



MARKET AND ECONOMIC ANALYSIS – PROPOSED NEW MULTI-USE INDOOR & OUTDOOR COMPLEX

PRESENTED TO: LENAWEЕ COUNTY

FINAL DRAFT REPORT – SEPTEMBER 1, 2021



September 1, 2021

Mr. Martin D. Marshall, County Administrator
Lenawee County
301 N Main St.
Adrian MI 49221

Dear Mr. Marshall:

Crossroads Consulting Services LLC has completed its market and economic analysis for a proposed new multi-use indoor and outdoor complex in Lenawee County, Michigan. This report summarizes our findings and principal conclusions from our research and analysis.

The findings contained in the report reflect analysis of information provided by primary and secondary sources that are assumed to be correct. We have utilized sources that are deemed to be reliable but cannot guarantee their accuracy. All information provided to us by others was not audited or verified and was assumed to be correct. We have no obligation, unless subsequently engaged, to update our report or revise the information contained therein to reflect events and transactions occurring after the date of this report.

In accordance with the terms of our engagement letter, the accompanying report is restricted to internal use by Lenawee County and may not be relied upon by any party for any purpose, including financing. Notwithstanding these limitations, it is understood that this document may be subject to public information laws and, as such, can be made available to the public upon request.

Although you have authorized reports to be sent electronically for your convenience, only the final hard copy report should be viewed as our work product.

We have enjoyed serving you on this engagement and look forward to the opportunity to provide you with continued services.

Sincerely,

DRAFT DOCUMENT

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1. INTRODUCTION AND EXECUTIVE SUMMARY



INTRODUCTION

Located in southeast Michigan, Lenawee County (County) is bordered by Ohio to the south and is positioned approximately 60 miles west of Lake Erie. Much of the County consists of farmland but is a popular tourist destination for the area known as The Irish Hills and over 50 lakes in the County. The County was the eighth county established as part of the original Michigan Territory in 1826. Today, Adrian serves as the county seat.

Outdoor activities, wineries, museums, local theatres, and the Michigan International Speedway serve as the primary draw for visitors from the surrounding region. The County is just over a one-hour drive from Detroit, and less than a one-hour drive from Toledo, Ohio.

In 2019, the Lenawee County Parks & Recreation Plan 2020–2024 was released which set forth key goals in which the County could better serve the current and future needs of its residents and promote economic growth. As part of the plan, one of the key goals identified was to increase park visitor usage and tourism at county park facilities and expand recreational opportunities through cooperation and collaboration with public and private partners.

Sports tourism is one of the fastest growing sectors of tourism across the country. In general, sports tourism is defined as a person traveling to a location specifically to participate in or watch a sporting event. The Sports Events & Tourism Association estimated that travel/tourism spending associated with amateur and collegiate sports events was \$45.1 billion in 2019.

The increasing popularity of elite travel teams in the U.S. is a key trend in youth sports. The opportunity for today's youth to participate in sports at a higher competitive level than recreational play is appealing to many parents, particularly those aspiring college scholarships for their children as travel teams not only provide the training and practice to enhance athletic skills but can serve as a source of scouting and recruiting for colleges. Accordingly, families are willing to invest time and money to travel significant distances for regional and national competitions/events. Tournacations, a term that merges "tournament" and "vacation", are an increasing trend in sports tourism, particularly with youth sports, and many industry analysts predict this to continue.

Communities and states throughout the U.S. have recognized the economic and fiscal benefits associated with developing and operating various public assembly venues. In recent years, multiple indoor and outdoor sports complexes have come online throughout the country with the use of public funds due, in part, to the ability of these facilities to drive economic activity at area businesses and tax revenues at the local and state level. To maximize resources, communities are increasingly seeking opportunities that better respond to the anticipated long-term needs of their residents and generate overnight visitor demand. As such, some communities choose to pursue sports complexes to capitalize on existing assets and enhance market opportunities by targeting a diverse set of demand generators.

Consistent with these trends, the County is currently exploring the benefits and potential market demand associated with a new multi-use complex that could serve the local community and attract out-of-town visitors. The multi-use complex under consideration could include an indoor facility and/or an outdoor field complex. The indoor facility could have hardwood or sport court flooring that could also function as exhibit/meeting space and the outdoor field complex could offer diamond and/or rectangular fields with natural grass and/or artificial turf surfaces.

As currently envisioned, the proposed new multi-use complex would be flexible and able to accommodate diverse event activity including sporting and non-sporting events as well as other community activities. Sporting events could include youth and adult recreational play, competitive leagues and tournaments for multiple sports including, but not limited to basketball, volleyball, gymnastics, cheerleading, dance, table tennis, martial arts, wrestling, track and field, soccer, futsal, lacrosse, baseball, softball, football, ultimate (originally known as ultimate frisbee) and rugby. In addition, the potential new complex could hold events related to Science, Technology, Engineering and Mathematics (STEM) as well as house offices and/or commercial retail space. The proposed new facility could also host non-sporting events such as meetings, tradeshows, consumer show, expos, and social functions (e.g., banquets, receptions, etc.). It is also our understanding that the proposed new facility could potentially serve broader community needs like accommodating certain meal-related functions for the County's Department on Aging.

It is our understanding that the County has identified a potential 50.5-acre site for the complex in the City of Tecumseh which was previously occupied by the Tecumseh Products Company. As such, certain analyses within this report are based on this potential site location. The adjacent image provides an aerial view of the potential site location.

Potential Site Location



Source: Google maps.

Further, it is our understanding that, at the time of this study, a private developer has plans to create a mixed-use development on an approximately four-acre parcel of land across the street from the potential multi-use complex site (depicted below). Plans include both commercial and residential areas. The potential commercial development may include dining options, entertainment and workspaces. The residential development is planned to include loft-style apartments. The commercial/residential development, if built, would serve as an additional amenity and help attract events to the proposed new multi-use complex.

Potential Mixed-Use Development Site



Source: Google maps.

PURPOSE OF THE STUDY

Lenawee County retained Crossroads Consulting Services LLC (Crossroads Consulting) to conduct an independent market and economic analysis that assesses the merits of developing a new multi-use complex in Tecumseh, Michigan that could serve the local community, produce incremental new economic activity from out-of-town attendees at both sporting and non-sporting events, and accommodate office and retail opportunities. It is our understanding that generating sports tourism would be a key objective of the proposed new complex.

The analysis contained within this study does not include any architectural-related services (e.g., environmental assessments, noise analysis, transportation/traffic impact analysis, etc.). In addition, this study does not include any detailed programming, design planning services, site development/planning services (e.g. geotechnical engineering, testing, surveying, etc.) or project cost budgeting/phasing.

The conclusions outlined in this study are only one factor that Lenawee County should consider in its strategic planning efforts. The research and analysis contained in this report are intended to allow the County to draw informed conclusions regarding the potential viability associated with future development of a new multi-use complex.

In March 2020, the global outbreak of a “novel coronavirus” known as COVID-19 was officially declared a pandemic by the World Health Organization (WHO). As future impacts related to the pandemic continue to remain uncertain, it should be noted that the analysis found within this report does not account for potential short- or long-term implications resulting from COVID-19.

WORK PLAN

Research tasks completed as part of this study effort included, but were not limited to, the following.

- Obtained input from client representatives to develop an understanding of the background, history and key issues related to the study; confirm the study scope and objectives; review existing data related to the project; discuss the project schedule.
- Obtained feedback from area stakeholders regarding potential market opportunities and potential challenges to development and sustainability of the proposed new complex.
- Analyzed local market attributes including demographic and socioeconomic metrics, area employment, transportation access, hotel supply, area amenities and climate attributes.
- Profiled the supply of existing and planned facilities in the area.
- Summarized sports participation trends based on a national database.
- Conducted market surveys and interviews with area scholastic and collegiate programs; STEM organizations; State, regional and national youth and amateur sports organizations; and event organizers of various special athletic events.
- Analyzed building program attributes and operating data from a select number of competitive and/or peer facilities.
- Identified market-related strengths/opportunities and challenges/threats associated with the proposed new multi-use complex.
- Summarized potential market demand opportunities and building program recommendations.
- Developed a financial pro forma and related assumptions regarding potential usage/event activity and facility operations in terms of operating revenues and operating expenses.
- Estimated the economic and fiscal impacts associated with on-going facility operations.

EXECUTIVE SUMMARY

The following provides an overview of key findings related to the proposed new multi-use complex in Lenawee County based on the research and analysis conducted as part of this study effort. The information presented in the executive summary is extracted from the more detailed report. As such, it is important for the reader to review the report in its entirety to gain a better understanding of the research, methodology and assumptions used.

Although the proposed new complex is envisioned to be multi-use and able to serve the local community as well as out-of-town attendees at both sporting and non-sporting events, generating sports tourism is a key objective. As such, this analysis primarily focuses on assessing potential market demand for sports events that could generate economic impact to the County.

Research indicates that competitive sporting events are less impacted by economic downturns than other market segments. Several factors can impact a community's success in developing sports tourism including stakeholder support, marketing efforts, the quality of the facility(ies), destination attributes including hotels, retail, entertainment and dining options, ownership/management of the facility, relationships with event organizers and the presence of elite level athletes, leagues, and/or collegiate teams in particular sports. Local market conditions such as demographic and socioeconomic characteristics, transportation access, the supply of competitive facilities and sports participation trends can also impact potential demand for new facilities.

Favorable market conditions include the population within drive-times of the proposed site that tournament attendance is generally derived from and income characteristics of households in the local area. Additionally, the proposed site has adequate highway and air accessibility, and the region has experienced relatively strong sports participation levels. If built, the proposed new mixed-use development proximate to the site would also be a positive attribute relative to attracting events and attendees as well as retaining spending in the County.

Market research also indicated several challenges associated with the development of a new multi-use complex in Lenawee County. The population within a 30-minute drive of the potential site for the proposed new multi-use complex is relatively small and expected to experience limited growth from 2020 to 2025. This, combined with the lower percentage of individuals under the age of 18 in comparison to the U.S, suggest the proposed new multi-use complex may face challenges related to local youth sports participation. In terms of attracting competitions/tournaments that generate new economic impacts to the area, the current supply of hotel rooms in the area is a limiting factor. Further, the outdoor component of the proposed new multi-use complex would likely have limited availability year-round based on temperature and precipitation statistics for the area.

The supply, quality and market niche of local and regional competitive facilities can also impact potential market demand for new sports facilities. The County has a limited number of indoor and outdoor sports facilities that are capable of hosting tournament activity. With that said, the broader region features a significant supply of sports facilities that present a strong competition for the proposed multi-use complex in Lenawee County, especially for outdoor sports activity. Further, there are multiple planned sports facilities in the region that will further increase competition once opened and similar sports facilities are increasingly being developed nationally.

In order to assess potential market demand for a potential new complex, direct input was obtained from various stakeholders including the County, the City of Adrian, the City of Tecumseh, Visit Lenawee, Lenawee Now, existing facility operators, area collegiate institutions, as well as several private sector representatives. In addition, we conducted interviews/surveys with representatives of organizations who host sporting events and STEM-related events. Market outreach with potential users representing sporting events indicated moderate demand in hosting a variety of types and levels of sporting events at a new multi-use complex in Lenawee County if it met their facility/program requirements. Those sports organizations that expressed interest in hosting an event(s) at the proposed new multi-use complex primarily represented regional (multi-state) tournaments. Potential users estimated that approximately half of the anticipated visitors would drive to and from the proposed multi-use complex rather than stay overnight.

Potential sports users that expressed concerns associated with the development of the proposed new multi-use complex in Lenawee County cited factors such as lack of hotels, lack of destination appeal, distance from their membership base, established relationships with existing facilities, and a lack of local sports clubs to participate in tournaments as challenges to hosting their event. Most STEM organizations indicated that they either utilize their own facilities and/or leverage their relationships and partnerships with area schools and universities to host their events. Input from potential users related to STEM suggests that there is not significant unmet demand for these activities at this time. A list of organizations contacted can be found in the Sports Participation Trends and Potential Demand Generators section of this report as well as in the Appendix.

Based on the market research and analysis conducted for this study effort, the development of a new multi-use complex would better position the County to attract sports tournaments/competitions and other activities that generate incremental new economic benefits to the area. With that said, there are market factors such as the existing hotel supply, a potentially limited local participation base and the supply of competitive facilities in the region that present considerable challenges. Given these challenges, it will be critical that any new multi-use complex developed in the County differentiates itself from competitors with its building program, design elements, supporting amenities and infrastructure as well as service

levels; is aggressively marketed by established tourism agencies; and is operated by a professional management organization that specializes in marketing and management of similar facilities and that has established contacts and strong relationships with regional/national sporting event promoters and producers. The success of the proposed multi-use complex in terms of attracting events that generate sport tourism and related spending in the County will also be dependent on the ability to adequately support the complex with amenities such as hotels, dining options, entertainment, retail, etc. located within close proximity.

Market research suggests stronger short-term demand for the indoor facility component of the proposed project. With the appropriate building program and management team, the facility could attract tournaments/competitions that would generate economic benefits to the County.

In addition to accommodating tournament play, a flexible design that allows the facility to be used for multiple sports throughout the year would assist in further cultivating local recreational and competitive sports teams and leagues. However, based on the existing market challenges, it is likely that a new indoor facility would face difficulties maximizing its economic contribution and financial performance until the amount and type of programming for area sports clubs and leagues are expanded. Further, if built, a new indoor facility should be designed to be multipurpose so that it can accommodate non-sporting activity like exhibit/expo events, tradeshow, meetings, social functions, and other community events. It should also be designed to incorporate space that helps address broader community needs and potentially garner private sector support.

A moderate-sized outdoor field complex could also attract some tournament activity that would generate economic activity to the community. In addition, this type of facility would assist in further enhancing local recreational and travel teams. With that said, while some market challenges can be mitigated, others are outside the control of facility ownership, management and supporting organizations. For example, the County's climate attributes limit the proposed outdoor field complex's ability to host year-round activity and realize resulting economic benefits. Market research, including the strong competition from outdoor facilities in the area, suggests that the County may want to consider a phased approach to the development of the proposed new multi-use complex.

With consideration to the potential site and the objectives of the proposed new multi-use complex, the following outlines major program elements, patron amenities and other related supporting infrastructure that the County should consider based on the market research conducted as part of this study effort. Additional building program recommendations can be found in the Market Assessment section of this report.

- An indoor facility with six (6) or eight (8) hardwood basketball courts which in turn would yield 12 to 16 volleyball courts
 - To maximize usage opportunities, the floor layout should be designed to allow synthetic turf to be placed on top of the courts and accommodate activities such as practices for outdoor field sports
 - Flexible and divisible design that can accommodate diverse, simultaneous events
- An outdoor facility with six (6) tournament-quality fields that are configurable for both rectangular and diamond field sports
 - Turf playing surface

Both the indoor and outdoor spaces should be strategically designed to accommodate future expansion, as warranted by demand.

Based on industry experience as well as building programs at peer facilities, it is estimated that the proposed indoor facility will require between 90,000 and 125,000 gross SF (7 to 8 acres) and the outdoor facility will require between 21 and 27 acres. Both these estimates include allocations for parking and support spaces. These acreage estimates are preliminary and actual space requirements will depend on the facility concept developed and the amount of nearby parking that may be available. Further, the above building program recommendations will need to consider any appropriate long-term design implications from the COVID-19 pandemic.

The square footage estimate above for the indoor facility excludes space that would be allocated to commercial rentals or accommodating certain meal-related functions for the County’s Department on Aging which County representatives indicate could require up to 25,000 SF.

Based on a phased approach to development, the following table summarizes the estimated usage/events and hotel room nights for the proposed multi-use complex in a stabilized year.

Proposed New Multi-Use Complex in Lenawee County			
Estimate of Annual Usage (Stabilized Year)			
Category	Indoor Facility	Outdoor Facility	Total
Tournament Activity			
Total Events	28	22	50
Total Event Days	56	44	100
Total Number of Participants	14,300	13,200	27,500
Total Number of Spectators	28,600	21,120	49,720
Average Length of Stay (Days)	2.0	2.0	
Tournament Attendee Days	85,800	68,640	154,440
Leagues, Camps & Clinics			
Total Participant Days	97,900	41,760	139,660
Total Attendee Days	183,700	110,400	294,100
Total Hotel Room Nights Generated	14,300	11,400	25,700
Total Hotel Room Nights Captured in Lenawee County	10,700	8,600	19,300

As shown, the proposed new multi-use complex is estimated to host 50 tournaments annually, of which 28 are estimated to occur at the proposed indoor facility and 22 at the proposed outdoor complex. This tournament activity is estimated to generate 154,440 attendee days from multiple indoor and outdoor sports, most of which are estimated to be net new to the County. For tournament activity, an attendee day is defined as total attendance multiplied by the event length. For example, a two-day tournament with 200 attendees equates to 400 attendee days which reflects that the same attendees return to the event each of the two days.

In addition, the proposed new multi-use complex is estimated to generate 139,660 participant days related to sports leagues, camps and clinics. This activity is estimated to include elite, travel team participants that regularly play other similar level teams in the region which will help better position the proposed new multi-use complex to attract regional and national tournaments/competitions.

The annual number of hotel room nights generated from activities at the potential new multi-use complex is estimated to be 25,700 in a stabilized year of operations, of which approximately 19,300 hotel room nights (or 75%) are estimated to be captured in the County. This calculation assumes 50% of total attendance at tournaments stay overnight for an average length of two nights with an average of three people per hotel room.

Although it is likely that the complex will be able to host additional local recreational activity as well as non-sporting events, community activities of this type typically breakeven financially. As such, these activities are assumed to be revenue-neutral and are therefore excluded. Further, all non-tournament activity is assumed to be local and is excluded from the economic and fiscal impact calculation.

Based on the assumptions outlined in this report, the following table summarizes the estimated annual financial operations for the proposed multi-use complex in a stabilized year. A detailed description of each line item can be found in the Economic Analysis section of this report.

This estimate assumes that the first phase of construction will include the indoor component of the proposed new multi-use complex and that the outdoor component will be developed in a later phase. As such, while the net operating revenues reflect independent facility operations, the net operating expenses shown for the outdoor sports facility are estimated add-on costs and do not represent the financial operations of a stand-alone facility. It should be noted that estimates of financial operations should be updated as the building program, design and other operating characteristics evolve.

Proposed New Multi-Use Complex in Lenawee County Estimate of Annual Financial Operations (Stabilized Year)			
Category	Indoor Facility	Outdoor Facility	Total
Net Operating Revenues			
Facility Rental	\$550,000	\$236,000	\$786,000
Food & Beverage	165,000	99,000	264,000
Advertising & Sponsorship	55,000	40,000	95,000
Other	11,000	10,000	21,000
Total	781,000	385,000	1,166,000
Net Operating Expenses			
Personnel Costs	543,000	189,000	732,000
General, Administrative & Other	215,000	77,000	292,000
Utilities	180,000	45,000	225,000
Repairs & Maintenance	120,000	78,000	198,000
Total	1,058,000	389,000	1,447,000
Operating Loss Before Capital Reserve, Debt Service and Depreciation	(277,000)	(4,000)	(281,000)
Non-Operating Revenues			
Commercial Leases	415,000	0	415,000
Profit/(Loss) Before Capital Reserve, Debt Service and Depreciation	\$138,000	(\$4,000)	\$134,000

Notes: Expenses shown for the outdoor facility represent add-on costs.

Expenses related to management fees are included under the indoor facility.

Estimate of non-operating revenues (i.e., Commercial Leases) is based on information provided by County representatives.

Non-operating revenues exclude other potential sources such as naming rights, etc.

As shown, the proposed new multi-use complex is estimated to realize an operating deficit before any non-operating revenue streams, a capital reserve fund, debt service and depreciation.

Other similar facilities, such as Cape Girardeau Sportsplex and Foley Sports Tourism Complex, also operate at a deficit but are viewed as community assets based on the economic benefits that they generate to surrounding areas.

Several potential non-operating revenue sources could help offset the operating deficit. For instance, the County estimates that commercial leases associated with space at the indoor facility could generate approximately \$415,000 annually. Including this estimated revenue stream would yield a profit before any costs associated with a capital reserve fund, debt service and depreciation.

Although not included in the table above, it is likely that the proposed new multi-use complex could generate other non-operating revenues from sources such as exclusivity rights, facility naming rights, etc. For instance, a bank could pay to locate an ATM within the proposed new facility. These potential non-operating revenues are highly market-driven and would need to be tested through an extensive pre-development marketing initiative.

The following table summarizes the estimated annual new economic impacts generated from ongoing operations of the proposed new multi-use complex in a stabilized year in terms of output (i.e. direct, indirect and induced spending), total jobs and total earnings.

Proposed New Multi-Use Complex in Lenawee County			
Estimate of Annual New Economic Impacts From Ongoing Operations (Stabilized Year)			
Category	Indoor Facility	Outdoor Facility	Total
Output			
Direct Spending	\$5,900,000	\$4,900,000	\$10,800,000
Indirect & Induced Spending	\$2,400,000	\$2,000,000	\$4,400,000
Total Output	\$8,300,000	\$6,900,000	\$15,200,000
Total Jobs (Full-Time & Part-Time)	110	90	200
Total Earnings	\$2,600,000	\$2,200,000	\$4,800,000

Note: Total jobs represent full and part-time positions sustained on an annual basis.

Net new direct spending associated with ongoing operations of the proposed new multi-use complex is estimated to be \$10.8 million annually in Lenawee County which is estimated to produce total output (i.e. direct, indirect and induced spending) of \$15.2 million annually. Outputs from the IMPLAN model indicate that this new spending is estimated to support a total of 200 full- and part-time jobs and \$4.8 million in earnings annually in Lenawee County. It should be noted that a person can hold more than one job, so total jobs is not necessarily the same as the count of employed persons. Further, the total number of jobs does not reflect employees working at the multi-use complex but rather the total number of jobs that are directly and indirectly supported on an annual basis in multiple sectors of the economy due to the on-going operations of the proposed multi-use complex.

The proposed indoor facility is estimated to account for approximately 55% of total economic impacts and the proposed multi-field outdoor complex is estimated to account for the remaining 45%.

As shown below, annual new tax revenues generated from ongoing operations of the proposed new multi-use complex are estimated to be \$728,000 at the State level in a stabilized year. In addition, it is estimated that the ongoing operations of the proposed new multi-use complex could generate \$99,000 annually from the hotel/motel tax assessment imposed and collected by Visit Lenawee.

Proposed New Multi-Use Complex in Lenawee County			
Estimate of Annual New Tax Revenues From Ongoing Operations (Stabilized Year)			
Entity	Indoor Sports Facility	Outdoor Sports Facility	Total
Visit Lenawee	\$54,000	\$45,000	\$99,000
State of Michigan	\$406,000	\$322,000	\$728,000
Grand Total	\$460,000	\$367,000	\$827,000

The proposed indoor facility is estimated to account for approximately 55% of the total tax revenues and the proposed outdoor sports facility is estimated to account for approximately 45%.

The COVID-19 pandemic has had a significant impact on the sports industry as well as the global economy. While the sports industry has shown signs of recovery at the time of this report, any decisions related to the development of the proposed new multi-use complex should take into consideration potential impacts associated with the COVID-19 pandemic.

One of the primary objectives of the proposed project is to generate sports tourism. As shown, the proposed new multi-use complex is estimated to generate considerable economic and fiscal benefits to the local and State economies. Further, the development of the proposed multi-use complex will result in qualitative benefits including, but not limited to, growing local play including that at the elite-level; enhancing the quality of life for area residents; enhancing the area's image as a destination by increasing its amenities; and offering an attractive venue to residents and visitors that can host diverse event activity and house other compatible functions.

If Lenawee County chooses to move forward with development of the proposed new multi-use complex, potential next steps in the planning process include:

- Preparing a detailed building program, development costs, and development schedule as well as conceptual site plans for the proposed new multi-use complex that reflect potential phasing options for construction as well as future expansion options as warranted by demand.
- Solidifying an operating strategy for the facility that includes a management team with extensive experience in booking, marketing and servicing the target market as well as a well-defined mission statement, booking policy and rate structure.
- Developing a sustainable financial plan that incorporates ongoing operational needs as well as a capital reserve fund to protect the County's investment.
- Creating a funding plan for the proposed new multi-use complex that covers development costs which may include both public and private sector partners.

2. LOCAL MARKET CONDITIONS



LOCAL MARKET CONDITIONS

Characteristics of the market in which the proposed new multi-use complex would operate are important to evaluate and understand. Many variables, including demographic and economic conditions, as well as local area offerings and destination appeal, are likely to impact a facility's competitive positioning in the market. This section outlines key demographic and socioeconomic data, area employment, transportation access, hotel and other area offerings, and climate characteristics.

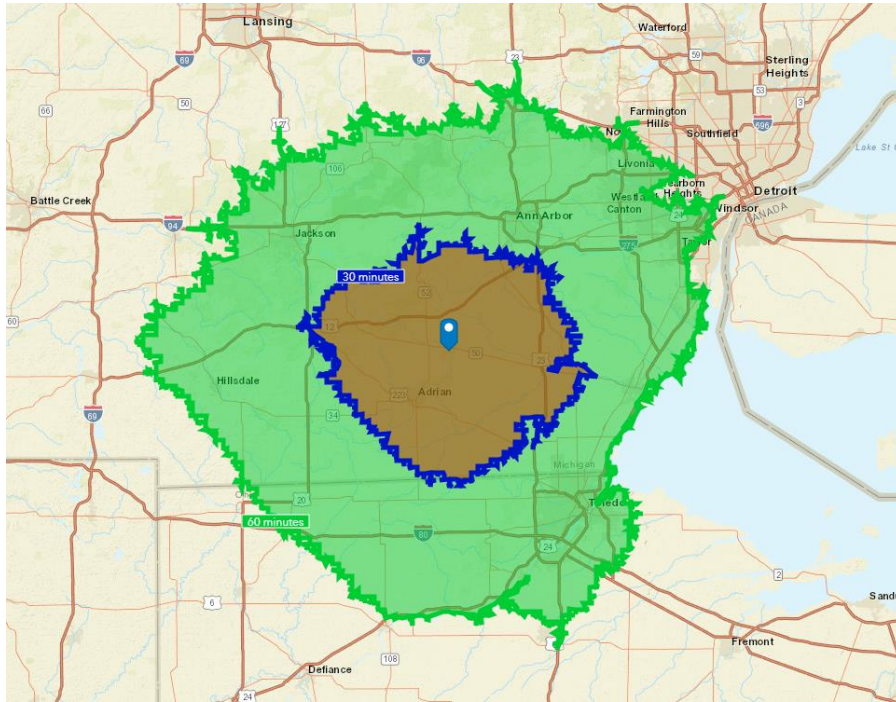
DEMOGRAPHIC AND SOCIOECONOMIC STATISTICS

Demographic and socioeconomic trends are relevant factors in evaluating the potential market demand for participant and spectator-oriented sports activities and events for a multitude of reasons. The scope of events at the proposed new multi-use complex is expected to include a broad spectrum of offerings. Participants and attendees will include residents along with daytrip and overnight visitors from within the region and potentially even nationally. Key criteria considered by sporting event organizers in choosing where to stage events typically includes location, market characteristics, and facility offerings. Additionally, the existence of area youth and amateur sports clubs that commonly participate in tournaments as well as other factors such as population, age distribution and income characteristics can be important when selecting markets to host their events.

Utilizing a 30-, 60-, 120- and 180-minute drive time from the potential site location (collectively referred to as "target markets"), this section highlights demographic data, including population, households, age distribution and income characteristics. In addition to the aforementioned target markets, demographic data is provided as a comparative reference point for Lenawee County, the State of Michigan and the U.S. Typically, recreational league games, practices and other related sports activity draw people from within a 30-minute drive time. Elite teams may travel up to 60-minutes for practices and competitions and larger tournaments are likely to attract participants and attendees from even greater distances. Industry research indicates that many sports participants are willing to drive three or more hours to compete in regional and national tournaments.

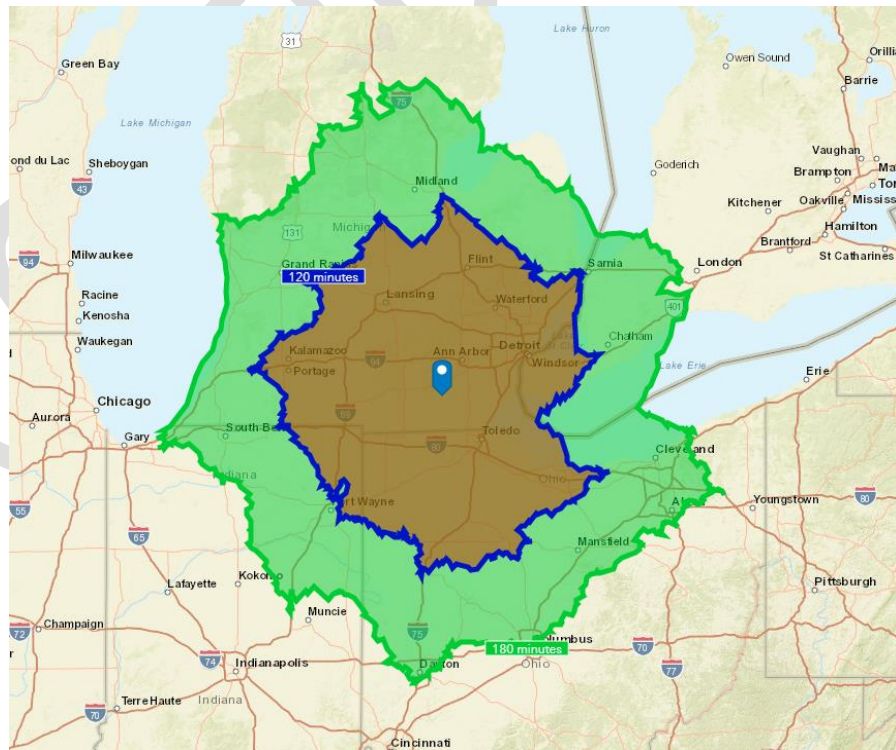
The following pages provide analysis of key demographic and socioeconomic attributes within each of the profiled markets as well as maps of the 30-, 60-, 120- and 180-minute drive times to illustrate the range of these potential target market areas. These profiled markets are not intended to directly correlate to potential market demand but rather to illustrate the characteristics of the market within which the proposed new multi-use complex would operate.

Map of 30- and 60-Minute Drive Time



Source: Esri.

Map of 120- and 180-Minute Drive Time



Source: Esri.

Population

Population serves as a base from which the proposed new multi-use complex could draw attendance and other forms of support. As shown in the following table, the population within a 30-minute drive time is relatively small at 158,487 in 2020. However, the population within a 60-minute drive time is significantly greater at 2,178,598 due primarily to the densely populated areas of Ann Arbor and the western suburbs of Detroit. In 2020, the 120- and 180-minute drive times had populations of 8,209,706 and 16,633,282, respectively. The significant population within both the 120- and 180-minute drive time is positively impacted by in-State areas such as Detroit, Flint, Lansing, Grand Rapids, and Kalamazoo and from neighboring states to the south, including the areas of Toledo, Cleveland, Fort Wayne, South Bend, and portions of Columbus and Akron. Population for each of the profiled drive-time markets is expected to increase at a slower rate than that of the U.S. from 2020 to 2025.

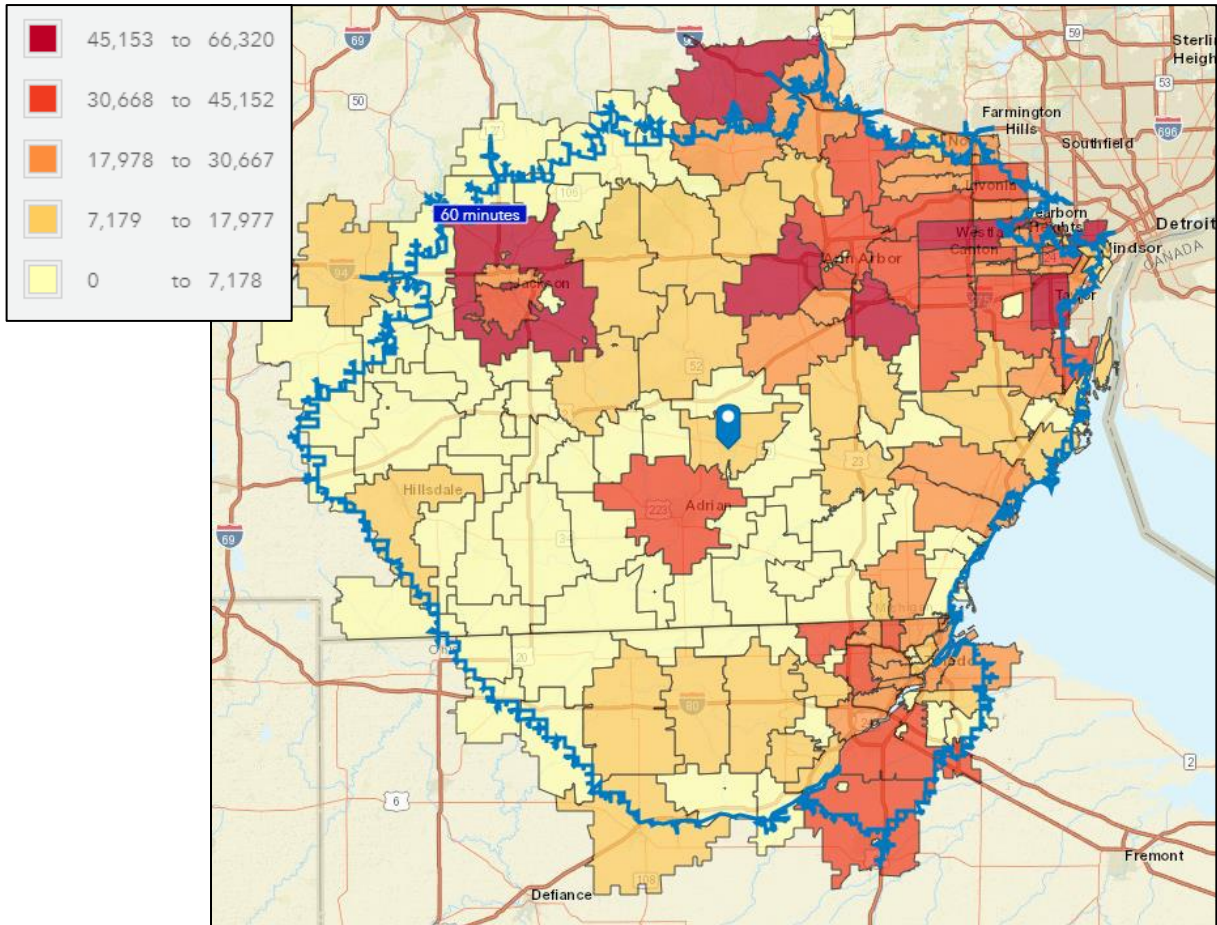
Total Population							
Population Summary	Lenawee County	30-Minute Drive Time	60-Minute Drive Time	120-Minute Drive Time	180-Minute Drive Time	State of Michigan	U.S.
2000 Total Population	98,890	146,037	2,083,009	8,215,068	16,238,972	9,938,444	281,421,906
2010 Total Population	99,892	152,650	2,130,019	8,088,036	16,229,342	9,883,640	308,745,538
2020 Total Population	100,241	158,487	2,178,598	8,209,706	16,633,282	10,114,954	333,793,107
2025 Total Population	100,672	160,496	2,192,620	8,280,460	16,847,309	10,238,518	346,021,282
2000-2010 Annual Growth Rate	0.10%	0.45%	0.23%	-0.15%	-0.01%	-0.06%	0.97%
2010-2020 Annual Growth Rate	0.03%	0.38%	0.23%	0.15%	0.25%	0.23%	0.81%
2020-2025 Annual Growth Rate (Projected)	0.09%	0.25%	0.13%	0.17%	0.26%	0.24%	0.72%

Source: Esri.

To provide more detailed insights of the population in the local area, the following map illustrates the population density of zip codes within a 60-minute drive time.

As shown, Tecumseh has a relatively low population in comparison to other areas within the 60-minute drive time. The most highly populated areas include zip codes associated with Adrian, Jackson and Ann Arbor as well as other areas in the northeast near Detroit.

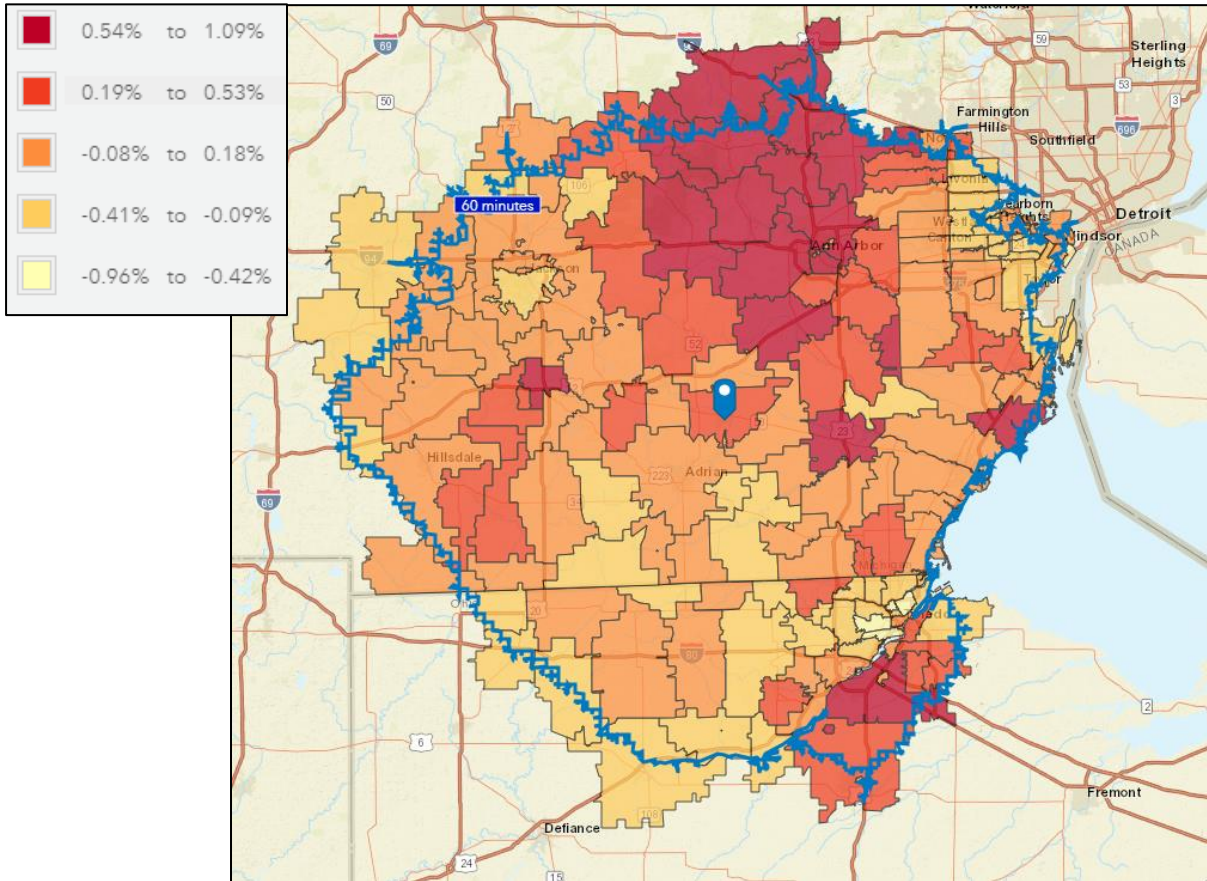
Map of 2020 Population Density – 60-Minute Drive Time



Source: Esri.

The following map illustrates the 2020 to 2025 projected annual growth rate in population within the 60-minute drive time. Tecumseh is projected to grow at a higher rate than most other areas. Zip codes primarily to the north are expected to have the highest growth rate, which could provide an opportunity for a potential new multi-use complex to obtain future support and visitors.

Map of 2020 – 2025 Annual Population Growth Rate – 60-Minute Drive Time



Source: Esri.

Number of Households

The following table illustrates the number of households within each of the profiled market areas. Consistent with projected population growth, the projected 2020 to 2025 annual growth rate in households for the 30-, 60-, 120- and 180-minute drive times is expected to be lower than that of the U.S.

Number of Households							
Household Summary	Lenawee County	30-Minute Drive Time	60-Minute Drive Time	120-Minute Drive Time	180-Minute Drive Time	State of Michigan	U.S.
2000 Total Households	35,930	52,263	802,194	3,139,450	6,248,157	3,785,661	105,480,101
2010 Total Households	37,514	57,127	839,349	3,172,096	6,393,040	3,872,508	116,716,292
2020 Total Households	38,272	59,429	865,634	3,253,098	6,610,772	4,002,057	126,083,849
2025 Total Households	38,606	60,380	873,595	3,291,854	6,710,310	4,062,968	130,658,485
2000-2010 Annual Growth Rate	0.44%	0.93%	0.46%	0.10%	0.23%	0.23%	1.07%
2010-2020 Annual Growth Rate	0.20%	0.40%	0.31%	0.26%	0.34%	0.33%	0.80%
2020-2025 Annual Growth Rate (Projected)	0.17%	0.32%	0.18%	0.24%	0.30%	0.30%	0.72%

Source: Esri.

Age Distribution

The distribution of the population by age is useful to understand as different events are targeted to participants within specific age groups. Individuals under the age of 18 years old are a significant target market for participants in sports tournaments/competitions. The population of this age group across the profiled market areas is slightly less than the U.S.

Age Distribution							
2020 Population by Age	Lenawee County	30-Minute Drive Time	60-Minute Drive Time	120-Minute Drive Time	180-Minute Drive Time	State of Michigan	U.S.
Age 0-4	5.2%	4.9%	5.4%	5.5%	5.7%	5.5%	6.0%
Age 5-9	5.6%	5.4%	5.7%	5.8%	5.9%	5.8%	6.1%
Age 10 - 14	6.0%	6.0%	6.0%	6.1%	6.1%	6.1%	6.3%
Age 15 - 24	12.5%	12.0%	13.6%	13.1%	13.1%	13.0%	13.0%
Age 25-34	12.3%	12.4%	13.5%	13.2%	13.2%	13.0%	14.0%
Age 35-44	12.2%	12.3%	12.1%	12.0%	12.0%	11.8%	12.6%
Age 45-54	13.0%	13.7%	12.9%	12.9%	12.6%	12.8%	12.4%
Age 55 - 64	14.5%	15.0%	13.9%	14.0%	13.8%	14.2%	13.0%
Age 65-74	11.5%	11.3%	10.2%	10.4%	10.3%	10.7%	9.8%
Age 75-84	5.3%	5.0%	4.6%	4.9%	4.9%	5.0%	4.8%
Age 85+	2.1%	1.9%	2.1%	2.2%	2.2%	2.2%	2.0%
Age 18+	79.6%	80.0%	79.3%	78.9%	78.7%	79.1%	78.0%
Age < 18	20.4%	20.0%	20.7%	21.1%	21.3%	20.9%	22.0%
2020 Median Age	41.9	42.5	39.7	40.1	39.8	40.6	38.5

Source: Esri.

Income Distribution

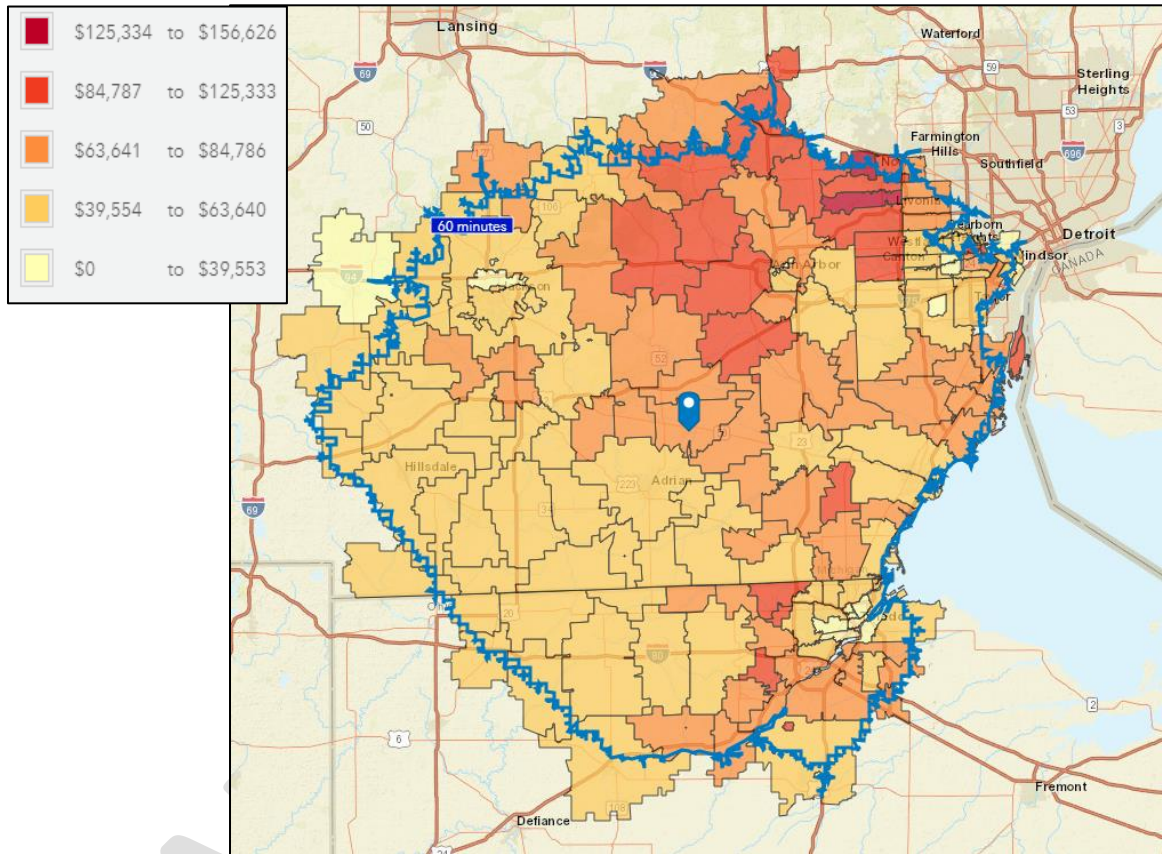
Household income levels are an indicator of spending potential and the ability of households to purchase goods and services including sporting event participation or attendance. Median household income levels and projected 2020-2025 annual growth rates within the 30-minute drive time are higher than that of the other profiled areas while these attributes in the 60-, 120- and 180-minute profiled drive times are relatively consistent with the U.S.

Household Income Distribution							
2020 Household Income Distribution	Lenawee County	30-Minute Drive Time	60-Minute Drive Time	120-Minute Drive Time	180-Minute Drive Time	State of Michigan	U.S.
Less than \$15,000	8.2%	7.0%	10.7%	11.3%	11.0%	11.0%	10.3%
\$15,000 to \$24,999	9.6%	7.9%	8.5%	9.1%	9.2%	9.3%	8.8%
\$25,000 to \$34,999	9.8%	8.2%	8.9%	9.5%	9.5%	9.6%	8.7%
\$35,000 to \$49,999	14.5%	12.3%	12.3%	12.8%	13.3%	13.4%	12.2%
\$50,000 to \$74,999	21.2%	19.7%	18.1%	17.9%	18.3%	18.3%	17.3%
\$75,000 to \$99,999	14.8%	14.3%	12.8%	12.8%	13.1%	12.9%	12.6%
\$100,000 to \$149,999	14.7%	17.2%	15.3%	14.8%	14.5%	14.4%	15.3%
\$150,000 to \$199,000	3.4%	6.9%	6.9%	6.2%	5.7%	5.8%	6.9%
\$200,000+	3.7%	6.5%	6.5%	5.6%	5.3%	5.4%	7.9%
2020 Median Household Income	\$56,915	\$66,500	\$60,896	\$57,802	\$57,248	\$57,108	\$62,203
2025 Median Household Income (Projected)	\$61,382	\$73,184	\$65,870	\$62,034	\$61,217	\$61,243	\$67,325
2020-2025 Annual Growth Rate (Projected)	1.6%	2.0%	1.6%	1.5%	1.4%	1.4%	1.6%
2020 Average Household Income	\$74,101	\$89,193	\$85,446	\$80,939	\$79,636	\$79,823	\$90,054
2025 Average Household Income (Projected)	\$82,372	\$99,561	\$94,983	\$89,531	\$87,820	\$88,388	\$99,510
2020-2025 Annual Growth Rate (Projected)	2.2%	2.3%	2.2%	2.1%	2.1%	2.1%	2.1%

Source: Esri.

As shown below, the median household income in Tecumseh is modest but higher than many other areas within the 60-minute drive time. Areas with high median household income are primarily located to the north of Tecumseh.

Map of 2020 Median Household Income – 60-Minute Drive Time



Source: Esri.

TAPESTRY SEGMENTATION – LENAWEЕ COUNTY

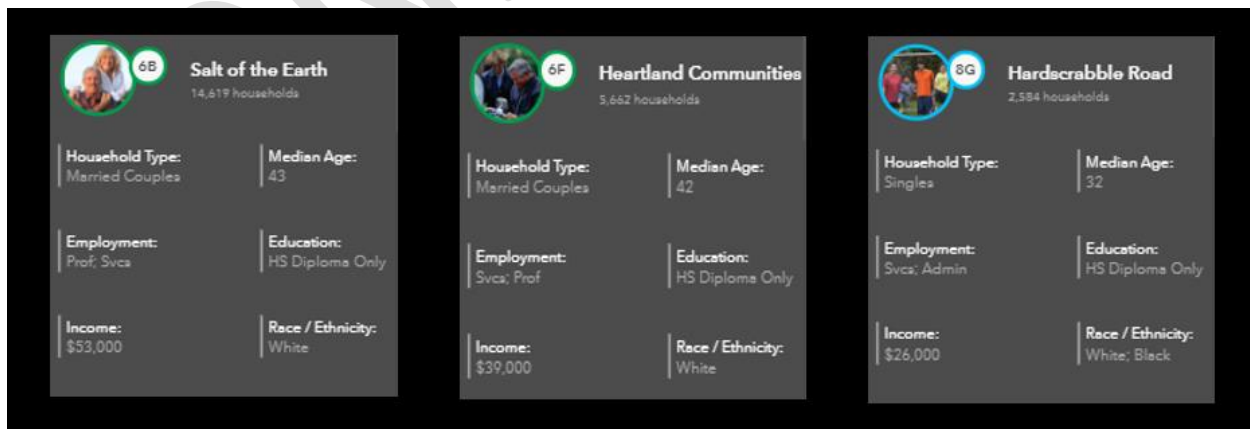
Esri tapestry segmentation classifies neighborhoods into 67 segments utilizing demographics and socioeconomic attributes. They summarize lifestyle choices, purchasing behavior, and hobbies. Based on Esri data, the top tapestry segments in Lenawee County are Salt of the Earth, Heartland Communities and Hardscrabble Road, which collectively account for approximately 60% of all County households. The following provides a brief description of each of these tapestry segments as defined by Esri.

1.) *Salt of the Earth (38.2% of 2020 households)*: Salt of the Earth residents are entrenched in their traditional, rural lifestyles. Citizens here are older, and many have grown children that have moved away. They still cherish family time and tending to their vegetable gardens and preparing homemade meals. Residents embrace the outdoors; they spend most of their free time preparing for their next fishing, boating, or camping trip. The majority has at least a high school diploma or some college education; many have expanded their skill set during their years of employment in the manufacturing and related industries. They may be experts with DIY projects, but the latest technology is not their forte. They use it when absolutely necessary but seek face-to-face contact in their routine activities.

2.) *Heartland Communities (14.8% of 2020 households)*: Well settled and close-knit, Heartland Communities are semirural and semiretired. These older householders are primarily homeowners, and many have paid off their mortgages. Their children have moved away, but they have no plans to leave their homes. Their hearts are with the country; they embrace the slower pace of life here but actively participate in outdoor activities and community events. Traditional and patriotic, these residents support their local businesses, always buy American, and favor domestic driving vacations over foreign plane trips.

3.) *Hardscrabble Road (6.8% of 2020 households)*: Hardscrabble Road neighborhoods are in urbanized areas within central cities, with older housing, located chiefly in the Midwest and South. This slightly smaller market is primarily a family market, married couples (with and without children) and single parents. Younger, highly diverse (with higher proportions of black, multiracial, and Hispanic populations), and less educated, they work mainly in service, manufacturing, and retail trade industries. Unemployment is high (almost twice the US rate), and median household income is half the US median.

Tapestry Segmentation Summary – Lenawee County



AREA EMPLOYMENT

The composition of an area’s employment by industry is a factor in targeting various events and/or seeking advertising and sponsorship opportunities at the proposed new multi-use complex. A balanced distribution of the workforce is beneficial as to not create an over reliance on any single industry segment. Additionally, a diverse local economy is better insulated from economic downturns.

In 2020, there were approximately 38,500 total jobs in the County. The services industry accounted for the largest number of total jobs, followed by manufacturing.

Lenawee County Employment by Industry	
Category	Employment
2020 Employed Population 16+ by Industry Total	38,537
Services	43.2%
Manufacturing	24.0%
Retail Trade	9.0%
Construction	7.1%
Finance/Insurance/Real Estate	4.5%
Public Administration	3.9%
Transportation/Utilities	3.8%
Agriculture/Mining	2.1%
Wholesale Trade	1.6%
Information	0.9%

Source: Esri.

Area employers provide a target market for potential users as well as sponsorship/ advertising opportunities and partnerships at the proposed new multi-use complex. As shown in the adjacent table, Inteva is the largest employer in the County, accounting for 1,250 employees or 17% of total employment at the profiled organizations, followed by Brazeway, accounting for 1,200 employees or 16.5% of total employment.

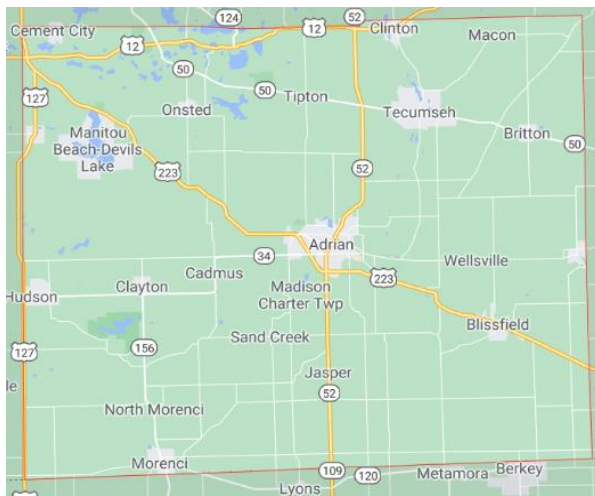
Top Employers in Lenawee County		
Employer	Employees	% of Total
Inteva	1,250	17.2%
Brazeway	1,200	16.5%
Wacker	777	10.7%
Lenawee Health Alliance Physicians	700	9.6%
Adrian Steele	525	7.2%
Lenawee County Government	477	6.6%
Walmart	450	6.2%
Promedica Charles Hickman	445	6.1%
Hi-Lex	400	5.5%
Promedica Herrick Manor	400	5.5%
Gus Harrison	345	4.7%
Kirchoff	300	4.1%
Total	7,269	100.0%

Source: Michigan Works Southeast.

TRANSPORTATION ACCESS

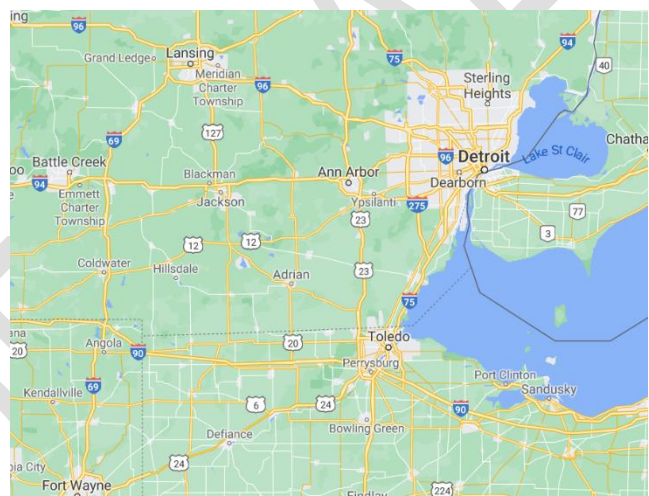
Ease of access to a market for event/tournament attendees plays an important role for organizers in selecting locations of venues to host their events. Furthermore, the location and accessibility of a facility relative to the population base can impact its marketability for events. As shown on the maps below, vehicular access to the local area is facilitated by U.S. Route 223 to the east and west and Michigan Highway 52 to the north and south, both of which have major junctures with area interstates in the broader market area. M-50 intersects multiple highways and runs through Tecumseh.

Map of Lenawee County Road Access



Source: Google Maps.

Map of Area Highway Access



Source: Google Maps.

Proximate and convenient air access can be important in serving the needs of sporting event organizers and participants, particularly for national events. Commercial air service is primarily provided by Detroit Metropolitan Wayne County Airport, which served a record-high 36.8 million passengers in 2019. The drive time to/from Lenawee County from this major airport is approximately one hour, dependent upon traffic conditions.

In addition, a regional airport is located approximately 30 miles south in Toledo, and the Lenawee County Airport (a public use airport) is in Adrian.

HOTEL SUPPLY

Hotel accommodations, both in terms of supply and range of offerings, proximate to sports facilities can play an important role in attracting sporting events that draw overnight attendees. Research indicates that participants/spectators tend to travel further and stay longer when their choice of hotel property is readily available.

As shown in the table below, there are 523 hotel rooms in the County, which primarily consist of limited-service chain-affiliated properties. Limited-service hotels are generally defined as those that offer certain services and amenities such as a business center, fitness room, swimming pools, etc. Full-service hotels generally offer all the services of a limited-service hotel as well as full restaurants, luxurious rooms, laundry, shuttle services, spas, room service, etc.

Hotel Supply in Lenawee County	
Property	Number of Rooms
Hampton Inn & Suites - Adrian	101
Carlton Lodge	98
Comfort Inn & Suites*	72
Adrian Inn	80
Tecumseh Inn	61
Holiday Inn Express	60
Super 8 by Wyndham - Adrian	51
Total	523

Notes: Sorted in descending order by number of rooms.

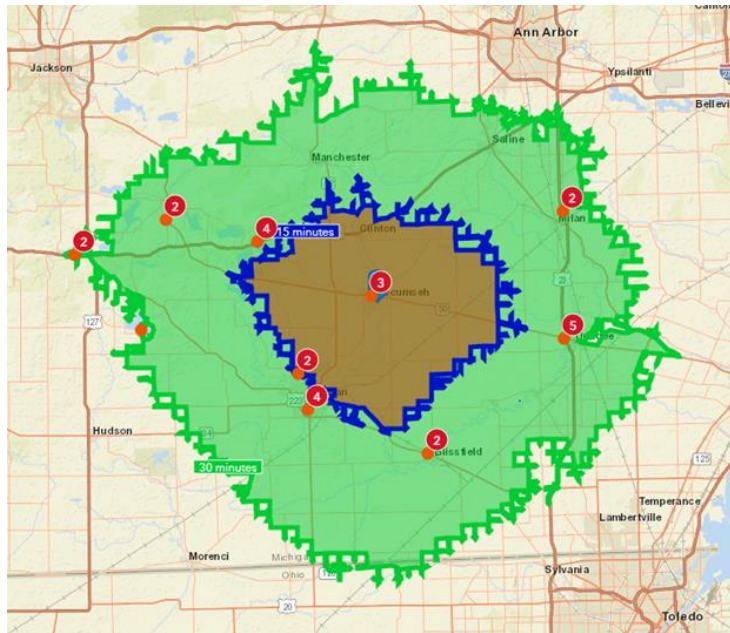
* The Comfort Inn & Suites is expected to open in September of 2021.

Source: Visit Lenawee.

The following map illustrates the number of hotels within a 15- and 30-minute drive of the potential site location. As shown, there is a relatively limited number of hotels within a 15-minute drive. It is our understanding based on information from secondary sources that a study was previously conducted for a potential new, limited service 62-room hotel in Tecumseh. If built, this hotel would add to the supply of hotels within the 15-minute drive time.

While there are a higher number of hotels within the 30-minute drive time, these properties are dispersed throughout the area. The closest concentrations of full-service hotels are located approximately 30 to 40 miles away in Ann Arbor and Toledo.

Map of Hotels: 15-Minute and 30-Minute Drive Times



AREA AMENITIES

The supply of retail outlets, dining options and entertainment/attractions are often important factors that event organizers consider when choosing where to host an event, as attendees typically desire a location that provides for leisure beyond the event itself. Many attendees seek nearby attractions during breaks from event-related activities, and the nature and scope of such attractions are often a deciding factor on who chooses to travel and length of stay. As a result, many sports facilities are developed proximate to area amenities, or as part of a larger development incorporating other entertainment and attractions.

A variety of outdoor recreational options exist in the County, including fishing, kayaking and other lake sports on the County's 50+ inland lakes (comprising 4,300 acres) as well as hiking and walking trails throughout the many area parks. Hidden Lakes, the largest botanical garden in Michigan, is in Tipton and features 755 acres of gardens and attractions, with a network of roads making it accessible to automobiles. The Michigan International Speedway, which is in Brooklyn, hosts a variety of NASCAR and other racing events throughout the summer months.

The County features several local vineyards, wineries and tasting opportunities. The area's primary performing arts venue is the Crowell Opera House in Adrian, which features Broadway-style musicals and plays and musical performances. Additionally, the Tecumseh Center for the Arts hosts a variety of theatrical performances and concerts throughout the year.

The Cabela's in Dundee features a 225,000 SF showroom filled with outdoor equipment and other accessories. Cabela's serves as a primary attraction in the area, attracting many visitors from outside the area each year.

The County is also home to historic sites including the Lenawee County Historical Museum in Adrian, which exhibits a variety of Underground Railroad and Civil War artifacts, and The William G. Thompson House Museum and Gardens in Hudson features a collection of Asian artworks.

The cities of Tecumseh and Adrian are home to the County’s largest concentration of restaurants, which include a range of fine dining, casual restaurants and bars/breweries, and ethnic eateries as well as the Old Road Dinner Train, which departs from Blissfield and features a three-hour murder mystery trip dinner. A variety of arts and crafts, antique, and other unique shops are also located across the County.

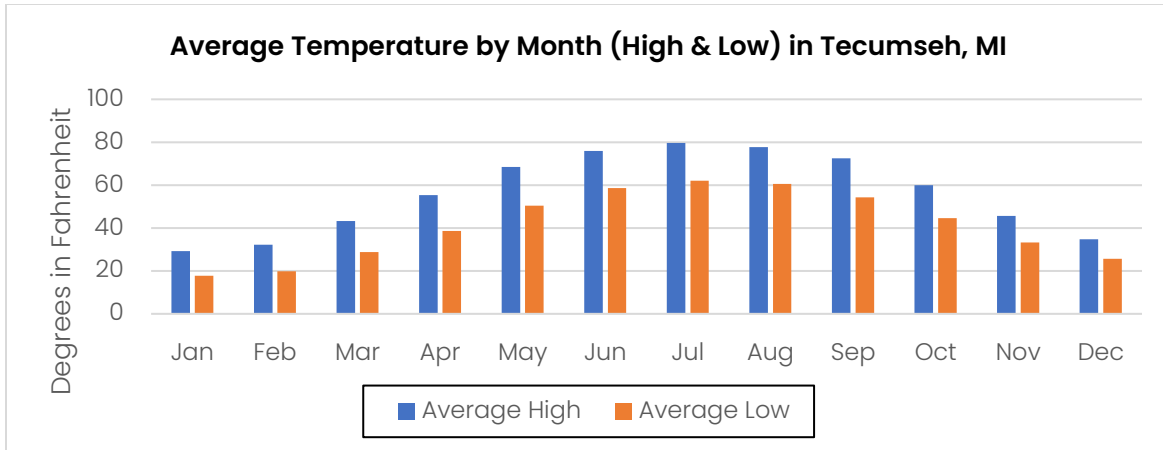
In addition, there are several events hosted annually in the County that draw visitation and could provide a source of entertainment for attendees at the proposed new multi-use complex. A list of select annual events is shown below. Several of these events are hosted by Adrian College and Siena Heights University, which also host numerous NCAA and NAIA sports competitions that increase visitation to the County.

List of Annual Events in Lenawee County			
Community Events	Time of Year	Community Events	Time of Year
Artalicious Fine Arts Festival	September	Morenci Town and Country Festival	June
Blues-n-Brews Craft Beer Festival	April	Ice Sculpture Festival	January
Lenawee County Fair	July	Appleumpkin Festival	October
River Raisin Festival	July	Nite Lites	Nov-Dec
Clinton Fall Festival	September	Great Lakes Woodworking Festival	May
Midwest Volkswagen Jamboree	June	Adrian Film Festival	April
Devils and Round Lake Tip Up	February	Lenawee Byways Art Trail	October
Taste of the Irish Hills	September	Formula SAE	May
Faster Horses Country Festival	July	Maggard Razors International Event	May
Arca Menards Series 200	August	Adrian College Synchronized Skating Event	August
NASCAR Xfinity Series 250	August	HubFest - Adrian	June
Fire Keepers 400	August	Welcome Back Bash - Adrian	August
Evening of the Lights	December	Adrian College Graduation	May
Holiday Festival	December	Siena Heights Graduation	May
Holiday in the Hills	December	Adrian College Welcome Week	August
Lenawee County Fair Lights	December	Siena Heights Welcome Week	August
Devils Lake Fine Arts Festival	July		

CLIMATE CHARACTERISTICS

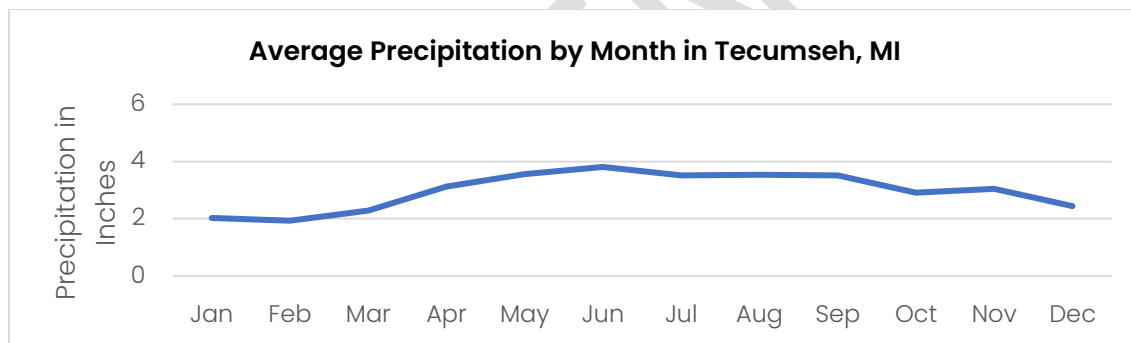
Sports event organizers, particularly those involved with outdoor activities, also consider an area’s climate in selecting event locations and venues as it can impact playing surface as well as overall comfortability.

The following chart illustrates the average high and low temperature by month in Tecumseh. As shown, Tecumseh generally has seven months where the average high temperature is above 50 degrees. On average, the warmest months in Tecumseh are June, July and August while the coldest months are January, February and December. Typically, outdoor sports utilize fields during the warmer months, as colder temperatures are commonly found to be unappealing to spectators and participants.



Source: Weather Atlas.

Months with high precipitation could negatively impact outdoor sporting events, particularly on natural grass fields, which are more susceptible to weather conditions than turf fields. On average, precipitation in Tecumseh ranges from 2 to 4 inches per month, with the highest precipitation occurring in the summer months.



Source: U.S. Climate Data.

SUMMARY OF OBSERVATIONS

The following summarizes observations related to local market conditions.

- The population within a 30-minute drive of the potential site for the proposed new multi-use complex is relatively small. Based on the population size, the area may lack a significant number of local sports participants. The proposed site is proximate to higher populated areas within the 60-, 120- and 180-minute drive times that may provide an opportunity to attract participants and spectators. With that said, the supply and location of existing facilities are important factors to consider as it relates to potential demand.
- The projected population growth in target markets associated with the proposed new multi-use complex is estimated to be lower than that of the U.S. from 2020 to 2025.

- The median household income within a 30-minute drive of the potential multi-use complex site is higher than that of the U.S., suggesting these households may have disposable income to spend on sports/entertainment.
- The top tapestry segments in the County indicate a large portion of households feature families with children that have moved away. This, combined with the lower percentage of individuals under the age of 18 in comparison to the U.S, suggest the proposed new multi-use complex may face challenges related to local youth sports participation.
- The County and potential site location have adequate highway and air accessibility.
- The current supply of local hotel rooms and lack of full-service properties could be a limiting factor in attracting certain sporting events, especially those that are regional, national and international in nature. While hotel studies have been completed prior to this study, no hotels have been developed outside of those previously profiled.
- The potential mixed-use development planned near the site would increase marketability for any new sports facilities.
- Any potential new outdoor complex would likely have limited availability year-round based on the temperature and precipitation statistics.

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3. SUPPLY OF AREA FACILITIES

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OVERVIEW

The extent that existing sports facilities meet the needs of target markets is important to consider when assessing demand for a new multi-use complex. Facility size, program elements, configuration, quality/condition, age, market focus and date availability are factors that impact how competitive facilities may be to the proposed new multi-use complex. While this section provides an overview of select local and regional sports facilities, it is not meant to be an all-inclusive inventory of facilities.

SUPPLY OF LOCAL SPORTS FACILITIES

Local Outdoor Facilities

As shown in the table that follows, there are multiple outdoor sports facilities in the County. In aggregate, the profiled County facilities offer 58 diamonds (14 lighted) and 31 rectangular fields (2 lighted). Among these however, there are a relatively limited number of facilities capable of hosting large-scale tournaments/events. Heritage Park, Mitchell Park, Tate Park and Onsted Village Park are the only venues offering four or more diamonds at one location, and among these, Heritage Park is the only one offering lighted facilities. In addition, only two of the profiled outdoor facilities offer a minimum of four rectangular fields. Heritage Park and Cal Zorn Recreation Center each have 7 rectangular fields. Although not shown in the table that follows, AJ Smith Recreation Center in Tecumseh features a grass parcel of land that can be lined to accommodate recreational soccer, lacrosse, etc.

Only three of the profiled facilities offer outdoor tracks. Further, there is a limited number of outdoor turf rectangular fields. It should be noted that, based on discussions with Adrian College, the facility is evaluating the development of a second turf field. It is envisioned that the field will host their athletic needs as well as camps/clinics and community sports-related activity.

Inventory of Outdoor Sports Facilities in Lenawee County								
Complex	Location	Operator	Diamonds		Rectangular Fields			Track
			Total Fields	Lighted	Total Fields	Turf Fields	Lighted	
Heritage Park	Adrian	Municipal	4	4	7	0	0	No
Cal Zorn Recreation Center	Tecumseh	Municipal	3	0	7	0	0	No
Mitchell Park	Raisin	Municipal	8	0	3	0	0	No
Siena Heights University	Adrian	College/Univ	1	1	3	1	1	Yes
Tate Park	Clinton	Municipal	4	0	2	0	0	No
Onsted Village Park	Onsted	Municipal	6	0	1	0	0	No
The Christian Family Center	Adrian	Private/Club	3	0	1	0	0	Yes
Memorial Park	Hudson	Municipal	2	0	1	0	0	No
Adrian College	Adrian	College/Univ	2	2	1	1	1	Yes
Bicentennial Park	Tipton	County	1	0	1	0	0	No
Gerber Hill Park	Blissfield	County	1	0	1	0	0	No
Thompson Field	Hudson	Municipal	1	0	1	0	0	No
Aden Mead Park	Tecumseh	Municipal	1	0	1	0	0	No
Thompson Park	Hudson	Municipal	0	0	1	0	0	No
Island Park	Adrian	Municipal	3	1	0	0	0	No
Wakefield Park	Morenci	Municipal	3	1	0	0	0	No
Will Carleton Park	Hudson	Municipal	2	2	0	0	0	No
Ellis Park	Blissfield	Municipal	2	2	0	0	0	No
Riga Township Park	Riga	Municipal	2	0	0	0	0	No
Medina Park	Canandaigua	County	1	0	0	0	0	No
Dana Park	Adrian	Municipal	1	0	0	0	0	No
Riverside Park	Adrian	Municipal	1	1	0	0	0	No
Trestle Park	Adrian	Municipal	1	0	0	0	0	No
Webster Park	Hudson	Municipal	1	0	0	0	0	No
Stephenson Park	Morenci	Municipal	1	0	0	0	0	No
Bachmayer Playground	Blissfield	Municipal	1	0	0	0	0	No
Farver Little League Field	Blissfield	Municipal	1	0	0	0	0	No
Jack Tibbs Memorial	Rollin	Municipal	1	0	0	0	0	No
Total			58	14	31	2	2	

Note: Sorted in descending order first by number of rectangular fields and then by number of diamonds.
 Sources: Lenawee County; Facility Websites; Secondary research.

Local Indoor Facilities

The following table profiles existing indoor facilities in the County that host sports activity. While there are other facilities that host sports activity in the County such as the Frank and Shirley Dick YMCA and Hope Community Center, these facilities are not profiled due to either their size, building program and/or market focus.

As shown, there is a limited amount indoor sports space in the County. Further, none of these facilities are well-positioned to host tournaments/competitions that require a significant number of courts/playing surfaces. Two of the profiled indoor facilities are associated with colleges/universities and are primarily focused on accommodating the schools’ athletic programs while the remaining facilities are primarily focused on the community’s recreational needs. Management at the AJ Smith Recreation Center in Tecumseh indicated that the facility is currently not at full capacity in terms of local usage and programming.

Inventory of Indoor Sports Facilities in Lenawee County							
Complex	Location	Operator	Total SF	Number of Courts		Indoor Turf Areas/Field	Indoor Track
				Basketball	Volleyball		
AJ Smith Recreation Center	Tecumseh	Municipal	20,000	2	*	0	No
Adrian College	Adrian	College/Univ	80,000	1	*	0	Yes
Siena Heights University	Adrian	College/Univ	58,000	1	*	0	Yes
The Christian Family Center	Adrian	Private/Club	210,000	1	*	0	No
Total			388,000	5		0	

Note: Basketball courts convertible to volleyball courts.

Sources: Lenawee County; Facility Websites; Secondary research.

SUPPLY OF REGIONAL SPORTS FACILITIES

This section profiles existing and planned sports facilities in the region which is defined as a 150-mile radius from the potential site of the proposed new multi-use complex. For informational purposes, a 150-mile radius generally equates to the 180-minute drive time previously shown. Many of these facilities could potentially compete with the proposed new multi-use complex for tournaments/competitions and other sports-related activities such as camps and clinics. As with local sports facilities, this list is not meant to be an all-inclusive inventory of facilities.

Regional Outdoor Facilities

Profiled outdoor sports facilities feature a minimum of six fields of the same type (diamond or rectangular) and host similar sports activity to that anticipated at the proposed new multi-use complex in Lenawee County.

Attributes of Select Regional Outdoor Sports Facilities								
Complex	Location	Operator	Diamonds		Rectangular Fields			Track
			Total Fields	Lighted	Total Fields	Turf Fields	Lighted	
Grand Park Sports Campus	Westfield, IN	Private/Club	26	26	31	7	8	No
Pacesetter Park	Sylvania, OH	Municipal	8	8	25	0	n/a	No
Saginaw Township Soccer Complex	Saginaw, MI	Municipal	0	0	22	n/a	n/a	No
The Plex North (Hefner Soccer Complex)	Fort Wayne, IN	Private/Club	0	0	19	0	4	No
CYO Complex	Toledo, OH	Non-Profit	8	n/a	12	0	n/a	No
Ella W. Sharp Park	Jackson, MI	Municipal	9	2	10	0	0	No
Echo Fields at Harris Township Park	Granger, IN	PPP	0	0	10	0	n/a	No
Kalamazoo Community Soccer Complex	Kalamazoo, MI	Municipal	0	0	10	0	n/a	No
Hope Sports Complex	Lansing, MI	Private/Club	0	0	10	1	3	No
Portage Soccer Complex	Portage, MI	Private/Club	0	0	9	n/a	n/a	No
Sports Force Park	Sandusky, OH	Private/Club	12	5	8	8	5	No
Fort Wayne Sport Club	Fort Wayne, IN	Private/Club	0	0	8	0	2	No
East Lansing Soccer Complex	East Lansing, MI	Municipal	0	0	8	0	1	No
Legacy Center Sports Complex	Brighton, MI	Private/Club	6	3	7	0	2+	No
Nibco Soccer Complex	Elkhart, IN	Non-Profit	0	0	7	0	0	No
Pendleton Sports Complex	Pendleton, IN	Municipal	8	n/a	3	0	n/a	No
Crown Point Sports Complex	Crown Point, IN	Municipal	10	n/a	2	2	2	No
Heritage Park	Coldwater, MI	Municipal	9	n/a	2	0	n/a	No
Quincy Park	Holland, MI	Municipal	7	4	1	0	0	No
Canton Sports Center	Canton, MI	Municipal	12	12	0	0	n/a	No
Bailey Park	Battle Creek, MI	Municipal	11	10	0	0	0	No
Wallen Complex	Fort Wayne, IN	Non-Profit	10	7	0	0	0	No
Concord Little League Park	Elkhart, IN	Non-Profit	10	n/a	0	0	0	No
Penn Park	Osceola, IN	Non-Profit	10	n/a	0	0	0	No
Eastside Youth Baseball and Softball	South Bend, IN	Non-Profit	9	4	0	0	0	No
Field of Dreams	Noblesville, IN	Private/Club	8	2	0	0	0	No
Bowman Park	Toledo, OH	Municipal	8	1	0	0	0	No
Coanz Recreation Complex	Oregon, OH	Municipal	8	5	0	0	0	No
Action Sports Center	Dayton, OH	Private/Club	8	6+	0	0	0	No
Hanna Nutman Park	Decatur, IN	County	7	7	0	0	0	No
REV Sports Complex (UC)	Decatur, IN	County	6	n/a	0	0	0	No

Notes: Complexes with less than six fields of the same type are not profiled.
 Number of diamond fields includes those on configurable rectangular fields.
 n/a denotes information not available.
 Sorted in descending order by total number of rectangular fields.

Sources: Individual facilities; Secondary research.

Profiled regional facilities have various management approaches with nearly half being operated by a municipality/county.

Grand Park Sports Campus in Westfield, Indiana features the largest supply of both diamond and rectangular fields at a profiled facility. The campus encompasses more than 400 acres and attracts approximately 2.5 million visitors a year. The facility host tournaments in multiple sports and is home to the training camp of the Indianapolis Colts.

Approximately one-third of the profiled outdoor facilities in the region are in Michigan. Several of these facilities are primarily focused on recreational and/or league play. With that said, other facilities such as the Legacy Sports Center host numerous tournaments throughout the year in outdoor sports such as baseball, softball and football amongst others. The facility also features an indoor competition area which is described later in this report.

Of those in which information was available, all the profiled facilities with diamond fields offer at least one lighted field. Of the profiled facilities offering rectangular fields, those that feature lighted fields are primarily privately operated and/or are more tournament focused. None of the profiled facilities feature a track.

Although located slightly further than the profiled outdoor facilities, Athletes in Action Sports Complex and Retreat Center is in Xenia, Ohio and features three rectangular fields and four diamond fields. All the fields feature turf playing surfaces. An eight lane all-weather track surrounds one of the rectangular fields. Management of the complex is currently in the process of developing a new indoor sports facility, which is described in the following section.

In addition to the profiled facilities, there are several other sports complexes in the region that feature a significant supply of fields in one location. However, these facilities are not primarily focused on hosting similar event activity to that envisioned at the proposed new multi-use complex in Lenawee County. For instance, there are several colleges/universities in the region that offer outdoor sports fields/complexes, but their primary focus is to accommodate their own athletic programs and student activities. Although not deemed directly competitive, it is likely that these facilities would be competitive for certain events such as those related to NCAA.

Regional Indoor Facilities

There are multiple facilities in the region that offer indoor courts, tracks and/or turf areas. As shown in the table that follows, nearly all the profiled indoor facilities are privately operated.

Attributes of Select Regional Indoor Sports Facilities							
Complex	Location	Operator	Total SF	Number of Courts		Number of Indoor Turf Areas/Fields	Indoor Track
				Basketball	Volleyball		
Cedar Point Sports Center	Sandusky, OH	Private/Club	145,000	10	*	0	Yes
Grand Park Sports Campus	Westfield, IN	Private/Club	465,000	8	*	3	No
Spiece Fitness	Fort Wayne, IN	Private/Club	150,000	8	*	0	Yes
Legacy Center Sports Complex	Brighton, MI	Private/Club	205,000 +	8	*	2	No
The Courthouse Athletic Center	Byron Center, MI	Private/Club	48,000	6	*	0	No
Ronnie Grandison Sports Academy	Cincinnati, OH	Private/Club	54,000	6	0	0	No
SportONE Fieldhouse	Fort Wayne, IN	Private/Club	57,000	6	*	0	No
MSA Fieldhouse	Grand Rapids, MI	Private/Club	49,900	5	*	0	No
The Courthouse Athletic Center	Portage, MI	Private/Club	30,000	4	*	0	No
MSA Woodland	Grand Rapids, MI	Private/Club	101,300	4	*	2	No
Optimum Performance Sports (UC)	Fort Wayne, IN	Private/Club	100,000	4	*	0	Yes
Plassman Athletic Center at Turnstone	Fort Wayne, IN	Non-Profit	75,000	4	*	0	Yes
High Velocity Sports	Canton, MI	Private/Club	110,000	4	*	4	No
Dr. Browne Recreation Center	Coldwater, MI	Municipal	n/a	4	*	0	Yes
Elite Sportsplex	Waterford, MI	Private/Club	n/a	2	8	4	No
MSA Sports Spot	Grand Rapids, MI	Private/Club	84,700	1	5	3	No
Taylor Sportsplex	Taylor, MI	Municipal	n/a	0	0	2	No
Total Sports Wixom	Wixom, MI	Private/Club	350,000	0	0	6	No
Total Sports Rossford	Rossford, OH	Private/Club	155,000	0	0	4	No
Empowered Sports Club	Fort Wayne, IN	Private/Club	90,000	0	9	4	No
Tri-City Sports Complex	Auburn, MI	Private/Club	73,500	0	0	4	No
Premier Academy	Maumee, OH	Private/Club	72,000	0	9	0	No
Wide World Sports Center	Ann Arbor, MI	Private/Club	n/a	0	0	3	No
Capitol Sports Center	Plainfield, IN	Private/Club	n/a	*	7	0	No

Notes: * indicates courts can be used for basketball or volleyball.
 Taylor Sportsplex also features two ice arenas.
 Total SF for Legacy Center Sports Complex and Grand Park Sports Campus comprises multiple indoor spaces.
 n/a denotes information not available.
 Sorted in descending order by total number of basketball courts.
 Sources: Individual facilities; Secondary research.

Many of the profiled facilities offer basketball courts that can also be utilized for volleyball as well as other sports. Several of the profiled facilities are strictly focused on hosting volleyball such as Empowered Sports Club, Premier Academy and Capitol Sports Center. Twelve (12) of the profiled facilities offer indoor turf areas and four (4) offer an indoor track. Several facilities such as Legacy Center Sports Complex, Total Sports Rossford and Tri-City Sports Complex feature turf fields within a dome structure.

Cedar Point Sports Center in Sandusky, Ohio offers the largest supply of basketball courts at 10, which can be used as 20 volleyball courts. One of the courts is a championship court with retractable seating. Cedar Point Sports Center also features a 9,500 SF entertainment center, on-site café/concessions, a walking track, climbing walls and an arcade among other amenities. The facility is located as part of a larger complex that also includes the outdoor fields at Sports Force Park and operated by Sports Facilities Management.

Grand Park Sports Campus consists of 400 acres and is home to the Pacers Athletic Center which features eight (8) indoor basketball courts that can be used for volleyball. The facility hosts numerous tournaments, camps and club teams year-round. Tournaments at the center are sponsored by Nike, Under Armour, USA Basketball and the Jr. NBA. The Indy Youth Basketball League hosts six (6) leagues throughout the year at the center with over 1,000 teams participating. The Academy Volleyball Club also uses the center to offer training, leagues and events year-round. A separate indoor building offers three full-size synthetic fields.

Spiece Fitness is a membership-based facility that offers workout equipment, basketball courts and an indoor track. The eight (8) basketball courts are available for tournaments, leagues, team practices and instructional classes. When the courts are not rented for tournaments, they are available free to members. According to secondary sources, management is considering the addition of an indoor turf area.

Legacy Center Sports Complex is in Brighton, Michigan and offers eight (8) basketball courts or 16 volleyball courts, two (2) indoor turf areas, a conference room, baseball and softball training areas, and other amenities. The basketball/volleyball courts were developed in 2020 and are home to several sports clubs including Legends Volleyball. One of the turf fields is in a 104,000 SF dome structure and is primarily used for baseball, lacrosse and soccer practices. This facility will be discussed in greater detail in the peer facility case studies section of this report.

Regional Planned/New Expansion Projects

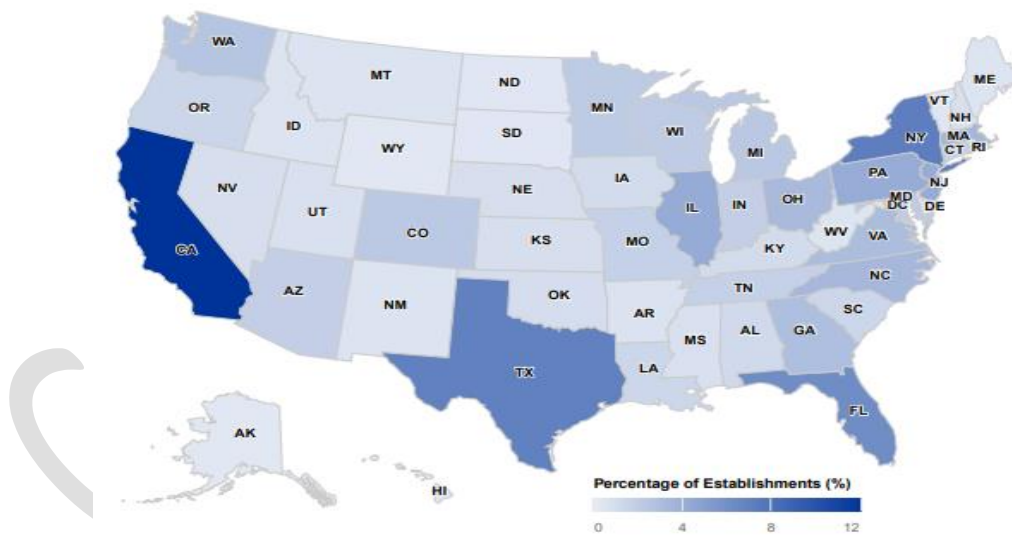
The following provides a brief overview of select planned sports facilities as well as existing facilities with expansion plans in the region that may present future competition for the proposed new multi-use complex in Lenawee County, if built.

- Athletes in Action Sports Complex and Retreat Center in Xenia, Ohio is planned to expand to add the Wooden Family Fieldhouse. The fieldhouse was designed to be 100,000 SF and include up to four (4) basketball courts, an indoor turf field and other support areas. The vision for the facility is to be a one-of-a-kind tournament destination to develop athletes and further the organizations mission to “build spiritual movements everywhere through the platform of sports.”
- The City of Springfield, Illinois is exploring the development of a sports complex through a public/private partnership. Phase one is slated to include multi-use outdoor turf fields while phase two will include the development of a 150,000 SF indoor facility with courts and turf. According to secondary sources, the goal of the complex is to generate economic impacts through sports tourism.
- Spooky Nook Sports Champion Mill is scheduled to open in 2021 in Hamilton, Ohio. The facility is expected to span more than 1.3 million SF when finished, offering 10 basketball

courts, two turf fields, a baseball facility, a convention center and a 233-room hotel. According to secondary sources, the venue already has letters of intent for 32 events in 2022. In addition, numerous businesses in Hamilton have reportedly been building or planning apartments, restaurants or redeveloping shop buildings in preparation for the new sports complex. Management of the new facility also manages two other Spooky Nook sports complexes in Pennsylvania.

- Midway Central Station is scheduled to open in Bedford Park, IL. The 116,000 SF facility will be a multi-purpose sports-tourism and local programming venue featuring eight (8) hardwood basketball courts (or 16 volleyball courts), one championship court, an e-sports café, meeting spaces and an arcade among other spaces.

According to IBISWorld, a leading publisher of business intelligence specializing in industry and procurement research, the Great Lakes region contains 13.4% of the nation’s indoor sports establishments, which are categorized as indoor basketball complexes, ice rinks, soccer complexes, swimming complexes, tennis courts and other indoor sports facilities. Most of the nation’s indoor sports establishments are in the Southeast (23.3%). IBISWorld reports that the distribution and location of these establishments are highly correlated to population, as the more populated regions tend to have more establishments.



Source: IBISWorld.

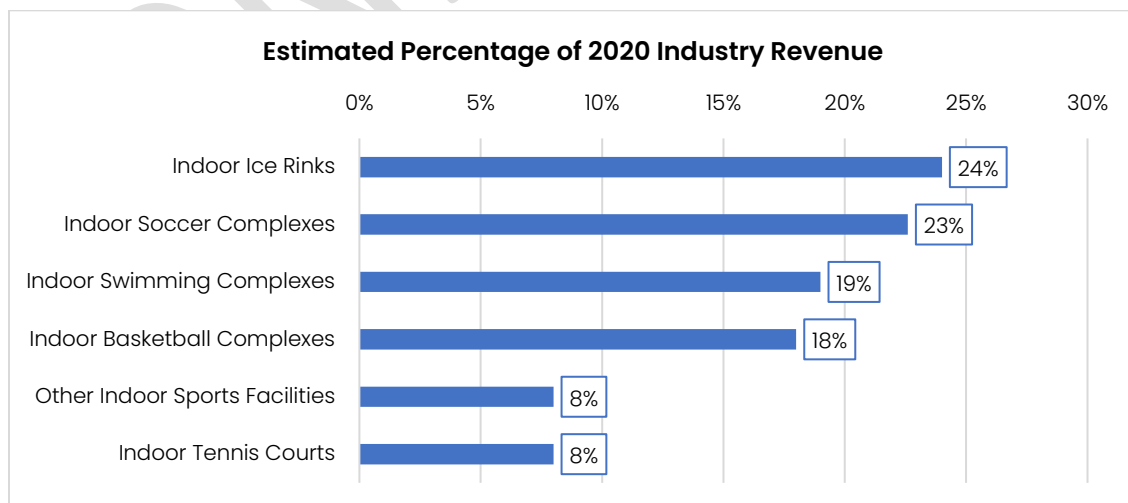
As a result of the COVID-19 pandemic, industry revenue declined 12.5% in 2020, mainly because many establishments were forced to temporarily shut down. As disposable income accelerates and consumer confidence rises following the pandemic, sports participation rates will likely increase in tandem, thereby bolstering demand for industry services. As a result, industry

revenue is expected to increase at an annualized rate of 3.0% to \$1.4 billion over the five years to 2025.

Indoor sports fieldhouses/complexes are increasingly being developed nationally to accommodate large tournaments/competitions that generate economic impact to the surrounding area. Industry operators have also continued to build larger, state-of-the-art, multisport facilities to accommodate a larger customer base. They have evolved from largely industrial steel buildings into hybrid sports and entertainment complexes with a wide range of amenities such as lounges; exercise equipment; food and beverage areas; and in-house physical trainers, equipment and sports instruction.

Despite the industry’s growth, industry operators have been forced to compete with other sports and forms of exercise for consumer leisure time. To combat increased competition, rising utility costs and continually shifting consumer sport and leisure preferences, industry operators have been developing larger state-of-the-art facilities which may include facilities for multiple sports. The construction of larger facilities that can accommodate more than one sport helps to spread high-fixed building and maintenance expenses over a larger and more diversified customer based to maintain profitability.

According to IBISWorld, indoor ice rinks were estimated to account for the largest portion of industry revenue in 2020, followed by indoor soccer complexes, indoor swimming complexes and indoor basketball complexes. While ice rinks and swimming complexes were estimated to account for a large portion of industry revenues, IBISWorld reports that these facility types are extremely capital-intensive and require significant maintenance cost. IBISWorld also reports that indoor basketball, volleyball and soccer complexes are less capital-intensive and are accommodating sports increasing in popularity. Indoor track facilities were estimated to account for a small percentage of industry revenue, given their limited use for group events.



Note: Other indoor sports facilities include tracks, racquetball courts, climbing walls, golf practice areas, etc.

Source: IBISWorld.

Key success factors for indoor sports facilities include having a high-profile location offering easy access and parking; effective product promotion; and providing appropriate equipment along with regular maintenance. Additionally, indoor sports facilities that have many establishments and provide a wide range of services can attract new and existing members, as well as reduce costs per member.

SUMMARY OF OBSERVATIONS

The following summarizes observations related to the supply of area sports facilities.

- Although the local area offers multiple outdoor sports complexes, only a limited number are capable of hosting tournament activity based on the supply of fields in one location. Further, there is a relatively limited number of rectangular turf fields and lighted fields in the County.
- There is a limited number of indoor sports facilities with courts/turf in the local area, and none are focused and/or capable from a programmatic perspective of hosting sports-tourism related events.
- The primary local indoor facility focused on serving the community's recreational needs is not fully utilized, indicating that it may be able to accommodate additional demand at the local level.
- The proposed new multi-use complex could be supported by other existing indoor and outdoor sports facilities in the area. Typically, some tournaments requiring a significant number of courts are willing to use multiple facilities/sites.
- There is a significant supply of sports facilities in the region that present strong competition for the proposed multi-use complex in Lenawee County, particularly for tournament activity.
- There are multiple planned sports facilities in the region that will further increase competition once opened.
- Indoor sports facilities are increasingly being developed nationally to accommodate large tournaments/competitions. Industry trends suggest that the number of indoor sports facilities will continue to increase, and the large, multi-purpose facilities will be the most successful going forward.

4. PEER FACILITY CASE STUDIES



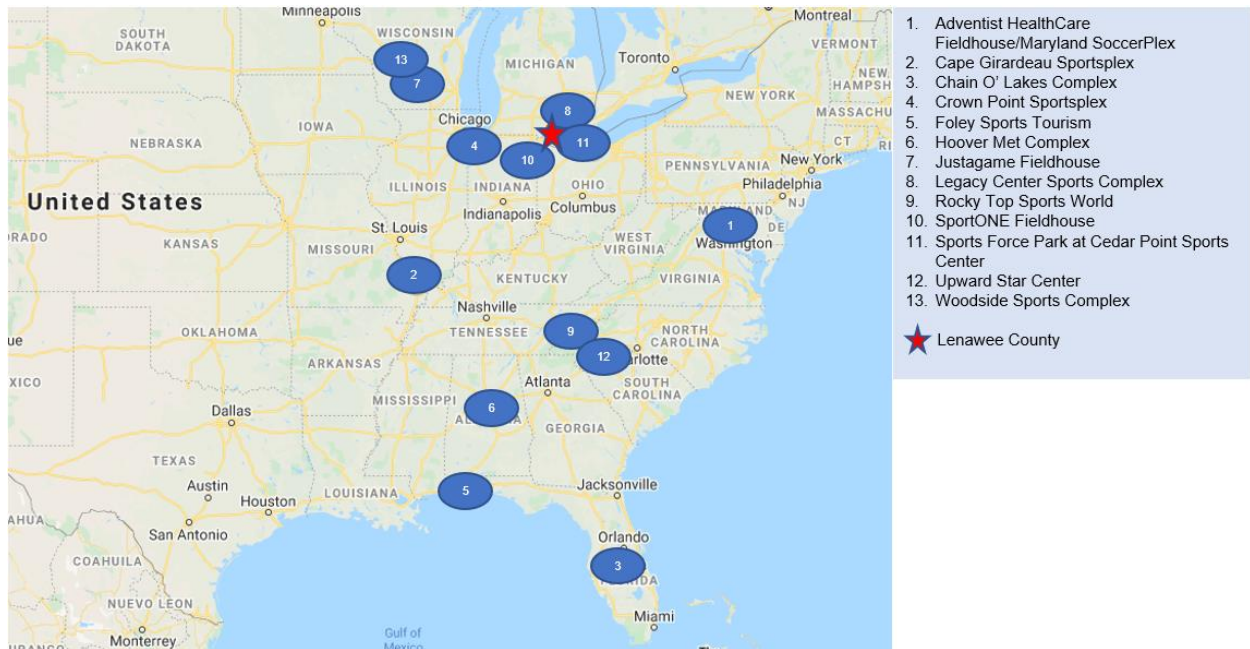
OVERVIEW

This section summarizes available data on select peer sports facilities including ownership/management structure, building program elements and operating characteristics. The operating data shown reflects the most recent year in which data was available. It should be noted that operating data from 2020 operations is not included due to the COVID-19 pandemic. This section also provides a comparison of the markets in which each of the profiled facilities operate.

It is our understanding that primary driving forces of the proposed new multi-use complex in the County are to generate sports tourism as well as accommodate local recreational sports and other broader non-sporting community needs. This charge is unique to many other sports facilities that have been developed with a singular goal of generating sports tourism or serving the community. While some sports tourism-focused facilities also accommodate the recreational needs of the community as a secondary purpose, most recreational facilities do not generate significant sports tourism. In addition, sports tourism-focused facilities tend to offer a larger number of courts and/or fields with more patron amenities and supporting infrastructure than recreational/community facilities.

Given a primary objective of the proposed multi-use complex is to generate sports tourism, the facilities shown on the following map are profiled because they focus on this market niche as a primary goal. Other factors considered in the selection of peer facilities include their geographic location, market attributes, and/or building program elements. Facilities with both indoor and outdoor components were profiled as well as stand-alone facilities that feature one or the other. Some of the profiled facilities may be competitive with the proposed new multi-use complex. Information from these profiled facilities was obtained from direct interviews with management as well as secondary sources. While the profiled facilities may not provide a perfect comparison to that of the proposed new multi-use complex given its uniqueness, they still provide useful information related to the potential use and operating characteristics of the proposed multi-use complex.

Map of Profiled Peer Facilities



Profiled facilities feature several different owner/operator structures; however, the majority are privately operated. The potential advantages and disadvantages of the various owner/operator models are discussed in a later section of this report.

Summary of Peer Facilities – Owner/Operator Structure			
Facility	Location	Owner	Operator
Adventist HealthCare Fieldhouse/Maryland Soccerplex	Boyd's, MD	Bi-County Agency	Nonprofit
Cape Girardeau SportsPlex	Cape Girardeau, MO	City	City
Chain O' Lakes Complex	Winter Haven, FL	City	City
Crown Point Sportsplex	Crown Point, IN	City	City
Foley Sports Tourism	Foley, AL	City	City
Hoover Met Complex	Hoover, AL	City	Private
Just A Game Fieldhouse	Wisconsin Dells, WI	Private	Private
Legacy Center Sports Complex	Brighton, MI	Private	Private
Rocky Top Sports World	Gatlinburg, TN	County	Private
SportOne Fieldhouse	Fort Wayne, IN	Private	Private
Sports Force Park/Cedar Point Sports Center	Sandusky, OH	City/Private	Private
Upward Star Center	Spartanburg, SC	Private	Private
Woodside Sports Complex	Wisconsin Dells, WI	Private	Private

Sources: Individual facilities; Secondary research.

The following table summarizes the programmatic elements and owner/operator structure of the profiled peer facilities.

Summary of Peer Facilities – Building Program Elements								
Facility	Outdoor Fields			Indoor Areas			Track	
	Outdoor Rectangular	Outdoor Diamond	Total	Indoor Basketball	Indoor Volleyball	Indoor Turf		
	Fields	Fields		Courts	Courts	Areas		
Adventist HealthCare Fieldhouse/Maryland Soccerplex	24		24	66,000	8	8	Yes	No
Cape Girardeau SportsPlex				121,000	6	12	Yes	No
Chain O' Lakes Complex		5	5	58,400	6	12	No	Yes - Indoor
Crown Point Sportsplex	2	10	12					No
Foley Sports Tourism	16		16	90,000	6	12	No	No
Hoover Met Complex	5	6	11	155,000	11	17	No	Yes - Indoor
Just A Game Fieldhouse				53,000	6	10	No	No
Legacy Center Sports Complex	7	6	13	205,000 +	8	16	Yes	No
Rocky Top Sports World	7		7	86,000	6	12	No	No
SportOne Fieldhouse				80,000	8	10	No	No
Sports Force Park/Cedar Point Sports Center	8	12	20	145,000	10	20	No	Yes - Indoor
Upward Star Center	6		6	120,000	6	12	No	Yes - Indoor
Woodside Sports Complex	8	4	12					No
Average	9	7	13	107,218	7	13		

Notes: Sorted alphabetically.
 Number of diamond fields includes those on configurable rectangular fields.
 Number of volleyball courts includes basketball courts that double as volleyball courts.
 Total SF for Legacy Center Sports Complex comprises multiple indoor spaces.
 The 120,000 SF Sparta Dome is located adjacent to Crown Point Sportsplex.

Sources: Individual facilities; Secondary research.

As shown, of those that offer rectangular fields, the average is nine (9). Of those that offer diamond fields, the average is seven (7). Sports Force Park offers configurable fields that can be used for both rectangular and diamond field sports. In aggregate, the total number of fields at the profiled facilities ranges from five (5) to 24 and averages 13.

In terms of indoor elements, the average square footage of all indoor facilities is approximately 107,000 SF and the average number of basketball courts is seven (7). Basketball courts can be used as volleyball courts and the average number of volleyball courts at profiled facilities is 13. Only Cape Girardeau SportsPlex and Legacy Center Sports Complex offer year-round indoor turf areas. Adventist Healthcare Fieldhouse lays turf over the courts during a portion of the year. Four of the facilities offer an indoor track.

The following provides case studies of each individual peer facility and is followed by a comparison of their respective markets.

Adventist Healthcare Fieldhouse/Maryland Soccerplex

The Maryland SoccerPlex is owned by the Maryland-National Capital Park and Planning Commission (M-NCPPC), a bi-county agency. The complex was built by the nonprofit Maryland Soccer Foundation (MSF) on approximately 162 acres of County-owned land. The MSF has a 40-year lease agreement with the County and is responsible for operating and maintaining the complex at the MSF's sole expense.

The complex includes a total of 24 outdoor fields that are primarily used for soccer and lacrosse, one of which is a 3,200-seat championship stadium. Three of the fields offer a turf playing surface while the remainder feature natural grass. The complex hosts approximately 20 major tournaments in soccer and lacrosse combined annually. The US Youth Soccer National Championships were held at the complex in 2002, 2003 and 2014. In addition to tournament play, local soccer clubs and leagues play over 5,000 matches at the complex annually.

The complex also features the 66,000 SF indoor Adventist HealthCare Fieldhouse. The facility offers eight basketball/volleyball courts from March to November. In November, two synthetic turf fields are rolled over the courts for indoor soccer, lacrosse, field hockey, baseball and rugby. The indoor facility also offers office space, restrooms, concessions and meeting rooms. Adventist HealthCare Fieldhouse hosts approximately 25 to 30 basketball/volleyball tournaments annually. The indoor venue does not offer spectator seating which, according to management, has hindered its ability to host many tournaments.

The development of both the indoor and outdoor facilities was driven by growing residential demand for youth and amateur sports venues. In FY 2018, the MSF reported total revenues of \$5.4 million and expenses of \$4.9 million, which included depreciation of approximately \$976,000. The MSF's revenue streams include, but are not limited to, outdoor field rentals, rentals of the indoor venue, hotel rebates and a portion of concessions from the contracted vendor. The complex is operated by 11 full-time staff and up to 120 seasonal, part-time staff.

Cape Girardeau SportsPlex

Cape Girardeau SportsPlex is a 121,000 SF indoor sports facility that offers six hardwood courts which convert to 12 volleyball courts, as well as two regulation indoor turf fields.

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

The flexibility of the facility allows management to book diverse sports activity. The facility opened in 2017 and is owned and operated by the City. In FY 2019, the facility had approximately 40 indoor court/field rentals and hosted 50 sports league games. During the same year, the facility generated revenues of \$595,000 and expenses of \$701,000 excluding approximately \$325,000 in depreciation. Revenue sources include concessions, usage fees and other miscellaneous sources. Expenditures include those related to contractual services, general operating expenses, materials and supplies, personnel services and other expenses. Approximately 13 full-time equivalents are dedicated to the facilities operations.

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Cape Girardeau SportsPlex (Cont'd)

Court Layout



Source: Facility website.

Chain O' Lakes Complex

The Chain O' Lakes Complex is owned and operated by the City of Winter Haven. The complex includes five (5) diamond fields, one of which is a major league field and previous Spring Training location of the Boston Red Sox and the Cleveland Indians. In addition, the outdoor complex includes a practice infield, batting cages and bullpen mounds. The outdoor complex currently hosts numerous baseball tournaments throughout the year.

In 2016, a master plan was developed for the complex which included multiple phases for development. Phase one included the development of an indoor fieldhouse, which opened in January of 2020 and is named the AdventHealth Fieldhouse. The 58,400 SF fieldhouse features six (6) basketball courts or 12 volleyball courts, a second-floor observation area, an indoor track, meeting rooms, classrooms, locker rooms, recreational offices, a public fitness room and storage spaces. The indoor fieldhouse has yet to complete a full year of operations due to closures during the COVID-19 Pandemic. Prior to COVID-19, the facility hosted several tournaments in basketball, volleyball and other sports. The facility is also the dedicated practice facility for the Lakeland Magic, the NBA G League affiliate of the Orlando Magic. Potential future phases of the master plan include the development of new outdoor fields as well as waterfront developments.

In FY 2021, there are approximately 8 full-time staff members budgeted for the Chain O' Lakes Complex.

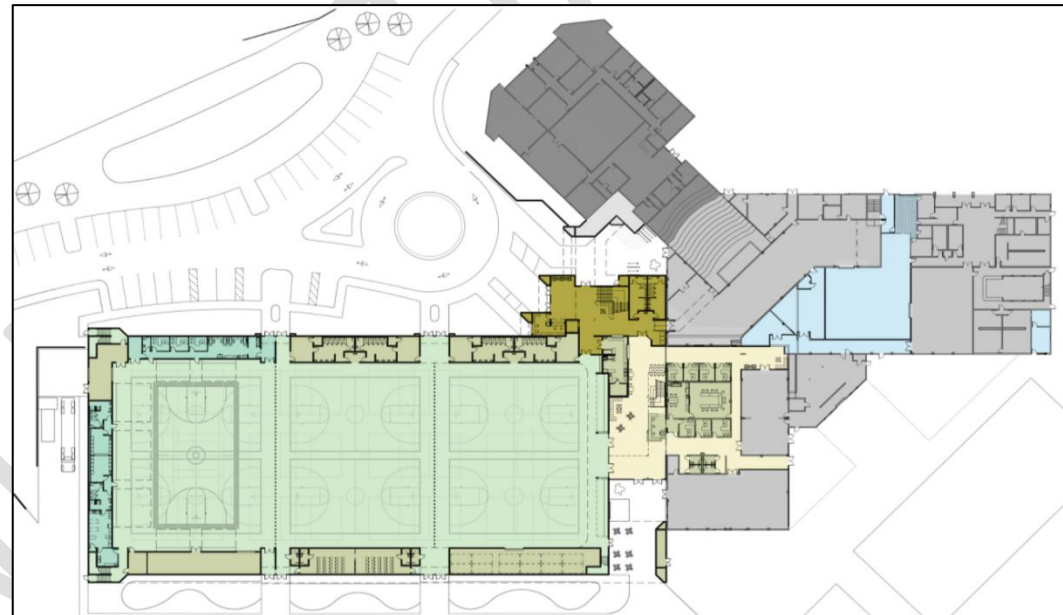
Chain O' Lakes Complex (Cont'd)

Field Layout



Source: Google Maps.

Court Layout



Source: Straughn Trout Architects website.

Crown Point Sportsplex

The Crown Point Sportsplex is a 95-acre outdoor sports complex in Crown Point, Indiana which was developed to be a sports tourism destination. The complex is proximate to I-65 and features 10 diamond fields and two synthetic turf rectangular fields. All the fields are lighted. In addition to fields, the complex features support areas including two indoor buildings featuring restrooms, concessions and storage. The fields are adjacent to the 120,000 SF Sparta Dome, which is a dome structure featuring turf fields. The dome accommodates training, leagues, tournaments, camps/clinics and other special events year-round. While the Crown Point Sportsplex is owned and operated by the City, the dome is owned and operated by a non-profit organization.

The outdoor complex host tournaments as well as youth and adult league play in a variety of sports including football, lacrosse, soccer, softball and baseball. According to secondary sources, the complex attracted approximately 750,000 visitors annually prior to the COVID-19 pandemic.

Field Layout



Source: Facility website.

Foley Sports Tourism

The Foley Sports Tourism complex is owned by the City of Foley and operated by the Sports Tourism Department. The mission of the Sports Tourism Department is to attract, create and host high-quality events for all ages to increase economic vitality, improve quality of life and provide a unique and memorable experience that brands Foley as a nationally recognized sports destination.

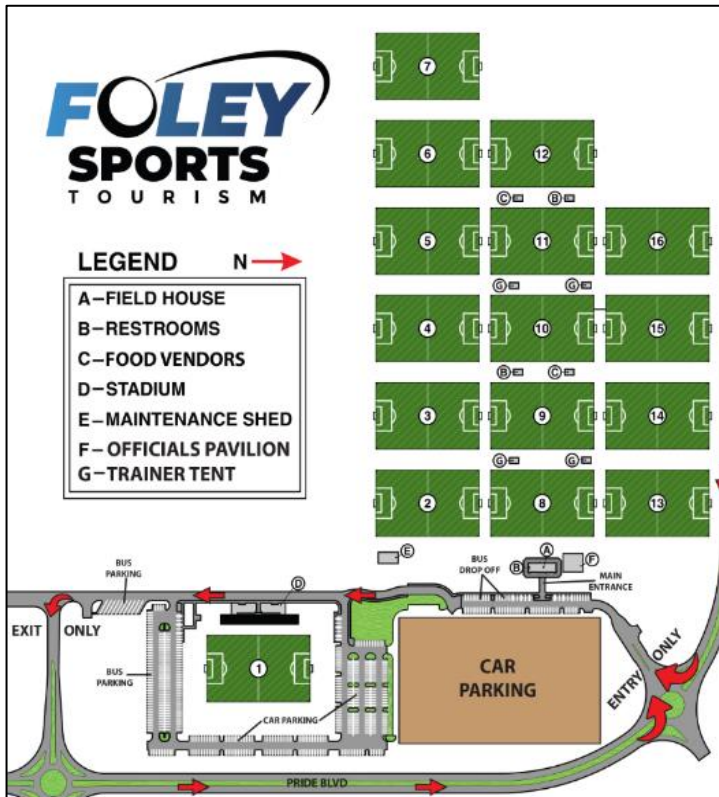
The complex includes 16 multi-purpose outdoor fields including a championship field with seating for up to 1,000 people. The fields opened in 2016 and each offer a natural grass playing surface and lights. The complex also includes the indoor Foley Event Center which opened in 2017. The 90,000 SF indoor facility offers six basketball courts or 12 volleyball courts. The facility also offers five meeting rooms, three concession/vending areas and two mezzanines overlooking the main floor. Sporting events hosted at the facility include volleyball, basketball, archery, gymnastics, cheerleading and more. The facility also hosts non-sporting events such as meetings, graduations and exhibits.

The complex is adjacent to the OWA which is a 520-acre entertainment and amusement park destination. The OWA features a 150-room hotel and various retail, dining and entertainment venues for visitors. The complex is also proximate to the Tanger Outlets, which consists of over 100 stores, and several beaches.

The complex, which includes both outdoor and indoor sports facilities, hosted 93 events that drew more than 166,300 in attendance in FY 2019. In the same year, the City reported that the outdoor fields had an operating deficit of approximately \$329,000 and the Foley Event Center had an operating deficit of approximately \$325,000.

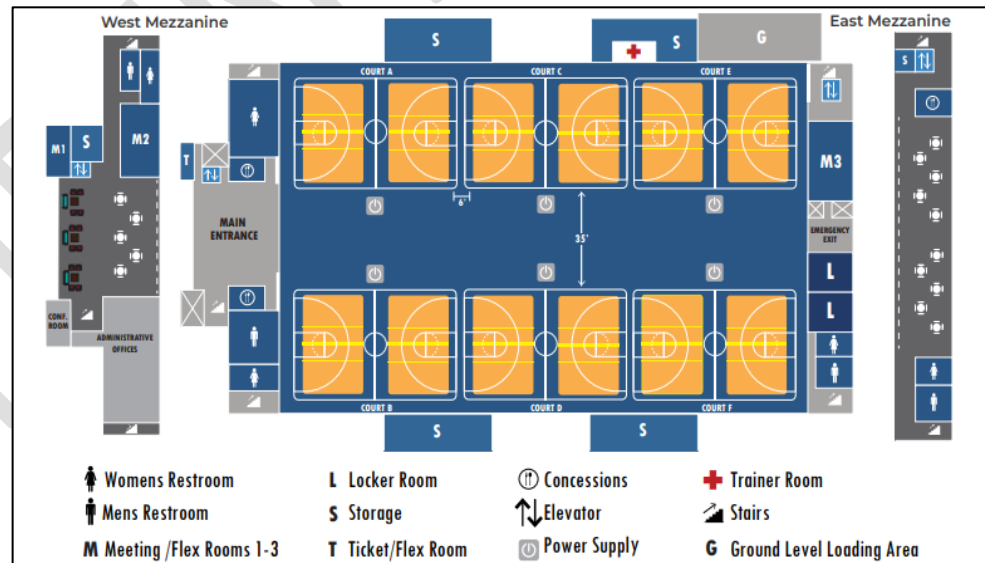
Foley Sports Tourism (Cont'd)

Field Layout



Source: Facility website.

Court Layout



Source: Facility website.

Hoover Met Complex

Hoover Met Complex is owned by the City and operated by Sports Facilities Management. Opened in 2017, the Hoover Met Complex features five NCAA-regulation size rectangular fields and five NCAA-regulation size diamond fields as well as Hoover Met Stadium. Hoover Met stadium is home to the SEC Baseball Tournament as well as the Hoover High School football team. Each diamond field is equipped with a scoreboard and lights. There are also batting cages on-site. Each of the rectangular fields feature a turf playing surface and lights. In 2019, there were 88 outdoor events hosted at the complex. According to facility management, approximately 66% of activity at the multi-purpose fields and 28% of usage at the baseball fields was local.

In addition to outdoor fields, the complex features the Finley Center, a 155,000 SF indoor sports and event venue. The Center features 83,000 SF of continuous space and hosts a variety of event activity including sports tournaments, banquets, tradeshow, recreation programs and community meetings. The Center features capacity for 11 basketball courts or 17 volleyball courts and seats up to 1,800 spectators. In addition, the facility offers three meeting rooms available for coaches, trainers and athletes during tournament play. The Center has hosted tournament activity related to Blue Chips Basketball, Worldwide Spirit Association Cheer, Amateur Athletic Union (AAU) and Future 150 Basketball. In 2019, the Finley Center hosted 158 events, which included sports, tradeshow, meetings and other social gatherings. The Finley Center drew more than 106,200 people in 2019, with approximately 23,260 for basketball tournaments, 11,960 for volleyball tournaments, 7,680 for mat sports and 1,740 for other indoor sports. Attendance also came from tradeshow and the SEC Fan Fest. According to facility management, 60% of the activities at the Finley Center was for local groups and did not generate revenue.

The complex also features Hoover Climbing and Adventure which includes multiple rock-climbing walls, as well as a RV park with 170 parking spaces equipped with water, sewage and power hookups. In addition to RV parking, there are approximately 4,000 parking spots throughout multiple parking lots.

In FY 2019, the complex incurred an operating deficit of \$114,000 which does not account for the \$3.2 million that the City annually contributes to help pay for operations or the \$2.8 million in annual debt payments. Facility management reported that the complex had a \$49 million economic impact on the Birmingham-Hoover region in 2019. According to the Greater Birmingham Convention and Visitors Bureau, the complex generated more than 62,190 hotel room night stays in the Birmingham-Hoover region.

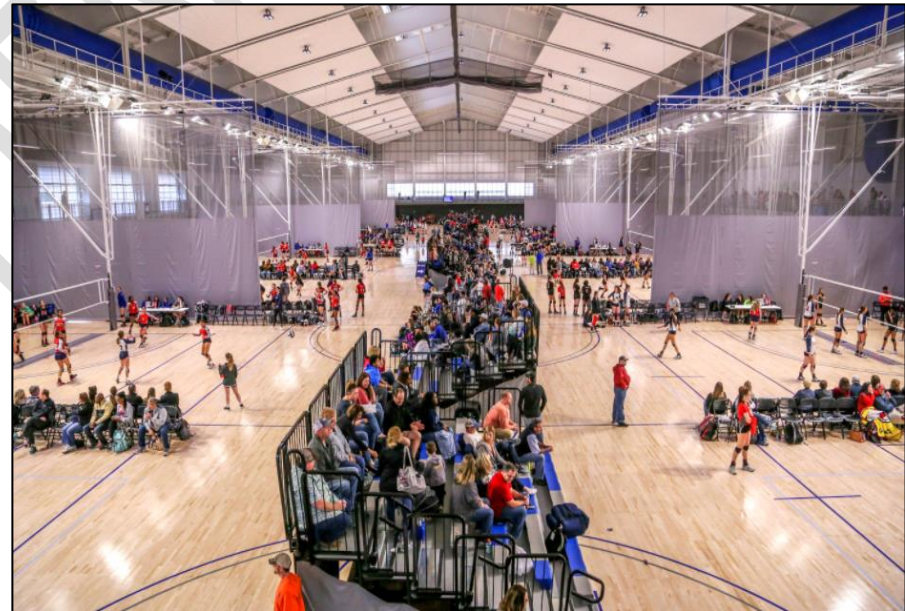
Hoover Met Complex (Cont'd)

Field Layout



Source: Google Maps.

Court Layout



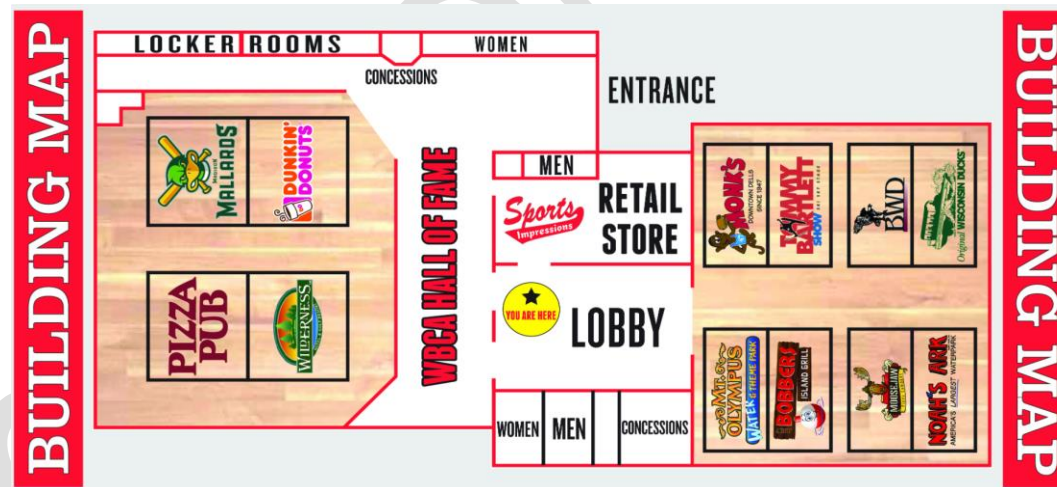
Source: Facility website.

Just A Game Fieldhouse

Just A Game Fieldhouse is a 53,000 SF indoor sports facility in Wisconsin Dells. The facility features six (6) basketball courts or 10 volleyball courts, four (4) locker rooms, concessions and a sporting goods store. Several of the courts can be used as a championship court with a 94-foot floor and seating of approximately 1,700. A balcony provides additional seating or a VIP area. The facility also houses the Women’s Basketball Coaches Association (WBCA) Hall of Fame Museum. The facility opened in 2006 and is privately owned and operated. According to facility management, City Council and local businesses provided key support in the development of the facility.

Just A Game Fieldhouse has historically hosted approximately 65 basketball tournaments and six (6) volleyball tournaments annually, along with camps. The facility has also hosted NCAA and NJCAA basketball games as well as the WBCA’s All-Star games. In addition to tournaments and camps, the facility offers open gym time to the community.

Court Layout



Source: Facility website.

Legacy Center Sports Complex

As previously mentioned, Legacy Center Sports Complex is in Brighton, Michigan and offers six (6) outdoor diamond fields, seven (7) outdoor rectangular fields, an indoor turf dome, a fieldhouse and an indoor basketball/volleyball court facility featuring eight (8) basketball courts or 16 volleyball courts. The indoor 104,000 SF dome structure features one large turf playing field. Additional plastic volleyball courts can be placed over the turf fields. Other spaces at the complex include a conference room, baseball and softball training areas, a childcare center, locker rooms, yoga studio, viewing areas and concessions/bars, among other amenities.

The complex was designed to be Michigan's premiere indoor and outdoor athletic, recreational, training and fitness facility. The facility was constructed in multiple phases, with the newest construction taking place in 2020 when the indoor basketball/volleyball court facility was built. The complex is privately operated with a goal of providing athletes of all levels the opportunity and experience of world class products, services and facilities to enhance their training.

The complex is home to numerous indoor and outdoor club teams. According to secondary sources, approximately 490 club and travel teams utilize the outdoor fields. Sports hosted include baseball, softball, lacrosse, soccer, rugby, field hockey and football, among others. The recently developed indoor basketball/volleyball courts are also home to several club and recreational programs including Legends Volleyball, Little Legends Volleyball, youth rec volleyball, youth and adult rec basketball, and Legacy Club. The complex hosts approximately 50 tournaments annually.

Legacy Center Sports Complex (Cont'd)

Field Layout



Source: Facility social media.

Court Layout



Source: Facility social media.

Rocky Top Sports World

The 80-acre Rocky Top Sports World (Complex) opened in 2014 and is a joint development of the City of Gatlinburg and Sevier County. The City contributed approximately 70% of the development cost by issuing bonds and the County contributed the balance utilizing bonds and grants. The facility was planned and is managed by Sports Facilities Advisory/Sports Facilities Management.

The Complex includes six turf outdoor fields and a natural grass championship stadium with seating for 1,500 people. The outdoor fields are configurable for 14 youth soccer fields. Six of the fields feature lights. The complex also features an indoor court complex referred to as “The Rock”, which has 53,000 SF of hardwood court space in the 86,000 SF facility. The configuration allows for six basketball courts or 12 volleyball courts in addition to team rooms, referee locker rooms, a full-service indoor/outdoor café, office space for coaches and a balcony viewing area. In addition, a portion of the facility is dedicated to LeConte Medical Center, which provides certified athletic training services within the facility. There is a separate facility in an adjacent location that can accommodate four additional basketball courts and five additional volleyball courts.

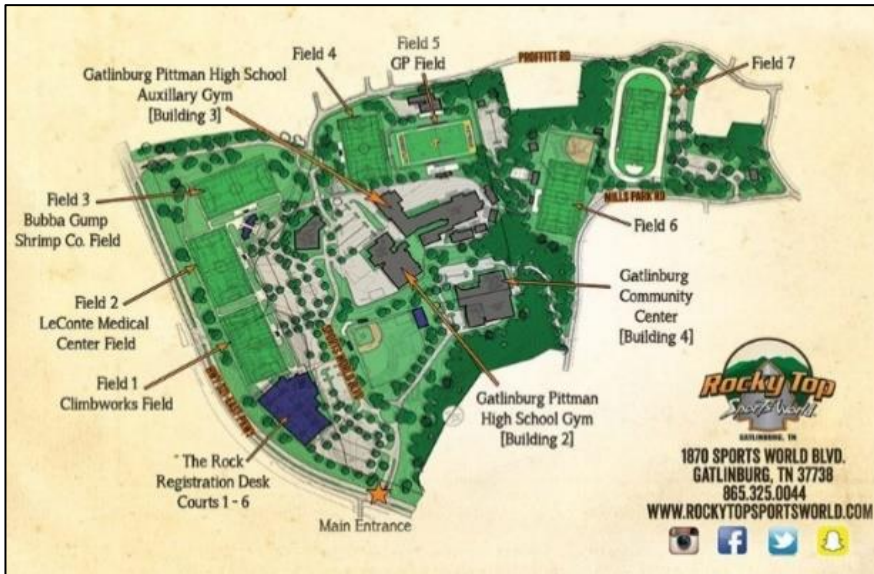
The Complex was created to encourage sports tourism in the City and County. Local officials indicate that having a booking policy clearly outlining the objectives of the complex is important for long-term success. Marketing of the Complex is part of the private management team’s annual budget but is significantly augmented by the City’s overall tourism marketing budget. The Complex management team works closely with the City, State, Gatlinburg Convention and Visitors Bureau, school officials and hoteliers to maximize bookings, particularly during the slower winter months when tourism surrounding the Smoky Mountains is not as robust.

According to the City’s 2019 Comprehensive Annual Financial Report (CAFR), Rocky Top Sports World (both indoor and outdoor facilities) generated operating revenues of \$1.2 million and operating expenses of \$1.7 million in 2019, which excludes depreciation of \$1.2 million. Operating revenues primarily consisted of food services, events, sponsorships and rentals. Operating expenses included personnel costs, occupancy and contractual services.

In FY 2017-18, the complex hosted 190 events, including 61 multi-day events in both traditional and non-traditional sports, and drew over 120,000 athletes and spectators to the complex, according to facility management. This activity was estimated to generate approximately \$46 million in economic impact to Sevier County.

Rocky Top Sports World (Cont'd)

Field Layout



Source: Facility website.

Court Layout



Source: Facility website.

SportOne Fieldhouse

SportOne Fieldhouse in Fort Wayne, Indiana is an 80,000 SF indoor sports facility featuring eight (8) basketball courts or 10 volleyball courts. All courts offer a hardwood surface and bleacher seating. The Golf House is located within the facility and includes golf simulators and an indoor driving range. The Golf House accommodates competitive leagues year-round and instructional play.

In addition to competition space, the facility offers an on-site restaurant/bar, vending machines, parking, storage, showers and restrooms. The facility was expanded in 2017 to include more competition space as well as an adult sports performance training facility. There is an 89-room hotel within walking distance from the venue.

Open gym time is offered Monday through Friday and tournaments are generally hosted on weekends. Several sports leagues are also housed within the facility including, but not limited to, Gym Rats Basketball, Summit Volleyball, Pickleball Rocks, Club 1 Basketball, and Fort Wayne Futsal, among others. In addition to sports, the facility's flexible design allows it to host tradeshow, parties, after school programs, conventions, community events, consumer shows, graduations and meetings.

Court Layout



Source: Facility website.

Sports Force Park/Cedar Point Sports Center

Sports Force Park was completed in 2017 through a partnership with Cedar Fair Entertainment Company, Erie County and Sports Force Park. The outdoor complex is part of a larger development which also includes the 145,000 SF Cedar Point Sports Center that opened in 2020. Sports Facilities Management operates the indoor facility while Sports Force Parks operates the outdoor park.

The outdoor park offers eight rectangular fields and up to 12 diamond fields. Two diamond fields can fit on several of the rectangular fields, which helps accommodate large baseball/softball tournaments. The rectangular fields annually host tournaments in soccer, lacrosse and football, among others. Based on secondary sources, the outdoor park hosts more than 40 tournaments, primarily during weekends. The park hosts local leagues during the week. According to Sports Force Park, the outdoor fields generated over 286,780 visitors in 2019 that resulted in over 59,700 hotel room nights and total economic impact of approximately \$54.0 million.

The indoor facility offers 10 basketball courts or 20 volleyball courts, an indoor walking track, arcade, climbing walls and other entertainment spaces. In addition to sporting events, the venue can host tradeshow, conventions, meetings and other private events. After opening in January 2020, the facility was booked every weekend prior to the COVID-19 pandemic.

CONFIDENTIAL

Sports Force Park/Cedar Point Sports Center (Cont'd)

Field Layout



Source: Facility website.

Court Layout



Source: Facility website.

Upward Star Center

The Upward Star Center is a privately operated campus that opened in 2014. The primary objective of facility management is to give local coaches, teams and organizations the resources and facilities necessary to enhance and develop athletes' skills on the court/field as well as enriching their lives. The organization also gives back to the local community through community events, charity and assisting in service projects.

The complex includes six (6) turf outdoor rectangular fields as well as the 120,000 SF indoor sports facility consisting of six (6) basketball courts or 12 volleyball courts, batting cages, a running track, retail shop and flexible meeting rooms. The facility annually hosts numerous tournaments primarily in volleyball and basketball as well as leagues in soccer, basketball, cheerleading, volleyball and flag football. In addition to sporting events, the facility has hosted corporate gatherings, meetings, receptions, private parties and team building events. According to secondary sources, the complex generates over 100,000 visitors annually.

CONFIDENTIAL

Upward Star Center (Cont'd)

Field Layout



Source: Facility website.

Court Layout

1. Shooting Lab
2. Cafe Overflow
3. Arcade Room
4. Batting Cages
5. Strength & Power
6. Basketball & Volleyball Courts
7. Meeting Rooms (upstairs)
8. Player's Lounge (upstairs)
9. Coach's Viewing Area / Board Room (upstairs)
10. Spartanburg Regional Hospital System
11. Sand Volleyball Courts
12. Natural Turf Playing Fields
13. Artificial Turf Playing Fields

Source: Facility website.

Woodside Sports Complex

Woodside Sports Complex in Wisconsin Dells is an outdoor sports complex consisting of six (6) synthetic turf rectangular fields, two (2) natural grass rectangular fields and four (4) synthetic turf diamond fields. The complex also features six (6) batting cages, a full concession stand, retail areas and a VIP viewing area. The facility hosts numerous tournaments annually. Field rental is \$150/hour per field.

The complex is privately owned and operated. The same entity that operates the complex also operates the Woodside Dells Dome and the Mauston Sports Complex. The Woodside Sports Complex is proximate to the 90,000 SF Woodside Dells Dome, which can accommodate 10 basketball courts or 16 volleyball courts, 32 wrestling mats, or a full turf field for softball, soccer, lacrosse or football. Wisconsin Dells is known for its many water and theme parks, which makes it a popular vacation spot in the Midwest and assists in attracting sports tournaments and participants.

Field Layout



Source: Sports Planning Guide.

PEER FACILITY MARKET ATTRIBUTES

This section compares market attributes associated with the previously profiled peer facilities to those for the proposed multi-use complex in Lenawee County. Comparatively speaking, reviewing target markets for peer facilities can offer insight into the markets from which the proposed multi-use complex in Lenawee County would draw participants/attendees. As such, the subsequent pages analyze several market characteristics including population, households, age, income and spending.

Population

For comparative purposes, the following table provides an overview of populations within the target markets for each of the previously profiled peer facilities as well as the target markets in which the proposed new multi-use complex would operate in. As shown, the 30-minute drive time population associated with the proposed multi-use complex is below the average and median of all markets associated with peer facilities. The 120- and 180-minute drive time populations are significantly higher than the average and median of all target markets associated with profiled peer facilities which may provide an opportunity for drawing participants and spectators.

Population - 2020					
Facility	Location	30-Minute Drive Time	60-Minute Drive Time	120-Minute Drive Time	180-Minute Drive Time
Crown Point Sportsplex	Crown Point, IN	631,583	3,002,773	11,564,021	20,934,815
Adventist HealthCare Fieldhouse	Boysds, MD	567,607	4,540,961	10,743,604	19,248,901
SportONE Fieldhouse	Fort Wayne, IN	462,084	950,573	5,512,534	19,195,319
Sports Force Park/Cedar Point Sports Center	Sandusky, OH	180,724	1,233,313	7,355,411	17,720,618
Proposed Multi-Use Complex	Lenawee County, MI	158,487	2,178,598	8,209,706	16,633,282
Upward Star Center	Spartanburg, SC	693,246	1,621,093	6,550,874	15,692,295
Legacy Center Sports Complex	Brighton, MI	995,841	5,391,342	9,174,436	14,302,686
Chain O' Lakes Complex	Winter Haven, FL	516,803	2,324,289	9,739,199	13,787,428
Hoover Met Complex	Birmingham, AL	679,213	1,355,771	3,519,546	11,243,760
Justagame Fieldhouse	Wisconsin Dells, WI	85,070	550,990	3,969,219	10,865,841
Woodside Sports Complex	Mauston, WI	56,775	269,227	2,714,509	9,503,885
Cape Girardeau Sportsplex	Cape Girardeau, MO	109,178	270,415	3,299,339	6,866,808
Rocky Top Sports World	Gatlinburg, TN	27,546	186,954	2,147,973	5,757,340
Foley Sports Tourism	Foley, AL	137,240	691,232	1,817,488	3,498,539
Average (excludes Proposed Multi-Use Complex)		395,608	1,722,226	6,008,319	12,970,633
Median (excludes Proposed Multi-Use Complex)		462,084	1,233,313	5,512,534	13,787,428
Rank (Out of 14)		9	5	5	5

Note: Sorted in descending order by 180-Minute Drive Population.

Source: Esri.

Projected Population Growth (2020 – 2025)

The following table summarizes the projected 2020 to 2025 annual population growth rate of each of the target markets associated with the profiled facilities. The growth rate within all target markets associated with the proposed new multi-use complex is expected to grow slower than the average and median of those associated with profiled peer facility markets.

Projected Annual Growth Rate (2020 to 2025)					
Facility	Location	30-Minute Drive Time	60-Minute Drive Time	120-Minute Drive Time	180-Minute Drive Time
Chain O' Lakes Complex	Winter Haven, FL	1.39%	1.84%	1.57%	1.51%
Upward Star Center	Spartanburg, SC	1.44%	1.13%	1.29%	1.15%
Hoover Met Complex	Birmingham, AL	0.53%	0.51%	0.42%	0.80%
Rocky Top Sports World	Gatlinburg, TN	0.67%	0.64%	0.75%	0.76%
Foley Sports Tourism	Foley, AL	2.03%	1.04%	0.87%	0.74%
Adventist HealthCare Fieldhouse	Boyds, MD	0.69%	0.97%	0.81%	0.69%
Woodside Sports Complex	Mauston, WI	0.29%	0.37%	0.55%	0.36%
SportONE Fieldhouse	Fort Wayne, IN	0.62%	0.36%	0.34%	0.35%
Justagame Fieldhouse	Wisconsin Dells, WI	0.38%	0.93%	0.40%	0.26%
Proposed Multi-Use Complex	Lenawee County, MI	0.25%	0.13%	0.17%	0.26%
Legacy Center Sports Complex	Brighton, MI	0.50%	0.17%	0.22%	0.23%
Crown Point Sportsplex	Crown Point, IN	0.11%	-0.07%	0.08%	0.22%
Sports Force Park/Cedar Point Sports Center	Sandusky, OH	0.05%	0.05%	0.06%	0.20%
Cape Girardeau Sportsplex	Cape Girardeau, MO	0.33%	-0.09%	0.02%	0.19%
Average (excludes Proposed Multi-Use Complex)		0.69%	0.60%	0.57%	0.57%
Median (excludes Proposed Multi-Use Complex)		0.53%	0.51%	0.42%	0.36%
Rank (Out of 14)		12	11	11	9

Note: Sorted in descending order by 180-Minute Drive Projected Annual Growth Rate.

Source: Esri.

Total Number of Households

Consistent with population, the number of households within the 30-minute drive time for the proposed multi-use complex is significantly lower than the average and median while the number of households within the 120- and 180-minute drive times associated with the proposed multi-use complex are higher than the average and median of target markets for peer facilities.

Number of Households – 2020					
Facility	Location	30-Minute Drive Time	60-Minute Drive Time	120-Minute Drive Time	180-Minute Drive Time
Crown Point Sportsplex	Crown Point, IN	241,164	1,116,338	4,328,587	7,997,374
SportONE Fieldhouse	Fort Wayne, IN	180,454	368,772	2,164,290	7,484,480
Adventist HealthCare Fieldhouse	Boyds, MD	203,751	1,718,146	4,045,618	7,319,000
Sports Force Park/Cedar Point Sports Center	Sandusky, OH	74,727	509,345	2,967,097	7,124,917
Proposed Multi-Use Complex	Lenawee County, MI	59,429	865,634	3,253,098	6,610,772
Upward Star Center	Spartanburg, SC	272,750	637,527	2,547,553	6,087,891
Legacy Center Sports Complex	Brighton, MI	394,957	2,147,706	3,623,456	5,652,755
Chain O' Lakes Complex	Winter Haven, FL	193,303	842,159	3,865,920	5,530,873
Hoover Met Complex	Birmingham, AL	271,404	531,542	1,379,112	4,339,715
Justagame Fieldhouse	Wisconsin Dells, WI	34,251	232,158	1,603,869	4,211,862
Woodside Sports Complex	Mauston, WI	23,007	108,733	1,103,114	3,737,999
Cape Girardeau Sportsplex	Cape Girardeau, MO	43,141	106,502	1,340,083	2,716,991
Rocky Top Sports World	Gatlinburg, TN	11,088	74,124	881,551	2,316,958
Foley Sports Tourism	Foley, AL	55,920	274,188	702,166	1,362,678
Average (excludes Proposed Multi-Use Complex)		153,840	666,711	2,350,186	5,067,961
Median (excludes Proposed Multi-Use Complex)		180,454	509,345	2,164,290	5,530,873
Rank (Out of 14)		9	4	5	5

Note: Sorted in descending order by 180-Minute Drive number of households.

Source: Esri.

Youth (Under the Age of 18)

The following table compares the number of people under the age of 18 within each target market for the proposed multi-use complex and profiled peer facilities. As previously mentioned, this age demographic is a popular target market for sports participants. As shown, population under the age of 18 in the proposed multi-use complex’s 60-, 120- and 180-minute drive time markets ranks high relative to profiled peer facilities while the youth population in the 30-minute drive time market is significantly lower than both the average and median.

Population Under the Age of 18 – 2020					
Facility	Location	30-Minute	60-Minute	120-Minute	180-Minute
		Drive Time	Drive Time	Drive Time	Drive Time
Crown Point Sportsplex	Crown Point, IN	140,211	681,629	2,625,033	4,710,333
SportONE Fieldhouse	Fort Wayne, IN	112,286	222,434	1,229,295	4,222,970
Adventist HealthCare Fieldhouse	Boyd's, MD	132,252	980,848	2,342,106	4,138,514
Sports Force Park/Cedar Point Sports Center	Sandusky, OH	35,060	251,596	1,537,281	3,703,609
Proposed Multi-Use Complex	Lenawee County, MI	31,697	450,970	1,732,248	3,542,889
Upward Star Center	Spartanburg, SC	155,287	351,777	1,434,641	3,452,305
Legacy Center Sports Complex	Brighton, MI	200,164	1,132,182	1,944,980	3,060,775
Chain O' Lakes Complex	Winter Haven, FL	111,113	506,695	1,860,187	2,592,036
Hoover Met Complex	Birmingham, AL	150,785	292,847	756,702	2,518,602
Justagame Fieldhouse	Wisconsin Dells, WI	16,844	114,606	845,444	2,401,351
Woodside Sports Complex	Mauston, WI	10,560	55,730	561,903	2,090,855
Cape Girardeau Sportsplex	Cape Girardeau, MO	23,037	55,976	692,861	1,496,964
Rocky Top Sports World	Gatlinburg, TN	5,096	36,082	414,559	1,151,468
Foley Sports Tourism	Foley, AL	28,271	145,850	392,577	759,183
Average (excludes Proposed Multi-Use Complex)		86,228	371,404	1,279,813	2,792,228
Median (excludes Proposed Multi-Use Complex)		111,113	251,596	1,229,295	2,592,036
Rank (Out of 14)		9	5	5	5

Note: Sorted in descending order by 180-Minute Drive Population

Source: Esri.

Household Income/Spending

As previously mentioned, a higher median household income indicates that households may have more disposable income to spend on participation in, or attendance at, sports events. The median household incomes of the 30-, 60-, 120- and 180-minute drive time markets for the proposed multi-use complex rank high among the profiled peer facilities.

Median Household Income – 2020					
Facility	Location	30-Minute	60-Minute	120-Minute	180-Minute
		Drive Time	Drive Time	Drive Time	Drive Time
Adventist HealthCare Fieldhouse	Boyd's, MD	\$111,407	\$106,911	\$89,369	\$77,585
Justagame Fieldhouse	Wisconsin Dells, WI	\$53,475	\$64,806	\$60,257	\$66,853
Woodside Sports Complex	Mauston, WI	\$50,635	\$57,309	\$62,260	\$64,893
Crown Point Sportsplex	Crown Point, IN	\$59,755	\$56,114	\$67,240	\$62,191
Proposed Multi-Use Complex	Lenawee County, MI	\$66,500	\$60,896	\$57,802	\$57,248
Sports Force Park/Cedar Point Sports Center	Sandusky, OH	\$54,957	\$55,657	\$55,759	\$57,233
Upward Star Center	Spartanburg, SC	\$60,043	\$53,777	\$56,117	\$56,739
Legacy Center Sports Complex	Brighton, MI	\$82,732	\$58,302	\$57,884	\$56,710
Hoover Met Complex	Birmingham, AL	\$60,779	\$56,808	\$52,335	\$56,654
SportONE Fieldhouse	Fort Wayne, IN	\$55,656	\$54,172	\$55,303	\$56,537
Chain O' Lakes Complex	Winter Haven, FL	\$51,508	\$54,496	\$55,726	\$56,461
Cape Girardeau Sportsplex	Cape Girardeau, MO	\$49,595	\$45,364	\$54,705	\$52,926
Rocky Top Sports World	Gatlinburg, TN	\$44,155	\$47,972	\$51,191	\$49,972
Foley Sports Tourism	Foley, AL	\$54,347	\$50,242	\$52,290	\$49,929
Average (excludes Proposed Multi-Use Complex)		\$60,696	\$58,610	\$59,264	\$58,822
Median (excludes Proposed Multi-Use Complex)		\$54,957	\$55,657	\$55,759	\$56,710
Rank (Out of 14)		3	3	6	5

Note: Sorted in descending order by 180-Minute Drive Median Household Income.

Source: Esri.

To further support the relationship between median household income and spending on entertainment/recreation, the average amount spent annually on various goods/services by households in each of these markets spend was analyzed. As shown, average annual spending on entertainment/recreation in households within the 30- and 60-minute drive time markets associated with the proposed multi-use complex ranks high among the profiled facility markets. The average annual spending on entertainment/recreation in households within the 120-minute drive time is consistent with the median and the 180-minute drive time ranks 9th.

Average Household Spending on Entertainment/Recreation - 2020					
Facility	Location	30-Minute Drive Time	60-Minute Drive Time	120-Minute Drive Time	180-Minute Drive Time
Adventist HealthCare Fieldhouse	Boyd's, MD	\$5,337	\$5,120	\$4,372	\$3,901
Justagame Fieldhouse	Wisconsin Dells, WI	\$2,617	\$3,214	\$3,006	\$3,358
Woodside Sports Complex	Mauston, WI	\$2,600	\$2,873	\$3,107	\$3,232
Crown Point Sportsplex	Crown Point, IN	\$2,858	\$2,831	\$3,444	\$3,196
Hoover Met Complex	Birmingham, AL	\$3,203	\$2,951	\$2,744	\$3,027
Upward Star Center	Spartanburg, SC	\$3,011	\$2,760	\$2,949	\$3,027
Chain O' Lakes Complex	Winter Haven, FL	\$2,578	\$2,766	\$2,858	\$2,952
Sports Force Park/Cedar Point Sports Center	Sandusky, OH	\$2,761	\$2,818	\$2,867	\$2,946
Proposed Multi-Use Complex	Lenawee County, MI	\$3,357	\$3,146	\$2,984	\$2,941
Legacy Center Sports Complex	Brighton, MI	\$3,998	\$3,047	\$2,991	\$2,919
SportONE Fieldhouse	Fort Wayne, IN	\$2,729	\$2,660	\$2,777	\$2,875
Cape Girardeau Sportsplex	Cape Girardeau, MO	\$2,391	\$2,347	\$2,962	\$2,794
Rocky Top Sports World	Gatlinburg, TN	\$2,347	\$2,450	\$2,668	\$2,614
Foley Sports Tourism	Foley, AL	\$2,929	\$2,679	\$2,686	\$2,611
Average (excludes Proposed Multi-Use Complex)		\$3,028	\$2,963	\$3,033	\$3,035
Median (excludes Proposed Multi-Use Complex)		\$2,761	\$2,818	\$2,949	\$2,952
Rank (Out of 14)		3	3	6	9

Note: Sorted in descending order by 180-Minute Drive average household spending on entertainment/recreation.

Source: Esri.

SUMMARY OF OBSERVATIONS

The following summarizes observations based on analysis of peer facilities and their markets.

- Most of the profiled peer facilities are operated by a private entity.
- Indoor sports facilities are designed to be multi-purpose and can accommodate sports, tradeshow, meetings, etc. Some facilities have built-in spaces for offices, sports training, rehabilitation, etc.
- The profiled facilities average nine (9) rectangular fields, seven (7) diamonds, seven (7) basketball courts or 13 volleyball courts. Three of the profiled facilities offer indoor turf.
- Local play is important to fill weekday dates, as tournaments are generally held on weekends. Local elite teams and leagues can provide a source of revenue during non-tournament dates.
- Given the relatively low supply of individuals under the age of 18 in the 30-minute drive time market, it is reasonable to assume that the proposed multi-use complex in Lenawee County may host less local sports activity such as leagues, practices and camps in comparison to other profiled peer facilities.
- Several peer facilities operate at a deficit. Facilities of this type are often built for the economic impacts they can generate to the surrounding area.
- A 180-minute drive from the proposed site location of the proposed new multi-use complex features a relatively high population compared to markets associated with the profiled peer facilities, which may provide an opportunity to attract tournament participants and spectators to a new multi-use complex. With that said, there are multiple similar facilities within the 180-minute drive time that present competition.

5. SPORTS PARTICIPATION TRENDS AND POTENTIAL DEMAND GENERATORS



OVERVIEW

Potential demand associated with any sports facility is somewhat dependent on the attributes of the industry as well as specific target market segments. This section outlines national sports participation trends as well as input obtained from surveys with potential user groups of the proposed new multi-use complex in Lenawee County.

NATIONAL SPORTS PARTICIPATION TRENDS

The competitive youth and adult amateur sports industry continues to be a significant market opportunity with multiple sports, age groups and demand segments. Demand for sports tourism events is typically less impacted by economic fluctuations as participants and family/friends are willing to travel significant distances for their preferred sport. In recent years, more communities are developing stand-alone sports tourism-focused facilities to accommodate multiple games/competitions due to their value as a tourism generator. Research indicates that it is important for successful destinations to have a strong volunteer base and elite level leagues to support and promote tournament activity that generates overnight stays.

Generally, sports participation rates are an indicator of demand for sports facilities. Typically, as participation increases, so does the demand for sports facilities. As such, the following pages profile trends in the annual number of participants in various outdoor and indoor sports and the frequency of participation. It also includes data for individual sports or activities by geographic region as well as distribution by age and household income.

Data used in this analysis was obtained from Sports Business Research Network (SBRnet), a leading provider of sports marketing research in the United States. SBRnet offers an all-encompassing perspective on sports business, drawing upon syndicated and custom proprietary market research, industry reports and licensed industry articles. SBRnet provides nationwide analysis of statistical trends in each major segment of the sports market and the extent to which they interrelate. The source of the data is based on online surveys from over 18,000 nationwide participants conducted by the Sports & Fitness Industry Association (SFIA).

Participation Trends in Outdoor Sports

For purposes of this analysis, the following focuses on statistics related to sports that are potential users of the outdoor fields including those such as soccer; baseball; slow and fast pitch softball; touch, tackle and flag football; and lacrosse. Similar data on other sports such as rugby was not available. Participation data is shown from 2014 through 2019. Data for 2020 is not shown as the number of core participants in many sports was adversely impacted by the COVID-19 pandemic. A participant is defined as an individual six years of age or older who participates in a sport/activity at least once per year. The definition of “core” participants is those that participate in a sport more than 50 times per year.

Total and Core Participation

Baseball and soccer, respectively, have historically accounted for the highest number of core sports participants. On average, baseball has had the highest percentage of core participants, followed by slow pitch softball.

Summary of Total and Core Participation – Outdoor Sports and Recreation (000s)						
Sport	2014	2015	2016	2017	2018	2019
Baseball – Total	13,152	13,711	14,760	15,642	15,877	15,804
Baseball – Core	8,857	8,908	9,087	9,238	9,314	9,149
% Core	67%	65%	62%	59%	59%	58%
Soccer (Outdoor) – Total	12,592	12,646	11,932	11,924	11,405	11,913
Soccer (Outdoor) – Core	5,971	5,949	5,590	5,259	4,975	5,050
% Core	47%	47%	47%	44%	44%	42%
Softball (Slow Pitch) – Total	7,077	7,114	7,690	7,283	7,386	7,071
Softball (Slow Pitch) – Core	4,252	4,110	4,314	4,223	4,105	4,048
% Core	60%	58%	56%	58%	56%	57%
Football (Flag) – Total	5,508	5,829	6,173	6,551	6,572	6,783
Football (Flag) – Core	2,669	2,724	2,924	2,979	2,999	2,989
% Core	48%	47%	47%	45%	46%	44%
Football (Touch) – Total	6,586	6,487	5,686	5,629	5,517	5,171
Football (Touch) – Core	2,859	2,678	2,383	2,297	2,204	2,105
% Core	43%	41%	42%	41%	40%	41%
Football (Tackle) – Total	5,978	6,222	5,481	5,224	5,157	5,107
Football (Tackle) – Core	3,390	3,380	3,240	3,078	2,898	2,694
% Core	57%	54%	59%	59%	56%	53%
Softball (Fast Pitch) – Total	2,424	2,460	2,467	2,309	2,303	2,242
Softball (Fast Pitch) – Core	1,266	1,273	1,269	1,232	1,219	1,250
% Core	52%	52%	51%	53%	53%	56%
Lacrosse – Total	2,011	2,094	2,090	2,171	2,098	2,115
Lacrosse – Core	1,032	947	938	1,030	1,061	1,094
% Core	51%	45%	45%	47%	51%	52%
Total	55,328	56,563	56,279	56,733	56,315	56,206
Core	30,296	29,969	29,745	29,336	28,775	28,379
% Core	55%	53%	53%	52%	51%	50%

Note: Sorted in descending order by 2019 total participation.

Source: Sports Business Research Network.

Participation by Geographic Region

The table below provides an overview of the percentage of total sports participants in each of the geographic regions within the U.S. Sports Business Research Network classifies Michigan within the East North Central region, along with Ohio, Indiana, Illinois and Wisconsin. While the region has strong participation in each of the profiled sports, sports with the highest percentage of participants include slow pitch softball, baseball and tackle football. Participation in the region was the lowest in lacrosse and flag football.

Outdoor Sports Participation by Geographic Region (% of Participants)								
Geographic Region	Baseball	Football (Flag)	Football (Tackle)	Football (Touch)	Lacrosse	Soccer (Outdoor)	Softball (Fast Pitch)	Softball (Slow Pitch)
New England	4.0%	3.0%	2.0%	3.0%	7.0%	4.0%	3.0%	5.0%
Middle Atlantic	17.0%	17.0%	13.0%	19.0%	21.0%	14.0%	17.0%	17.0%
East North Central	16.0%	11.0%	15.0%	12.0%	11.0%	14.0%	14.0%	18.0%
West North Central	7.0%	5.0%	8.0%	5.0%	8.0%	6.0%	10.0%	7.0%
South Atlantic	18.0%	25.0%	21.0%	21.0%	26.0%	22.0%	18.0%	18.0%
East South Central	5.0%	5.0%	8.0%	6.0%	1.0%	4.0%	7.0%	5.0%
West South Central	10.0%	9.0%	14.0%	12.0%	6.0%	9.0%	13.0%	9.0%
Mountain	6.0%	7.0%	5.0%	4.0%	8.0%	7.0%	5.0%	7.0%
Pacific	17.0%	19.0%	14.0%	15.0%	12.0%	19.0%	14.0%	14.0%

Note: Sports Business Research Network classifies Michigan into the East North Central Region.

Source: Sports Business Research Network.

Participation by Age

For the profiled outdoor sports, tackle football had the greatest percentage of players under the age of 18 (60%), followed by soccer (54%) and baseball (52%).

Outdoor Sport Participation by Total Age Group (% of Participants)								
Age Group	Baseball	Football (Flag)	Football (Tackle)	Football (Touch)	Lacrosse	Soccer (Outdoor)	Softball (Fast Pitch)	Softball (Slow Pitch)
6-12	33.0%	25.0%	27.0%	18.0%	22.0%	35.0%	21.0%	14.0%
13-17	19.0%	14.0%	33.0%	15.0%	27.0%	19.0%	23.0%	11.0%
18-24	10.0%	15.0%	12.0%	17.0%	26.0%	13.0%	11.0%	10.0%
25-34	17.0%	23.0%	16.0%	26.0%	17.0%	15.0%	14.0%	19.0%
35-44	10.0%	15.0%	7.0%	15.0%	6.0%	10.0%	14.0%	20.0%
45-54	6.0%	6.0%	4.0%	6.0%	3.0%	5.0%	11.0%	14.0%
55-64	3.0%	2.0%	1.0%	3.0%	0.0%	2.0%	3.0%	9.0%
65+	1.0%	0.0%	0.0%	1.0%	0.0%	1.0%	2.0%	3.0%
Total Under 18 Years	52.0%	39.0%	60.0%	33.0%	49.0%	54.0%	44.0%	25.0%

Source: Sports Business Research Network.

Participation by Household Income

For informational purposes, the following table provides an overview of outdoor participation by household income.

Outdoor Sports Participation by Household Income (% of Participants)								
Household Income	Baseball	Football (Flag)	Football (Tackle)	Football (Touch)	Lacrosse	Soccer (Outdoor)	Softball (Fast Pitch)	Softball (Slow Pitch)
Under \$25,000	10.0%	14.0%	17.0%	18.0%	10.0%	11.0%	10.0%	10.0%
\$25,000 - \$49,999	18.0%	21.0%	22.0%	23.0%	10.0%	18.0%	15.0%	19.0%
\$50,000 - \$74,999	18.0%	16.0%	19.0%	18.0%	21.0%	19.0%	19.0%	20.0%
\$75,000 - \$99,999	19.0%	16.0%	17.0%	16.0%	16.0%	17.0%	20.0%	20.0%
\$100,000+	34.0%	32.0%	26.0%	25.0%	43.0%	35.0%	37.0%	31.0%

Source: Sports Business Research Network

Potential Sports Participants

One measure to estimate potential demand for the proposed multi-field outdoor complex is to extrapolate the national core sports participation rates to the previously presented population statistics for the potential target market areas. As previously mentioned, industry research indicates that many sports participants are willing to drive three or more hours to compete in regional and national tournaments.

The following table illustrates the estimated outdoor sports participants by age group using the methodology described above.

Potential Outdoor Sports Participants – Core												
Sport	Ages 6 - 17				Age 18 +				All Ages			
	30-Minute	60-Minute	120-Minute	180-Minute	30-Minute	60-Minute	120-Minute	180-Minute	30-Minute	60-Minute	120-Minute	180-Minute
	Drive Time	Drive Time	Drive Time	Drive Time	Drive Time	Drive Time	Drive Time	Drive Time	Drive Time	Drive Time	Drive Time	Drive Time
Baseball	1,889	26,061	98,192	198,930	1,744	24,056	90,638	183,628	3,633	50,117	188,830	382,558
Football (Flag)	493	6,798	25,615	51,895	771	10,634	40,065	81,169	1,264	17,432	65,680	133,064
Football (Tackle)	758	10,460	39,408	79,838	506	6,973	26,272	53,226	1,264	17,433	65,680	133,064
Football (Touch)	313	4,314	16,256	32,934	635	8,760	33,004	66,865	948	13,074	49,260	99,799
Lacrosse	232	3,203	12,069	24,451	242	3,334	12,561	25,448	474	6,537	24,630	49,899
Soccer (Outdoor)	1,024	14,120	53,201	107,782	872	12,028	45,319	91,814	1,896	26,148	98,520	199,596
Softball (Fast Pitch)	209	2,877	10,837	21,956	265	3,661	13,793	27,943	474	6,538	24,630	49,899
Softball (Slow Pitch)	434	5,993	22,577	45,741	1,304	17,977	67,733	137,222	1,738	23,970	90,310	182,963
Total	5,352	73,826	278,155	563,527	6,339	87,423	329,385	667,315	11,691	161,249	607,540	1,230,842

Source: Sports Business Research Network

When considering potential sports participants of all ages, it is estimated that 11,691 people within the 30-minute drive time frequently participate in the profiled sports, while there are an estimated 1.23 million core participants within the 180-minute drive time. Baseball has the highest number of potential sports participants within each of the target markets.

Participation Trends in Indoor Sports

The following focuses on statistics related to sports that are likely users of the proposed indoor component of the multi-use complex including basketball, indoor soccer, volleyball, cheerleading, gymnastics, wrestling, martial arts, table tennis and archery. Similar data on various other sports was not available. Participation data is shown from 2014 through 2019. As with outdoor participation, data for 2020 is not shown as the number of core participants in many sports was adversely impacted by the COVID-19 pandemic.

Total and Core Participation

Basketball and table tennis have consistently had the most core participants from 2014 to 2019. On average, martial arts has had the highest percentage of core participants, followed by basketball.

Summary of Total and Core Participation – Indoor Sports and Recreation (000s)						
Sport	2014	2015	2016	2017	2018	2019
Basketball – Total	23,067	23,410	22,343	23,401	24,225	24,917
Basketball – Core	15,746	15,636	14,857	14,856	14,890	15,248
% Core	68%	67%	66%	63%	61%	61%
Table Tennis – Total	16,385	16,565	16,568	16,041	15,592	14,908
Table Tennis – Core	4,553	4,534	4,497	4,207	4,205	4,199
% Core	28%	27%	27%	26%	27%	28%
Archery – Total	8,435	8,378	7,903	7,769	7,654	7,449
Archery – Core	1,414	1,340	1,253	1,167	1,140	1,140
% Core	17%	16%	16%	15%	15%	15%
Volleyball (Court) – Total	6,304	6,423	6,216	6,317	6,317	6,487
Volleyball (Court) – Core	3,545	3,575	3,364	3,378	3,450	3,525
% Core	56%	56%	54%	53%	55%	54%
Martial Arts – Total	5,364	5,507	5,745	5,838	5,821	6,068
Martial Arts – Core	3,765	3,714	3,780	3,816	3,830	3,890
% Core	70%	67%	66%	65%	66%	64%
Soccer (Indoor) – Total	4,530	4,813	5,117	5,399	5,233	5,336
Soccer (Indoor) – Core	2,614	2,656	2,770	2,742	2,782	2,755
% Core	58%	55%	54%	51%	53%	52%
Gymnastics – Total	4,621	4,679	5,381	4,805	4,770	4,699
Gymnastics – Core	1,689	1,618	1,800	1,666	1,723	1,695
% Core	37%	35%	33%	35%	36%	36%
Cheerleading – Total	3,456	3,608	4,029	3,816	3,841	3,752
Cheerleading – Core	1,615	1,640	1,664	1,653	1,802	1,817
% Core	47%	45%	41%	43%	47%	48%
Wrestling – Total	1,891	1,978	1,922	1,896	1,908	1,944
Wrestling – Core	950	885	782	717	748	755
% Core	50%	45%	41%	38%	39%	39%
Total	74,053	75,361	75,224	75,282	75,361	75,560
Core	35,891	35,598	34,767	34,202	34,570	35,024
% Core	48%	47%	46%	45%	46%	46%

Notes: Sorted in descending order by 2019 total participation.

Source: Sports Business Research Network.

Participation by Geographic Region

The table below provides an overview of the percentage of total sports participants in each of the geographic regions within the U.S. As previously mentioned, Sports Business Research Network classifies Michigan within the East North Central region. While the region has strong participation in each of the profiled sports, sports with the highest percentage of participants include volleyball, indoor soccer and cheerleading.

Indoor Sports Participation by Geographic Region (% of Participants)									
Geographic Region	Basketball	Cheerleading	Gymnastics	Martial Arts	Volleyball (Court)	Wrestling	Soccer (Indoor)	Table Tennis	Archery
New England	4.0%	2.0%	4.0%	4.0%	2.0%	2.0%	5.0%	4.0%	4.0%
Middle Atlantic	15.0%	12.0%	15.0%	16.0%	13.0%	16.0%	17.0%	16.0%	14.0%
East North Central	15.0%	18.0%	14.0%	13.0%	20.0%	17.0%	19.0%	14.0%	17.0%
West North Central	6.0%	7.0%	6.0%	5.0%	8.0%	7.0%	5.0%	6.0%	10.0%
South Atlantic	21.0%	22.0%	22.0%	22.0%	18.0%	19.0%	20.0%	21.0%	18.0%
East South Central	6.0%	10.0%	5.0%	4.0%	5.0%	5.0%	3.0%	4.0%	7.0%
West South Central	11.0%	11.0%	11.0%	12.0%	11.0%	11.0%	8.0%	9.0%	10.0%
Mountain	6.0%	4.0%	7.0%	6.0%	7.0%	9.0%	6.0%	7.0%	6.0%
Pacific	16.0%	14.0%	15.0%	19.0%	16.0%	14.0%	18.0%	19.0%	14.0%

Note: Sports Business Research Network classifies Michigan into the East North Central Region.

Source: Sports Business Research Network.

Participation by Age

For the profiled indoor sports, cheerleading had the greatest percentage of players under the age of 18 (66%) followed by gymnastics (65%).

Indoor Sport Participation by Total Age Group (% of Participants)									
Age Group	Basketball	Cheerleading	Gymnastics	Martial Arts	Volleyball (Court)	Wrestling	Soccer (Indoor)	Table Tennis	Archery
6-12	22.0%	39.0%	50.0%	27.0%	18.0%	21.0%	25.0%	15.0%	19.0%
13-17	17.0%	27.0%	15.0%	12.0%	23.0%	23.0%	19.0%	11.0%	12.0%
18-24	14.0%	11.0%	10.0%	13.0%	18.0%	20.0%	17.0%	16.0%	17.0%
25-34	20.0%	13.0%	15.0%	20.0%	18.0%	20.0%	24.0%	20.0%	17.0%
35-44	15.0%	8.0%	7.0%	15.0%	11.0%	9.0%	11.0%	15.0%	13.0%
45-54	7.0%	1.0%	2.0%	8.0%	8.0%	5.0%	4.0%	11.0%	12.0%
55-64	4.0%	1.0%	1.0%	3.0%	3.0%	1.0%	1.0%	8.0%	6.0%
65+	1.0%	0.0%	1.0%	1.0%	1.0%	0.0%	0.0%	5.0%	3.0%
Total Under 18 Years Old	39.0%	66.0%	65.0%	39.0%	41.0%	44.0%	44.0%	26.0%	31.0%

Source: Sports Business Research Network.

Participation by Household Income

As a point of reference, the following table provides an overview of indoor sports participation by household income.

Indoor Sports Participation by Household Income (% of Participants)									
Household Income	Basketball	Cheerleading	Gymnastics	Martial Arts	Volleyball (court)	Wrestling	Soccer (Indoor)	Table Tennis	Archery
Under \$25,000	14.0%	18.0%	11.0%	14.0%	11.0%	20.0%	12.0%	11.0%	16.0%
\$25,000 - \$49,999	19.0%	20.0%	18.0%	18.0%	19.0%	23.0%	18.0%	17.0%	21.0%
\$50,000 - \$74,999	19.0%	17.0%	18.0%	20.0%	19.0%	17.0%	18.0%	18.0%	19.0%
\$75,000 - \$99,999	16.0%	15.0%	16.0%	15.0%	17.0%	15.0%	18.0%	15.0%	15.0%
\$100,000+	31.0%	30.0%	38.0%	34.0%	34.0%	26.0%	34.0%	40.0%	30.0%

Source: Sports Business Research Network.

Potential Sports Participants

As with the outdoor sports component, one measure to estimate potential demand for the proposed indoor facility is to extrapolate the national core sports participation rates to the previously presented population statistics for the potential target market areas. The following table illustrates the estimated sports participants by age group for indoor sports using the above methodology.

Sport	Ages 7 – 17				Age 18 +				All Ages			
	30-Minute Drive Time	60-Minute Drive Time	120-Minute Drive Time	180-Minute Drive Time	30-Minute Drive Time	60-Minute Drive Time	120-Minute Drive Time	180-Minute Drive Time	30-Minute Drive Time	60-Minute Drive Time	120-Minute Drive Time	180-Minute Drive Time
Basketball	2,896	39,941	150,489	304,883	4,530	62,472	235,381	476,868	7,426	102,413	385,870	781,751
Cheerleading	417	5,752	21,675	43,911	215	2,963	11,166	22,621	632	8,715	32,841	66,532
Gymnastics	411	5,665	21,346	43,246	221	3,051	11,494	23,286	632	8,716	32,840	66,532
Martial Arts	617	8,498	32,019	64,869	964	13,292	50,081	101,461	1,581	21,790	82,100	166,330
Volleyball (Court)	647	8,934	33,661	68,195	932	12,856	48,439	98,135	1,579	21,790	82,100	166,330
Wrestling	139	1,917	7,225	14,637	177	2,440	9,195	18,629	316	4,357	16,420	33,266
Soccer (Indoor)	417	5,753	21,674	43,912	531	7,321	27,586	55,887	948	13,074	49,260	99,799
Table Tennis	575	7,932	29,884	60,544	1,637	22,574	85,056	172,318	2,212	30,506	114,940	232,862
Archery	147	2,026	7,636	15,469	327	4,511	16,995	34,430	474	6,537	24,631	49,899
Total	6,266	86,418	325,609	659,666	9,534	131,480	495,393	1,003,635	15,800	217,898	821,002	1,663,301

Source: Sports Business Research Network.

When considering potential sports participants of all ages, it is estimated that 15,800 people within the 30-minute drive time frequently participate in the profiled sports while there are 1.7 million potential participants within the 180-minute drive time. Basketball has the highest number of potential sports participants within each of the target markets.

INPUT FROM POTENTIAL DEMAND GENERATORS

Given the County’s desire to assess demand for a potential new multi-use complex, input was sought from a variety of sports organizations as well as various organizations that organize events related to STEM.

Sports Organizations

Approximately 280 individuals who organize local, regional, national and international sporting events we contacted through a combination of web-based surveys and telephone calls. The following provides a representative list of organizations contacted.

- | | |
|---|--|
| 3D Lacrosse | Michigan Youth Lacrosse Association |
| Adidas Gauntlet | Michigan Youth Soccer Association |
| Adrian Dirtbags | Michigan Youth Soccer League |
| Adrian Lookouts | Michigan Youth Wrestling Association |
| Amateur Athletic Union | Midwest Athletics |
| All American Lacrosse | National Amateur Baseball Federation |
| America Cornhole Association | National Archery in the Schools Program |
| American Cornhole (ACO) | National Collegiate Table Tennis Association |
| American Legion Baseball | National Flag Football |
| American Youth Football & Cheer | National Gymnastics Association |
| American Youth Soccer Organization | National Travel Basketball Association (NTBA) |
| Breakthrough Basketball | National Volleyball Academy |
| Certified Basketball | National Wheelchair Basketball Association |
| Classic Tournaments and Events | Nike United States Sports Camps (USSC) |
| Continental Amateur Baseball Association | Taekwondo United |
| East Michigan Golden Gloves | Triple Threat |
| Elite Tournaments | U.S. Club Soccer |
| Exact Sports | USA Baseball |
| FAAST Sports | USA Basketball |
| Fellowship of Christian Athletes | USA Boxing |
| Futsal Factory Academy | USA Cheer |
| Game Breaker Lacrosse Camps | USA Fencing |
| Gameday USA | USA Field Hockey |
| Independent Archers Association | USA Floorball Association |
| Inside Lacrosse | USA Gymnastics |
| Junior Day Volleyball | USA Judo |
| Just for Kix | USA Karate |
| Kicks USA | USA Netball Association |
| Laxpalooza Lacrosse Tournaments | USA Pickleball |
| Lenawee County Conservation League | USA Powerlifting |
| Men’s Collegiate Lacrosse Association | USA Rhythmic Gymnastics |
| Metro Detroit Cornhole League | USA Rugby |
| Metropolitan Archery Association | USA Softball |
| Michigan Archers Association | USA Table Tennis Association |
| Michigan Association American Amateur Baseball Congress | USA Track and Field |
| Michigan Community College Athletic Association | USA Ultimate |
| Michigan Field Hockey Association | USA Volleyball |
| Michigan High School Athletic Association (MHSAA) | USA Weightlifting |
| Michigan Horseshoe Pitchers Association | USA Wrestling |
| Michigan Intercollegiate Athletic Association | USSSA |
| Michigan USA Wrestling | VBclinics |
| Michigan Youth Basketball | WCLA - Women’s Collegiate Lacrosse Association |
| Michigan Youth Football League | |

A total of 39 individuals/organizations responded to the outreach. Individuals/organizations represented a variety of sports including, but not limited to, basketball, volleyball, baseball, softball, cheerleading/dance, gymnastics, rugby, track and field, soccer, lacrosse, field hockey and track and field. Several respondents represent multiple sports and events that could potentially be hosted at the proposed new multi-use complex in Lenawee County.

The goal of this outreach was to identify potential market opportunities for the proposed new multi-use complex as well as required facility program elements and supporting infrastructure needs. The input obtained is not intended to be statistically valid but rather reflective of a representative sample of potential user groups. The following summarizes input from those organizations that completed a survey.

Potential user groups indicated moderate demand for a new multi-use complex in Lenawee County. Those that did not express interest in utilizing the proposed new multi-use complex cited factors such as lack of hotels, lack of destination appeal, distance from their membership base, established relationships with existing facilities, and a lack of local sports clubs to participate in tournaments as challenges to hosting their event at a new multi-use complex in Lenawee County.

The following summarizes input from those expressing interest in potentially utilizing the proposed new multi-use complex in Lenawee County.

Market Attributes

- Proximity to a hotel, entertainment, restaurants and their participation base; geographic location; highway accessibility; and cost/value were all considered important market attributes in attracting their event. Proximity to a major airport was the least important attribute.
- Approximately 35% of respondents indicated their participants would drive up to 15 minutes to entertainment/dining options and hotels and 35% indicated their participants would drive up to 30 minutes.
- Nearly half of survey respondents indicated that they would utilize both indoor and outdoor sports facilities at a proposed new complex in the County. Many outdoor sport tournament organizers indicated they would also utilize an indoor facility for tournaments. Of those that would not use both, there was a slightly higher percentage of those interested in using the proposed indoor facility.

Potential Indoor Facility Users

- On average, sports organizers expressing interest in potentially hosting an event(s) at the indoor component of the proposed multi-use complex required five (5) courts.
- Several event organizers indicated that they require indoor turf, of which the average number of required indoor turf fields was two (2).
- Approximately 33% of respondents indicated that they require either hardwood or sport court surfaces, 27% require hardwood, and 20% require turf. Other surfaces mentioned included concrete (13%) and sport court (7%).

- Only 20% of survey respondents said that their event requires spectator seating. Other required facility elements included concessions, meeting rooms, window coverings and Wi-Fi access.
- More than half (56%) of survey respondents indicated that they are willing to utilize multiple sites within close proximity; the average time they were willing to drive between facilities was 16 minutes.
- Most (75%) respondents indicated that they would be interested in hosting tournaments followed by elite/travel team league play (13%). Only a small percentage of potential users indicated interest in holding camps/clinics and recreational league play at the proposed indoor facility.
- Most (60%) events were classified as regional/multi-state followed by national/international (27%) and State (13%).
- Most organizers would host their event in the winter (43%) and/or spring (40%).
- The average event length was two (2) days and events averaged approximately 430 participants and 830 spectators. Respondents estimated that approximately 50% of participants and spectators would stay overnight.

Potential Outdoor Facility Users

- On average, sports organizers expressing interest in potentially hosting an event(s) at the outdoor component of the proposed complex required four (4) rectangular fields or five (5) diamond fields to host their event(s) depending on the sport.
- Nearly half of respondents require artificial turf (47%), followed by either artificial turf or natural grass (35%). Several respondents indicated the need for an outdoor track.
- Most (70%) respondents indicated that their event does not require spectator seating. Other required facility elements included concessions, field lights, an office/breakout room and Wi-Fi access.
- The majority (70%) of respondents are willing to use multiple facilities within close proximity for their event; the average time they were willing to drive between facilities was 14 minutes.
- Most (60%) survey respondents indicated they would be interested in hosting tournaments at an outdoor sports facility in the County, followed by elite/travel team league play (20%), camps/clinics (15%) and recreational league play (5%). Further, 71% of events were classified as regional/multi-state, followed by State (18%) and national/international (12%).

- Most organizers would host their event in the summer (47%) and/or spring (35%).
- The average event length was two (2) days and events averaged approximately 730 participants and 1,170 spectators. Survey respondents estimated that approximately 50% of participants and spectators would stay overnight.

STEM Organizations

In addition to outreach with potential sporting event organizers, outreach was conducted with several organizations involved in planning and holding STEM-oriented events in the local and regional area. These organizations primarily included schools and universities and other not-for-profits involved in many different types of events including training/educational opportunities, competitions and tournaments, career expos, and science fairs. A list of organizations contacted is provided below.

Hudson Area Schools	National Defense Industrial Association
Lenawee Intermediate School District	Michigan Science Teachers Association
Girl Scouts Heart of Michigan	Michigan Science Olympiad
Junior Achievement of Southeast Michigan	inSTEM – Inforum Michigan
Engineering Society of Detroit	Michigan STEM Partnership
MiSTEM Network	

While STEM events were evaluated as a potential programming opportunity for the proposed new multi-use complex, there does not appear to be unmet demand within the market for such space at this time. Most organizations indicated that they have their own facilities which are leveraged for such events and/or relationships and partnerships with area schools and universities at which the events are staged.

SUMMARY OF OBSERVATIONS

- The region has a solid base of sports participants.
- Potential sports users indicated there is moderate demand for the proposed new multi-use complex. Input from potential users related to STEM suggest there does not appear to be significant unmet demand at this time.
- Tournament activity hosted at the complex is likely to draw out-of-town visitors that generate economic impacts.
- Approximately half of the expected visitors are anticipated drive to and from the proposed multi-use complex which may limit economic benefits. Overnight visitors typically generate a higher economic impact as they spend more time and money in a local economy on hotels, dining, entertainment, etc.

6. MARKET ASSESSMENT



MARKET ASSESSMENT

This section provides an overview of key success factors related to the operations of the proposed new multi-use complex as well as key market findings including relative market strengths, weaknesses, opportunities and threats (SWOT) and preliminary building program recommendations based on the research conducted as part of this study effort.

Key Success Factors

As sports tourism continues to grow, there is increasing competition for tourism dollars as evidenced by the industry data and by the number of communities with sports tourism-focused organizations. The spending generated by athletes, coaches, family and friends can augment other visitor streams such as business, convention/meeting and leisure travelers. Research indicates that competitive sporting events are less impacted by economic downturns as families are committed to their children's athletic activity. Sports-related tourism can be developed based on a community's strengths, the presence of elite level athletes, leagues, and/or collegiate teams in particular sports. Further, a strategic plan for sports tourism can serve to expand visitor seasons beyond a community's typical peak. The following outlines the critical success factors common in sports tourism destinations based on conversations with destination marketing organizations (DMOs) and sports commissions across the U.S., as well as our work with other communities.

Stakeholder Political Support

Successful destinations have political support from a variety of public and private stakeholders that prioritize sports tourism as an economic generator. These include local and State governments, local leagues, collegiate athletic departments, DMOs, economic development agencies, hospitality industry professionals, facility management and event organizers. Input from other communities reiterated the necessity to have the support of local stakeholders. Without the understanding from each of these organizations regarding the value of competitive sporting events, it can be an uphill battle to effectively attract and service them. Typically, one organization spearheads the effort to educate local stakeholders on the value such as a DMO or sports commission. In addition to marketing and branding, this organization serves as a liaison within the community between sports organizations, facilities, visitor amenities and funding partners. Developing regular communication to these groups outlining the economic value of sporting events within the local area serves to elevate this visitor segment and helps to harness their on-going support.

Marketing and Branding

As more communities realize the value of sports tourism and invest in quality facilities, there is greater competition for these events. Destinations that create a sports marketing brand are more recognizable by the event organizers as well as the participants and spectators and, as a

result, can serve to draw a greater number of visitors. A brand should include differentiating factors such as unique indoor/outdoor activities including historical attractions, beaches, lakes, theme parks, etc. Establishing a brand and reputation for well-executed events includes providing appropriate facilities as well as visitor amenities and event services such as a reliable, knowledgeable volunteer base. This can mean providing appropriate security and traffic control, as well as coordinating with event organizers to showcase area attractions, restaurants or shopping.

Quality Facilities

Given the variety of sports and respective facility requirements, it is difficult for a single destination to be successful at attracting all sports. Rather, destinations that offer high-quality facilities in a select number of sports can better serve these target market segments. However, a physical asset alone does not ensure success in sports tourism. Management at other facilities stress the importance of establishing a facility's mission at the outset. The goal of primarily serving as an economic generator rather than meeting local sports and recreational needs requires different marketing, booking, staffing, and maintenance procedures. If a facility is primarily focused on generating economic impact, it may choose to limit local play and reserve fields/courts for high-end tournaments that draw out-of-town participants and spectators. Increasingly, local parks and recreation departments accommodate league play while special purpose facilities are reserved for league games (not practices) and tournament/showcase events to limit wear and tear and establish the venue as an attraction. Some tournament-quality facilities choose to limit league play to weekdays, reserving weekends for competitions that draw out-of-town visitors.

Balancing the booking of a facility between tournament play and local league use is a critical factor in its marketability. Having a strong base of local sports leagues can be a significant revenue generator as well as important partners in attracting regional/national tournaments and staffing these events with a volunteer pool. As such, continuing cooperative relationships with local leagues is imperative to a venue's ability to serve as a sports tourism generator. However, management at peer facilities indicate that allowing too much league play can increase maintenance expense and potentially hinder marketability and availability for tournaments drawing out-of-town attendees.

Destination Attributes

As previously mentioned, successful destinations require supporting infrastructure elements such as hotels, restaurants, retail and entertainment/recreation establishments. Unlike convention/meeting attendees, competitive sporting event organizers are accustomed to driving up to 30 minutes to these amenities from the host facility(s). These elements are important and can impact the overall marketability, resulting financial success and the economic impact of sports facilities. Hotel supply is generally an important factor in drawing

tournaments/competitions that draw out-of-town attendees. Providing convenient access to shopping, dining and entertainment can create a vibrancy that differentiates one destination from the others.

Ownership/Management Approach

The quality of ownership and management of a complex can have a direct impact on performance. Similar sports facilities are typically owned and operated under one of several models. The following provides a brief description of each.

Public Model

The land and the facility are owned, maintained and operated by a public entity such as a city or county. In many instances, publicly owned facilities are operated as a division within a municipal department. Advantages of this method include shared human and financial resources among the jurisdiction's various facilities as well as economies of scale in terms of utilities, insurance, and maintenance expenses. This management approach is most common where the facility(s) are primarily operated as a residential amenity, much like a library or public park and, as such, a greater portion of attendance is typically locally based. However, if the venue is envisioned to attract sports tourism, disadvantages of traditional governmental management include balancing local recreational/scholastic usage needs with those of events that generate overnight visitors which can be politically challenging, requirements associated with staff work hours, and limited staff connections in the broader industry.

Private Model

In some cases, sports facilities are constructed, maintained and operated by private entities. Rates are typically charged at market value to create a profitable operating scenario. As such, facilities operating under this approach are operated as for-profit businesses with missions and operating objectives in place that limit low-cost activities such as developmental leagues. In some instances, these types of facilities focus on niche sports and cater to elite level athletes where the private owners/managers can leverage their reputation and professional network outside the community to develop and attract tournaments.

Public/Private Model

In this approach, a public entity such as a city or county may own the land and/or the venue and lease operations and maintenance of the asset to a third-party private entity. This model is often utilized when the venue is developed with objectives to generate economic activity, address residential needs, and achieve financial self-sustainability. While some facilities utilizing this model are operationally self-sufficient, others still require annual financial operating support by the public owner.

Third-party management companies typically bring unique knowledge and expertise of the facility management industry to a venue. The professional management company is generally compensated with an annual base fee in addition to a performance or incentive fee. The performance or incentive fee can be capped and is usually tied to producing measurable and desired operating results such as increasing the number of events and/or attendance and/or improving the financial operations as compared to a baseline benchmark target. Because many management contracts include financial incentives, the professional management company is generally profit driven. As such, there is sometimes a conflict for the management team to balance hosting events that operate at a profit and positively impact the facility's financial performance and hosting events that do not necessarily contribute positive cash flow but meet broader programming and operating goals for the community. Disadvantages associated with this operating model include potential loss of direct control of the asset, profit motive versus community benefit and fees paid to the facility management company. When using this approach, the public entity's priorities for the venue should be clearly articulated in the lease or management agreement along with a supporting mission statement, booking policy, rental rates and other operating policies.

Public/Nonprofit Model

Similar to the public/private structure, the land is generally owned by a public entity and the facility is leased to and operated by a nonprofit organization. Operating entities under this structure often represent local sports associations that offer leagues from the developmental level up to elite travel teams. These organizations can be operated by parents and other area stakeholders with connections to their respective sport's regional and national offices and can facilitate the development or attraction of tournaments. The nonprofit is usually governed by a Board of Directors that provides oversight and accountability. While the Board of Directors provides objectives for the facility to accomplish, the management team is charged with formulating the best course of action to achieve the goals and objectives of the organization. The nonprofit entity seeks to leverage its relationships to develop strategic partnerships, expand programming and revenue-generating opportunities and share operating responsibilities. From a funding perspective, nonprofit organizations have access to grants that the public sector does not which can be used towards programming, construction costs, operating costs and/or capital improvements.

The nonprofit structure appears to work well with facilities that want the ability to solicit donations and volunteer labor hours. Annual sponsorships and other forms of ongoing support can be collected from the private or public sector, sometimes through a foundation. In many cases, donations are tax deductible. Nonprofit status can also provide legal and/or tax advantages relative to other options. Because most nonprofit entities are dependent on external funding from private or public sources such as government grants and direct donations, ongoing funding is one of the challenges of a nonprofit entity. Any changes to the

funding of the organization can impact the ability to hire and retain staff as well as sustain facility operations. The ability to secure the required volunteer labor pool on a regular basis can also be a challenge. Nonprofits are typically more effective when they have a dedicated source of funding.

Irrespective of the management approach utilized, a well-defined mission statement and booking policy can help reduce the potential for perceived differences in the facility's role by various stakeholders.

Relationships with Event Organizers

Successful sports tourism destinations have sports marketing agencies and facilities managed by staff with a network of contacts in relevant sports industries. These include local, state, regional and national sports organizations that compete in or hold tournaments/competitions. Fostering these relationships by attending industry conferences, attending major tournaments in other cities and hosting familiarization tours to showcase a destination's facilities and visitor amenities is important to set a destination apart. Communities with strong relationships are often able to secure multi-year contracts for significant annual events or an agreement to host numerous competitions sponsored by one organization. Utilizing local stakeholder connections with state/regional/national event organizers can broaden these relationships. For instance, a local elite league that participates in a national annual tournament or a college athletic department may have connections to a NCAA showcase or tournament.

Event Incentives

Attracting events that generate sports tourism spending has traditionally been done by paying bid fees to target events. As more communities have realized the value of this visitor niche and invested in facilities to accommodate them, bid fees have increased. In response, sports marketing organizations are more commonly creating their own events and/or offsetting event costs rather than paying bid fees directly to event organizers.

The benefits of creating tournaments include harnessing local elite level teams and their regional/national connections to promote participation; controlling the event date during a community's shoulder visitation season; and lack of competition from other host cities through strategic scheduling. The trade-off to creating tournaments is the need to provide all event services and staff, which requires a strong organizing committee with an active volunteer base and good working relationships with sports venue management teams, hoteliers, local police for traffic/security, etc. According to sports marketing representatives, this works best for sports in which the community has a strong niche and quality venues.

Sports marketing organizations also work to offset specific costs associated with hosting an event in their community, such as sponsoring a catered function, utilities associated with lighted

fields, facility rental, event security, parking staff, etc. In doing so, the organization helps to ensure that their investment is retained within the local community.

Sports commissions and associations indicate that the methodology for tracking the success of sports tourism efforts should be agreed upon by all agencies involved. Organizations can be evaluated by hotel room generation specific to sporting events and/or based on an agreed upon economic impact model of events. These models help guide decisions regarding whether bid fees and/or event incentives are financially reasonable for that event.

Key Market Findings

Based on the market research and analysis conducted for the proposed new multi-use complex in Lenawee County, the following summarizes key market findings including building program recommendations.

SWOT Analysis

The following provides an overview of relative market-related strengths/opportunities and weaknesses/threats associated with the proposed new multi-use complex.

Relative Market Strengths/Opportunities

- Identified site location with acreage capable of accommodating a multi-use complex.
- Population within 60-, 120-, and 180-minute drive times from the potential site.
- Adequate highway and air accessibility to the proposed site.
- Sports participation levels in the region.
- Opportunity to cultivate area recreational and competitive sports teams and leagues by providing quality practice/game space.
- Potential disposable income of households for entertainment/recreation activities.
- Demand from potential indoor and outdoor user groups primarily representing regional events.
- Ability to attract sports tournaments/competitions that increase tourism, better accommodate local recreational needs and host non-sporting community events.
- Potential for existing sports facilities in the area to support the proposed new multi-use complex and accommodate events requiring many fields/courts.
- Potential new developments in the area that would support the proposed new multi-use complex.
- Potential to generate incremental new economic and fiscal impacts.
- Youth sports have historically fared well during economic downturns.

Relative Market Weaknesses/Threats

- Limited supply of hotels near the potential site.
- Local population base may not provide large numbers of sports participants relative to other major markets, due to the relatively small population and relatively low population base under the age of 18 years old.
- Strong competition from existing and planned facilities in the region.
- Lenawee County may not be considered a destination by certain sporting event organizers.
- Projected population growth rate.
- Current recreational and competitive programming opportunities in the County are relatively limited at local parks and recreation departments which is partially attributable to the existing supply of facilities.
- Some local sports organizations have established relationships with existing facilities and are provided space for minimal cost.
- Any new outdoor facility would likely be limited in the amount of year-round activity hosted due to climate characteristics.
- Limited interest from national/international sporting event organizers.
- Limited to no demand from organizations representing STEM events.
- Increasing supply of regional and national competitive sports facilities may result in potential oversaturation.
- Other comparable facilities realize operating deficits.
- Available funding sources for such a facility.
- Potential changes in macro-economic conditions.
- Unknown long-term impact of COVID-19.

Overall Summary

The development of a new multi-use complex would better position the County to attract sports tournaments/competitions that generate economic benefits to the area. With that said, there are several key market challenges that exist including, but not limited to, the limited supply of hotels proximate to the potential site, existing and growing competition in the region and a potentially limited local participant base.

It is our understanding that primary objectives of the proposed new multi-use complex include generating economic benefits associated with sports tourism, accommodating local-level play, and meeting broader community needs. As such, the following describes the relative ability of the indoor and outdoor component of the proposed project to achieve these goals based on market research. Preliminary building program recommendations for each component are also provided.

Indoor Facility

Market research suggests stronger short-term demand for the indoor facility component of the proposed project. With the appropriate building program and management team, the facility could attract tournaments/competitions that generate economic benefits to the surrounding area. In addition to accommodating tournament play, a flexible design that incorporates indoor court and turf areas could serve multiple demand segments and assist in further cultivating local recreational and competitive sports teams and leagues. Local clubs, especially those at the elite level, can help attract tournaments as well as provide a source of revenue-generating programming at a facility during non-tournament dates. However, based on the existing market challenges, it is likely that a new indoor sports facility would face difficulties maximizing its economic contribution and financial performance until the amount and type of programming for area sports clubs and leagues is diversified and expanded. Further, if built, a new indoor facility should be designed to be multipurpose so that it can accommodate non-sporting activity like exhibit/expo events, social functions, meetings, and community events. It could also be designed to incorporate space that helps address broader community needs and potentially garner private sector support. This approach will require a strong leadership/management team with a solid business and strategic plan that leverages internal/external resources relative to marketing and operations.

Outdoor Facility

Many competitive and/or peer outdoor facilities feature eight or more fields to host large tournaments that generate economic impacts. Based on market research, there does not appear to be high demand for a large outdoor complex at this time. Based on surveys with potential user groups and other market research, a moderate-sized outdoor field complex could attract some tournament activity that generates economic activity to the community. In addition, this type of facility would assist in further developing and enhancing local recreational and travel teams. With that said, in comparison to indoor facilities, there is a higher level of competition in the region for outdoor sporting events. This and other market research suggest that the County may want to consider a phased approach to the development of the proposed new multi-use complex.

Recommended Building Program

Given the market challenges, it will be important that any new facility try to differentiate itself from competitors with its building program, design elements, supporting amenities and infrastructure as well as service levels. It will also be important for the facility to be managed by a well-established team of professionals who specialize in marketing and management of similar facilities and who have established contacts and strong relationships with regional/national sporting event promoters and producers.

With consideration to the potential site and the objectives of the proposed new multi-use complex, the following outlines program elements, patron amenities and other related supporting infrastructure that the County should consider based on the market research conducted as part of this study effort.

- An indoor facility with six (6) or eight (8) hardwood basketball courts which in turn would yield 12 to 16 volleyball courts
 - To maximize usage opportunities, the floor layout should be designed to allow synthetic turf to be placed on top of the courts and accommodate activities such as practices for outdoor field sports
 - Flexible and divisible design that can accommodate diverse, simultaneous events
 - Lobby, office space, locker/changing rooms
 - Bleacher seating which could be retractable and/or portable
 - Consistent lighting for all floor spaces/courts
 - Scoreboard and timing systems on each court
 - Backboards, net systems, support equipment, etc.
 - Strategic space planning to accommodate future expansion of court or turf space, as warranted

- An outdoor facility with six (6) tournament-quality fields that are configurable for both rectangular and diamond field sports
 - Turf playing surface
 - Bleacher seating
 - Strategic space planning to accommodate future expansion, as warranted

Other recommended amenities for the entire proposed multi-use complex include:

- Concessions/snack bar areas
- Restrooms
- Robust Wi-Fi service that can support streaming
- Space for team gathering and warm-up areas for players
- Support space including administrative office space for staff and tournament organizers, registration area, maintenance facility and on-site storage
- Sufficient and convenient on-site parking
- Supporting infrastructure including electrical connectivity at each court/field

Based on industry experience as well as building programs at peer facilities, it is estimated that the proposed indoor facility will require between 90,000 and 125,000 gross SF (7 to 8 acres) and the outdoor facility will require between 21 and 27 acres. These estimates include allocations for parking and support spaces.

These acreage estimates are preliminary and actual space requirements will depend on the facility concept developed and the amount of nearby parking that may be available. Further, the building program recommendations will need to consider any appropriate long-term design implications resulting from the COVID-19 pandemic.

The square footage estimate for the indoor facility excludes space that would be allocated to commercial rentals or accommodating certain meal-related functions for the County's Department on Aging which County representatives indicate could require up to 25,000 SF.

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7. ECONOMIC ANALYSIS



OVERVIEW

Financial considerations associated with the proposed project often dictate whether a particular project is deemed viable. One of the primary reasons that some communities develop these types of facilities is the economic activity that they can generate in terms of spending, employment and earnings, as well as tax revenues to local and state governments. These facilities typically attract events that draw patrons from outside of the immediate market area who spend money on hotels, restaurants, retail, transportation and other related services. Consequently, when evaluating the merits of these types of projects, all aspects of the costs and benefits including operating requirements, debt service and economic and fiscal benefits should be considered.

Crossroads Consulting assisted Lenawee County in developing a hypothetical, order-of-magnitude estimate of operating revenues and operating expenses before a capital reserve fund, depreciation and debt service for a proposed new multi-use complex for a stabilized year of operations. This analysis is based on certain hypothetical assumptions pertaining to the building program, ownership/operating structure, usage levels and other related operating strategies. The accompanying analysis was prepared for internal use by Lenawee County for its consideration of plans for a proposed new multi-use complex and should not be used or relied upon for any other purpose including financing of the project. An estimate of the potential economic and fiscal benefits associated with on-going operations of the proposed new multi-use complex is also provided in this section of this report. It is important to note that estimates shown in this section do not reflect short- or long-term implications in the sports industry because of the COVID-19 pandemic.

FINANCIAL PRO FORMA

The following table summarizes the estimated annual financial operations for the proposed multi-use complex in a stabilized year. The estimate is based on the assumptions outlined in this report as well as general market data; existing and planned facilities in the area; input from area stakeholders and potential users; industry trends; the building program described in the previous section; information on competitive/peer facilities; and other research. This analysis represents a net revenue and expense assessment and is subject to change depending on the actual building program, contractual agreements with service providers, and further refinements regarding operating strategies for the proposed new multi-use complex.

The estimate of financial operations assumes that the first phase of construction will include the indoor component of the proposed new multi-use complex and that the outdoor component will be developed in a later phase. As such, while the net operating revenues reflect independent facility operations, the net operating expenses shown for the outdoor facility are estimated add-on costs and do not represent the financial operations of a stand-alone facility.

As shown, the proposed new multi-use complex is estimated to realize an operating deficit before any non-operating revenue streams, a capital reserve fund, debt service and depreciation in a stabilized year. As previously mentioned, other similar facilities also operate at a deficit but are viewed as community assets based on the economic benefits that they generate to surrounding areas.

Proposed New Multi-Use Complex in Lenawee County			
Estimate of Annual Financial Operations (Stabilized Year)			
	Indoor Facility	Outdoor Facility	Total
Net Operating Revenues	\$781,000	\$385,000	\$1,166,000
Net Operating Expenses	1,058,000	389,000	1,447,000
Operating Loss Before Capital Reserve, Debt Service and Depreciation	(277,000)	(4,000)	(281,000)
Non-Operating Revenues (Commercial Leases)	415,000	0	415,000
Profit/(Loss) Before Capital Reserve, Debt Service and Depreciation	\$138,000	(\$4,000)	\$134,000

Notes: Expenses shown for the outdoor facility represent add-on costs.

Expenses related to management fees are included under the indoor facility.

Estimate of non-operating revenues (i.e., Commercial Leases) is based on information provided by County representatives.

Non-operating revenues exclude other potential sources such as naming rights, etc.

Several potential non-operating revenue sources can help offset the operating deficit. For instance, the County estimates that commercial leases associated with space at the indoor facility could generate approximately \$415,000 annually. Including this estimated revenue stream would yield a profit before any costs associated with a capital reserve fund, debt service and depreciation.

Although not included in the table above given the preliminary planning stage of the project, it is likely that the proposed new multi-use complex could generate additional revenues that would reduce the operating loss from sources such as additional leasing of retail space, exclusivity rights, naming rights, etc.

General Assumptions

Based on input from County representatives, several assumptions were used to develop estimates of event activity, financial operations and economic and fiscal impacts for the proposed new multi-use complex. It should be noted that these assumptions are preliminary and will continue to be refined as decisions related to the building program other operating characteristics evolve.

- The recommended building program previously outlined is constructed at the proposed site location in Tecumseh.

- The first phase of construction will include the indoor component of the proposed new multi-use complex. The outdoor component will be developed in a later phase.
- There will be additional private-sector development including dining and entertainment options proximate to the proposed new multi-use complex.
- The proposed new multi-use complex is designed and constructed to be a high-quality facility that is focused on hosting events that generate economic impact to the County as well as those that serve the broader needs of the community.
- Recreational programming and elite-level play will continue to be fostered in the local community.
- The proposed new multi-use complex will be owned by Lenawee County and operated by a professional management organization that specializes in marketing and management of similar sports facilities and has established contacts and strong relationships with regional/national sporting event promoters and producers.
- Given the assumed ownership, the complex will be exempt from property taxes.
- The complex's core staff will be supplemented by an existing Department of Parks and Recreation or Maintenance Department.
- Cooperative coordination will occur amongst facility management and tourism/hospitality stakeholders such as Visit Lenawee particularly in terms of sales and marketing efforts.
- Hotels will actively support sports tourism initiatives.
- A high-level of customer service will be provided.
- With exception to the facilities profiled in this report, no other similar competitive facilities are built/expanded in the region.
- No major economic fluctuations, acts of nature, or cataclysmic events such as an epidemic occur that could adversely impact the dynamics of the project.
- Estimates do not reflect short- or long-term implications in the sports industry because of the COVID-19 pandemic.
- This analysis does not include an estimate for a capital reserve fund, debt service or depreciation.
- Amounts are presented in 2021 dollars and reflect a stabilized year of operations.

Usage Assumptions

Event activity at new facilities typically experiences a “ramp up” period to a stabilized level of activity which occurs for several reasons. For instance, some groups that book their event years in advance may not want to risk that a facility’s construction is delayed and not completed in time for their event. In addition, some groups may choose to let management “fine tune” its operations before hosting an event at the proposed new multi-use complex. The length of time for new venues to reach stabilized operations varies but typically occurs in or around year three.

Overall utilization at any facility is typically dependent on several factors (e.g. market size; accessibility; nearby amenities; size, configuration and quality of the facilities offered; effectiveness of the management team in booking the facility; date availability; cost, etc.) and is rarely consistent. For instance, one year the proposed new multi-use complex may attract a greater number of basketball tournaments whereas another year it may attract more volleyball tournaments.

The following are event types used in this analysis:

- *Tournaments* include multi-day youth and adult competitions in a variety of sports. These events may include teams from throughout the State, the surrounding region and/or national level competitions.
- *League activity* includes elite (or travel) club sport play (both games and practices) for youth and adults in multiple sports. League activity will generally occur during the weekdays and augment league activities occurring at existing facilities.
- *Camps and clinics* include elite (or travel) club sport play for youth and adults in multiple sports. This type of activity is anticipated to occur during non-peak periods (e.g., summer) over multiple days and can serve to grow existing athletic programs in the area.

Based on a phased approach to development, the following table summarizes the estimated usage/events for the proposed new multi-use complex in a stabilized year.

Proposed New Multi-Use Complex in Lenawee County Estimate of Annual Usage (Stabilized Year)			
Category	Indoor Facility	Outdoor Facility	Total
Tournament Activity			
Total Events	28	22	50
Total Event Days	56	44	100
Total Number of Participants	14,300	13,200	27,500
Total Number of Spectators	28,600	21,120	49,720
Average Length of Stay (Days)	2.0	2.0	
Tournament Attendee Days	85,800	68,640	154,440
Leagues, Camps & Clinics			
Total Participant Days	97,900	41,760	139,660
Total Attendee Days	183,700	110,400	294,100

As shown, the proposed new multi-use complex is estimated to host 50 tournaments annually, of which 28 are estimated to occur at the proposed indoor facility and 22 at the proposed outdoor complex. This tournament activity is estimated to generate 154,440 attendee days from multiple sports such as softball, baseball, soccer, lacrosse, field hockey, volleyball, basketball, archery, gymnastics, etc. For tournament activity, an attendee day is defined as total attendance multiplied by the event length. For example, a two-day tournament with 200 attendees equates to 400 attendee days which reflects that the same attendees return to the event each of the two days. Most of this tournament activity is estimated to be net new to the County.

In addition to tournament activity, the proposed new multi-use complex is estimated to generate 139,660 participant days related to sports leagues, camps and clinics. This activity is estimated to include elite, youth and adult travel teams that regularly play other similar level teams in the region which will help better position the proposed new multi-use complex to attract regional and national tournaments/competitions. Participant days associated with local league activity are assumed to be equal to attendance as these are primarily practices or games occurring on one day.

As mentioned earlier, it is anticipated that facility management and Visit Lenawee will take an active role in creating, organizing and operating some events in the proposed new multi-use complex which would lessen the reliance on outside event organizers that have a multitude of options in which city and facility to host their events. By working with local and regional sports clubs and organizations to grow existing events and/or to create new events, facility management and Visit Lenawee can create programming for the facility that will augment events produced by outside, third-party event organizers.

Although it is anticipated that the complex will host additional local recreational activity as well as non-sporting events such as tradeshow, consumer shows, expos, meetings, and social functions, community activities of this type typically breakeven financially. As such, these activities are assumed to be revenue-neutral and are not included in this analysis. Further, all non-tournament activity is assumed to be local and is excluded from the economic and fiscal impact calculation.

As shown in the table below, the annual number of hotel room nights generated from activities at the proposed new multi-use complex in a stabilized year is estimated to be 25,700, of which 19,300 (or 75%) are estimated to be captured in the County. This reflects that a portion of overnight attendees will stay in hotels outside the County.

Proposed New Multi-Use Complex in Lenawee County			
Room Night Calculation (Stabilized Year)			
	Indoor Facility	Outdoor Facility	Total
Total Events	28	22	50
Total Attendance	42,900	34,320	77,220
Percent of Attendance Staying Overnight	50%	50%	50%
Total Overnight Attendance	21,450	17,160	38,610
Average Length of Stay (Nights)	2.0	2.0	2.0
People Per Hotel Room	3.0	3.0	3.0
Total Room Nights Generated from Facility Operations	14,300	11,400	25,700
Total Room Nights Captured in Lenawee County	10,700	8,600	19,300

Note: Assumes 75% of total room nights generated from facility operations are captured in Lenawee County.

Net Operating and Non-Operating Revenue Assumptions

The following table shows the estimated net operating and non-operating revenues for the proposed new multi-use complex in a stabilized year.

Proposed New Multi-Use Complex in Lenawee County			
Estimate of Net Operating and Non-Operating Revenue (Stabilized Year)			
Line Item	Indoor Facility	Outdoor Facility	Total
Facility Rental	\$550,000	\$236,000	\$786,000
Food & Beverage	165,000	99,000	264,000
Advertising & Sponsorship	55,000	40,000	95,000
Other	11,000	10,000	21,000
Total Net Operating Revenues	781,000	385,000	1,166,000
Non-Operating Revenues (Commercial Leases)	415,000	0	415,000
Total Revenues	\$1,196,000	\$385,000	\$1,581,000

Notes: Estimate of non-operating revenues (i.e., Commercial Leases) is based on information provided by County representatives.

Non-operating revenues exclude other potential sources such as naming rights, etc.

The following provides a description of the revenue line items.

Facility Rental – The revenues generated from multi-sport facilities are typically derived from facility rental that can be charged per tournament, per day, per game or per hour based on the user, number of fields/courts utilized, as well as the services provided. Facility management will likely negotiate rental terms for events/tournaments based on factors such as potential economic impact and/or the ability to execute multi-year contracts. Based on peer facility data, facility rentals typically represent a significant revenue source. Rental revenue is largely dependent on the mix of business (e.g. tournaments versus leagues), mission of the facility (local league use vs economic impact) and ownership/management operating strategy (e.g. turnkey or full-service). The facility rental shown in this analysis includes use of the space,

tournament and league entry fees, and gate admissions and nets out certain costs associated with running these events.

Food & Beverage – The operation and management of food and beverage sales are generally handled by one of two methods. The first method allows an independent concessionaire exclusive rights to facility events with the facility taking either a percentage of gross sales or a flat fee per month. The second method allows for the facility owner to own and operate the food and beverage service. Under this method, the facility owner captures all food and beverage sales but also incurs expense items related to purchase and maintenance of equipment, labor costs and costs of goods sold. It has not yet been decided whether the proposed new multi-use complex will contract with a third party for concession operations or perform this function in-house. As such, an estimated net per capita amount is used in this analysis.

Advertising & Sponsorship – Advertising and sponsorship opportunities are diverse and can range from temporary signage at a single event; permanent signage on scoreboards or billboards located throughout the complex; advertising in a program; or sponsoring an entire event/ tournament. Events sponsored by outside organizations do not typically share revenues with the facility owner/operator. However, advertising and sponsorship revenue generated from events that are organized/sponsored by the facility operator is usually retained by the facility and is a function of the number and type of events held, total attendees and the aggressiveness of the approach taken by management in terms of the amount and type of advertising and sponsorships sold.

Other Revenue – Given the recommended program elements of the proposed new multi-use complex and the assumption that it is utilized by elite-level leagues, some revenue is assumed for private lessons and/or other training outside of league-related practices and games. This line item includes revenue associated with lessons/training and other miscellaneous sources of income.

Commercial Leases – Similar facilities generate revenue from leasing a portion of the facility for a compatible use such as sports medicine, sports supplies stores, etc. It is our understanding that several entities have expressed an interest in leasing space at the proposed indoor facility. Using a hypothetical assumption of \$16.60/SF for 25,000 SF of space, the County estimates additional space rental could generate \$415,000 on an annual basis which could be used to help offset the operating subsidy and/or fund a capital reserve for future improvements.

Parking – Some peer facilities charge a parking fee for large spectator events/tournaments and/or special events; however, market research indicates relatively few events are accustomed to paying for parking. As such, no parking revenue is assumed in this analysis.

Other Potential Non-Operating Revenue Sources

As the project development plan continues to evolve, other potential revenue sources to consider include, but are not limited to, the following:

- Naming rights* – Through a combination of naming rights, preferential advertising treatment and event sponsorship inducements, one or more private parties may be solicited for up-front or recurring annual commitments. However, as with advertising and sponsorship, the revenue generated from naming rights is generally based on several factors, including but not limited to, the amount and type of event activity (e.g. regional/national/international tournaments), the local corporate base, and management’s philosophy on the amount and type of naming rights sold (e.g. selling the facility, selling individual courts/fields, etc.). Naming rights deals are not as common among multi-sport facilities and, as such, financial information is difficult to obtain. Given these and other factors, naming rights revenue is excluded from this financial estimate. However, as the development planning process for the facility continues and program elements are finalized, this is a potential revenue opportunity that could be considered. Conducting focus groups is one approach to assess the potential revenue that could be generated from naming rights.
- Exclusivity rights* – Revenues related to exclusivity rights are generated through an agreement between two parties where one party exclusively purchases, sells and/or promotes goods of the other party. For instance, a local bank could pay to be the only bank with an ATM within the multi-use indoor facility.

Net Operating Expense Assumptions

The following table shows the estimated net operating expenses for the proposed new multi-use complex in a stabilized year. It should be noted that this analysis assumes the indoor facility is developed first. As such, expenses shown for the outdoor sports facility are estimated to be add-on cost and do not represent the financial operations of a stand-alone outdoor sports facility.

Proposed New Multi-Use Complex in Lenawee County			
Estimate of Net Operating Expenses (Stabilized Year)			
Line Item	Indoor Facility	Outdoor Facility	Total
Personnel Costs	\$543,000	\$189,000	\$732,000
General, Administrative & Other	215,000	77,000	292,000
Utilities	180,000	45,000	225,000
Repairs & Maintenance	120,000	78,000	198,000
Total	\$1,058,000	\$389,000	\$1,447,000

Notes: Expenses shown for the outdoor facility represent add-on costs.

Expenses related to management fees are included under the indoor facility.

The following provides a description of the net operating expense line items.

Personnel Costs – Staffing requirements and subsequent personnel costs can represent a significant expense and permanent full-time staffing plans can vary. This variance in staffing levels is generally attributed to multiple factors. One factor relates to the management philosophy of maintaining event-related personnel as full-time or part-time staff. Another factor relates to the management and physical relationship the facility might have to other facilities. Ownership/management structure also plays a role in the staffing plan where a facility operated by the local parks and recreation department can often share administrative and maintenance costs within the broader department. The number and type of courts/fields, the overall mission of the facility, the level of competition and primary uses can also impact staffing levels. In addition, the extent that contracted services and/or organized labor are used also impacts staffing. For purposes of this analysis, it is assumed that the proposed new multi-use complex is staffed with 12.5 full-time equivalent (FTE) employees, which excludes use of any existing Department of Recreation and Parks staff. The estimate of personnel cost includes a complex manager as well as event coordination, operations, marketing and administration personnel.

It is important to employ personnel that specializes in marketing and management of similar sports facilities, particularly given the multiple uses envisioned for the proposed new indoor facility. While this analysis assumes staffing levels independent of that of existing County positions, it is likely that the Recreation and Parks Department can provide supplemental labor and share administrative and maintenance costs with the broader department.

General Administrative & Other – This line item includes various general expenses used in the day-to-day management of the proposed new multi-use complex that may include office supplies, travel, communications, technology, postage, membership dues, etc. This line item also includes sales/marketing/promotion expenses as well as a professional management fee. Providing a new facility(s) alone will not bring events. An aggressive sales/marketing strategy will need to be undertaken to allow the complex to attract event activity. While other marketing agencies at the local and State level are assumed to assist in sales/marketing/promotion efforts, the proposed new multi-use complex should have its own dedicated resources that serve this function. This analysis assumes that property, casualty and liability insurance needs associated with the proposed new multi-use complex will be covered under the County's umbrella insurance policy, so no dollar amount is estimated.

Utilities – This line item, which includes water, gas, sewer and electric, generally represents one of the highest expense items for these types of facilities and can vary depending upon the level of utilization, the type of facilities, number of lighted fields, the climate and decisions concerning energy systems and management. As it relates to the proposed outdoor sports facility, the

ability to meter individual fields allows for better tracking of utilities costs that can be incorporated into the rental rate structure.

Repairs & Maintenance – This line item includes labor, equipment and materials associated with maintaining the proposed new multi-use complex and the general grounds. Appropriate funding for this line item is critical to maintain quality courts and fields and be marketable for regional/national tournament level play.

Non-Operating Expenses

Capital Reserve – Although no dollar amount is included in this analysis, it is recommended that the County plan for an annual payment specifically designated as a reserve for replacement fund to safeguard this investment. This fund is intended to cover any extraordinary annual/future capital repairs or improvements to the proposed new multi-use complex. The County should continue its proactive approach to capital planning and, at a minimum, seek to replace courts/fields and other amenities at the end of their useful life.

Debt Service and Depreciation – This analysis does not estimate operating expenses related to debt service or depreciation.

Pre-Opening Expenses – Expenses associated with staffing and marketing/promotion efforts prior to opening the proposed multi-use complex are not included in this analysis. These may include hiring staff prior to opening, attending trade conferences/conventions as well as major sports competitions to foster business contacts and bid for future year competitions. Marketing expenses associated with the proposed multi-use complex's pre-opening will be a key factor in its ability to attract high caliber event activity.

ECONOMIC AND FISCAL IMPACT ANALYSIS

This section of the report estimates the economic and fiscal benefits associated with the proposed new multi-use complex. If built, the local and State economies could benefit from ongoing operations of the proposed new multi-use complex in several ways, including the following tangible and intangible benefits.

- Enhancing the overall quality of life and livability of the area
- Attracting a critical mass of visitors annually to help support area businesses
- Increasing the development of sports participants in the area
- Offering an attractive venue to residents and visitors that hosts diverse event activity
- Enhancing the area's image as a destination
- Capitalizing on existing tourism efforts
- Broadening market reach to new visitors
- Receiving increased media exposure through hosting tournament activity
- Serving as a catalyst for future economic development in the County
- Broadening the area's economic base
- Producing economic and fiscal impacts
- Generating private sector development and/or funding

Each of these benefits is important in assessing the impacts that the proposed new multi-use complex may have on the area. While the value of many of these benefits is difficult to measure, the economic activity generated can be quantified. This analysis estimates the direct, indirect and induced benefits associated with the ongoing operations of the proposed new multi-use complex, including the associated tax revenues. This economic and fiscal impact analysis reflects the competitive world as it is known today.

General Methodology

This analysis estimates the new economic and fiscal impacts that could potentially be generated from the proposed new multi-use complex in Lenawee County. Regional input-output models are typically used by economists as a tool to understand the flow of goods and services among regions and measure the complex interactions among them given an initial spending estimate.

Annual impacts start with the initial direct spending on facility operations as well as spending by attendees outside of the multi-use complex on items such as lodging, restaurants, retail, entertainment and transportation. For instance, an out-of-town attendee spends money staying at a local hotel and eating at a local restaurant.

Once the amount for direct spending is quantified, a calculated multiplier is applied to generate the indirect and induced effects. The sum of direct, indirect and induced effects equals total economic impact, which is expressed in terms of total output, employment (jobs) and earnings. This analysis also estimates the tax revenues generated from ongoing operations of the proposed new multi-use complex.

The amount and type of activity, origin of attendees, facility financial operations, industry trends, economic conditions, spending estimates, distribution of spending, multipliers and specific taxes quantified are variables that influence the economic and fiscal impact estimates.

Although not quantified in this analysis, construction costs associated with development of a new multi-use complex would provide additional economic and fiscal impacts to the local area and the State during the construction period. These benefits would include the creation of jobs which produce earnings for area residents as well as increased tax revenues from the purchase of materials and supplies.

Direct Spending

Estimating direct spending is the first step in calculating economic impact. Direct spending represents the initial change in spending that occurs as a direct result of ongoing operations of the proposed new multi-use complex. Direct spending occurs from facility operations as well as from attendee spending before and after events. Based on the estimated mix of event activity, attendees were categorized as either day-trippers who travel to and from the County for the event on the same day or overnight attendees who generate room nights. Each group was assigned different per capita spending amounts based on data provided by stakeholders and other secondary industry research. For purposes of this analysis, a spending amount of \$125 per day for overnight attendees and \$35 per day for day trippers was used. In order to estimate the net new economic impact to the area, adjustments were made to gross direct spending to account for displacement (i.e. spending that would likely have occurred elsewhere in the economy without the presence of the proposed new multi-use complex) and leakage (i.e. spending that occurs outside of the area). The economic impacts shown in this section reflect the estimated net new impacts associated with the proposed new multi-use complex.

Multiplier Effect

Additional economic impacts are produced through the re-spending of net new direct spending. To quantify the inputs needed to produce the total output, economists have developed multiplier models. The estimation of multipliers relies on input-output models, a technique for quantifying interactions between firms, industries and social institutions within a local economy. This analysis uses IMPLAN software and databases which are developed under exclusive rights by the Minnesota IMPLAN Group, Inc. IMPLAN, which stands for Impact Analysis for Planning, is a computer software package that consists of procedures for estimating local input-output models and associated databases. 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 defined economic area. Its proprietary methodology includes a matrix of production and distribution data among all counties in the U.S. As such, the advantages of this model are that it is sensitive to both location and type of spending and can provide indirect and induced spending, employment and earnings information by specific industry category while considering the leakages associated with the purchase of certain goods and services outside the economy under consideration.

Once the direct spending amounts are assigned to an appropriate industry category, the IMPLAN model estimates the economic multiplier effects for each type of direct new spending attracted to or retained in the area resulting from ongoing operations of the proposed new multi-use complex in Lenawee County. The total output multiplier is used to estimate the aggregate total spending that occurs beginning with direct spending and continuing through successive rounds of re-spending which are generally referred to as indirect and induced effects on the area economy.

Indirect and Induced Impacts

Indirect impacts reflect the re-spending of the initial or direct expenditures, or the business-to-business transactions required to satisfy the direct effect (e.g. impacts from non-wage expenditures). For example, an attendee's direct expenditures at a restaurant require the restaurant owner to purchase food and items from suppliers. The portion of these restaurant purchases that are spent within the area economy are indirect impacts.

Induced impacts reflect changes in local spending by households on goods and services that result from income changes in the directly and indirectly affected industry sectors (e.g. impacts from wage expenditures). For instance, a waitress at a restaurant could have more personal income due to an attendee's visit to the restaurant. The amount of increased income that the employee spends in the community is an induced impact.

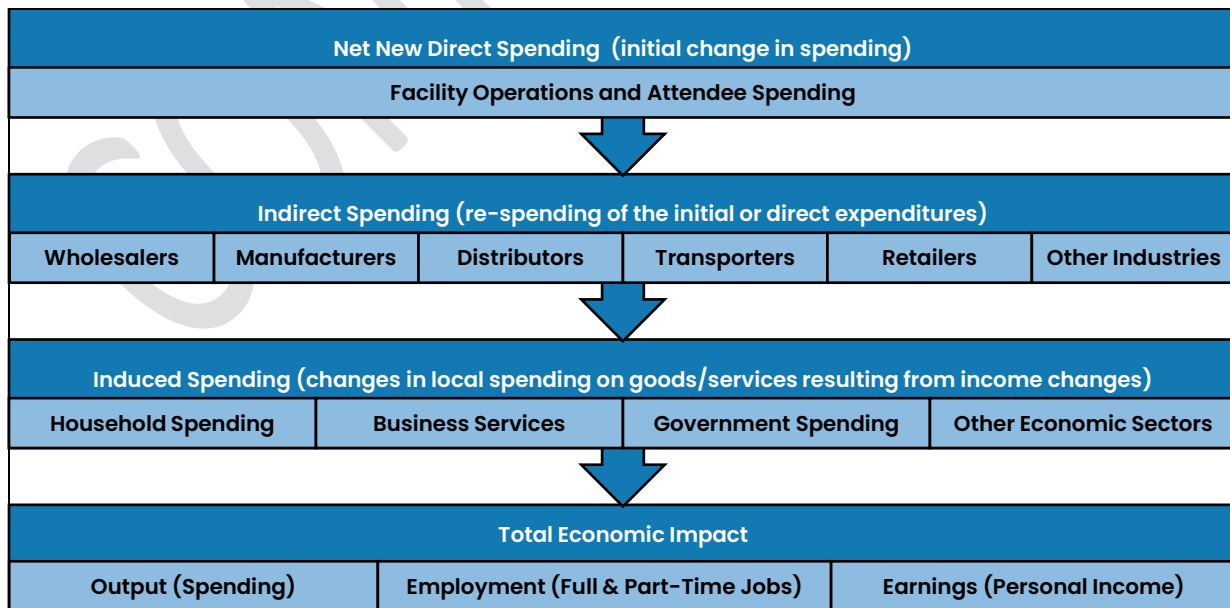
The model generates estimates of these impacts through a series of relationships using average wages, prices and transportation data, considering commute patterns and the relative interdependence of the economy on outside regions for goods and services.

Total Economic Impact

The calculated multiplier effect is then added to the direct impact to quantify the total economic impact in terms of total output, employment and earnings, which are defined below.

- *Total Output* represents the sum of direct, indirect and induced spending effects generated from operations of the proposed new multi-use complex. This calculation measures the total dollar change in output that occurs in the local economy for each dollar of output delivered to final demand.
- *Employment (Jobs)* represents the number of full-time and part-time jobs supported by operations of the proposed new multi-use complex. The employment multiplier measures the total change in the number of jobs supported in the local economy for each additional \$1.0 million of output delivered to final demand. It should be noted that a person can hold more than one job, so total jobs is not necessarily the same as the count of employed persons. Further, the total number of jobs does not reflect employees working at the multi-use complex but rather the total number of jobs that are directly and indirectly supported on an annual basis in multiple sectors of the economy due to the on-going operations of the proposed multi-use complex.
- *Earnings (Personal Income)* represent the wages and salaries earned by employees of businesses associated with or impacted by operations of the proposed new multi-use complex. In other words, the multiplier measures the total dollar change in earnings of households employed by the affected industries for each additional dollar of output delivered to final demand.

The following graphic illustrates the multiplier effects for calculating total economic impact.



Tax Revenues

The estimated spending generated from ongoing operations of the proposed new multi-use complex also creates tax revenues for the local and State economies. Experience in other markets suggests that while a significant portion of the direct spending likely occurs near the facility, additional spending occurs in other surrounding economies. Major tax sources impacted by the proposed multi-use complex were identified, and taxable amounts were estimated to apply to each respective tax rate. The County currently does not assess taxes that would be significantly impacted by the operations of the proposed new multi-use complex. As such, the estimate of tax revenues focuses on sales and use tax, personal income tax and corporate income tax at the State level. In addition, this analysis includes an estimate of potential tax revenues associated with the hotel/motel tax assessed by Visit Lenawee. While other taxes may be positively impacted by operations of the proposed new multi-use complex, they are not quantified in this analysis.

The following provides a description of the taxes estimated in this analysis.

State of Michigan Taxes

Sales and Use Tax – The State of Michigan collects 6% sales and use tax from sales and leases of tangible personal property and services throughout the State. For purposes of this analysis, the 6% tax rate is applied to estimated taxable spending at the State level generated from the proposed new multi-use complex operations.

Personal Income Tax – The State of Michigan imposes a personal income tax assessed against personal income earned in the State. The State income tax is a flat rate of 4.25%. To account for credits and refunds, public information obtained online from the Michigan Department of Treasury was used to calculate an effective tax rate which was applied to State-level earnings estimated to be generated by the proposed new multi-use complex operations.

Corporate Income Tax – The State of Michigan imposes a 6.0% corporate income tax on all corporations with business activity or an ownership of beneficial interest in a flow-through entity that has business activity in the State. For purposes of this analysis and based on public information obtained online from the Michigan Department of Treasury, an effective tax rate was calculated and applied to State-level output estimated to be generated by the proposed new multi-use complex operations.

Visit Lenawee

Hotel/Motel Tax – Visit Lenawee collects a 5.0% tax on the rental of hotels and motels with more than 10 rooms in the County.

Economic and Fiscal Impacts

Based on the previously outlined general methodology and key assumptions, the following provides estimated economic and fiscal impacts from ongoing operations of the proposed new multi-use complex.

Estimated Annual New Economic Impacts

The following table summarizes the estimated annual new economic impacts generated from ongoing operations of the proposed new multi-use complex in a stabilized year in terms of output (i.e. direct, indirect and induced spending), total jobs and total earnings.

Proposed New Multi-Use Complex in Lenawee County			
Estimate of Annual New Economic Impacts From Ongoing Operations (Stabilized Year)			
Category	Indoor Facility	Outdoor Facility	Total
Output			
Direct Spending	\$5,900,000	\$4,900,000	\$10,800,000
Indirect & Induced Spending	\$2,400,000	\$2,000,000	\$4,400,000
Total Output	\$8,300,000	\$6,900,000	\$15,200,000
Total Jobs (Full-Time & Part-Time)	110	90	200
Total Earnings	\$2,600,000	\$2,200,000	\$4,800,000

Note: Total jobs represent full and part-time positions sustained on an annual basis.

As shown in the table above, net new direct spending associated with ongoing operations of the proposed new multi-use complex is estimated to be \$10.8 million annually in Lenawee County which is estimated to produce total output (i.e. direct, indirect and induced spending) of \$15.2 million annually in Lenawee County.

Outputs from the IMPLAN model indicate that this new spending is estimated to support a total of 200 full- and part-time jobs and \$4.8 million in earnings annually in Lenawee County. It should be noted that a person can hold more than one job, so total jobs is not necessarily the same as the count of employed persons. According to IMPLAN, employment data of a specific region directly impacts the economic multiplier. In this instance, reported employment data indicates that the County averages a high number of part-time and/or lower compensated jobs within industries impacted by the operation of the proposed new multi-use complex.

The proposed indoor facility is estimated to account for approximately 55% of total economic impacts while the proposed multi-field outdoor complex is estimated to account for approximately 45%.

Annual new tax revenues generated from ongoing operations of the proposed new multi-use complex are estimated to be \$728,000 at the State level in a stabilized year. In addition, it is estimated that the ongoing operations of the proposed new multi-use complex could generate \$99,000 annually from the hotel/motel tax assessment imposed and collected by Visit Lenawee. The proposed indoor facility is estimated to account for approximately 55% of the total tax revenues and the proposed outdoor facility is estimated to account for approximately 45%.

Summary

One of the primary objectives of the proposed project is to generate sports tourism. While the estimated economic and fiscal impacts associated with the proposed multi-use complex support this objective, the potential impacts may be considered low in comparison to those associated with some peer facilities. Based on market research, the primary factors limiting economic and fiscal impacts generated by the proposed multi-use complex include the availability of a new outdoor sports facility due to climate characteristics, the anticipated size and scope of tournaments hosted at the proposed multi-use complex, and the anticipated number of overnight visitors.

Nonetheless, the proposed new multi-use complex is estimated to generate considerable economic and fiscal benefits to the local and State economies. Further, the development of the proposed multi-use complex will result in qualitative benefits including, but not limited to, growing local play including that at the elite-level; enhancing the quality of life to area residents; enhancing the area's image as a destination by increasing its amenities; and offering an attractive venue to residents and visitors that can host diverse event activity and house other compatible functions.

POTENTIAL NEXT STEPS

The COVID-19 pandemic has had a significant impact on the sports industry as well as the global economy. While the sports industry has shown signs of recovery at the time of this report, any decisions related to the development of the proposed new multi-use complex should take into consideration potential impacts associated with the pandemic.

If Lenawee County chooses to move forward with development of the proposed new multi-use complex, potential next steps in the planning process include:

- Preparing a detailed building program, development costs, and development schedule as well as conceptual site plans for the proposed new multi-use complex that reflect potential phasing options for construction as well as future expansion options as warranted by demand.
- Solidifying an operating strategy for the facility that includes a management team with extensive experience in booking, marketing and servicing the target market as well as a well-defined mission statement, booking policy and rate structure.
- Developing a sustainable financial plan that incorporates ongoing operational needs as well as a capital reserve fund to protect the County's investment.
- Creating a funding plan for the proposed new multi-use complex that covers development costs which may include both public and private sector partners.

8. APPENDIX



LOCAL MARKET CONDITIONS

Exhibit 1 – Demographic and Socioeconomic Statistics

Total Population							
Population Summary	Lenawee County	30-Minute Drive Time	60-Minute Drive Time	120-Minute Drive Time	180-Minute Drive Time	State of Michigan	U.S.
2000 Total Population	98,890	146,037	2,083,009	8,215,068	16,238,972	9,938,444	281,421,906
2010 Total Population	99,892	152,650	2,130,019	8,088,036	16,229,342	9,883,640	308,745,538
2020 Total Population	100,241	158,487	2,178,598	8,209,706	16,633,282	10,114,954	333,793,107
2025 Total Population	100,672	160,496	2,192,620	8,280,460	16,847,309	10,238,518	346,021,282
2000-2010 Annual Growth Rate	0.10%	0.45%	0.23%	-0.15%	-0.01%	-0.06%	0.97%
2010-2020 Annual Growth Rate	0.03%	0.38%	0.23%	0.15%	0.25%	0.23%	0.81%
2020-2025 Annual Growth Rate (Projected)	0.09%	0.25%	0.13%	0.17%	0.26%	0.24%	0.72%

Source: Esri.

Number of Households							
Household Summary	Lenawee County	30-Minute Drive Time	60-Minute Drive Time	120-Minute Drive Time	180-Minute Drive Time	State of Michigan	U.S.
2000 Total Households	35,930	52,263	802,194	3,139,450	6,248,157	3,785,661	105,480,101
2010 Total Households	37,514	57,127	839,349	3,172,096	6,393,040	3,872,508	116,716,292
2020 Total Households	38,272	59,429	865,634	3,253,098	6,610,772	4,002,057	126,083,849
2025 Total Households	38,606	60,380	873,595	3,291,854	6,710,310	4,062,968	130,658,485
2000-2010 Annual Growth Rate	0.44%	0.93%	0.46%	0.10%	0.23%	0.23%	1.07%
2010-2020 Annual Growth Rate	0.20%	0.40%	0.31%	0.26%	0.34%	0.33%	0.80%
2020-2025 Annual Growth Rate (Projected)	0.17%	0.32%	0.18%	0.24%	0.30%	0.30%	0.72%

Source: Esri.

Age Distribution							
2020 Population by Age	Lenawee County	30-Minute Drive Time	60-Minute Drive Time	120-Minute Drive Time	180-Minute Drive Time	State of Michigan	U.S.
Age 0-4	5.2%	4.9%	5.4%	5.5%	5.7%	5.5%	6.0%
Age 5-9	5.6%	5.4%	5.7%	5.8%	5.9%	5.8%	6.1%
Age 10 - 14	6.0%	6.0%	6.0%	6.1%	6.1%	6.1%	6.3%
Age 15 - 24	12.5%	12.0%	13.6%	13.1%	13.1%	13.0%	13.0%
Age 25-34	12.3%	12.4%	13.5%	13.2%	13.2%	13.0%	14.0%
Age 35-44	12.2%	12.3%	12.1%	12.0%	12.0%	11.8%	12.6%
Age 45-54	13.0%	13.7%	12.9%	12.9%	12.6%	12.8%	12.4%
Age 55 - 64	14.5%	15.0%	13.9%	14.0%	13.8%	14.2%	13.0%
Age 65-74	11.5%	11.3%	10.2%	10.4%	10.3%	10.7%	9.8%
Age 75-84	5.3%	5.0%	4.6%	4.9%	4.9%	5.0%	4.8%
Age 85+	2.1%	1.9%	2.1%	2.2%	2.2%	2.2%	2.0%
Age 18+	79.6%	80.0%	79.3%	78.9%	78.7%	79.1%	78.0%
Age < 18	20.4%	20.0%	20.7%	21.1%	21.3%	20.9%	22.0%
2020 Median Age	41.9	42.5	39.7	40.1	39.8	40.6	38.5

Source: Esri.

Household Income Distribution								
2020 Household Income Distribution	Lenawee County	30-Minute Drive Time	60-Minute Drive Time	120-Minute Drive Time	180-Minute Drive Time	State of Michigan	U.S.	
Less than \$15,000	8.2%	7.0%	10.7%	11.3%	11.0%	11.0%	10.3%	
\$15,000 to \$24,999	9.6%	7.9%	8.5%	9.1%	9.2%	9.3%	8.8%	
\$25,000 to \$34,999	9.8%	8.2%	8.9%	9.5%	9.5%	9.6%	8.7%	
\$35,000 to \$49,999	14.5%	12.3%	12.3%	12.8%	13.3%	13.4%	12.2%	
\$50,000 to \$74,999	21.2%	19.7%	18.1%	17.9%	18.3%	18.3%	17.3%	
\$75,000 to \$99,999	14.8%	14.3%	12.8%	12.8%	13.1%	12.9%	12.6%	
\$100,000 to \$149,999	14.7%	17.2%	15.3%	14.8%	14.5%	14.4%	15.3%	
\$150,000 to \$199,000	3.4%	6.9%	6.9%	6.2%	5.7%	5.8%	6.9%	
\$200,000+	3.7%	6.5%	6.5%	5.6%	5.3%	5.4%	7.9%	
2020 Median Household Income	\$56,915	\$66,500	\$60,896	\$57,802	\$57,248	\$57,108	\$62,203	
2025 Median Household Income (Projected)	\$61,382	\$73,184	\$65,870	\$62,034	\$61,217	\$61,243	\$67,325	
2020-2025 Annual Growth Rate (Projected)	1.6%	2.0%	1.6%	1.5%	1.4%	1.4%	1.6%	
2020 Average Household Income	\$74,101	\$89,193	\$85,446	\$80,939	\$79,636	\$79,823	\$90,054	
2025 Average Household Income (Projected)	\$82,372	\$99,561	\$94,983	\$89,531	\$87,820	\$88,388	\$99,510	
2020-2025 Annual Growth Rate (Projected)	2.2%	2.3%	2.2%	2.1%	2.1%	2.1%	2.1%	

Source: Esri.

Exhibit 2 – Area Employment

Lenawee County Employment by Industry	
Category	Employment
2020 Employed Population 16+ by Industry Total	38,537
Services	43.2%
Manufacturing	24.0%
Retail Trade	9.0%
Construction	7.1%
Finance/Insurance/Real Estate	4.5%
Public Administration	3.9%
Transportation/Utilities	3.8%
Agriculture/Mining	2.1%
Wholesale Trade	1.6%
Information	0.9%

Source: Esri.

Top Employers in Lenawee County		
Employer	Employees	% of Total
Inteva	1,250	17.2%
Brazeway	1,200	16.5%
Wacker	777	10.7%
Lenawee Health Alliance Physicians	700	9.6%
Adrian Steele	525	7.2%
Lenawee County Government	477	6.6%
Walmart	450	6.2%
Promedica Charles Hickman	445	6.1%
Hi-Lex	400	5.5%
Promedica Herrick Manor	400	5.5%
Gus Harrison	345	4.7%
Kirchoff	300	4.1%
Total	7,269	100.0%

Source: Michigan Works Southeast.

Exhibit 3 – Hotel Supply

Hotel Supply in Lenawee County	
Property	Number of Rooms
Hampton Inn & Suites – Adrian	101
Carlton Lodge	98
Comfort Inn & Suites*	72
Adrian Inn	80
Tecumseh Inn	61
Holiday Inn Express	60
Super 8 by Wyndham – Adrian	51
Total	523

Notes: Sorted in descending order by number of rooms.

* The Comfort Inn & Suites is expected to open in September of 2021.

Source: Visit Lenawee.

SUPPLY OF AREA FACILITIES

Exhibit 4 – Local Outdoor Facilities

Inventory of Outdoor Sports Facilities in Lenawee County								
Complex	Location	Operator	Diamonds		Rectangular Fields			Track
			Total Fields	Lighted	Total Fields	Turf Fields	Lighted	
Heritage Park	Adrian	Municipal	4	4	7	0	0	No
Cal Zorn Recreation Center	Tecumseh	Municipal	3	0	7	0	0	No
Mitchell Park	Raisin	Municipal	8	0	3	0	0	No
Siena Heights University	Adrian	College/Univ	1	1	3	1	1	Yes
Tate Park	Clinton	Municipal	4	0	2	0	0	No
Onsted Village Park	Onsted	Municipal	6	0	1	0	0	No
The Christian Family Center	Adrian	Private/Club	3	0	1	0	0	Yes
Memorial Park	Hudson	Municipal	2	0	1	0	0	No
Adrian College	Adrian	College/Univ	2	2	1	1	1	Yes
Bicentennial Park	Tipton	County	1	0	1	0	0	No
Gerber Hill Park	Blissfield	County	1	0	1	0	0	No
Thompson Field	Hudson	Municipal	1	0	1	0	0	No
Aden Mead Park	Tecumseh	Municipal	1	0	1	0	0	No
Thompson Park	Hudson	Municipal	0	0	1	0	0	No
Island Park	Adrian	Municipal	3	1	0	0	0	No
Wakefield Park	Morenci	Municipal	3	1	0	0	0	No
Will Carleton Park	Hudson	Municipal	2	2	0	0	0	No
Ellis Park	Blissfield	Municipal	2	2	0	0	0	No
Riga Township Park	Riga	Municipal	2	0	0	0	0	No
Medina Park	Canandaigua	County	1	0	0	0	0	No
Dana Park	Adrian	Municipal	1	0	0	0	0	No
Riverside Park	Adrian	Municipal	1	1	0	0	0	No
Trestle Park	Adrian	Municipal	1	0	0	0	0	No
Webster Park	Hudson	Municipal	1	0	0	0	0	No
Stephenson Park	Morenci	Municipal	1	0	0	0	0	No
Bachmayer Playground	Blissfield	Municipal	1	0	0	0	0	No
Farver Little League Field	Blissfield	Municipal	1	0	0	0	0	No
Jack Tibbs Memorial	Rollin	Municipal	1	0	0	0	0	No
Total			58	14	31	2	2	

Note: Sorted in descending order first by number of rectangular fields and then by number of diamonds.

Sources: Lenawee County; Facility Websites; Secondary research.

Exhibit 5 – Local Indoor Facilities

Inventory of Indoor Sports Facilities in Lenawee County							
Complex	Location	Operator	Total SF	Number of Courts		Indoor Turf Areas/Field	Indoor Track
				Basketball	Volleyball		
AJ Smith Recreation Center	Tecumseh	Municipal	20,000	2	*	0	No
Adrian College	Adrian	College/Univ	80,000	1	*	0	Yes
Siena Heights University	Adrian	College/Univ	58,000	1	*	0	Yes
The Christian Family Center	Adrian	Private/Club	210,000	1	*	0	No
Total			368,000	5		0	

Note: Basketball courts convertible to volleyball courts.

Sources: Lenawee County; Facility Websites; Secondary research.

Exhibit 6 – Regional Outdoor Facilities

Attributes of Select Regional Outdoor Sports Facilities								
Complex	Location	Operator	Diamonds		Rectangular Fields			Track
			Total Fields	Lighted	Total Fields	Turf Fields	Lighted	
Grand Park Sports Campus	Westfield, IN	Private/Club	26	26	31	7	8	No
Pacesetter Park	Sylvania, OH	Municipal	8	8	25	0	n/a	No
Saginaw Township Soccer Complex	Saginaw, MI	Municipal	0	0	22	n/a	n/a	No
The Plex North (Hefner Soccer Complex)	Fort Wayne, IN	Private/Club	0	0	19	0	4	No
CYO Complex	Toledo, OH	Non-Profit	8	n/a	12	0	n/a	No
Ella W. Sharp Park	Jackson, MI	Municipal	9	2	10	0	0	No
Echo Fields at Harris Township Park	Granger, IN	PPP	0	0	10	0	n/a	No
Kalamazoo Community Soccer Complex	Kalamazoo, MI	Municipal	0	0	10	0	n/a	No
Hope Sports Complex	Lansing, MI	Private/Club	0	0	10	1	3	No
Portage Soccer Complex	Portage, MI	Private/Club	0	0	9	n/a	n/a	No
Sports Force Park	Sandusky, OH	Private/Club	12	5	8	8	5	No
Fort Wayne Sport Club	Fort Wayne, IN	Private/Club	0	0	8	0	2	No
East Lansing Soccer Complex	East Lansing, MI	Municipal	0	0	8	0	1	No
Legacy Center Sports Complex	Brighton, MI	Private/Club	6	3	7	0	2+	No
Nibco Soccer Complex	Elkhart, IN	Non-Profit	0	0	7	0	0	No
Pendleton Sports Complex	Pendleton, IN	Municipal	8	n/a	3	0	n/a	No
Crown Point Sports Complex	Crown Point, IN	Municipal	10	n/a	2	2	2	No
Heritage Park	Coldwater, MI	Municipal	9	n/a	2	0	n/a	No
Quincy Park	Holland, MI	Municipal	7	4	1	0	0	No
Canton Sports Center	Canton, MI	Municipal	12	12	0	0	n/a	No
Bailey Park	Battle Creek, MI	Municipal	11	10	0	0	0	No
Wallen Complex	Fort Wayne, IN	Non-Profit	10	7	0	0	0	No
Concord Little League Park	Elkhart, IN	Non-Profit	10	n/a	0	0	0	No
Penn Park	Osceola, IN	Non-Profit	10	n/a	0	0	0	No
Eastside Youth Baseball and Softball	South Bend, IN	Non-Profit	9	4	0	0	0	No
Field of Dreams	Noblesville, IN	Private/Club	8	2	0	0	0	No
Bowman Park	Toledo, OH	Municipal	8	1	0	0	0	No
Coonz Recreation Complex	Oregon, OH	Municipal	8	5	0	0	0	No
Action Sports Center	Dayton, OH	Private/Club	8	6+	0	0	0	No
Hanna Nutman Park	Decatur, IN	County	7	7	0	0	0	No
REV Sports Complex (UC)	Decatur, IN	County	6	n/a	0	0	0	No

Notes: Complexes with less than six fields of the same type are not profiled.
 Number of diamond fields includes those on configurable rectangular fields.
 n/a denotes information not available.
 Sorted in descending order by total number of rectangular fields.

Sources: Individual facilities; Secondary research.

Exhibit 7 – Regional Indoor Facilities

Attributes of Select Regional Indoor Sports Facilities							
Complex	Location	Operator	Total SF	Number of Courts		Number of Indoor Turf Areas/Fields	Indoor Track
				Basketball	Volleyball		
Cedar Point Sports Center	Sandusky, OH	Private/Club	145,000	10	*	0	Yes
Grand Park Sports Campus	Westfield, IN	Private/Club	465,000	8	*	3	No
Spiece Fitness	Fort Wayne, IN	Private/Club	150,000	8	*	0	Yes
Legacy Center Sports Complex	Brighton, MI	Private/Club	205,000 +	8	*	2	No
The Courthouse Athletic Center	Byron Center, MI	Private/Club	48,000	6	*	0	No
Ronnie Grandison Sports Academy	Cincinnati, OH	Private/Club	54,000	6	0	0	No
SportONE Fieldhouse	Fort Wayne, IN	Private/Club	57,000	6	*	0	No
MSA Fieldhouse	Grand Rapids, MI	Private/Club	49,900	5	*	0	No
The Courthouse Athletic Center	Portage, MI	Private/Club	30,000	4	*	0	No
MSA Woodland	Grand Rapids, MI	Private/Club	101,300	4	*	2	No
Optimum Performance Sports (UC)	Fort Wayne, IN	Private/Club	100,000	4	*	0	Yes
Plassman Athletic Center at Turnstone	Fort Wayne, IN	Non-Profit	75,000	4	*	0	Yes
High Velocity Sports	Canton, MI	Private/Club	110,000	4	*	4	No
Dr. Browne Recreation Center	Coldwater, MI	Municipal	n/a	4	*	0	Yes
Elite Sportsplex	Waterford, MI	Private/Club	n/a	2	8	4	No
MSA Sports Spot	Grand Rapids, MI	Private/Club	84,700	1	5	3	No
Taylor Sportsplex	Taylor, MI	Municipal	n/a	0	0	2	No
Total Sports Wixom	Wixom, MI	Private/Club	350,000	0	0	6	No
Total Sports Rossford	Rossford, OH	Private/Club	155,000	0	0	4	No
Empowered Sports Club	Fort Wayne, IN	Private/Club	90,000	0	9	4	No
Tri-City Sports Complex	Auburn, MI	Private/Club	73,500	0	0	4	No
Premier Academy	Maumee, OH	Private/Club	72,000	0	9	0	No
Wide World Sports Center	Ann Arbor, MI	Private/Club	n/a	0	0	3	No
Capitol Sports Center	Plainfield, IN	Private/Club	n/a	*	7	0	No

Notes: * indicates courts can be used for basketball or volleyball.

Taylor Sportsplex also features two ice arenas.

Total SF for Legacy Center Sports Complex and Grand Park Sports Campus comprises multiple indoor spaces.

n/a denotes information not available.

Sorted in descending order by total number of basketball courts.

Sources: Individual facilities; Secondary research.

PEER FACILITY CASE STUDIES

Exhibit 8 – Owner/Operator

Summary of Peer Facilities – Owner/Operator Structure			
Facility	Location	Owner	Operator
Adventist HealthCare Fieldhouse/Maryland Soccerplex	Boyd's, MD	Bi-County Agency	Nonprofit
Cape Girardeau SportsPlex	Cape Girardeau, MO	City	City
Chain O' Lakes Complex	Winter Haven, FL	City	City
Crown Point Sportsplex	Crown Point, IN	City	City
Foley Sports Tourism	Foley, AL	City	City
Hoover Met Complex	Hoover, AL	City	Private
Just A Game Fieldhouse	Wisconsin Dells, WI	Private	Private
Legacy Center Sports Complex	Brighton, MI	Private	Private
Rocky Top Sports World	Gatlinburg, TN	County	Private
SportOne Fieldhouse	Fort Wayne, IN	Private	Private
Sports Force Park/Cedar Point Sports Center	Sandusky, OH	City/Private	Private
Upward Star Center	Spartanburg, SC	Private	Private
Woodside Sports Complex	Wisconsin Dells, WI	Private	Private

Sources: Individual facilities; Secondary research.

Exhibit 9 – Building Program Elements

Summary of Peer Facilities – Building Program Elements								
Facility	Outdoor Fields			Indoor Areas			Track	
	Outdoor Rectangular	Outdoor Diamond	Total	Indoor Basketball	Indoor Volleyball	Indoor Turf		
	Fields	Fields	Total	Courts	Courts	Areas		
Adventist HealthCare Fieldhouse/Maryland Soccerplex	24		24	66,000	8	8	Yes	No
Cape Girardeau SportsPlex				121,000	6	12	Yes	No
Chain O' Lakes Complex		5	5	58,400	6	12	No	Yes - Indoor
Crown Point Sportsplex	2	10	12					No
Foley Sports Tourism	16		16	90,000	6	12	No	No
Hoover Met Complex	5	6	11	155,000	11	17	No	Yes - Indoor
Just A Game Fieldhouse				53,000	6	10	No	No
Legacy Center Sports Complex	7	6	13	205,000 +	8	16	Yes	No
Rocky Top Sports World	7		7	86,000	6	12	No	No
SportOne Fieldhouse				80,000	8	10	No	No
Sports Force Park/Cedar Point Sports Center	8	12	20	145,000	10	20	No	Yes - Indoor
Upward Star Center	6		6	120,000	6	12	No	Yes - Indoor
Woodside Sports Complex	8	4	12					No
Average	9	7	13	107,218	7	13		

Notes: Sorted alphabetically.
 Number of diamond fields includes those on configurable rectangular fields.
 Number of volleyball courts includes basketball courts that double as volleyball courts.
 Total SF for Legacy Center Sports Complex comprises multiple indoor spaces.
 The 120,000 SF Sparta Dome is located adjacent to Crown Point Sportsplex.

Sources: Individual facilities; Secondary research.

Exhibit 10 – Population

Population - 2020					
Facility	Location	30-Minute Drive Time	60-Minute Drive Time	120-Minute Drive Time	180-Minute Drive Time
Crown Point Sportsplex	Crown Point, IN	631,583	3,002,773	11,564,021	20,934,815
Adventist HealthCare Fieldhouse	Boyd's, MD	567,607	4,540,961	10,743,604	19,248,901
SportONE Fieldhouse	Fort Wayne, IN	462,084	950,573	5,512,534	19,195,319
Sports Force Park/Cedar Point Sports Center	Sandusky, OH	180,724	1,233,313	7,355,411	17,720,618
Proposed Multi-Use Complex	Lenawee County, MI	158,487	2,178,598	8,209,706	16,633,282
Upward Star Center	Spartanburg, SC	693,246	1,621,093	6,550,874	15,692,295
Legacy Center Sports Complex	Brighton, MI	995,841	5,391,342	9,174,436	14,302,686
Chain O' Lakes Complex	Winter Haven, FL	516,803	2,324,289	9,739,199	13,787,428
Hoover Met Complex	Birmingham, AL	679,213	1,355,771	3,519,546	11,243,760
Justagame Fieldhouse	Wisconsin Dells, WI	85,070	550,990	3,969,219	10,865,841
Woodside Sports Complex	Mauston, WI	56,775	269,227	2,714,509	9,503,885
Cape Girardeau Sportsplex	Cape Girardeau, MO	109,178	270,415	3,299,339	6,866,808
Rocky Top Sports World	Gatlinburg, TN	27,546	186,954	2,147,973	5,757,340
Foley Sports Tourism	Foley, AL	137,240	691,232	1,817,488	3,498,539
Average (excludes Proposed Multi-Use Complex)		395,608	1,722,226	6,008,319	12,970,633
Median (excludes Proposed Multi-Use Complex)		462,084	1,233,313	5,512,534	13,787,428
Rank (Out of 14)		9	5	5	5

Note: Sorted in descending order by 180-Minute Drive Population.
Source: Esri.

Exhibit 11 – Projected Annual Growth Rate

Projected Annual Growth Rate (2020 to 2025)					
Facility	Location	30-Minute Drive Time	60-Minute Drive Time	120-Minute Drive Time	180-Minute Drive Time
Chain O' Lakes Complex	Winter Haven, FL	1.39%	1.84%	1.57%	1.51%
Upward Star Center	Spartanburg, SC	1.44%	1.13%	1.29%	1.15%
Hoover Met Complex	Birmingham, AL	0.53%	0.51%	0.42%	0.80%
Rocky Top Sports World	Gatlinburg, TN	0.67%	0.64%	0.75%	0.76%
Foley Sports Tourism	Foley, AL	2.03%	1.04%	0.87%	0.74%
Adventist HealthCare Fieldhouse	Boyd's, MD	0.69%	0.97%	0.81%	0.69%
Woodside Sports Complex	Mauston, WI	0.29%	0.37%	0.55%	0.36%
SportONE Fieldhouse	Fort Wayne, IN	0.62%	0.36%	0.34%	0.35%
Justagame Fieldhouse	Wisconsin Dells, WI	0.38%	0.93%	0.40%	0.26%
Proposed Multi-Use Complex	Lenawee County, MI	0.25%	0.13%	0.17%	0.26%
Legacy Center Sports Complex	Brighton, MI	0.50%	0.17%	0.22%	0.23%
Crown Point Sportsplex	Crown Point, IN	0.11%	-0.07%	0.08%	0.22%
Sports Force Park/Cedar Point Sports Center	Sandusky, OH	0.05%	0.05%	0.06%	0.20%
Cape Girardeau Sportsplex	Cape Girardeau, MO	0.33%	-0.09%	0.02%	0.19%
Average (excludes Proposed Multi-Use Complex)		0.69%	0.60%	0.57%	0.57%
Median (excludes Proposed Multi-Use Complex)		0.53%	0.51%	0.42%	0.36%
Rank (Out of 14)		12	11	11	9

Note: Sorted in descending order by 180-Minute Drive Projected Annual Growth Rate.
Source: Esri.

Exhibit 12 – Number of Households

Number of Households – 2020					
Facility	Location	30-Minute Drive Time	60-Minute Drive Time	120-Minute Drive Time	180-Minute Drive Time
Crown Point Sportsplex	Crown Point, IN	241,164	1,116,338	4,328,587	7,997,374
SportONE Fieldhouse	Fort Wayne, IN	180,454	368,772	2,164,290	7,484,480
Adventist HealthCare Fieldhouse	Boyd's, MD	203,751	1,718,146	4,045,618	7,319,000
Sports Force Park/Cedar Point Sports Center	Sandusky, OH	74,727	509,345	2,967,097	7,124,917
Proposed Multi-Use Complex	Lenawee County, MI	59,429	865,634	3,253,098	6,610,772
Upward Star Center	Spartanburg, SC	272,750	637,527	2,547,553	6,087,891
Legacy Center Sports Complex	Brighton, MI	394,957	2,147,706	3,623,456	5,652,755
Chain O' Lakes Complex	Winter Haven, FL	193,303	842,159	3,865,920	5,530,873
Hoover Met Complex	Birmingham, AL	271,404	531,542	1,379,112	4,339,715
Justagame Fieldhouse	Wisconsin Dells, WI	34,251	232,158	1,603,869	4,211,862
Woodside Sports Complex	Mauston, WI	23,007	108,733	1,103,114	3,737,999
Cape Girardeau Sportsplex	Cape Girardeau, MO	43,141	106,502	1,340,083	2,716,991
Rocky Top Sports World	Gatlinburg, TN	11,088	74,124	881,551	2,316,958
Foley Sports Tourism	Foley, AL	55,920	274,188	702,166	1,362,678
Average (excludes Proposed Multi-Use Complex)		153,840	666,711	2,350,186	5,067,961
Median (excludes Proposed Multi-Use Complex)		180,454	509,345	2,164,290	5,530,873
Rank (Out of 14)		9	4	5	5

Note: Sorted in descending order by 180-Minute Drive number of households.

Source: Esri.

Exhibit 13 – Youth (Under the Age of 18)

Population Under the Age of 18 – 2020					
Facility	Location	30-Minute Drive Time	60-Minute Drive Time	120-Minute Drive Time	180-Minute Drive Time
Crown Point Sportsplex	Crown Point, IN	140,211	681,629	2,625,033	4,710,333
SportONE Fieldhouse	Fort Wayne, IN	112,286	222,434	1,229,295	4,222,970
Adventist HealthCare Fieldhouse	Boyd's, MD	132,252	980,848	2,342,106	4,138,514
Sports Force Park/Cedar Point Sports Center	Sandusky, OH	35,060	251,596	1,537,281	3,703,609
Proposed Multi-Use Complex	Lenawee County, MI	31,697	450,970	1,732,248	3,542,889
Upward Star Center	Spartanburg, SC	155,287	351,777	1,434,641	3,452,305
Legacy Center Sports Complex	Brighton, MI	200,164	1,132,182	1,944,980	3,060,775
Chain O' Lakes Complex	Winter Haven, FL	111,113	506,695	1,860,187	2,592,036
Hoover Met Complex	Birmingham, AL	150,785	292,847	756,702	2,518,602
Justagame Fieldhouse	Wisconsin Dells, WI	16,844	114,606	845,444	2,401,351
Woodside Sports Complex	Mauston, WI	10,560	55,730	561,903	2,090,855
Cape Girardeau Sportsplex	Cape Girardeau, MO	23,037	55,976	692,861	1,496,964
Rocky Top Sports World	Gatlinburg, TN	5,096	36,082	414,559	1,151,468
Foley Sports Tourism	Foley, AL	28,271	145,850	392,577	759,183
Average (excludes Proposed Multi-Use Complex)		86,228	371,404	1,279,813	2,792,228
Median (excludes Proposed Multi-Use Complex)		111,113	251,596	1,229,295	2,592,036
Rank (Out of 14)		9	5	5	5

Note: Sorted in descending order by 180-Minute Drive Population

Source: Esri.

Exhibit 14 – Household Income

Median Household Income – 2020					
Facility	Location	30-Minute Drive Time	60-Minute Drive Time	120-Minute Drive Time	180-Minute Drive Time
Adventist HealthCare Fieldhouse	Boyd's, MD	\$111,407	\$106,911	\$89,369	\$77,585
Justagame Fieldhouse	Wisconsin Dells, WI	\$53,475	\$64,806	\$60,257	\$66,853
Woodside Sports Complex	Mauston, WI	\$50,635	\$57,309	\$62,260	\$64,893
Crown Point Sportsplex	Crown Point, IN	\$59,755	\$56,114	\$67,240	\$62,191
Proposed Multi-Use Complex	Lenawee County, MI	\$66,500	\$60,896	\$57,802	\$57,248
Sports Force Park/Cedar Point Sports Center	Sandusky, OH	\$54,957	\$55,657	\$55,759	\$57,233
Upward Star Center	Spartanburg, SC	\$60,043	\$53,777	\$56,117	\$56,739
Legacy Center Sports Complex	Brighton, MI	\$82,732	\$58,302	\$57,884	\$56,710
Hoover Met Complex	Birmingham, AL	\$60,779	\$56,808	\$52,335	\$56,654
SportONE Fieldhouse	Fort Wayne, IN	\$55,656	\$54,172	\$55,303	\$56,537
Chain O' Lakes Complex	Winter Haven, FL	\$51,508	\$54,496	\$55,726	\$56,461
Cape Girardeau Sportsplex	Cape Girardeau, MO	\$49,595	\$45,364	\$54,705	\$52,926
Rocky Top Sports World	Gatlinburg, TN	\$44,155	\$47,972	\$51,191	\$49,972
Foley Sports Tourism	Foley, AL	\$54,347	\$50,242	\$52,290	\$49,929
Average (excludes Proposed Multi-Use Complex)		\$60,696	\$58,610	\$59,264	\$58,822
Median (excludes Proposed Multi-Use Complex)		\$54,957	\$55,657	\$55,759	\$56,710
Rank (Out of 14)		3	3	6	5

Note: Sorted in descending order by 180-Minute Drive Median Household Income.

Source: Esri.

Exhibit 15 – Average Household Spending on Entertainment/Recreation

Average Household Spending on Entertainment/Recreation – 2020					
Facility	Location	30-Minute Drive Time	60-Minute Drive Time	120-Minute Drive Time	180-Minute Drive Time
Adventist HealthCare Fieldhouse	Boyd's, MD	\$5,337	\$5,120	\$4,372	\$3,901
Justagame Fieldhouse	Wisconsin Dells, WI	\$2,617	\$3,214	\$3,006	\$3,358
Woodside Sports Complex	Mauston, WI	\$2,600	\$2,873	\$3,107	\$3,232
Crown Point Sportsplex	Crown Point, IN	\$2,858	\$2,831	\$3,444	\$3,196
Hoover Met Complex	Birmingham, AL	\$3,203	\$2,951	\$2,744	\$3,027
Upward Star Center	Spartanburg, SC	\$3,011	\$2,760	\$2,949	\$3,027
Chain O' Lakes Complex	Winter Haven, FL	\$2,578	\$2,766	\$2,858	\$2,952
Sports Force Park/Cedar Point Sports Center	Sandusky, OH	\$2,761	\$2,818	\$2,867	\$2,946
Proposed Multi-Use Complex	Lenawee County, MI	\$3,357	\$3,146	\$2,984	\$2,941
Legacy Center Sports Complex	Brighton, MI	\$3,998	\$3,047	\$2,991	\$2,919
SportONE Fieldhouse	Fort Wayne, IN	\$2,729	\$2,660	\$2,777	\$2,875
Cape Girardeau Sportsplex	Cape Girardeau, MO	\$2,391	\$2,347	\$2,962	\$2,794
Rocky Top Sports World	Gatlinburg, TN	\$2,347	\$2,450	\$2,668	\$2,614
Foley Sports Tourism	Foley, AL	\$2,929	\$2,679	\$2,686	\$2,611
Average (excludes Proposed Multi-Use Complex)		\$3,028	\$2,963	\$3,033	\$3,035
Median (excludes Proposed Multi-Use Complex)		\$2,761	\$2,818	\$2,949	\$2,952
Rank (Out of 14)		3	3	6	9

Note: Sorted in descending order by 180-Minute Drive average household spending on entertainment/recreation.

Source: Esri.

POTENTIAL DEMAND GENERATORS

Exhibit 16 – Representative List of Sports Organizations Contacted

- | | |
|---|--|
| 3D Lacrosse | Michigan Youth Lacrosse Association |
| Adidas Gauntlet | Michigan Youth Soccer Association |
| Adrian Dirtbags | Michigan Youth Soccer League |
| Adrian Lookouts | Michigan Youth Wrestling Association |
| Amateur Athletic Union | Midwest Athletics |
| All American Lacrosse | National Amateur Baseball Federation |
| America Cornhole Association | National Archery in the Schools Program |
| American Cornhole (ACO) | National Collegiate Table Tennis Association |
| American Legion Baseball | National Flag Football |
| American Youth Football & Cheer | National Gymnastics Association |
| American Youth Soccer Organization | National Travel Basketball Association (NTBA) |
| Breakthrough Basketball | National Volleyball Academy |
| Certified Basketball | National Wheelchair Basketball Association |
| Classic Tournaments and Events | Nike United States Sports Camps (USSC) |
| Continental Amateur Baseball Association | Taekwondo United |
| East Michigan Golden Gloves | Triple Threat |
| Elite Tournaments | U.S. Club Soccer |
| Exact Sports | USA Baseball |
| FAAST Sports | USA Basketball |
| Fellowship of Christian Athletes | USA Boxing |
| Futsal Factory Academy | USA Cheer |
| Game Breaker Lacrosse Camps | USA Fencing |
| Gameday USA | USA Field Hockey |
| Independent Archers Association | USA Floorball Association |
| Inside Lacrosse | USA Gymnastics |
| Junior Day Volleyball | USA Judo |
| Just for Kix | USA Karate |
| Kicks USA | USA Netball Association |
| Laxpalooza Lacrosse Tournaments | USA Pickleball |
| Lenawee County Conservation League | USA Powerlifting |
| Men's Collegiate Lacrosse Association | USA Rhythmic Gymnastics |
| Metro Detroit Cornhole League | USA Rugby |
| Metropolitan Archery Association | USA Softball |
| Michigan Archers Association | USA Table Tennis Association |
| Michigan Association American Amateur Baseball Congress | USA Track and Field |
| Michigan Community College Athletic Association | USA Ultimate |
| Michigan Field Hockey Association | USA Volleyball |
| Michigan High School Athletic Association (MHSAA) | USA Weightlifting |
| Michigan Horseshoe Pitchers Association | USA Wrestling |
| Michigan Intercollegiate Athletic Association | USSSA |
| Michigan USA Wrestling | VBclinics |
| Michigan Youth Basketball | WCLA - Women's Collegiate Lacrosse Association |
| Michigan Youth Football League | |

Exhibit 17 – STEM Organizations Contacted

- | | |
|--|---|
| Hudson Area Schools | National Defense Industrial Association |
| Lenawee Intermediate School District | Michigan Science Teachers Association |
| Girl Scouts Heart of Michigan | Michigan Science Olympiad |
| Junior Achievement of Southeast Michigan | inSTEM – Inforum Michigan |
| Engineering Society of Detroit | Michigan STEM Partnership |
| MiSTEM Network | |

ECONOMIC ANALYSIS

Exhibit 18 – Estimate of Annual Usage (Stabilized Year)

Proposed New Multi-Use Complex in Lenawee County			
Estimate of Annual Usage (Stabilized Year)			
Category	Indoor Facility	Outdoor Facility	Total
Tournament Activity			
Total Events	28	22	50
Total Event Days	56	44	100
Total Number of Participants	14,300	13,200	27,500
Total Number of Spectators	28,600	21,120	49,720
Average Length of Stay (Days)	2.0	2.0	
Tournament Attendee Days	85,800	68,640	154,440
Leagues, Camps & Clinics			
Total Participant Days	97,900	41,760	139,660
Total Attendee Days	183,700	110,400	294,100
Total Hotel Room Nights Generated	14,300	11,400	25,700
Total Hotel Room Nights Captured in Lenawee County	10,700	8,600	19,300

Exhibit 19 – Estimate of Hotel Room Nights Generated From Annual Operations (Stabilized Year)

Proposed New Multi-Use Complex in Lenawee County			
Room Night Calculation (Stabilized Year)			
	Indoor Facility	Outdoor Facility	Total
Total Events	28	22	50
Total Attendance	42,900	34,320	77,220
Percent of Attendance Staying Overnight	50%	50%	50%
Total Overnight Attendance	21,450	17,160	38,610
Average Length of Stay (Nights)	2.0	2.0	2.0
People Per Hotel Room	3.0	3.0	3.0
Total Room Nights Generated from Facility Operations	14,300	11,400	25,700
Total Room Nights Captured in Lenawee County	10,700	8,600	19,300

Note: Assumes 75% of total room nights generated from facility operations are captured in Lenawee County.

Exhibit 20 – Estimate of Annual Financial Operations (Stabilized Year)

Proposed New Multi-Use Complex in Lenawee County Estimate of Annual Financial Operations (Stabilized Year)			
	Indoor Facility	Outdoor Facility	Total
Net Operating Revenues	\$781,000	\$385,000	\$1,166,000
Net Operating Expenses	1,058,000	389,000	1,447,000
Operating Loss Before Capital Reserve, Debt Service and Depreciation	(277,000)	(4,000)	(281,000)
Non-Operating Revenues (Commercial Leases)	415,000	0	415,000
Profit/(Loss) Before Capital Reserve, Debt Service and Depreciation	\$138,000	(\$4,000)	\$134,000

Notes: Expenses shown for the outdoor facility represent add-on costs.

Expenses related to management fees are included under the indoor facility.

Estimate of non-operating revenues (i.e., Commercial Leases) is based on information provided by County representatives.

Non-operating revenues exclude other potential sources such as naming rights, etc.

Exhibit 21 – Estimate of Net Operating and Non-Operating Revenue (Stabilized Year)

Proposed New Multi-Use Complex in Lenawee County Estimate of Net Operating and Non-Operating Revenue (Stabilized Year)			
Line Item	Indoor Facility	Outdoor Facility	Total
Facility Rental	\$550,000	\$236,000	\$786,000
Food & Beverage	165,000	99,000	264,000
Advertising & Sponsorship	55,000	40,000	95,000
Other	11,000	10,000	21,000
Total Net Operating Revenues	781,000	385,000	1,166,000
Non-Operating Revenues (Commercial Leases)	415,000	0	415,000
Total Revenues	\$1,196,000	\$385,000	\$1,581,000

Notes: Estimate of non-operating revenues (i.e., Commercial Leases) is based on information provided by County representatives.

Non-operating revenues exclude other potential sources such as naming rights, etc.

Exhibit 22 – Estimate of Net Operating Expenses (Stabilized Year)

Proposed New Multi-Use Complex in Lenawee County Estimate of Net Operating Expenses (Stabilized Year)			
Line Item	Indoor Facility	Outdoor Facility	Total
Personnel Costs	\$543,000	\$189,000	\$732,000
General, Administrative & Other	215,000	77,000	292,000
Utilities	180,000	45,000	225,000
Repairs & Maintenance	120,000	78,000	198,000
Total	\$1,058,000	\$389,000	\$1,447,000

Notes: Expenses shown for the outdoor facility represent add-on costs.

Expenses related to management fees are included under the indoor facility.

Exhibit 23 – Estimate of Annual New Economic Impacts (Stabilized Year)

Proposed New Multi-Use Complex in Lenawee County			
Estimate of Annual New Economic Impacts From Ongoing Operations (Stabilized Year)			
Category	Indoor Facility	Outdoor Facility	Total
Output			
Direct Spending	\$5,900,000	\$4,900,000	\$10,800,000
Indirect & Induced Spending	\$2,400,000	\$2,000,000	\$4,400,000
Total Output	\$8,300,000	\$6,900,000	\$15,200,000
Total Jobs (Full-Time & Part-Time)	110	90	200
Total Earnings	\$2,600,000	\$2,200,000	\$4,800,000

Note: Total jobs represent full and part-time positions sustained on an annual basis.

Exhibit 24 – Estimate of Annual New Tax Revenues Impacts (Stabilized Year)

Proposed New Multi-Use Complex in Lenawee County			
Estimate of Annual New Tax Revenues From On-Going Operations (Stabilized Year)			
Entity/Tax	Indoor Sports Facility	Outdoor Sports Facility	Total
Visit Lenawee			
Hotel/Motel Tax	\$54,000	\$45,000	\$99,000
Total	\$54,000	\$45,000	\$99,000
State of Michigan			
Sales and Use Tax	\$334,000	\$266,000	\$600,000
Personal Income Tax	55,000	43,000	98,000
Corporate Income Tax	17,000	13,000	30,000
Total	\$406,000	\$322,000	\$728,000
Total	\$460,000	\$367,000	\$827,000

9. LIMITING CONDITIONS AND ASSUMPTIONS



This analysis is subject to our contractual terms as well as the following limiting conditions:

- This analysis has been prepared for Lenawee County (Client) for its internal decision-making purposes associated with a proposed new multi-use complex and should not be used for any other purposes without the prior written consent of Crossroads Consulting Services LLC.
- This report should only be used for its intended purpose by the entities to whom it is addressed. Reproduction or publication by other parties is strictly prohibited.
- The findings and assumptions contained in the report reflect analysis of primary and secondary sources. We have utilized sources that are deemed to be accurate but cannot guarantee their accuracy. No information provided to us by others was audited or verified and was assumed to be correct.
- Although the analysis includes findings and recommendations, all decisions relating to the implementation of such findings and recommendations shall be the Client's responsibility.
- Estimates and analysis regarding the proposed new multi-use complex are based on trends and assumptions and, therefore, there will usually be differences between the projected and actual results because events and circumstances frequently do not occur as expected, and those differences may be material.
- Although this analysis utilizes various mathematical calculations, the final estimates are subjective and may be influenced by our experience and other factors not explicitly stated.
- We have no obligation, unless subsequently engaged, to update this report or revise this analysis as presented due to events or circumstances occurring after the date of this report.
- The quality of ownership and management at a new multi-use complex has a direct impact on economic performance. This analysis assumes responsible and competent ownership and management. Any departure from this assumption may have a significant impact on the findings in this report.
- Multiple external factors influence current and anticipated market conditions. Although we have not knowingly withheld any pertinent facts, we do not guarantee that we have knowledge of all factors which might influence the operating potential of the proposed new multi-use complex. Due to quick changes in the external factors, actual results may vary significantly from estimates presented in this report.
- The analysis performed was limited in nature and, as such, Crossroads Consulting Services LLC does not express an opinion or any other form of assurance on the information presented in this report.
- The analysis is intended to be read and used in its entirety. Separation of any portion from the main body of the report is prohibited and negates the analysis.
- In accordance with the terms of our engagement letter, the accompanying report is restricted to internal use by the Client and may not be relied upon by any party for any purpose including any matter pertaining to financing.