FEASIBILITY STUDY OF A NEW AMATEUR SPORTS COMPLEX

in the Greater Palm Springs / Coachella Valley Area

April 17, 2024






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Background & Methods

Conventions, Sports & Leisure International (CSL) was retained by Visit Greater Palm Springs to conduct a feasibility study of a potential new Amateur Sports Complex. The purpose of the study is to assist Visit Greater Palm Springs and other stakeholders in evaluating key market, program, financial, economic and ownership/management aspects of a potential new Amateur Sports Complex in the Greater Palm Springs / Coachella Valley area. 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 Greater Palm Springs / Coachella Valley 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 Visit Greater Palm Springs, constituent local municipalities, and other stakeholders with the information necessary to make informed decisions regarding the potential development and 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 the Greater Palm Springs / Coachella Valley area.

Local & Regional Conditions

- STRONG TOURISM BRAND: The Greater Palm Springs / Coachella Valley destination is a high-quality, internationally-known tourist destination. A recent economic impact study completed by Tourism Economics estimated that the destination welcomed approximately 12.8 million visitors in 2021, generating $6.8 billion in total economic impact. In 2019, prior to the COVID-19 pandemic, the estimated total number of visitors was 14.1 million. Area hospitality infrastructure is robust and mature, including a wide diversity of lodging products and event and sports facilities, with a notable exception being limitations in modern facilities appropriate to sufficiently compete within certain sports tourism segments.
- DRIVABLE ACCESS TO REGIONAL MARKETS: Located in southern California, nearly equidistant from San Diego and Los Angeles, each just less than 125 miles away, the Coachella Valley is situated within three-hours' drive of approximately 22 million people. 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 both to help manage the cost associated with travel and to manage transporting equipment.
- EXTENSIVE LODGING INVENTORY: There are more than 14,600 hotel rooms and a wide array of service levels and price points within the 54 lodging properties offering at least 100 sleeping rooms. In addition to these primary hotels and resorts, a large number of vacation rentals, timeshares, and bed and breakfasts exist throughout the destination to complement the overall lodging capacity. There are clusters of sleeping rooms proximate to much of the existing inventory of youth/amateur sports facilities in the destination, and 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 in the Coachella Valley is largely limited to individual and small clusters of outdoor fields. Empire Polo Club has periodically hosted large field tournaments in the past, but it is not a dedicated field sports tournament, game and training complex. While Hovley Soccer Park, Big League Dreams Cathedral City, and other small field complexes have historically hosted some soccer, baseball and softball tournament activity, the overall destination lacks the type of tournament-quality rectangle and/or diamond field complex seen in many other sports tourism destinations (i.e., complexes that offer 10+ high-quality fields in a single location).
- EXISTING LOCAL INDOOR COURT FACILITIES: There is a limited number of indoor amateur sports facilities in the Coachella Valley, especially in terms of indoor court space with no facilities offering multiple courts within a single facility. The majority of indoor courts are located in high schools, middle schools, YMCAs, Boys & Girls Clubs, and community centers. As is typical throughout the country, schools tend to give priority to school and student functions, limiting access to outside rentals. While it is recognized that a higher than typical amount of demand exists for outdoor courts in the Coachella Valley due to warm climate conditions throughout the year, the lack of a single indoor complex with a critical mass of courts presents challenges in attracting and hosting traditional court-based tournaments, competitions, camps and clinics that are regional or national in scope.
- 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 the Coachella Valley. One of the most prominent of which is Indian Wells Tennis Garden, which is an internationally-known tennis destination and hosts a large number of tournaments, training and activities in the tennis segment. Additionally, the Coachella Valley offers extensive product serving outdoor sports and recreation, including swimming and watersports, golf, tennis, pickleball, ice hockey, field hockey, biking, hiking, running, extreme sports, and others.
- COMPETITIVE PRODUCTS IN THE REGIONAL AREA: While there are a number of tournament-quality outdoor rectangle and diamond field complexes in the greater regional area (especially in and around the greater Los Angeles metropolitan area), there are relatively few tournament-quality indoor court complexes in the greater region (i.e., Southern California, Nevada and Arizona), particularly given the very large population base.

Industry Trends

- 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. There are an estimated 90,000 frequent sports participants within a 60-minute drive of Palm Desert. Importantly, it is estimated that there are more 20 million people that reside within a three-hour drive of Coachella Valley. These data suggest both the strong residential population and the significant opportunity to attract non-local participants for sports tourism events held in Coachella Valley.
- 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. However, synthetic turf temperatures at field level during high heat periods is often measured as much as 10 degrees warmer than ambient off-field air temperature. This can be particularly problematic for hot weather markets (like Coachella Valley) when deploying synthetic turf fields involving summertime sports. 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 return-on-investment, in terms of driving tourism and economic impact relative to costs (development and operating costs). As such, based on the analysis of local market conditions in the Coachella Valley 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 the Coachella Valley.

ES EXECUTIVE SUMMARY

Market Demand & Opportunities

- MARKET FEASIBILITY: 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 the Coachella Valley for the primary purpose of attracting new sports tourism activity and a secondary purpose of better serving local area user groups.

- PRIMARY DEMAND & FACILITY FOCUS: In general, interest in a potential new Amateur Sports Complex in the Coachella Valley, measured through interviews with stakeholders and potential nonlocal and local user groups, is considered moderately-strong to strong for an Indoor Hardcourt Facility. Market research and analysis suggest that a state-of-the-industry Indoor Hardcourt Facility, suitable to accommodate basketball, volleyball, wrestling, pickleball, dance/cheer, martial arts, table tennis, futsal, gymnastics and other sports/uses could address key areas of unmet market demand from local and non-local user groups, including weekend tournaments, meets, and competitions. Hardcourt indoor sports facilities typically have broad-based usage and tend to be highly-utilized year-round, delivering some of the highest returns-on-investment in terms of utilization, revenue and economic impact per square foot. This year-round usage can be particularly helpful in generating off-season and shoulder-season hotel room demand. Additionally, should an indoor turf component be included with this type of facility development, certain operating, marketing, and branding synergy and efficiencies could be realized and serve to accommodate some unmet demand for indoor turf training and recreation (particularly in periods of high heat weather conditions).

- SECONDARY DEMAND & FACILITY FOCUS: Additionally, market research and analysis suggest that moderate interest exists for a multisport rectangle field complex (to accommodate soccer, lacrosse, football, flag football, rugby and other such uses), with slightly less demand for a diamond field complex (to accommodate baseball and softball). While synthetic playing surfaces are now industry standard for new field complex developments throughout the country and tend to offer a distinct competitive advantage for sports tourism activity through minimizing the possibility that tournaments, games or practices are cancelled due to inclement weather or the need to rest natural grass fields from wear and tear due to overuse, temperatures at field level on synthetic turf fields during high heat periods is often measured as much as 10 degrees warmer than ambient off-field air temperature. This can be particularly problematic for hot weather markets (like the Coachella Valley) when deploying synthetic turf fields involving summertime sports. Furthermore, unlike indoor sports facilities, the impact period of outdoor facilities in any destination tends to be concentrated during half or less of a calendar year (therefore, often resulting in lower annual financial and economic performance.

- DEMOGRAPHICS: The goal of any new investment in new youth/amateur sports facilities in the Coachella Valley would be envisioned to not only meet the needs of Coachella Valley area 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 Palm Springs / Coachella Valley area. 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 the Coachella Valley (more than one million within an hour's drive and over 20 million within a three-hour's drive).

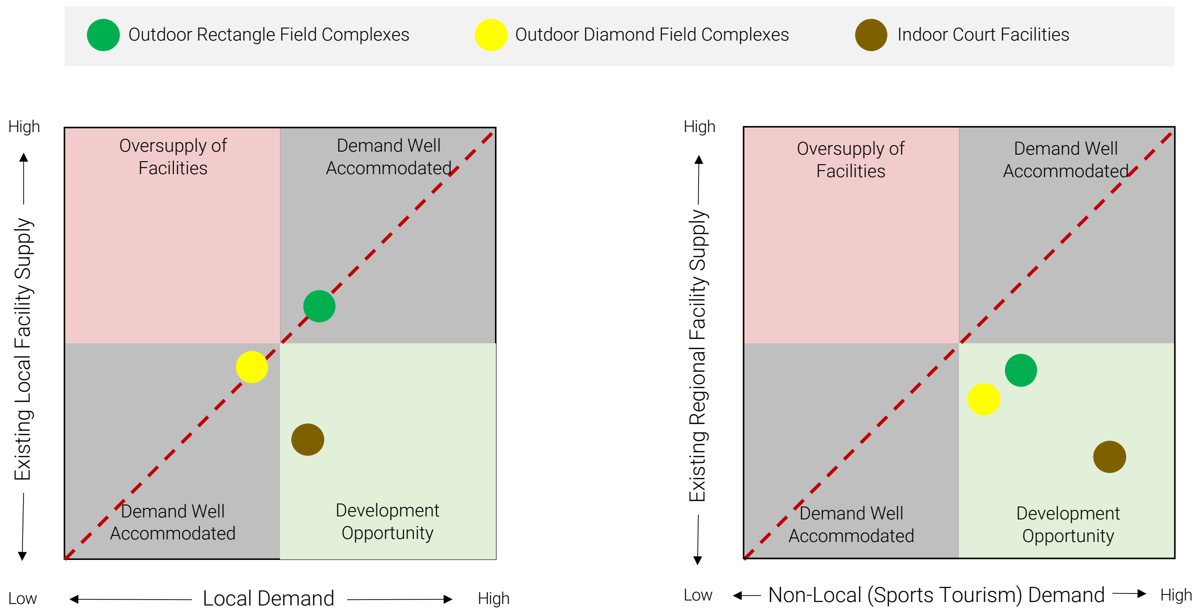
- VISITOR INDUSTRY INFRASTRUCTURE: The breadth, quality, mix and location of key visitor industry amenities in a local area significantly contributes to the appeal of a destination and its competitiveness in attracting tournament and other non-local activity. It is particularly important that an appropriate and appealing hotel supply exists within a 20-minute drive of the sports complex. There are more than 14,600 hotel rooms and a wide array of service levels and price points within the 54 lodging properties offering at least 100 sleeping rooms. In addition to these primary hotels and resorts, a large number of vacation rentals, timeshares, and bed and breakfasts exist throughout the destination to complement the overall lodging capacity.

- LACK OF TOURNAMENT-QUALITY FACILITIES: Research suggests that unmet demand exists in the Coachella Valley for a state-of-the-industry Amateur Sports Complex that is optimized for sports tourism attraction. The Coachella Valley and the surrounding region are very limited in terms of facilities offering a critical mass of indoor courts in a single facility/location. While there are a number of rectangle and diamond fields in the Coachella Valley, existing facilities lack certain elements incorporated in current state-of-the-industry facilities, such as a critical mass of fields in one location, synthetic turf or tournament-quality grass, lighted fields, modern food & beverage facilities/offerings, locker rooms, play areas and shade structures.

- 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 Indoor Hardcourt Facility and/or a Rectangle and Diamond Field Complexes, would be expected to deliver substantial benefits to local community members through enhancing the rental, practice, programming, and alternatives available for sports, recreation, leisure and wellness activities. Local usage and attendance (as opposed to non-local usage and attendance) normally contribute the majority of utilization at comparable youth/amateur sports facilities—positively contributing to the quality of life for local citizens.

- SUPPLY & DEMAND ISSUES: While it is estimated that local demand for outdoor rectangle and diamond facilities is currently relatively well-accommodated by existing facility products in the Coachella Valley area, some demand exists from sports tourism markets for these products. In terms of an indoor court facility complex, estimated local and nonlocal demand is estimated to be greater than what existing Coachella Valley area facility product can accommodate—therefore, representing a core development opportunity. From a nonlocal (sports tourism) standpoint, indoor court facility demand is estimated to represent a primary development opportunity, as Coachella Valley area facilities currently have important limitations in competing for this activity.

Summary of Estimated Coachella Valley Amateur Sports Supply & Demand by Facility & Demand Type



Facility Concept & Program

The following product concept and associated elements represents an estimated supportable program and key attributes for a potential new Amateur Sports Complex in the Coachella Valley. This type of product would be expected to deliver the highest return-on-investment (ROI) to the sports tourism industry among the various product types considered under this analysis, while also serving to fill important local needs.

- CORE CONCEPT: Indoor Sports Facility, comprising a tournament-quality indoor amateur sports and recreation facility product offering permanent hardwood courts, indoor turf, and various associated amenities.
- FACILITY SIZE: Approximately 140,000 gross square feet.
- PARKING: Approximately 900 spaces.
- SITE SIZE: Minimum of 10 acres.
- PRIMARY INDOOR ATHLETIC SURFACES:
  - Hardwood courts: 8 full-sized basketball courts (95' x 50' alleys) or 16 full-sized volleyball courts (60' x 30' alleys).
  - Synthetic turf: 1 regulation-size indoor field (200' x 85').
- CHARACTERISTICS / AMENITIES:
  - Minimum 35-foot ceiling height.
  - Dropdown nets to separate court and turf spaces (including ability to net individual batting/training cages/spaces).
  - Bleachers, athletic equipment, scoreboard, and other such equipment.
  - Locker/team rooms and party rooms consistent with industry standards.
  - Fitness/wellness spaces and equipment.
  - Walking track.
  - Play areas.
  - Food court / café.
  - Performance and esports spaces (optional).
- FUTURE PHASE OPPORTUNITY: The addition of high-quality Rectangle Fields at or proximate to the Indoor Facility site could be considered as a second phase to better accommodate nonlocal and local needs, while leveraging infrastructure and the sports destination/brand established by the Indoor Facility. A state-of-the-industry Rectangle Field Complex in a destination like the Coachella Valley would involve 12 or more fields in a single location with tournament-quality natural grass plus lights, concessions, shaded areas, field operations buildings, child play areas, and other amenities.

Site, Development Opportunities & Business Model

In general, 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 tend to be located in areas with existing sports and recreation facility products or in areas with a well-established economic base of hotels, restaurants, retail and other visitor industry infrastructure. (i.e., typically, within a 15- to 20-minute drive time).

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. 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.
- Centralized location within a target geographic region.
- 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.

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

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, it is believed that the appropriate governance and oversight model for a new Sports Complex in the Coachella Valley would be a hybrid public/private model. This would involve public ownership via some governmental entity or sports authority (such as the Desert Recreational District 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 new Indoor Sports Facility 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 Indoor Sports Facility (or greater campus), as well as rates and discounting. The Oversight Board would initially work the County/City 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/City, 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.

Construction Costs (order-of-magnitude)

An analysis was conducted associated with order-of-magnitude hard construction costs pursuant to the supportable building program elements previously presented. Site costs (acquisition and preparation) have not been included. Construction costs tend to vary widely among comparable sports facility projects. Based on an assumed hard construction cost of $275 per gross square foot, order-of-magnitude hard construction costs for a new Indoor Sports Facility in the Coachella Valley could approximate $38.5 million. Assuming soft costs (not including site acquisition) of approximately $11.5 million, total order-of-magnitude hard and soft construction costs associated with a new Indoor Sports Facility in the Coachella Valley could approximate $50.0 million.

If pursued under a future phase, it is estimated that order-of-magnitude hard construction costs for added rectangle fields could approximate between $1.0 and $2.7 million per field (depending on whether tournament-quality natural grass or synthetic), which includes a per-field factor for supporting infrastructure such as concession buildings, site/maintenance buildings, parking, lighting, general sitework and other such elements.

Cost / Benefit Analysis

An analysis was completed to produce key cost/benefit estimates associated with a potential new Amateur Sports Complex in the Coachella Valley. At this stage, detailed projections have only been developed with respect to the potential Indoor Sports Facility project (as it represents the core facility concept recommendation). 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 the Coachella Valley. For instance, when considering different types of usage (i.e., use from local leagues/clubs versus non-local tournaments/meets versus clinics/camps/lessons versus open recreation, etc.), separate assumptions were used to generate usage and attendance (participants and spectators) estimates. The exhibit below presents a summary of key utilization levels associated with a new Amateur Sports Complex in the Coachella Valley (recommended Indoor Sports Facility only).

UTILIZATION	Opening Year 1	Year 2	Year 3	Stabilized Year 4	20-Year Cumulative
LEAGUE TEAMS					
Basketball	44	49	54	59	1,150
Volleyball	33	38	43	48	930
Other Court Users	24	28	32	36	696
Indoor Soccer	18	22	26	30	576
Other Turf Users	13	17	21	25	476
Total	132	154	176	198	3,828
LEAGUE GAMES					
Basketball	704	784	864	944	18,400
Volleyball	528	608	688	768	14,880
Other Court Users	336	392	448	504	9,744
Indoor Soccer	252	308	364	420	8,064
Other Turf Users	182	238	294	350	6,664
Total	2,002	2,330	2,658	2,986	57,752
TOURNAMENTS					
Basketball	9	11	16	18	342
Volleyball	12	16	21	25	474
Other Court Users	6	7	10	11	210
Indoor Soccer	2	4	7	9	166
Other Turf Users	2	4	7	9	166
Total	31	42	61	72	1,358
TOURNAMENT GAMES					
Basketball	1,176	1,392	2,208	2,424	45,984
Volleyball	1,056	1,680	2,496	3,120	58,272
Other Court Users	252	288	432	468	8,928
Indoor Soccer	48	120	288	360	6,576
Other Turf Users	48	120	288	360	6,576
Total	2,580	3,600	5,712	6,732	126,336
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	30	36	42	48	924
Private Rentals/Practices/Drop-in	2,900	2,900	2,900	2,900	58,000
Total	3,104	3,128	3,158	3,170	63,280

ES EXECUTIVE SUMMARY

Based on analysis results, upon stabilization (assumed fourth full year of operation), a potential new Amateur Sports Complex in the Coachella Valley (recommended Indoor Sports Facility only) is estimated to generate a net operating profit of approximately $385,000, before debt service, capital repair/replacement funding and profit sharing. This projected level of operating profit is consistent with other comparable indoor sports facilities throughout the country.

An 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.

Based on analysis results, a summary of key cost/benefit projections for a new Amateur Sports Complex in the Coachella Valley (recommended Indoor Sports Facility only), associated with its construction and annual operations is presented below (upon stabilization of operations, assumed to occur by the fourth full year of operations).

SUMMARY OF ESTIMATED KEY PROJECTIONS ASSOCIATED WITH A NEW AMATEUR SPORTS COMPLEX IN THE COACHELLA VALLEY
(Operating Impacts Reflect Annual Impacts Upon Stabilization, Assumed Fourth Full Year of Operations)

ANNUAL ATTENDEE DAYS
561,500

ANNUAL NON-LOCAL ATTENDEE DAYS
213,200

ANNUAL HOTEL RM NIGHTS
34,300

ANNUAL FINANCIAL OPERATING PROFIT
$384,600

CONSTRUCTION COSTS
$50.0M

CONSTRUCTION ECONOMIC IMPACT
$42.2M

ANNUAL DIRECT SPENDING **$27.5M** + ANNUAL INDIRECT/INDUCED SPENDING **$18.8M** = ANNUAL ECONOMIC OUTPUT **$46.3M**

ANNUAL PERSONAL INCOME
$19.1M

ANNUAL EMPLOYMENT (FULL & PART-TIME JOBS)
598

In addition to the quantifiable projections of utilization, financial operations and economic impacts shown above, there are a number of potential benefits associated with a new Amateur Sports Complex in the Coachella Valley 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.

1

INTRODUCTION

1 INTRODUCTION

Introduction & Background

Conventions, Sports & Leisure International (CSL) was retained by Visit Greater Palm Springs to conduct a feasibility study of a potential new Amateur Sports Complex. The purpose of the study is to assist Visit Greater Palm Springs and other stakeholders in evaluating key market, program, financial, economic and ownership/management aspects of a potential new Amateur Sports Complex in the Greater Palm Springs / Coachella Valley area.

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.

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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

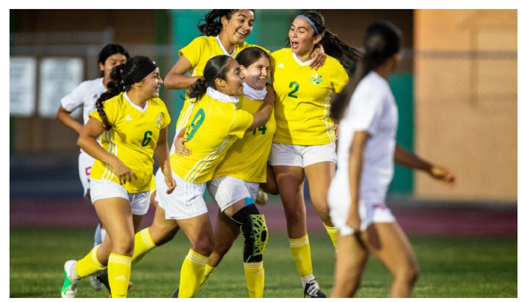
Introduction

An important component in assessing the potential success of a new Amateur Sports Complex in the Coachella Valley 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.

Greater Palm Springs / Coachella Valley Destination

The Coachella Valley is located in southern California, nearly equidistant from San Diego and Los Angeles, each just less than 125 miles away. The Coachella Valley is accessible via I-10 and several US Highways. The destination is directly served by the Palm Springs International Airport, offering non-stop service to 35 cities via Southwest, American, United, Alaska, Delta, Allegiant, WestJet and Air Canada Airlines.

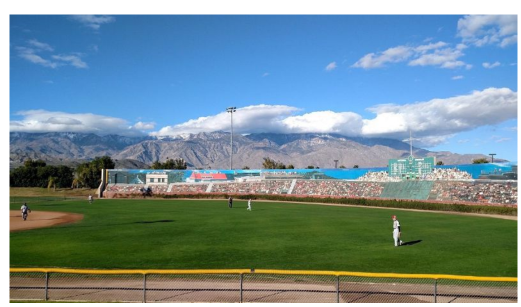
There are nine cities and several unincorporated communities within the Coachella Valley region, including Palm Springs (population 45,000), Palm Desert (50,000), Coachella (42,000), Indio (89,000), Cathedral City (51,000), among several others for a total population of approximately 390,000. The entire Coachella Valley lies within the borders of Riverside County, which has a total population of approximately 2.5 million and captures a portion of the Los Angeles suburban market.



The Greater Palm Springs / Coachella Valley destination is a high-quality, internationally-known tourist destination. A recent economic impact study completed by Tourism Economics estimated that the destination welcomed approximately 12.8 million visitors in 2021, generating $6.8 billion in total economic impact. In 2019, prior to the COVID-19 pandemic, the estimated total number of visitors was 14.1 million.

One of the notable events/attractions in the Coachella Valley is the Coachella Valley Music and Arts Festival, which is an annual music and arts festival is held in Indio, drawing thousands of visitors from around the world. Additionally, the Coachella Valley offers numerous other attractions, such as golf courses, hiking trails, resorts, spas, museums, galleries and various cultural institutions.

Indian Wells Tennis Garden, Empire Polo Club, Acrisure Arena, and the Palm Springs Convention Center are notable existing sports and event facilities in Coachella Valley. Currently, one of the largest youth lacrosse tournaments on the West Coast, Sand Storm Lacrosse Festival, takes place in January each year with over 400 teams and 22,000 attendees. In past years, the National Field Hockey Festival took place in Greater Palm Springs in November that included approximately 150 teams and 10,500 attendees. Both of the events took place at the Empire Polo Club in Indio.



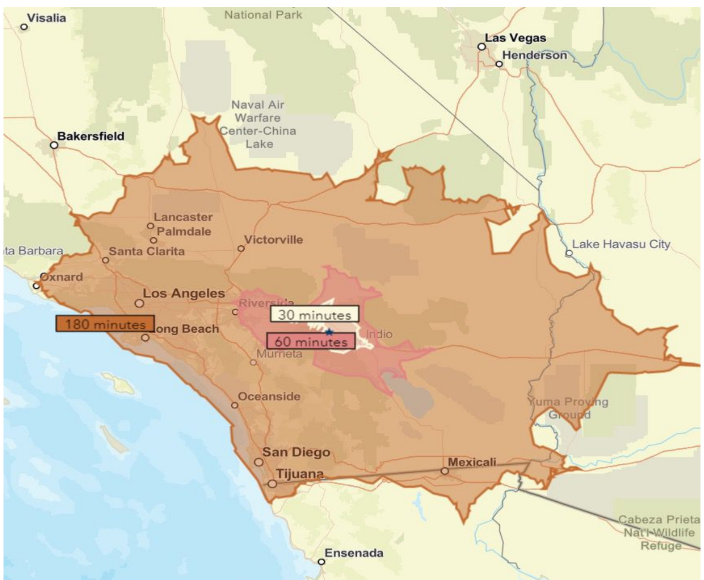
The Greater Palm Springs / Coachella Valley area is also host to several national sporting events, including the PGA American Express Golf Tournament, the BNP Paribas Open, the PGA Tour Champions Tournament (Galleri Classic), and the Margaritaville USA Pickleball National Championships.

2 LOCAL & REGIONAL CONDITIONS

The Coachella Valley is home to the College of the Desert, a two-year community college with an approximate 10,000 student enrollment. Additionally, the University of California Riverside (Coachella Valley), California State University San Bernardino (Palm Desert), Santa Barbara Business College, and the San Bernardino Skidron Business School represent other institutions of higher learning with presence in the Coachella Valley.

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 the Coachella Valley (using downtown Palm Springs 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 Palm Springs. These distances will be utilized on the subsequent page and throughout the report for purposes of comparing demographic and socioeconomic variables.



Source: ESRI, 2023.

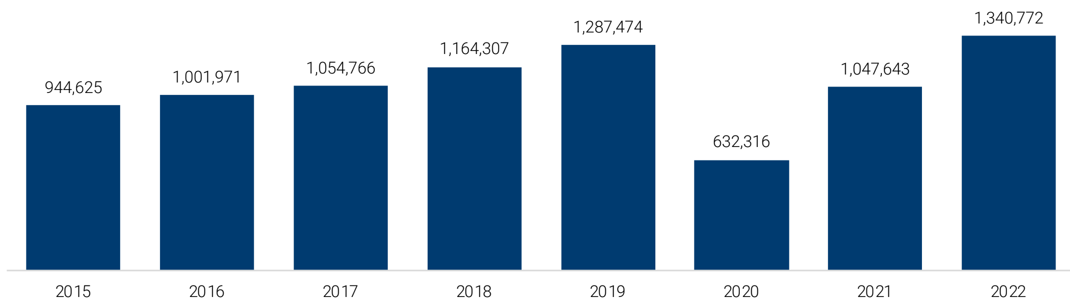
City, State	Distance to Palm Springs (miles)	Drive Time (hrs:min)	Market Population
San Bernardino, CA	54	0:54	4,605,500
Riverside, CA	59	1:01	4,605,500
Irvine, CA	92	1:41	307,700
Anaheim, CA	92	1:46	18,644,700
Los Angeles, CA	118	2:08	18,644,700
Long Beach, CA	115	2:10	18,644,700
San Diego, CA	139	2:13	3,405,900
Tijuana, MEX	156	2:37	2,221,000
Santa Barbara, CA	203	3:24	457,300
Bakersfield, CA	213	3:35	909,200
Las Vegas, NV	232	4:05	2,530,700
Phoenix, AZ	269	4:16	4,899,100
Tuscon, AZ	379	5:47	1,091,100

Air Accessibility

Airlift accessibility to a destination can be an important decision criteria for certain tournament planners and sports tourism participants. As previously mentioned, the Palm Springs International Airport (PSP) offers non-stop service to 35 cities via Southwest, American, United, Alaska, Delta, Allegiant, WestJet and Air Canada Airlines. In conversations with staff at PSP, it was noted that the airport has been experiencing growth in enplanements post-COVID. PSP management has indicated that in the coming years, more airport routes and additional airlines will be added. The exhibit on the following page displays the annual enplaned passengers at the PSP over the past eight years. From 2015 through 2019 enplanements were consistently growing at approximately 7.2 percent annually. Following the pandemic, the PSP was nearly back to normal levels in 2021 and set a new enplanement record in 2022. PSP management indicates that this growth rate is expected to increase in upcoming years and that they do not expect a decrease in the foreseeable future. In addition to expectations for increased passenger throughput, the staff shared that the airport was in the process of developing a master plan for release in 2023. This master plan is expected to include a significant expansion to the PSP to support further increases in its enplanement levels. This should positively impact the destination's ability to attract non-local fly-in sports tourism activity.

The exhibit below presents a summary of the number of annual enplanements reported for the Palm Springs International Airport since 2015.

Palm Springs International Airport – Total Enplanements by Year



Climate Conditions

A key consideration in both league play and tournament organizers' decisions to book a facility 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 for the Coachella Valley.

Overall, the Coachella Valley has a hot desert climate with annual temperatures averaging around 73 degrees, with average monthly temperatures rising to above 90 degrees in July and August. Maximum monthly temperatures during summer months are in excess of 100 degrees. As is typical in warm weather climates with excessive heat patterns, the marketability of outdoor venues for a variety of summertime tournament activity would be expected to possess challenges.

For outdoor complexes, synthetic playing surfaces often offer a distinct competitive advantage for sports tourism activity, through minimizing the possibility that tournaments, games or practices are cancelled due to inclement weather or the need to limit activities in order to protect a natural grass field from wear and tear due to overuse. However, synthetic turf temperatures at field level during high heat periods is often measured as much as 10 degrees warmer than ambient off-field air temperature. This can be particularly problematic for hot weather markets (like the Coachella Valley) when deploying synthetic turf fields involving summertime sports.

Average Temperature & Precipitation by Month – Coachella Valley Area

	Temperature (°F)			Precipitation
Month	Maximum	Minimum	Average	Avg (inches)
January	71	42	55	1.1
February	75	46	59	1.4
March	81	52	66	0.8
April	88	58	72	0.2
May	95	65	80	0.1
June	103	72	88	0.0
July	107	78	93	0.2
August	105	77	92	0.3
September	100	70	86	0.2
October	90	60	74	0.3
November	78	48	62	0.5
December	69	41	53	0.9
Average	89	59	73	0.5

2 LOCAL & REGIONAL CONDITIONS

Demographic & Socioeconomic Characteristics

The exhibit below presents a summary of key demographic metrics associated with the nine cities that are situated within Coachella Valley, along with overall Riverside County statistics. As shown, the population base in Indio is the largest concentration among the cities with an estimated 2022 population of approximately 89,500, followed by Cathedral City at approximately 51,900. Over the next five years, the city of Palm Springs is projected to experience the highest population growth at nearly one percent, a rate significantly higher than other municipalities within Coachella Valley and Riverside County.

Summary of Key Demographic Statistics Associated with the Coachella Valley Area

DEMOGRAPHIC VARIABLE	City of Palm Springs	City of Indio	City of Indian Wells	City of Palm Desert	City of Coachella	City of La Quinta	City of Desert Hot Springs	City of Cathedral City	City of Rancho Mirage	Riverside County
POPULATION:										
2010 Total Population	44,477	79,361	4,923	48,546	40,823	37,427	27,160	51,303	17,123	2,189,641
2022 Total Population	45,935	89,498	4,828	51,638	42,482	38,272	32,539	51,880	17,029	2,451,199
2027 Total Population	47,957	90,702	4,860	52,542	42,932	38,973	32,850	52,589	17,220	2,501,905
Annual Growth Rate (2010-2022)	0.3%	1.1%	-0.2%	0.5%	0.3%	0.2%	1.7%	0.1%	0.0%	1.0%
Annual Growth Rate (2022-2027)	0.9%	0.3%	0.1%	0.4%	0.2%	0.4%	0.2%	0.3%	0.2%	0.4%
AGE:										
Median Age	56.1	33.9	66.4	58.8	26.9	50.2	33.1	38.2	65.7	35.2
Population age 25 to 44	18.3%	28.0%	10.2%	17.9%	30.8%	20.8%	26.9%	25.7%	9.8%	28.2%
AGE DISTRIBUTION:										
Under 15	9.9%	22.6%	6.1%	10.4%	29.2%	13.9%	23.3%	18.5%	7.0%	20.9%
15 to 24	7.4%	13.6%	5.5%	7.9%	17.0%	10.0%	14.2%	13.1%	4.9%	13.2%
25 to 34	9.3%	15.4%	5.4%	9.9%	17.6%	11.1%	15.2%	14.9%	5.0%	15.6%
35 to 44	9.1%	12.6%	4.8%	8.0%	13.2%	9.7%	11.8%	10.8%	4.9%	12.6%
45 to 54	12.6%	10.4%	7.2%	8.8%	9.4%	11.1%	11.2%	11.4%	8.3%	11.2%
55 and over	51.8%	25.5%	71.0%	54.9%	13.5%	44.1%	24.4%	31.4%	70.0%	26.5%
HOUSEHOLD INCOME:										
Median Household Income	$65,530	$63,198	$121,106	$76,812	$44,796	$100,802	$42,134	$61,161	$102,335	$80,680
Per Capita Income	$59,651	$28,763	$98,909	$59,256	$14,930	$60,139	$19,034	$32,702	$82,618	$34,659
INCOME DISTRIBUTION:										
$0 to $24,999	20.3%	18.7%	9.8%	15.3%	28.1%	11.1%	31.8%	20.5%	14.3%	13.6%
$25,000 to $49,999	18.6%	19.8%	11.6%	16.5%	25.7%	14.4%	25.2%	20.4%	13.0%	16.1%
$50,000 to $74,999	15.8%	18.6%	11.2%	17.3%	18.7%	13.3%	18.6%	16.9%	12.2%	16.5%
$75,000 to $99,999	10.3%	12.9%	10.0%	10.9%	12.6%	10.8%	10.0%	11.9%	9.4%	13.8%
$100,000 to $149,999	14.3%	16.1%	14.7%	15.0%	9.5%	19.5%	10.6%	16.5%	16.4%	19.9%
$150,000 or more	20.6%	13.9%	42.8%	25.1%	5.4%	31.0%	3.9%	13.9%	34.7%	20.2%
POPULATION BY RACE/ETHNICITY:										
White/Caucasian	65.8%	34.0%	82.5%	68.6%	16.8%	61.6%	33.1%	36.4%	77.9%	40.3%
Black/African American	4.4%	2.3%	1.1%	2.0%	0.5%	1.9%	7.9%	2.4%	1.9%	6.5%
American Indian	1.2%	1.7%	0.5%	0.8%	2.1%	0.9%	2.4%	2.0%	0.5%	1.9%
Asian	4.8%	2.6%	3.5%	5.0%	0.6%	4.1%	2.5%	6.1%	4.7%	7.3%
Pacific Islander	0.2%	0.1%	0.1%	0.1%	0.0%	0.2%	0.2%	0.1%	0.2%	0.3%
Other Race	13.2%	38.3%	5.3%	11.8%	56.1%	17.3%	36.5%	35.1%	6.7%	26.7%
Two or More Races	10.5%	21.1%	6.9%	11.7%	23.9%	14.0%	17.4%	17.9%	8.1%	17.1%
Hispanic Origin	25.3%	69.6%	12.1%	25.5%	96.0%	35.1%	61.9%	59.9%	14.2%	50.0%
Diversity Index	71.1	82.2	45.7	68.9	63.1	76.5	85.2	84.8	53.1	86.4
BUSINESS:										
Total Business 2021	3,329	2,309	312	4,285	687	1,508	583	1,454	1,044	75,455
Total Employees 2021	29,388	21,011	4,150	34,097	7,501	14,306	3,971	12,078	14,337	673,852
Employee to Residential Pop. Ratio	0.64:1	0.23:1	0.86:1	0.66:1	0.18:1	0.37:1	0.12:1	0.23:1	0.84:1	0.27:1

Source: Esri, 2023.

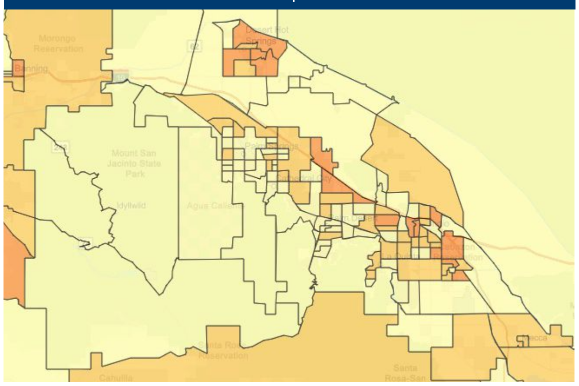
Household income is an important socioeconomic characteristic of host markets that typically impacts facility performance. Estimated median household income is over $100,000 in Indian Wells, La Quinta, and Rancho Mirage, with the highest median income estimated in Indian Wells ($121,100) and the lowest in the city of Desert Hot Springs ($42,100). Household income is another important socioeconomic characteristic of host markets that typically impacts amateur sports complex/facility performance. Income levels can serve as an indication of area households' ability to support sports and recreation in the region by paying league and registration fees and other costs associated with participation. The affluence of area and nearby households can also impact the types of programming that will be most successful at a potential new Amateur Sports Complex.

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.

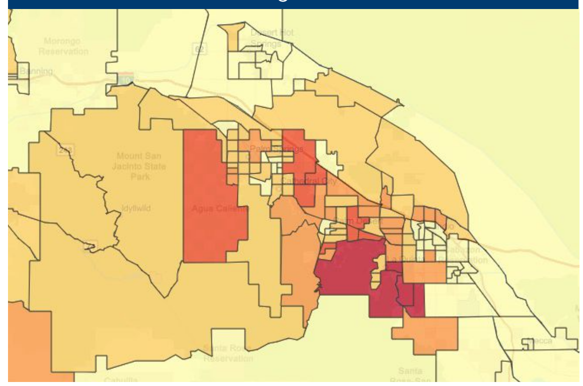
The maps below detail heat maps by census tract that show the Coachella Valley area. The heat maps display the relative density of demographic data points as smoothly varying sets of colors ranging from cool (lighter color, indicating a low density of points) to hot (darker color, indicating a high relative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

Demographic Heat Maps by Census Tract for the Greater Palm Springs / Coachella Valley Area

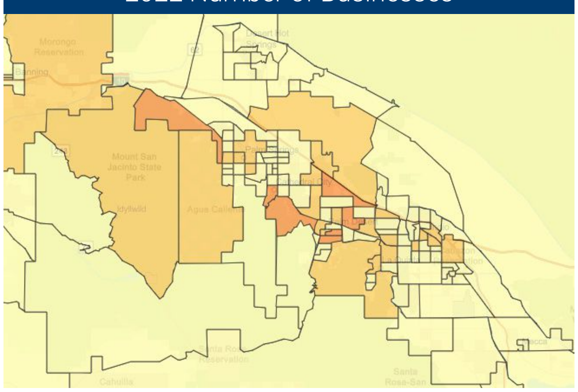
2022 Population



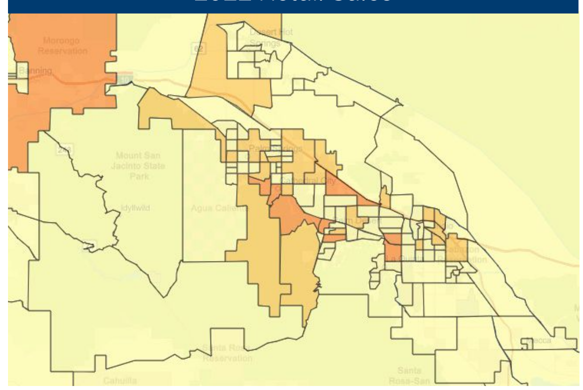
2022 Average HH Income



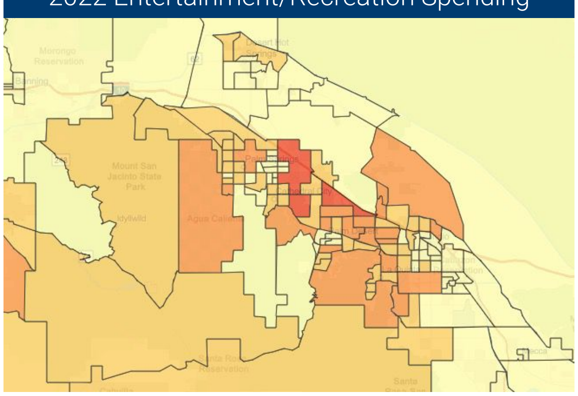
2022 Number of Businesses



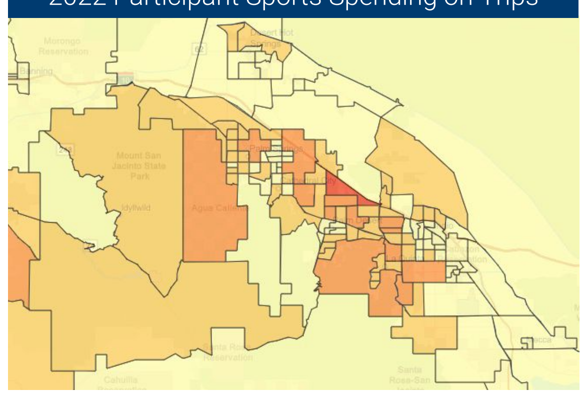
2022 Retail Sales



2022 Entertainment/Recreation Spending



2022 Participant Sports Spending on Trips



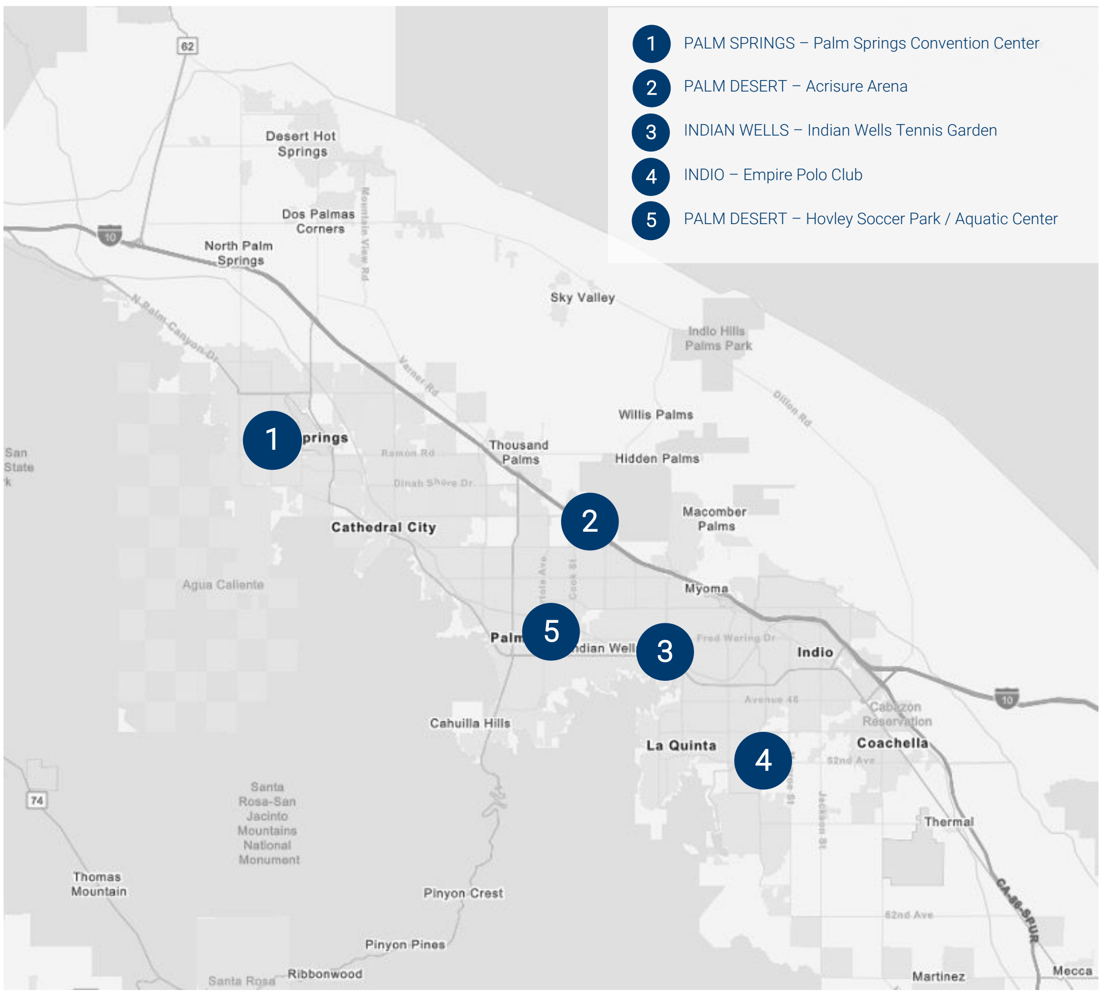
Source: Esri, 2023.

2 LOCAL & REGIONAL CONDITIONS

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 Coachella Valley that may represent opportunities for a new Amateur Sports Complex.

As presented below, five (5) specific geographic locations have been identified in Coachella Valley that represent geographic variation in terms of location within the Valley, 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 Coachella Valley.

Identified Coachella Valley Demographic Sub-Markets



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 the Coachella Valley.

15-Minute Drive Time Submarket Demographics Surrounding Alternate Site Locations

DEMOGRAPHIC VARIABLE	1 - Palm Springs Convention Center	2 - Acrisure Arena	3 - Indian Wells Tennis Garden	4 - Empire Polo Club	5 - Palm Desert Hovley Park
POPULATION:					
2010 Total Population	98,722	228,746	185,248	171,087	151,697
2022 Total Population	101,505	243,077	196,919	182,722	159,253
2027 Total Population	104,353	246,100	198,914	185,020	160,854
Historical Annual Growth Rate (2010 to 2022)	0.2%	0.5%	0.5%	0.6%	0.4%
Projected Annual Growth Rate (2022 to 2027)	0.6%	0.2%	0.2%	0.3%	0.2%
AGE:					
Median Age	46.3	44.2	44.6	34.9	53.0
Population age 25 to 44	22.8%	22.9%	22.9%	26.7%	19.6%
AGE DISTRIBUTION:					
Under 15	15.2%	16.8%	16.6%	21.7%	13.5%
15 to 24	10.6%	11.2%	10.9%	13.5%	9.5%
25 to 34	12.6%	12.7%	12.6%	14.9%	10.8%
35 to 44	10.2%	10.2%	10.3%	11.8%	8.8%
45 to 54	11.9%	9.9%	9.8%	10.3%	9.4%
55 and over	39.6%	39.3%	39.8%	27.8%	48.0%
HOUSEHOLD INCOME:					
Median Household Income	$62,005	$72,348	$73,990	$65,630	$77,204
Per Capita Income	$43,304	$43,095	$44,687	$33,030	$51,705
INCOME DISTRIBUTION:					
$0 to $24,999	21.0%	16.9%	15.8%	18.5%	15.7%
$25,000 to $49,999	19.7%	17.8%	17.9%	19.7%	16.9%
$50,000 to $74,999	16.3%	16.6%	16.8%	16.9%	16.1%
$75,000 to $99,999	10.8%	11.6%	11.8%	12.2%	11.3%
$100,000 to $149,999	15.2%	16.5%	16.3%	15.4%	16.2%
$150,000 or more	17.0%	20.7%	21.4%	17.4%	23.7%
POPULATION BY RACE/ETHNICITY:					
White/Caucasian	48.2%	48.7%	50.9%	36.8%	58.3%
Black/African American	3.4%	2.1%	2.1%	1.8%	1.9%
American Indian	1.7%	1.4%	1.2%	1.6%	1.1%
Asian	5.4%	4.3%	3.5%	2.5%	4.1%
Pacific Islander	0.2%	0.1%	0.1%	0.1%	0.1%
Other Race	26.5%	27.0%	25.8%	37.3%	19.9%
Two or More Races	14.7%	16.5%	16.4%	19.9%	14.6%
Hispanic Origin	46.1%	49.6%	48.4%	67.2%	38.8%
Diversity Index	83.5	83.0	82.3	82.4	78.8
BUSINESS:					
Total Business 2022	4,851	11,289	9,315	5,133	9,300
Total Employees 2022	42,008	107,601	82,231	56,413	83,868
Employee to Residential Population Ratio	0.41:1	0.44:1	0.42:1	0.31:1	0.53:1

Source: Esri, 2023.

As shown above, the population base within 15 minutes of Acrisure Arena (Location 2) is the largest concentration among the sub-locations analyzed. This is significant as the level of population impacts the local utilization of sports/recreation facilities. Median household income is strongest in the submarket surrounding Hovley Park in Palm Desert (Location 5). 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 Acrisure Arena (Location 2) is strongest. Median household income is highest within 30 minutes' drive time of the Empire Polo Club (Location 4). 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 - Palm Springs Convention Center	2 - Acrisure Arena	3 - Indian Wells Tennis Garden	4 - Empire Polo Club	5 - Palm Desert Hovley Park
POPULATION:					
2010 Total Population	324,413	413,473	391,207	321,527	400,687
2022 Total Population	346,942	437,728	412,405	337,662	426,530
2027 Total Population	352,998	445,417	419,535	342,647	433,765
Historical Annual Growth Rate (2010 to 2022)	0.6%	0.5%	0.5%	0.4%	0.5%
Projected Annual Growth Rate (2022 to 2027)	0.3%	0.4%	0.3%	0.3%	0.3%
AGE:					
Median Age	45.1	41.7	41.9	40.0	42.1
Population age 25 to 44	22.5%	23.6%	23.5%	24.1%	23.5%
AGE DISTRIBUTION:					
Under 15	16.5%	18.2%	18.1%	18.9%	17.9%
15 to 24	10.9%	11.6%	11.6%	12.1%	11.5%
25 to 34	12.4%	13.1%	13.1%	13.5%	13.0%
35 to 44	10.1%	10.5%	10.5%	10.6%	10.5%
45 to 54	10.4%	10.2%	10.2%	9.8%	10.3%
55 and over	39.8%	36.4%	36.7%	35.1%	36.8%
HOUSEHOLD INCOME:					
Median Household Income	$64,276	$64,445	$65,464	$68,848	$65,032
Per Capita Income	$41,398	$39,421	$40,131	$39,545	$40,000
INCOME DISTRIBUTION:					
$0 to $24,999	19.9%	19.9%	19.5%	18.2%	19.6%
$25,000 to $49,999	19.2%	19.2%	19.0%	18.4%	19.1%
$50,000 to $74,999	16.6%	16.5%	16.5%	16.5%	16.5%
$75,000 to $99,999	11.1%	11.5%	11.5%	11.8%	11.5%
$100,000 to $149,999	15.1%	14.9%	15.0%	15.6%	15.0%
$150,000 or more	18.1%	18.1%	18.6%	19.6%	18.3%
POPULATION BY RACE/ETHNICITY:					
White/Caucasian	49.3%	45.7%	45.9%	44.2%	46.2%
Black/African American	3.4%	2.6%	2.4%	1.8%	2.7%
American Indian	1.8%	1.7%	1.6%	1.7%	1.6%
Asian	4.2%	3.5%	3.5%	3.4%	3.5%
Pacific Islander	0.1%	0.1%	0.1%	0.1%	0.1%
Other Race	25.9%	29.9%	30.0%	31.5%	29.5%
Two or More Races	15.4%	16.5%	16.5%	17.3%	16.5%
Hispanic Origin	46.8%	53.6%	53.7%	56.8%	52.9%
Diversity Index	83.1	83.5	83.4	83.4	83.5
BUSINESS:					
Total Business 2022	15,602	16,981	16,546	12,808	16,814
Total Employees 2022	142,290	160,681	157,367	125,764	158,899
Employee to Residential Population Ratio	0.41:1	0.37:1	0.38:1	0.37:1	0.37:1

Source: Esri, 2023.

As presented below, the population base within 60 minutes' drive increases considerably for all the sub-locations evaluated. Being the western-most sub-location, the Palm Springs Convention Center location (Location 1) possesses the highest population within 60 minutes' drive. Importantly, projected population growth within all of these geographic regions are projected to be higher than national and regional averages. 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 - Palm Springs Convention Center	2 - Acrisure Arena	3 - Indian Wells Tennis Garden	4 - Empire Polo Club	5 - Palm Desert Hovley Park
POPULATION:					
2010 Total Population	1,470,745	1,046,665	603,394	533,197	835,308
2022 Total Population	1,603,238	1,147,322	658,609	580,795	914,357
2027 Total Population	1,629,670	1,169,386	671,141	591,706	932,694
Historical Annual Growth Rate (2010 to 2022)	0.8%	0.8%	0.8%	0.7%	0.8%
Projected Annual Growth Rate (2022 to 2027)	0.3%	0.4%	0.4%	0.4%	0.4%
AGE:					
Median Age	35.7	38.1	41.3	41.5	39.3
Population age 25 to 44	27.0%	26.1%	24.0%	23.8%	25.2%
AGE DISTRIBUTION:					
Under 15	20.3%	19.4%	18.4%	18.5%	19.0%
15 to 24	13.5%	12.3%	11.4%	11.4%	12.1%
25 to 34	15.3%	14.5%	13.0%	12.9%	13.8%
35 to 44	11.7%	11.6%	11.0%	10.9%	11.4%
45 to 54	10.4%	10.4%	10.3%	10.2%	10.5%
55 and over	28.8%	31.8%	35.9%	36.2%	33.2%
HOUSEHOLD INCOME:					
Median Household Income	$65,776	$67,525	$65,483	$64,633	$67,346
Per Capita Income	$31,754	$34,257	$37,455	$37,721	$35,692
INCOME DISTRIBUTION:					
$0 to $24,999	17.9%	17.7%	19.2%	19.6%	18.1%
$25,000 to $49,999	19.8%	19.1%	19.3%	19.4%	19.1%
$50,000 to $74,999	17.4%	17.1%	16.4%	16.5%	16.7%
$75,000 to $99,999	13.1%	13.0%	11.9%	11.9%	12.6%
$100,000 to $149,999	16.8%	17.1%	16.0%	15.7%	16.7%
$150,000 or more	15.1%	16.0%	17.1%	17.0%	16.8%
POPULATION BY RACE/ETHNICITY:					
White/Caucasian	39.3%	43.0%	47.9%	46.7%	45.3%
Black/African American	7.5%	6.4%	3.4%	3.4%	5.1%
American Indian	2.0%	2.0%	2.0%	1.9%	2.0%
Asian	5.5%	5.3%	4.0%	4.0%	4.5%
Pacific Islander	0.3%	0.3%	0.2%	0.1%	0.2%
Other Race	29.1%	26.8%	26.6%	27.7%	26.5%
Two or More Races	16.4%	16.4%	16.1%	16.2%	16.4%
Hispanic Origin	53.0%	49.9%	49.4%	50.9%	49.6%
Diversity Index	86.2	85.5	83.6	83.8	84.6
BUSINESS:					
Total Business 2022	47,489	35,354	22,497	20,591	28,521
Total Employees 2022	499,522	344,045	208,511	193,995	265,396
Employee to Residential Population Ratio	0.31:1	0.30:1	0.32:1	0.33:1	0.29:1

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 - Palm Springs Convention Center	2 - Acrisure Arena	3 - Indian Wells Tennis Garden	4 - Empire Polo Club	5 - Palm Desert Hovley Park
POPULATION:					
2010 Total Population	20,960,402	21,008,952	20,845,635	20,763,004	20,925,887
2022 Total Population	21,995,607	22,046,954	21,875,084	21,796,705	21,958,604
2027 Total Population	21,875,872	21,928,080	21,756,050	21,679,370	21,839,516
Historical Annual Growth Rate (2010 to 2022)	0.4%	0.4%	0.4%	0.4%	0.4%
Projected Annual Growth Rate (2022 to 2027)	-0.1%	-0.1%	-0.1%	-0.1%	-0.1%
AGE:					
Median Age	36.2	36.3	36.2	36.2	36.2
Population age 25 to 44	29.2%	29.2%	29.2%	29.2%	29.2%
AGE DISTRIBUTION:					
Under 15	18.8%	18.7%	18.8%	18.8%	18.8%
15 to 24	13.6%	13.6%	13.6%	13.6%	13.6%
25 to 34	15.9%	15.9%	15.9%	15.9%	15.9%
35 to 44	13.3%	13.3%	13.3%	13.3%	13.3%
45 to 54	12.0%	12.0%	12.0%	12.0%	12.0%
55 and over	26.4%	26.5%	26.4%	26.4%	26.5%
HOUSEHOLD INCOME:					
Median Household Income	$85,630	$85,390	$85,308	$84,991	$85,406
Per Capita Income	$41,375	$41,325	$41,264	$41,114	$41,316
INCOME DISTRIBUTION:					
$0 to $24,999	13.2%	13.3%	13.3%	13.3%	13.3%
$25,000 to $49,999	15.3%	15.3%	15.3%	15.4%	15.3%
$50,000 to $74,999	15.1%	15.1%	15.1%	15.2%	15.1%
$75,000 to $99,999	13.0%	13.1%	13.1%	13.1%	13.0%
$100,000 to $149,999	19.1%	19.0%	19.0%	19.0%	19.0%
$150,000 or more	24.3%	24.3%	24.2%	24.1%	24.3%
POPULATION BY RACE/ETHNICITY:					
White/Caucasian	37.8%	37.9%	37.7%	37.6%	37.8%
Black/African American	6.2%	6.2%	6.2%	6.2%	6.2%
American Indian	1.6%	1.6%	1.6%	1.6%	1.6%
Asian	14.2%	14.1%	14.2%	14.2%	14.2%
Pacific Islander	0.3%	0.3%	0.3%	0.3%	0.3%
Other Race	24.3%	24.3%	24.3%	24.4%	24.3%
Two or More Races	15.7%	15.7%	15.7%	15.7%	15.7%
Hispanic Origin	44.7%	44.6%	44.7%	44.8%	44.7%
Diversity Index	87.3	87.3	87.3	87.4	87.3
BUSINESS:					
Total Business 2022	979,637	979,545	972,640	968,901	976,106
Total Employees 2022	9,197,988	9,191,246	9,132,525	9,091,766	9,160,435
Employee to Residential Population Ratio	0.42:1	0.42:1	0.42:1	0.42:1	0.42:1

Source: Esri, 2023.

2 LOCAL & REGIONAL CONDITIONS

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 - Palm Springs Convention Center	2 - Acrisure Arena	3 - Indian Wells Tennis Garden	4 - Empire Polo Club	5 - Palm Desert Hovley Park
15-MIN DRIVE TIME					
2022 Total Population	101,505	243,077	196,919	182,722	159,253
Historical Annual Growth Rate (2010 to 2022)	0.2%	0.5%	0.5%	0.6%	0.4%
Median Age	46.3	44.2	44.6	34.9	53.0
Population age 25 to 44	22.8%	22.9%	22.9%	26.7%	19.6%
Median Household Income	$62,005	$72,348	$73,990	$65,630	$77,204
30-MIN DRIVE TIME					
2022 Total Population	346,942	437,728	412,405	337,662	426,530
Historical Annual Growth Rate (2010 to 2022)	0.6%	0.5%	0.5%	0.4%	0.5%
Median Age	45.1	41.7	41.9	40.0	42.1
Population age 25 to 44	22.5%	23.6%	23.5%	24.1%	23.5%
Median Household Income	$64,276	$64,445	$65,464	$68,848	$65,032
60-MIN DRIVE TIME					
2022 Total Population	1,603,238	1,147,322	658,609	580,795	914,357
Historical Annual Growth Rate (2010 to 2022)	0.8%	0.8%	0.8%	0.7%	0.8%
Median Age	35.7	38.1	41.3	41.5	39.3
Population age 25 to 44	27.0%	26.1%	24.0%	23.8%	25.2%
Median Household Income	$65,776	$67,525	$65,483	$64,633	$67,346
180-MIN DRIVE TIME					
2022 Total Population	21,995,607	22,046,954	21,875,084	21,796,705	21,958,604
Historical Annual Growth Rate (2010 to 2022)	0.4%	0.4%	0.4%	0.4%	0.4%
Median Age	36.2	36.3	36.2	36.2	36.2
Population age 25 to 44	29.2%	29.2%	29.2%	29.2%	29.2%
Median Household Income	$85,630	$85,390	$85,308	$84,991	$85,406

Source: Esri, 2023.

2 LOCAL & REGIONAL CONDITIONS

Hotel Inventory & Performance

The charts and map below summarize the key lodging facilities located in the Greater Coachella Valley. There are more than 14,600 rooms and a wide array of service levels and price points within the 54 lodging properties offering at least 100 sleeping rooms. Non-traditional lodging facilities such as bed and breakfasts and other such products were not included in the total inventory. There are clusters of hotels in each of the eight cities identified below. The city of Palm Desert offers the largest cluster of sleeping rooms with over 4,400 rooms available at 16 different hotel properties.

Primary Lodging Properties & Clusters in Greater Palm Springs / Coachella Valley

A. Cathedral City	
Largest Hotel Property	DoubleTree by Hilton Hotel Golf Resort
Total Rooms at Largest Property	289
Total Properties	3
Total Rooms	648

E. La Quinta	
Largest Hotel Property	La Quinta Resort & Club
Total Rooms at Largest Property	785
Total Properties	4
Total Rooms	1,177

B. Desert Hot Springs	
Largest Hotel Property	Sky Valley Resort
Total Rooms at Largest Property	893
Total Properties	3
Total Rooms	1,689

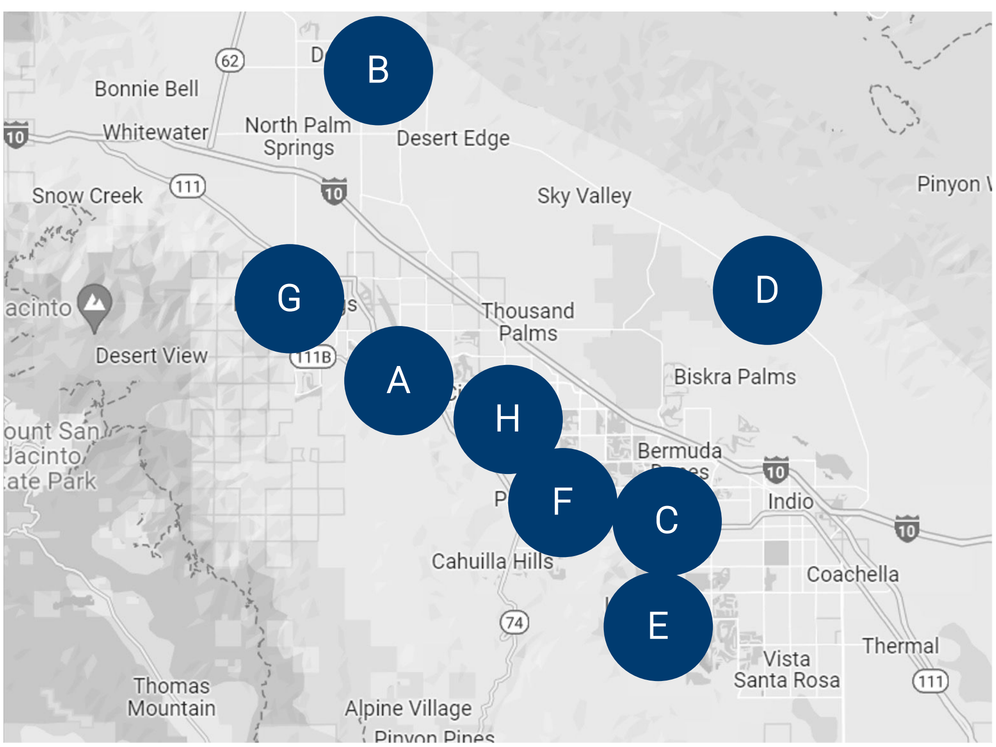
F. Palm Desert	
Largest Hotel Property	JW Marriott Desert Springs Resort & Spa
Total Rooms at Largest Property	884
Total Properties	16
Total Rooms	4,431

C. Indian Wells	
Largest Hotel Property	Renaissance Esmeralda Resort & Spa
Total Rooms at Largest Property	560
Total Properties	4
Total Rooms	1,460

G. Palm Springs	
Largest Hotel Property	Renaissance Palm Springs
Total Rooms at Largest Property	410
Total Properties	11
Total Rooms	1,953

D. Indio	
Largest Hotel Property	Worldmark Indio by Wyndham
Total Rooms at Largest Property	436
Total Properties	6
Total Rooms	1,178

H. Rancho Mirage	
Largest Hotel Property	The Westin Rancho Mirage Golf Resort & Spa
Total Rooms at Largest Property	512
Total Properties	7
Total Rooms	2,084



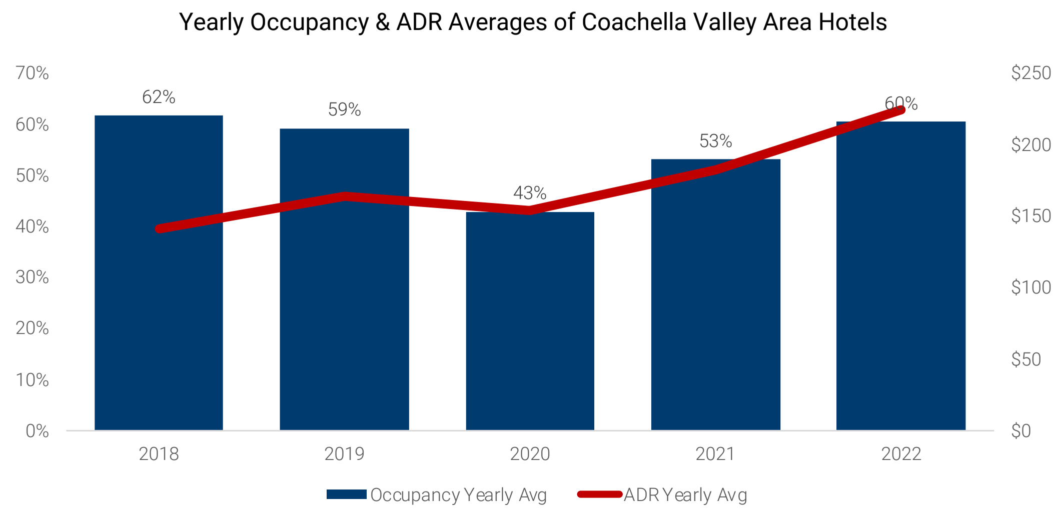
Source: Visit Greater Palm Springs, CSL research, facility interviews, Google maps, 2023.

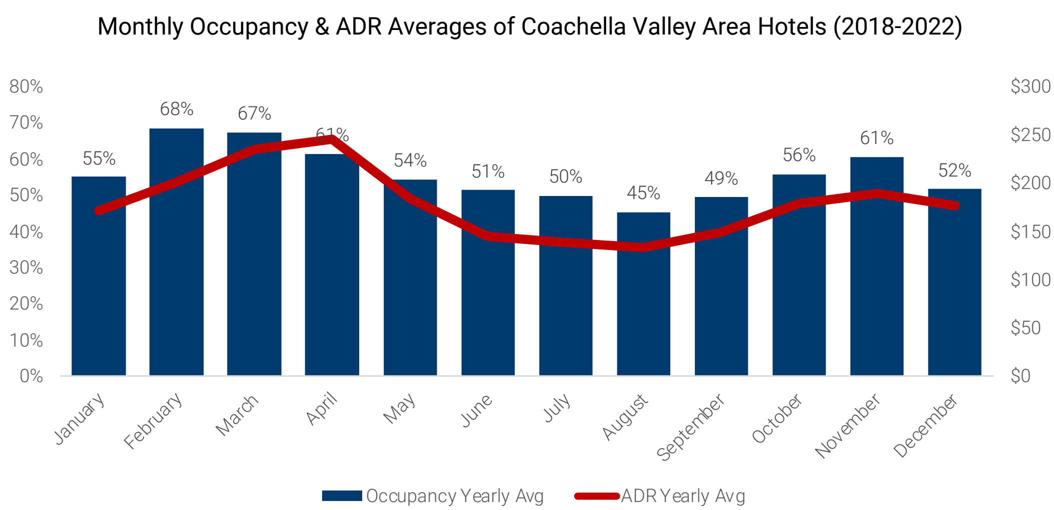
2 LOCAL & REGIONAL CONDITIONS

As shown below, the Coachella Valley has retained relatively constant hotel occupancy since 2018. Yearly occupancy has remained between 59 and 62 percent outside of decreases 2020 and 2021. These drops in occupancy can be attributed to the year of the pandemic and the following recovery year for the tourism industry. Average daily rate also remained generally stable around $150 throughout the years of 2018 to 2022. Following 2020, the ADR for the Coachella Valley has started to increase to over $200 in 2022. ADR is likely to continue trending upward as occupancy remains at stable levels.

An analysis into the occupancy and ADR averages for specific months can provide a clearer indication of the sufficiency of the existing hotel inventory in the Coachella Valley. As shown below, occupancy and ADR reach peak levels in February to April as well as November, while reaching yearly lows in June through September and December.

In terms of supporting a potential new Amateur Sports Complex, the diversity and volume of available lodging products and monthly performance statistics suggest opportunities suggest a strong base of hospitality infrastructure, with particular capacity opportunities in the summer and shoulder seasons. Given temperature conditions in summer months and tournament/competition demand patterns, these data point to a potential opportunity involving an indoor sports facility product. Specific demand research and findings to this end will be discussed in a subsequent chapter of this report.





Source: Visit Greater Palm Springs, STR, 2023.

Corporate Base

As previously noted, the breadth and characteristics of the corporate base within a particular market can provide an indication of the propensity to purchase sponsorship/advertising in sports facilities. Indirectly, the size of a local corporate base tends to be correlated with the level and breadth of supporting community amenities (i.e., hotels, restaurants, transportation infrastructure, etc.), which are relevant when considering events, such as tournaments, meets and competitions that draw teams from outside the Coachella Valley.

The chart below provides a listing of the top 27 employers, all of which have over 2,000 employees within the Riverside County region. Of the 20 listed, the entities with the highest employment are the County of Riverside, Amazon, the University of California and the March Air Reserve Base. A significant portion of the employment base is driven by the education industry from the various unified school districts and colleges in the County. Retail companies like Stater Bros and Walmart are also primary employers within the County.

Top Employers in Riverside County

	Business Name	Estimated Number of Employees	Industry / Sector
1	County of Riverside	21,672	Government
2	Amazon	10,500	Retail
3	University of California, Riverside	9,770	Education
4	March Air Reserve Base	9,600	Military
5	Stater Bros	8,304	Retail
6	Kaiser Permanente Riverside Medical Ctr.	5,700	Healthcare
7	Pechanga Resort & Casino	5,078	Resort/Casino
8	Walmart	4,931	Retail
9	Corona-Norco Unified School District	4,903	Education
10	Ross Dress For Less	4,321	Retail
11	Hemet Unified School District	4,046	Education
12	Riverside Unified School District	4,000	Education
13	Eisenhower Medical Center	3,900	Healthcare
14	Moreno Valley Unified School District	3,755	Education
15	Lake Elsinore Unified School District	3,717	Education
16	Desert Sands Unified School District	3,437	Education
17	Jurupa Unified School District	3,250	Education
18	Temecula Valley Unified School District	3,057	Education
19	Palm Springs Unified School District	2,737	Education
20	Murrieta Valley Unified Sschool District	2,500	Education
21	City of Riverside	2,470	Government
22	Riverside Community College District	2,342	Education
23	JW Marriot Desert Springs Resort & Spa	2,304	Resort/Casino
24	Agua Caliente Band of Cahuilla Indians	2,300	Native American Org
25	Morongo Casino, Resort, & Spa	2,300	Resort/Casino
26	Cal Baptist University	2,285	Education
27	Riverside Community Hospital	2,200	Healthcare

Source: Riverside County Economic Development Agency, 2022.
Note: Employment numbers reflect 2019 data for Riverside County.

Top Attractions in the Coachella Valley

Tournament organizers increasingly consider the destination outside of the host facility when selecting sites for their regional and national events. To evaluate the appeal and vibrancy of the area in the Greater Coachella Valley, the table below displays top attractions as indicated through the total number of positive reviews placed by travelers on TripAdvisor.com. Considering the attractions with the most reviews on TripAdvisor's website helps reflect the leisure visitation to the area, with attractions garnering more reviews representing more well known and popular sites to the Greater Coachella Valley market.

Top TripAdvisor Attractions in Coachella Valley

	Attraction	Number of Positive TripAdvisor Reviews
1	Palm Springs Aerial Tramway	9,346
2	Palm Springs Air Museum	2,045
3	VillageFest	1,751
4	Palm Springs Art Museum	1,705
5	Indian Canyons	1,588
6	El Paseo Shopping District	1,003
7	San Jacinto Mountain	940
8	Shields Date Garden	792
9	Coachella Valley Preserve	740
10	Tahquiz Canyon	729
11	Palm Canyon Drive	669
12	Aqua Caliente Indian Canyons	528
13	Old Town La Quinta	521
14	Moorten Botanical Garden	509
15	Indian Wells Tennis Garden	488
16	Palm Springs Visitor Center	414
17	Palm to Pines Scenic Byway	390
18	Cabot's Pueblo Museum	374
19	Indian Canyons Hiking Trails	330
20	Fantasy Springs Resort Casino	327
21	Bump and Grind Trail	325
22	McCallum Theatre for the Perf. Arts	301
23	Marvyn's Magic Theater	270
24	Palm Canyon	227
25	Painted Canyon	223
	TOTAL	26,535

Source: TripAdvisor, 2023.

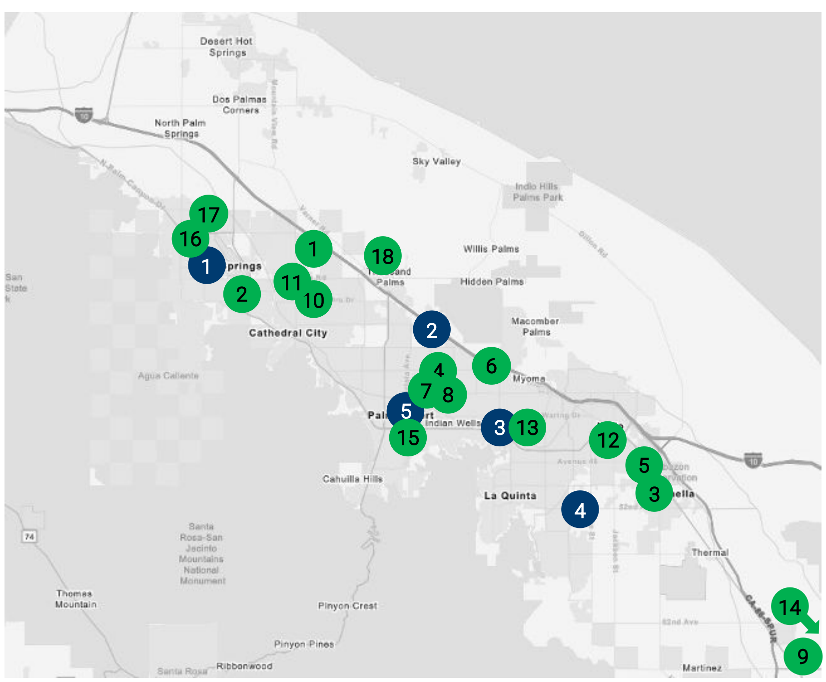
2 LOCAL & REGIONAL CONDITIONS

Existing Key Local 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 facility/complex project. There are presently a limited number of facilities within the Greater Palm Springs / Coachella Valley 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 rectangle fields in the region, and the inventory of other youth/amateur sports facilities will be presented on subsequent pages. There are 18 facilities listed below; however, only nine offer two or more multi-sport rectangle fields for soccer, lacrosse, flag football, rugby, and football leagues and competitions/training. Currently, there are 41 outdoor fields (adult, youth, and other) in the area.

Summary of Primary Rectangle Field Facilities in Greater Palm Springs

		Rectangle Fields			
	Facility Name	Adult	Youth	Other	Total
1	Dennis Keat Soccer Park	3	3	0	6
2	Demuth Park	4	2	0	6
3	Bagdouma Park	5	0	0	5
4	Hovley Soccer Park	5	0	0	5
5	Rancho Las Flores Park	1	1	0	2
6	Freedom Park	2	0	0	2
7	Magnesia Falls City Park & Oleson Field	1	0	1	2
8	Palm Desert Civic Center Park	0	1	1	2
9	Johnson Street Park	2	0	0	2
10	Big League Dreams Cathedral City	0	0	1	1
11	Ocotillo Park	1	0	0	1
12	South Jackson Park & Davis Sports Complex	0	0	1	1
13	La Quinta Park	0	1	0	1
14	North Shore Community Park	1	0	0	1
15	Washington Charter School Park	0	1	0	1
16	Ruth Hardy Park	0	1	0	1
17	Victoria Park	0	0	1	1
18	Thousand Palms Community Center	1	0	0	1
	TOTAL	26	10	5	41

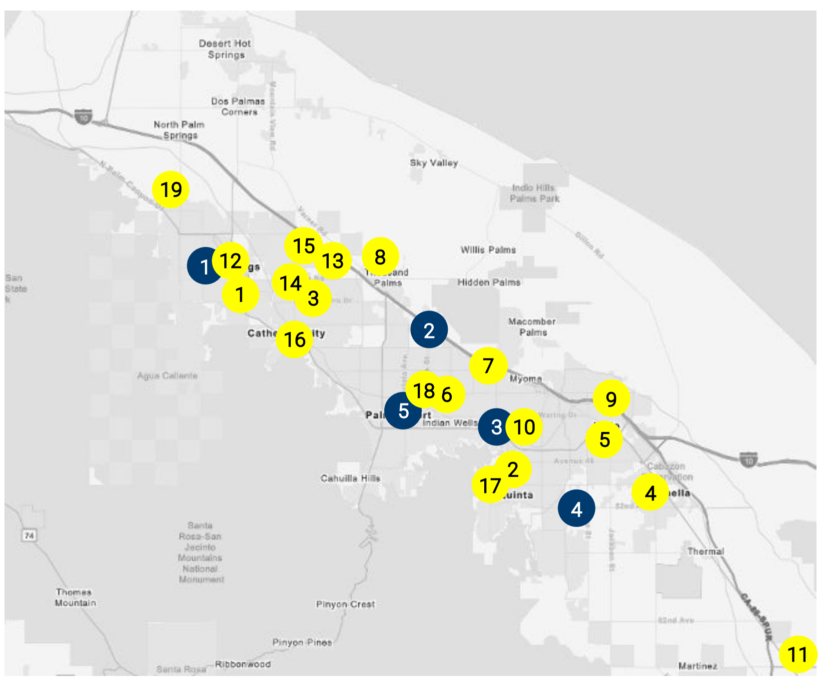


Source: Google Maps, 2022.

The chart and map below summarize the current inventory of baseball and softball fields located in the Greater Palm Springs / Coachella Valley area. There are 11 facilities with at least two 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 pitching mound. For instance, Big League Dreams Cathedral City is presently utilized for both softball and baseball its five fields essentially resemble baseball fields; however, as each of the fields have skinned infields (and utilize portable pitching mounds to accommodate baseball), the fields are classified as softball diamonds. Currently, there are 51 outdoor diamond fields in the area, with the vast majority representing softball fields, most of which can also accommodate youth baseball.

Summary of Primary Diamond Field Facilities in the Coachella Valley

		Diamonds		
	Facility Name	Baseball	Softball	Total
1	Demuth Park	0	8	8
2	La Quinta Sports Complex	0	6	6
3	Big League Dreams Cathedral City	0	5	5
4	Bagdouma Park	0	4	4
5	South Jackson Park & Davis Sports Complex	0	4	4
6	Palm Desert Civic Center Park	0	4	4
7	Freedom Park	0	3	3
8	Thousand Palms Community Center	0	3	3
9	North Jackson Park	0	2	2
10	La Quinta Park	0	2	2
11	Mecca Community Park	0	2	2
12	Sunrise Plaza	1	0	1
13	Century Park	0	1	1
14	Ocotillo Park	0	1	1
15	Panorama Park	0	1	1
16	Second Street Park	0	1	1
17	La Quinta Community Park	0	1	1
18	Magnesia Falls City Park & Oleson Field	0	1	1
19	Desert Highland Park	0	1	1
	TOTAL	1	50	51

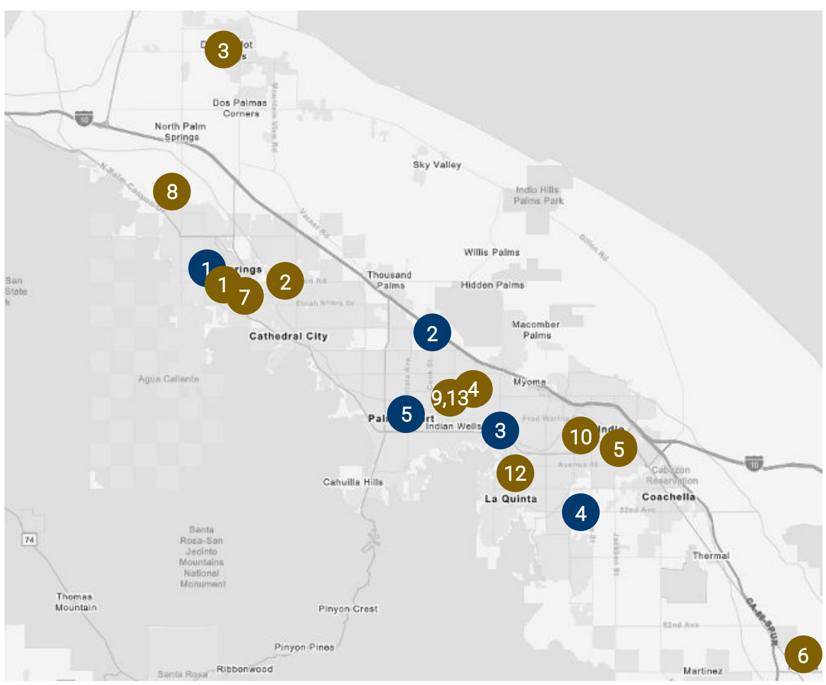


Source: Google Maps, 2022.

The chart and map below summarize the current inventory of facilities in the Coachella Valley with indoor gym space (i.e., basketball and volleyball courts). Currently, there are 13 facilities in this region which offer rentable gymnasium space. Additionally, like in most communities, there are a number of additional single court gyms located at schools throughout the Coachella Valley. Relative to other sports tourism destinations throughout the country, there is a distinct lack of multi-court indoor sports and recreation facilities that exist in the Coachella Valley. This significantly limits the destination's competitiveness in attracting any court-based tournaments and competitions, as most of these events require multiple courts in a single location.

Summary of Primary Indoor Court Facilities in the Coachella Valley

	Facility Name	Basketball Courts
1	Boys & Girls Club - Palm Springs	1
2	Cathedral City Boys & Girls Club	1
3	Community Health & Wellness Center	1
4	CV Boys & Girls Club - Coachella	1
5	CV Boys & Girls Club - Indio	1
6	CV Boys & Girls Clubs - Mecca	1
7	Demuth Community Center	1
8	Desert Highland Unity Center	1
9	Family YMCA of the Desert	1
10	Indio Community Center	1
11	Indio Teen Center	1
12	La Quinta Boys & Girls Club	1
13	Palm Desert Community Center	1
	TOTAL	13



Source: Google Maps, 2022.

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

DESERT RECREATION DISTRICT COACHELLA VALLEY

The Desert Recreation District is the largest parks and recreation district within the state of California. It was formed over 70 years ago with a goal of providing recreation locations and programming for all Coachella Valley residents regardless of personal barriers such as finances or disabilities.

The District covers over 1,800 square miles, while providing services to over 300,000 area residents. It manages, maintains and supports maintenance on over 30 parks and recreation facilities. It creates programming, services, classes and helps to facilitate partnerships between private and public agencies looking to support Coachella Valley residents.

The group's programming aims to offer residents access to physical fitness, relaxation and revitalization. It offers programs for youth, adolescents, adults and seniors including arts and music, camps, community events, dance, golf, gymnastics, fitness, martial arts, movies, online resources, outdoor activities, swimming, sports, among several other program offerings.

PALM DESERT AQUATIC CENTER

The Palm Desert Aquatic Center is a public swimming facility in Palm Desert, California. The facility opened in 2011 at a cost of approximately $8 million. The facility is owned by the City of Palm Desert and is operated by the Family YMCA of the Desert. The eight-acre facility offers three pools including a large lap pool with four diving boards, a children's pool with a low depth and play area and a pool with two waterslides. The facility also offers concessions, lounging areas, and indoor locker rooms.

The Center offers year-round use for residents of and visitors to the Coachella Valley with discounted admission for residents of the Coachella Valley. The various admissions and programming at the facility include open swimming, youth & adult swimming classes and exercise programs, among others.

Cabanas can be rented for increased comfort and enjoyment during visits. The facility can also be partially or fully rented out by private parties or corporate groups.

EMPIRE POLO CLUB

The Empire Polo Club is a privately owned, 78-acre polo club located in Indio, California. It was developed in 1987 to host a range of international polo tournaments across 12 polo grounds. The grounds also offer a scenic lake, a rose garden, a 48,000-square foot event hall, and a performance lawn. The largest outdoor events can host up to 90,000 visitors at one time. The Polo Club can temporarily program up to 32 rectangle fields for special, large tournaments.

During the January through March polo season, the Club hosts various local, regional, national and international polo matches, tournaments and activity. Throughout the year, it also hosts a range of other events including festivals, weddings, corporate events, sporting events, dog shows, music performances/festivals. One of the largest youth lacrosse tournaments on the west coast, Sand Storm Lacrosse Festival, takes place in January each year with over 400 teams and 22,000 attendees. In the past, the National Field Hockey Festival took place in Greater Palm Springs in November that included approximately 150 teams and 10,500 attendees. Empire Polo Club management indicated that they do not actively pursue field sports tournaments, due to scheduling and concerns over turf damage.

The MLS hosted its Coachella Valley Invitational at the grounds in 2023 in which 12 professional soccer teams competed in a tournament designed to solidify team rosters, build excitement and kick off the MLS season. The Club has a lease with Goldenvoice, the organizers of the Coachella Valley Music and Arts Festival and the Stagecoach Festival, through 2050 to host these events which have included acts such as Beyoncé, AC/DC, Phish, Paul McCartney, the Rolling Stones and many more.

ACRISURE ARENA

Acrisure Arena opened in 2022 and is 11,700-seat state-of-the-industry sports/entertainment arena located in Palm Desert. With construction occurring during the COVID-19 pandemic, total construction costs totaled approximately $290 million, which included the main arena and secondary practice ice sheet. The project is relatively unique in that it was completely funded by private sources. Oak View Group, LLC (OVG), a global advisory, development and investment company for sports and live entertainment industries based in Los Angeles, led the project team, which also included LiveNation (the concert industry's largest promoter) and the NHL Seattle Kraken. Acrisure, a Michigan-based fintech insurance company, purchased naming rights for the facility in a substantial 10-year deal (with undisclosed terms).

The main arena offers a concrete floor space of approximately 27,000 square feet. Its various rentable spaces can host up to 11,700 attendees. In addition to its concession options, the Arena offers an indoor/outdoor plaza with food, drink and retail options. The Berger Foundation Iceplex offers a second ice sheet to supplement the main arena. The Iceplex primarily hosts community events, open skates, trainings and more.

The Coachella Valley Firebirds of the American Hockey League (AHL), affiliated with the Seattle Kraken, of the NHL is the primary tenant of the arena. The team plays approximately 36 home games per year in total. In addition, the venue is slated to host over 80 performance events per year including shows such as Lizzo, Chris Rock, Harry Styles, KISS, Madonna, and more high-level performers.

HOVLEY SOCCER PARK & NORTH PALM DESERT PARK

Hovley Soccer Park is a 21-acre park situated in Palm Desert, California. The complex is owned by the City of Palm Desert and operated by the Desert Recreation District and features five full-size, natural grass fields.

Other amenities at the park include three playgrounds, a walking trail, disc golf course, concession stand, outdoor basketball court, picnic pavilions, and horseshoe pits.

Palm Desert Youth Soccer and Palm Desert Soccer Club utilize Hovley Soccer Park for practices, games, and camps. Additional programs that utilize the park include Desert Ultimate, YMCA Rookies Soccer and Desert United Soccer Club.

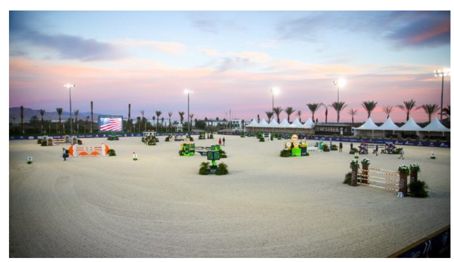
Additionally, City of Palm Desert officials indicated that master planning and design is presently underway for North Palm Desert Park, a new sports and recreation park in North Palm Desert comprising approximately 30 acres. It is unclear at this point how many fields and of what type the park will contain. Design is expected to be completed by the end of 2023.

DESERT INTERNATIONAL HORSE PARK

Located in Thermal, California the Desert International Horse Park offers nearly 1.6 million square feet of competition and riding space. The Horse Park appeals to riders all over the world with its world-class competition for riders of all ages and levels in the hunter/jumper and equitation divisions.

In August of 2019, four families from around California purchased the horse park and took over management with a stated mission of improving the sport in California by investing in the competition program, hospitality and food program, and the customer management at the Park.

The Desert International Horse Park hosts competitions for 15 weeks from October through March. These events attract the best talent and offer VIP viewing, cocktails, entertainment and restaurant quality food.



BIG LEAGUE DREAMS CATHEDRAL CITY

Big League Dreams Cathedral City, located in Cathedral City, California, originally opened in 1998. This diamond field complex offers five youth-sized fields with skinned infields, three of which are major league replica fields of New York's Yankee Stadium, Chicago's Wrigley Field and Boston's Fenway Park. The fields are used for both youth and adult softball plus youth baseball, hosting a variety of games, tournaments and training.

Each replica field has approximately 200 stadium-style seats. A Stadium Club restaurant that has a great view of each replica field, an arcade and TVs to watch other sporting events and relax in between competitions. The restaurant features an arcade.

Other amenities at the Complex include four slow-pitch and four baseball batting cages, a kids play area, sand volleyball courts and horseshoe pits.

A 20,000-square foot indoor pavilion accommodates corporate events, birthday parties, dance competitions and more.

Big League Dreams Cathedral City is the home site for a slow-pitch softball league which has ten divisions including men's, women's and co-ed. The complex also hosts both softball and baseball tournaments.

INDIAN WELLS TENNIS GARDEN

Located 15 miles southeast of Palm Springs, the Indian Wells Tennis Garden is a state-of-the-art facility owned by Larry Ellison. Opening in March 2000, the 54-acre tennis mecca features the world's second largest outdoor tennis stadium seating 16,100 spectators. The internationally-known complex is host to the fifth largest tennis tournament in the world, the BNP Paribas Open (previously the Pacific Life Open), a joint event of both the men's ATP World Tour and the women's WTA Tour. Additionally, Indian Wells Tennis Garden also hosts junior and adult USTA events year-round, plus weekly recreational and training use by members.

In addition to the primary stadium, there is also an 8,000-seat stadium and 29 regulation hard courts. The primary stadium hosts the largest combined men's and women's tennis tournament in the world, the BNP Paribas Open. The Margaritaville USA Pickleball National Championships and the Easter Bowl Junior Championships are other major events held at the Indian Wells Tennis Garden.

This facility is available to the members and non-members alike, although many amenities are only accessible by non-members with a daily fee. These amenities include a fitness center, locker rooms, lounge and ball machines. To utilize courts, a daily fee is $25 for non-members.

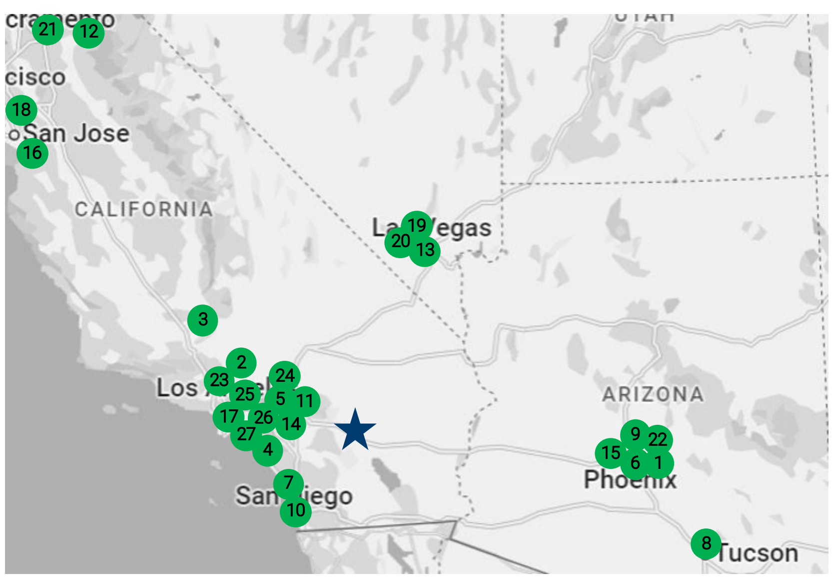
Memberships are offered in various options such as single, couple, family and seasonal. A single membership requires a $150 monthly fee and a $200 initiation fee while a family membership is $225 a month with a $300 initiation fee to the program. The Indian Wells Tennis Garden offers a variety of programs, lessons, and clinics for adults, juniors, and corporate groups.

2 LOCAL & REGIONAL CONDITIONS

Continuing with an assessment of regional competitive product supply, the chart and map below summarize the current inventory of primary competitive rectangle field complexes throughout Southern California and the regional 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 455 fields including 294 full-size competition fields. The largest facilities include Legacy Sports USA, which offers 36 full-size fields in Mesa, Lancaster National Soccer Center which offers 35 total fields in Lancaster and the Kem County Soccer Park in Bakersfield features 29 total fields. The complex closest to Coachella Valley is the San Bernadino Sports Complex, which features 17 grass fields and is an hour away from Coachella Valley.

Summary of Key Rectangle Field Facilities in the Regional Area

			Rectangle Fields				Surface
	Facility Name	Location	Adult	Youth	Other	Total	Type
1	Legacy Sports USA	Mesa, AZ	36	0	0	36	Turf
2	Lancaster National Soccer Center	Lancaster, CA	25	10	0	35	Grass
3	Kern County Soccer Park	Bakersfield, CA	13	16	0	29	Grass
4	Great Park Sports Complex	Irvine, CA	24	1	0	25	Grass & Turf
5	Silverlakes Sports Complex	Norco, CA	24	0	0	24	Grass & Turf
6	Gilbert Youth Soccer Association	Gilbert, AZ	6	17	0	23	Grass
7	SoCal Sports Complex	Oceanside, CA	21	0	0	21	Grass
8	Kino Sports Complex	Tucson, AZ	17	4	0	21	Grass
9	Reach 11 Sports Complex	Phoenix, AZ	18	0	0	18	Grass & Turf
10	Surf Cup Sports Park	Del Mar, CA	18	0	0	18	Grass
11	San Bernardino Sports Complex	San Bernardino, CA	17	0	0	17	Grass
12	Legacy Fields	Davis, CA	14	3	0	17	Grass
13	James Regional Sports Park	Las Vegas, NV	0	16	0	16	Grass
14	Rancho Jurupa Regional Sports Park	Jurupa Valley, CA	4	11	0	15	Grass & Turf
15	Phoenix Events Complex	Phoenix, AZ	12	1	0	13	Grass
16	Morgan Hill Outdoor Sports Center	Morgan Hill, CA	4	8	0	12	Grass & Turf
17	Sofive South Gate	South Gate, CA	0	12	0	12	Turf
18	Twin Creeks Sports Complex	Sunnyvale, CA	0	12	0	12	Turf
19	Kellogg Zaher Soccer Complex	Las Vegas, NV	11	0	0	11	Grass & Turf
20	Bettye Wilson Soccer Complex	Las Vegas, NV	10	0	0	10	Grass
21	Cherry Island Sports Complex	Rio Linda, CA	10	0	0	10	Grass
22	Scottsdale Sports Complex	Scottsdale, AZ	6	4	0	10	Grass
23	Central Park	Santa Clarita, CA	4	6	0	10	Grass
24	Sofive Rancho Cucamonga	Rancho Cucamonga, CA	0	10	0	10	Turf
25	Sofive Covina	Covina, CA	0	10	0	10	Turf
26	Sofive Pomona	Pomona, CA	0	10	0	10	Turf
27	Urban Soccer 5 (US5) Center	Norwalk, CA	0	10	0	10	Turf
	TOTAL		294	161	0	455	
	AVERAGE		11	6	0	17	



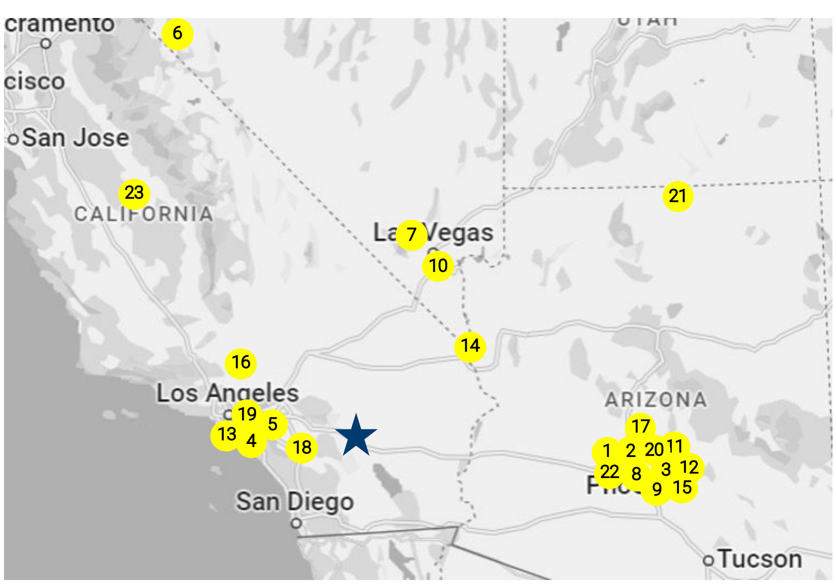
Note: Considered facilities offer minimum of 10 or more total fields.
Source: CSL research, interviews with facility management, Google maps, 2023.

2 LOCAL & REGIONAL CONDITIONS

The chart and map below summarize the current inventory of major baseball and softball complexes located in Southern California and the nearby surrounding region. There are 23 facilities that met the threshold of six or more fields offered at a single site. Currently, there are 219 outdoor fields (adult and youth) in the area, including 120 softball and 99 baseball fields. The nearest facility to the Coachella Valley area is Big League Dreams Perris, offering six total diamond fields.

Summary of Key Diamond Field Facilities in the Regional Area

			Baseball Fields		Softball Fields		
	Facility Name	Location	Adult	Youth	Adult	Youth	Total
1	Surprise Recreation Campus	Surprise, AZ	13	5	0	0	18
2	Peoria Sports Complex	Peoria, AZ	13	4	0	0	17
3	Salt River Fields at Talking Stick	Scottsdale, AZ	13	4	0	0	17
4	Fountain Valley Sports Park	Fountain Valley, CA	0	4	11	0	15
5	Great Park	Irvine, CA	4	0	8	0	12
6	Golden Eagle Sports Complex	Sparks, NV	2	4	6	0	12
7	Majestic Softball Park	Las Vegas, NV	0	0	12	0	12
8	Papago Sports Complex	Phoenix, AZ	6	0	4	0	10
9	Snedigar Sports Complex	Chandler, AZ	2	2	6	0	10
10	Arroyo Grande Sports Complex	Henderson, NV	1	8	0	0	9
11	Legacy Sports USA	Mesa, AZ	8	0	0	0	8
12	Cactus Yards	Gilbert, AZ	0	0	8	0	8
13	Huntington Beach Sports Complex	Huntington, CA	0	0	6	2	8
14	Bullhead City Rotary Park	Bullhead City, AZ	1	0	6	0	7
15	Red Mountain Softball Complex	Mesa, AZ	3	0	4	0	7
16	Best of the West Softball Complex	Palmdale, CA	0	0	7	0	7
17	Victoria Lane Sports Park	Glendale, AZ	0	0	6	0	6
18	Big League Dreams Perris	Perris, CA	0	0	6	0	6
19	Big League Dreams Chino Hills	Chino Hills, CA	0	0	6	0	6
20	Rose Mofford Sports Complex	Phoenix, AZ	0	0	4	2	6
21	Page Sports Complex	Page, AZ	2	0	4	0	6
22	Pioneer Community Park	Peoria, AZ	0	0	6	0	6
23	Regional Sports Complex	Fresno, CA	0	0	6	0	6
	TOTAL		68	31	116	4	219
	AVERAGE		3	1	5	0	10



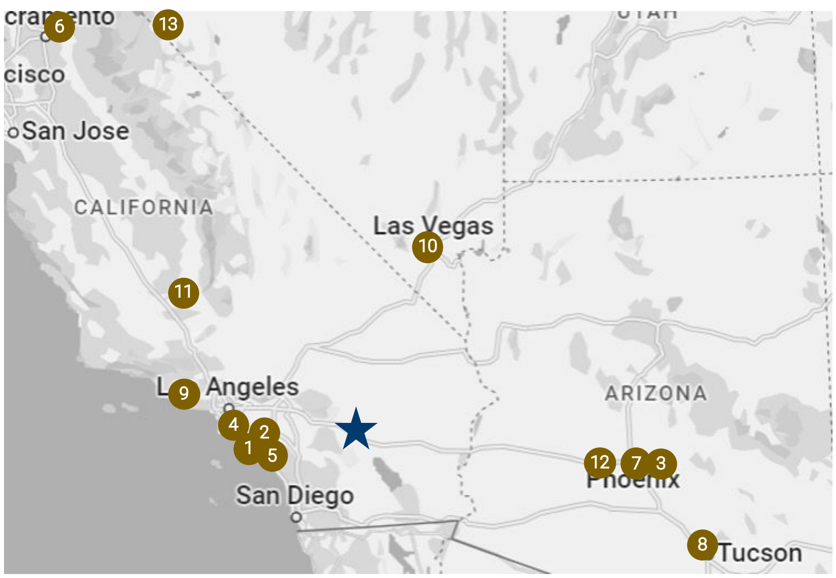
Note: Considered facilities offer a minimum of 6 or more total fields.
Source: CSL research, interviews with facility management, Google maps, 2023.

2 LOCAL & REGIONAL CONDITIONS

The chart and map below summarize the current inventory of indoor court complexes located in Southern California and the nearby regional area. There are a total of 124 basketball courts and 185 volleyball courts. These are distributed among 13 facilities, including Momentous Sports Center with 21 basketball courts and 22 volleyball courts and The Map Sports Facility features eight basketball and eight volleyball courts. The largest facility is situated in Anaheim, California as 25 basketball courts and 34 volleyball courts are offered at American Sports Center – Anaheim.

Summary of Key Indoor Court Facilities in the Regional Area

	Facility Name	Location	Courts: Basketball	Courts: Volleyball
1	American Sports Centers - Anaheim	Anaheim, CA	25	34
2	Momentous Sports Center	Irvine, CA	21	22
3	Legacy Sports USA	Mesa, AZ	19	57
4	The Map Sports Facility	Garden Grove, CA	8	8
5	OGP - Ladera	Ladera, CA	8	8
6	Hardwood Palace	Rocklin, CA	8	16
7	Inspire Courts	Gilbert, AZ	7	7
8	Sporting Chance Center	Tucson, AZ	5	8
9	Sports Academy	Newbury Park, CA	5	5
10	Las Vegas Basketball Center	Las Vegas, NV	5	5
11	Dignity Health Sports Complex	Bakersfield, CA	5	5
12	American Sports Centers - Avondale	Avondale, AZ	4	6
13	Multi-Purpose Athletic Center (MAC)	Carson City, NV	4	4
	TOTAL		124	185
	AVERAGE		10	14



Note: Considered facilities offer a minimum of 4 full-sized courts.
Source: CSL research, interviews with facility management, Google maps, 2023.

Summary & Conclusions

- STRONG TOURISM BRAND: The Greater Palm Springs / Coachella Valley destination is a high-quality, internationally-known tourist destination. A recent economic impact study completed by Tourism Economics estimated that the destination welcomed approximately 12.8 million visitors in 2021, generating $6.8 billion in total economic impact. In 2019, prior to the COVID-19 pandemic, the estimated total number of visitors was 14.1 million. Area hospitality infrastructure is robust and mature, including a wide diversity of lodging products and event and sports facilities, with a notable exception being limitations in modern facilities appropriate to sufficiently compete within certain sports tourism segments.
- DRIVABLE ACCESS TO REGIONAL MARKETS: Located in southern California, nearly equidistant from San Diego and Los Angeles, each just less than 125 miles away, the Coachella Valley is situated within three-hours' drive of approximately 22 million people. 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 both to help manage the cost associated with travel and to manage transporting equipment.
- EXTENSIVE LODGING INVENTORY: There are more than 14,600 hotel rooms and a wide array of service levels and price points within the 54 lodging properties offering at least 100 sleeping rooms. In addition to these primary hotels and resorts, a large number of vacation rentals, timeshares, and bed and breakfasts exist throughout the destination to complement the overall lodging capacity. There are clusters of sleeping rooms proximate to much of the existing inventory of youth/amateur sports facilities in the destination, and 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 in the Coachella Valley is largely limited to individual and small clusters of outdoor fields. Empire Polo Club has periodically hosted large field tournaments in the past, but it is not a dedicated field sports tournament, game and training complex. While Hovley Soccer Park, Big League Dreams Cathedral City, and other small field complexes have historically hosted some soccer, baseball and softball tournament activity, the overall destination lacks the type of tournament-quality rectangle and/or diamond field complex seen in many other sports tourism destinations (i.e., complexes that offer 10-plus high-quality fields in a single location).
- EXISTING LOCAL INDOOR COURT FACILITIES: There is a limited number of indoor amateur sports facilities in the Coachella Valley, especially in terms of indoor court space with no facilities offering multiple courts within a single facility. The majority of indoor courts are located in high schools, middle schools, YMCAs, Boys & Girls Clubs, and community centers. As is typical throughout the country, schools tend to give priority to school and student functions, limiting access to outside rentals. While it is recognized that a higher than typical amount of demand exists for outdoor courts in the Coachella Valley due to warm climate conditions throughout the year, the lack of a single indoor complex with a critical mass of courts presents challenges in attracting and hosting traditional court-based tournaments, competitions, camps and clinics that are regional or national in scope.
- 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 the Coachella Valley. One of the most prominent of which is Indian Wells Tennis Garden, which is an internationally-known tennis destination and hosts a large number of tournaments, training and activities in the tennis segment. Additionally, the Coachella Valley offers extensive product serving outdoor sports and recreation, including swimming and watersports, golf, tennis, pickleball, ice hockey, field hockey, biking, hiking, running, extreme sports, and others.
- COMPETITIVE PRODUCTS IN THE REGIONAL AREA: While there are a number of tournament-quality outdoor rectangle and diamond field complexes in the greater regional area (especially in and around the greater Los Angeles metropolitan area), there are relatively few tournament-quality indoor court complexes in the greater region (i.e., Southern California, Nevada and Arizona), particularly given the very large population base.

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.

In the Coachella Valley, more so than most communities, the visitor industry plays a critical role in local and regional economic health. Visitors to a market offer an opportunity to inject new dollars into the economy, with relatively limited use of public infrastructure. Visitor spending then generates net new tax revenue, reducing the tax burden on residents.

At the same time, the competition for visitor industry market share is fierce. Communities throughout the country, many competing with the communities comprising the Coachella Valley, 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 the Coachella Valley, 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 Pacific region (the region capturing California) 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 the Coachella Valley.

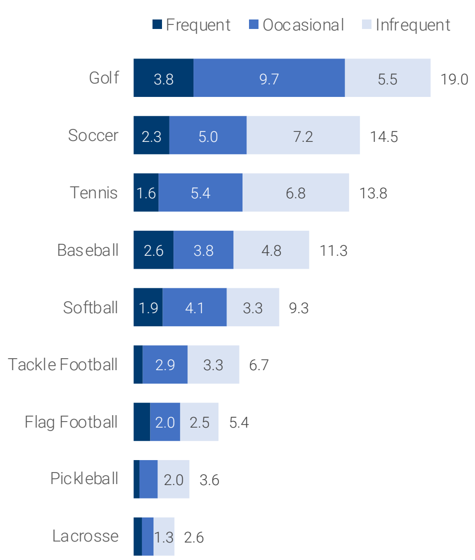
The statistical data presented in this section was derived from the National Sporting Goods Association's Sports Participation study, which was most recently conducted in 2022. The study measures the annual number of participants in a variety of sports and recreational activities, and the frequency of 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).

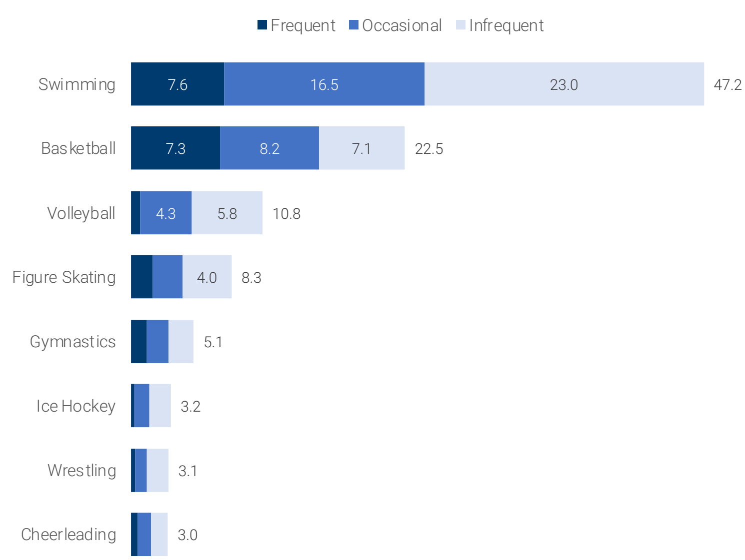
Among traditional field and court team sports, soccer, baseball and softball have the highest participation levels for outdoor sports with a fairly-balanced range of frequent to infrequent participants. Investing in more of these fields benefits many communities across the nation.

Beyond swimming with very high occasional and infrequent participation by all age groups, basketball has the highest participation levels among traditional court-based 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.

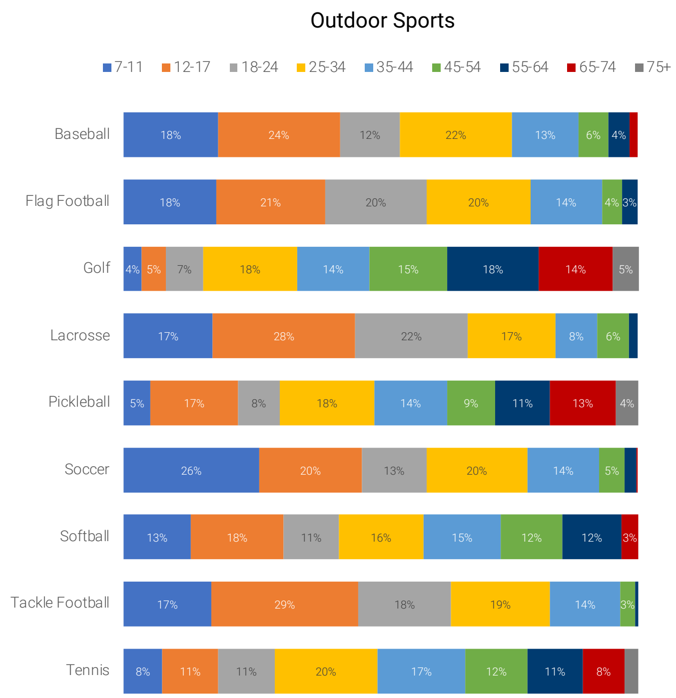
3 INDUSTRY TRENDS

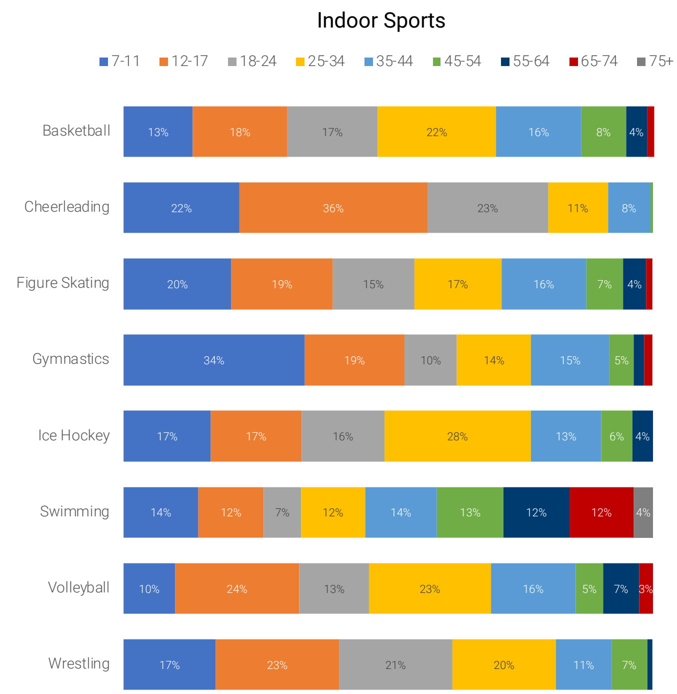
The exhibits below summarize sports participation levels by age group for outdoor and indoor sports. New amateur sports facility development in the Coachella Valley would be anticipated to be utilized by a variety of age groups, and it is important to understand which sports and athletic activities appeal 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) are ages 7 to 11 and ages 12 to 17. Youth sports dominate the national participation levels; therefore, management of any new amateur sports facility products 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.

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 below summarizes the estimated population base participating in each identified sport based on participation rates applied to the overall market population. As previously mentioned, the rate of participation includes only frequent users and does not account for occasional and infrequent users. For purposes of their analysis, as a center point, we used Acrisure Arena in Palm Desert given its centralized location within Coachella Valley. Using this type of extrapolation, the hypothetical number of frequent participants among all analyzed sports and activities within a 60-minute drive of Palm Desert is approximately 89,000 persons. 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	Pacific Index	Adjusted Pacific Participation Rate
Outdoor Sports:				
Baseball	50+	0.72%	75	0.54%
Flag Football	50+	0.17%	62	0.11%
Golf	40+	1.19%	73	0.87%
Lacrosse	60+	0.07%	80	0.06%
Pickleball	30+	0.24%	90	0.21%
Soccer	40+	1.09%	92	1.00%
Softball	40+	0.35%	84	0.29%
Tackle Football	50+	0.35%	62	0.22%
Tennis	30+	0.92%	83	0.77%
Indoor Sports:				
Basketball	50+	1.21%	71	0.86%
Cheerleading	70+	0.10%	84	0.08%
Figure Skating	30+	0.22%	94	0.21%
Gymnastics	40+	0.42%	96	0.40%
Ice Hockey	30+	0.23%	75	0.17%
Swimming	110+	1.01%	82	0.83%
Volleyball	20+	1.16%	86	1.00%
Wrestling	50+	0.16%	85	0.14%

Extrapolated Frequent Participation by Sport Per Geographic Area

	15-Minute Drive Time of Palm Desert		30-Minute Drive Time of Palm Desert		60-Minute Drive Time of Palm Desert		180-Minute Drive Time of Palm Desert		Riverside County	
Market Population	243,077		437,728		1,147,322		22,046,954		2,451,199	
	National Rate	Regional Rate	National Rate	Regional Rate	National Rate	Regional Rate	National Rate	Regional Rate	National Rate	Regional Rate
Outdoor Sports:										
Baseball	1,747	1,310	3,146	2,360	8,247	6,185	158,476	118,857	17,619	13,215
Flag Football	421	261	758	470	1,986	1,232	38,170	23,665	4,244	2,631
Golf	2,890	2,109	5,203	3,798	13,639	9,956	262,078	191,317	29,138	21,271
Lacrosse	178	142	320	256	840	672	16,137	12,909	1,794	1,435
Pickleball	577	520	1,040	936	2,725	2,453	52,370	47,133	5,822	5,240
Soccer	2,645	2,434	4,763	4,382	12,486	11,487	239,922	220,728	26,675	24,541
Softball	853	717	1,536	1,290	4,027	3,382	77,375	64,995	8,603	7,226
Tackle Football	852	529	1,535	952	4,024	2,495	77,320	47,938	8,596	5,330
Tennis	2,243	1,862	4,039	3,353	10,587	8,787	203,444	168,859	22,619	18,774
Indoor Sports:										
Basketball	2,937	2,085	5,289	3,755	13,863	9,843	266,386	189,134	29,617	21,028
Cheerleading	244	205	439	369	1,151	967	22,114	18,575	2,459	2,065
Figure Skating	538	506	969	911	2,541	2,388	48,823	45,894	5,428	5,103
Gymnastics	1,009	969	1,818	1,745	4,764	4,574	91,548	87,887	10,178	9,771
Ice Hockey	559	419	1,006	754	2,637	1,977	50,665	37,999	5,633	4,225
Swimming	2,467	2,023	4,442	3,642	11,642	9,547	223,719	183,449	24,873	20,396
Volleyball	2,824	2,429	5,086	4,374	13,331	11,465	256,166	220,303	28,481	24,493
Wrestling	398	338	716	609	1,877	1,596	36,072	30,661	4,011	3,409
TOTAL	23,383	18,857	42,107	33,957	110,366	89,004	2,120,785	1,710,304	235,791	190,153

3 INDUSTRY TRENDS

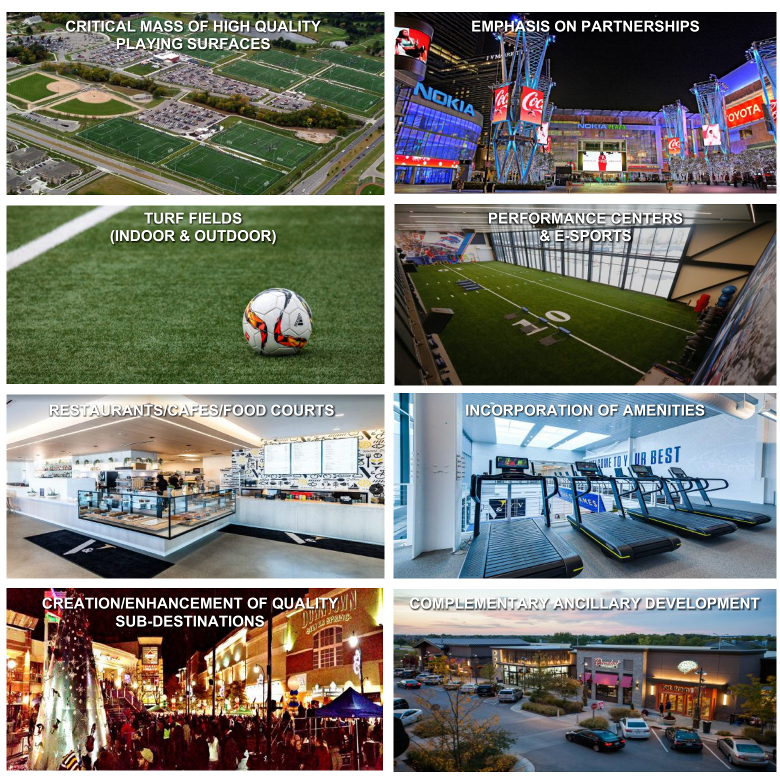
Facility Design & Characteristics

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 present noteworthy trends relative to design and capabilities for turf facilities (focusing specifically on indoor turf):

1. TURF PRODUCTS: 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). The minimum space allotted to turf in a given facility should be no less than 15x60 feet or 900 square feet of turf space. However, those spaces can only support training and clinics, and no competitions or leagues because of the lack of space, and, in fact, are typically located inside of fitness centers as an alternative place to do focused training.
2. UPKEEP: Turf, like any other exercise facility, requires regular cleaning and maintenance should occur to keep the facility attractive and inviting. In addition, the use of cleats on turf, regardless of type, reduces its lifespan by 50 percent so it is generally recommended to require use of turf shoes to not need to consistently replace turf padding.
3. COST: There are two primary upfront costs regarding installation of turf, the drainage base, and the turf itself. The drainage base lies below the turf and allows any liquids to seep through and reach the drainage system without getting trapped. These systems can last 20 to 30 years, and cost approximately $5 per square foot. The turf panels themselves are laid atop the drainage base, a conservative price estimate for cost is $5 per square foot of turf space. All in all, for a typically 75'x185' turf field, installation costs can range from $130,000 to $190,000.
4. DURABILITY: The industry standard for a given turf field's life span is between eight and twelve years, though with proper maintenance and cleaning fields have been shown to last longer.
5. ANCILLARY REVENUES: To generate additional revenues for turf facilities, a variety of programs should be considered such as membership fees, admissions fees, seniors' programs, in-house tournaments, and mother's programs. Additionally, more traditional revenue sources such as corporate partnerships (sponsorship and advertising), food service (concessions and hospitality) and event space rental for non-sports activities (e.g., consignment sales, meetings, team building events, etc.) can provide important support to year-round operations.

The following present some noteworthy trends relative to design and capabilities of 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:
  - o Performance centers.
  - o eSports capabilities/technology.
  - o Restaurants/cafes/food courts.
  - o Fitness and wellness.
  - o Leisure amenities (child play areas, mini-golf, AR tech).
  - o Ancillary development (hotels, retail, attractions).



Typical Characteristics of Indoor Facility Models

Dedicated indoor amateur sports and recreation facilities typically balance the accommodation of both local and non-local sports and recreation demand within communities. 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. A minimum of two ice sheets is normally required for ice complexes to have significant penetration into hockey 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.

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 below presents a summary of the typical characteristics of three primary models of indoor amateur sports facilities. As shown, 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.

Typical Characteristics of Amateur Sports Facility Models – Indoor-Oriented Facilities

	HARDWOOD COMPLEX	TURF COMPLEX	ICE COMPLEX
Building Size:	100,000 to 140,000 GSF	40,000 to 200,000 GSF	80,000 to 120,000 GSF
Playing Surfaces:	Courts (6-12 bball or 12-24 vball)	Turf space (15,000-80,000 SF)	Ice sheets (2 @ 200' x 85' each)
Owner:	Public	Public or Private	Public
Operator:	Public or Private	Public or Private	Public or Private
Private Partner Equity Contribution/Profit Sharing:	Sometimes	No	No
Number of Tenant User Groups:	5 to 10	4 to 8	3 to 6
Annual Attendance (athletes + spectators):	200,000 to 500,000	75,000 to 200,000	150,000 to 300,000
Annual Operating Profit/Loss:	($200,000) to $1,000,000	($400,000) to $200,000	($500,000) to ($200,000)
Sports Tourism Impact (per surface):	High	Moderate	Moderate
Use Types:	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	Ice Hockey Figure Skating Curling Open Skating / Learn-to-Skate

Similarly, the exhibit below presents a summary of the typical characteristics of three primary models of outdoor-focused amateur sports field facilities/complexes. Similar to ice complexes, 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 Amateur Sports Facility Models – Outdoor-Oriented Facilities

	DIAMOND FIELDS	RECTANGLE FIELDS	FIELDS WITH BUBBLE(S)
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 five primary indoor and outdoor facility models (plus the field complex variation with one or more seasonal bubbles) indicated above and on the previous page. Additional facility types include, but are not limited to, natatoriums/aquatic centers, tennis centers (outdoor and indoor), gymnastics centers, track and 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 and the previous page represent the most common and highly-utilized sports tourism facility products throughout the country that can be most impactful and deliver the highest return-on-investment, in terms of driving tourism and economic impact relative to costs (development and operating costs).

3 INDUSTRY TRENDS

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 + **$36.0B** = **$39.7B**

Tournament Operations | Sports Traveler Visitor Spending | 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 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 most sports games and tournaments were 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 Coachella Valley, 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 Coachella Valley would most likely represent construction completion and commencement of operations in 2025 or later, the findings and conclusions presented herein assume the amateur sports and sports tourism industry will have fully recovered to pre-pandemic levels and growth trends.

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 return-on-investment 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. There are an estimated 90,000 frequent sports participants within a 60-minute drive of Palm Desert. Importantly, it is estimated that there are more 20 million people that reside within a three-hour drive of Coachella Valley. These data suggest both the strong residential population and the significant opportunity to attract non-local participants for sports tourism events held in Coachella Valley.
- 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. However, as mentioned earlier in this report, synthetic turf temperatures at field level during high heat periods is often measured as much as 10 degrees warmer than ambient off-field air temperature. This can be particularly problematic for hot weather markets (like Coachella Valley) when deploying synthetic turf fields involving summertime sports. 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 return-on-investment, in terms of driving tourism and economic impact relative to costs (development and operating costs). As such, based on the analysis of local market conditions in the Coachella Valley 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 the Coachella Valley.

4

COMPARABLE FACILITIES

4 COMPARABLE FACILITIES

Overview

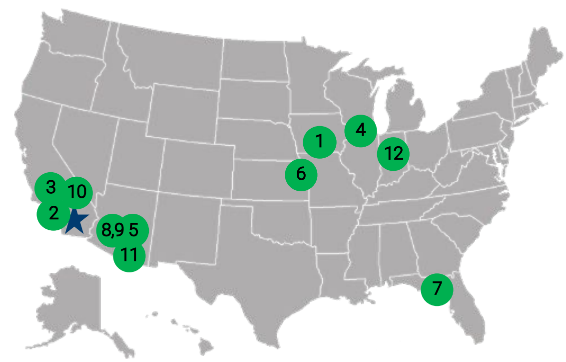
To assist in the market analysis, a set of comparable amateur sports facility products were identified within a set of four groupings of facility type. A benchmarking analysis, including selected case studies, was conducted for the identified comparable facilities/complexes located throughout the country within each of the product groupings. This chapter provides information on the various physical and operational characteristics of comparable facilities. The data helps place potential new amateur sports facility development in Coachella Valley 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	James Cownie Soccer Complex	Des Moines, IA	12	0	12	Grass
2	Great Park Sports Complex	Irvine, CA	24	1	25	Grass / Turf
3	Lancaster National Soccer Center	Lancaster, CA	25	10	35	Grass
4	MercyHealth Sportscore Two	Loves Park, IL	26	3	29	Grass / Turf
5	Legacy Park	Mesa, AZ	36	0	36	Turf
6	Scheels Overland Park Soccer Complex	Overland Park, KS	12	0	12	Turf
7	Publix Sports Park	Panama City Beach, FL	13	0	13	Grass / Turf
8	Reach 11 Sports Complex	Phoenix, AZ	18	0	18	Grass / Turf
9	Phoenix Events Complex	Phoenix, AZ (2)	12	1	13	Grass
10	San Bernardino Sports Complex	San Bernardino, CA	17	0	17	Grass
11	Kino Sports Complex	Tucson, AZ	17	4	21	Grass
12	Grand Park	Westfield, IN	31	0	31	Grass / Turf
	AVERAGE		20	2	22	
	MEDIAN		18	0	20	

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 60-mile drive distances. Acrisure Arena in Palm Desert was identified as a center point for this comparison, given its central location within the Coachella Valley. Importantly, Palm Desert ranks within the top three in comparison to comparable facility markets within a 180-minute drive range which is important to note as that presents an opportunity to host sports tourism events as Coachella Valley is a nearby location to major markets, such as Los Angeles and San Diego. The level of population from which sports facilities will draw participants, both short-term and long-term, impacts the utilization of the facilities. Case studies for the selected comparable facilities are provided on the pages that follow the demographics comparison.

Market Demographics of Selected Comparable Rectangle Field Complexes

Population

	Market	15-min	30-min	60-min	180-min
2	Irvine, CA	562,195	2,811,023	10,442,144	22,901,408
10	San Bernardino, CA	468,706	1,519,379	5,923,766	23,161,237
9	Phoenix, AZ 2	665,811	2,546,251	4,733,053	6,851,500
8	Phoenix, AZ	369,337	1,936,303	4,624,961	6,651,611
5	Mesa, AZ	450,180	1,642,424	4,250,569	6,711,853
6	Overland Park, KS	309,003	1,238,741	2,326,245	5,932,132
12	Westfield, IN	144,534	644,627	2,268,118	15,438,084
4	Loves Park, IL	140,923	430,589	2,054,399	17,025,992
3	Lancaster, CA	238,424	426,824	1,399,212	21,802,454
11	Tuscon, AZ	381,771	940,766	1,139,522	6,359,726
1	Des Moines, IA	152,118	603,448	927,387	4,949,939
	Palm Desert, CA	159,253	426,530	914,357	21,958,604
7	Panama City Beach, FL	56,206	148,202	257,945	2,466,795
	Average	328,300	1,240,700	3,362,300	11,687,700
	Rank (out of 13)	9	12	12	3

Average Household Income

	Market	15-min	30-min	60-min	180-min
2	Irvine, CA	$156,723	$147,125	$120,413	$122,421
10	San Bernardino, CA	$84,756	$101,560	$113,480	$122,044
3	Lancaster, CA	$83,910	$93,212	$112,954	$121,576
4	Loves Park, IL	$99,690	$84,886	$109,384	$106,527
8	Phoenix, AZ	$112,059	$107,196	$106,171	$100,238
9	Phoenix, AZ 2	$82,319	$90,876	$106,143	$99,378
5	Mesa, AZ	$118,543	$107,392	$105,099	$100,035
6	Overland Park, KS	$142,730	$108,474	$103,084	$88,806
	Palm Desert, CA	$121,031	$104,067	$100,300	$122,276
1	Des Moines, IA	$69,465	$101,785	$98,562	$90,603
12	Westfield, IN	$144,582	$122,896	$96,602	$91,709
7	Panama City Beach, FL	$90,537	$89,402	$91,619	$83,072
11	Tuscon, AZ	$62,525	$86,242	$88,377	$100,737
	Average	$104,000	$103,400	$104,300	$102,300
	Rank (out of 13)	4	6	9	2

Number of Businesses

	Market	15-min	30-min	60-min	180-min
2	Irvine, CA	39,312	160,949	453,769	1,017,093
10	San Bernardino, CA	13,689	49,621	204,950	1,023,937
9	Phoenix, AZ 2	11,602	68,292	132,083	191,387
8	Phoenix, AZ	12,334	74,601	130,746	185,520
5	Mesa, AZ	8,109	43,740	124,135	188,010
6	Overland Park, KS	16,682	50,483	80,847	221,596
12	Westfield, IN	5,328	26,576	75,128	527,296
4	Loves Park, IL	5,337	13,310	73,401	598,406
3	Lancaster, CA	7,309	9,694	38,916	954,490
1	Des Moines, IA	6,411	21,785	32,725	188,321
11	Tuscon, AZ	14,286	28,238	31,663	174,866
	Palm Desert, CA	9,300	16,814	28,521	976,106
7	Panama City Beach, FL	4,260	8,414	13,452	99,941
	Average	12,100	46,300	116,000	447,600
	Rank (out of 13)	7	10	12	3

Entertainment/Recreation Spending (in $000s)

	Market	15-min	30-min	60-min	180-min
2	Irvine, CA	$1,094,504	$4,631,747	$13,237,145	$31,540,647
10	San Bernardino, CA	$395,660	$1,577,538	$6,987,550	$31,774,668
9	Phoenix, AZ 2	$587,443	$2,865,878	$6,440,603	$8,965,781
8	Phoenix, AZ	$583,817	$2,859,845	$6,317,025	$8,787,446
5	Mesa, AZ	$638,344	$2,278,612	$5,687,427	$8,860,222
6	Overland Park, KS	$590,243	$1,892,104	$3,345,633	$7,611,920
12	Westfield, IN	$272,262	$1,110,570	$3,060,313	$20,159,776
4	Loves Park, IL	$202,695	$528,204	$3,033,849	$25,116,743
3	Lancaster, CA	$209,438	$408,348	$1,593,847	$29,503,200
11	Tuscon, AZ	$329,172	$1,159,499	$1,436,453	$8,379,475
1	Des Moines, IA	$152,027	$851,269	$1,287,983	$6,611,825
	Palm Desert, CA	$286,414	$590,719	$1,133,311	$30,264,408
7	Panama City Beach, FL	$78,368	$195,301	$342,622	$2,975,425
	Average	$427,800	$1,696,600	$4,397,500	$15,857,300
	Rank (out of 13)	8	10	12	3

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

	Market	15-min	30-min	60-min	180-min
2	Irvine, CA	$12,308	$52,810	$149,722	$353,294
10	San Bernardino, CA	$4,175	$17,193	$77,902	$355,679
9	Phoenix, AZ 2	$6,012	$29,616	$68,180	$94,649
8	Phoenix, AZ	$6,298	$30,263	$66,867	$92,815
5	Mesa, AZ	$6,886	$24,172	$60,170	$93,577
6	Overland Park, KS	$6,641	$20,495	$36,309	$80,151
4	Loves Park, IL	$2,219	$5,602	$33,534	$273,889
12	Westfield, IN	$3,126	$12,277	$32,748	$213,438
3	Lancaster, CA	$2,167	$4,344	$17,616	$330,950
11	Tuscon, AZ	$3,327	$12,229	$15,160	$88,381
1	Des Moines, IA	$1,595	$9,383	$14,012	$69,937
	Palm Desert, CA	$3,031	$6,254	$12,003	$338,802
7	Panama City Beach, FL	$846	$2,095	$3,580	$29,271
	Average	$4,600	$18,400	$48,000	$173,000
	Rank (out of 13)	9	10	12	3

Attend Sports Events

	Market	15-min	30-min	60-min	180-min
2	Irvine, CA	64,976	281,900	887,118	2,090,139
10	San Bernardino, CA	34,283	127,939	523,143	2,111,039
9	Phoenix, AZ 2	50,650	228,193	456,088	645,383
8	Phoenix, AZ	40,287	193,258	446,612	629,001
5	Mesa, AZ	43,752	164,851	401,926	634,875
6	Overland Park, KS	35,772	125,672	238,842	589,963
12	Westfield, IN	16,320	70,438	223,880	1,509,356
4	Loves Park, IL	14,700	40,592	217,744	1,723,937
3	Lancaster, CA	18,973	35,039	118,818	1,959,971
11	Tuscon, AZ	32,446	90,862	107,820	602,432
1	Des Moines, IA	13,164	61,418	96,275	499,333
	Palm Desert, CA	15,186	35,062	77,328	2,001,663
7	Panama City Beach, FL	5,400	13,518	23,443	234,747
	Average	30,900	119,500	311,800	1,102,500
	Rank (out of 13)	10	11	12	3

Source: Esrl, 2023.

4 COMPARABLE FACILITIES

FACILITY:	James W. Cownie Soccer Park
COMP ID #:	1
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 being paved.

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 2023 or 2024.

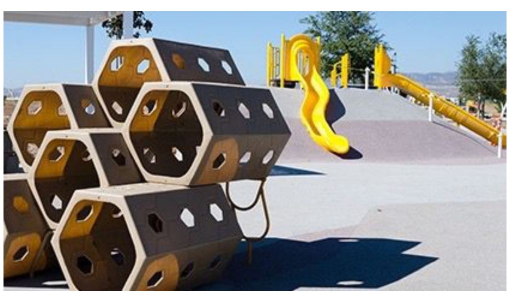
4 COMPARABLE FACILITIES

FACILITY:	Great Park Sports Complex
COMP ID #:	2
CITY, STATE:	Irvine, CA
OWNER:	City of Irvine
OPERATOR:	Great Park Corporation
YEAR OPENED:	2007
COST (current $, in millions):	$68.4
FIELDS (soccer/multisport):	25
PLAYING SURFACE:	Natural Grass & Synthetic Turf

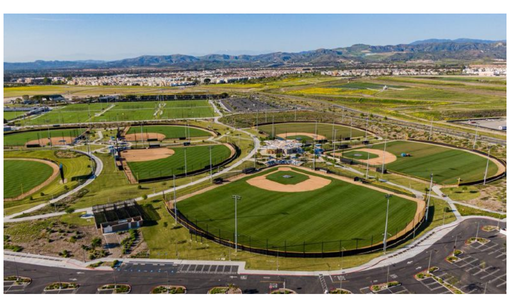
The Great Park Sports Complex, located in Irvine, California, represents one of the largest outdoor and indoor sports complexes in the state. The complex is owned by the City of Irvine and operated by a non-profit group, the Great Park Corporation. It opened in 2007 at a construction cost of $38 million.

Great Park sits on a 1,300-acre site, 500 of which are completely developed with 300 additional acres under development. The park consists of 24 full-size adult fields and one youth rectangle field; six of which are synthetic turf, and one is a championship field capable of seating 5,000 spectators. Six of the soccer fields have lights and there are 20-foot safety nets behind each goal.

The Park also offers 25 tennis/pickleball courts, five sand volleyball courts, outdoor basketball courts, five softball fields and seven baseball fields. Unique amenities on the grounds include its iconic giant balloon; Hangar 244, a historical exhibit; an arts complex, a carousel, and a kids play area. There is also the Great Park Ice & FivePoint Arena structure which offers four sheets of ice, a restaurant, arcade, pro shop and more amenities. Additionally, in 2022 the Wild Rivers Water Park opened on the south end of the campus.



Planned developments at the park include an aviation museum, a children's museum, a fire museum, a nature-highlighting area, a 14,000-seat amphitheater, a 125-acre botanical garden, a veteran's memorial, a library, a farm hub, and other attraction-based options. Additions to the sports product of the campus will include an aquatics facility, a field house, and increased food and beverage for these facilities. Lastly, amenities to add include EV charging stations, shade structures, community spaces, increased lighting, and general improvements to grounds.



Tenants of the Park include several local teams, leagues, and organizations. Regional, nationwide and national teams are attracted to the grounds for tournaments. The championship soccer field's primary tenant is the Orange County SC, a tier 2 team of the USL. The ice arena's leading tenant is the Anaheim Ducks NHL team, who use the arena for practice. The planned aquatics center will be the home of the USA Olympic Water Polo Team.

4 COMPARABLE FACILITIES

FACILITY:	Legacy Sports Park
COMP ID #:	5
CITY, STATE:	Mesa, AZ
OWNER:	Legacy Cares
OPERATOR:	Legacy Sports USA
YEAR OPENED:	2022
COST (current $, in millions):	$280.0
FIELDS (soccer/multisport):	36
PLAYING SURFACE:	Synthetic Turf

Legacy Sports Park, located in Mesa, Arizona, represents one of the largest private investments into youth and amateur sports facilities in the country. The facility is owned by Legacy Cares and operated by Legacy Sports USA. It was opened in 2022 at a construction cost of $280 million. Legacy Park is on a 320-acre campus and is adjacent to the Phoenix-Mesa Gateway Airport. The land it sits on offers the organization capabilities to expand outward as needed in the future.

Outdoors, the Park offers 24 artificial turf rectangle fields, one of which is a championship field capable of seating 3,000 spectators. It also offers eight diamond fields that can convert into 16 little league diamonds. Additionally, there are 41 outdoor pickleball courts, one of which is a covered stadium with seating for up to 2,000 spectators. There are 12 beach volleyball courts, a kids play center, and a 2.7-acre lawn for concerts and large events.

Indoors, Legacy Sports Park offers 19 basketball courts convertible into 57 volleyball courts, 22 indoor futsal courts, a dance studio, cheer center, gymnastics center, ninja warrior course, wellness center, fitness center, a restaurant and more. Additionally, the park has a 75,000-square foot Esports arena with an 80-game arcade and a 1,500-seat viewing space.

All outdoor fields are lighted, synthetic turf, have scoreboards, PA systems, and spectator viewing areas. Through the center of the indoor facility is a zipline for visitors to get a quick look at everything that is offered. The large lawn allows the group to program sizable festivals, concerts, corporate events, farmers markets and more.

The Park is estimated to attract 4.3 million annual visitors. Visitors are attracted through practices, tournaments, leagues, festivals, trainings, events, shows, restaurant dining and more. Over the first 11 months of operations, the Park has hosted approximately 250 sports competitions and 50 special category events.

Planned developments for the grounds include expanding to 50 multi-purpose rectangle fields, an 8,000-seat multi-purpose stadium, an amphitheater, a soccer performance playground, 20 more sand volleyball courts, six sand soccer fields, yoga studios, food courts, and more.

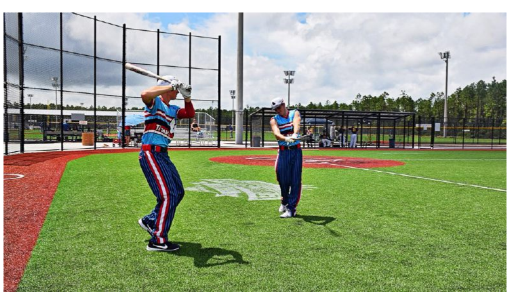
FACILITY:	Publix Sports Park
COMP ID #:	7
CITY, STATE:	Panama City Beach, FL
OWNER:	Panama City Beach
OPERATOR:	Sports Facilities Companies
YEAR OPENED:	2019
COST (current $, in millions):	$41.6
FIELDS (soccer/multisport):	13
PLAYING SURFACE:	Natural Grass & Synthetic Turf

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. 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.

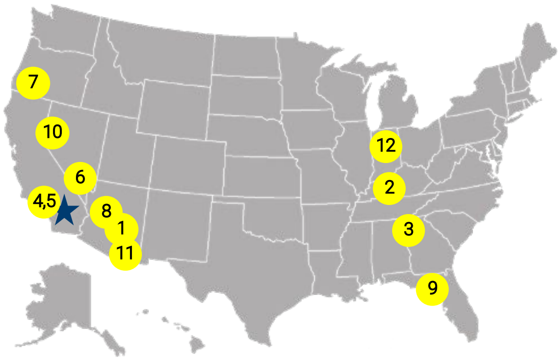
In 2022, Publix Super Markets purchased naming rights for the Park, investing $100,000 annually over five years.

4 COMPARABLE FACILITIES

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

			Baseball Fields		Softball Fields		
	Facility Name	Location	Adult	Youth	Adult	Youth	Total
1	Snedigar Sports Complex	Chandler, AZ	2	2	6	0	10
2	Elizabethtown Sports Park	Elizabethtown, KY	7	0	6	0	13
3	LakePoint Sports	Emerson, GA	8	0	0	0	8
4	Fountain Valley Sports Park	Fountain Valley, CA	0	4	11	0	15
5	Great Park	Irvine, CA	4	0	8	0	12
6	Majestic Softball Park	Las Vegas, NV	0	0	12	0	12
7	Lithia & Driveway Fields	Medford, OR	3	0	7	0	10
8	Legacy Park	Mesa, AZ	4	0	4	0	8
9	Publix Sports Park	Panama City Beach, FL	5	5	0	0	10
10	Golden Eagle Sports Complex	Sparks, NV	2	4	6	0	12
11	Kino Sports Complex	Tuscon, AZ	8	2	0	0	10
12	Grand Park Sports Campus	Westfield, IN	14	12	0	0	26
	AVERAGE		5	2	5	0	12
	MEDIAN		4	1	6	0	11

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

As shown above, the median complex among the identified comparable diamond complex reviewed incorporates 12 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, the Palm Desert site location ranks roughly at the midpoint of the markets hosting the comparable diamond complexes in terms of most demographic metrics evaluated. As with the previous comparable rectangle field complexes, Palm Desert's ranking is in the top three within the 180-mile driving distance measurement.

Market Demographics of Selected Comparable Diamond Field Complexes

Population

	Market	15-min	30-min	60-min	180-min
3	Emerson, GA	56,634	617,345	11,384,184	22,951,698
12	Westfield, IN	144,534	644,627	10,442,144	22,901,408
8	Mesa, AZ	450,180	1,642,424	4,595,137	6,837,004
11	Tuscon, AZ	381,771	940,766	4,250,569	6,711,853
6	Las Vegas, NV	499,423	1,877,426	3,686,193	14,332,339
1	Chandler, AZ	291,308	1,691,410	2,290,978	2,944,197
4	Fountain Valley, CA	1,077,890	4,096,876	2,268,118	15,438,084
2	Elizabethtown, KY	57,345	140,311	1,321,110	11,534,522
5	Irvine, CA	562,195	2,811,023	1,139,522	6,359,726
	Palm Desert, CA	159,253	426,530	914,357	21,958,604
10	Sparks, NV	101,331	427,942	622,958	3,776,047
7	Medford, OR	131,305	196,002	317,304	1,187,425
9	Panama City Beach, FL	56,206	148,202	257,945	2,466,795
	Average	317,500	1,269,500	3,548,000	9,786,800
	Rank (out of 13)	7	10	10	3

Average Household Income

	Market	15-min	30-min	60-min	180-min
3	Emerson, GA	$93,232	$110,427	$123,456	$122,409
12	Westfield, IN	$144,582	$122,896	$120,413	$122,421
6	Las Vegas, NV	$111,998	$94,889	$117,828	$96,918
8	Mesa, AZ	$118,543	$107,392	$105,266	$99,541
10	Sparks, NV	$112,729	$99,938	$105,109	$112,352
11	Tuscon, AZ	$62,525	$86,242	$105,099	$100,035
	Palm Desert, CA	$121,031	$104,067	$100,300	$122,276
1	Chandler, AZ	$128,495	$107,469	$98,180	$93,845
4	Fountain Valley, CA	$127,662	$131,474	$96,602	$91,709
9	Panama City Beach, FL	$90,537	$89,402	$91,619	$83,072
5	Irvine, CA	$156,723	$147,125	$88,377	$100,737
7	Medford, OR	$82,480	$88,266	$84,914	$84,185
2	Elizabethtown, KY	$84,777	$79,334	$82,843	$92,975
	Average	$109,500	$105,400	$101,600	$100,000
	Rank (out of 13)	5	7	7	3

Number of Businesses

	Market	15-min	30-min	60-min	180-min
3	Emerson, GA	3,061	25,114	547,108	1,017,926
12	Westfield, IN	5,328	26,576	453,769	1,017,093
6	Las Vegas, NV	13,495	64,013	147,875	485,816
8	Mesa, AZ	8,109	43,740	130,151	191,285
11	Tuscon, AZ	14,286	28,238	124,135	188,010
4	Fountain Valley, CA	61,784	210,485	75,128	527,296
1	Chandler, AZ	7,369	52,642	72,163	91,296
2	Elizabethtown, KY	2,782	4,758	51,774	395,315
5	Irvine, CA	39,312	160,949	31,663	174,866
	Palm Desert, CA	9,300	16,814	28,521	976,106
10	Sparks, NV	1,256	15,661	22,765	138,634
7	Medford, OR	6,685	9,365	13,882	49,132
9	Panama City Beach, FL	4,260	8,414	13,452	99,941
	Average	14,000	54,200	140,300	364,700
	Rank (out of 13)	5	9	10	3

Entertainment/Recreation Spending (in $000s)

	Market	15-min	30-min	60-min	180-min
3	Emerson, GA	$68,768	$870,645	$15,546,918	$31,587,038
12	Westfield, IN	$272,262	$1,110,570	$13,237,145	$31,540,647
8	Mesa, AZ	$638,344	$2,278,612	$6,156,285	$8,981,541
6	Las Vegas, NV	$750,106	$2,271,874	$5,835,738	$19,092,547
11	Tuscon, AZ	$329,172	$1,159,499	$5,687,427	$8,860,222
4	Fountain Valley, CA	$1,469,439	$5,927,237	$3,060,313	$20,159,776
1	Chandler, AZ	$475,918	$2,369,759	$2,888,356	$3,613,209
2	Elizabethtown, KY	$69,071	$156,861	$1,616,717	$15,273,899
5	Irvine, CA	$1,094,504	$4,631,747	$1,436,453	$8,379,475
	Palm Desert, CA	$286,414	$590,719	$1,133,311	$30,264,408
10	Sparks, NV	$145,327	$586,135	$900,136	$5,437,772
7	Medford, OR	$154,112	$245,008	$392,057	$1,456,444
9	Panama City Beach, FL	$78,368	$195,301	$342,622	$2,975,425
	Average	$462,100	$1,816,900	$4,758,300	$13,113,200
	Rank (out of 13)	7	9	10	3

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

	Market	15-min	30-min	60-min	180-min
3	Emerson, GA	$745	$9,439	$176,112	$353,821
12	Westfield, IN	$3,126	$12,277	$149,722	$353,294
8	Mesa, AZ	$6,886	$24,172	$65,161	$94,855
6	Las Vegas, NV	$8,127	$23,871	$61,866	$195,323
11	Tuscon, AZ	$3,327	$12,229	$60,170	$93,577
4	Fountain Valley, CA	$16,718	$67,267	$32,748	$213,438
1	Chandler, AZ	$5,166	$24,933	$30,527	$38,261
2	Elizabethtown, KY	$751	$1,622	$16,697	$157,849
5	Irvine, CA	$12,308	$52,810	$15,160	$88,381
	Palm Desert, CA	$3,031	$6,254	$12,003	$338,802
10	Sparks, NV	$1,599	$6,148	$9,610	$59,222
7	Medford, OR	$1,637	$2,643	$4,256	$15,679
9	Panama City Beach, FL	$846	$2,095	$3,580	$29,271
	Average	$5,100	$20,000	$52,100	$141,100
	Rank (out of 13)	8	9	10	3

Attend Sports Events

	Market	15-min	30-min	60-min	180-min
3	Emerson, GA	5,536	66,217	991,259	2,094,622
12	Westfield, IN	16,320	70,438	887,118	2,090,139
8	Mesa, AZ	43,752	164,851	437,435	646,014
11	Tuscon, AZ	32,446	90,862	401,926	634,875
6	Las Vegas, NV	51,852	174,368	377,120	1,416,142
4	Fountain Valley, CA	96,438	379,917	223,880	1,509,356
1	Chandler, AZ	30,377	169,676	214,931	267,750
2	Elizabethtown, KY	5,588	13,672	125,783	1,157,321
5	Irvine, CA	64,976	281,900	107,820	602,432
	Palm Desert, CA	15,186	35,062	77,328	2,001,663
10	Sparks, NV	10,556	41,999	62,581	379,073
7	Medford, OR	12,670	19,198	29,370	112,821
9	Panama City Beach, FL	5,400	13,518	23,443	234,747
	Average	31,300	123,900	323,600	928,800
	Rank (out of 13)	8	10	10	3

Source: Esri, 2023.

4 COMPARABLE FACILITIES

FACILITY:	LakePoint Sports
COMP ID #:	3
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:	Fountain Valley Sports Park
COMP ID #:	4
CITY, STATE:	Fountain Valley, CA
OWNER:	City of Fountain Valley
OPERATOR:	Fountain Valley Parks & Recreation
YEAR OPENED:	N/A
COST (current $, in millions):	N/A
FIELDS (diamond):	15
FIELDS (rectangle/other):	4

The Fountain Valley Sports Park is a multi-purpose recreational facility located in Fountain Valley, California. The facility is owned by the City of Fountain Valley and operated by Fountain Valley Parks & Recreation.

The facility features 15 diamond fields, four youth baseball fields and 11 adult softball fields. The baseball fields have a grass infield while the softball fields contain dirt infields. In addition to the diamond fields, Fountain Valley Sports Park also offers 12 tennis courts and four dedicated pickleball courts. On two of the tennis courts, there are pickleball courts lined as well, resulting in 12 lined pickleball courts available.

Fountain Valley Sports Park serves athletes of various sports as there are six lighted outdoor basketball courts and four lined soccer fields. Also included in the facility is a playground, which is expected to be renovated as a universally accessible playground is to be built. The play area is expected to cost about $1.72 million. The play space will have features such as a sensory garden and musical equipment for independent play.

The facility has hosted several tournaments, league play games, and serves as a practice facility for various youth organizations. Fountain Valley Girls Fastpitch Softball and Fountain Valley Pony Baseball utilize fields for their league games and annual tournaments. National Championship Sports Baseball hosts three tournaments annually, which serves athletes 9U to 14U. In addition to baseball and softball events, the space at Fountain Valley Sports Park is also programmed for soccer tournaments such as the AYSO Region 5 Holiday Classic.

On the campus of Fountain Valley Sports Park there is a large grass area with lights, known as the Great Lawn. On an annual basis, major entertainment events are held on the lawn that draw thousands of guests for fun activities, live entertainment, local cuisine and more. A few examples include the OC Cajun Food & Music Celebration, BBQ Music Fest, Long Beach Crawfish Festival, The Original Lobster Festival, and Fountain Valley Summerfest.

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):	$97.4
FIELDS (diamond):	10
FIELDS (rectangle/other):	22

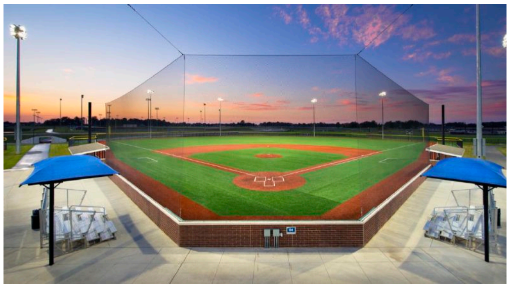
The Kino Sports Complex located in Tucson, Arizona is owned by Pima County and operated by the Pima County Stadium District. The complex originally opened in 1998 at a cost of $38 million as the Tucson Electric Park before being renamed to the Kino Sports Complex in 2010. The facility consists of over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



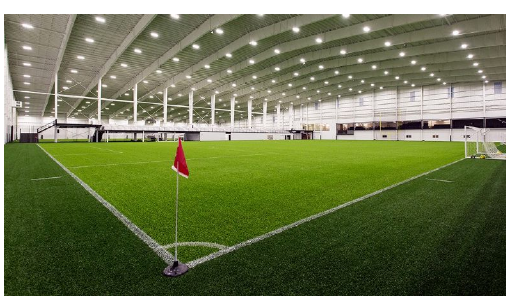
FACILITY:	Grand Park
COMP ID #:	12
CITY, STATE:	Westfield, IN
OWNER:	City of Westfield
OPERATOR:	City of Westfield
YEAR OPENED:	2014
COST (current $, in millions):	$121.0
FIELDS (diamond):	26
FIELDS (rectangle/other):	31

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.



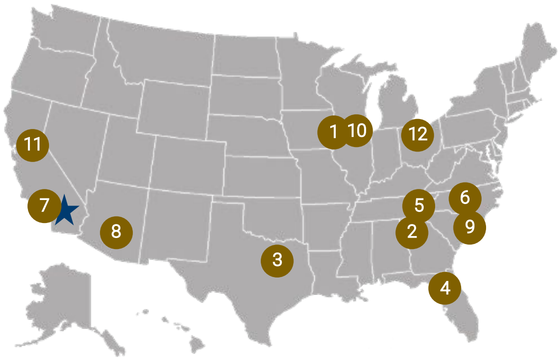
One cautionary aspect of the project that is often discussed relates to the initial mismatch between the large size of the complex when it opened and the available hotel product support within the city of Westfield. Hotel room night demand during many tournaments extended to hotel properties outside 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

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	Alachua County Sports Complex	Gainesville, FL	13	18
5	Rocky Top Sports World	Gatlinburg, TN	6	12
6	Greensboro Sportsplex	Greensboro, NC	8	8
7	Momentous Sports Center	Irvine, CA	21	22
8	Legacy Park	Mesa, AZ	19	57
9	Myrtle Beach Sports Center	Myrtle Beach, SC	8	16
10	UW Sports Factory	Rockford, IL	8	16
11	The Roebbelen Center	Roseville, CA	12	24
12	Cedar Point Sports Center	Sandusky, OH	10	18
	AVERAGE		11	20
	MEDIAN		11	17

Source: CSL Research, Facility Management, 2023.

As shown in the above exhibit, the median indoor court complex among the identified comparable set reviewed incorporates 11 basketball courts and/or 20 volleyball courts. In terms of a comparison of demographic statistics, as shown on the following page, the Coachella Valley market ranks similarly near the midpoint across various metrics.

Market Demographics of Selected Comparable Indoor Court Facilities

Population

	Market	15-min	30-min	60-min	180-min
7	Irvine, CA	874,315	3,371,619	11,667,054	22,978,800
3	Frisco, TX	408,152	1,981,009	6,850,527	11,915,518
8	Mesa, AZ	450,180	1,642,424	4,250,569	6,711,853
2	Emerson, GA	56,634	617,345	3,686,193	14,332,339
11	Roseville, CA	385,714	1,382,244	2,762,767	14,108,338
6	Greensboro, NC	228,391	684,738	2,214,973	12,656,181
10	Rockford, IL	199,802	356,139	1,300,387	16,641,786
12	Sandusky, OH	46,120	144,807	1,142,518	17,598,981
	Palm Desert, CA	159,253	426,530	914,357	21,958,604
4	Gainesville, FL	142,459	288,153	883,682	13,049,580
1	Bettendorf, IA	95,997	347,163	694,105	15,387,975
9	Myrtle Beach, SC	86,459	286,670	493,561	4,893,955
5	Gaitlinburg, TN	4,883	22,553	182,758	5,577,504
	Average	248,259	927,072	3,010,758	12,987,734
	Rank (out of 13)	7	7	9	2

Average Household Income

	Market	15-min	30-min	60-min	180-min
7	Irvine, CA	$143,830	$144,777	$119,779	$122,380
2	Emerson, GA	$93,232	$110,427	$117,828	$96,918
11	Roseville, CA	$130,011	$117,916	$117,023	$146,108
3	Frisco, TX	$161,058	$136,935	$113,943	$101,727
8	Mesa, AZ	$118,543	$107,392	$105,099	$100,035
	Palm Desert, CA	$121,031	$104,067	$100,300	$122,276
10	Rockford, IL	$74,908	$86,153	$99,054	$106,909
1	Bettendorf, IA	$117,181	$91,064	$86,521	$107,653
6	Greensboro, NC	$79,022	$84,354	$85,499	$90,438
12	Sandusky, OH	$76,297	$83,765	$85,268	$91,905
9	Myrtle Beach, SC	$84,510	$85,035	$83,312	$83,760
5	Gaitlinburg, TN	$72,633	$73,910	$77,995	$80,995
4	Gainesville, FL	$79,620	$86,090	$77,280	$91,413
	Average	$102,570	$100,652	$97,383	$101,687
	Rank (out of 13)	4	6	6	3

Number of Businesses

	Market	15-min	30-min	60-min	180-min
7	Irvine, CA	62,212	185,117	502,022	1,018,777
3	Frisco, TX	14,972	86,764	256,051	428,613
2	Emerson, GA	3,061	25,114	147,875	485,816
8	Mesa, AZ	8,109	43,740	124,135	188,010
11	Roseville, CA	12,979	57,872	99,627	567,219
6	Greensboro, NC	10,855	29,272	80,474	455,758
10	Rockford, IL	6,840	10,851	42,205	582,381
12	Sandusky, OH	2,173	5,864	37,323	600,821
4	Gainesville, FL	5,145	11,439	30,885	534,934
	Palm Desert, CA	9,300	16,814	28,521	976,106
1	Bettendorf, IA	4,297	12,754	26,166	545,171
9	Myrtle Beach, SC	5,394	13,061	19,805	170,130
5	Gaitlinburg, TN	696	2,172	6,661	193,059
	Average	11,394	40,335	114,436	480,891
	Rank (out of 13)	5	7	10	2

Entertainment/Recreation Spending (in $000s)

	Market	15-min	30-min	60-min	180-min
7	Irvine, CA	$1,391,676	$5,457,287	$14,823,548	$31,628,384
3	Frisco, TX	$777,983	$3,490,582	$9,689,415	$15,664,606
2	Emerson, GA	$68,768	$870,645	$5,835,738	$19,092,547
8	Mesa, AZ	$638,344	$2,278,612	$5,687,427	$8,860,222
11	Roseville, CA	$617,093	$2,096,649	$3,966,050	$24,960,127
6	Greensboro, NC	$246,794	$823,598	$2,741,289	$16,404,893
10	Rockford, IL	$221,839	$438,017	$1,758,456	$24,591,906
12	Sandusky, OH	$55,485	$191,226	$1,487,878	$23,763,370
	Palm Desert, CA	$286,414	$590,719	$1,133,311	$30,264,408
4	Gainesville, FL	$156,582	$351,647	$988,043	$16,835,482
1	Bettendorf, IA	$162,115	$472,055	$909,864	$22,901,755
9	Myrtle Beach, SC	$112,469	$380,476	$645,693	$5,897,406
5	Gaitlinburg, TN	$5,953	$25,088	$217,638	$6,851,413
	Average	$371,258	$1,406,323	$4,062,587	$18,121,009
	Rank (out of 13)	5	7	9	2

Fees for Participant Sports (in $000s)

	Market	15-min	30-min	60-min	180-min
7	Irvine, CA	$15,553	$62,473	$167,280	$354,243
3	Frisco, TX	$8,840	$38,482	$103,769	$162,804
2	Emerson, GA	$745	$9,439	$61,866	$195,323
8	Mesa, AZ	$6,886	$24,172	$60,170	$93,577
11	Roseville, CA	$6,872	$22,758	$43,833	$279,875
6	Greensboro, NC	$2,582	$8,636	$28,147	$164,843
10	Rockford, IL	$2,318	$4,665	$19,109	$268,331
12	Sandusky, OH	$592	$2,052	$15,959	$252,629
	Palm Desert, CA	$3,031	$6,254	$12,003	$338,802
4	Gainesville, FL	$1,625	$3,737	$9,902	$174,868
1	Bettendorf, IA	$1,820	$5,098	$9,632	$249,583
9	Myrtle Beach, SC	$1,179	$4,086	$6,602	$58,394
5	Gaitlinburg, TN	$72	$277	$2,134	$66,425
	Average	$4,090	$15,490	$44,034	$193,408
	Rank (out of 13)	5	7	9	2

Attend Sports Events

	Market	15-min	30-min	60-min	180-min
7	Irvine, CA	87,472	335,848	990,940	2,097,496
3	Frisco, TX	46,315	223,392	679,180	1,147,857
8	Mesa, AZ	43,752	164,851	401,926	634,875
2	Emerson, GA	5,536	66,217	377,120	1,416,142
11	Roseville, CA	41,759	142,404	281,053	1,412,490
6	Greensboro, NC	21,403	68,798	220,962	1,249,733
10	Rockford, IL	17,448	34,013	130,433	1,683,629
12	Sandusky, OH	4,237	14,270	113,949	1,757,682
4	Gainesville, FL	17,127	31,716	80,941	1,248,295
	Palm Desert, CA	15,186	35,062	77,328	2,001,663
1	Bettendorf, IA	10,515	33,874	69,151	1,559,938
9	Myrtle Beach, SC	8,576	27,471	45,450	460,482
5	Gaitlinburg, TN	408	2,130	17,354	533,146
	Average	25,379	95,415	284,038	1,266,814
	Rank (out of 13)	8	7	10	2

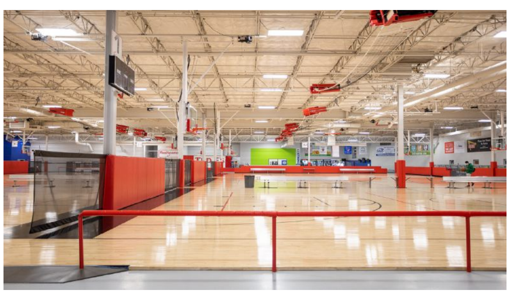
Source: Esri, 2023.

FACILITY:	Fieldhouse USA
COMP ID #:	3
CITY, STATE:	Frisco, TX
OWNER:	City of Frisco
OPERATOR:	Fieldhouse USE
YEAR OPENED:	2009
COST (current $, in millions):	$29.1
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.

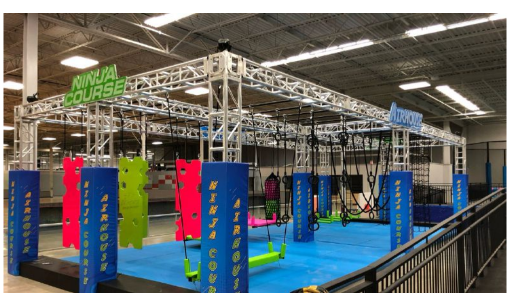
Fieldhouse USA is comprised of 12 full-sized basketball courts that can be reconfigured for 12 or more volleyball courts. It also offers approximately 20,000 square feet of turf space for field sports games, training, camps and clinics. The facility includes three-tiered bleachers on each court that 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.

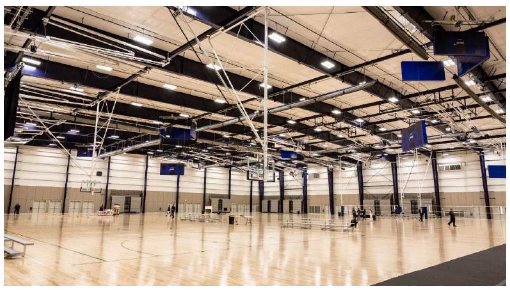
A new agreement was negotiated in 2011 providing that Sports Village Holdings, LLC will pay the city $110,000 quarterly. The quarterly payments increased to $260,150 beginning in 2016. By 2033, the lease payments to the city are anticipated to total $25.8 million. By the fourth year of operation, Fieldhouse 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:	The Roebbelen Center
COMP ID #:	11
CITY, STATE:	Roseville, CA
OWNER:	Placer County
OPERATOR:	Placer Valley Tourism
YEAR OPENED:	2020
COST (current $, in millions):	$36.8
COURTS (bball / vball):	12 / 24
INDOOR TURF (SF):	--



The Roebbelen Center, located in Roseville, California broke ground in January of 2019 and opened in February 2020. The Center is owned by Placer County and operated by Placer Valley Tourism. It is located less than 30 miles from Sacramento International Airport, just off Interstate 80, conveniently situated roughly halfway between Lake Tahoe and San Francisco.

The Roebbelen Center is one of the facilities on the campus of @the Grounds. There are a variety of unique venue rentals available on the 55-acre campus of @the Grounds such as The All-American Speedway, Attaway Pavilion, and meeting spaces like Johnson Hall. The spaces are available for individual rentals as well as a campus-wide rental to promote a cohesive experience ideal for large trade shows, festivals, or concerts.

Offering 160,000 square feet of indoor space, the Roebbelen Center features 12 basketball courts, convertible to 24 volleyball courts. There is a 10,000 square foot lobby space for players and families to congregate in-between competitions.

Other facility amenities include eight flexible meeting rooms which can host meetings up to 6,000 people. A potential future expansion is under consideration that would add 30,000 square feet of event space.

A variety of volleyball and basketball sports tourism events are brought to the Roebbelen Center on an annual basis. Under Armour Future Circuit Basketball, Nor Cal Invitational Volleyball, Hoopin' at the Grounds, and WCVBA Girls Power League are a few examples. As a campus, @the Grounds hosts community events and expos such as the Placer County Fair, 4th of July Fireworks, Family Farm Expo, and the Sacramento Sports Card & Autograph Expo. The Johnson Lawn, located adjacent to The Roebbelen Center is the site of these outdoor events.

Formally known at The Placer Valley Event Center it became The Roebbelen Center under a naming rights sponsorship with Roebbelen, the largest general contractor based in the Sacramento Region. The financial terms of the sponsorship were not released; however, it can be expected to remain The Roebbelen Center until 2040.

FACILITY:	Momentous Sports Center
COMP ID #:	7
CITY, STATE:	Irvine, CA
OWNER:	Michael Rangel
OPERATOR:	Momentous Sports Center
YEAR OPENED:	2016
COST (current $, in millions):	N/A
COURTS (bball / vball):	21 / 22
INDOOR TURF (SF):	--

Located in Irvine, California, Momentous Sports Center is a major indoor sports facility owned by Michael Rangel. The Center opened in 2016 and is operated by Momentous Sports Center.

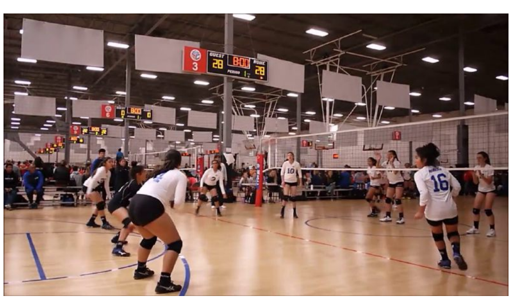
Momentous Sports Center offers 21 basketball courts, 22 volleyball courts and 21 indoor futsal courts. Out of the 21 basketball courts, 16 are full-size high school courts, two are full-size NBA courts, and 3 courts are flexible where the basketball hoops can be lowered to 8' tall. The volleyball courts all have 18' from the service line to the net or the wall for maximum jump serving. The complex has 34' ceiling clearance which is essential for hosting national and regional sanctioned events.

Other facility amenities include 21 high speed wireless hot spots and LiveBarn as a partner, which allows for live and on demand streaming of sporting events. Each court has its own electronic scoreboard that is viewable anywhere in the facility. Momentous Sports Center has 350 parking spaces on-site and 200 parking spaces across the street at a company lot.

Additionally, there is a full-service, air-conditioned restaurant inside the Momentous Sports Center, offering convenience for players and families during weekend tournaments. The restaurant includes a coffee/juice bar, food stations and grab-and-go options. Outside the restaurant is a dining room which seats 500 guests and includes eight big screen TVs.

Courts at Momentous Sports Center can be rented for $75/hour during peak weekday hours (4pm to 10pm) and anytime on the weekend. From 10am to 4pm on weekdays, the rental rates are $60/hour per court.

Momentous Sports Center is home to Magic Elite Basketball and Momentous Volleyball Club. In addition to a few primary tenants, Momentous Sports Center hosts summer sports day camps, beginner futsal camps, and basketball and volleyball camps for various skills levels.



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):	$32.4
COURTS (bball / vball):	10 / 18
INDOOR TURF (SF):	--

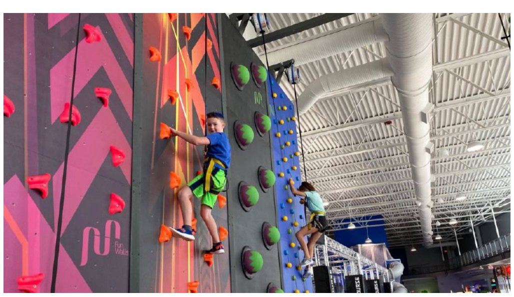
The Cedar Point Sports Center in Sandusky, Ohio opened in January of 2020. The facility is owned by Cedar Point Fair, an amusement park operator, and is operated by Sports Facilities Companies (SFC). The Center is located adjacent to its outdoor counterpart, Sports Force Parks, which is oriented around 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. The majority 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.

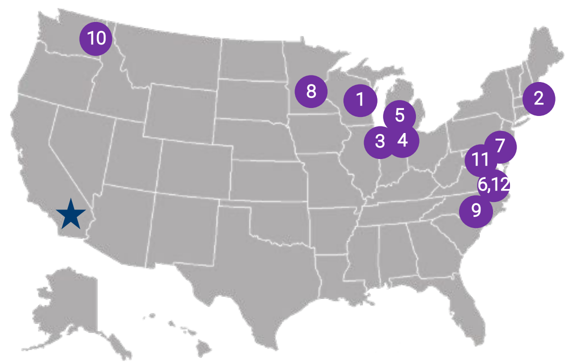


4 COMPARABLE FACILITIES

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	Indoor/Outdoor	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			3.4	6.8	3.9	31,600	
	MEDIAN			0.5	1.0	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 just over 31,500 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 Coachella Valley market ranks first in population and number of businesses within a 180-minute drive time. A population base of almost 22 million within a 3-hours' drive presents an opportunity to draw teams from nearby major markets to sports tourism events at a new destination, Coachella Valley.

Market Demographics of Selected Comparable Other Sports Complexes

Population

	Market	15-min	30-min	60-min	180-min
7	Landover, MD	352,265	1,931,513	6,739,474	21,793,788
11	Springfield, VA	460,747	1,967,056	5,885,267	17,850,450
2	Boston, MA	637,457	1,939,581	5,096,472	14,126,712
8	Minneapolis, MN	433,376	2,123,492	3,730,140	6,367,193
3	Crown Point, IN	119,620	594,498	2,936,246	20,842,637
5	Grand Rapids, MI	406,330	848,586	1,849,504	14,986,893
6	Hampton, VA	280,315	661,426	1,785,019	7,870,101
12	Virginia Beach, VA	183,661	814,497	1,580,248	4,915,424
9	Rocky Mount, NC	66,522	182,880	1,429,800	10,962,547
1	Appleton, WI	202,294	433,716	987,610	8,017,615
	Palm Desert, CA	159,253	426,530	914,357	21,958,604
4	Fort Wayne, IN	161,485	429,115	890,606	17,742,287
10	Spokane, WA	161,558	443,390	768,077	1,725,864
	Average	288,800	1,030,800	2,806,500	12,266,800
	Rank (out of 13)	11	12	11	1

Average Household Income

	Market	15-min	30-min	60-min	180-min
11	Springfield, VA	$162,030	$177,679	$166,204	$128,728
7	Landover, MD	$103,389	$134,792	$154,154	$126,258
2	Boston, MA	$144,102	$149,734	$146,544	$123,114
8	Minneapolis, MN	$93,682	$116,221	$123,446	$108,739
6	Hampton, VA	$86,048	$92,004	$100,807	$119,921
	Palm Desert, CA	$121,031	$104,067	$100,300	$122,276
12	Virginia Beach, VA	$109,252	$98,415	$98,686	$99,106
10	Spokane, WA	$84,202	$88,309	$91,490	$90,560
1	Appleton, WI	$90,242	$92,198	$91,303	$105,940
3	Crown Point, IN	$100,174	$91,979	$90,709	$102,370
5	Grand Rapids, MI	$87,198	$96,051	$90,252	$93,030
9	Rocky Mount, NC	$65,010	$68,329	$88,854	$93,035
4	Fort Wayne, IN	$78,037	$84,844	$83,038	$90,114
	Average	$100,300	$107,500	$110,500	$106,700
	Rank (out of 13)	3	5	6	4

Number of Businesses

	Market	15-min	30-min	60-min	180-min
7	Landover, MD	10,576	79,457	257,610	776,762
11	Springfield, VA	12,949	86,287	214,461	636,970
2	Boston, MA	38,447	86,891	212,748	603,980
8	Minneapolis, MN	18,788	79,135	123,950	235,104
3	Crown Point, IN	5,021	19,447	82,325	707,490
5	Grand Rapids, MI	16,633	28,652	61,948	507,009
9	Rocky Mount, NC	3,084	7,203	58,551	384,846
6	Hampton, VA	8,931	16,782	56,893	267,201
12	Virginia Beach, VA	10,522	31,214	50,545	169,123
1	Appleton, WI	8,147	16,013	35,395	301,058
4	Fort Wayne, IN	6,579	15,103	30,388	581,338
	Palm Desert, CA	9,300	16,814	28,521	976,106
10	Spokane, WA	4,404	16,614	26,514	58,007
	Average	12,000	40,200	100,900	435,700
	Rank (out of 13)	7	8	12	1

Entertainment/Recreation Spending (in $000s)

	Market	15-min	30-min	60-min	180-min
7	Landover, MD	$441,118	$3,430,170	$13,361,812	$36,290,143
11	Springfield, VA	$934,863	$4,738,637	$12,156,719	$30,321,343
2	Boston, MA	$1,270,258	$3,847,449	$9,659,157	$23,709,995
8	Minneapolis, MN	$568,354	$3,420,896	$6,168,987	$9,869,620
3	Crown Point, IN	$161,942	$762,186	$3,596,484	$29,364,588
6	Hampton, VA	$349,099	$837,533	$2,443,809	$12,673,537
5	Grand Rapids, MI	$493,564	$1,081,769	$2,307,638	$19,887,620
12	Virginia Beach, VA	$281,096	$1,088,716	$2,105,061	$6,775,309
9	Rocky Mount, NC	$66,861	$190,293	$1,808,966	$14,373,783
1	Appleton, WI	$268,992	$578,251	$1,330,810	$12,054,953
	Palm Desert, CA	$286,414	$590,719	$1,133,311	$30,264,408
4	Fort Wayne, IN	$181,160	$520,827	$1,078,046	$22,815,869
10	Spokane, WA	$183,997	$550,255	$978,639	$2,123,451
	Average	$433,400	$1,753,900	$4,749,700	$18,355,000
	Rank (out of 13)	7	9	11	3

Fees for Participant Sports (in $000s)

	Market	15-min	30-min	60-min	180-min
7	Landover, MD	$4,706	$37,409	$149,430	$401,399
11	Springfield, VA	$10,608	$53,453	$137,281	$335,240
2	Boston, MA	$13,939	$43,339	$109,904	$267,627
8	Minneapolis, MN	$6,000	$37,407	$68,596	$107,180
3	Crown Point, IN	$1,784	$8,251	$38,461	$317,278
6	Hampton, VA	$3,673	$8,986	$26,583	$136,582
5	Grand Rapids, MI	$5,270	$11,747	$24,432	$211,200
12	Virginia Beach, VA	$3,006	$11,703	$22,801	$71,663
9	Rocky Mount, NC	$650	$1,805	$18,102	$148,037
1	Appleton, WI	$2,946	$6,326	$14,350	$131,895
	Palm Desert, CA	$3,031	$6,254	$12,003	$338,802
4	Fort Wayne, IN	$1,888	$5,557	$11,244	$241,335
10	Spokane, WA	$2,002	$5,951	$10,708	$22,985
	Average	$4,700	$19,300	$52,700	$199,400
	Rank (out of 13)	7	10	11	2

Attend Sports Events

	Market	15-min	30-min	60-min	180-min
7	Landover, MD	30,795	199,972	751,064	2,365,051
11	Springfield, VA	53,296	234,042	668,718	1,959,748
2	Boston, MA	73,333	213,654	571,266	1,572,064
8	Minneapolis, MN	44,079	228,665	411,321	680,416
3	Crown Point, IN	12,206	57,725	262,409	2,077,390
6	Hampton, VA	28,483	69,295	192,874	856,442
5	Grand Rapids, MI	37,178	85,884	185,108	1,440,549
12	Virginia Beach, VA	20,282	85,695	169,228	516,914
9	Rocky Mount, NC	5,634	16,041	138,903	1,107,174
1	Appleton, WI	20,336	44,819	102,074	840,989
4	Fort Wayne, IN	14,068	40,665	86,194	1,725,933
10	Spokane, WA	16,247	45,189	78,998	168,671
	Palm Desert, CA	15,186	35,062	77,328	2,001,663
	Average	29,700	110,100	301,500	1,275,900
	Rank (out of 13)	10	12	13	3

Source: Esri, 2023.

4 COMPARABLE FACILITIES

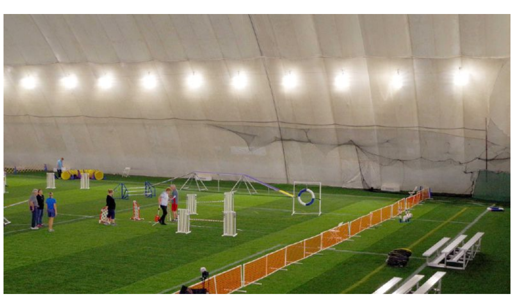
FACILITY:	The Plex South
COMP ID #:	4
CITY, STATE:	Fort Wayne, IN
OWNER:	T. Lapsley & B. Poursanidis
OPERATOR:	The Plex
YEAR OPENED:	2000
COST (current $, in millions):	N/A
INDOOR TURF (SF):	72,000
INDOOR TRACK (type):	N/A

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 but will reopen in October of 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 (5) indoor courts and nine (9) 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.

In order to consistently play at The Pickleball Playground, you need to sign up for a membership, but there are also weekly drop-times for people to just come 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.

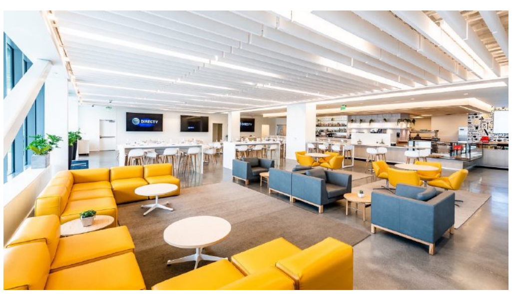
4 COMPARABLE FACILITIES

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):	$98.3
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.

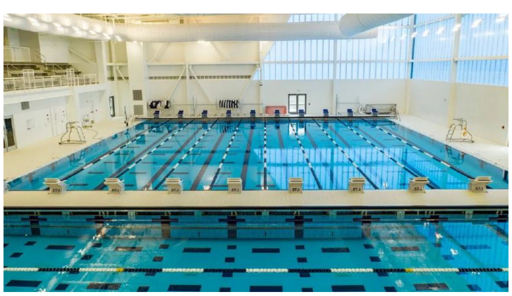
The 450,000-square foot facility sits on 20 acres of land and offers a broad variety of sports, nutrition, wellness, play and retail programs. The St. James offers 4 basketball courts, which can convert into nine (9) volleyball courts. Additionally, the facility has 110,000 square feet of turf space, 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, a restaurant on-site. 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.



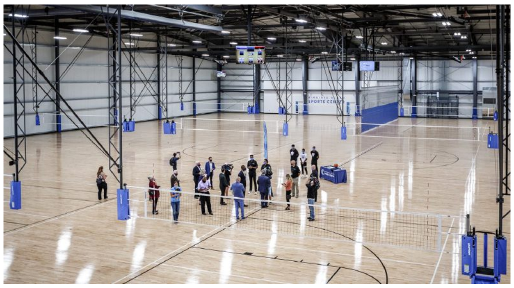
The $84 million project was backed by London-based real estate investment firm, Cain International, which in current dollars would approximate $98.3 million.

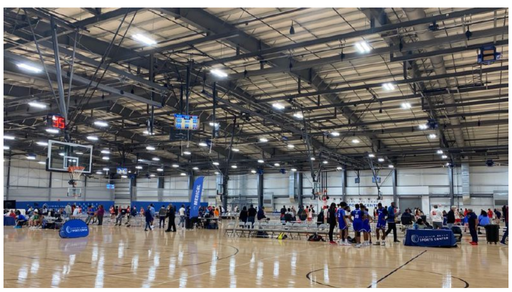
Various camps, clinics, tournaments, and events are held at The St. James. A few notable annual events include Corporate Games, Adult Brewery Cup and Gridiron Classic. In addition, training classes and wellness programming is offered in the form of group classes, personal training and high-performance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

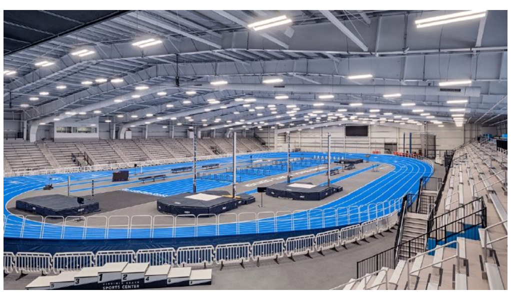


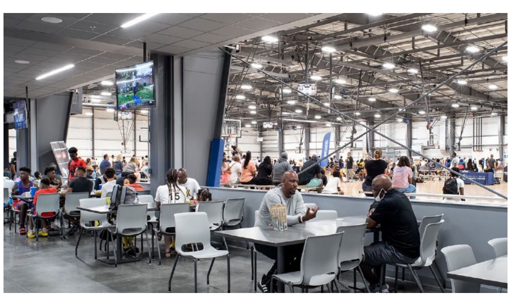
The St. James operates on a membership program where members pay a monthly fee to gain unlimited health club access, group fitness classes, training center, and complimentary rates for the restaurant, spa, sports programs, and more. An individual membership costs $169 on a monthly basis where a family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

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. 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, with its first event hosted in November of 2020.

One month before expected in September 2020. The facility was officially opened in October 2020 and its first event was hosted in November of 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 would be 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 the Coachella Valley has the opportunity to better accommodate demand among Coachella Valley area residents and provide a venue capable of attracting significant sports tourism activity to the destination. Currently, Coachella Valley offers a variety of amateur sports and recreation facilities; however, there are very 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 Visit Greater Palm Sprigs and other stakeholders, CSL's project leader completed a kick-off visit in Coachella Valley, which included facility tours and meetings with local representatives, involving meetings with key stakeholders, management of key sports/recreation facilities, 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/spectators are often critical in driving facility utilization, revenues and community economic impact. Even with providing local users with priority scheduling and rates, the opportunity to attract and accommodate tournaments and meets with non-local participant and spectator composition is important to investigate.

Further, distinguishing lines between "local" and "non-local" are often not sharply delineated, as a significant portion of events will have varying degrees of local involvement (direct and indirect) in terms of event 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 the Coachella Valley, 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 50 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 the Coachella Valley 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
AAU Volleyball
Aces Basketball
Acrisure Arena / Coachella Valley Firebirds
Agua Caliente Band of Cahuilla Indians
Amateur Athletic Union (AAU)
Amateur Pickleball Association
Asian Basketball (Volleyball) Championships
Cal South Soccer
Cali Elite Basketball
City of Coachella
City of Indio
City of La Quinta
City of Palm Desert
City of Palm Springs Parks & Recreation
City of Rancho Mirage
Coachella Valley LGBT Hockey Association
Coachella Youth Sports Association - Soccer
Davis Legacy Tournament Series
Desert Holiday Classic
Desert Recreation District
Elite Sports Group
Empire Polo Club
Exposure Series III Championship
Gameday USA
Indian Wells Tennis Garden
National Championship Sports Baseball - California
National Collegiate Athletic Association (NCAA)
National Gay Basketball Association
Network Karate
Northwest Nations Tournaments
Oak View Group (OVG)
Palm Desert Aquatic Center
Palm Desert Youth Soccer
Palm Springs Convention Center
Premier Athletic Tournaments
Prep Network
Riverside County Economic Development Agency
San Diego Women Soccer
Sandstorm Lacrosse
Senior Softball USA
SoCal Pickleball Academy
Southwest Soccer Club
The Sports Facilities Companies (SFC)
Top 3 Promotions
Triple Crown Sports
Unmatched Athlete
USA Premier Baseball
USA Youth Hoops
USSSA Baseball - Southern California
Visit Greater Palm Springs

User Group Interviews

A summary of a selection of the telephone interviews completed with potential nonlocal and local user groups of a new Amateur Sports Complex in Coachella Valley is provided below and on the pages that follow. These groups/organizations represent a variety of sports, tournaments, leagues and other amateur sports interests. Information concerning potential interest using a new Amateur Sports Complex in the Coachella Valley, along with their respective participant and team base, seasonality, facility requirements and preferences, and other such characteristics were collected.

5v5 Soccer Tournaments

5v5 Soccer is a national group that organizes approximately 80 annual, 5-on-5 soccer tournaments across the country. It recently started offering 5-on-5 open-play soccer leagues that aim to help new facilities and facilities which need supplemented field utilization during off seasons and time periods. The group currently does not participate in much tournament activity in the southwest corner of the US and would like to grow its activity in that region.

5v5 staff indicated that they would definitely utilize a facility that is able to meet their needs in the Coachella Valley region. The group would be interested in utilizing both an indoor and outdoor facility in the area. The activity brought by the group would include three to four annual tournaments approximately with 50 eight-person teams; approximately 20 percent of players would stay in hotel rooms in the Coachella Valley area. These tournaments are held year-round if indoor facilities are offered. To attract 5v5 Soccer, a Coachella Valley facility would need to offer at least three to four full-sized soccer fields (the group would prefer to see 5-on-5 dedicated fields), affordable pricing, grass, lighting, good bathrooms and access to unique food options, like food trucks.

Cal South Soccer

Cal South Soccer is the governing body for soccer in the lower half of the state of California for all age groups; in the coming year, it will be combining with Cal North Soccer to become Cal Soccer. The group runs tournaments such as its State Cup and assists its affiliated leagues in tournament creation and operation. Interviewed staff referenced the biggest challenge with California soccer, specifically in the southern half of the state, is access to fields; the second most problem is access to referees, which may be a highlighted issue in Palm Springs, according to Cal South staff. In total, Cal South has 70,000 participants among all age groups.

Cal South indicated that it would definitely utilize a Coachella Valley complex if it were able to meet its needs for its State Cup and affiliate tournaments. The State Cup, the group's largest tournament, would rotate one age group to Coachella Valley per year and three or more affiliate tournaments would rotate to Coachella Valley per year. The optimum number of fields for the group would be 16 fields with a preference for two of these fields to be indoor turf fields. It would also rotate futsal activity to a complex that could offer six hardwood, indoor courts. Utilization by the group would include league play, practices, and/or camps during the weekdays, and tournaments during the weekends. Its State Cup takes place in January and brings over 900 teams over three weekends. The Cup would attract approximately 15,000 players and 30,000 spectators. Its affiliate tournaments at the complex would attract approximately 300 teams over one weekend. These tournaments would bring about 5,000 players and 10,000 spectators. Futsal tournaments at a six-court facility would bring about 150 teams over a weekend with 1,500 players and 3,000 spectators. In all tournaments, about 95 percent of attendees would require hotel accommodation.

Additional complex requirements and suggestions of the group are outlined below. The facility should offer a championship field that can seat at least 2,000 spectators. Food options at the facility should be unique, high-quality and inclusive to attract the best caliber of players. Lighting and a sound system are helpful to improve visitor experiences. Streaming capabilities and a top-of-the-line watering system are also cited to be greatly important. Locker rooms can help to bring back international and professional teams. Those attending the facility desire experiences outside of playing and/or watching soccer, these amenities can include inflatables, water parks, go-karts, social gathering areas, air-conditioned areas, barbershops, among other experiential offerings.

Coachella Youth Sport Association - Soccer

Coachella Youth Sport Association (CYSA) offers a soccer program that serves 110 teams with age groups ranging from 5U to 16U. There are 16 age divisions and each one has three tournaments during a given season. CYSA offers programming from September to June. All participants in CYSA are local to Coachella or nearby cities. CYSA uses six grass fields at Bagdouma Park in Coachella. In 2023, CYSA was given priority to those six fields for free where in the past CYSA had to pay $45,000 on an annual basis. This partnership came about due to The City of Coachella observing the positive impact CYSA had on the community through promoting youth sport for years. Representatives of CYSA mentioned a major challenge with their current fields is the maintenance, or lack thereof as the fields may be a safety risk. CYSA would consider paying for access to higher quality fields that are well-maintained, although the complex would need to be in Coachella.

CYSA expressed interest in utilizing a new sports complex if there were seven to eight outdoor grass fields. The nature of use would be tournaments and championship league games. Leadership expressed interest in potentially hosting eight to 10 tournaments at a new complex. The tournaments are on a smaller scale, typically hosting six to 10 teams where 40 percent of teams are non-local. Their primary focus is serving the youth in the City of Coachella, therefore, for their regular utilization and a potential home site it would have to be situated in Coachella.

Palm Desert Youth Soccer

Palm Desert Youth Soccer is a Coachella Valley local league that offers recreational and club play for youth boys and girls aged five to twenty. Currently, the league has approximately 1,000 players in recreational ball and 350 in club ball. Interviewed staff from the organization cited a lack of fields as a limitation to sporting activity in the Coachella Valley region. Also cited was a potential soccer complex development project in Palm Desert.

Organization staff indicated the possible use of a new facility in the Coachella Valley region, on the condition that the facility is in Palm Desert proper. The group also referenced a challenge to attract regional California teams to the Coachella Valley area. The group hosts an annual, 48-team tournament in January, which has historically been held in Palm Desert; however, due to negative feedback of facility quality, they have rotated it to other markets throughout the state. Recommended facility elements for a potential Coachella Valley development include shaded seating for players, shaded areas for spectators and an effective watering & field maintenance system. Cited suggestions to supplement facility utilization included a concept for creating a homebase for the array of club/traveling teams in the Coachella Valley.

San Diego Soccer Women (Inclusivity & LGBTQ+)

San Diego Soccer Women is an advocacy organization which is designed to connect adult women soccer players with recreational teams, leagues, training, tournaments, and other soccer-related resources. It also acts as an advocate for inclusivity and equitable opportunity in sports and works alongside the LGBTQ+ community. The group does not directly generate soccer activity such as leagues or tournaments but offered insight into the need for and design of an inclusive sports facility in the Coachella Valley area.

Interviewed staff from the group cited a significant need for facilities in which people of all genders, generations, cultures, ethnicities and disabilities feel welcomed and included. In terms of programming, it is recommended to offer dedicated opportunities for LGBTQ+ play, adult-exclusive play, and disability-friendly play. Suggestions include tournaments, leagues, or open play for LGBTQ+, age-specific groupings, and disability-oriented categories. Facility design elements should include broad and diverse imagery which provides representation for all groups of people; disability-oriented design such as ADA ramps, shorter walking distances, shorter steps and railings; and gender-neutral restrooms. It was noted that a strong focus on general inclusivity is highlighted in the facility's branding and online media. Food onsite should have options for all dietary restrictions for religious, moral and health reasons.

Southwest Soccer Club

Southwest Soccer Club is a soccer group based out of Temecula; CA that offers developmental programs designed to cultivate high level youth players of all genders. It offers leagues, camps, training and six annual tournaments. Its largest annual tournament generates $350 million in economic impact and has been held in countries such as Spain and Argentina. The group referenced a lack of high-quality soccer facilities to be a significant challenge for bringing its most sizable tournaments to California.

Group staff indicated that they would utilize a facility in Coachella Valley if it was able to meet their needs; however, concerns were cited regarding the potential complex's ability to support the group's tournaments. The group generally aims to utilize facilities near the ocean to help sell the destination. They indicated that attracting tournaments to the Coachella Valley would require the complex and/or destination to have some major selling points in terms of additional activities and attractions to incorporate into attendants' trips to the tournaments. Examples of these attractions include nearby shopping, casinos, amusement parks, water activities, among other options. The group also shared that specific facility elements can significantly impact their willingness to utilize and their affiliates' interest in attending a Coachella Valley sports complex. These elements include rotating sunshades on some fields to keep them consistently shaded, water misters around the complex, air-conditioned areas, covered arenas, barbershops, Wi-Fi, high end food options, a 5,000 to 7,000-seat championship arena, and any elements that create a wholly unique experience for attendees. The group indicated an interest in bringing two of their tournaments to a 30-field facility in the Coachella Valley area. They also desired six of these fields to be either indoor, covered, or sun shaded. With a 30-field facility, the group anticipated attendance of 600 teams over 3-days with nearly 11,000 players and approximately 27,000 spectators. Approximately 85 percent of visitors would be expected to utilize hotels, campsites, and vacation rentals.

Coachella Valley LGBT Hockey Association

Coachella Valley LGBT Hockey Association was founded in 2022 where the primary goal is to provide LGBTQ+ members and allies with the opportunity to play hockey in a safe and inclusive environment. The association serves mainly adults (18+), however, kids that are 17 and interested in playing are welcome to join. Currently, the organization utilizes the ice rink at Berger Foundation Iceplex in Palm Desert as it's the sole ice facility in Coachella Valley. They rely on open hockey ice time for practice, which is free of charge. They must take advantage of this opportunity as the hourly rental fees are expensive and there are minimal openings in the booking schedule. It was noted that popularity and interest to watch and play hockey is increasing in Coachella Valley as the Coachella Valley Firebirds, a member of the AHL, began play in the 2022 to 2023 season at Acrisure Arena.

Coachella Valley LGBT Hockey Association has hosted one 4-day tournament since beginning this organization. The tournament hosted 10 teams and took place in March. Eight teams were non-local overnight guests that traveled to Palm Springs from around the country. The event attracted a lot of sponsors, as their most notable sponsor was the Coachella Valley Firebirds. The average attendance was 1.5 spectators per player. If there were more ice rinks available in the Coachella Valley area, there is an opportunity to host an annual tournament that would serve between 20 and 25 teams. In addition, there is interest in creating a league that would include four teams that would require four to five hours of rental time a week.

Staff of Coachella Valley LGBT Hockey Association expressed the need for two sheets of ice at a new sports facility. A few preferred amenities include a snack bar, hockey pro shop, four locker rooms per sheet of ice and a scoreboard on each rink.

AAU Volleyball

Amateur Athletic Union (AAU) Volleyball holds youth tournaments nationwide. Palm Springs aligns well with their normal determining destination factors such as a desire for warm climates, tourist-friendly destinations, and "cool" states like California, Hawaii, or Florida. The leader of AAU Volleyball expressed interest in potentially hosting up to three tournaments on an annual basis. The AAU volleyball season runs from January to April and most tournaments are two days and would take place on the weekend. The group would run approximately one tournament in Palm Springs per month during its season. Tournaments would draw up to 500 teams, each with approximately eight players per team, to a Palm Springs facility. 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.

Asian Basketball and Asian Volleyball Championships

Asian Basketball Championships of North America (ABCNA) hosts youth and adult competitive championships across the country at high schools. Representatives of ABCNA are interested in the Palm Springs market as it's coastal nearby a player base while offering various attractions and hotel options. The concern is attracting players from Los Angeles, San Diego, and other major cities in Southern California as these players often do not prefer to make sizeable drives or flights for tournaments. The group generally hosts its events in large high schools (due to price constraints) across the country in states such as California, Arizona, New Jersey and more.

ABCNA expressed interest in hosting one to two basketball and one to four volleyball tournaments in the summer where 95 percent of participants would be nonlocal to Palm Springs. Basketball tournaments host approximately 500 players where volleyball tournaments draw around 2,000 participants; these tournaments typically attract two spectators per player. The group requires at least six basketball courts with a preference for 10 to 12. It also requires 24 volleyball courts with a preference of 30 courts. A hotel attached to the sports complex is preferred by ABCNA, additionally locker room and meeting facilities are critical to their operations.

Aces Basketball

Aces Basketball hosts a variety of national AAU basketball tournaments, with a few being NCAA-sanctioned events. Aces Basketball serves both boys and girls basketball, ranging from 7U to 17U, offering both competitive club teams and recreational academy teams. Their primary market base is boys' competitive teams. There are eight tournaments organized by Aces Basketball in 2023, situated in California, Arizona, and Nevada. In Southern California, leadership is currently utilizing courts at The MAP Sports Facility and Momentous Sports Center. It was noted the configuration of 21 basketball courts at Momentous Sports Center isn't ideal as teams are crammed in the space. Representatives of Aces Basketball emphasized how the facility would need to have a minimum of 16 courts to consider using a new facility in Palm Springs. The ideal scenario for Aces Basketball is to exclusively host a Memorial Day weekend tournament in Palm Springs, attracting 300 teams where 70 percent of participants are nonlocal.

A few design components that are essential for Aces Basketball include: hospitality room for college coaches, meeting room for officials, scoreboard on each court, and a food court space with multiple food vendors. Portable bleachers at each court would be sufficient for their tournament. Lastly, a daily parking charge of $5 to $10 can be expected at their events.

Cali Elite Basketball

Cali Elite Basketball is an AAU-organization situated in Moreno Valley serving 180 players, boys, and girls from 8U to 17U. Most players come from cities in Riverside such as Corona, Nuevo, and Moreno Valley, although five percent of players commute from the Coachella Valley Area. Their home facility for practices and training is March Mountain High School in Moreno Valley. Currently, Cali Elite is hosting a two-day tournament in Palm Springs in March while utilizing the local high school court space. It was noted by the leadership that Palm Springs is an ideal location for a holiday weekend tournament. It's a central location between Southern California and Arizona while also being a destination. Cali Elite would be interested in the opportunity to host three to four tournaments on an annual basis that would draw between 100 to 130 teams, depending on the available court space. At a Palm Springs tournament, it would be expected that 40 percent of teams would be overnight guests. Holiday weekend tournaments would run Saturday to Monday where a typical weekend tournament would have games scheduled Saturday and Sunday. The spectator base at holiday tournaments is greater at 2.5 spectators per player whereas Cali Elite expects to attract 1.5 spectators per player at a typical weekend event.

Representatives suggested they would like to see six to eight basketball courts developed at a new facility in Coachella Valley. A few design components suggested including charging stations, sky view cameras for film and streaming, volleyball nets stored in the ceiling, lobby space with couches, and no obstructions in court space which would allow dance, wrestling, cheer, and other sports to host at a potential new facility in Palm Springs. The seating set-up preferred would be portable, three-row bleachers at each court with space between courts for one row of portable chairs.

Exposure Basketball

A variety of tournaments are hosted throughout the country by Exposure Basketball in their "Junior Exposure Series". Events are held in all regions of the country hosting at various facilities such as Myrtle Beach Sports Center, Rocky Mount Event Center, Virginia Beach Sports Center, Hoover Met Complex, Fieldhouse USA, and others. Leadership mentioned their preference is whatever facility offers the greatest court inventory, with 12 hardwood courts preferred. Exposure Basketball noted the opportunity to host one to two weekend tournaments annually that would draw 175 teams on average with 90 percent of teams being overnight guests. The tournaments would take place during AAU season which falls in the spring and summer months. Tournaments typically run for three days with games beginning on Friday night and championship play concluding on Sunday afternoon. Teams have an average of 11 players and the estimated attendance per player is three spectators per participant.

The unique destination of the Greater Palm Springs marketplace was noted as there are a variety of noteworthy attractions, great weather, and a robust hotel inventory. The concerns mentioned were being a non-centralized location and airport accessibility. A playground space right outside the venue and an indoor walking path were recognized as amenities that would give players and families entertainment options while at the facility.

Davis Legacy Tournament Series

Davis Legacy Soccer Club is a 16-field, lighted soccer complex in Davis, California, twelve miles west of Sacramento. The facility hosts a range of youth leagues, camps, clinics, tournaments, practices among other soccer and lacrosse activities. Facility representatives noted a significant need for new and updated facilities in the southern California region and the entire Southwest.

While the Davis Legacy brand would not move to Coachella Valley, its tournament director indicated a strong interest in bringing four to six weekend tournaments to the area. The minimum number of fields desired would be 12, with a preference for 20 fields. These tournaments would take place in Spring, late Summer, and early Fall. A three-day tournament at a 12-field facility in Coachella Valley could host approximately 125 teams for an approximate total of 2,250 players and 2,250 spectators per day. Approximately 1,600 daily hotel rooms would be utilized by the group. It was noted that reaching out to club and traveling teams of all sport types will be helpful to supplementing facility utilization in winter and off seasons.

National Gay Basketball Association

The National Gay Basketball Association (NGBA) organizes basketball tournaments for LGBTQ+ community members and allies ranging from 18 to 45 years old. On an annual basis, NGBA organizes three to five tournaments, one being a national tournament while the others are on a regional level. In the past they have hosted in San Diego, Los Angeles, and Las Vegas.

Representatives of NGBA expressed their excitement in a potential sports facility in Coachella Valley as there are various LGBTQ+ friendly establishments and LGBTQ+ members in the region already travel to Coachella Valley as a vacation destination. NGBA is interested in the opportunity to host one national tournament every other year sometime between February and April. The tournament would attract 50 teams, with an average of eight players on a roster. The average spectator attendance at the national event is approximately two spectators per player and 95 percent of teams are non-local to the Coachella Valley area. Participants typically travel to the destination on Thursday and leave on Monday while games are scheduled on Saturday and Sunday. NGBA works with the local CVB to create an itinerary from Thursday to Monday for guests to explore bars, restaurants and nightlife that are LGBTQ+ safe spaces.

If a new sports facility were to be built in Coachella Valley NGBA would prefer eight to 12 hardwood basketball courts. Staff also shared that specific facility elements can significantly impact their willingness to utilize a Coachella Valley sports complex. These elements include portable bleachers, players lounge, conference room, storage room, covered parking, capability to stream games, scoreboard on each court, and an air-conditioned facility.

National Championship Sports Baseball - California

The California division of National Championship Sports Baseball (NCSB) hosts a variety of tournaments throughout the state of California in Temecula, San Diego, Orange County, Fresno, and other cities. The organization serves athletes from 8U to 17U with various competition levels spanning from amateur to elite travel teams. Participants are majority from California and attract a bit from western Arizona.

Representatives of NCSB expressed their need for seven to 10 fields at a complex with a preference of natural grass fields, dirt infields and lights. NCSB sees an opportunity to host multiple 2-day tournaments year-round at a facility in Palm Springs bringing 65 teams on average. Each team has an average of 14 players on the roster where the average spectator attendance is four spectators per player. The specific number of tournaments NCSB will bring to Palm Springs is dependent on demand in the local marketplace. A few design components that should be considered include a walking path, ability to provide food trucks, and seating options other than bleachers as the metal seats become dangerously hot during the baseball season.

Senior Softball USA

Senior Softball USA produces softball tournaments for participants in the age range of 40 to 85 years old. It's divided into two leagues: 40 to 65-year-olds and 65 to 85-year-olds. Their events are hosted all over the country and are separated into two sessions, one per age group, each running over three days. Senior Softball typically draws approximately 80 teams per tournament, the majority located in Southern California. Currently, Senior Softball USA hosts a tournament in June at Big League Dreams in Cathedral City which is a great facility, although only offers five fields.

Senior Softball USA looks for complexes with 10 fields and have all the standard amenities near the playing fields. Leadership stressed the importance of parking, field lights, clean bathrooms, easily accessible water fountains, and streaming capabilities. They mentioned that if a newly built facility in the Greater Palm Springs area fully met their needs, they would be interested in utilizing the space to host two to three tournaments on an annual basis. Tournaments would run in January, June and August.

Northwest Nations Baseball

Based in Portland, Northwest Nations Baseball (NWN Baseball) hosts youth baseball (10U-16U) tournaments in Oregon, Washington, Idaho, Montana, and Northern California. Leadership of NWN Baseball expressed interest in hosting a maximum of three regional tournaments at a Palm Springs sports complex, specifically during pre-season months (March and April) as the weather is appealing in Palm Springs compared to the Northwest. NWN Baseball draws between 60 and 80 teams for a two-day tournament and approximately 80 to 100 teams for a four-day event. As they would be beginning to host in the Southern California market, these events would start as two-day tournaments. NWM Baseball approximates that 25 percent of teams would be non-local.

Eight diamond fields would be the ideal inventory for NWN Baseball to successfully meet their demand. Leadership of NWN Baseball does not have a preference between grass and dirt infields, either would work, although, turf infields are not ideal in the hot Southern California climate. The typical attendance per player at these events is 1.5 spectators per player and the average team size is 12 players. Representatives of NWN Baseball emphasized the need for shaded areas and concrete stairs for spectators to set up portable chairs as bleachers become very hot in the Palm Springs climate. In addition, two meeting rooms, one for equipment and one for umpires is critical to the ease of their operations.

USSSA Baseball – Southern California

USSSA Baseball – Southern California serves players from 6U to 14U. USSSA also has a prominent fastpitch and slo-pitch softball sector of their organization. It was noted that fastpitch softball may be more apt to host in Palm Springs compared to baseball because softball parents are typically more willing to travel for events. Currently, USSSA hosts 10 to 12 fastpitch softball tournaments in the Greater Palm Springs area. Big League Dreams facilities in Chino Hills and Jurupa Valley are the primary facilities utilized in Greater Palm Springs.

Greater Palm Springs is an extremely appealing market for USSSA as non-local teams enjoy the warm weather, golf is a major draw for parents and the hotel and entertainment accommodations are great. USSSA expressed interest in hosting four to eight baseball tournaments and four to eight softball tournaments. The tournaments would take place in two seasons—January to April and October to December. USSSA voiced their concern for hosting any events from May to September due to the extreme heat. Most of the tournaments would be two-day weekend events that would draw 65 teams on average. The average attendance at tournaments is 1.75 spectators per player. USSSA would need seven to eight diamond fields with grass infields on half of the fields. The field configuration needs to have flexible bases and mounds to accommodate various age groups.

Staff also shared that specific facility elements can significantly impact their willingness to utilize a Coachella Valley sports complex. These elements include covered bleachers, a conference room, air-conditioned lounge space overlooking fields, Wi-Fi, and an outdoor playground.

National Karate

National Karate holds two karate tournaments annually, one local intramural tournament and the Diamond National Karate Championships is a two- to three-day national event in late October. Network Karate would consider using a sports complex in the Greater Palm Springs area once every few years. The group is concerned about its ability to attract its typical attendance base to a location like Palm Springs, when moving from the Midwest. The group would desire marketing and promotional support from the potential facility to feel comfortable moving to Palm Springs.

The national competition attracts 1,500 to 1,700 participants, 80 percent of those nonlocals. It typically attracts 2.5 spectators per participant. To host at a sports facility, there must be a space to set up 44, 20'x20' competition rings, a PA system, LED screen, and streaming capabilities. The space must also be able to host 1,000 spectators during the championship fights. This competition could realistically be held at the Palm Springs Convention Center or Acrisure Arena but would likely constrain the budget of the group.

Prep Network

Prep Network is a national sport group that organizes approximately 200 competitive youth tournaments across the nation each year. It produces tournaments and camps/clinics for youth basketball, volleyball, football, baseball, and soccer. These tournaments attract 50 to 400 teams per tournament. The group has never held a tournament in the Coachella Valley area in the past. The group indicated that it would likely bring several national tournaments to the Coachella Valley if its needs were met. It sees Palm Springs as a prime destination for attracting athletes and families that want to do tourist activities outside of game time.

Staff indicated a desire to bring approximately two basketball, two volleyball, two baseball and two soccer tournaments to the area. Its football would be much less likely to use the facility and would only possibly bring a few camps or clinics to the proposed facility. The group requires at least eight fields, eight diamonds, eight basketball and eight volleyball courts, with a preference for twelve of each. The group requires its courts to be hardwood and its fields to be grass (it would seek turf in a market outside of Palm Springs). April through July is the busiest season for the group's tournaments; however, it would utilize the facility year-round, if possible. Basketball and volleyball would attract approximately 1,000 to 4,000 players with an equal number of spectators; baseball and soccer would attract approximately 1,600 to 4,800 players with an equal number of spectators. Approximately 60 percent of attendees would require hotel rooms or campsites. The group prefers to locate itself at facilities that have a championship court with at least 1,000 seats and/or championship field with 2,000 seats.

Triple Crown Sports

Triple Crown Sports offers major events in multiple sports across the country for youth and collegiate play. Most of their tournaments yield a 90 percent nonlocal attendance rate. Triple Crown has hosted in San Diego and Reno in the past; although, the tourism aspect of Palm Springs is appealing. Representatives of Triple Crown envision utilizing a sports complex in Palm Springs 8 to 10 times annually: twice for baseball, twice for softball, twice for basketball, twice for volleyball and one or two pickleball tournaments.

Triple Crown representatives indicated the number of teams they could bring to a facility would depend entirely on the number of courts a facility offers. For volleyball per day, eight teams with 10 players per team could utilize the facility. For basketball, six teams per day could utilize a court with 10 people per team. For softball and baseball, eight teams could utilize a field per day with 15 players per team. In pickleball, 10 teams could use a court per day with two players on each team. In all sports, the group indicates approximately three spectators will attend per player. 90 percent of teams would be nonlocal in every tournament; one hotel room can be assumed to be booked per nonlocal player.

To host at a new facility, staff of Triple Crown conveyed the importance of hardwood flooring and grass and lights for diamond fields. Ideally, the leadership of Triple Crown wants to see 16 basketball courts, eight to 12 diamonds, where six of those fields should be dedicated softball fields. Other on-site amenities that would directly impact the interest of Triple Crown include indoor/outdoor PA system, Wi-Fi, streaming capabilities, indoor meeting spaces and higher end food options. Additionally, the group referenced the importance of a facility offering entertainment experiences for families and players who are not currently playing their respective sport.

Market Demand Summary by Facility Type

A discussion of the demand for youth/amateur sports facilities in the Coachella Valley by facility type is presented on the following pages. The findings and conclusions are based on conversations with existing user groups, analysis of existing demand and induced demand opportunities, interviews with national/regional tournament producers, and other research and analysis steps completed for this study.

Indoor Court Facilities

Historically, games and practices associated with court sports (i.e., basketball, volleyball, etc.) in the Coachella Valley area have largely 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 increased demand for purpose-built court facilities to accommodate current and unmet demand. The community facilities and other fitness clubs in the area offer one basketball court which can typically be converted into two volleyball courts.

Conversations with basketball, volleyball, and other indoor court sports user groups, as well as tournament producers, generally indicated a strong level of demand for new indoor court space in Coachella Valley. Offering a multi-court complex with adequate ceiling heights and state-of-the-industry support amenities (e.g., concessions, hospitality space, seating, locker rooms/team rooms, etc.) would provide opportunities to host additional local sports activities and new opportunities to attract weekend tournaments.

Pickleball is one of the fastest growing sports over the past few years and communities are rushing to keep up with demand within their own local communities. However, most pickleball participants prefer to play at free community parks. Additionally, most pickleball tournaments attract participants from the local community with some drive-in participants; there are limited opportunities currently to leverage these tournaments into significant economic impact generating events. Nevertheless, modern indoor hardcourt facilities often have the flexibility to accommodate pickleball among many other sports, would could prove to be another important usage for any new indoor facility development in the Coachella Valley.

Outdoor Rectangle Fields

Multi-sport rectangle fields can accommodate a variety of amateur sports and activities such as soccer, football, lacrosse, flag football, rugby and ultimate frisbee, among others. In order to attract significant sports tourism activity, a rectangle field complex requires a critical mass of fields with which to host tournaments, meets, competitions and other such events. Currently, there are four primary complexes in the Coachella Valley that offer five or more fields at a single complex (Dennis Keat Soccer Park, Demuth Park, Bagdouma Park, and Hovley Soccer Park). Additionally, the Empire Polo Club periodically hosts large field sports tournaments, but accommodation of outside sports tournament activity tends not to be prioritized.

Demand among local soccer organizations is largely accommodated by existing local facilities. Based on interviews with key existing local area soccer groups, in addition to interviews with prominent soccer tournament promoters, moderate to strong demand exists for new tournament activity, should a modern, tournament-quality rectangle field complex exist. In order to capture this incremental demand, additional staffing may be needed to organize and manage tournaments. Additional investment at key existing complexes could include added fields, upgraded equipment such as goals, scoreboards and netting, or improved concessions, shade structures and team rooms. Other user groups such as youth football, flag football and lacrosse groups noted moderate demand for additional fields. These groups cited a lack of dedicated field space or complexes with multiple fields at which to host practices, games, camps, clinics and tournament activity.

Outdoor Diamond Fields

Based on conversations with local user groups and tournament producers, demand for baseball and softball fields in the Coachella Valley remains moderate. Fields at Demuth Park, La Quinta Sports Complex and Big League Dreams Cathedral City are largely able to accommodate local demand and some tournament demand; however, additional investment in improving field/facility quality may be necessary to retain interest levels moving forward. Ensuring a high level of field maintenance, grass infields, access to concession stands, covered dugouts, lighting and fencing that encloses the entire field present opportunities to enhance the experience of baseball and softball players. Due to the Coachella Valley climate, it is recommended to offer an indoor air-conditioned space for spectators, covered parking, concrete bleachers for portable chairs, and shaded outdoor areas as these amenities cater to a positive spectator experience. Various tournament organizers expressed interest in hosting weekend tournaments that run in March and April as pre-season events in the Coachella Valley.

Other Facilities Types

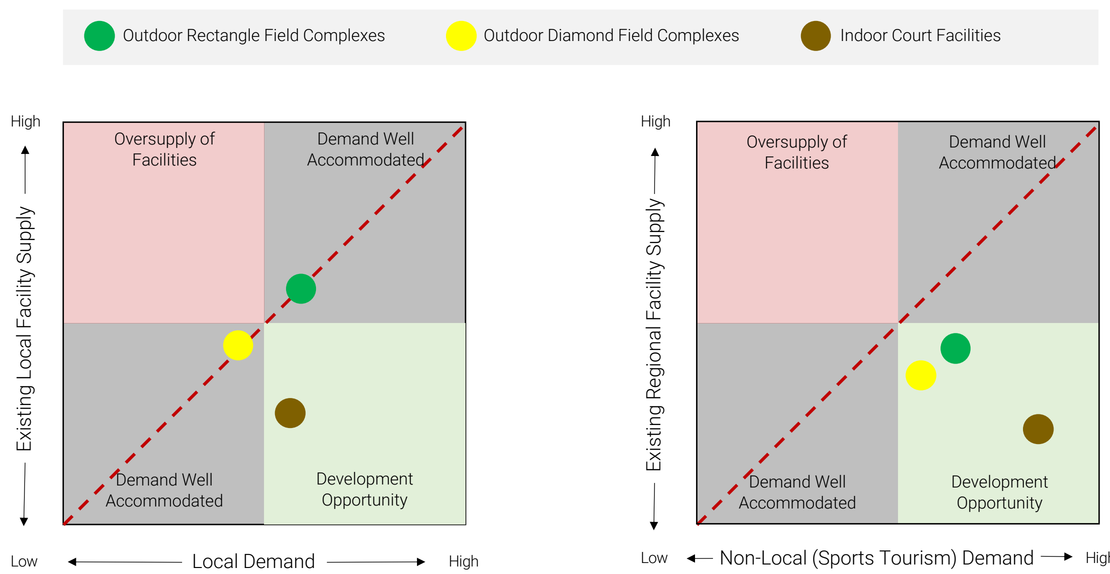
Beyond the facility types mentioned on the previous page, existing facilities and facility complexes within the Coachella Valley currently accommodate a variety of other youth/amateur sports and recreational activities, including golf, tennis, outdoor pickleball, swimming, ice hockey, polo, running/hiking, and more. While these types of sports activities–and the facilities that have been developed to accommodate them—are important to many local residents, it is not believed that additional facility product investment in these areas would deliver a substantial return-on-investment (ROI) to the tourism industry, especially relative to potential facility product investment in indoor court/turf and rectangle/diamond field complexes.

5 MARKET DEMAND & OPPORTUNITIES

Supply & Demand Issues

The exhibit below presents a graphical summary of estimated amateur sports facility supply and demand in the Coachella Valley 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. As shown in the exhibit, from a local demand standpoint, it is estimated that demand for outdoor rectangle and diamond facilities is currently relatively well-accommodated by existing facility product in the Coachella Valley area. Conversely, estimated local demand for indoor court facilities is estimated to be greater than what existing Coachella Valley area facility product can accommodate—therefore, representing a development opportunity.

Summary of Estimated Coachella Valley Amateur Sports Supply & Demand by Facility & Demand Type



From a nonlocal (sports tourism) standpoint, indoor court, outdoor rectangle and outdoor diamond facility demand are all estimated to represent development opportunities, as Coachella Valley facilities currently have important limitations in successfully competing for this activity, as well as there being limited multi-court, tournament-quality complexes in the greater regional area. Importantly, the indoor court 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 (and also representing the purest year-round facility type). A new Indoor Sports Facility in the Coachella Valley would be expected to provide very limited competition to other existing court-based sports facilities within Riverside County. None of the identified primary regional competitive facility products shown earlier in this report (i.e., hardcourt facilities offering four or more basketball courts in one location that host significant tournament activity) are facilities that exist within Riverside County. Further, the vast majority of local demand for a new facility is expected to be limited to the Coachella Valley area (i.e., within 45 minutes' drive time), given the relatively geographically-isolated nature of the destination.

With regard to outdoor field complex products, the existing local supply of both rectangle fields and diamond fields is believed to roughly match local demand for these products. For non-local demand (i.e., tournaments), both product type categories are lacking in the Coachella Valley in terms of state-of-the-industry complexes positioned to effectively compete for estimated tournament demand. From a broad perspective, in many markets, demand is often higher for rectangle field products, as there are a greater number of sports and activities accommodated by rectangle fields than diamond fields. For instance, rectangle fields normally accommodate six or more sports and activities (soccer, lacrosse, football, field hockey, cheerleading, rugby, general recreation, etc.), while diamond fields tend to only accommodate two sports (baseball and softball). The overall level of local area rectangle field sport participation is estimated to be greater than local area diamond field sport participation. Regionally-adjusted industry trend data also supports this. The sum of the regionally-adjusted frequent participation for soccer + lacrosse + tackle football + flag football is greater than the sum of regional frequent participation for baseball + softball. Most importantly, interviews with tournament producers conducted as a part of this study indicated stronger overall interest and estimated net new demand levels for a new rectangle field complex than a new diamond field complex.

Finally, it is important to note that it is believed that a material level of unmet sports tourism demand exists for all three product types (indoor court facility, rectangle field complex, and diamond field complex)—the case is just most compelling in the Coachella Valley for a new court-based Indoor Sports Facility (in terms of financial and economic ROI) relative to the other two product types.

Summary & Conclusions

- MARKET FEASIBILITY: 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 the Coachella Valley for the primary purpose of attracting new sports tourism activity and a secondary purpose of better serving local area user groups.
- PRIMARY DEMAND & FACILITY FOCUS: In general, interest in a potential new Amateur Sports Complex in the Coachella Valley, measured through interviews with stakeholders and potential nonlocal and local user groups, is considered moderately-strong to strong for an Indoor Hardcourt Facility. Market research and analysis suggest that a state-of-the-industry Indoor Hardcourt Facility, suitable to accommodate basketball, volleyball, wrestling, pickleball, dance/cheer, martial arts, table tennis, futsal, gymnastics and other sports/uses could address key areas of unmet market demand from local and non-local user groups, including weekend tournaments, meets, and competitions. Hardcourt indoor sports facilities typically have broad-based usage and tend to be highly-utilized year-round, delivering some of the highest returns-on-investment in terms of utilization, revenue and economic impact per square foot. This year-round usage can be particularly helpful in generating off-season and shoulder-season hotel room demand. Additionally, should an indoor turf component be included with this type of facility development, certain operating, marketing, and branding synergy and efficiencies could be realized and serve to accommodate some unmet demand for indoor turf training and recreation (particularly in periods of high heat weather conditions).
- SECONDARY DEMAND & FACILITY FOCUS: Additionally, market research and analysis suggest that moderate interest exists for a multisport rectangle field complex (to accommodate soccer, lacrosse, football, flag football, rugby and other such uses), with slightly less demand for a diamond field complex (to accommodate baseball and softball). While synthetic playing surfaces are now industry standard for new field complex developments throughout the country and tend to offer a distinct competitive advantage for sports tourism activity through minimizing the possibility that tournaments, games or practices are cancelled due to inclement weather or the need to rest natural grass fields from wear and tear due to overuse, temperatures at field level on synthetic turf fields during high heat periods is often measured as much as 10 degrees warmer than ambient off-field air temperature. This can be particularly problematic for hot weather markets (like the Coachella Valley) when deploying synthetic turf fields involving summertime sports. Furthermore, unlike indoor sports facilities, the impact period of outdoor facilities in any destination tends to be concentrated during half or less of a calendar year (therefore, often resulting in lower annual financial and economic performance.
- DEMOGRAPHICS: The goal of any new investment in new youth/amateur sports facilities in the Coachella Valley would be envisioned to not only meet the needs of Coachella Valley area 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 Palm Springs / Coachella Valley area. 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 the Coachella Valley (more than one million within an hour's drive and over 20 million within a 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. It is particularly important that an appropriate and appealing hotel supply exists within a 20-minute drive of the sports complex. There are more than 14,600 hotel rooms and a wide array of service levels and price points within the 54 lodging properties offering at least 100 sleeping rooms. In addition to these primary hotels and resorts, a large number of vacation rentals, timeshares, and bed and breakfasts exist throughout the destination to complement the overall lodging capacity.
- LACK OF TOURNAMENT-QUALITY FACILITIES: Research suggests that unmet demand exists in the Coachella Valley for a state-of-the-industry Amateur Sports Complex that is optimized for sports tourism attraction. The Coachella Valley and the surrounding region are very limited in terms of facilities offering a critical mass of indoor courts in a single facility/location. While there are a number of rectangle and diamond fields in the Coachella Valley, existing facilities lack certain elements incorporated in current state-of-the-industry facilities, such as a critical mass of fields in one location, synthetic turf or tournament-quality grass, lighted fields, and supporting amenities, such as modern food and beverage facilities/offerings, locker rooms, play areas and shade structures.
- 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 Indoor Hardcourt Facility and/or a Rectangle and Diamond Field Complexes, would be expected to deliver substantial benefits to local community members through enhancing the rental, practice, programming, and alternatives available for sports, recreation, leisure and wellness activities. Local usage and attendance (as opposed to non-local usage and attendance) normally contribute the majority of utilization at comparable youth/amateur sports facilities—positively contributing to the quality of life for local citizens.
- SUPPLY & DEMAND ISSUES: While it is estimated that local demand for outdoor rectangle and diamond facilities is currently relatively well-accommodated by existing facility products in the Coachella Valley area, some demand exists from sports tourism markets for these products. In terms of an indoor court facility complex, estimated local and nonlocal demand is estimated to be greater than what existing Coachella Valley area facility product can accommodate—therefore, representing a core development opportunity. From a nonlocal (sports tourism) standpoint, indoor court facility demand is estimated to represent a primary development opportunity, as Coachella Valley area facilities currently have important limitations in successfully competing for this activity.

6

PROGRAM, SITE & BUSINESS MODEL

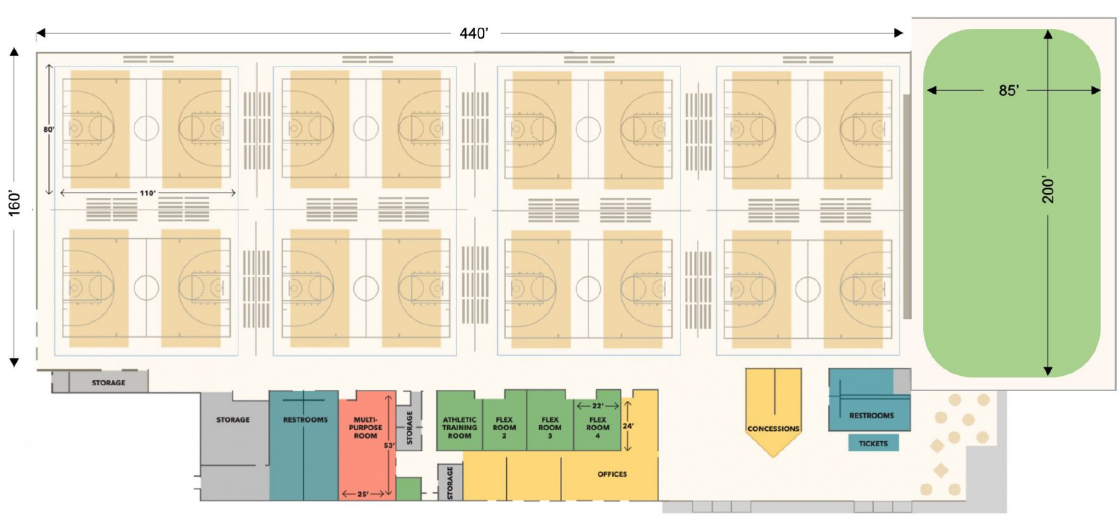
6 PROGRAM, SITE & BUSINESS MODEL

Facility Concept & Program

The purpose of this chapter is to build off the market demand research, analysis and conclusions related to a potential new Amateur Sports Complex market demand in the Coachella Valley to identify and define a strategy of new product development that would be estimated to deliver the highest 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 those determined to be market supportable in the Coachella Valley and 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 the Coachella Valley. Specifically, the following elements represent a target market supportable program and key attributes for a potential new Amateur Sports Complex (with an example of a hypothetical program layout of the Indoor Facility shown below):

- CORE CONCEPT: Indoor Sports Facility, comprising a tournament-quality indoor amateur sports and recreation facility product offering permanent hardwood courts, indoor turf, and various associated amenities.
- FACILITY SIZE: Approximately 140,000 gross square feet.
- PARKING: Approximately 900 spaces.
- SITE SIZE: Minimum of 10 acres.
- PRIMARY INDOOR ATHLETIC SURFACES:
  - Hardwood courts: 8 full-sized basketball courts (95’ x 50’ alleys) or 16 full-sized volleyball courts (60’ x 30’ alleys).
  - Synthetic turf: 1 regulation-size indoor field (200’ x 85’).
- CHARACTERISTICS / AMENITIES:
  - Minimum 35-foot ceiling height.
  - Dropdown nets to separate court and turf spaces (including ability to net individual batting/training cages/spaces).
  - Bleachers, athletic equipment, scoreboard, and other such equipment.
  - Locker/team rooms and party rooms consistent with industry standards.
  - Fitness/wellness spaces and equipment.
  - Walking track.
  - Play areas.
  - Food court / café.
  - Performance and esports spaces (optional).
- FUTURE PHASE OPPORTUNITY: The addition of high-quality Rectangle Fields at or proximate to the Indoor Facility site could be considered as a second phase to better accommodate nonlocal and local needs, while leveraging infrastructure and the sports destination/brand established by the Indoor Facility. A state-of-the-industry Rectangle Field Complex in a destination like the Coachella Valley would involve 12 or more fields in a single location with tournament-quality natural grass plus lights, concessions, shaded areas, field operations buildings, child play areas, and other amenities.

Hypothetical Layout of a Potential New Indoor Sports Facility in the Coachella Valley



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 tend to be located in areas with existing sports and recreation facility products 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.

There are a number of characteristics and factors are typically important when evaluating the attractiveness of a site location, including those shown to the right:

Typical Important Site Attributes

- Size, cost, and ownership complexity of site.
- Nearby accessibility to major interstates/roadways.
- Centralized location within a target geographic region.
- 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.

Construction Costs (order-of-magnitude)

An analysis was conducted associated with order-of-magnitude hard construction costs pursuant to the supportable building program elements presented on the previous page. 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 estimate construction costs for a potential new Amateur Sports Complex (i.e., indoor hardcourt-focused facility) in the Coachella Valley.

Based on an assumed hard construction cost of $275 per gross square foot, order-of-magnitude hard construction costs for a new Indoor Sports Facility in the Coachella Valley could approximate $38.5 million. Assuming soft costs (not including site acquisition) of approximately $11.5 million, total order-of-magnitude hard and soft construction costs associated with a new Indoor Sports Facility in the Coachella Valley could approximate $50.0 million.

If pursued under a future phase, it is estimated that order-of-magnitude hard construction costs for added rectangle fields could approximate between $1.0 and $2.7 million per field (depending on whether tournament-quality natural grass or synthetic), which includes a per-field factor for supporting infrastructure such as concession buildings, site/maintenance buildings, parking, lighting, general sitework and other such elements.

Governance & Oversight Model

The purpose of this section is to evaluate and provide recommendations concerning governance for the recommended new Amateur Sports Complex in the Coachella Valley. 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. The Desert Recreational District currently serves this role for a number of sports and recreational facilities and programming throughout the Coachella Valley. 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 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. The Coachella Valley is a clear example of this, comprising of nine cities and several 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 the Coachella Valley.

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, it is believed that the appropriate governance and oversight model for a new Sports Complex in the Coachella Valley would be a hybrid public/private model. This would involve public ownership via some governmental entity or sports authority (such as the Desert Recreational District 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 new Indoor Sports Facility 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

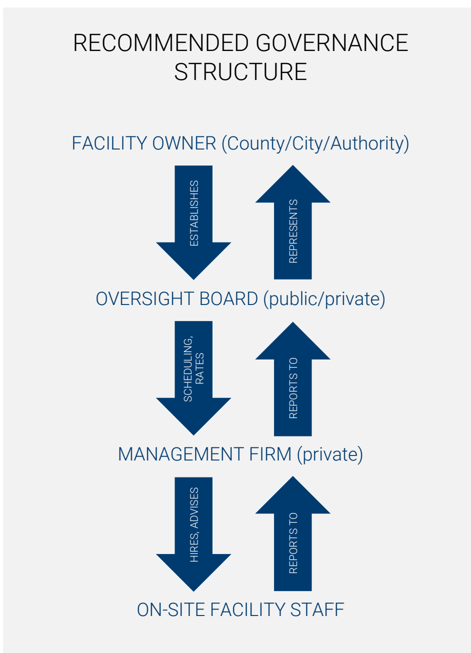
The Oversight Board, a handful of appointed individuals with facility and community ties, has de facto control of the schedule and use calendar for the Indoor Sports Facility (or greater campus), as well as rates and discounting. The Oversight Board would initially work the County/City and the selected 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/City, 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.

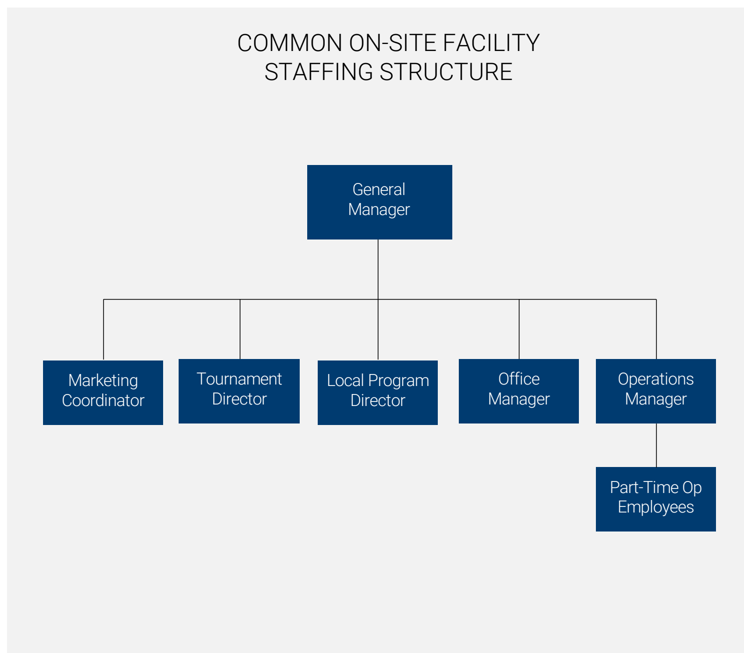
PRIVATE MANAGEMENT FIRM

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.





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

Visit Greater Palm Springs, 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 the Coachella Valley. 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 the Coachella Valley 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 historically contributed a portion of upfront capital to defray public sector construction funding obligations in past years, upfront participation in capital construction by private sector parties has become significantly less prevalent. In recent years, most sports tourism and amateur sports complexes involving 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 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 sports complexes 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 the Coachella Valley. For purposes of this cost/benefit analysis, at this stage, detailed projections have only been developed with respect to the potential Indoor Sports Facility project (as it represents the core facility concept recommendation). A cost/benefit analysis has not been completed regarding a possible future phase of development (i.e., outdoor rectangle fields). Performance estimates for the Indoor Sports Facility have been presented over a 20-year projection period. For purposes of this analysis, construction is assumed to commence in 2024 and be completed in 2025, while the first full year of operations is assumed to be 2026. A stabilized year of operation is assumed to occur by the fourth full year of operation (assumed 2029). The assumptions used in this analysis are based on the market research and analysis, past experience with hundreds of similar sports facility projects, local market visits and Visit Greater Palm Springs, various local stakeholders, and stakeholder-provided data, industry trends, knowledge of the marketplace, and use/financial results from comparable facilities. Additional planning (i.e., site selection, soil and environmental testing, architectural design, etc.) must be completed before more precise estimations of the 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 Indoor Sports Facility (as the core component of a new Amateur Sports Complex) and cannot be considered a presentation of expected future results. Accordingly, the analysis of potential financial operating results and economic impacts may not be useful for other purposes. The assumptions disclosed herein are not all inclusive, but are those deemed to be significant. Because events and circumstances frequently do not occur as expected, there usually will be differences between estimated and actual results and these differences may be material.

COSTS (Construction & Operations)

Preliminary analyses were completed to estimate order-of-magnitude construction costs and the annual financial operating performance associated with a new Indoor Sports Facility in the Coachella Valley. Construction cost estimates were generated using industry per-unit data adjusted for conditions in the Coachella Valley 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 the Coachella Valley would be publicly-owned and privately-operated. Figures only represent the annual operations of the Indoor Sports Facility (and not potential associated future phases, such as outdoor field development) 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 the Coachella Valley (net new spending), directly attributable to the operation (and existence) of the potential new Indoor Sports Facility.

7 COST / BENEFIT ANALYSIS

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 Indoor Sports Facility itself, in order to approximate the potential associated tax revenues generated from such spending. The vast majority of Construction and In-Facility Spending will be estimated to occur within the Coachella Valley area. Additionally, net new impacts will be generated throughout the Coachella Valley, primarily relating to Out-of-Facility Spending (i.e., spending occurring off the Amateur Sports Complex site by visitors to the Coachella Valley area 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 Indoor Sports Facility project and site improvements that are considered net new to Coachella Valley. These adjustments include:

LEAKAGE represents the portion of gross spending estimated to occur outside the larger geographic area considered for this analysis (Coachella Valley). 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 the Coachella Valley. Leakage also occurs when initial local spending is used immediately to pay for goods, services, etc. outside of Coachella Valley. Examples of this type of secondary leakage include food and beverage profits retained by companies based outside of Coachella Valley.

DISPLACEMENT refers to spending that would have likely occurred anyway in the Coachella Valley without the presence of the Amateur Sports Complex. Examples of displaced spending would include spending by Coachella Valley area residents in connection with their visit to the new Indoor Sports Facility site (registrations, food and beverage, retail items, etc.) that would have been spent within the Coachella Valley anyway on other items (e.g., movies, restaurants, shopping, etc.) if they did not visit the Indoor Sports Facility site. Another example of displaced spending would include out-of-facility spending by non-local individuals visiting from outside of Coachella Valley 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 the Coachella Valley. 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., the Coachella Valley). 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.

7 COST / BENEFIT ANALYSIS

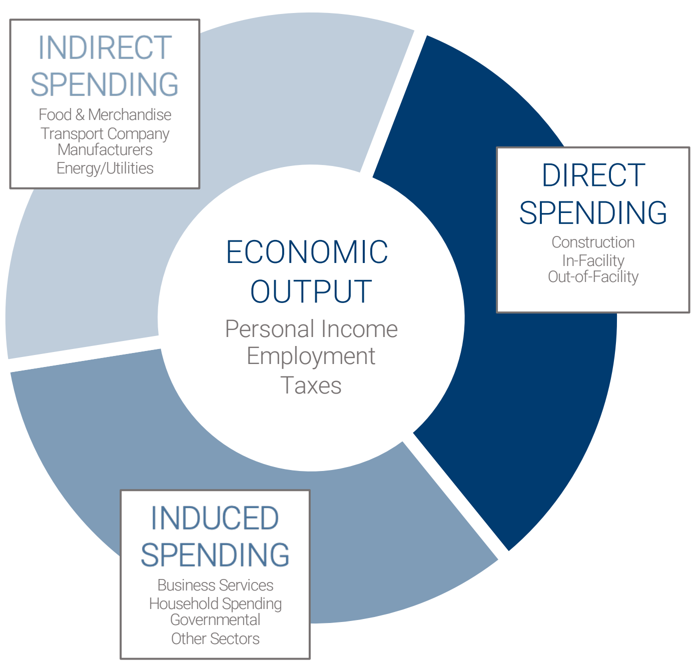
The multiplier effects estimated in this analysis include:

- 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 the Coachella Valley'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.

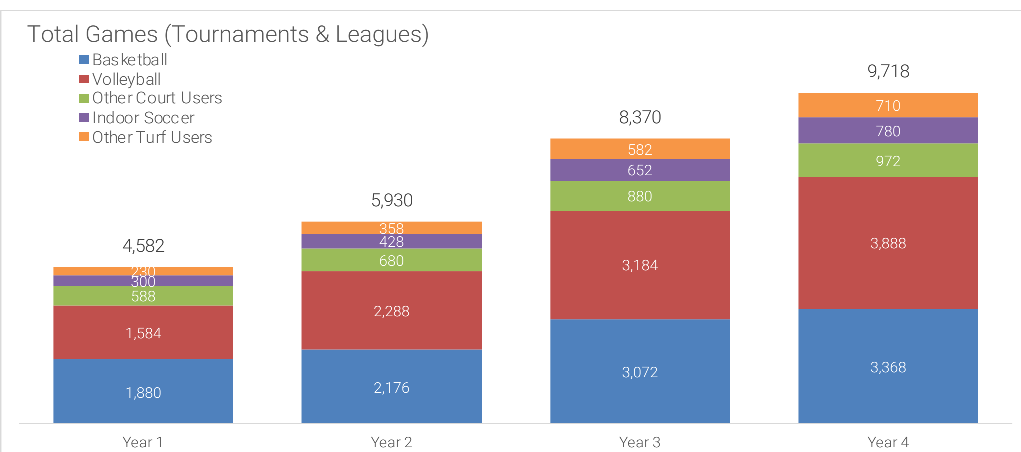


The quantitative impact figures do not include economic impact that could be generated by other greater project elements associated with any master plan for a larger sports complex/campus or mixed-use project and other ancillary private sector development/investment that may occur as result of the new 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

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 the Coachella Valley. For instance, when considering different types of usage (i.e., use from local leagues/clubs versus non-local tournaments/meets versus clinics/camps/lessons versus open recreation, etc.), separate assumptions were used to generate usage and attendance (participants and spectators) estimates. The exhibit below presents a summary of key utilization levels associated with a new Amateur Sports Complex in the Coachella Valley (recommended Indoor Sports Facility only), pursuant to the previously outlined facility program and assumptions.

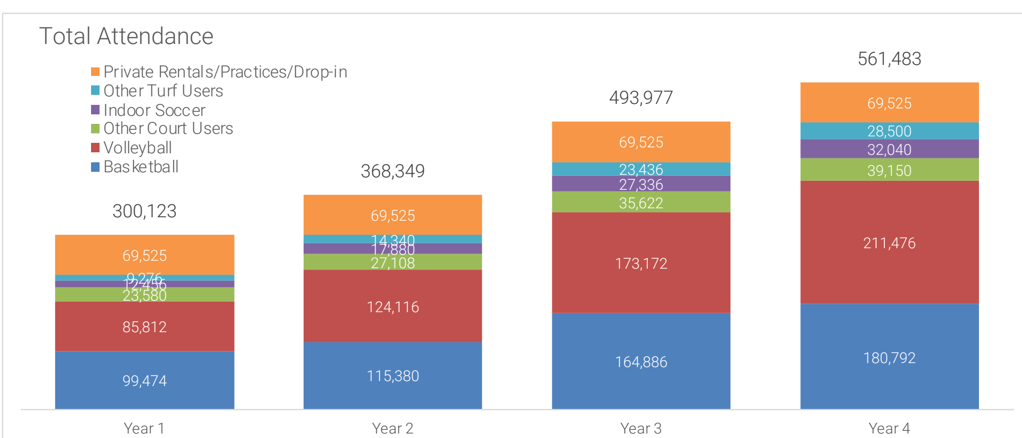
UTILIZATION	Opening Year 1	Year 2	Year 3	Stabilized Year 4	20-Year Cumulative
LEAGUE TEAMS					
Basketball	44	49	54	59	1,150
Volleyball	33	38	43	48	930
Other Court Users	24	28	32	36	696
Indoor Soccer	18	22	26	30	576
Other Turf Users	13	17	21	25	476
Total	132	154	176	198	3,828
LEAGUE GAMES					
Basketball	704	784	864	944	18,400
Volleyball	528	608	688	768	14,880
Other Court Users	336	392	448	504	9,744
Indoor Soccer	252	308	364	420	8,064
Other Turf Users	182	238	294	350	6,664
Total	2,002	2,330	2,658	2,986	57,752
TOURNAMENTS					
Basketball	9	11	16	18	342
Volleyball	12	16	21	25	474
Other Court Users	6	7	10	11	210
Indoor Soccer	2	4	7	9	166
Other Turf Users	2	4	7	9	166
Total	31	42	61	72	1,358
TOURNAMENT GAMES					
Basketball	1,176	1,392	2,208	2,424	45,984
Volleyball	1,056	1,680	2,496	3,120	58,272
Other Court Users	252	288	432	468	8,928
Indoor Soccer	48	120	288	360	6,576
Other Turf Users	48	120	288	360	6,576
Total	2,580	3,600	5,712	6,732	126,336
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	30	36	42	48	924
Private Rentals/Practices/Drop-in	2,900	2,900	2,900	2,900	58,000
Total	3,104	3,128	3,158	3,170	63,280



Estimated Attendance

The exhibit below presents a summary of estimated attendance levels associated with a potential new Amateur Sports Complex in the Coachella Valley (recommended Indoor Sports Facility only).

ATTENDANCE	Opening Year 1	Year 2	Year 3	Stabilized Year 4	20-Year Cumulative
LEAGUES					
Basketball	9,856	10,976	12,096	13,216	257,600
Volleyball	7,392	8,512	9,632	10,752	208,320
Other Court Users	4,032	4,704	5,376	6,048	116,928
Indoor Soccer	3,024	3,696	4,368	5,040	96,768
Other Turf Users	2,184	2,856	3,528	4,200	79,968
Total	26,488	30,744	35,000	39,256	759,584
TOURNAMENTS					
Basketball	18,816	22,272	35,328	38,784	735,744
Volleyball	16,896	26,880	39,936	49,920	932,352
Other Court Users	3,024	3,456	5,184	5,616	107,136
Indoor Soccer	672	1,680	4,032	5,040	92,064
Other Turf Users	672	1,680	4,032	5,040	92,064
Total	40,080	55,968	88,512	104,400	1,959,360
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	1,200	1,440	1,680	1,920	36,960
Private Rentals/Practices/Drop-in	69,525	69,525	69,525	69,525	1,390,500
Total	78,945	79,965	81,285	81,825	1,631,220
SPECTATORS					
Basketball	68,102	79,132	114,162	125,192	2,389,660
Volleyball	58,524	85,724	120,604	147,804	2,777,520
Other Court Users	15,924	18,348	24,162	26,586	510,396
Indoor Soccer	6,840	10,104	16,056	19,080	357,360
Other Turf Users	5,220	8,364	14,196	17,340	322,560
Total	154,610	201,672	289,180	336,002	6,357,496
TOTAL ATTENDANCE					
Basketball	99,474	115,380	164,886	180,792	3,453,204
Volleyball	85,812	124,116	173,172	211,476	3,978,192
Other Court Users	23,580	27,108	35,622	39,150	751,860
Indoor Soccer	12,456	17,880	27,336	32,040	602,352
Other Turf Users	9,276	14,340	23,436	28,500	531,552
Private Rentals/Practices/Drop-in	69,525	69,525	69,525	69,525	1,390,500
Total	300,123	368,349	493,977	561,483	10,707,660



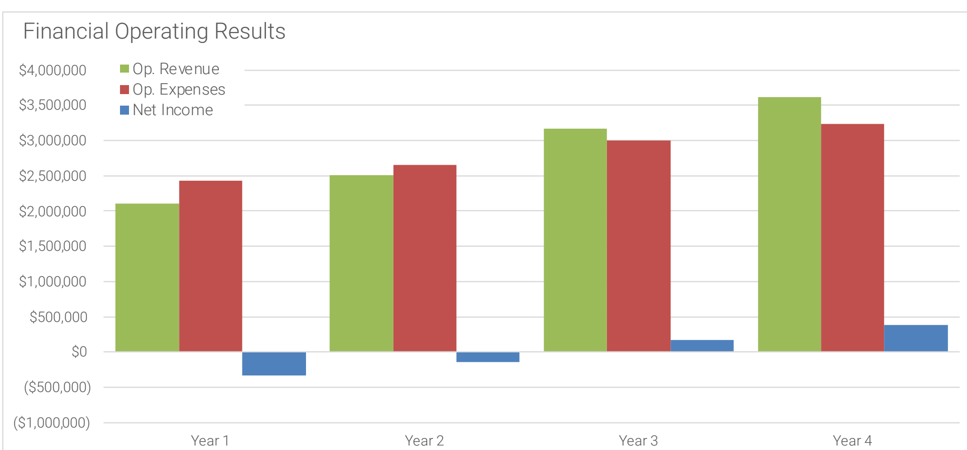
Financial Operating Projections

Many indoor amateur sports facilities of this nature involve public sector funding participation (both in terms of construction and operations). Many publicly-owned and publicly-operated hardcourt/turf sports facilities throughout the country operate at an annual financial deficit, while a greater number of facilities that are publicly-owned, but privately-operated under lease or management agreement can be operationally-profitable on an annual basis.

The exhibit below presents a summary of projected annual financial operating results associated with a potential new Amateur Sports Complex in the Coachella Valley (recommended Indoor Sports Facility only). Based on the preliminary analysis, upon stabilization (assumed fourth full year of operation), a new Indoor Sports Facility is estimated to generate a net operating profit of approximately $385,000, before debt service, capital repair/replacement funding and profit sharing. This projected level of operating profit is consistent with other comparable indoor sports facilities throughout the country.

Efforts were made to appropriately tailor assumptions and projections by utilizing actual operating data from comparable facilities located in similar geographic areas. As an example, with respect to utilities expenses, a review of comparable facility data indicates most similar indoor sports facilities have annual utilities expenses that fall within a range of $1.20 and $2.20 per GSF (gross square foot). When focusing only on facilities located in warm, southern US markets, the average utilities expense ranges between $1.50 and $2.50 per GSF. To account for the extreme seasonal conditions in the Coachella Valley, a factor of $3.00 per GSF was utilized in the projections shown below.

FINANCIAL OPERATIONS	Opening Year 1	Year 2	Year 3	Stabilized Year 4	20-Year Cumulative
OPERATING REVENUES					
In-House League Registration	$59,400	$70,200	$81,500	$93,400	$2,238,700
In-House Tournament Registration	$142,656	$211,140	$340,416	$418,992	$9,811,932
Rental Income	$798,200	$918,200	$1,079,600	$1,212,700	$29,222,900
Camps/Clinics	$251,200	$287,100	$333,200	$358,800	$8,666,100
Concessions	$523,700	$681,000	$970,100	$1,147,900	$27,154,700
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	$2,100,171	$2,513,176	$3,171,249	$3,619,407	$86,566,093
OPERATING EXPENSES					
Salaries, Wages and Benefits	$943,500	$980,600	$1,018,500	$1,057,300	$25,950,500
Utilities	$383,000	$394,500	$406,400	$418,600	$10,292,500
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	$340,400	$442,700	$630,600	$746,100	$17,650,500
General and Administrative	$135,000	$137,500	$140,000	$142,500	$3,513,700
Tournament Expenses	$57,062	$84,456	$136,166	$167,597	$3,924,773
League Operations/Programming	$201,900	$232,200	$269,600	$293,900	$7,088,300
Subtotal	$2,434,862	$2,657,256	$2,998,166	$3,234,797	$78,472,373
NET OPERATING INCOME	**($334,691)**	**($144,080)**	**$173,083**	**$384,610**	**$8,093,720**



Economic Impacts

The exhibit below presents a summary of the annual, and 20-year cumulative total of projected economic impacts generated in the Coachella Valley by the potential new Amateur Sports 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 the Coachella Valley.
- Out-of-facility impacts are generated across a variety of industries within the Coachella Valley by athletes, families and sponsoring organizations that do not reside within the Coachella Valley. Out-of-facility spending by residents who reside in the Coachella Valley 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 the Coachella Valley.

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	$25,000,000
Indirect/Induced Spending	$0	$0	$0	$0	$17,165,454
Economic Output	**$0**	**$0**	**$0**	**$0**	**$42,165,454**
Personal Income	$0	$0	$0	$0	$14,199,313
Employment (full & part-time jobs)	0	0	0	0	300
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	$1,260,103	$1,507,905	$1,902,750	$2,171,644	$51,939,656
Indirect/Induced Spending	$865,304	$1,035,818	$1,307,762	$1,492,836	$35,702,519
Economic Output	**$2,125,406**	**$2,543,724**	**$3,210,511**	**$3,664,480**	**$87,642,175**
Personal Income	$903,944	$1,079,531	$1,357,767	$1,548,014	$37,036,191
Employment (full & part-time jobs)	30	36	45	51	1,222
C) Out-of-Facility Impacts					
Net New Hotel Room Nights	14,880	19,742	29,421	34,266	646,564
Total Attendee Days	300,123	368,349	493,977	561,483	10,707,660
Net New Non Local Visitor Days	92,585	122,840	183,063	213,210	4,023,064
Direct Spending	$10,067,916	$13,758,684	$21,119,004	$25,334,845	$596,272,050
Indirect/Induced Spending	$6,883,707	$9,407,184	$14,439,634	$17,322,118	$407,687,326
Economic Output	**$16,951,623**	**$23,165,868**	**$35,558,638**	**$42,656,963**	**$1,003,959,376**
Personal Income	$6,957,132	$9,507,527	$14,593,656	$17,506,887	$412,035,971
Employment (full & part-time jobs)	217	297	456	547	12,866
TOTAL NET NEW IMPACTS					
Net New Hotel Room Nights	14,880	19,742	29,421	34,266	646,564
Total Attendee Days	300,123	368,349	493,977	561,483	10,707,660
Net New Non Local Visitor Days	92,585	122,840	183,063	213,210	4,023,064
Direct Spending	$11,328,019	$15,266,589	$23,021,753	$27,506,489	$673,211,706
Indirect/Induced Spending	$7,749,010	$10,443,003	$15,747,396	$18,814,954	$460,555,299
Economic Output	**$19,077,029**	**$25,709,592**	**$38,769,149**	**$46,321,443**	**$1,133,767,005**
Personal Income	$7,861,077	$10,587,058	$15,951,423	$19,054,901	$463,271,475
Employment (full & part-time jobs)	247	333	501	598	14,387

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 the Coachella Valley 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 Greater Palm Springs and the Coachella Valley's 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 the Coachella Valley 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 Coachella Valley 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 the Coachella Valley 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 the Coachella Valley may be spurred by the investment in the project
- Anchor for Revitalization – Major sports facility and other tourism facility developments can oftentimes serve as an anchor for larger master plans and revitalization efforts. Indoor sports facilities, like the proposed project, can attract 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 investment by the private sector in business improvements and expansions.
- Other Benefits – Increased synergy with the other athletic, event, hospitality and entertainment facilities can lead to increased tourism activity to the Coachella Valley.

7 COST / BENEFIT ANALYSIS

Summary & Key Projections

Based on analysis results, a summary of key cost/benefit projections for a new Amateur Sports Complex in the Coachella Valley (recommended Indoor Sports Facility only), associated with its construction and annual operations is presented below (upon stabilization of operations, assumed to occur by the fourth full year of operations).

SUMMARY OF ESTIMATED KEY PROJECTIONS ASSOCIATED WITH A NEW AMATEUR SPORTS COMPLEX IN THE COACHELLA VALLEY
(Operating Impacts Reflect Annual Impacts Upon Stabilization, Assumed Fourth Full Year of Operations)

ANNUAL ATTENDEE DAYS
561,500

ANNUAL NON-LOCAL ATTENDEE DAYS
213,200

ANNUAL HOTEL RM NIGHTS
34,300

ANNUAL FINANCIAL OPERATING PROFIT
$384,600

CONSTRUCTION COSTS
$50.0M

CONSTRUCTION ECONOMIC IMPACT
$42.2M

ANNUAL DIRECT SPENDING
$27.5M
+
ANNUAL INDIRECT/INDUCED SPENDING
$18.8M
=
ANNUAL ECONOMIC OUTPUT
$46.3M

ANNUAL PERSONAL INCOME
$19.1M

ANNUAL EMPLOYMENT
(FULL & PART-TIME JOBS)
598

In addition to the quantifiable projections of utilization, financial operations and economic impacts shown above, there are a number of potential benefits associated with a new Amateur Sports Complex in the Coachella Valley 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.