission. In most cases, this means that their purpose is to develop, market and operate Sports and Recreation programs and facilities within a given area. Their Boards tend to be carefully selected with a mix of governmental representatives, community/business leaders and representatives of various local athletic organizations. Many of the most successful case studies of local sports and recreation programs/facilities involved dedicated authorities that continue to build resources and regional participation levels over time. A smaller, but growing, number of authorities have a "sports tourism" focus, rather than the broader sports, recreation and leisure focus of typical parks, sports and recreation authorities in many markets.

Based on the analysis conducted, the following represents recommendations concerning ownership and operation of a potential new Amateur Sports Complex in Northern Kentucky.

FACILITY OWNER & MODEL

Given the expected sports tourism mission of a potential new Amateur Sports Complex, along with the project's expected physical and operational characteristics (under either Facility Concept scenario), it is believed that the appropriate governance and oversight model for a new Sports Complex in Northern Kentucky would be a hybrid public/private model. This would involve public ownership via some governmental entity or sports authority (such as one of the three counties or a newly-created sports authority focusing on sports tourism), contracted private management, and an Oversight Board. Through coordination and collaboration with the facility owner, management team, tenant groups, and other local area facilities, the Oversight Board would be responsible for the Sports Complex's schedule and use calendar, as well as its rates and discounting policies. This type of structure could work to ensure equitable scheduling and rates, as well as mitigating cannibalization of local user group activity at existing local sports facilities. This would allow for appropriate scaling should the initial sports product development represent one of several phases of development of a larger amateur sports complex destination. The facility owner outlines facility policies informed by aims and goals for the facility. To refine these policies and ensure that they are being implemented by the private management firm, the facility owner would establish an Oversight Board populated by appointed facility and community stakeholders.

OVERSIGHT BOARD

The Oversight Board, a handful of appointed individuals with facility and community ties, has de facto control of the schedule and use calendar for the Amateur Sports Complex (or greater campus), as well as rates and discounting. The Oversight Board would initially work the County or Authority stakeholder and the selected Private Management Firm to establish a formal booking and scheduling policies, as well as policies related to rates and discounting. The Oversight Board would be best served if it included a mix of public sector and private sector members, including representatives of the County or Authority stakeholder, the contracted private management firm, key tenants/user groups, other existing local area athletic facilities, schools, tourism organizations, and/or other local business leaders. The Board would have an established set of bylaws and would meet monthly.

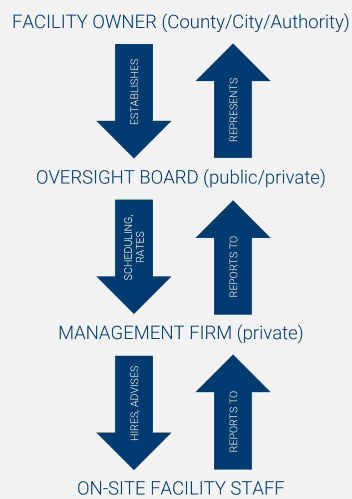
PRIVATE MANAGEMENT FIRM

The private management firm hired by the Owner would be responsible for operating the Amateur Sports Complex as guided by defined Owner policies. A firm account executive on the national corporate level would directly report to the Owner's designee (or the Oversight Board, if it is organized with expanded responsibilities), and is responsible for hiring and overseeing the on-site complex staff. The account executive would also act as an intermediary for support functions provided by the firm's national corporate office, including human resources, brand and marketing strategy, financial reporting and legal/risk assistance. The firm is typically compensated with a flat annual management fee, plus incentive payments for producing desired results. Incentives could be based on achieving specific revenue goals, attendance, events, room night generation or other targets.

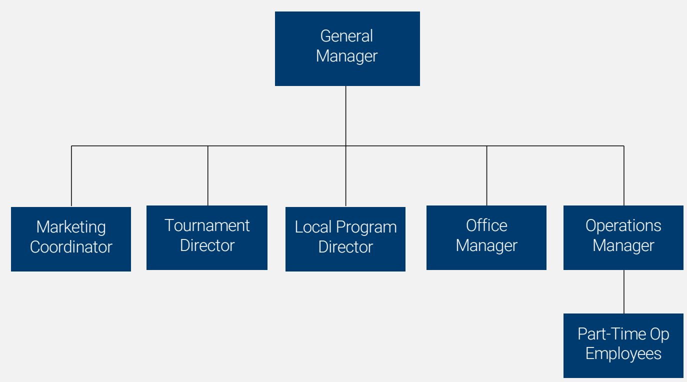
ON-SITE FACILITY STAFF

The facility-specific full-time staff is commonly structured as per the diagram below. The facility general manager serves as the on-site lead and directly reports to the private management firm's property-specific account executive. The marketing coordinator oversees all facility marketing and sponsorship efforts, the tournament director works with third-party organizations to schedule tournaments, the local program director works with local organizations to schedule practices, league play and camps, the office manager oversees facility bookkeeping and the operations manager runs facility maintenance and food and beverage operations as well as oversees most of the part-time employees that are hired for event-specific operations. This on-site staff is responsible for operating the facility within the budget submitted by the private management firm and in coordination with Oversight Board.

RECOMMENDED GOVERNANCE STRUCTURE



COMMON ON-SITE FACILITY STAFFING STRUCTURE



Booking / Scheduling Policy

The booking and scheduling policy should emphasize the attraction and accommodation of sports tourism as its foremost priority. The Oversight Board will ensure that the policy is adhered to, would be able to vote on policy adjustments, and would provide strategic direction to facility management. The Board would have the ability to view the scheduling calendar for each of its subject facilities. Key elements of the booking and scheduling policy is recommended to include the following prioritization:

TIER ONE: NON-LOCAL TOURNAMENTS
Booking Access Beyond 12 Months

MeetNKY, tournament producers, and other organizations would have priority access to reserve facility space at the new Amateur Sports Complex for tournaments, meets, competitions and other events exhibiting a proven track-record of generating a minimum threshold of hotel room nights and new economic spending in Northern Kentucky. In addition, first-time events with the strong potential of generating a minimum threshold of room nights and economic spending would also receive priority consideration.

TIER TWO: LOCAL TOURNAMENTS & MAJOR EVENTS
Booking Access Within 12 Months

Local leagues, camps, clinics, and other organizations would have access to reserve facility space at the new Amateur Sports Complex for tournaments, meets, competitions and other events for local/league activity that do not meet a minimum threshold for hotel room nights (e.g., year-end tournaments by local leagues, tournaments/meets that generate revenue for league activity, competitions that generate somewhat less than the minimum threshold to book earlier, etc.). While tentative booking could be made at any time, licensed booking would not be allowed until 12 months before the tournament/meet start. Tier One events that meet hotel room night and economic spending thresholds would receive priority over tentative bookings.

TIER THREE: LOCAL USE
Booking Access Within 3 Months

Local leagues (in-house or third-party) or other organizations could reserve facility space at the new Sports Complex for games, camps, clinics or other non-practice events up to three months out from the desired dates and/or start of their respective season(s). As with Tier Two, tentative bookings within Tier Three can be made at any time, but are subject to rescheduling or termination to accommodate a conflicting Tier One or Two booking until a period of three months prior to the requested date.

Funding & Partnership Options

For comparable amateur sports facility and sports tourism facility projects throughout the country, public sector revenue sources typically fund all or a majority of the capital development of municipally-owned facilities comparable to the identified projects in this study. While a majority of the construction costs associated with the recommended Amateur Sports Complex in Northern Kentucky would likely need to be funded through public sector sources, private sector sources via public/private partnership (P3) could help contribute to capital funding for the projects. The ultimate financing structure of any new sports facility is dependent on political, economic and other issues of various parties that may be involved in developing potential new sports complexes.

While certain private sector partners (such as Sports Facilities Companies [SFC], Ripken Sports, FieldhouseUSA, and Eastern Sports Management [ESM]) have, in past years, contributed a portion of upfront capital to defray public sector construction funding obligations, upfront participation in capital construction by private sector parties in recent years has become significantly less prevalent. Currently, most sports tourism and amateur sports complexes utilizing P3 frameworks/partners involve private sector management and operating revenue/profit sharing with the public sector facility owner, rather than upfront capital to assist with construction funding.

Public sector mechanisms and sources that are most often utilized to fund comparable sports complexes located throughout the region and country include:

- General Obligation (GO) bonds.
- Revenue Bonds.
- Tax Increment Financing (TIF).
- Tourism Improvement District (TID).
- Pay-As-You-Go Financing.
- Certificates of Participation.
- State/Federal Assistance.
- Private/Public Equity & Grants.

Under situations where bonds have been issued, debt service is often supported by local tax revenue, which has tended to include the following:

- Property taxes.
- Sales and use taxes.
- Hotel/motel taxes.
- Restaurant/food & beverage taxes.
- Sin taxes (alcohol, cigarette, etc.).
- Admissions/entertainment taxes.

Potential sources of private sector funding for the potential new Amateur Sports Complex could include, but are not limited to:

- Naming rights/sponsorships.
- Equity contributions (with or without a formalized P3).
- Grants/donations.
- Vendor rights.
- Facility use agreements.
- Registration fee surcharge.
- Parking fees.
- Other sources.

Oftentimes, communities that are considering major amateur sports facility projects, such as the potential new Amateur Sports Complex studied herein, have explored private partner interest through the issuance of an RFEI (request for expressions of interest) and/or RFP (request for proposals) for a potential public/private partnership (P3) opportunity for the project in order to better gauge private sector interest in the project and potential private sector capital that may be available to contribute to the project.

7

COST / BENEFIT ANALYSIS

7 COST / BENEFIT ANALYSIS

Overview & Key Assumptions

An analysis was completed to produce key cost/benefit estimates associated with a potential new Amateur Sports Complex in Northern Kentucky. For purposes of this cost/benefit analysis, projections have been developed for each of the two identified facility concepts (Facility Concept 1 – Multisport Rectangle Field Complex and Facility Concept 2 – Indoor Sports Facility). Performance estimates for the Amateur Sports Complex scenarios have been presented over a 20-year projection period. For purposes of this analysis, construction is assumed to commence in 2025 and be completed in 2026, while the first full year of operations is assumed to be 2027. A stabilized year of operation is assumed to occur by the fourth full year of operation (assumed 2030). 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, information provided by MeetNKY and various local stakeholders, industry trends, 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 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 Amateur Sports Complex in Northern Kentucky 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 new Amateur Sports Complex in Northern Kentucky. Construction cost estimates were generated using industry per-unit data adjusted for conditions in Northern Kentucky and cost data of comparable 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 registrations, 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 Amateur Sports Complex operations.

It has been assumed that the new Amateur Sports Complex in Northern Kentucky would be publicly-owned and privately-operated. Figures only represent the annual operations of the Amateur Sports Complex itself 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 sports complex only represent spending that is estimated to be new to Northern Kentucky (net new spending), directly attributable to the operation (and existence) of the potential new Amateur Sports Complex.

Economic Impact Concepts & Methods

The investment in a new Amateur Sports Complex project will be expected to provide substantial 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 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 amateur sports facility.

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 amateur sports facility 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 Amateur Sports Complex itself, in order to approximate the potential associated tax revenues generated from such spending. The majority of Construction and In-Facility Spending would be estimated to occur within Northern Kentucky. Additionally, net new impacts will be generated throughout Northern Kentucky, primarily relating to Out-of-Facility Spending (i.e., spending occurring off the Amateur Sports Complex site by visitors to Northern Kentucky on items such as hotels, restaurants, retail, transportation, etc.).

From a broad perspective, gross direct spending would flow to various economic entities, including 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 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 Amateur Sports Complex project and site improvements that are considered net new to Northern Kentucky. These adjustments include:

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

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

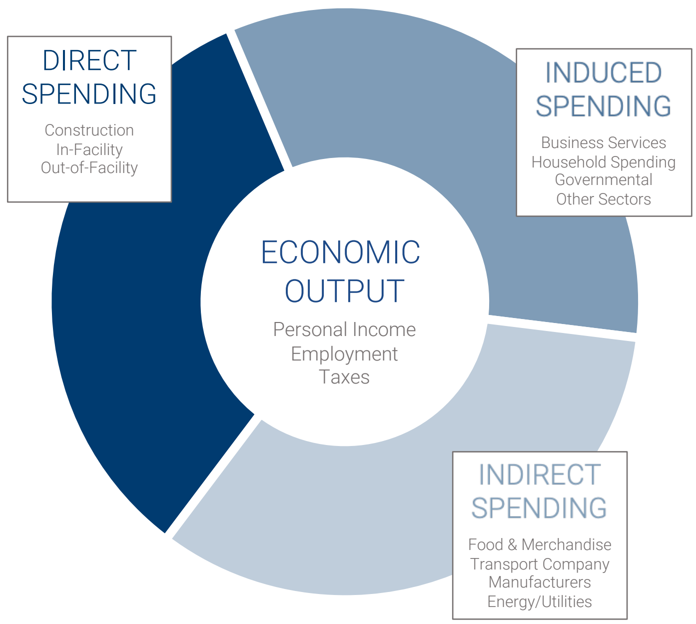
The multiplier effects estimated in this analysis include:

- TOTAL OUTPUT represents the total direct, indirect, and induced spending effects generated by the new 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 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 Amateur Sports Complex, fiscal revenues could be generated to various municipal/governmental entities from a variety of sources.

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 Amateur Sports Complex project, successive rounds of re-spending generate indirect and induced effects. The sum of all this net new spending in Northern Kentucky'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 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.

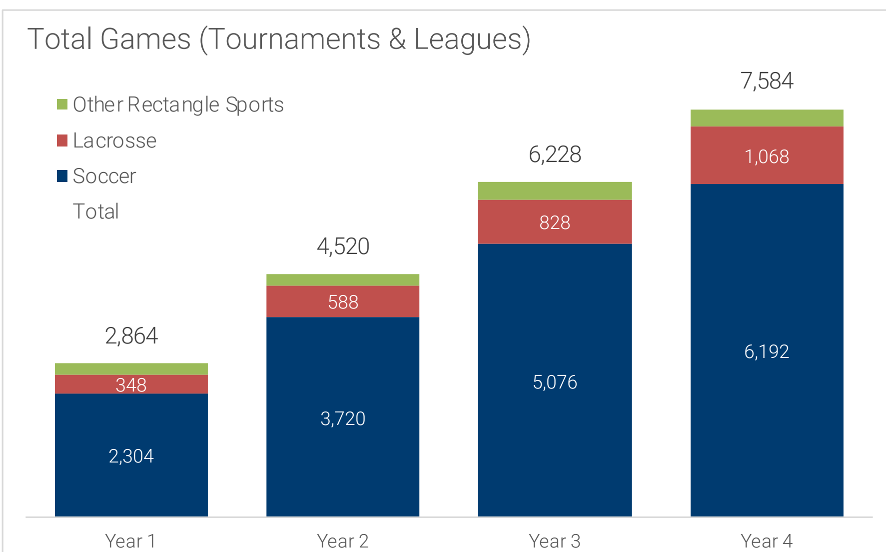


The quantitative impact figures do not include economic impact that could be generated by other greater project elements associated with any master plan for a larger sports complex/campus or mixed-use project and other ancillary private sector development/investment that may occur as result of the new Amateur Sports Complex (i.e., hotels, restaurants, etc.). Some of the impacts associated with the new 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 (Facility Concept 1)

For Facility Concept 1 (Multisport Rectangle Field Complex), a detailed utilization model was developed to consider a large number of variables and inputs to analyze each sport/use for a potential new Amateur Sports Complex in Northern Kentucky. 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 new Amateur Sports Complex in Northern Kentucky under Facility Option 1.

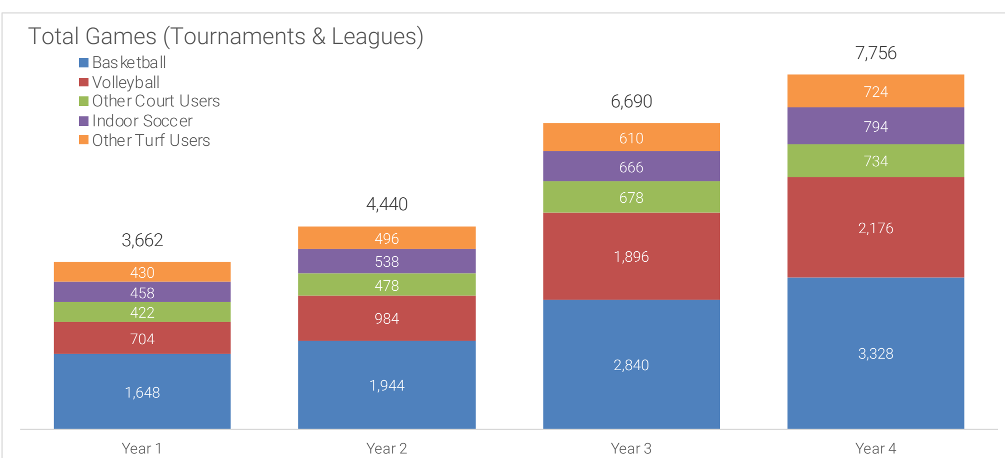
UTILIZATION	Opening Year 1	Year 2	Year 3	Stabilized Year 4	20-Year Cumulative
LEAGUE TEAMS					
Soccer	46	48	54	56	988
Lacrosse	13	17	21	25	426
Other Rectangle Sports	14	14	18	18	316
Total	73	79	93	99	1,730
LEAGUE GAMES					
Soccer	552	576	648	672	11,856
Lacrosse	156	204	252	300	5,112
Other Rectangle Sports	140	140	180	180	3,160
Total	848	920	1,080	1,152	20,128
TOURNAMENTS					
Soccer	8	12	16	19	321
Lacrosse	1	2	3	4	66
Other Rectangle Sports	1	1	2	2	34
Total	10	15	21	25	421
TOURNAMENT GAMES					
Soccer	1,752	3,144	4,428	5,520	92,124
Lacrosse	192	384	576	768	12,672
Other Rectangle Sports	72	72	144	144	2,448
Total	2,016	3,600	5,148	6,432	107,244
CLINIC & CAMP SESSIONS					
Soccer	36	42	48	54	936
Lacrosse	6	6	12	12	204
Other Rectangle Sports	12	12	12	12	216
Total	54	60	72	78	1,356



Estimated Utilization (Facility Concept 2)

For Facility Concept 2 (Indoor Sports Facility), a detailed utilization model was developed to consider a large number of variables and inputs to analyze each sport/use for a potential new Amateur Sports Complex in Northern Kentucky. The exhibit below presents a summary of key utilization levels associated with a new Amateur Sports Complex in Northern Kentucky under Facility Option 2.

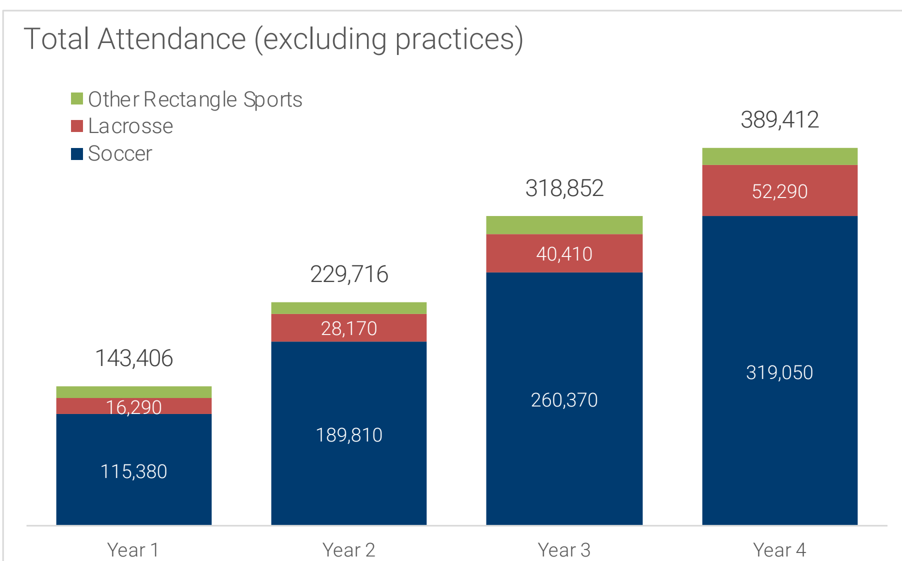
UTILIZATION	Opening Year 1	Year 2	Year 3	Stabilized Year 4	20-Year Cumulative
LEAGUE TEAMS					
Basketball	64	69	74	79	1,550
Volleyball	35	39	45	49	952
Other Court Users	25	29	33	37	716
Indoor Soccer	31	35	39	43	836
Other Turf Users	29	32	35	38	742
Total	184	204	226	246	4,796
LEAGUE GAMES					
Basketball	1,024	1,104	1,184	1,264	24,800
Volleyball	560	624	720	784	15,232
Other Court Users	350	406	462	518	10,024
Indoor Soccer	434	490	546	602	11,704
Other Turf Users	406	448	490	532	10,388
Total	2,774	3,072	3,402	3,700	72,148
TOURNAMENTS					
Basketball	5	7	12	15	279
Volleyball	2	4	9	11	202
Other Court Users	2	2	5	5	94
Indoor Soccer	1	2	4	6	109
Other Turf Users	1	2	4	6	109
Total	11	17	34	43	793
TOURNAMENT GAMES					
Basketball	624	840	1,656	2,064	38,208
Volleyball	144	360	1,176	1,392	25,344
Other Court Users	72	72	216	216	4,032
Indoor Soccer	24	48	120	192	3,456
Other Turf Users	24	48	120	192	3,456
Total	888	1,368	3,288	4,056	74,496
CAMPS & OTHER RENTALS					
Basketball	54	60	66	72	1,404
Volleyball	60	60	60	60	1,200
Other Court Users	12	12	18	18	348
Indoor Soccer	48	60	72	72	1,404
Other Turf Users	60	72	84	96	1,848
Private Rentals/Practices/Drop-in	2,900	2,900	2,900	2,900	58,000
Total	3,134	3,164	3,200	3,218	64,204



Estimated Attendance (Facility Concept 1)

For Facility Concept 1 (Multisport Rectangle Field Complex), the exhibit below presents a summary of estimated attendance levels associated with a potential new Amateur Sports Complex in Northern Kentucky under Facility Concept 1.

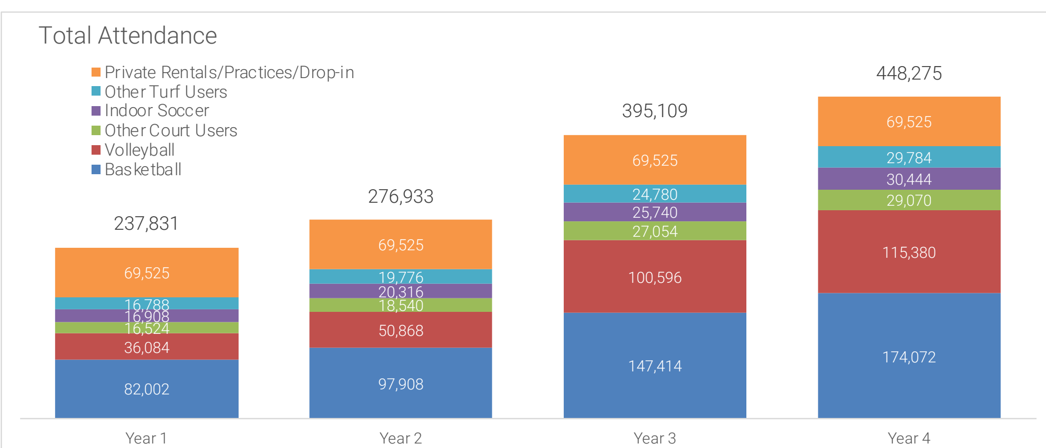
ATTENDANCE	Opening Year 1	Year 2	Year 3	Stabilized Year 4	20-Year Cumulative
LEAGUES					
Soccer	8,280	8,640	9,720	10,080	177,840
Lacrosse	2,340	3,060	3,780	4,500	76,680
Other Rectangle Sports	2,520	2,520	3,240	3,240	56,880
Total	13,140	14,220	16,740	17,820	311,400
TOURNAMENTS					
Soccer	26,280	47,160	66,420	82,800	1,381,860
Lacrosse	2,880	5,760	8,640	11,520	190,080
Other Rectangle Sports	1,296	1,296	2,592	2,592	44,064
Total	30,456	54,216	77,652	96,912	1,616,004
CLINICS & CAMPS					
Soccer	1,800	2,100	2,400	2,700	46,800
Lacrosse	240	240	480	480	8,160
Other Rectangle Sports	600	600	600	600	10,800
Total	2,640	2,940	3,480	3,780	65,760
SPECTATORS					
Soccer	79,020	131,910	181,830	223,470	3,744,810
Lacrosse	10,830	19,110	27,510	35,790	594,300
Other Rectangle Sports	7,320	7,320	11,640	11,640	200,880
Total	97,170	158,340	220,980	270,900	4,539,990
TOTAL ATTENDANCE					
Soccer	115,380	189,810	260,370	319,050	5,351,310
Lacrosse	16,290	28,170	40,410	52,290	869,220
Other Rectangle Sports	11,736	11,736	18,072	18,072	312,624
Total	143,406	229,716	318,852	389,412	6,533,154



Estimated Attendance (Facility Concept 2)

For Facility Concept 2 (Indoor Sports Facility), the exhibit below presents a summary of estimated attendance levels associated with a potential new Amateur Sports Complex in Northern Kentucky under Facility Concept 2.

ATTENDANCE	Opening Year 1	Year 2	Year 3	Stabilized Year 4	20-Year Cumulative
LEAGUES					
Basketball	14,336	15,456	16,576	17,696	347,200
Volleyball	7,840	8,736	10,080	10,976	213,248
Other Court Users	4,200	4,872	5,544	6,216	120,288
Indoor Soccer	5,208	5,880	6,552	7,224	140,448
Other Turf Users	4,872	5,376	5,880	6,384	124,656
Total	36,456	40,320	44,632	48,496	945,840
TOURNAMENTS					
Basketball	9,984	13,440	26,496	33,024	611,328
Volleyball	2,304	5,760	18,816	22,272	405,504
Other Court Users	864	864	2,592	2,592	48,384
Indoor Soccer	336	672	1,680	2,688	48,384
Other Turf Users	336	672	1,680	2,688	48,384
Total	13,824	21,408	51,264	63,264	1,161,984
CAMPS & OTHER RENTALS					
Basketball	2,700	3,000	3,300	3,600	70,200
Volleyball	3,000	3,000	3,000	3,000	60,000
Other Court Users	600	600	900	900	17,400
Indoor Soccer	1,920	2,400	2,880	2,880	56,160
Other Turf Users	2,400	2,880	3,360	3,840	73,920
Private Rentals/Practices/Drop-in	69,525	69,525	69,525	69,525	1,390,500
Total	80,145	81,405	82,965	83,745	1,668,180
SPECTATORS					
Basketball	54,982	66,012	101,042	119,752	2,257,820
Volleyball	22,940	33,372	68,700	79,132	1,470,256
Other Court Users	10,860	12,204	18,018	19,362	370,236
Indoor Soccer	9,444	11,364	14,628	17,652	335,520
Other Turf Users	9,180	10,848	13,860	16,872	320,712
Total	107,406	133,800	216,248	252,770	4,754,544
TOTAL ATTENDANCE					
Basketball	82,002	97,908	147,414	174,072	3,286,548
Volleyball	36,084	50,868	100,596	115,380	2,149,008
Other Court Users	16,524	18,540	27,054	29,070	556,308
Indoor Soccer	16,908	20,316	25,740	30,444	580,512
Other Turf Users	16,788	19,776	24,780	29,784	567,672
Private Rentals/Practices/Drop-in	69,525	69,525	69,525	69,525	1,390,500
Total	237,831	276,933	395,109	448,275	8,530,548

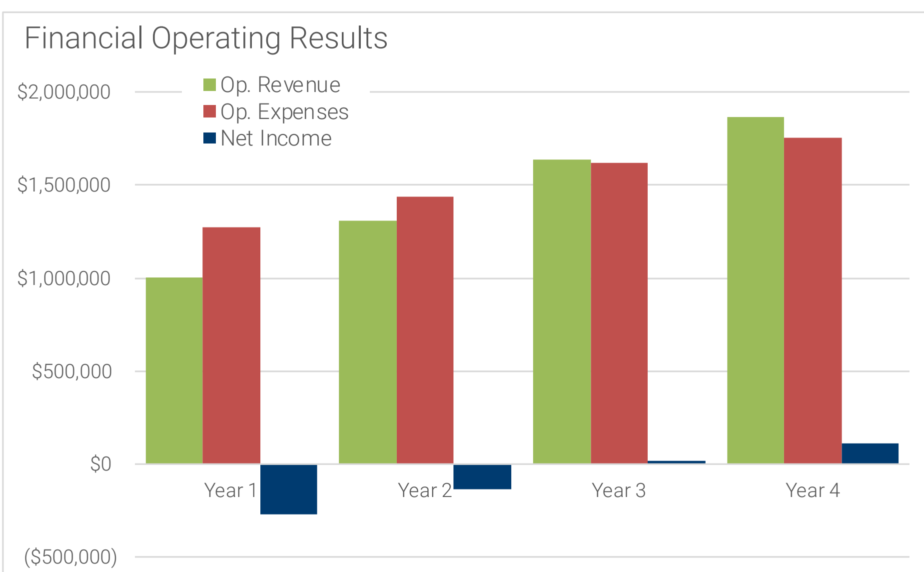


Financial Operating Projections (Facility Concept 1)

Many indoor amateur sports facilities of this nature involve public sector funding participation (both in terms of construction and operations). Many 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 new Amateur Sports Complex in Northern Kentucky under Facility Concept 1 (Multisport Rectangle Field Complex). Based on the preliminary analysis, upon stabilization (assumed fourth full year of operation), the new Amateur Sports Complex is estimated to generate a net operating profit of approximately $111,000, before debt service, capital repair/replacement funding and profit sharing. This projected level of operating profit is consistent with other comparable turf-based field complexes throughout the country.

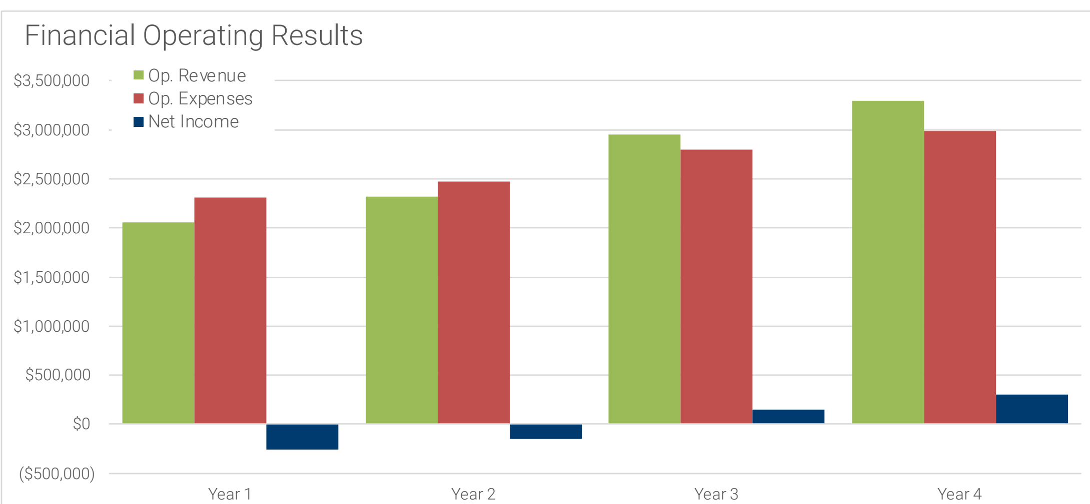
FINANCIAL OPERATIONS	Opening Year 1	Year 2	Year 3	Stabilized Year 4	20-Year Cumulative
OPERATING REVENUES					
In-House League Registration	$38,200	$39,400	$50,700	$52,200	$1,098,100
In-House Tournament Registration	$88,320	$162,108	$213,744	$220,168	$4,559,180
Rental Income	$393,000	$434,700	$494,200	$540,700	$11,380,500
Camps/Clinics	$70,400	$80,900	$98,600	$110,300	$2,297,600
Concessions (gross)	$251,800	$410,200	$583,100	$731,400	$14,848,700
Advertising/Sponsorship	$132,400	$144,400	$156,500	$168,600	$3,569,300
Other	$30,000	$35,000	$40,000	$45,000	$941,951
Subtotal	$1,004,120	$1,306,708	$1,636,844	$1,868,368	$38,695,331
OPERATING EXPENSES					
Salaries, Wages and Benefits	$489,500	$508,700	$528,400	$548,500	$11,728,200
Utilities	$122,500	$126,200	$129,900	$133,800	$2,867,900
Maintenance and Repair	$139,200	$143,400	$147,700	$152,100	$3,259,200
Materials and Supplies	$83,500	$86,000	$88,600	$91,300	$1,955,300
Insurance	$111,300	$114,700	$118,100	$121,700	$2,607,100
Concessions	$151,100	$246,100	$349,800	$438,900	$8,909,200
General and Administrative	$70,000	$72,500	$75,000	$77,500	$1,658,800
Tournament Expenses	$35,328	$64,843	$85,498	$88,067	$1,823,672
League Operations/Programming	$70,600	$78,200	$97,000	$105,600	$2,207,100
Subtotal	$1,273,028	$1,440,643	$1,619,998	$1,757,467	$37,016,472
NET OPERATING INCOME	**($268,908)**	**($133,935)**	**$16,846**	**$110,901**	**$1,678,859**



Financial Operating Projections (Facility Concept 2)

The exhibit below presents a summary of projected annual financial operating results associated with a potential new Amateur Sports Complex in Northern Kentucky under Facility Concept 2 (Indoor Sports Facility). Based on the preliminary analysis, upon stabilization (assumed fourth full year of operation), the new Amateur Sports Complex under Facility Concept 2 is estimated to generate a net operating profit of approximately $306,000 before debt service, capital repair/replacement funding and profit sharing. This projected level of operating profit is slightly lower than other comparable sports complexes throughout the country, largely due to the expected competitive influence of Spooky Nook Sports Champion Mills and other Cincinnati-area sports facility products.

FINANCIAL OPERATIONS	Opening Year 1	Year 2	Year 3	Stabilized Year 4	20-Year Cumulative
OPERATING REVENUES					
In-House League Registration	$60,100	$69,100	$82,300	$92,300	$2,214,500
In-House Tournament Registration	$98,076	$100,980	$226,944	$233,856	$5,514,960
Rental Income	$889,200	$989,400	$1,133,700	$1,264,700	$30,582,900
Camps/Clinics	$283,200	$326,700	$380,800	$414,800	$10,001,600
Concessions	$398,100	$491,200	$758,700	$898,500	$21,201,700
Advertising/Sponsorship	$197,200	$210,800	$224,600	$238,500	$5,822,400
Other	$127,815	$134,736	$141,833	$149,115	$3,649,361
Subtotal	$2,053,691	$2,322,916	$2,948,877	$3,291,771	$78,987,421
OPERATING EXPENSES					
Salaries, Wages and Benefits	$943,500	$980,600	$1,018,500	$1,057,300	$25,950,500
Utilities	$338,400	$348,500	$359,000	$369,700	$9,091,600
Maintenance and Repair	$140,400	$144,700	$149,000	$153,500	$3,773,800
Materials and Supplies	$86,800	$89,400	$92,100	$94,900	$2,333,000
Insurance	$146,800	$151,200	$155,800	$160,400	$3,945,300
Concessions	$258,800	$319,300	$493,100	$584,100	$13,781,200
General and Administrative	$135,000	$137,500	$140,000	$142,500	$3,513,700
Tournament Expenses	$39,230	$40,392	$90,778	$93,542	$2,205,984
League Operations/Programming	$223,100	$257,300	$301,000	$329,600	$7,940,500
Subtotal	$2,312,030	$2,468,892	$2,799,278	$2,985,542	$72,535,584
NET OPERATING INCOME	**($258,339)**	**($145,976)**	**$149,600**	**$306,229**	**$6,451,837**



Economic Impacts (Facility Concept 1)

The exhibit below presents a summary of the annual, and 20-year cumulative total of projected economic impacts generated in Northern Kentucky by the potential new Amateur Sports Complex under Facility Concept 1 (Multisport Rectangle Field Complex), pursuant to the recommendations and assumptions outlined herein. The economic impact estimates additionally assume the following:

- 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 complex itself and represent a percentage of gross operating revenues that are estimated to be net new to Northern Kentucky.
- Out-of-facility impacts are generated across a variety of industries within Northern Kentucky by athletes, families and sponsoring organizations that do not reside within Northern Kentucky. Out-of-facility spending by residents who reside in Northern Kentucky is not counted for 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 Northern Kentucky.

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	$20,000,000
Indirect/Induced Spending	$0	$0	$0	$0	$13,732,363
Economic Output	**$0**	**$0**	**$0**	**$0**	**$33,732,363**
Personal Income	$0	$0	$0	$0	$11,359,450
Employment (full & part-time jobs)	0	0	0	0	240
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	$652,678	$849,360	$1,063,949	$1,214,439	$25,151,965
Indirect/Induced Spending	$448,199	$583,839	$731,829	$835,802	$17,308,014
Economic Output	**$1,100,877**	**$1,433,199**	**$1,795,777**	**$2,050,241**	**$42,459,979**
Personal Income	$468,142	$605,633	$755,638	$859,663	$17,817,257
Employment (full & part-time jobs)	16	20	25	28	580
C) Out-of-Facility Impacts					
Net New Hotel Room Nights	6,637	11,502	16,350	20,301	339,004
Total Attendee Days	143,406	229,716	318,852	389,412	6,533,154
Net New Non Local Visitor Days	37,165	64,411	91,558	113,686	1,898,424
Direct Spending	$4,337,124	$7,742,251	$11,335,470	$14,497,252	$293,047,994
Indirect/Induced Spending	$2,969,506	$5,300,901	$7,761,076	$9,925,859	$200,641,689
Economic Output	**$7,306,631**	**$13,043,152**	**$19,096,547**	**$24,423,112**	**$493,689,683**
Personal Income	$2,998,565	$5,352,774	$7,837,023	$10,022,990	$202,605,094
Employment (full & part-time jobs)	93	166	243	311	6,281
TOTAL NET NEW IMPACTS					
Net New Hotel Room Nights	6,637	11,502	16,350	20,301	339,004
Total Attendee Days	143,406	229,716	318,852	389,412	6,533,154
Net New Non Local Visitor Days	37,165	64,411	91,558	113,686	1,898,424
Direct Spending	$4,989,802	$8,591,612	$12,399,419	$15,711,692	$338,199,960
Indirect/Induced Spending	$3,417,706	$5,884,740	$8,492,905	$10,761,662	$231,682,066
Economic Output	**$8,407,508**	**$14,476,352**	**$20,892,324**	**$26,473,353**	**$569,882,025**
Personal Income	$3,466,707	$5,958,407	$8,592,662	$10,882,653	$231,781,802
Employment (full & part-time jobs)	109	186	268	339	7,101

Economic Impacts (Facility Concept 2)

The exhibit below presents a summary of the annual, and 20-year cumulative total of projected economic impacts generated in Northern Kentucky by the potential new Amateur Sports Complex under Facility Concept 2 (Indoor Sports Facility), pursuant to the recommendations and assumptions outlined herein. The net new economic impacts projected under this facility concept scenario are somewhat lower than other similar projects due to the competitive influence of Spooky Nook Sports Champion Mill, resulting in lower than typical tournament and regional activity capture by the subject facility.

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	$26,000,000
Indirect/Induced Spending	$0	$0	$0	$0	$17,852,072
Economic Output	**$0**	**$0**	**$0**	**$0**	**$43,852,072**
Personal Income	$0	$0	$0	$0	$14,767,285
Employment (full & part-time jobs)	0	0	0	0	311
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	$1,334,899	$1,509,895	$1,916,770	$2,139,651	$51,341,824
Indirect/Induced Spending	$915,869	$1,036,219	$1,316,396	$1,469,826	$35,266,592
Economic Output	**$2,250,768**	**$2,546,114**	**$3,233,166**	**$3,609,477**	**$86,608,416**
Personal Income	$962,549	$1,086,956	$1,373,995	$1,531,524	$36,765,106
Employment (full & part-time jobs)	32	36	46	51	1,222
C) Out-of-Facility Impacts					
Net New Hotel Room Nights	5,596	7,278	13,468	15,995	298,255
Total Attendee Days	237,831	276,933	395,109	448,275	8,530,548
Net New Non Local Visitor Days	31,338	40,755	75,420	89,571	1,670,227
Direct Spending	$3,657,132	$4,898,785	$9,337,404	$11,422,158	$266,457,612
Indirect/Induced Spending	$2,503,935	$3,354,060	$6,393,057	$7,820,429	$182,436,005
Economic Output	**$6,161,066**	**$8,252,845**	**$15,730,462**	**$19,242,587**	**$448,893,617**
Personal Income	$2,528,437	$3,386,881	$6,455,617	$7,896,957	$184,221,256
Employment (full & part-time jobs)	78	105	200	245	5,711
TOTAL NET NEW IMPACTS					
Net New Hotel Room Nights	5,596	7,278	13,468	15,995	298,255
Total Attendee Days	237,831	276,933	395,109	448,275	8,530,548
Net New Non Local Visitor Days	31,338	40,755	75,420	89,571	1,670,227
Direct Spending	$4,992,031	$6,408,680	$11,254,175	$13,561,809	$343,799,436
Indirect/Induced Spending	$3,419,804	$4,390,279	$7,709,453	$9,290,255	$235,554,669
Economic Output	**$8,411,835**	**$10,798,959**	**$18,963,628**	**$22,852,064**	**$579,354,104**
Personal Income	$3,490,986	$4,473,838	$7,829,613	$9,428,481	$235,753,647
Employment (full & part-time jobs)	111	142	246	296	7,245

Qualitative Impacts / Other Benefits

In addition to the more quantifiable benefits, some benefits related to the construction and operation of a new Amateur Sports Complex in Northern Kentucky 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 Northern Kentucky and its profile and brand as a sports tourism 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 Northern Kentucky 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 Amateur Sports Complex, can have extensive, long-lasting transformative impacts for Northern Kentucky communities and overall 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 communities in Northern Kentucky more attractive and enjoyable places 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.
- 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 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 new Amateur Sports Complex in Northern Kentucky 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. State-of-the-industry amateur sports complexes, like the proposed project under both scenarios, can attract hundreds of thousands of attendees annually. 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 private investment in business improvements and expansions.
- Other Benefits – Increased synergy with the other athletic, event, hospitality and entertainment facilities can lead to increased tourism activity to Northern Kentucky.

7 COST / BENEFIT ANALYSIS

Summary & Key Projections

Based on analysis results, a summary comparison of key assumptions and cost/benefit projections for new Amateur Sports Complex development opportunities in Northern Kentucky associated with the construction and annual operations of the two identified facility concepts is presented below (upon stabilization of operations, assumed to occur by the fourth full year of operations). A ROI estimate is also shown, as defined for this analysis by a ratio of incremental economic output relative to development costs. As shown, a new Amateur Sports Complex under Facility Concept 1 is estimated to deliver the highest tourism ROI among the two facility concept variations, while a new Amateur Sports Complex under Facility Concept 2 would be expected to generate the highest utilization of the two in terms of attendance (albeit with a greater percentage of local user attendance that does not drive net new economic impact).

Summary Comparison of Key Estimates and Projections –
Identified Northern Kentucky Amateur Sports Complex Facility Concepts
(all figures represent annual amounts upon stabilization, except one-time development costs)

	FACILITY CONCEPT 1: Multisport Rectangle Field Complex	FACILITY CONCEPT 2: Indoor Sports Facility (Courts + Turf)
Owner	Public	Public
Operator	Private	Private
Development Costs	$40,000,000	$52,000,000
Financial Operating Profit (excluding debt service)	$110,901	$306,229
Tournaments	25	43
Attendee Days	389,412	448,275
Non-Local Attendee Days	113,686	89,571
Hotel Room Nights	20,301	15,995
Direct Spending	$15,711,692	$13,561,809
Economic Output	$26,473,353	$22,852,064
ROI (Output to Development Cost)	**0.66**	**0.44**

Note: Development costs and financial operating figures are order-of-magnitude estimates. Operating and economic figures represent annual amounts upon stabilization of operations (assumed Year 4).

In addition to the quantifiable projections of utilization, financial operations and economic impacts shown above and within this chapter, there are a number of potential benefits associated with a new Amateur Sports Complex in Northern Kentucky 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.
- Inducement of follow-up visitation.
- Spin-off development.
- Anchor for revitalization of targeted areas within a community.
- Various other benefits.