



TOURISM  
ECONOMICS

AN OXFORD ECONOMICS COMPANY



ACRISURE  
ARENA

# Economic Impact of Acrisure Arena

June 2024



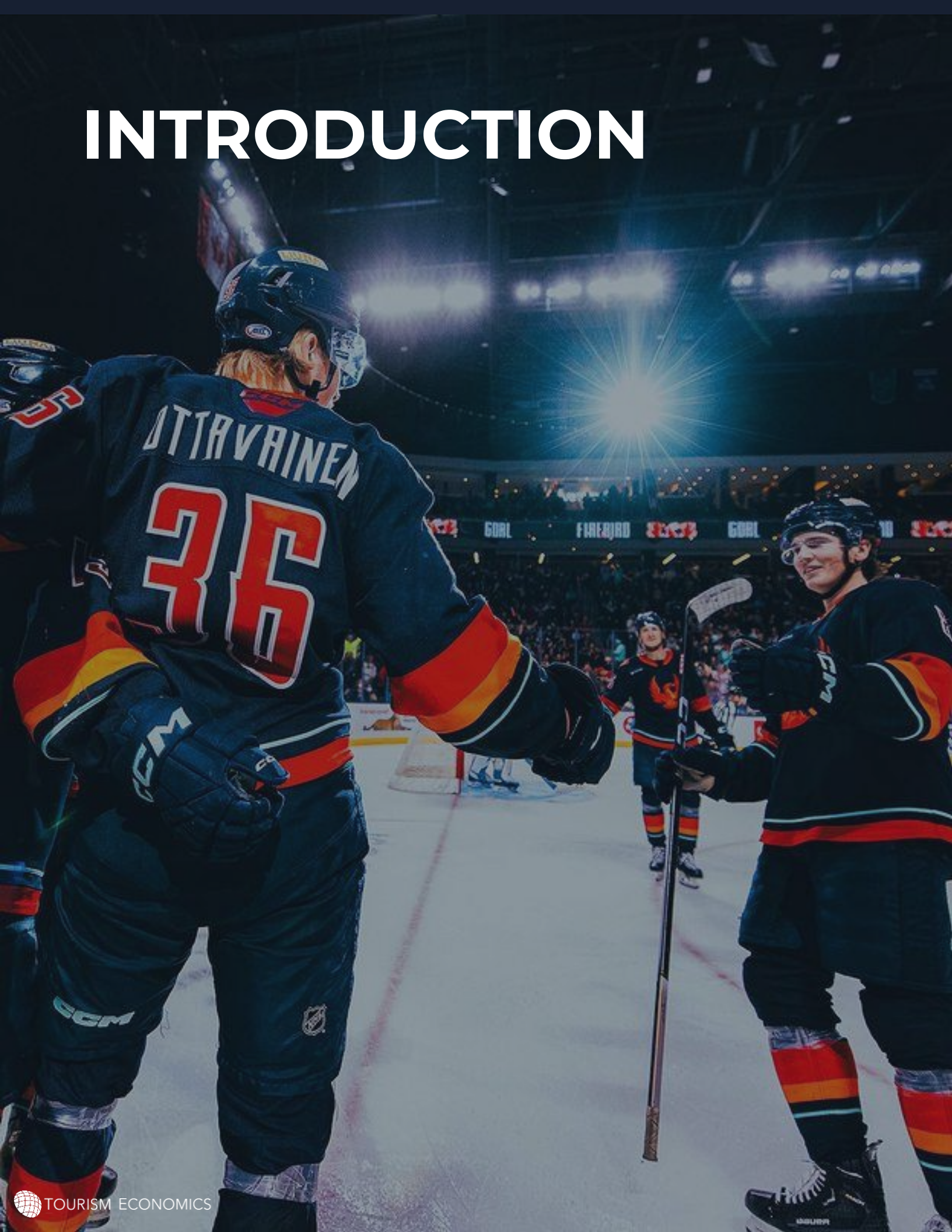
# CONTENTS

---

<b>Introduction</b> Methodology & data sources	<b>03</b>
<b>Key Findings</b> Summary economic & fiscal impacts	<b>04</b>
<b>Direct Impacts</b> Non-local attendee spending	<b>06</b>
<b>Economic Impacts</b> Impact model framework and economic impacts	<b>09</b>

---

# INTRODUCTION



## Research Overview

Acrisure Arena, located in the Coachella Valley within the City of Palm Desert, is an 11,000-seat multi-purpose live entertainment venue built for the American Hockey League's Coachella Valley Firebirds, live music, and events. The arena opened in December 2022 and cost more than \$300 million to develop and construct.

In 2023, Acrisure Arena welcomed 850,400 attendees across 117 events, which drove significant economic activity that supported businesses, households, and government finances in Greater Palm Springs.

The Greater Palm Springs region is defined as nine municipalities including:

- Palm Springs
- Desert Hot Springs
- Cathedral City
- Rancho Mirage
- Palm Desert
- Indian Wells
- La Quinta
- Indio
- Coachella

Tourism Economics prepared a comprehensive model using multiple primary and secondary data sources to quantify the impacts arising from the visitor spending generated by Acrisure Arena.

Impact modeling was based on an IMPLAN Input-Output (I-O) model for the Riverside County economy. The results of this study show the scope of Acrisure Arena's impact in terms of visitor spending, as well as total economic impacts, including business sales, employment, household income, and fiscal (tax) impacts.

# KEY FINDINGS



# Economic Impact of Acrisure Arena

## Key Findings

### Direct Spending Impacts

Acrisure Arena generated significant economic impact as non-local event attendees spent money while at Acrisure Arena and at off-site establishments during their stay in Greater Palm Springs, including local restaurants, hotels, retailers, and recreation/entertainment venues.

Acrisure Arena generated \$99.2 million in direct spending in the local economy in 2023.

 **\$99.2 MILLION**  
Spending by non-local event attendees

### Total Economic Impact

Acrisure Arena's direct spending impact of \$99.2 million generated \$138.6 million in total business sales in the local economy, which supported 1,867 part-time and full-time jobs and generated \$19.9 million in total state and local taxes.

 **\$138.6 MILLION**  
Total Business Sales of Acrisure Arena

### SUMMARY IMPACTS

(\$ millions and number of employees)

Total business sales	\$138.6
Direct business sales	\$99.2
Total personal income	\$40.9
Direct personal income	\$28.9
Total employment	1,867
Direct employment	1,384
Total taxes	\$29.9
Total state & local taxes	\$19.9
Total federal taxes	\$10.0
Direct taxes	\$22.6
Direct state & local taxes	\$15.6
Direct federal taxes	\$7.0

Source: Tourism Economics

Note: totals may not sum due to rounding.

# DIRECT IMPACTS



# DIRECT IMPACTS

## Acrisure Arena generated \$99.2 million in direct spending impacts in the Greater Palm Springs economy in 2023.

This section outlines Acrisure Arena’s direct impacts in the local economy for 2023, which ultimately serve as inputs for the economic impact model.

The direct impacts are generated by non-local attendee spending at Acrisure Arena and at off-site establishments in the local economy.

The analysis excludes spending on capital expenditures for the development and construction of the arena and spending by host organizations, sponsors, visiting teams, and any supporting personnel.

## Events and Attendance

Acrisure Arena welcomed 850,400 attendees across 117 events in calendar year 2023, the first full year of operations.

The Coachella Valley Firebirds, who play in the American Hockey League, accounted for the largest share of events (50%) and attendees (57%) in 2023.

### Acrisure Arena Events and Attendance (number of events and attendees)

	Events	Attendance
Concerts / Comedy Shows	38	281,100
Family Shows	15	49,400
Coachella Valley Firebirds	59	483,600
Professional / Collegiate Sports	5	36,300
	<b>117</b>	<b>850,400</b>

Sources: Oak View Group

Note: totals may not sum due to rounding

## Attendee Origin

Approximately 51% (or 435,900) of the 850,400 event attendees originated from outside Greater Palm Springs – with 18% coming from within 100 miles (excluding locals), 30% coming from domestic destinations over 100 miles away, and 4% coming from Canada or other international destinations.

Concerts and comedy shows attracted the largest share of non-local attendees (75%) followed by professional and collegiate sports (59%).

The attendee origin is based on ticket sales zip code data. There is not definitive confirmation regarding the accommodations chosen by overnight visitors or if the attendee is a seasonal visitor / second homeowner.

### Acrisure Arena Attendee Origin (percent of attendees)

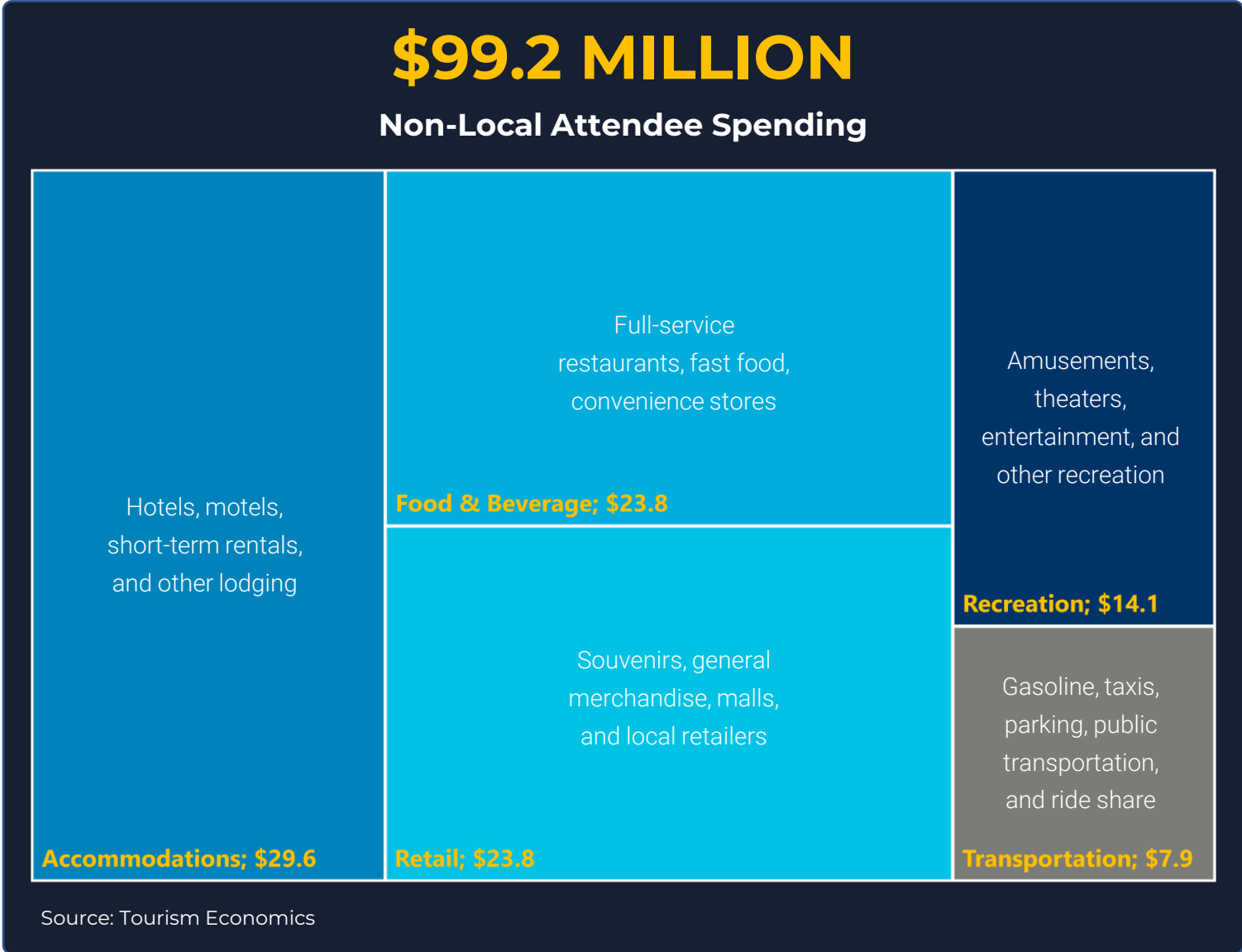
	Local	Non-Local Attendees		
		<100 Miles	> 100 Miles Domestic	Canada / International
Concerts / Comedy Shows	25%	28%	45%	3%
Family Shows	57%	23%	19%	1%
Coachella Valley Firebirds	62%	11%	21%	5%
Professional / Collegiate Sports	41%	19%	38%	2%
	<b>49%</b>	<b>18%</b>	<b>30%</b>	<b>4%</b>

Sources: Oak View Group, Tourism Economics

Note: totals may not sum due to rounding.

### Non-Local Attendee Spending

The 435,900 attendees that originated from outside Greater Palm Springs spent \$99.2 million in the local economy. The spending was spread across several industries, including \$29.6 million in lodging expenditures, \$23.8 million in food and beverage expenditures, \$23.8 million in retail purchases, \$14.1 million in entertainment/recreation spending, and \$7.9 in local transportation.





# ECONOMIC IMPACTS



# Economic Impacts Methodology

Tourism Economics calculated the economic impacts of Acrisure Arena’s direct spending using regional Input-Output (I-O) model based on a customized IMPLAN (www.implan.com) model for the Riverside County economy. IMPLAN is recognized as an industry standard in local-level I-O models.

An I-O model represents a profile of an economy by measuring the relationships among industries and consumers to track the flow of industry revenue to wages, profits, capital, taxes and suppliers. The supply chain is traced as dollars flow through the economy, representing indirect impacts. The model also calculates the induced impacts of spending. Induced impacts represent benefits to the economy as incomes earned as a result of direct spending are spent in the local economy, generating additional sales, jobs, taxes, and income.

The modeling process begins with aligning the direct expenditure measurements with the related sectors in the model (e.g. hotels, restaurants, retail, and recreation). The model is then run to trace the flow of these expenditures through the economy. In this process, the inter-relationships between consumers and industries generate each level of impact.

IMPLAN calculates three levels of impact – direct, indirect, and induced – for a broad set of indicators.

These include the following:

- Business sales (also called gross output)
- Household income (including wages and benefits)
- Employment
- Federal taxes
- State and local taxes

# ECONOMIC IMPACTS FRAMEWORK

## DIRECT IMPACTS

Acrisure Arena visitor spending



RETAIL



ENTERTAINMENT/REC



FOOD & BEVERAGE



TRANSPORTATION



LODGING

## INDIRECT IMPACTS

Purchases of inputs from suppliers



SUPPLY CHAIN EFFECTS



B2B GOODS & SERVICES PURCHASED

## INDUCED IMPACTS

New consumption generated by household income impacts



INCOME EFFECT



HOUSEHOLD CONSUMPTION



**TOTAL IMPACTS**  
Direct, indirect, and induced impacts

SALES



GDP



JOBS



INCOME



TAXES

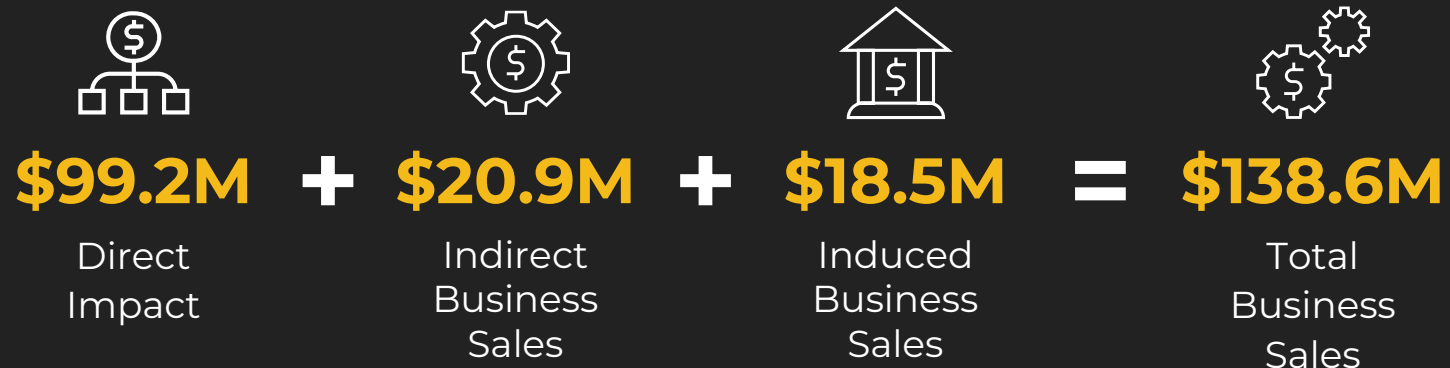
# Economic Impacts

## Business Sales by Industry

**Acrisure Arena generated \$138.6 million in total business sales in the local economy in 2023.**

The \$99.2 million in spending by Acrisure Arena attendees generated \$20.9 million in indirect expenditures (purchases of inputs from suppliers) and \$18.5 million in induced expenditures (new consumption generated by household income impacts), resulting in \$138.6 million in total business sales in the local economy in 2023.

### Business Sales Impacts



Note: totals may not sum due to rounding.

### ECONOMIC IMPACTS

#### BUSINESS SALES BY INDUSTRY (\$ MILLIONS)

	Direct Business Sales	Indirect Business Sales	Induced Business Sales	Total Business Sales
<b>Total, all industries</b>	<b>\$99.2</b>	<b>\$20.9</b>	<b>\$18.5</b>	<b>\$138.6</b>
<b>By industry</b>				
Lodging	\$29.6	\$0.0	\$0.0	\$29.6
Food & Beverage	\$23.8	\$1.5	\$2.0	\$27.3
Retail Trade	\$23.8	\$0.5	\$2.0	\$26.2
Recreation and Entertainment	\$14.1	\$1.2	\$0.3	\$15.5
Finance, Insurance, and Real Estate	\$0.9	\$5.4	\$5.2	\$11.6
Business Services		\$5.9	\$1.5	\$7.4
Gasoline Stations	\$4.8	\$0.0	\$0.2	\$5.0
Other Transport	\$2.2	\$1.5	\$0.6	\$4.3
Education and Health Care		\$0.1	\$2.9	\$3.0
Wholesale Trade		\$1.2	\$1.0	\$2.2
Personal Services		\$0.7	\$1.1	\$1.9
Government		\$1.1	\$0.7	\$1.7
Communications		\$0.8	\$0.4	\$1.3
Construction and Utilities		\$0.7	\$0.4	\$1.1
Manufacturing		\$0.3	\$0.1	\$0.4
Air Transport		\$0.0	\$0.0	\$0.0
Agriculture, Fishing, Mining		\$0.0	\$0.0	\$0.0

Source: Tourism Economics

Note: totals may not sum due to rounding.

## Economic Impacts Employment Impacts by Industry

**Acrisure Arena generated 1,867 total part-time and full-time jobs in the local economy in 2023.**

The spending by Acrisure Arena attendees directly supported 1,384 full-time and part-time jobs. Indirect and induced impacts generated 264 indirect jobs and 219 induced jobs in the local economy in 2023.

### Economic Impacts

#### Employment Impacts by Industry (number of jobs)

	Direct Employment	Indirect Employment	Induced Employment	Total Employment
<b>Total, all industries</b>	<b>1,384</b>	<b>264</b>	<b>219</b>	<b>1,867</b>
<b>By industry</b>				
Lodging	237	0	0	445
Food & Beverage	495	30	37	444
Recreation and Entertainment	484	27	6	377
Retail Trade	121	6	28	165
Other Transport	41	31	12	120
Business Services		82	21	103
Finance, Insurance, and Real Estate	3	49	22	77
Education and Health Care		2	49	52
Personal Services		14	30	44
Government		8	4	12
Wholesale Trade		6	5	11
Gasoline Stations	2	0	1	6
Construction and Utilities		4	2	6
Communications		3	2	4
Manufacturing		1	0	2
Agriculture, Fishing, Mining		0	0	0
Air Transport		0	0	0

Source: Tourism Economics

Note: totals may not sum due to rounding.

## Economic Impacts Labor Income Impacts by Industry

**Acrisure Arena generated \$40.9 million in total labor income in the local economy in 2023.**

The spending by Acrisure Arena attendees generated \$28.9 million in direct personal income, \$6.5 million in indirect labor income, and \$5.6 million in induced personal income, resulting in \$40.9 million in total labor in the local economy in 2023.

### Economic Impacts

#### Labor Income Impacts by Industry (\$ millions)

	Direct Personal Income	Indirect Personal Income	Induced Personal Income	Total Personal Income
<b>Total, all industries</b>	<b>\$28.9</b>	<b>\$6.5</b>	<b>\$5.6</b>	<b>\$40.9</b>
<b>By industry</b>				
Lodging	\$12.2	\$0.0	\$0.0	\$12.2
Food & Beverage	\$7.1	\$0.6	\$0.7	\$8.4
Recreation and Entertainment	\$5.9	\$0.3	\$0.1	\$6.3
Retail Trade	\$2.3	\$0.1	\$0.6	\$3.0
Business Services		\$2.2	\$0.5	\$2.7
Other Transport	\$1.0	\$0.7	\$0.2	\$1.9
Education and Health Care		\$0.1	\$1.6	\$1.7
Finance, Insurance, and Real Estate	\$0.2	\$1.0	\$0.4	\$1.6
Personal Services		\$0.4	\$0.7	\$1.1
Government		\$0.5	\$0.2	\$0.7
Wholesale Trade		\$0.3	\$0.2	\$0.5
Gasoline Stations	\$0.2	\$0.0	\$0.0	\$0.2
Construction and Utilities		\$0.1	\$0.1	\$0.2
Communications		\$0.1	\$0.1	\$0.2
Manufacturing		\$0.0	\$0.0	\$0.1
Agriculture, Fishing, Mining		\$0.0	\$0.0	\$0.0
Air Transport		\$0.0	\$0.0	\$0.0

Source: Tourism Economics

Note: totals may not sum due to rounding.

# Fiscal Impacts

## Tax Generation

### Acrisure Arena generated \$29.9 million in federal, state, and local governmental revenue in 2023.

The spending by Acrisure Arena attendees generated a total fiscal (tax) impact of \$29.9 million.

The state government collected \$9.7 million and the local governments collected \$10.2 million as a result of Acrisure Arena.

#### Fiscal Impacts

##### State and Local Tax Revenue (\$ millions)

	State	Local	Total
<b>Total taxes</b>	<b>\$9.7</b>	<b>\$10.2</b>	<b>\$19.9</b>
Sales	\$6.8	\$3.1	\$9.9
Bed Tax	\$0.1	\$4.1	\$4.2
Personal Income	\$1.5	\$0.0	\$1.5
Corporate	\$0.8	\$0.0	\$0.8
Social Insurance	\$0.2	\$0.0	\$0.2
Excise and Fees	\$0.3	\$0.3	\$0.6
Property	\$0.1	\$2.6	\$2.7

Source: Tourism Economics

Note: totals may not sum due to rounding.

#### FISCAL IMPACTS

##### TOTAL TAX REVENUES (\$ MILLIONS)

	Direct	Indirect / Induced	Total
<b>Total Tax Revenues</b>	<b>\$22.6</b>	<b>\$7.3</b>	<b>\$29.9</b>
<b>Federal</b>	<b>\$7.0</b>	<b>\$2.9</b>	<b>\$10.0</b>
Personal Income	\$2.9	\$1.3	\$4.2
Corporate	\$0.5	\$0.3	\$0.8
Indirect Business	\$0.2	\$0.1	\$0.2
Social Insurance	\$3.4	\$1.3	\$4.7
<b>State and Local</b>	<b>\$15.6</b>	<b>\$4.4</b>	<b>\$19.9</b>
Sales	\$7.2	\$2.7	\$9.9
Bed Tax	\$4.2	\$0.0	\$4.2
Personal Income	\$1.0	\$0.4	\$1.5
Corporate	\$0.5	\$0.3	\$0.8
Social Insurance	\$0.1	\$0.1	\$0.2
Excise and Fees	\$0.5	\$0.2	\$0.6
Property	\$2.0	\$0.7	\$2.7

Source: Tourism Economics

Note: totals may not sum due to rounding.

## About the Research Team



Oxford Economics was founded in 1981 as a commercial venture with Oxford University's business college to provide economic forecasting and modelling to UK companies and financial institutions expanding abroad. Since then, we have become one of the world's foremost independent global advisory firms, providing reports, forecasts and analytical tools on 200 countries, 100 industrial sectors and over 3,000 cities. Our best-of-class global economic and industry models and analytical tools give us an unparalleled ability to forecast external market trends and assess their economic, social and business impact.

Oxford Economics is an adviser to corporate, financial and government decision-makers and thought leaders. Our worldwide client base comprises over 2,000 international organizations, including leading multinational companies and financial institutions; key government bodies and trade associations; and top universities, consultancies, and think tanks.

This study was conducted by the Tourism Economics group within Oxford Economics. Tourism Economics combines an understanding of traveler dynamics with rigorous economics in order to answer the most important questions facing destinations, investors, and strategic planners. By combining quantitative methods with industry knowledge, Tourism Economics designs custom market strategies, destination recovery plans, forecasting models, policy analysis, and economic impact studies.

Oxford Economics employs 400 full-time staff, including 250 professional economists and analysts. Headquartered in Oxford, England, with regional centers in London, New York, and Singapore, Oxford Economics has offices across the globe in Belfast, Chicago, Dubai, Miami, Milan, Paris, Philadelphia, San Francisco, and Washington DC.

For more information:

[admin@tourismeconomics.com](mailto:admin@tourismeconomics.com)

