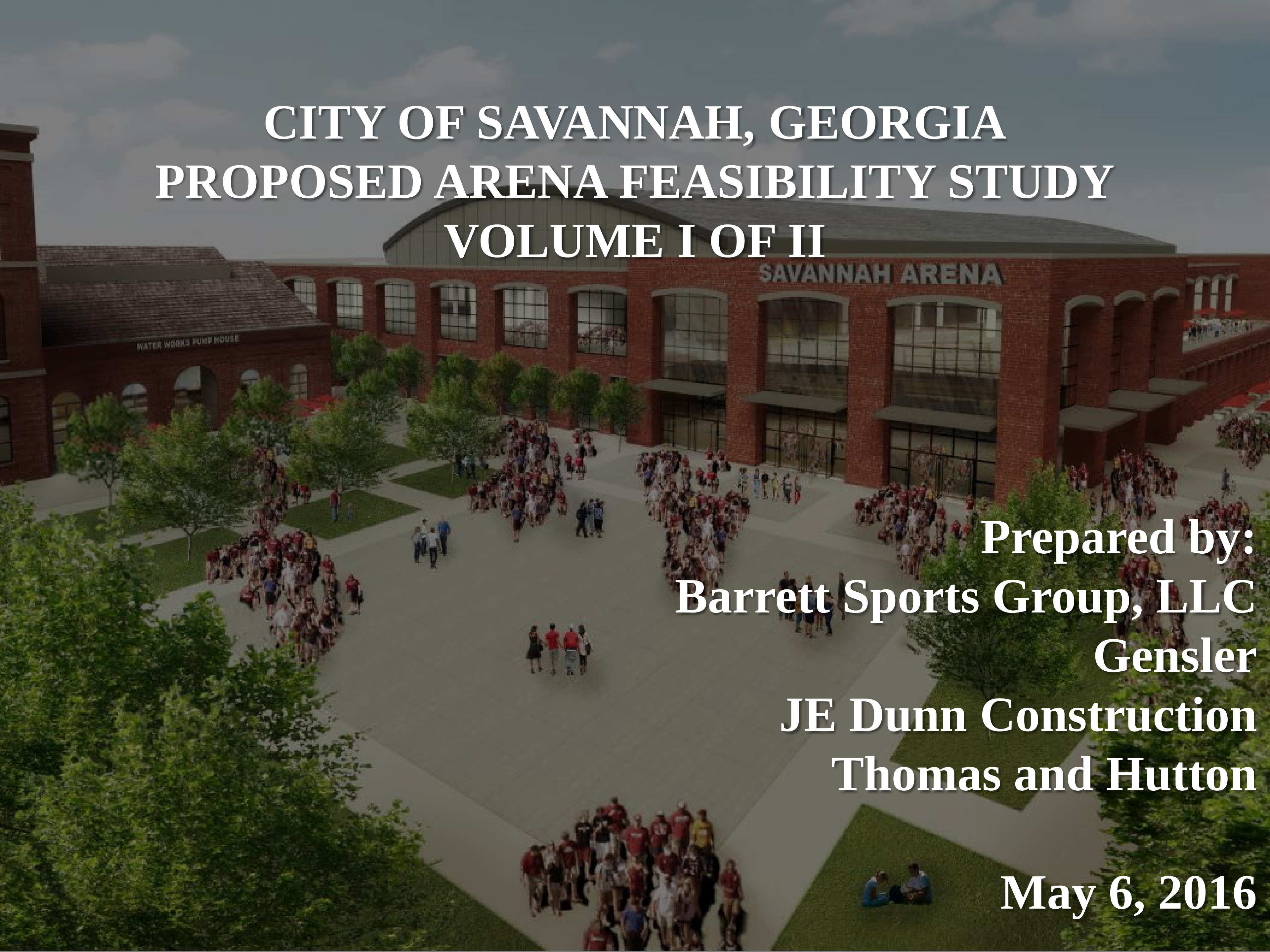
# CITY OF SAVANNAH, GEORGIA
# PROPOSED ARENA FEASIBILITY STUDY
# VOLUME I OF II




**Prepared by:**
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**Gensler**
**JE Dunn Construction**
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**May 6, 2016**

# TABLE OF CONTENTS

VOLUME I OF II

I. EXECUTIVE SUMMARY

II. MARKET ANALYSIS

III. PRELIMINARY FACILITY CHARACTERISTICS

IV. SITE CONSIDERATIONS

V. PRELIMINARY CONSTRUCTION COST ESTIMATES

VI. FINANCIAL ANALYSIS

VII. ECONOMIC IMPACT ANALYSIS

VIII. CIVIC CENTER OVERVIEW

IX. SUBCOMMITTEE REPORTS

# TABLE OF CONTENTS

VOLUME II OF II

APPENDIX A: MARKET DEMOGRAPHICS

APPENDIX B: DEVELOPMENT CASE STUDIES

APPENDIX C: PROJECT SUMMARY WORKSHEETS: COST ESTIMATES

APPENDIX D: WATER RESOURCE ANALYSIS

APPENDIX E: WETLANDS

APPENDIX F: ENVIRONMENTAL REVIEW REPORT

APPENDIX G: STORMWATER MANAGEMENT APPROACH

APPENDIX H: ARENA WATER & SEWER

APPENDIX I: SUMMARY OF TRAFFIC ASSESSMENT

APPENDIX J: BUILDING AND FIRE CODE CONSULTATION SERVICES

LIMITING CONDITIONS AND ASSUMPTIONS

# I. EXECUTIVE SUMMARY

# I. EXECUTIVE SUMMARY

**Introduction**

- The Consulting Team (see below) is pleased to present our Proposed Arena Feasibility Study. The Consulting Team consists of the following firms
  - Barrett Sports Group (BSG)
  - Gensler
  - JE Dunn Construction
  - Thomas and Hutton
  - Coastline Consulting Services
  - Ecological Planning Group, LLC
  - Resource & Land Consultants
  - Terracon
- The City of Savannah, Georgia (City) retained the Consulting Team to provide advisory services in connection with evaluating the feasibility of replacing and/or redesigning Martin Luther King, Jr. Arena
- The Consulting Team has completed a comprehensive evaluation of the proposed site and potential feasibility and demand for a new arena that would host athletic events, concerts, family shows, and other community events
- ***The Consulting Team was tasked with evaluating the Stiles Avenue/Gwinnett Street site only and has not evaluated any other potential sites***

# I. EXECUTIVE SUMMARY

**Summary of Tasks Completed**

- Analyzed demographics of local and comparable market areas
- Analyzed facility characteristics of competitive facilities
- Analyzed performance of comparable facilities
- Evaluated performance of facilities in comparable markets
- Surveyed potential users of the new arena (promoters and minor league sports leagues)
- Prepared preliminary program for a new arena
- Prepared preliminary construction cost estimate
- Analyzed several arena site considerations such as wetlands impact and contamination
- Developed cash flow model with estimated revenues and expenses
- Prepared economic impact analysis for construction and ongoing operations
- Reviewed City Subcommittee reports

# I. EXECUTIVE SUMMARY

## Market Analysis
## Median Market Overview

- Comprehensive review of demographic characteristics of comparable markets
  - Comparable market selection based on 2015 population
  - 30 markets compared to Savannah, GA CBSA (Savannah)
    - 15 markets ranking immediately above and below Savannah by population

| Markets Above Savannah, GA | Markets Below Savannah, GA |
|---|---|
| Myrtle Beach-Conway et al, SC-NC | Trenton, NJ |
| Mobile, AL | Montgomery, AL |
| Reading, PA | Hickory-Lenoir-Morganton, NC |
| Flint, MI | Huntington-Ashland, WV-KY-OH |
| Beaumont-Port Arthur, TX | Eugene, OR |
| Salem, OR | Ann Arbor, MI |
| Manchester-Nashua, NH | Naples-Immokalee et al, FL |
| Canton-Massillon, OH | Rockford, IL |
| Anchorage, AK | Ocala, FL |
| Salisbury, MD-DE | Kalamazoo-Portage, MI |
| Fayetteville, NC | Columbus, GA-AL |
| Gulfport-Biloxi-Pascagoula, MS | Fort Collins, CO |
| Davenport-Moline et al, IA-IL | Spartanburg, SC |
| Peoria, IL | Lincoln, NE |
| Tallahassee, FL | South Bend-Mishawaka, IN-MI |

- Demographic comparison focuses on several key factors that impact market demand for arena projects

# I. EXECUTIVE SUMMARY

## Market Analysis
## Median Market Comparison
## CBSA Designation (Summary)

- Savannah has a low number of households relative to its population
- Savannah's population is growing faster than the comparable markets
- Savannah's GDP and media market are below the average of the median comparable markets
- Savannah's income levels and corporate base are near the average of the median comparable markets

**Median Comparable Market Summary - CBSA Designation Overview**

| Statistical Measure | Savannah | Rank of 31 | Average - (1) |
|---|---|---|---|
| 2015 Population (000s) | 373.1 | 16 | 372.0 |
| 2020 Population (000s) | 396.3 | 13 | 382.6 |
| Est. % Growth 2015-20 | 6.22% | 5 | 2.87% |
| 2015 Households (000s) | 142.1 | 21 | 146.3 |
| 2020 Households (000s) | 151.1 | 18 | 150.9 |
| Est. % Growth 2015-20 | 6.34% | 6 | 3.22% |
| Average Household Income | $65,371 | 13 | $66,589 |
| Median Household Income | $47,957 | 13 | $50,203 |
| High Income Households (000s) | 26.5 | 14 | 27.6 |
| Average Age | 37.0 | 5 | 39.3 |
| Median Age | 34.8 | 7 | 38.7 |
| Unemployment Rate | 6.1% | 15 | 5.8% |
| Economy Size (GDP - Billions) | $14.8 | 16 | $16.5 |
| TV Population | 785.6 | 15 | 1,747.0 |
| TV Households | 333.6 | 15 | 754.3 |
| Radio Population | 312.6 | 19 | 485.6 |
| Companies w/ $20+mm Sales | 126 | 16 | 130 |
| Companies w/ 500+ Employees | 30 | 13 | 29 |

(1) - Average excludes Savannah.

Source: Claritas 2015, BLS 2015, Hoovers 2015, Nielsen/Arbitron 2014/15, and U.S. BEA.

# I. EXECUTIVE SUMMARY

## Market Analysis
## Median Market Comparison
## Key Market Ratios (Summary)

- Savannah is below the average of the median comparable markets in terms of population per seat and does not currently have any suite or club seat inventory
- Savannah would be close to the average in terms of large companies per suite (excluding outliers)
  - This average is heavily influenced by Canton-Massillon, without this market Savannah would be above the average
- Savannah would be above the average of the median comparable markets in terms of high income households per seat with and without the exclusion of outliers

| CBSA | Population per Seat | Rank | Companies w/ $20mm Sales | Rank | Companies w/ 500+ Employees | Rank | High Income Households per Club Seat | Rank |
|---|---|---|---|---|---|---|---|---|
| Salem, OR | 45.5 | *1* | NA | *NA* | NA | *NA* | NA | *NA* |
| Salisbury, MD-DE | 36.2 | *2* | 15.3 | *4* | 2.2 | *9* | NA | *NA* |
| Rockford, IL | 35.3 | *3* | NA | *NA* | NA | *NA* | NA | *NA* |
| Anchorage, AK | 27.8 | *4* | NA | *NA* | NA | *NA* | NA | *NA* |
| Flint, MI | 27.4 | *5* | NA | *NA* | NA | *NA* | NA | *NA* |
| Gulfport-Biloxi-Pascagoula, MS | 27.2 | *6* | 7.7 | *9* | 2.3 | *8* | NA | *NA* |
| Hickory-Lenoir-Morganton, NC | 26.8 | *7* | 27.2 | *2* | 4.3 | *3* | NA | *NA* |
| Reading, PA | 25.6 | *8* | 9.5 | *8* | 1.7 | *12* | 41.8 | *9* |
| Trenton, NJ | 24.6 | *9* | 5.3 | *13* | 1.7 | *11* | 42.9 | *8* |
| Manchester-Nashua, NH | 24.5 | *10* | 2.9 | *18* | 0.5 | *19* | 94.8 | *3* |
| Davenport-Moline et al, IA-IL | 23.1 | *11* | 4.0 | *15* | 0.7 | *17* | 109.5 | *1* |
| Peoria, IL | 20.7 | *12* | NA | *NA* | NA | *NA* | NA | *NA* |
| Spartanburg, SC | 16.3 | *13* | NA | *NA* | NA | *NA* | NA | *NA* |
| Myrtle Beach-Conway et al, SC-NC | 15.3 | *14* | 7.2 | *10* | 1.9 | *10* | NA | *NA* |
| Fayetteville, NC | 13.0 | *15* | 4.2 | *14* | 2.7 | *4* | 33.1 | *10* |
| Canton-Massillon, OH | 12.2 | *16* | 96.5 | *1* | 20.5 | *1* | NA | *NA* |
| Columbus, GA-AL | 11.9 | *17* | NA | *NA* | NA | *NA* | NA | *NA* |
| Beaumont-Port Arthur, TX | 9.5 | *18* | 17.3 | *3* | 4.4 | *2* | NA | *NA* |
| **Savannah, GA (Current)** | **8.3** | ***19*** | **NA** | ***NA*** | **NA** | ***NA*** | **NA** | ***NA*** |
| **Savannah, GA (Replacing MLK with New Arena)** | **8.1** | ***20*** | **10.5** | ***6*** | **2.5** | ***5*** | **66.3** | ***4*** |
| **Savannah, GA (Adding New Arena)** | **7.0** | ***21*** | **10.5** | ***6*** | **2.5** | ***5*** | **66.3** | ***4*** |
| Kalamazoo-Portage, MI | 6.9 | *22* | 5.5 | *11* | 1.0 | *14* | 65.9 | *6* |
| Huntington-Ashland, WV-KY-OH | 6.7 | *23* | 5.4 | *12* | 1.1 | *13* | 5.2 | *17* |
| Mobile, AL | 6.3 | *24* | 3.4 | *16* | 0.5 | *18* | 108.0 | *2* |
| Fort Collins, CO | 6.2 | *25* | 2.2 | *20* | 0.9 | *16* | 26.4 | *12* |
| Eugene, OR | 4.8 | *26* | 2.8 | *19* | 0.4 | *21* | 5.2 | *16* |
| Montgomery, AL | 4.3 | *27* | 3.2 | *17* | 0.9 | *15* | 31.3 | *11* |
| South Bend-Mishawaka, IN-MI | 3.2 | *28* | 13.7 | *5* | 2.3 | *7* | 5.4 | *15* |
| Tallahassee, FL | 2.7 | *29* | 0.7 | *23* | 0.4 | *22* | 60.8 | *7* |
| Lincoln, NE | 2.5 | *30* | 1.3 | *22* | 0.3 | *23* | 7.1 | *14* |
| Ann Arbor, MI | 2.1 | *31* | 1.8 | *21* | 0.4 | *20* | 12.4 | *13* |
| Naples-Immokalee et al, FL | NA | *NA* | NA | *NA* | NA | *NA* | NA | *NA* |
| Ocala, FL | NA | *NA* | NA | *NA* | NA | *NA* | NA | *NA* |
| Average (Ex. Savannah) | 16.7 | | 11.3 | | 2.4 | | 43.3 | |
| Average (Ex. Savannah and Outliers) - (1) | 19.7 | | 13.5 | | 2.9 | | 55.9 | |

(1) Outliers include CBSAs with college football stadiums over 50,000 in capacity: Eugene, South Bend, Tallahassee, Lincoln, and Ann Arbor.
Source: Claritas 2015, Hoovers 2015, Industry Research.

# I. EXECUTIVE SUMMARY

**Market Analysis**

**Regional Facilities – Arenas**

- BSG has analyzed event information from Pollstar to determine the optimal capacity for a new arena in Savannah
- BSG has analyzed the percentage of non-sporting events that were held at each of the following four arenas that a new Savannah arena could host based on attendance cutoffs
  - Jacksonville Veterans Memorial Arena – Jacksonville
  - James Brown Arena – Augusta
  - Macon Coliseum – Macon
  - North Charleston Coliseum – North Charleston
- Promoters indicated that the above facilities provided the most competition to Savannah
- 86% of the Pollstar-reported events held at those four arenas from 2012-2015 had 9,000 or fewer paid attendees
  - 77% of events had 7,500 or fewer

| Combined | | |
|---|---|---|
| **Total Events** | | **166** |
| **Attendance Cutoff** | **Count** | **%** |
| 5,000 | 88 | 53% |
| 5,500 | 94 | 57% |
| 6,000 | 106 | 64% |
| 6,500 | 118 | 71% |
| 7,000 | 124 | 75% |
| 7,500 | 128 | 77% |
| 8,000 | 134 | 81% |
| 8,500 | 138 | 83% |
| 9,000 | 142 | 86% |
| 9,500 | 145 | 87% |
| 10,000 | 148 | 89% |
| 10,500 | 151 | 91% |
| 11,000 | 154 | 93% |

# I. EXECUTIVE SUMMARY

## Market Analysis
## Comparable Arenas

- BSG has identified the following “comparable arenas”

| CBSA | CBSA Population | Primary Arena | Operator | Year Built | Capacity | Suites | Club Seats | Tenants |
|---|---|---|---|---|---|---|---|---|
| Dallas-Fort Worth-Arlington, TX | 6,951,575 | Allen Event Center | City of Allen | 2009 | 6,200 | 29 | TBD | ECHL, CIF, MASL |
| Philadelphia et al, PA-NJ-DE-MD | 6,061,117 | Liacouras Center | Spectra | 1997 | 10,200 | 10 | 0 | NCAA |
| Riverside et al, CA | 4,431,306 | Citizens Business Bank Arena | AEG | 2008 | 9,736 | 36 | 770 | AHL, D-League, MASL |
| Seattle-Tacoma-Bellevue, WA | 3,662,992 | ShoWare Center | SMG | 2009 | 6,500 | 20 | 0 | WHL, MASL |
| Denver-Aurora-Lakewood, CO | 2,767,737 | 1STBANK Center | Peak Entertainment | 2006 | 7,000 | 26 | 520 | NA |
| Kansas City, MO-KS | 2,076,290 | Silverstein Eye Centers Arena | Spectra | 2009 | 5,800 | 27 | 500 | ECHL, MISL |
| Austin-Round Rock, TX | 1,927,989 | Cedar Park Center | Texas Stars | 2009 | 8,000 | 24 | 0 | AHL, D-League |
| Providence-Warwick, RI-MA | 1,607,227 | Ryan Center | Spectra | 2002 | 7,657 | 7 | 11,200 | NCAA |
| Salt Lake City, UT | 1,160,217 | Maverik Center | Centennial Management Group | 1997 | 10,500 | 41 | 1,750 | ECHL |
| Grand Rapids-Wyoming, MI | 1,031,360 | Van Andel Arena | SMG | 1996 | 10,834 | 44 | 1,800 | AHL |
| Bridgeport-Stamford-Norwalk, CT | 949,354 | Webster Bank Arena | Bridgeport Sound Tigers | 2001 | 8,525 | 36 | 1,300 | AHL, NCAA (Multiple) |
| Albuquerque, NM | 907,679 | Santa Ana Star Center | Spectra | 2006 | 6,000 | 26 | 500 | AIF |
| Bakersfield, CA | 879,459 | Rabobank Arena | AEG | 1998 | 8,700 | 28 | 1,000 | AHL, CSUB |
| McAllen-Edinburg-Mission, TX | 840,926 | State Farm Arena | City of Hidalgo | 2003 | 5,500 | 25 | 500 | D-League |
| Allentown-Bethlehem et al, PA-NJ | 828,380 | PPL Center | Spectra | 2014 | 8,500 | 45 | 992 | AHL, AIF |
| Stockton-Lodi, CA | 713,388 | Stockton Arena | SMG | 2005 | 10,000 | 24 | 344 | AHL |
| Harrisburg-Carlisle, PA | 561,825 | Giant Center | Hershey Bears | 2002 | 10,500 | 40 | 688 | AHL |
| Scranton--Wilkes-Barre et al, PA | 560,216 | Mohegan Sun Arena at Casey Plaza | SMG | 1999 | 8,050 | 32 | 624 | WNBA, NLL |
| Youngstown-Warren et al, OH-PA | 550,695 | Covelli Centre | SMG | 2005 | 5,717 | 26 | 520 | USHL, MASL |
| Spokane-Spokane Valley, WA | 545,410 | Spokane Veterans Memorial Arena | Spokane PFD | 1995 | 12,638 | 16 | 0 | IFL, WHL |
| Corpus Christi, TX | 448,950 | American Bank Center Arena | SMG | 2004 | 8,156 | 11 | 302 | AIF, NAHL, A&M-CC |
| Green Bay, WI | 314,906 | Resch Center | Green Bay Gamblers | 2002 | 8,709 | 25 | 608 | USHL, IFL, UW-GB |
| Laredo, TX | 270,142 | Laredo Energy Arena | SMG | 2002 | 8,065 | 14 | 158 | NA |
| Prescott, AZ | 218,089 | Prescott Valley Event Center | Encore Facility Management | 2006 | 5,100 | 24 | 400 | NA |
| Wenatchee, WA | 115,141 | Town Toyota Center | Wenatchee PFD | 2008 | 4,300 | 26 | 400 | BCHL |
| Enid, OK | 63,462 | Enid Event Center | Spectra | 2013 | 3,200 | 3 | 0 | NA |
| Dodge City, KS | 35,143 | United Wireless Arena | VenuWorks | 2011 | 4,200 | 13 | 156 | CIF |
| Average | | | | | 7,714 | 25 | 963 | |

Source: Industry Research.

# I. EXECUTIVE SUMMARY

## Market Analysis

## Median Market Analysis Comparable Arenas

- Of the primary arenas in each median comparable market, BSG added the following arenas to the comparable arenas list based on size and age
  - Comparable arenas list used in Financial Analysis section

| CBSA | CBSA Population | Primary Arena | Operator | Year Built | Capacity | Suites | Club Seats | Tenants |
|---|---|---|---|---|---|---|---|---|
| Reading, PA | 414,347 | Santander Arena | SMG | 2001 | 7,160 | 20 | 701 | ECHL |
| Beaumont-Port Arthur, TX | 409,175 | Ford Arena | SMG | 2003 | 9,000 | TBD | TBD | NA |
| Manchester-Nashua, NH | 403,993 | Verizon Wireless Arena | SMG | 2001 | 10,019 | 39 | 542 | ECHL |
| Fayetteville, NC | 388,796 | Crown Coliseum | Spectra | 1997 | 11,200 | 10 | 0 | AIF, SPHL |
| Davenport-Moline et al, IA-IL | 385,404 | iWireless Center | Quad City Civic Center Authority | 1993 | 9,200 | 22 | 48 | ECHL |
| Trenton, NJ | 372,212 | Sun National Bank Center | Spectra | 1999 | 9,000 | 34 | 1,150 | NA |
| Columbus, GA-AL | 326,282 | Columbus Civic Center | City of Columbus | 1996 | 10,000 | 0 | 0 | AIF, SPHL |
| Fort Collins, CO | 323,793 | Budweiser Events Center | Spectra | 2003 | 7,200 | 24 | 777 | ECHL, IFL |
| Average | | | | | 9,097 | 21 | 460 | |

Source: Industry Research.

# I. EXECUTIVE SUMMARY

**Market Analysis**

**General Observations**

- Among the median comparable markets, Savannah is generally near the median in terms of market characteristics such as income, unemployment, GDP, media market size, and corporate base
  - High income households and corporate base are key drivers of premium seating revenue
- Savannah's population is growing at a rate of 6.22%, more than double the average of the median comparable markets
- In terms of geographic rings, Savannah is a relatively larger market based on the 20 mile ring
- There is limited competition for a new arena – no existing modern arena within the market
- Theaters in the Savannah market are small in terms of total capacity – limited competition for events above 2,000 attendees

# I. EXECUTIVE SUMMARY

**Market Analysis**

**General Observations**

- Most median comparable markets have some level of suite inventory, while approximately half of the markets have club seat inventory

- Savannah market would likely be able to support premium inventory assuming a minor league anchor tenant in a new arena

- Promoters and minor league sports representatives indicated a favorable opinion of the Savannah market if a new arena is built

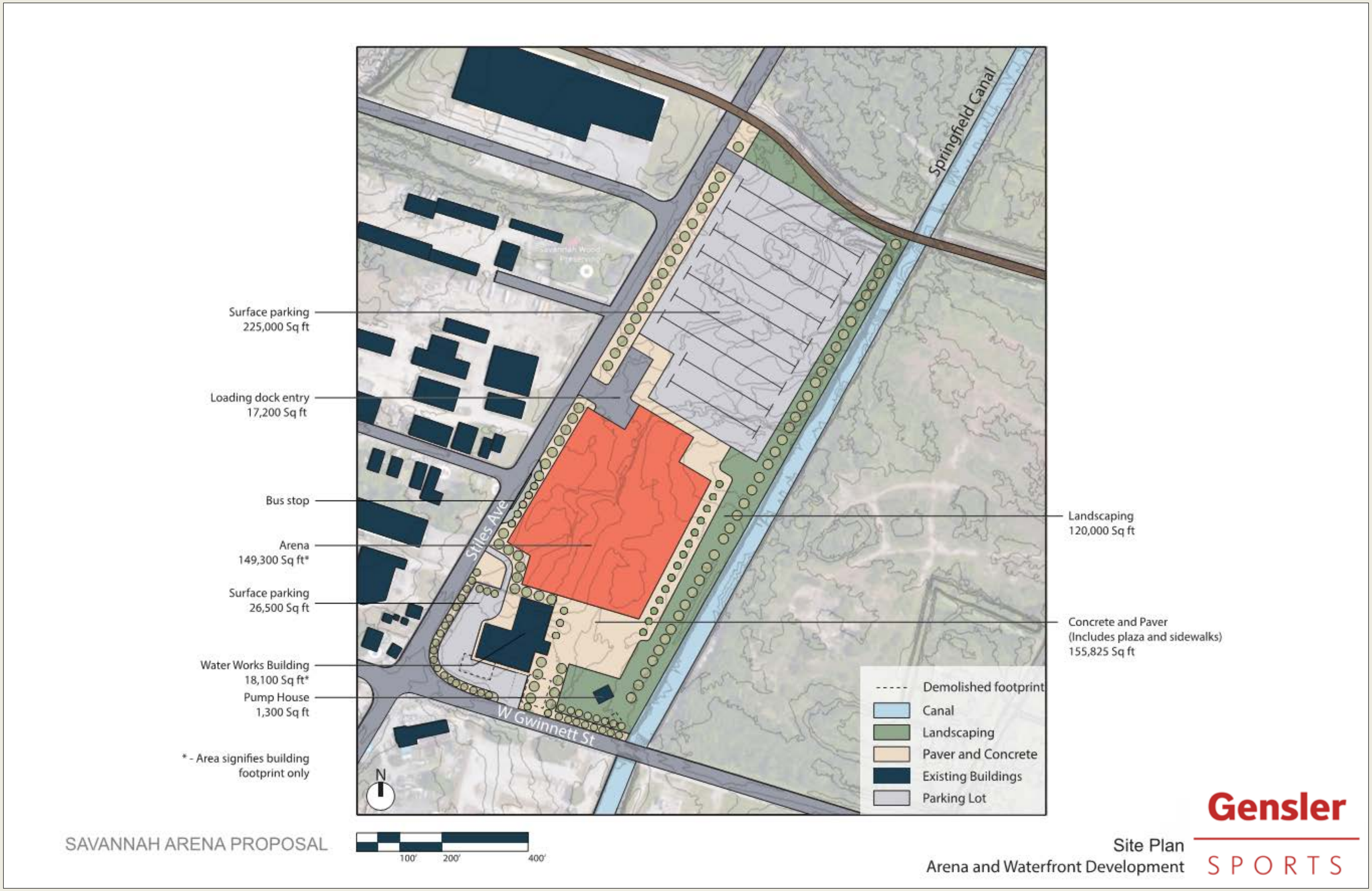
# I. EXECUTIVE SUMMARY

**Preliminary Program Recommendations**

- Arena Characteristics
  - Capacity – 360 Degree — 8,500 – 9,500
  - Capacity – 270 Degree (End Stage) — 7,500 – 8,000
  - Luxury Suites — 12 – 15
  - Club Seats — 350 – 450
  - Parking — 2,750 – 3,000

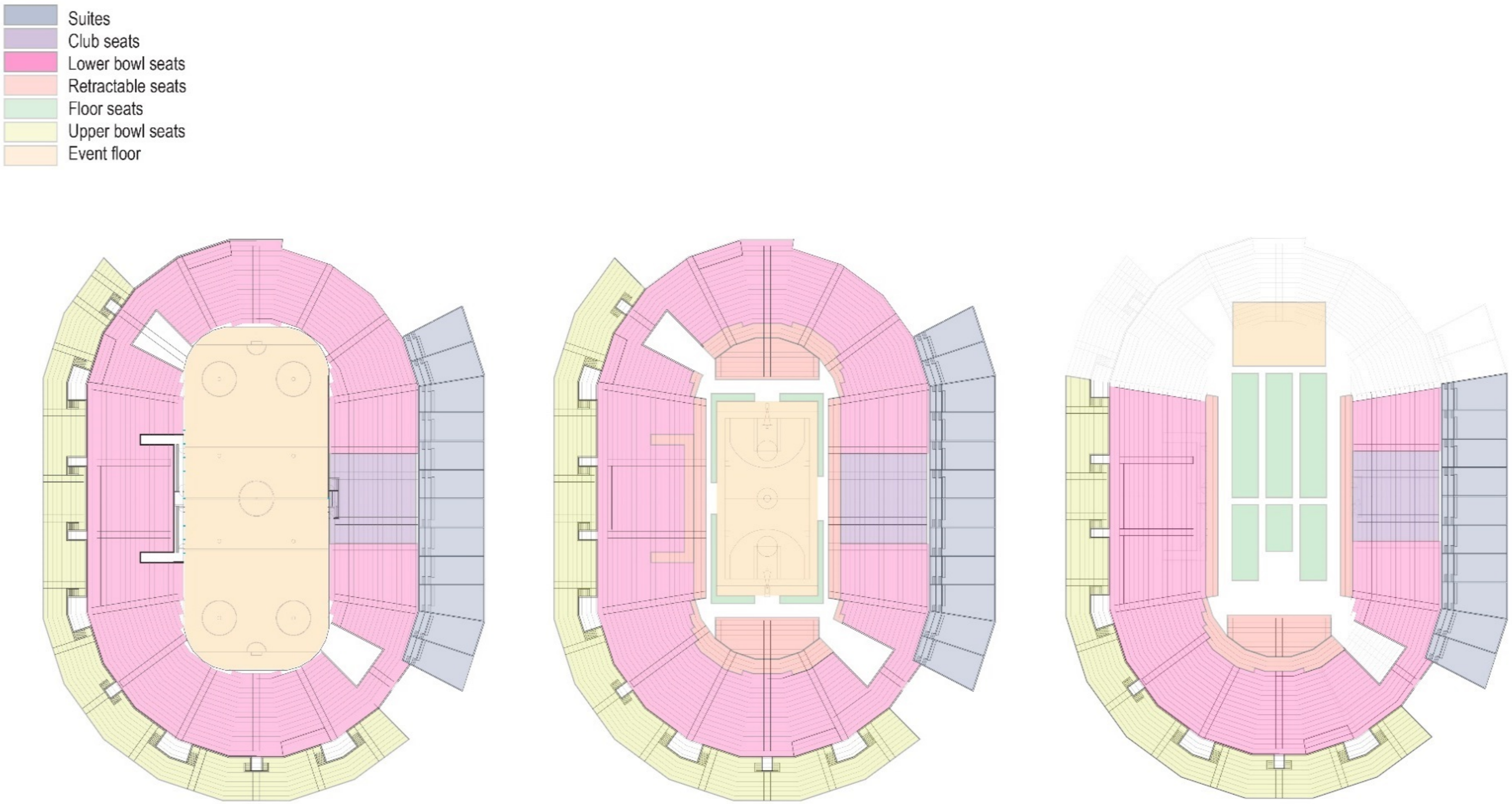
Note: Premium seating inventory assumes anchor minor league tenant

## Arena Site Plan



## Arena Section Perspective

## Seating Bowl Layouts



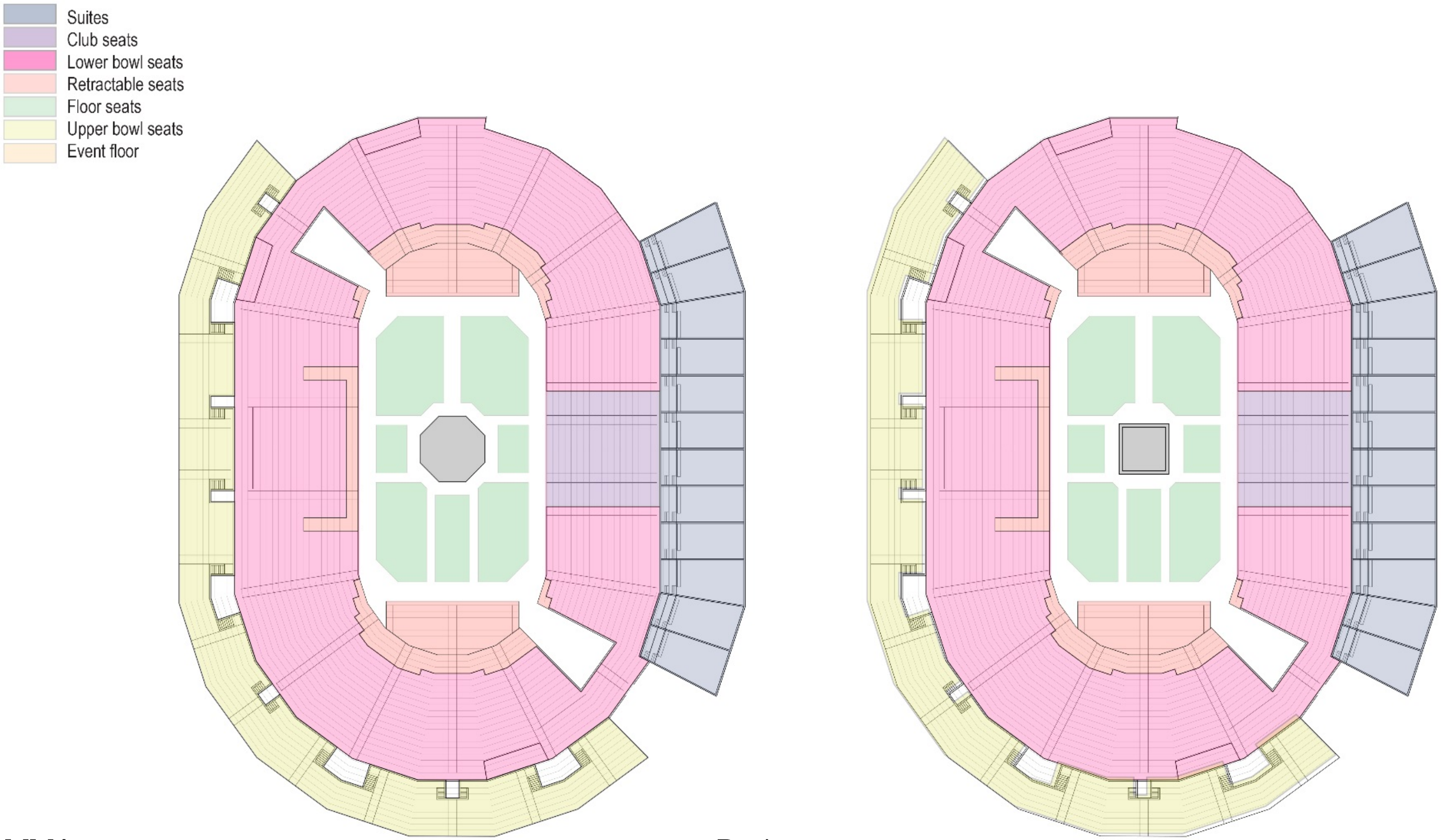

Hockey
Total – 7,600 seats

Basketball
Total – 8,400 seats

End Stage Concert
Total – 7,500 seats

Gensler
SPORTS

## Seating Bowl Layouts




MMA
Total – 8,900-9,300 seats

Boxing
Total – 8,900-9,300 seats

Gensler
SPORTS

# I. EXECUTIVE SUMMARY

## Site Considerations

- Portions of the site are located in the 100 year flood plain. The site can be raised above the 100 year flood elevation and the flood plain impacts can be mitigated on site through the grading plan.

- The draft flood maps show the 100 year base flood elevation dropping from 11.0 to 9.0 on the arena site

- While approval of the U.S. Army Corps of Engineers is needed, there appear to be no jurisdictional freshwater wetlands on site. There are likely freshwater wetlands on adjacent City-owned properties.
  - The Springfield Canal is considered "Waters of the State" and jurisdictional

- There are several areas of environmental concern on the arena site
  - Potential environmental issues include underground fuel tanks, buried medical waste, asbestos coal residue and paint solvent residue

- There are environmental areas of concern on adjacent properties which could impact the arena site
  - These include lead, wood preserving chemicals, underground fuel tanks and other potential contaminants that may be present based on historic activities known to have take place on the properties

- Based on current information, the estimated cost to remediate environmental issues is $720,000

# I. EXECUTIVE SUMMARY

**Site Considerations**

- Further investigation will be needed to determine the extent of contamination and remediation approach
- There are three existing wells on or adjacent to the site and a 16” water main along Gwinnett St.
  - These facilities should have adequate capacity to meet domestic and fire demands for the arena
- Sanitary sewer upgrades to existing facilities and some minor relocations may be required for the arena
  - There is adequate capacity in the pump station at the foot of the Talmadge Bridge to accommodate flows

# I. EXECUTIVE SUMMARY

## Site Considerations

- Stormwater retention must be provided offsite
  - This may be accomplished by an expansion of the existing City-owned regional stormwater retention basin north of the site or by a new facility on the City-owned land to the north
- If the Springfield Canal is widened to convey the 100 year storm event, no flood plain mitigation or stormwater retention would be required. The estimated cost to widen the canal is approximately $33 million.
- Water quality retention/best management practices will be required
  - Options include pervious paving, rainwater harvesting and bio-retention cells
- The arena will generate approximately 2,232 arriving trips in the peak hour before the event and 2,455 departing trips in the hour after the event
- Corridor improvements include widening Gwinnett St. (currently being designed) and Stiles Ave. to four lanes and adding a reversible lane to Louisville Rd.

# I. EXECUTIVE SUMMARY

**Site Considerations**

- The arena will require approximately 2,976 parking spaces
    - There are approximately 920 spaces that could be constructed just north of the arena on-site (390 spaces) and on City-owned property across from the arena
- Additional surface parking may be provided on City-owned property to the north and east (options described herein)
- Public and private mass transit (and possibly shuttle service) should be utilized to transport passengers from downtown parking facilities to the arena
    - There should be a bus bay to accommodate three buses next to the arena
- Pedestrian and vehicular access may be provided by extending existing streets east of US 17 into the arena site
    - These streets are envisioned to be expanded as part of the I-16/Montgomery St. flyover removal plan

# I. EXECUTIVE SUMMARY

## Construction Cost Estimate

## New Ground Up Arena

- Construction Cost Summary Sheet (February 12, 2016)

| | | | |
|---|---|---|---|
| Sitework | 15.8 acres | $8,416,320 | |
| New Arena | 294,438 sf | $80,911,441 | $275 / sf |
| **Construction Subtotal** | **294,438 sf** | **$89,327,761** | **$304 / sf** |
| | | | |
| Design & Estimating Contingency | 5% | $4,468,709 | |
| Construction Contingency | 3% | $2,681,225 | |
| Escalation to 2nd Qtr. 2017 | 6% | $5,791,447 | |
| Sales Tax (project assumed tax exempt at this time) | | | |
| **Total Construction Cost** | **294,438 sf** | **$102,269,142** | **$347 / sf** |
| | | | |
| Offsite Improvement | | $9,000,000 | |
| Site Remediation | | $720,000 | |
| Owner Soft Cost Allowance | 25% | $27,997,285 | |
| | | | |
| **TOTAL PROJECT COST** | | **$139,986,427** | |

- Does not include improvements/upgrades to canal

# I. EXECUTIVE SUMMARY

## Construction Cost Estimate
## Waterworks Building Renovation

- Construction Cost Summary Sheet (February 12, 2016)

| | | | |
|---|---|---|---|
| Offsite Improvement | | By Others | |
| Waterworks Core & Shell | 27,557 sf | $6,254,202 | $227 / sf |
| **Construction Subtotal** | **27,557 sf** | **$6,254,202** | **$227 / sf** |
| | | | |
| Design & Estimating Contingency | 10% | $625,420 | |
| Construction Contingency | 5% | $312,710 | |
| Escalation to 2nd Qtr. 2017 | 6% | $431,540 | |
| Sales Tax (project assumed tax exempt at this time) | | | |
| **Total Construction Cost** | **27,557 sf** | **$7,623,872** | **$277 / sf** |
| | | | |
| Owner Soft Cost Allowance | 10% | $762,387 | |
| | | | |
| **TOTAL PROJECT COST** | | **$8,386,260** | |

# I. EXECUTIVE SUMMARY

**Civic Center Overview**

- As part of the arena study, we were asked to provide an evaluation of the Civic Center and make general assessments as to the long-term viability of the building and its components

- The Johnny Mercer Theatre is one of two components of the Savannah Civic Center
  - The second component is the Martin Luther King, Jr. Arena, which is adjacent to, but physically separate from, the theater
  - Most of the mechanical and electrical for the arena is housed within the theater

- We have walked the building and have had a code and ADA assessment report from Code Consultants, Inc. (CCI) dated December 15, 2015

- We have not completed any in-depth analysis with regard to asbestos and other hazardous materials which may be concealed above ceilings and within walls

- We would advise that the next step be to do a more comprehensive study to determine if there are any hazardous materials within the building
  - We have not assumed any cost associated with the removal of hazardous materials

- In addition, our observation and those in the CCI report are limited to visual observation

# I. EXECUTIVE SUMMARY

## Civic Center Preliminary Recommendations

- We believe the Johnny Mercer Theatre is of great value to the City and with modifications, can be brought to Code, Life Safety, and ADA compliance
  - The existing Command Center and mechanical/electrical systems would remain in the lower level

- The following is a summary of potential theater modifications/improvements

| Interior |
|---|
| Add ADA seating as described in the CCI report |
| Provide new elevators within existing shafts |
| New general lighting in the theater |
| New rigging and theatrical lighting at the stage house |
| New sound system within theater (small shows and lecture quality, not major concert) |
| Refurbished theater seating |
| New carpeting |
| Renovate existing restrooms with new fixtures, dividing panels, and counters |
| New restrooms for men and women on both the east and west of the new south entry |
| Paint all existing surfaces throughout the building and provide updated dressing rooms and green rooms at the back of the house areas |
| New electrical system |
| New mechanical system |
| New fire alarm system |
| Repair plumbing only as required for new and refurbished fixtures |

| Exterior |
|---|
| New roof on theater and stage house |
| Addition of a new south façade, ramp, stairs, and enclosure for new m/w restrooms east and west |
| Provide a park (square) at existing arena footprint as a foreground to the theater |
| Clean and seal exterior brick |
| Refurbish existing lighting system |
| Provide new code compliant entry doors at existing east and west entries |
| Remove existing canopies at the east and west entries |
| Remove and provide new general landscape at the exterior |
| Restore element of Elbert Square on the east side of Montgomery St. |
| Continue Perry St. to the west to Montgomery St. |

# I. EXECUTIVE SUMMARY

**Civic Center Preliminary Recommendations (Continued)**

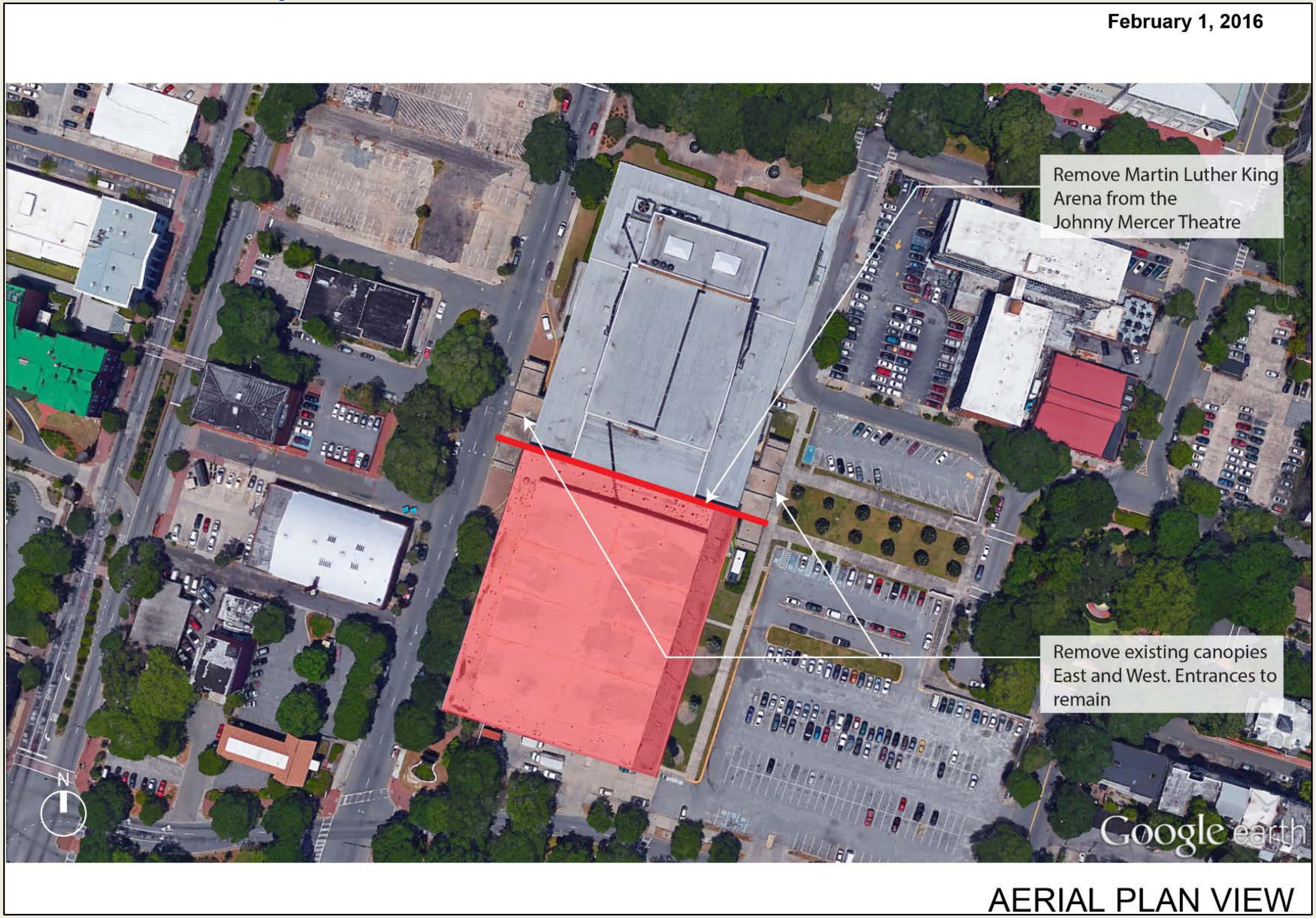
- Based upon the CCI report and our observation of the building, we would recommend razing the arena portion of the Civic Center due to the cost required to bring this building up to Code, Life Safety, and ADA compliance and the fact that such expenditures would not result in a state of the art arena. In addition, the arena contributes to a significant annual operating loss at the Civic Center.

- Additionally, the market cannot support two arenas competing against each other
  - The presence of two arenas in a market the size of Savannah could result in increased promoter leverage and lower rents
  - Consideration needs to be given to accommodating community oriented uses on an affordable basis in the new arena or alternative locations

- Refer to the following photographs for an illustration of the arena portion to be removed

- Additionally, refer to the rough south elevation level depicting a new façade, entry, and plaza (square) for the theater

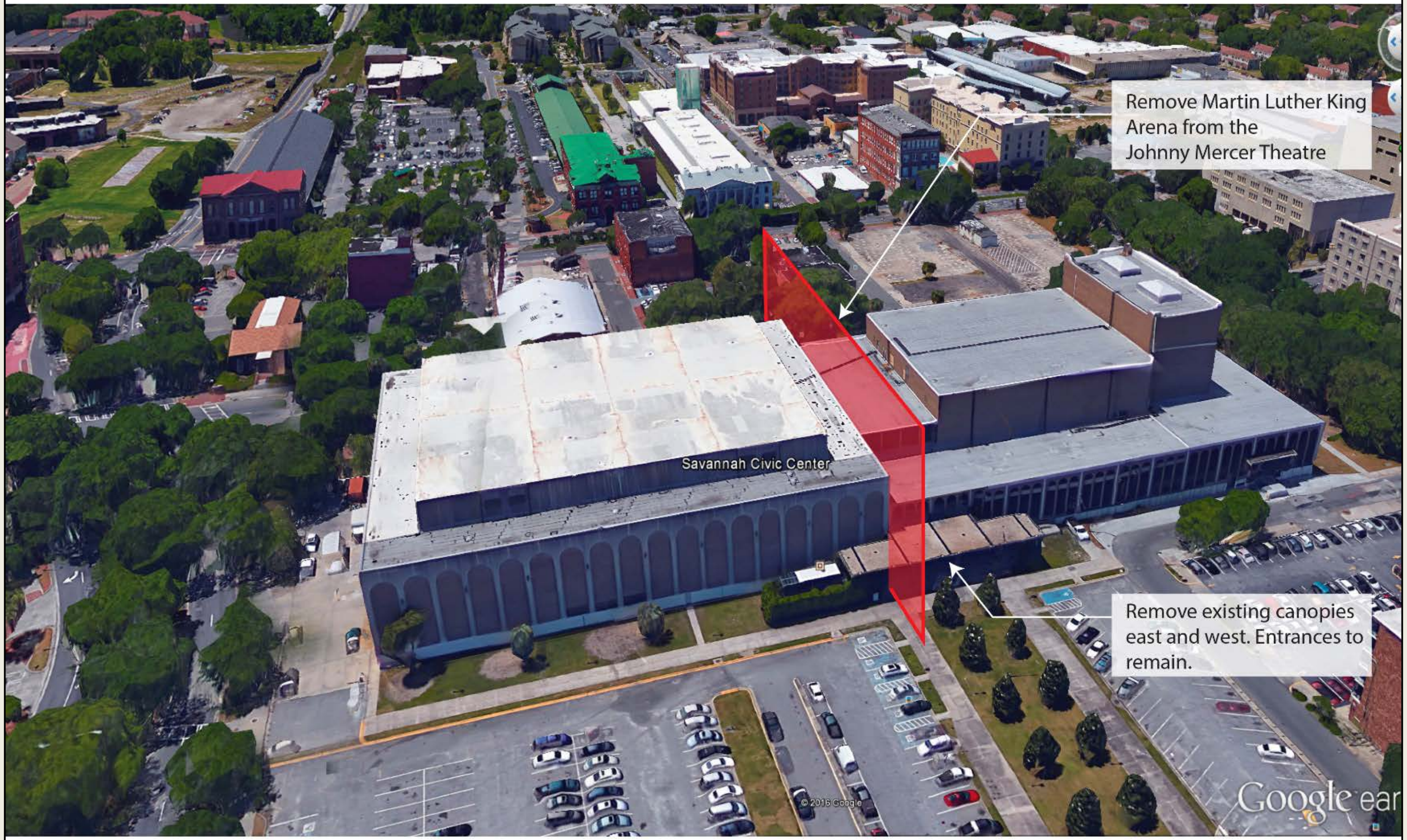
## Civic Center Preliminary Recommendations – Aerial Plan



# I. EXECUTIVE SUMMARY

## Civic Center Preliminary Recommendations – Aerial Plan

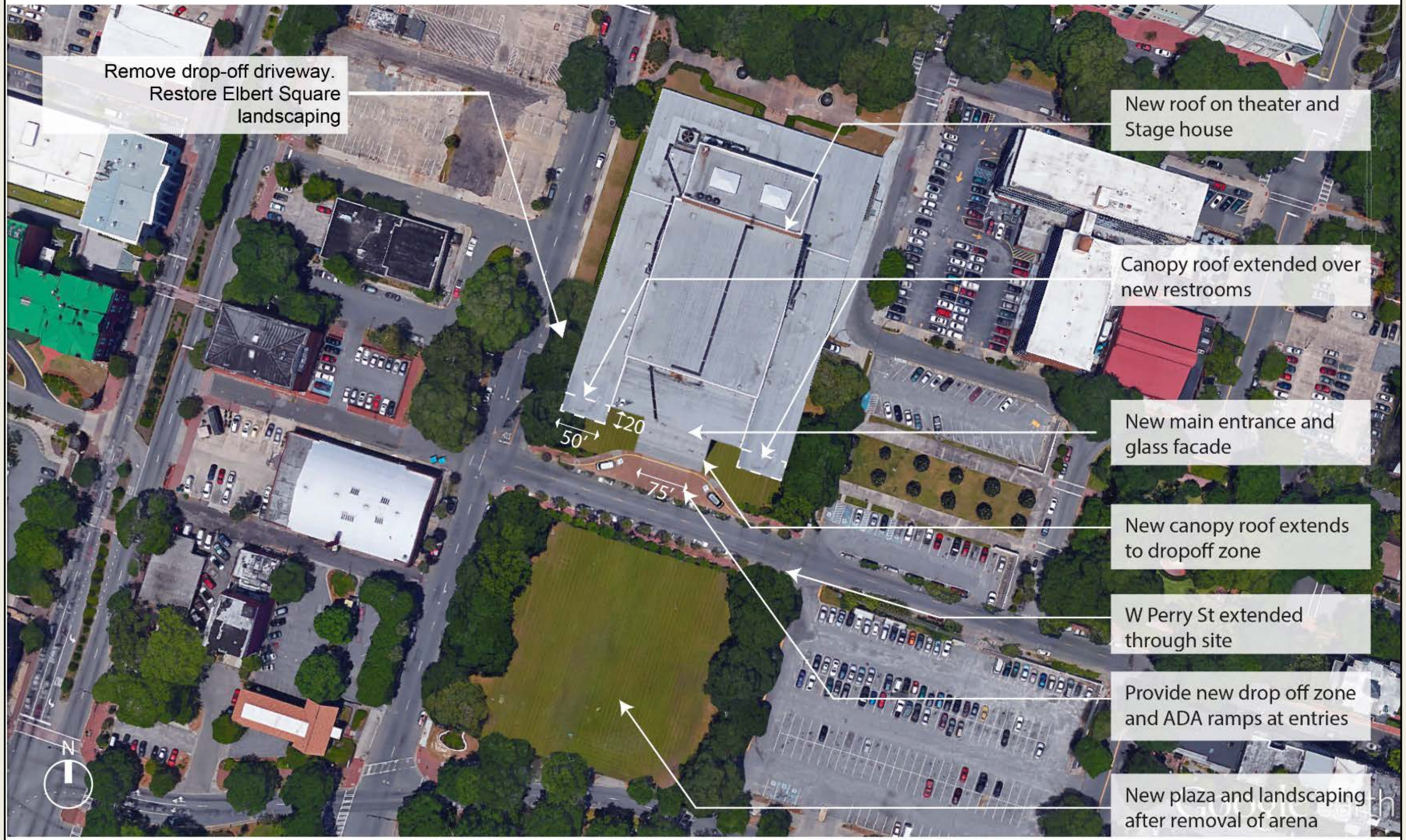
February 1, 2016




AERIAL VIEW LOOKING WEST

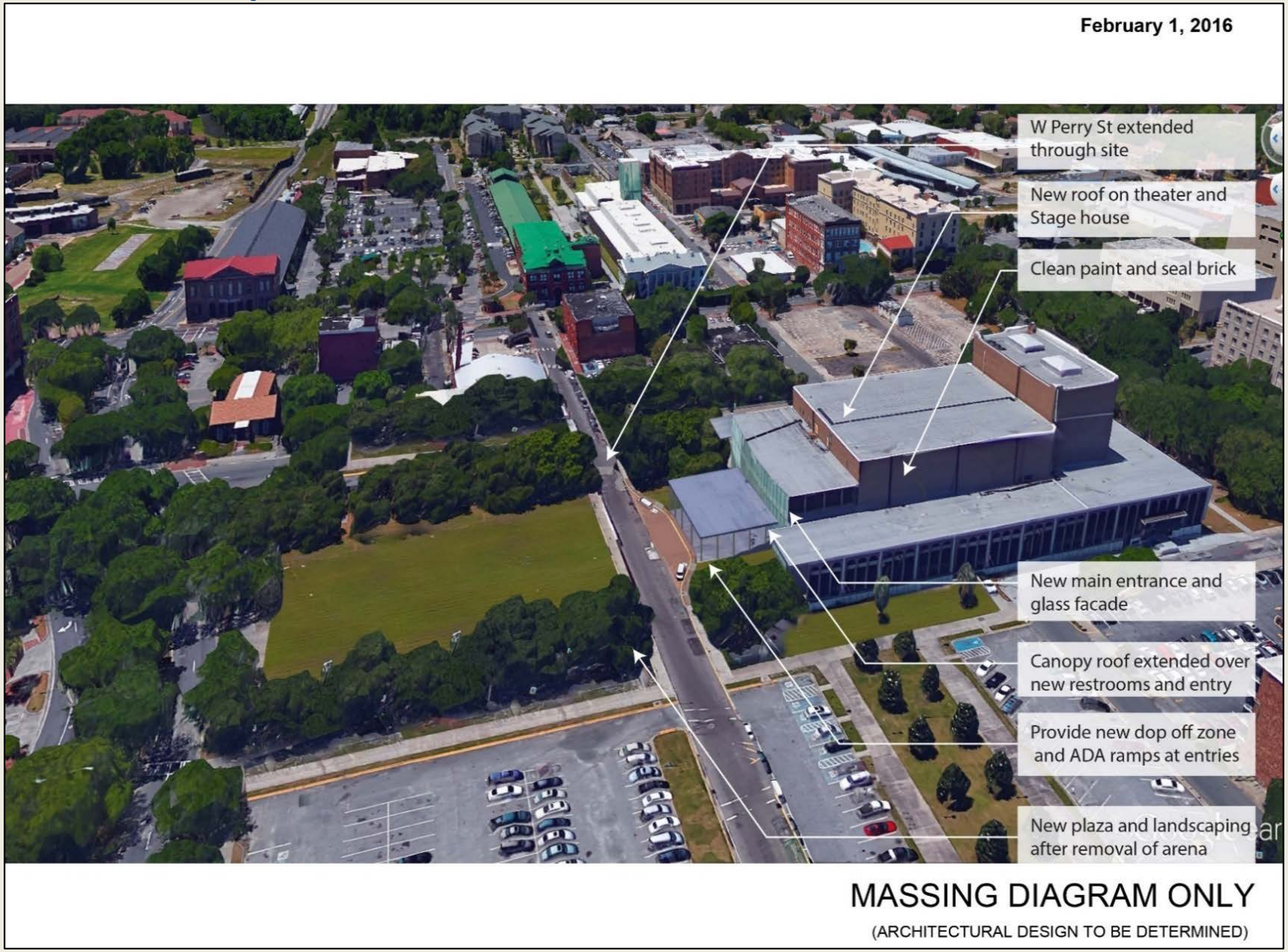
## Civic Center Preliminary Recommendations – Aerial Plan

February 1, 2016




*-Measurements to be verified on site
-Measurements not drawn to scale

## Civic Center Preliminary Recommendations – Aerial Plan



# I. EXECUTIVE SUMMARY

## Construction Cost Estimate

## Johnny Mercer Theatre Code Compliance/Minor Improvements

## Demolition of MLK Arena

- Construction Cost Summary Sheet (February 12, 2016)

| | | | |
|---|---|---|---|
| Offsite Improvement | | By Others | |
| Arena Demo & New Park | 8.49 acres | $2,121,141 | |
| Perry Street Extension | 625 lf | $769,483 | |
| Mercer Theatre Code Compliance/Minor Renovations | 100,874 sf | $20,118,468 | $200 / sf |
| South Restroom & Canopy Addition | 4,000 sf | $1,065,041 | $266 / sf |
| **Construction Subtotal** | **104,874 sf** | **$24,074,133** | **$230 / sf** |
| | | | |
| Design & Estimating Contingency | 10% | $2,407,413 | |
| Construction Contingency | 5% | $1,203,707 | |
| Escalation to 2nd Qtr. 2017 | 6% | $1,661,115 | |
| Sales Tax (project assumed tax exempt at this time) | | | |
| **Total Construction Cost** | **104,874 sf** | **$29,346,368** | **$280 / sf** |
| | | | |
| Owner Soft Cost Allowance | 25% | $7,336,592 | |
| **TOTAL PROJECT COST** | | **$36,682,960** | |

# I. EXECUTIVE SUMMARY

## Construction Cost Estimate

### Johnny Mercer Theatre and MLK Arena Code Compliance/Minor Improvements

- Construction Cost Summary Sheet (February 12, 2016)

| | | | |
|---|---|---|---|
| Offsite Improvement | | By Others | |
| Existing Arena Site Improvements | 5.30 acres | $926,388 | |
| Mercer Theatre Code Compliance/Minor Renovations | 100,874 sf | $19,206,789 | $190 / sf |
| Existing Arena Code Compliance/Minor Renovations | 84,224 sf | $18,891,706 | $224 / sf |
| **Construction Subtotal** | **185,098 sf** | **$39,024,882** | **$210 / sf** |
| | | | |
| Design & Estimating Contingency | 10% | $3,902,488 | |
| Construction Contingency | 5% | $1,951,244 | |
| Escalation to 2nd Qtr. 2017 | 6% | $2,692,717 | |
| Sales Tax (project assumed tax exempt at this time) | | | |
| **Total Construction Cost** | **185,098 sf** | **$47,571,332** | **$257 / sf** |
| | | | |
| Owner Soft Cost Allowance | 25% | $11,892,833 | |
| **TOTAL PROJECT COST** | | **$59,464,164** | |

- Note: Improvements to MLK Arena would not result in a state of the art facility

# I. EXECUTIVE SUMMARY

**Financial Analysis**

- BSG completed an analysis of potential financial and operating characteristics of a new Savannah arena to understand potential net operating income generated by proposed facility

- BSG has made significant assumptions related to the proposed arena's operating revenues and expenses

- Information obtained from comparable facilities and our database on arena operations
  - In order to obtain accurate and relevant information, BSG agreed to maintain confidentiality of facilities
  - Facilities providing information are referred to as Arena 1, 2, 3, etc.
    - Arena reference letters have been randomly adjusted to further protect identity

- Operating data gathered from 21 comparable arenas – comparables determined based on:
  - Market demographics
  - Physical characteristics (age, capacity, premium seating, etc.)
  - Tenants
  - Climate
  - Others

- Comparable data has been adjusted, as appropriate, to reflect current dollars

# I. EXECUTIVE SUMMARY

## Financial Analysis

## Key Assumptions

- Based on the program described in the market analysis section

| ARENA CHARACTERISTICS | |
|---|---|
| **Capacity - Maximum** | 8,400 |
| **Capacity - End Stage** | 7,500 |
| **Luxury Suites (Including Game Day/Reserved)** | 12 |
| **Loge Boxes** | 0 |
| **Club Seats** | 438 |
| **Parking (Public Sector Spaces - Revenue to Arena)** | 390 |

| EVENT MIX | Events | Average Paid Attendance - (1) | Total Paid Attendance |
|---|---|---|---|
| **Sporting Events** | | | |
| Minor League Hockey | 39 | 4,254 | 165,913 |
| Arena Football | 4 | 4,000 | 16,000 |
| **Concerts** | 9 | 4,889 | 44,000 |
| **Family Shows** | 14 | 3,500 | 49,000 |
| Circus | | | |
| Sesame Street | | | |
| Disney/Other | | | |
| **Other Sporting Events** | | | |
| Thrill/Dirt Shows/WWE | 4 | 5,000 | 20,000 |
| Professional Ice Skating | 2 | 5,000 | 10,000 |
| High School/Amateur | 2 | 2,500 | 5,000 |
| Other | 4 | 3,000 | 12,000 |
| **Miscellaneous** | | | |
| Conventions | 5 | 4,000 | 20,000 |
| Assemblies/Other | 10 | 1,000 | 10,000 |
| **Total** | 93 | | 351,913 |

(1) Reflects weighted average. Events and average attendance may not equal total attendance.

# I. EXECUTIVE SUMMARY

**Financial Analysis**

**Cash Flow Summary**

- Although assumptions appear reasonable based on current and anticipated market conditions, actual results depend on actions of arena owner, management, tenants, and other factors both internal and external to project, which frequently vary

- It is important to note that because events and circumstances may not occur as expected, there may be significant differences between actual results and those estimated in this analysis, and those differences may be material

- As illustrated in the following table, the cash flow analysis prepared indicates arena would be able to generate a positive cash flow from operations

- Net cash flow from operations (before consideration of capital replacement reserve) would be approximately $297,000 in Year 1

- Consideration should be given to establishing a capital repair, replacement, and improvement fund

## Financial Analysis

## Cash Flow Summary

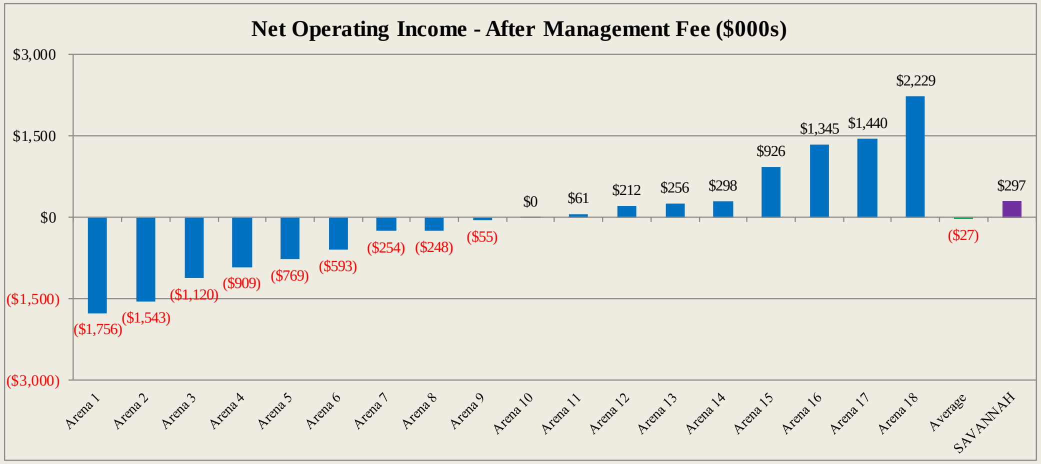
| ARENA SUMMARY<br>($ in 000s) | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 |
|---|---|---|---|---|---|
| Number of Events | 93 | 93 | 93 | 93 | 93 |
| Paid Attendance - Total (000s) | 352 | 352 | 352 | 334 | 334 |
| **Operating Revenue (Net)** | | | | | |
| Rental Revenue | $611 | $623 | $635 | $648 | $661 |
| Premium Seating Revenue | $491 | $506 | $521 | $537 | $553 |
| Advertising and Sponsorship | 425 | 440 | 455 | 471 | 488 |
| Naming Rights | 255 | 263 | 271 | 279 | 287 |
| Concessions | 857 | 883 | 909 | 895 | 922 |
| Novelties | 46 | 48 | 49 | 47 | 48 |
| Parking | 131 | 135 | 139 | 143 | 148 |
| Other (Facility Fee/Rebate/Etc.) | 500 | 500 | 500 | 478 | 478 |
| **Operating Revenue (Net) - Total** | **$3,317** | **$3,397** | **$3,479** | **$3,498** | **$3,585** |
| **Operating Expense** | | | | | |
| Staffing | $1,235 | $1,272 | $1,310 | $1,350 | $1,390 |
| Utilities | $550 | $567 | $583 | $601 | $619 |
| General and Administrative | $500 | $515 | $530 | $546 | $563 |
| Repairs and Maintenance | $150 | $155 | $159 | $164 | $169 |
| Supplies | $125 | $129 | $133 | $137 | $141 |
| Insurance | $150 | $155 | $159 | $164 | $169 |
| Legal & Professional Fees | $60 | $62 | $64 | $66 | $68 |
| Miscellaneous/Other | $50 | $52 | $53 | $55 | $56 |
| Non-Reimbursed Event Expenses | $0 | $0 | $0 | $0 | $0 |
| **Operating Expense - Total** | **$2,820** | **$2,905** | **$2,992** | **$3,081** | **$3,174** |
| **Net Cash Flow - Before Management Fee** | **$497** | **$492** | **$488** | **$417** | **$411** |
| Management Fee | $200 | $206 | $212 | $219 | $225 |
| **Net Cash Flow - After Management Fee** | **$297** | **$286** | **$276** | **$198** | **$186** |

# I. EXECUTIVE SUMMARY

## Financial Analysis

## Limited Scope Benchmarking – Net Operating Income

- For illustrative purposes, below is a summary of net operating income statistics for comparable facilities




- Facilities in other markets may be able to achieve higher (or lower) net operating income
  - Market demographics
  - Physical characteristics
  - Anchor tenants
  - Entertainment alternatives
  - Competitive facilities
  - Other

# I. EXECUTIVE SUMMARY

**Economic Impact**

**Overview**

- Construction and operation of the proposed arena will generate economic and fiscal impacts in the Savannah region

- Economic impacts typically measured by
  - Direct spending (initial spending)
  - Indirect spending (dollars spent through interaction of local industries)
  - Induced spending (dollars spent through household spending patterns)
  - Tax impacts
  - Employment impacts
  - Labor income impacts

- Although assumptions appear reasonable based on current and anticipated market conditions, actual results depend on actions of arena, management, tenants, and other factors both internal and external to project, which frequently vary

- It is important to note that because events and circumstances may not occur as expected, there may be significant differences between actual results and those estimated in this analysis, and those differences may be material

# I. EXECUTIVE SUMMARY

**Economic Impact**

**Methodology**

- Gross expenditure and economic multiplier approach was used to quantify economic impacts
- Basis of approach is that spending on goods and services creates demand within particular industries
- Initial spending is referred to as "direct" spending and defined as purchases of goods and services resulting from economic event
- Exchanges or re-sales of goods and services purchased during preceding periods are not counted
- A portion of each "direct" dollar spent is re-spent, generating additional or "indirect" economic benefits
- Result of process is that $1 in direct spending increases final demand by more than $1 – "multiplier effect"

# I. EXECUTIVE SUMMARY

**Economic Impact Methodology**

- Analysis utilizes the IMPLAN Type SAM multiplier
  - Accounts for the social security and income tax leakage
  - Institution savings
  - Commuting
- "Substitution effect" considered
- Tax impacts were estimated based on current statutory rates and estimated new economic activity

# I. EXECUTIVE SUMMARY

## Economic Impact

## Construction Economic Impact

- Construction of the proposed arena will generate considerable economic impacts during the construction period (presented in 2016 dollars)

- Figures reflect gross impacts

| Construction Operations (2016 Dollars) | |
|---|---|
| Direct Economic Output | $57,620,463 |
| Indirect Economic Output | $15,241,694 |
| Induced Economic Output | $13,397,303 |
| Total Economic Output | $86,259,460 |
| Jobs - (1) | 609 |
| Labor Income - (2) | $27,285,158 |
| Tax Impacts - (3) | $2,501,833 |

(1) - Includes full time and part time employment.
(2) - Includes all forms of employment income, including employee compensation (wages/benefits) and proprietor income.
(3) - Includes state and local tax revenue generated by the total economic output (excluding taxes on employee compensation and corporation profit taxes/dividends).

- Note: 40% of labor/materials expenditures sourced in the local market based on local construction industry input

# I. EXECUTIVE SUMMARY

## Economic Impact

## Summary of Results – Operations

- On-going operations of the arena will generate considerable new spending and resulting economic impacts on an annual basis (presented in 2016 dollars)
  - Annual arena operations
  - Non-resident spending

| Annual Operations (2016 Dollars) | |
|---|---|
| Direct Economic Output | $9,100,593 |
| Indirect Economic Output | $3,720,086 |
| Induced Economic Output | $1,896,563 |
| Total Economic Output | $14,717,242 |
| Jobs - (1) | 162 |
| Labor Income - (2) | $3,861,579 |
| Tax Impacts - (3) | $745,276 |

(1) - Includes full time and part time employment.
(2) - Includes all forms of employment income, including employee compensation (wages/benefits) and proprietor income.
(3) - Includes state and local tax revenue generated by the total economic output (excluding taxes on employee compensation and corporation profit taxes/dividends).

# I. EXECUTIVE SUMMARY

## Subcommittee Reports

- The City formed six advisory subcommittees to assist with the arena project
- Each subcommittee consists of community representatives and City staff members
    - Programming Potential Subcommittee
    - Business Development Subcommittee
    - Community Education and Engagement Subcommittee
    - Mobility and Transportation Subcommittee
    - Utilizations of Current Civic Center Subcommittee
    - Greenway Planning Subcommittee
- Subcommittee reports are summarized herein

# I. EXECUTIVE SUMMARY

**General Observations – Opportunities**

- New arena appears to be a viable project in terms of market and financial feasibility
- Quality of life benefits
  - Potential to attract regional and national events
  - Potential to add entertainment alternatives to market
- Potential catalyst for redevelopment
  - Opportunity to add mixed-use destination oriented development
- Potential synergy with other markets in terms of routing
- Promoters indicated positive attitude toward a new Savannah arena
- Limited competition in the immediate market
- Significant economic impact associated with construction and ongoing operations
- Financing source has been identified (SPLOST)

# I. EXECUTIVE SUMMARY

**General Observations – Challenges**

- Availability of on-site parking – potential solutions identified
  - Option 1: Utilize adjacent City-owned and private properties for surface parking
  - Option 2: Build a parking deck on the proposed surface parking lot north of the arena
  - Option 3: Use existing parking facilities in the downtown area with increased mass transit
- Lack of proximity to downtown – must address connectivity to downtown
- Anchor tenant commitment
  - Multiple leagues have expressed interest in a new arena
- Martin Luther King, Jr. Arena
  - If not demolished, could provide competition for new arena and impact revenue generating potential – consideration should be given to non-compete agreement

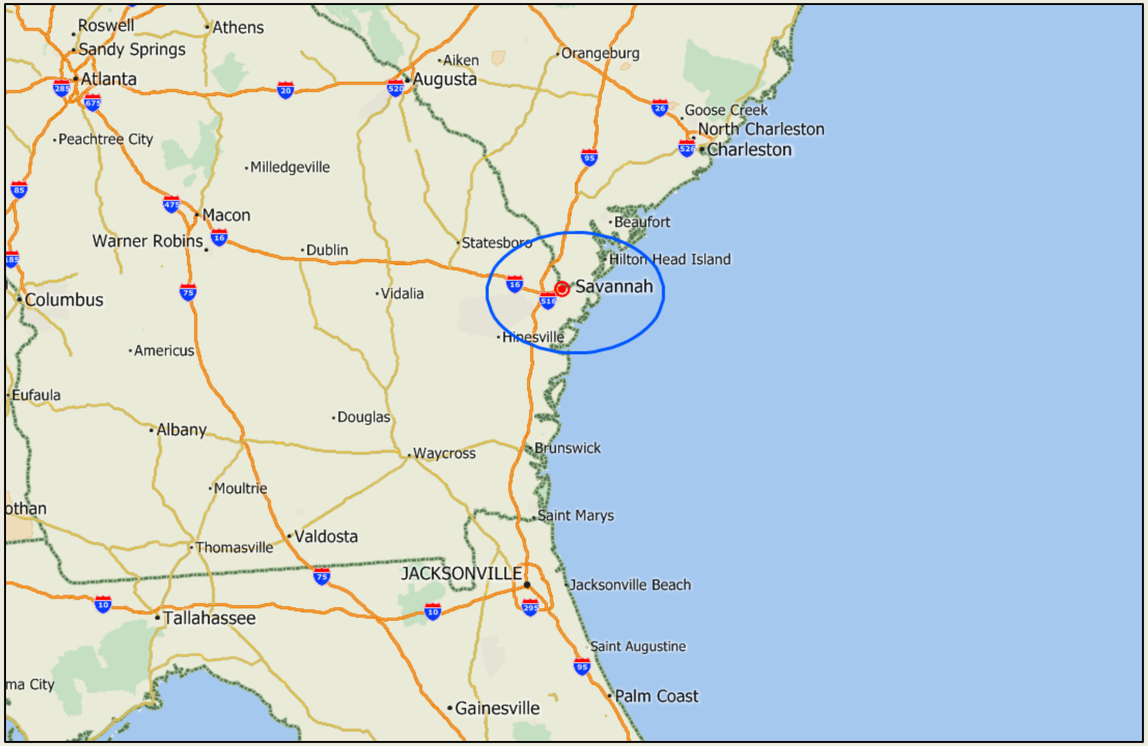
# II. MARKET ANALYSIS

# A. DEMOGRAPHIC OVERVIEW

# A. DEMOGRAPHIC OVERVIEW

## Savannah, GA

- Savannah, Georgia is located in eastern Georgia
  - Approximately 250 miles southeast of Atlanta, GA
  - Approximately 250 miles south of Charlotte, NC
  - Approximately 110 miles southwest of Charleston, SC
  - Approximately 140 miles north of Jacksonville, FL

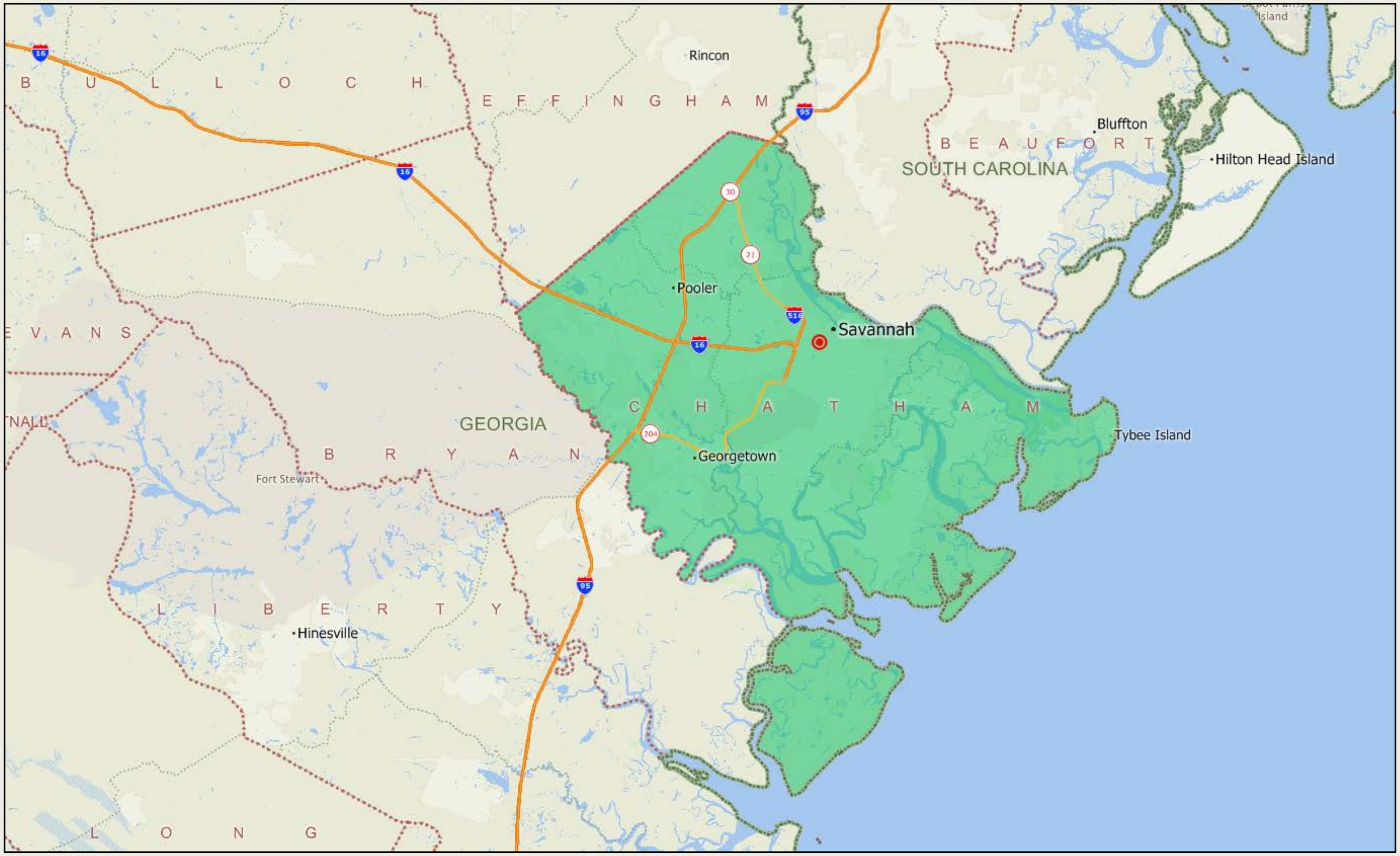



Note: Distances above reflect driving distances

# A. DEMOGRAPHIC OVERVIEW

## General Market Overview

- Chatham County Border



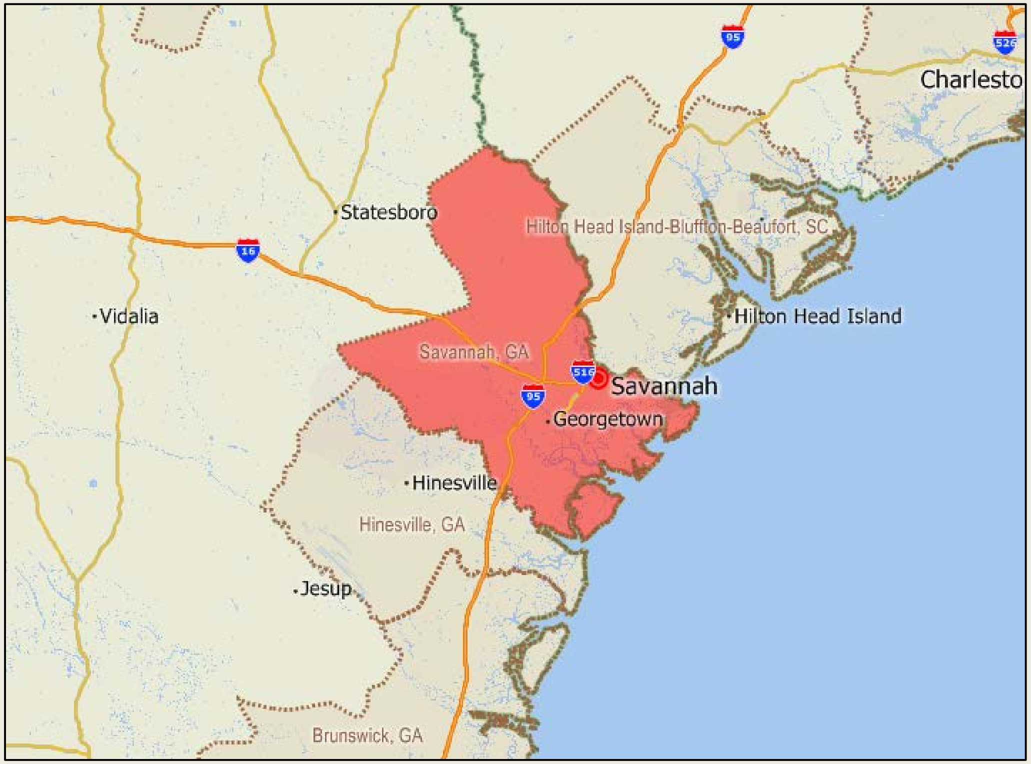
# A. DEMOGRAPHIC OVERVIEW

**General Market Overview**

- According to Claritas, a Core Based Statistical Area (CBSA) is an area consisting of a conglomeration of counties. A CBSA is further defined as a Metropolitan or Micropolitan CBSA. A Metropolitan CBSA consists of a geographic area with an urban core population of at least 50,000. A Micropolitan CBSA consists of a geographic area with an urban core population of between 10,000 and 49,999.

- Savannah, GA CBSA is larger than Chatham County

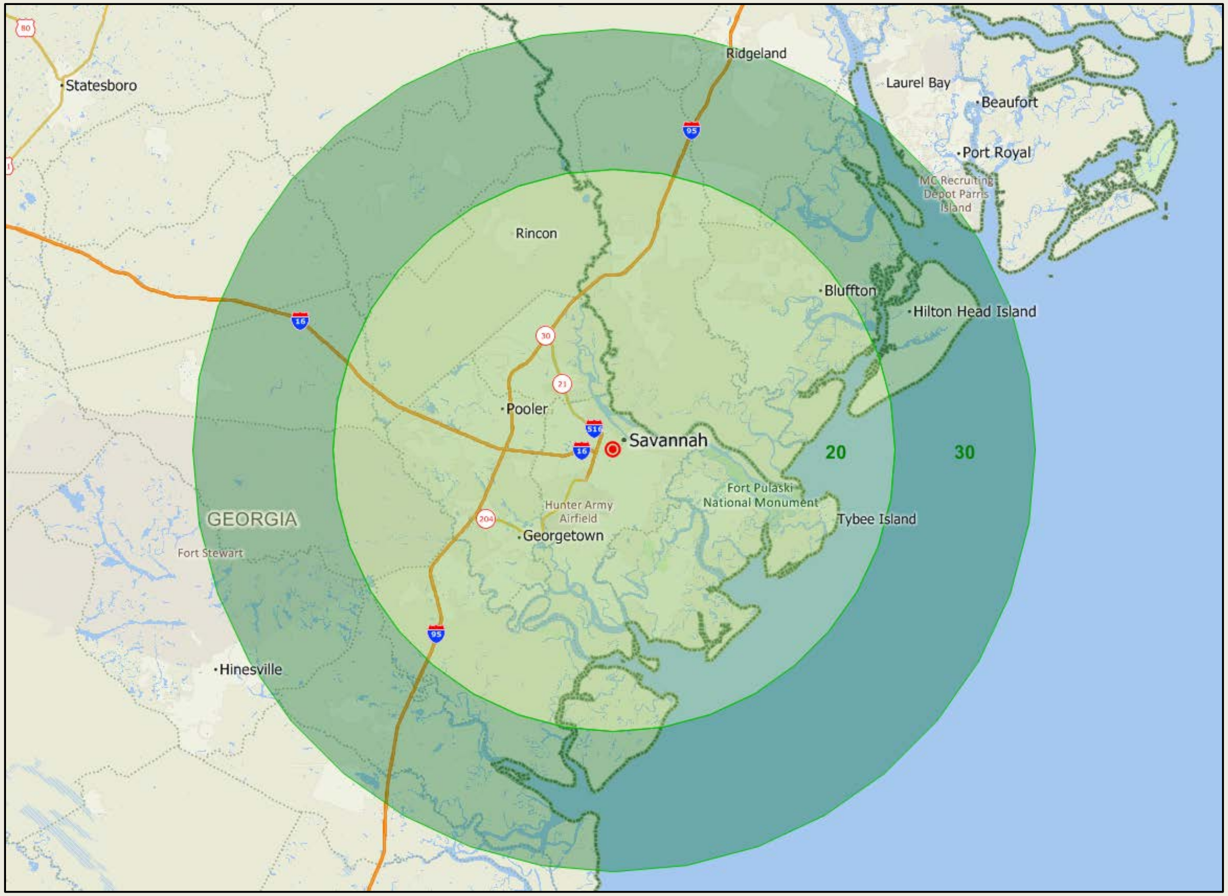
- Includes
  - Chatham County
  - Bryan County
  - Effingham County



# A. DEMOGRAPHIC OVERVIEW

## General Market Overview

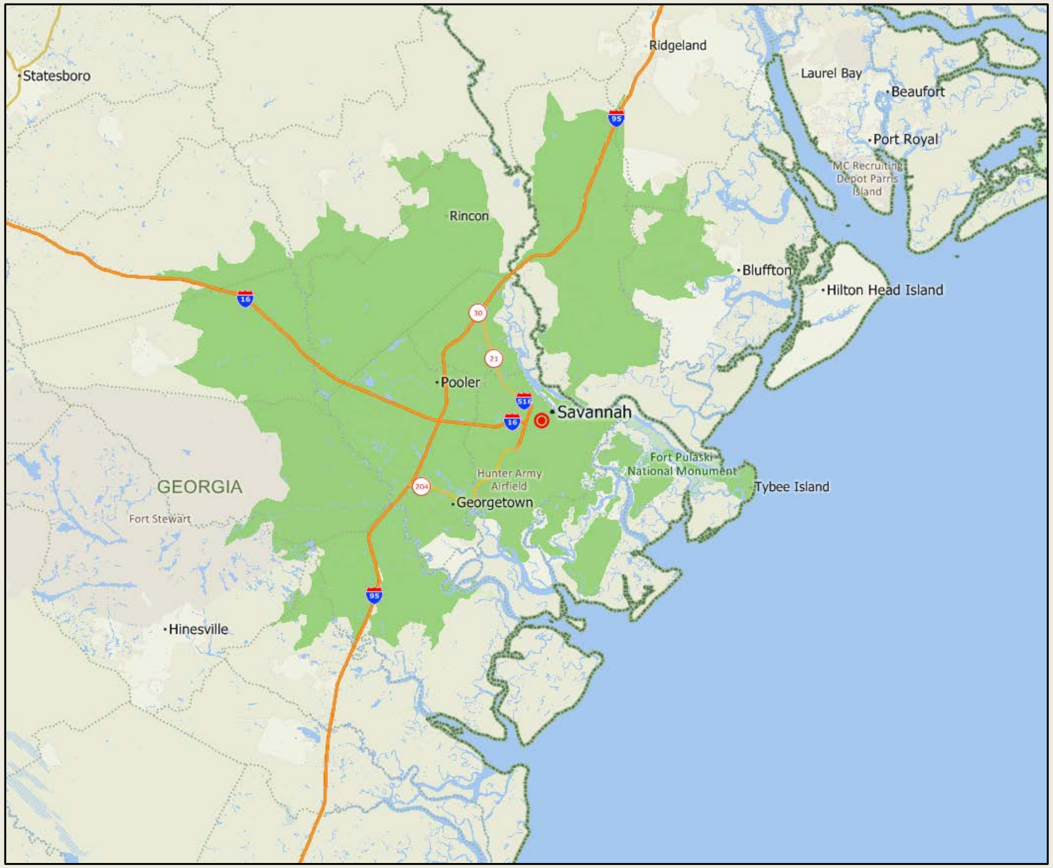
- Market demographics also evaluated based on geographic ring designation



# A. DEMOGRAPHIC OVERVIEW

## General Market Overview

- Market demographics also evaluated based on drive time designation



# A. DEMOGRAPHIC OVERVIEW

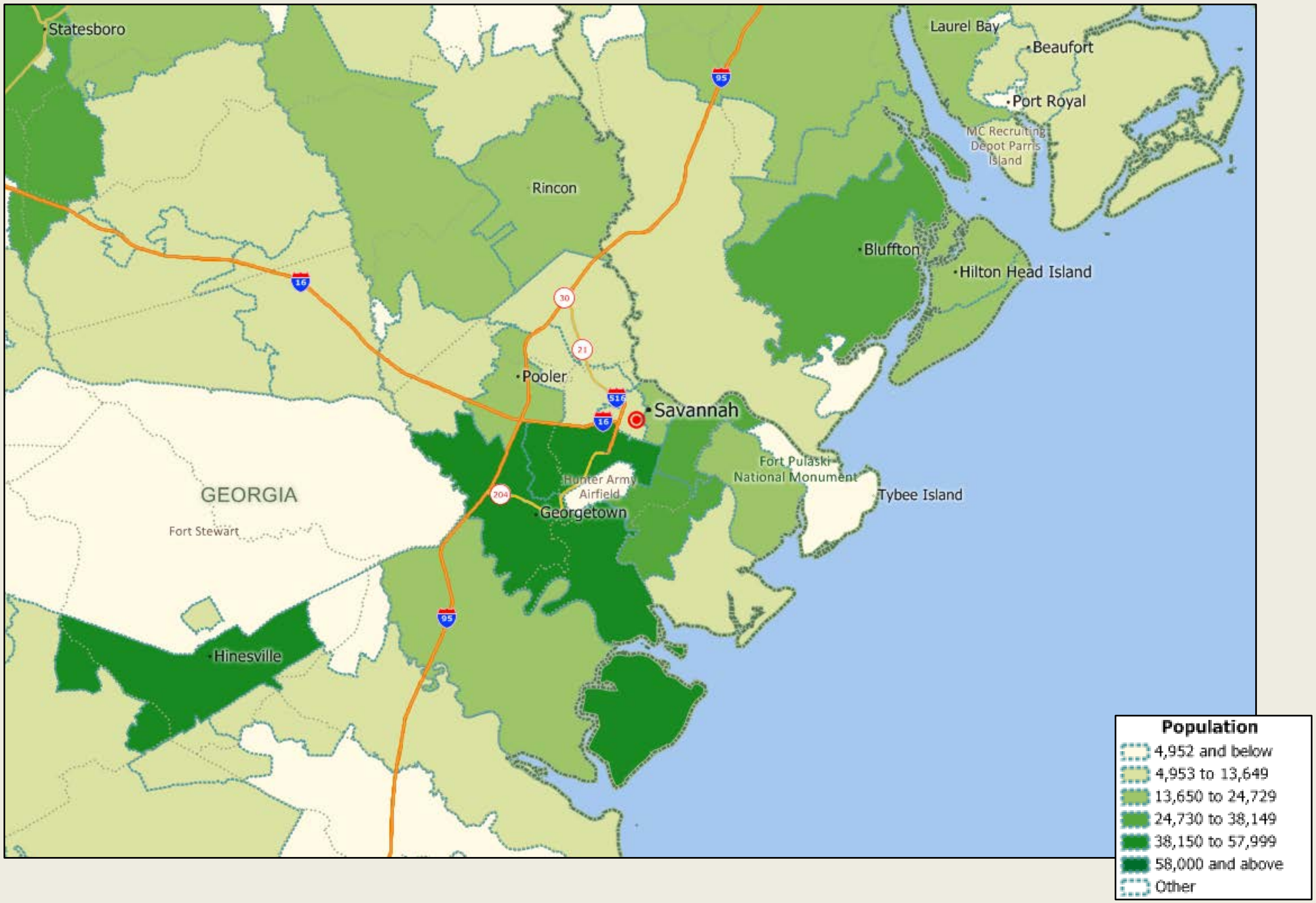
## General Market Overview – Population

| | City of Savannah | Chatham County | CBSA | Geographic Rings 20 Miles | Geographic Rings 30 Miles | Drive Time 30 Minutes |
|---|---|---|---|---|---|---|
| **Population** | | | | | | |
| 2020 Projection | 147,588 | 298,810 | 396,314 | 440,602 | 541,135 | 371,496 |
| 2015 Estimate | 142,399 | 282,799 | 373,110 | 410,717 | 505,515 | 348,617 |
| 2010 Census | 136,286 | 265,128 | 347,611 | 377,015 | 466,102 | 322,907 |
| 2000 Census | 132,395 | 232,047 | 293,001 | 294,530 | 369,922 | 263,686 |
| | | | | | | |
| Growth 2015-2020 | 3.6% | 5.7% | 6.2% | 7.3% | 7.0% | 6.6% |
| Growth 2010-2015 | 4.5% | 6.7% | 7.3% | 8.9% | 8.5% | 8.0% |
| Growth 2000-2010 | 2.9% | 14.3% | 18.6% | 28.0% | 26.0% | 22.5% |

Source: Claritas 2015.

# A. DEMOGRAPHIC OVERVIEW

## General Market Overview – Population Clusters



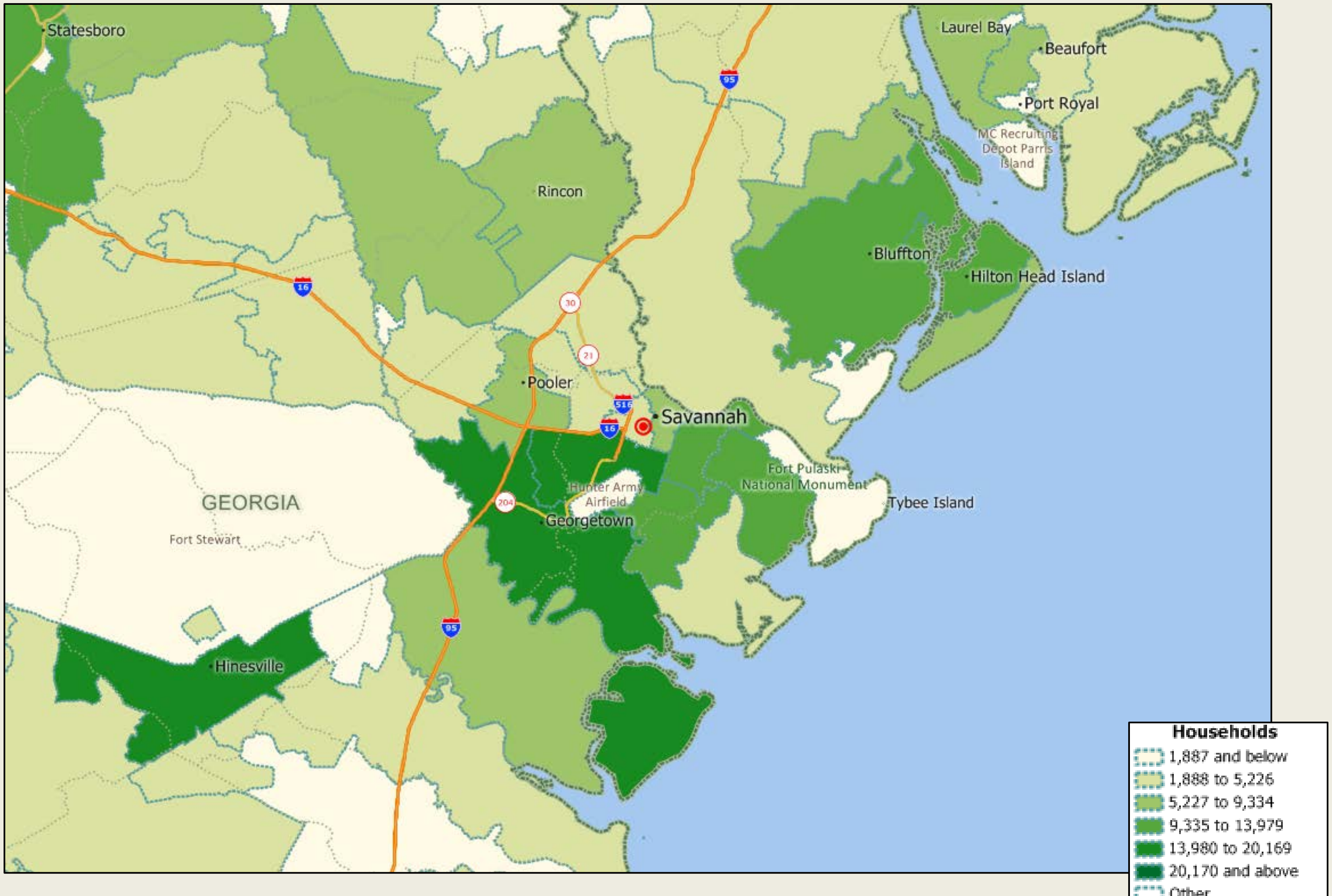
## General Market Overview – Households

| | City of Savannah | Chatham County | CBSA | Geographic Rings 20 Miles | Geographic Rings 30 Miles | Drive Time 30 Minutes |
|---|---|---|---|---|---|---|
| **Households** | | | | | | |
| 2020 Projection | 58,446 | 116,837 | 151,115 | 170,292 | 210,480 | 143,091 |
| 2015 Estimate | 56,096 | 110,406 | 142,099 | 158,797 | 196,290 | 134,189 |
| 2010 Census | 52,997 | 103,038 | 131,868 | 145,668 | 180,216 | 123,893 |
| 2000 Census | 51,734 | 89,862 | 111,100 | 113,542 | 141,087 | 101,028 |
| | | | | | | |
| Growth 2015-2020 | 4.2% | 5.8% | 6.3% | 7.2% | 7.2% | 6.6% |
| Growth 2010-2015 | 5.8% | 7.2% | 7.8% | 9.0% | 8.9% | 8.3% |
| Growth 2000-2010 | 2.4% | 14.7% | 18.7% | 28.3% | 27.7% | 22.6% |

Source: Claritas 2015.

# A. DEMOGRAPHIC OVERVIEW

## General Market Overview – Household Clusters



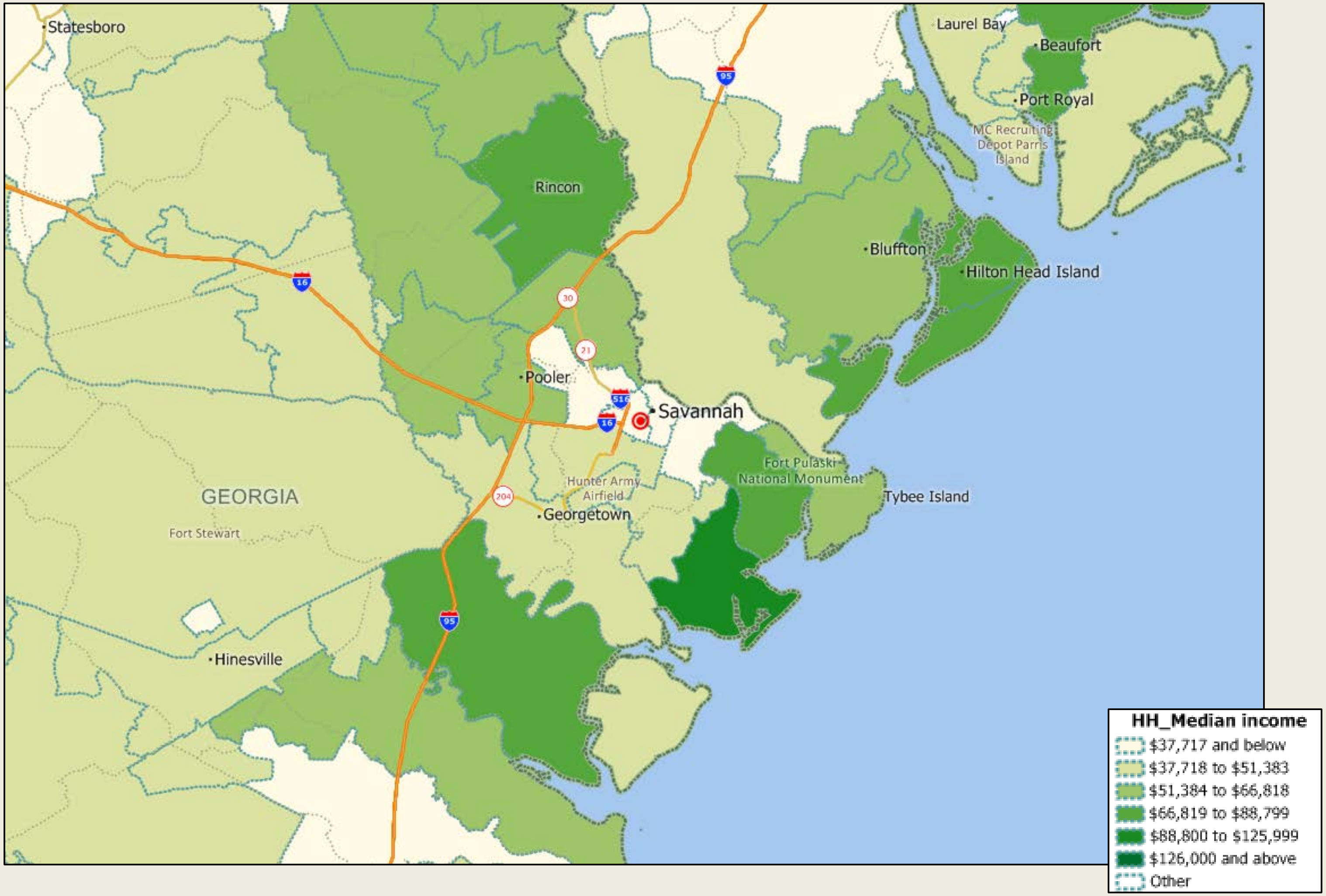
## General Market Overview – Income

| | City of Savannah | Chatham County | CBSA | Geographic Rings 20 Miles | Geographic Rings 30 Miles | Drive Time 30 Minutes |
|---|---|---|---|---|---|---|
| **Income** | | | | | | |
| 2015 Est. Average HH Income | $47,635 | $62,003 | $65,371 | $67,824 | $70,538 | $63,734 |
| 2015 Est. Median HH Income | $33,899 | $44,122 | $47,957 | $49,116 | $50,670 | $46,580 |
| HHs w/ Income $100,000+ | 5,477 | 18,127 | 26,521 | 30,425 | 39,733 | 23,442 |

Source: Claritas 2015.

# A. DEMOGRAPHIC OVERVIEW

## General Market Overview – Income Clusters



# A. DEMOGRAPHIC OVERVIEW

## General Market Overview – Corporate Base

## Largest Employers – Savannah MSA

| Employer | Service/Product | Employees |
|---|---|---|
| Gulfstream Aerospace Corporation | Jet Aircraft, Aerospace Equipment | 10,000 |
| Memorial University Medical Center | Hospital | 5,000-9,999 |
| St. Joseph’s/Candler | Hospital | 1,000-4,999 |
| Wal-Mart | Retail | 1,000-4,999 |
| Marine Terminals Corp. | Marine Cargo Handling | 1,000-4,999 |
| SSA Cooper | Marine Cargo Handling | 1,000-4,999 |
| Kroger | Retail Food | 1,000-4,999 |
| McDonalds | Restaurant | 1,000-4,999 |
| Trace Staffing Solutions | Employment Services | 1,000-4,999 |
| Savannah-Chatham County Board of Education | Public Schools | 1,000-4,999 |
| Ft. Stewart/Hunter Army Airfield | Civilian Personnel on Bases | 1,000-4,999 |
| City of Savannah | Government | 1,000-4,999 |
| Savannah College of Art & Design | Education | 1,000-4,999 |
| Chatham County | Government | 1,000-4,999 |
| YMCA of Coastal Georgia | Civic Association | 1,000-4,999 |
| Georgia-Pacific Corporation/Fort Howard Group | Paper Products | 1,000-4,999 |
| UTC Overseas | Logistics | 500-999 |
| Target | Retail | 500-999 |
| Schneider National Inc. | Trucking | 500-999 |
| Publix | Retail Food | 500-999 |
| Georgia Regional Hospital | Hospital | 500-999 |
| SouthCoast Health | Healthcare Services | 500-999 |
| Ceres Marine Terminals | Marine Cargo Handling | 500-999 |
| Coastal Home Care | Medical Care | 500-999 |
| Georgia Ports Authority | Ship Terminal Operations | 500-999 |
| Armstrong Atlantic State University | Education | 500-999 |
| Savannah State University | Education | 500-999 |
| U.S. Army Corps of Engineers | Civil Engineering | 500-999 |
| International Paper | Paper Products | 500-999 |
| Chemtall Inc. | Chemicals | 500-999 |
| JCB Inc. | Construction Equipment | 500-999 |
| Colonial Group Inc. | Petroleum Products | 250-499 |
| Effingham County Hospital Authority | Hospital | 250-499 |
| The Landings Club | Private Membership Club | 250-499 |

Source: Savannah Area Chamber of Commerce.

# A. DEMOGRAPHIC OVERVIEW

**General Market Overview – Education**

- Universities
  - Savannah College of Art and Design
    - 9,695 undergraduate students
  - Armstrong State University
    - 6,346 undergraduate students
  - Savannah State University
    - 4,769 undergraduate students
  - Georgia Tech Savannah
    - Number of students not stated
  - Ralston College
    - Founded in 2010
- Other Higher Education
  - Savannah Law School
  - Savannah Technical College
  - South University Savannah

# A. DEMOGRAPHIC OVERVIEW

**General Market Overview – Education**

- Savannah-Chatham County Public School System
  - Kindergarten to 12th grade
    - Elementary Schools: 26
    - K-8 Schools: 9
    - Middle Schools: 9
    - High Schools: 11
    - Other/Alternative Schools: 5

  - Over 38,000 students enrolled
    - Elementary Schools: 16,533
    - K-8 Schools: 6,784
    - Middle Schools: 6,070
    - High Schools: 8,733
    - Other/Alternative Schools: 598

# A. DEMOGRAPHIC OVERVIEW

**General Market Overview – Tourism**

- Figures based on 2014 statistics from Savannah Chamber of Commerce
  - 13.4 million visitors
    - 7.6 million overnight visitors
    - 5.8 day-trippers
  - Visitor spending: $2.5 billion
  - Room tax revenue: $20.7 million
- Busiest months: April, May, June
- Leisure and hospitality sector has grown steadily
  - Mid-2015 data indicated further growth
- Leisure and hospitality sector is largest economic sector of regional employment base
  - 25,000 jobs

# B. COMPARABLE MARKET ANALYSIS

# B. COMPARABLE MARKET ANALYSIS

## Median Market Overview

- Comprehensive review of demographic characteristics of comparable markets
  - Comparable market selection based on 2015 population
  - 30 markets compared to Savannah, GA CBSA (Savannah)
    - 15 markets ranking immediately above and below Savannah by population

| Markets Above Savannah, GA | Markets Below Savannah, GA |
|---|---|
| Myrtle Beach-Conway et al, SC-NC | Trenton, NJ |
| Mobile, AL | Montgomery, AL |
| Reading, PA | Hickory-Lenoir-Morganton, NC |
| Flint, MI | Huntington-Ashland, WV-KY-OH |
| Beaumont-Port Arthur, TX | Eugene, OR |
| Salem, OR | Ann Arbor, MI |
| Manchester-Nashua, NH | Naples-Immokalee et al, FL |
| Canton-Massillon, OH | Rockford, IL |
| Anchorage, AK | Ocala, FL |
| Salisbury, MD-DE | Kalamazoo-Portage, MI |
| Fayetteville, NC | Columbus, GA-AL |
| Gulfport-Biloxi-Pascagoula, MS | Fort Collins, CO |
| Davenport-Moline et al, IA-IL | Spartanburg, SC |
| Peoria, IL | Lincoln, NE |
| Tallahassee, FL | South Bend-Mishawaka, IN-MI |

- Demographic comparison focuses on several key factors that impact market demand for arena projects

# B. COMPARABLE MARKET ANALYSIS

**Median Market Overview**

- CBSA Designation
  - Arena/stadium seat inventory
- Geographic Ring Comparison – based on primary arena in each market (Appendix A)
  - 20 mile ring statistics
  - 30 mile ring statistics
- Drive Time Comparison – based on primary arena in each market (Appendix A)
  - 30 minute statistics
- High level minor league hockey demographics characteristics were also evaluated (ECHL summary included in this report)

# B. COMPARABLE MARKET ANALYSIS

## Median Market Comparison
## CBSA Designation (Summary)

- Savannah has a low number of households relative to its population
- Savannah's population is growing rapidly
- Savannah's GDP and media market are below the average of the median comparable markets
- Savannah's income levels and corporate base are near the average of the median comparable markets

**Median Comparable Market Summary - CBSA Designation Overview**

| Statistical Measure | Savannah | Rank of 31 | Average - (1) |
|---|---|---|---|
| 2015 Population (000s) | 373.1 | 16 | 372.0 |
| 2020 Population (000s) | 396.3 | 13 | 382.6 |
| Est. % Growth 2015-20 | 6.22% | 5 | 2.87% |
| 2015 Households (000s) | 142.1 | 21 | 146.3 |
| 2020 Households (000s) | 151.1 | 18 | 150.9 |
| Est. % Growth 2015-20 | 6.34% | 6 | 3.22% |
| Average Household Income | $65,371 | 13 | $66,589 |
| Median Household Income | $47,957 | 13 | $50,203 |
| High Income Households (000s) | 26.5 | 14 | 27.6 |
| Average Age | 37.0 | 5 | 39.3 |
| Median Age | 34.8 | 7 | 38.7 |
| Unemployment Rate | 6.1% | 15 | 5.8% |
| Economy Size (GDP - Billions) | $14.8 | 16 | $16.5 |
| TV Population | 785.6 | 15 | 1,747.0 |
| TV Households | 333.6 | 15 | 754.3 |
| Radio Population | 312.6 | 19 | 485.6 |
| Companies w/ $20+mm Sales | 126 | 16 | 130 |
| Companies w/ 500+ Employees | 30 | 13 | 29 |

(1) - Average excludes Savannah.

Source: Claritas 2015, BLS 2015, Hoovers 2015, Nielsen/Arbitron 2014/15, and U.S. BEA.

# B. COMPARABLE MARKET ANALYSIS

## Median Market Comparison

## CBSA Designation (Population)

- Savannah's population represents the midpoint of the median comparable markets
- Savannah's growth rate is above the average of the median comparable markets
- Relative to its population, Savannah has a low number of households

| CBSA | 2015 Population (000s) | Rank | 2020 Population (000s) | Rank | Est. % Growth 2015-2020 | Rank | 2015 Households (000s) | Rank | 2020 Households (000s) | Rank | Est. % Growth 2015-2020 | Rank |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Myrtle Beach-Conway et al, SC-NC | 418.7 | *1* | 455.9 | *1* | 8.89% | *1* | 176.9 | *1* | 193.1 | *1* | 9.17% | *1* |
| Mobile, AL | 414.7 | *2* | 418.7 | *5* | 0.97% | *23* | 159.9 | *4* | 161.8 | *5* | 1.22% | *24* |
| Reading, PA | 414.3 | *3* | 417.8 | *6* | 0.83% | *25* | 154.9 | *7* | 155.9 | *13* | 0.68% | *26* |
| Flint, MI | 410.9 | *4* | 400.4 | *12* | -2.55% | *31* | 164.4 | *2* | 160.9 | *6* | -2.13% | *31* |
| Beaumont-Port Arthur, TX | 409.2 | *5* | 420.5 | *4* | 2.78% | *16* | 153.3 | *10* | 158.0 | *9* | 3.10% | *17* |
| Salem, OR | 405.3 | *6* | 421.1 | *3* | 3.91% | *11* | 146.1 | *17* | 152.1 | *17* | 4.10% | *11* |
| Manchester-Nashua, NH | 404.0 | *7* | 407.7 | *9* | 0.93% | *24* | 157.8 | *6* | 159.9 | *8* | 1.33% | *23* |
| Canton-Massillon, OH | 403.6 | *8* | 404.2 | *10* | 0.14% | *27* | 163.5 | *3* | 164.6 | *2* | 0.64% | *27* |
| Anchorage, AK | 402.4 | *9* | 423.4 | *2* | 5.22% | *8* | 147.9 | *15* | 156.2 | *11* | 5.61% | *7* |
| Salisbury, MD-DE | 390.8 | *10* | 408.7 | *8* | 4.57% | *9* | 154.6 | *8* | 161.9 | *4* | 4.73% | *9* |
| Fayetteville, NC | 388.8 | *11* | 411.6 | *7* | 5.86% | *6* | 150.6 | *12* | 160.6 | *7* | 6.68% | *5* |
| Gulfport-Biloxi-Pascagoula, MS | 387.7 | *12* | 401.9 | *11* | 3.66% | *13* | 148.4 | *14* | 154.5 | *15* | 4.09% | *12* |
| Davenport-Moline et al, IA-IL | 385.4 | *13* | 391.5 | *14* | 1.58% | *20* | 158.8 | *5* | 162.2 | *3* | 2.14% | *19* |
| Peoria, IL | 383.8 | *14* | 388.7 | *15* | 1.27% | *21* | 154.5 | *9* | 157.0 | *10* | 1.63% | *21* |
| Tallahassee, FL | 375.9 | *15* | 388.3 | *16* | 3.30% | *14* | 147.4 | *16* | 152.7 | *16* | 3.60% | *14* |
| **Savannah, GA** | **373.1** | ***16*** | **396.3** | ***13*** | **6.22%** | ***5*** | **142.1** | ***21*** | **151.1** | ***18*** | **6.34%** | ***6*** |
| Trenton, NJ | 372.2 | *17* | 378.6 | *17* | 1.71% | *19* | 135.2 | *24* | 138.0 | *25* | 2.05% | *20* |
| Montgomery, AL | 371.0 | *18* | 369.0 | *21* | -0.54% | *29* | 142.1 | *22* | 141.8 | *24* | -0.20% | *29* |
| Hickory-Lenoir-Morganton, NC | 364.0 | *19* | 368.6 | *22* | 1.25% | *22* | 144.4 | *19* | 146.6 | *22* | 1.50% | *22* |
| Huntington-Ashland, WV-KY-OH | 363.3 | *20* | 362.8 | *23* | -0.15% | *28* | 148.7 | *13* | 148.9 | *19* | 0.14% | *28* |
| Eugene, OR | 359.1 | *21* | 369.0 | *20* | 2.76% | *17* | 150.6 | *11* | 155.9 | *14* | 3.50% | *15* |
| Ann Arbor, MI | 358.6 | *22* | 369.6 | *19* | 3.08% | *15* | 143.4 | *20* | 148.2 | *20* | 3.38% | *16* |
| Naples-Immokalee et al, FL | 348.2 | *23* | 374.2 | *18* | 7.45% | *3* | 144.7 | *18* | 155.9 | *12* | 7.77% | *4* |
| Rockford, IL | 342.5 | *24* | 337.9 | *28* | -1.32% | *30* | 131.3 | *27* | 129.6 | *29* | -1.32% | *30* |
| Ocala, FL | 341.6 | *25* | 355.8 | *24* | 4.15% | *10* | 141.8 | *23* | 147.7 | *21* | 4.11% | *10* |
| Kalamazoo-Portage, MI | 334.9 | *26* | 341.9 | *27* | 2.08% | *18* | 133.6 | *25* | 137.0 | *27* | 2.49% | *18* |
| Columbus, GA-AL | 326.3 | *27* | 352.3 | *25* | 7.97% | *2* | 126.5 | *29* | 137.3 | *26* | 8.58% | *2* |
| Fort Collins, CO | 323.8 | *28* | 346.6 | *26* | 7.04% | *4* | 132.0 | *26* | 142.5 | *23* | 7.98% | *3* |
| Spartanburg, SC | 321.9 | *29* | 333.8 | *30* | 3.71% | *12* | 124.6 | *30* | 129.2 | *30* | 3.70% | *13* |
| Lincoln, NE | 319.7 | *30* | 336.5 | *29* | 5.25% | *7* | 126.9 | *28* | 133.9 | *28* | 5.52% | *8* |
| South Bend-Mishawaka, IN-MI | 318.3 | *31* | 319.7 | *31* | 0.41% | *26* | 123.8 | *31* | 124.6 | *31* | 0.69% | *25* |
| Average (Ex. Savannah) | 372.0 | | 382.6 | | 2.87% | | 146.3 | | 150.9 | | 3.22% | |

Source: Claritas 2015.

# B. COMPARABLE MARKET ANALYSIS

## Median Market Comparison
## CBSA Designation (Income)

- Savannah's income levels are slightly below the average of the median comparable markets
- Savannah's number of high income households is also slightly below the average

| CBSA | Average Household Income | Rank | Median Household Income | Rank | HHs w/ Income $100,000+ (000s) | Rank |
|---|---|---|---|---|---|---|
| Trenton, NJ | $102,829 | *1* | $72,375 | *2* | 49.4 | *3* |
| Anchorage, AK | $97,444 | *2* | $76,147 | *1* | 54.1 | *1* |
| Manchester-Nashua, NH | $90,454 | *3* | $71,522 | *3* | 51.4 | *2* |
| Ann Arbor, MI | $82,713 | *4* | $59,215 | *4* | 39.6 | *4* |
| Naples-Immokalee et al, FL | $82,310 | *5* | $55,065 | *7* | 34.0 | *6* |
| Fort Collins, CO | $75,622 | *6* | $58,358 | *5* | 31.9 | *9* |
| Lincoln, NE | $71,803 | *7* | $54,256 | *8* | 27.2 | *13* |
| Peoria, IL | $71,533 | *8* | $56,481 | *6* | 34.8 | *5* |
| Davenport-Moline et al, IA-IL | $70,447 | *9* | $53,297 | *11* | 32.6 | *7* |
| Reading, PA | $70,214 | *10* | $54,255 | *9* | 31.7 | *10* |
| Salisbury, MD-DE | $69,425 | *11* | $53,442 | *10* | 32.0 | *8* |
| Rockford, IL | $66,628 | *12* | $51,750 | *12* | 24.0 | *16* |
| **Savannah, GA** | **$65,371** | ***13*** | **$47,957** | ***13*** | **26.5** | ***14*** |
| Tallahassee, FL | $64,874 | *14* | $47,360 | *14* | 28.4 | *11* |
| Beaumont-Port Arthur, TX | $62,506 | *15* | $45,727 | *18* | 27.3 | *12* |
| Montgomery, AL | $62,327 | *16* | $47,260 | *15* | 24.8 | *15* |
| Columbus, GA-AL | $62,092 | *17* | $45,146 | *22* | 20.5 | *27* |
| South Bend-Mishawaka, IN-MI | $60,765 | *18* | $45,463 | *20* | 19.0 | *28* |
| Kalamazoo-Portage, MI | $60,534 | *19* | $45,159 | *21* | 21.4 | *24* |
| Huntington-Ashland, WV-KY-OH | $59,018 | *20* | $43,936 | *23* | 22.9 | *18* |
| Fayetteville, NC | $58,887 | *21* | $46,895 | *16* | 21.9 | *22* |
| Canton-Massillon, OH | $58,421 | *22* | $45,656 | *19* | 23.4 | *17* |
| Gulfport-Biloxi-Pascagoula, MS | $58,019 | *23* | $42,800 | *25* | 21.0 | *26* |
| Salem, OR | $57,987 | *24* | $46,167 | *17* | 21.2 | *25* |
| Mobile, AL | $56,924 | *25* | $42,385 | *27* | 22.6 | *19* |
| Eugene, OR | $56,608 | *26* | $42,853 | *24* | 21.5 | *23* |
| Myrtle Beach-Conway et al, SC-NC | $55,966 | *27* | $42,633 | *26* | 22.4 | *20* |
| Flint, MI | $54,621 | *28* | $41,906 | *28* | 22.1 | *21* |
| Spartanburg, SC | $53,530 | *29* | $41,246 | *29* | 15.9 | *30* |
| Hickory-Lenoir-Morganton, NC | $52,959 | *30* | $39,419 | *30* | 16.0 | *29* |
| Ocala, FL | $50,207 | *31* | $37,908 | *31* | 13.0 | *31* |
| Average (Ex. Savannah) | $66,589 | | $50,203 | | 27.6 | |

Source: Claritas 2015.

# B. COMPARABLE MARKET ANALYSIS

## Median Market Comparison

## CBSA Designation (Age)

- Savannah has a relatively young population compared to the average of the median comparable markets

| CBSA | Average Age | *Rank* | Median Age | *Rank* |
|---|---|---|---|---|
| Fayetteville, NC | 34.8 | *1* | 32.4 | *1* |
| Anchorage, AK | 35.7 | *2* | 34.2 | *4* |
| Lincoln, NE | 36.6 | *3* | 33.8 | *3* |
| Columbus, GA-AL | 36.6 | *3* | 34.4 | *5* |
| **Savannah, GA** | **37.0** | ***5*** | **34.8** | ***7*** |
| Tallahassee, FL | 37.0 | *5* | 33.5 | *2* |
| Ann Arbor, MI | 37.3 | *7* | 34.6 | *6* |
| Montgomery, AL | 37.7 | *8* | 36.4 | *10* |
| Salem, OR | 37.8 | *9* | 36.2 | *9* |
| Kalamazoo-Portage, MI | 38.1 | *10* | 35.9 | *8* |
| Gulfport-Biloxi-Pascagoula, MS | 38.2 | *11* | 37.4 | *14* |
| Beaumont-Port Arthur, TX | 38.3 | *12* | 37.1 | *12* |
| Mobile, AL | 38.3 | *12* | 37.2 | *13* |
| Fort Collins, CO | 38.6 | *14* | 36.6 | *11* |
| South Bend-Mishawaka, IN-MI | 38.9 | *15* | 37.9 | *15* |
| Trenton, NJ | 39.0 | *16* | 38.6 | *16* |
| Rockford, IL | 39.1 | *17* | 38.8 | *17* |
| Spartanburg, SC | 39.1 | *17* | 38.8 | *17* |
| Flint, MI | 39.4 | *19* | 39.4 | *20* |
| Peoria, IL | 39.6 | *20* | 39.0 | *19* |
| Reading, PA | 39.7 | *21* | 39.5 | *21* |
| Manchester-Nashua, NH | 39.8 | *22* | 40.5 | *24* |
| Davenport-Moline et al, IA-IL | 39.9 | *23* | 39.7 | *22* |
| Eugene, OR | 40.8 | *24* | 39.9 | *23* |
| Hickory-Lenoir-Morganton, NC | 40.9 | *25* | 41.8 | *26* |
| Huntington-Ashland, WV-KY-OH | 41.0 | *26* | 41.3 | *25* |
| Canton-Massillon, OH | 41.3 | *27* | 41.9 | *27* |
| Salisbury, MD-DE | 42.3 | *28* | 43.6 | *28* |
| Myrtle Beach-Conway et al, SC-NC | 43.0 | *29* | 44.6 | *29* |
| Ocala, FL | 45.6 | *30* | 48.1 | *30* |
| Naples-Immokalee et al, FL | 46.0 | *31* | 48.3 | *31* |
| Average (Ex. Savannah) | 39.3 | | 38.7 | |

Source: Claritas 2015.

# B. COMPARABLE MARKET ANALYSIS

## Median Market Comparison

## CBSA Designation (Unemployment)

- Savannah's unemployment rate is above the average of the median comparable markets

| CBSA | Unemployment Rate | *Rank* |
|---|---|---|
| Lincoln, NE | 2.6% | *1* |
| Manchester-Nashua, NH | 3.4% | *2* |
| Fort Collins, CO | 3.8% | *3* |
| Ann Arbor, MI | 4.3% | *4* |
| Trenton, NJ | 4.9% | *5* |
| Davenport-Moline et al, IA-IL | 5.0% | *6* |
| Canton-Massillon, OH | 5.1% | *7* |
| South Bend-Mishawaka, IN-MI | 5.1% | *7* |
| Kalamazoo-Portage, MI | 5.1% | *7* |
| Naples-Immokalee et al, FL | 5.3% | *10* |
| Reading, PA | 5.3% | *10* |
| Tallahassee, FL | 5.4% | *12* |
| Peoria, IL | 5.7% | *13* |
| Salisbury, MD-DE | 5.7% | *13* |
| Anchorage, AK | 6.1% | *15* |
| Eugene, OR | 6.1% | *15* |
| Rockford, IL | 6.1% | *15* |
| Salem, OR | 6.1% | *15* |
| **Savannah, GA** | **6.1%** | ***15*** |
| Hickory-Lenoir-Morganton, NC | 6.2% | *20* |
| Flint, MI | 6.3% | *21* |
| Beaumont-Port Arthur, TX | 6.3% | *21* |
| Ocala, FL | 6.5% | *23* |
| Montgomery, AL | 6.5% | *23* |
| Huntington-Ashland, WV-KY-OH | 6.5% | *23* |
| Gulfport-Biloxi-Pascagoula, MS | 6.8% | *26* |
| Myrtle Beach-Conway et al, SC-NC | 6.8% | *26* |
| Spartanburg, SC | 6.9% | *28* |
| Columbus, GA-AL | 7.4% | *29* |
| Mobile, AL | 7.7% | *30* |
| Fayetteville, NC | 7.8% | *31* |
| | | |
| Average (Ex. Savannah) | 5.76% | |

Source: BLS 2015.

# B. COMPARABLE MARKET ANALYSIS

## Median Market Comparison
## CBSA Designation (GDP)

- Savannah's GDP is below the average of the median comparable markets

| CBSA | Economy Size (GDP-Billions) | *Rank* |
|---|---|---|
| Anchorage, AK | $31.6 | *1* |
| Trenton, NJ | $29.4 | *2* |
| Beaumont-Port Arthur, TX | $24.1 | *3* |
| Manchester-Nashua, NH | $23.6 | *4* |
| Peoria, IL | $20.5 | *5* |
| Ann Arbor, MI | $20.4 | *6* |
| Davenport-Moline et al, IA-IL | $19.4 | *7* |
| Mobile, AL | $18.4 | *8* |
| Fayetteville, NC | $17.3 | *9* |
| Lincoln, NE | $16.6 | *10* |
| Montgomery, AL | $16.5 | *11* |
| Reading, PA | $16.2 | *12* |
| Gulfport-Biloxi-Pascagoula, MS | $16.2 | *13* |
| Canton-Massillon, OH | $15.7 | *14* |
| Myrtle Beach-Conway et al, SC-NC | $15.1 | *15* |
| **Savannah, GA** | **$14.8** | ***16*** |
| Naples-Immokalee et al, FL | $14.4 | *17* |
| Salisbury, MD-DE | $14.1 | *18* |
| Kalamazoo-Portage, MI | $13.9 | *19* |
| Rockford, IL | $13.8 | *20* |
| Tallahassee, FL | $13.8 | *21* |
| Huntington-Ashland, WV-KY-OH | $13.6 | *22* |
| Salem, OR | $13.4 | *23* |
| South Bend-Mishawaka, IN-MI | $13.4 | *24* |
| Fort Collins, CO | $13.2 | *25* |
| Eugene, OR | $13.2 | *26* |
| Columbus, GA-AL | $13.0 | *27* |
| Spartanburg, SC | $12.9 | *28* |
| Flint, MI | $12.6 | *29* |
| Hickory-Lenoir-Morganton, NC | $12.4 | *30* |
| Ocala, FL | $7.4 | *31* |
| Average (Ex. Savannah) | $16.5 | |

Source: U.S. BEA.

# B. COMPARABLE MARKET ANALYSIS

## Median Market Comparison
## CBSA Designation (Media Market)

- Savannah's TV and radio markets are below the averages of the median comparable markets
- It is important to note that several comparable markets fall within the DMAs of large cities
  - Reading and Trenton – Philadelphia
  - Manchester-Nashua – Boston
  - Ann Arbor – Detroit
  - Fort Collins – Denver
  - Canton-Massillon – Cleveland
- Due to the unlikely presence of a potential major sporting tenant at the proposed arena, we have only included these statistics for illustrative purposes

| CBSA | TV Population (000s) | *Rank* | TV Households (000s) | *Rank* | Radio Population (000s) | *Rank* |
|---|---|---|---|---|---|---|
| Reading, PA | 6,924.6 | *1* | 2,953.8 | *1* | 353.3 | *9* |
| Trenton, NJ | 6,924.6 | *1* | 2,953.8 | *1* | 320.2 | *15* |
| Manchester-Nashua, NH | 5,663.1 | *3* | 2,423.6 | *3* | 199.1 | *31* |
| Ann Arbor, MI | 4,151.8 | *4* | 1,833.3 | *4* | 312.8 | *18* |
| Fort Collins, CO | 3,653.1 | *5* | 1,565.8 | *5* | 447.6 | *7* |
| Canton-Massillon, OH | 3,293.2 | *6* | 1,469.2 | *6* | 347.6 | *11* |
| Salem, OR | 2,770.5 | *7* | 1,154.1 | *7* | 2,212.1 | *1* |
| Hickory-Lenoir-Morganton, NC | 2,632.5 | *8* | 1,154.0 | *8* | 2,151.7 | *2* |
| Fayetteville, NC | 2,608.9 | *9* | 1,135.9 | *9* | 386.1 | *8* |
| Kalamazoo-Portage, MI | 1,707.4 | *10* | 724.1 | *10* | 222.5 | *30* |
| Mobile, AL | 1,225.9 | *11* | 530.6 | *11* | 521.0 | *6* |
| Naples-Immokalee et al, FL | 1,125.4 | *12* | 506.6 | *12* | 899.9 | *4* |
| Huntington-Ashland, WV-KY-OH | 989.5 | *13* | 441.5 | *13* | 268.8 | *25* |
| Flint, MI | 988.9 | *14* | 435.3 | *14* | 348.3 | *10* |
| **Savannah, GA** | **785.6** | ***15*** | **333.6** | ***15*** | **312.6** | ***19*** |
| South Bend-Mishawaka, IN-MI | 748.3 | *16* | 312.7 | *16* | 224.8 | *29* |
| Davenport-Moline et al, IA-IL | 657.5 | *17* | 299.0 | *17* | 312.3 | *20* |
| Myrtle Beach-Conway et al, SC-NC | 652.9 | *18* | 286.6 | *18* | 313.3 | *17* |
| Tallahassee, FL | 641.1 | *19* | 268.1 | *20* | 275.9 | *24* |
| Lincoln, NE | 617.1 | *20* | 277.1 | *19* | 254.0 | *26* |
| Peoria, IL | 556.9 | *21* | 242.5 | *21* | 308.8 | *21* |
| Eugene, OR | 544.0 | *22* | 235.3 | *22* | 315.4 | *16* |
| Montgomery, AL | 531.5 | *23* | 232.3 | *23* | 303.2 | *22* |
| Columbus, GA-AL | 511.6 | *24* | 222.6 | *24* | 235.2 | *28* |
| Rockford, IL | 402.5 | *25* | 175.0 | *25* | 288.4 | *23* |
| Beaumont-Port Arthur, TX | 393.4 | *26* | 164.9 | *26* | 331.9 | *13* |
| Anchorage, AK | 382.4 | *27* | 154.4 | *28* | 253.0 | *27* |
| Salisbury, MD-DE | 366.8 | *28* | 159.1 | *27* | 338.8 | *12* |
| Gulfport-Biloxi-Pascagoula, MS | 300.8 | *29* | 129.0 | *29* | 324.7 | *14* |
| Ocala, FL | 287.1 | *30* | 123.3 | *30* | 573.3 | *5* |
| Spartanburg, SC | 156.9 | *31* | 65.2 | *31* | 924.3 | *3* |
| Average (Ex. Savannah) | 1,747.0 | | 754.3 | | 485.6 | |

Source: Nielsen/Arbitron 2014/15.

# B. COMPARABLE MARKET ANALYSIS

## Median Market Comparison
## CBSA Designation (Corporate Base)

- Savannah is near the average of the median comparable markets in terms of companies with a high volume of sales and a large number of employees

| CBSA | Companies w/ $20mm Sales | *Rank* | Companies w/ 500+ Employees | *Rank* |
|---|---|---|---|---|
| Trenton, NJ | 259 | *1* | 81 | *1* |
| Anchorage, AK | 229 | *2* | 29 | *14* |
| Canton-Massillon, OH | 193 | *3* | 41 | *3* |
| Manchester-Nashua, NH | 191 | *4* | 32 | *10* |
| Reading, PA | 190 | *5* | 33 | *8* |
| Mobile, AL | 169 | *6* | 26 | *18* |
| Davenport-Moline et al, IA-IL | 166 | *7* | 31 | *11* |
| Hickory-Lenoir-Morganton, NC | 163 | *8* | 26 | *18* |
| Ann Arbor, MI | 156 | *9* | 39 | *4* |
| Peoria, IL | 142 | *10* | 36 | *6* |
| Rockford, IL | 140 | *11* | 22 | *22* |
| Eugene, OR | 135 | *12* | 21 | *24* |
| Spartanburg, SC | 134 | *13* | 25 | *20* |
| Lincoln, NE | 133 | *14* | 35 | *7* |
| Montgomery, AL | 131 | *15* | 38 | *5* |
| **Savannah, GA** | **126** | ***16*** | **30** | ***13*** |
| South Bend-Mishawaka, IN-MI | 123 | *17* | 21 | *24* |
| Beaumont-Port Arthur, TX | 121 | *18* | 31 | *11* |
| Kalamazoo-Portage, MI | 120 | *19* | 21 | *24* |
| Huntington-Ashland, WV-KY-OH | 118 | *20* | 24 | *21* |
| Flint, MI | 103 | *21* | 17 | *28* |
| Tallahassee, FL | 93 | *22* | 49 | *2* |
| Gulfport-Biloxi-Pascagoula, MS | 92 | *23* | 27 | *15* |
| Salisbury, MD-DE | 92 | *23* | 13 | *30* |
| Salem, OR | 89 | *25* | 27 | *15* |
| Naples-Immokalee et al, FL | 86 | *26* | 11 | *31* |
| Fort Collins, CO | 80 | *27* | 33 | *8* |
| Columbus, GA-AL | 69 | *28* | 22 | *22* |
| Myrtle Beach-Conway et al, SC-NC | 65 | *29* | 17 | *28* |
| Ocala, FL | 61 | *30* | 18 | *27* |
| Fayetteville, NC | 42 | *31* | 27 | *15* |
| Average (Ex. Savannah) | 130 | | 29 | |

Source: Hoovers 2015.

# B. COMPARABLE MARKET ANALYSIS

## Median Market Comparison
## 20 Mile Ring Designation (Summary)

- Savannah is below the average of the median comparable markets in terms of population, households, high income households, and corporate base

- Savannah's income levels are near the average of the median comparable markets

| Median Comparable Market Summary - 20 Mile Ring Designation Overview | | | |
|---|---|---|---|
| **Statistical Measure** | **Savannah** | **Rank of 31** | **Average - (1)** |
| 2015 Population (000s) | 410.7 | 13 | 453.9 |
| 2020 Population (000s) | 440.6 | 13 | 466.0 |
| Est. % Growth 2015-20 | 7.28% | 4 | 3.05% |
| 2015 Households (000s) | 158.8 | 14 | 176.9 |
| 2020 Households (000s) | 170.3 | 12 | 182.2 |
| Est. % Growth 2015-20 | 7.24% | 5 | 3.34% |
| Average Household Income | $67,824 | 11 | $66,962 |
| Median Household Income | $49,116 | 13 | $50,798 |
| High Income Households (000s) | 30.4 | 12 | 37.1 |
| Average Age | 38.1 | 11 | 39.2 |
| Median Age | 36.2 | 8 | 38.6 |
| Companies w/ $20+mm Sales | 136 | 15 | 206 |
| Companies w/ 500+ Employees | 31 | 14 | 41 |

(1) - Average excludes Savannah.
Source: Claritas 2015 and Hoovers 2015.

# B. COMPARABLE MARKET ANALYSIS

## Median Market Comparison

## 30 Mile Ring Designation (Summary)

- Savannah's ranking declines in terms of population, households, high income households, and corporate base with a larger ring designation

- Income levels remain close to the average

| Median Comparable Market Summary - 30 Mile Ring Designation Overview | | | |
|---|---|---|---|
| **Statistical Measure** | **Savannah** | **Rank of 31** | **Average - (1)** |
| 2015 Population (000s) | 505.5 | 18 | 816.0 |
| 2020 Population (000s) | 541.1 | 18 | 836.3 |
| Est. % Growth 2015-20 | 7.05% | 5 | 3.07% |
| 2015 Households (000s) | 196.3 | 18 | 316.9 |
| 2020 Households (000s) | 210.5 | 18 | 325.8 |
| Est. % Growth 2015-20 | 7.23% | 5 | 3.39% |
| Average Household Income | $70,538 | 10 | $67,219 |
| Median Household Income | $50,670 | 13 | $50,826 |
| High Income Households (000s) | 39.7 | 14 | 69.8 |
| Average Age | 38.8 | 12 | 39.6 |
| Median Age | 37.3 | 10 | 39.2 |
| Companies w/ $20+mm Sales | 165 | 18 | 416 |
| Companies w/ 500+ Employees | 37 | 18 | 83 |

(1) - Average excludes Savannah.

Source: Claritas 2015 and Hoovers 2015.

# B. COMPARABLE MARKET ANALYSIS

## Median Market Comparison

## 30 Minute Drive Time Designation (Summary)

- Savannah is below the average of the median comparable markets in terms of population, households, income, and high income households

**Median Comparable Market Summary - 30 Minute Drive Time Designation Overview**

| Statistical Measure | Savannah | Rank of 31 | Average - (1) |
|---|---|---|---|
| 2015 Population (000s) | 348.6 | 15 | 432.7 |
| 2020 Population (000s) | 371.5 | 14 | 444.0 |
| Est. % Growth 2015-20 | 6.56% | 5 | 3.07% |
| 2015 Households (000s) | 134.2 | 19 | 169.3 |
| 2020 Households (000s) | 143.1 | 16 | 174.3 |
| Est. % Growth 2015-20 | 6.63% | 5 | 3.35% |
| Average Household Income | $63,734 | 14 | $67,039 |
| Median Household Income | $46,580 | 16 | $50,709 |
| High Income Households (000s) | 23.4 | 18 | 35.7 |
| Average Age | 37.3 | 7 | 39.1 |
| Median Age | 34.9 | 6 | 38.3 |

(1) - Average excludes Savannah.
Source: Claritas 2015.

# B. COMPARABLE MARKET ANALYSIS

**Median Market Comparison**
**Arena/Stadium/Other Seat Inventory**

- Consideration given to arenas, stadiums, theaters, auditoriums, amphitheaters, etc. with a minimum of 3,000 seats (based on a review of limited available public information)

- Inventory located within the Savannah CBSA market
  - Potential New Arena
    - Assumed characteristics for comparison: 8,500 seats, 12 suites, 400 club seats
  - Martin Luther King, Jr. Arena
  - Grayson Stadium
  - Tiger Arena
  - Ted Wright Stadium
  - Alumni Arena
  - Memorial Stadium

- Reviewed, but did not include the following facilities located within the Savannah CBSA market
  - Johnny Mercer Theatre
  - Lucas Theatre
  - Trustees Theater
  - Savannah Theatre
  - Roebling Road Raceway

# B. COMPARABLE MARKET ANALYSIS

## Median Market Comparison

## Population per Seat

- Savannah is below the average of the median comparable markets in terms of population per seat
- Savannah has more seats than the average of the median comparable markets, and is well above the average when outliers are excluded

| CBSA | Total Seating Capacity | *Rank* | 2015 Population (000s) | *Rank* | Population per Seat | *Rank* |
|---|---|---|---|---|---|---|
| Salem, OR | 8,900 | *31* | 405.3 | *6* | 45.5 | *1* |
| Salisbury, MD-DE | 10,800 | *29* | 390.8 | *10* | 36.2 | *2* |
| Rockford, IL | 9,700 | *30* | 342.5 | *26* | 35.3 | *3* |
| Anchorage, AK | 14,500 | *26* | 402.4 | *9* | 27.8 | *4* |
| Flint, MI | 15,021 | *25* | 410.9 | *4* | 27.4 | *5* |
| Gulfport-Biloxi-Pascagoula, MS | 14,276 | *27* | 387.7 | *12* | 27.2 | *6* |
| Hickory-Lenoir-Morganton, NC | 13,562 | *28* | 364.0 | *21* | 26.8 | *7* |
| Reading, PA | 16,160 | *23* | 414.3 | *3* | 25.6 | *8* |
| Trenton, NJ | 15,150 | *24* | 372.2 | *19* | 24.6 | *9* |
| Manchester-Nashua, NH | 16,519 | *22* | 404.0 | *7* | 24.5 | *10* |
| Davenport-Moline et al, IA-IL | 16,700 | *21* | 385.4 | *13* | 23.1 | *11* |
| Peoria, IL | 18,560 | *20* | 383.8 | *14* | 20.7 | *12* |
| Spartanburg, SC | 19,700 | *19* | 321.9 | *31* | 16.3 | *13* |
| Myrtle Beach-Conway et al, SC-NC | 27,413 | *18* | 418.7 | *1* | 15.3 | *14* |
| Fayetteville, NC | 29,900 | *16* | 388.8 | *11* | 13.0 | *15* |
| Canton-Massillon, OH | 33,190 | *15* | 403.6 | *8* | 12.2 | *16* |
| Columbus, GA-AL | 27,500 | *17* | 326.3 | *29* | 11.9 | *17* |
| Beaumont-Port Arthur, TX | 43,080 | *14* | 409.2 | *5* | 9.5 | *18* |
| **Savannah, GA (Current)** | **44,700** | ***13*** | **373.1** | ***16*** | **8.3** | ***19*** |
| **Savannah, GA (Replacing MLK with New Arena)** | **46,000** | ***12*** | **373.1** | ***16*** | **8.1** | ***20*** |
| **Savannah, GA (Adding New Arena)** | **53,200** | ***9*** | **373.1** | ***16*** | **7.0** | ***21*** |
| Kalamazoo-Portage, MI | 48,234 | *11* | 334.9 | *28* | 6.9 | *22* |
| Huntington-Ashland, WV-KY-OH | 54,564 | *8* | 363.3 | *22* | 6.7 | *23* |
| Mobile, AL | 66,153 | *7* | 414.7 | *2* | 6.3 | *24* |
| Fort Collins, CO | 52,639 | *10* | 323.8 | *30* | 6.2 | *25* |
| Eugene, OR | 75,364 | *6* | 359.1 | *23* | 4.8 | *26* |
| Montgomery, AL | 85,900 | *5* | 371.0 | *20* | 4.3 | *27* |
| South Bend-Mishawaka, IN-MI | 99,966 | *4* | 318.3 | *33* | 3.2 | *28* |
| Tallahassee, FL | 139,739 | *2* | 375.9 | *15* | 2.7 | *29* |
| Lincoln, NE | 129,917 | *3* | 319.7 | *32* | 2.5 | *30* |
| Ann Arbor, MI | 167,913 | *1* | 358.6 | *24* | 2.1 | *31* |
| Naples-Immokalee et al, FL | 0 | *32* | 348.2 | *25* | NA | *NA* |
| Ocala, FL | 0 | *32* | 341.6 | *27* | NA | *NA* |
| Average (Ex. Savannah) | 42,367 | | 372.0 | | 16.7 | |
| Average (Ex. Savannah and Outliers) - (1) | 26,325 | | 377.2 | | 19.7 | |

(1) Outliers include CBSAs with college football stadiums over 50,000 in capacity: Eugene, South Bend, Tallahassee, Lincoln, and Ann Arbor.

Source: Claritas 2015, Industry Research.

# B. COMPARABLE MARKET ANALYSIS

## Median Market Comparison Corporate Base per Suite

- Savannah does not currently have any suite inventory in the market
- With the assumed 12 suites for the new arena, Savannah would be below the average of the median comparable markets in terms of suite inventory
- Savannah would be below average in terms of large companies per suite (excluding outliers)
  - This average is heavily influenced by Canton-Massillon, without this market Savannah would be above the average

| CBSA | Total Luxury Suites | Rank | Companies w/ $20mm Sales Count | Companies w/ $20mm Sales Per Suite | Companies w/ $20mm Sales Rank | Companies w/ 500+ Employees Count | Companies w/ 500+ Employees Per Suite | Companies w/ 500+ Employees Rank |
|---|---|---|---|---|---|---|---|---|
| Canton-Massillon, OH | 2 | *23* | 193 | 96.5 | *1* | 41 | 20.5 | *1* |
| Hickory-Lenoir-Morganton, NC | 6 | *21* | 163 | 27.2 | *2* | 26 | 4.3 | *3* |
| Beaumont-Port Arthur, TX | 7 | *20* | 121 | 17.3 | *3* | 31 | 4.4 | *2* |
| Salisbury, MD-DE | 6 | *21* | 92 | 15.3 | *4* | 13 | 2.2 | *9* |
| South Bend-Mishawaka, IN-MI | 9 | *18* | 123 | 13.7 | *5* | 21 | 2.3 | *7* |
| **Savannah, GA (Adding New Arena)** | **12** | ***14*** | **126** | **10.5** | ***6*** | **30** | **2.5** | ***5*** |
| **Savannah, GA (Replacing MLK with New Arena)** | **12** | ***14*** | **126** | **10.5** | ***6*** | **30** | **2.5** | ***5*** |
| Reading, PA | 20 | *13* | 190 | 9.5 | *8* | 33 | 1.7 | *12* |
| Gulfport-Biloxi-Pascagoula, MS | 12 | *14* | 92 | 7.7 | *9* | 27 | 2.3 | *8* |
| Myrtle Beach-Conway et al, SC-NC | 9 | *18* | 65 | 7.2 | *10* | 17 | 1.9 | *10* |
| Kalamazoo-Portage, MI | 22 | *11* | 120 | 5.5 | *11* | 21 | 1.0 | *14* |
| Huntington-Ashland, WV-KY-OH | 22 | *11* | 118 | 5.4 | *12* | 24 | 1.1 | *13* |
| Trenton, NJ | 49 | *6* | 259 | 5.3 | *13* | 81 | 1.7 | *11* |
| Fayetteville, NC | 10 | *17* | 42 | 4.2 | *14* | 27 | 2.7 | *4* |
| Davenport-Moline et al, IA-IL | 42 | *8* | 166 | 4.0 | *15* | 31 | 0.7 | *17* |
| Mobile, AL | 50 | *5* | 169 | 3.4 | *16* | 26 | 0.5 | *18* |
| Montgomery, AL | 41 | *9* | 131 | 3.2 | *17* | 38 | 0.9 | *15* |
| Manchester-Nashua, NH | 67 | *4* | 191 | 2.9 | *18* | 32 | 0.5 | *19* |
| Eugene, OR | 48 | *7* | 135 | 2.8 | *19* | 21 | 0.4 | *21* |
| Fort Collins, CO | 36 | *10* | 80 | 2.2 | *20* | 33 | 0.9 | *16* |
| Ann Arbor, MI | 89 | *3* | 156 | 1.8 | *21* | 39 | 0.4 | *20* |
| Lincoln, NE | 102 | *2* | 133 | 1.3 | *22* | 35 | 0.3 | *23* |
| Tallahassee, FL | 130 | *1* | 93 | 0.7 | *23* | 49 | 0.4 | *22* |
| Anchorage, AK | 0 | *24* | 229 | NA | *NA* | 29 | NA | *NA* |
| Peoria, IL | 0 | *24* | 142 | NA | *NA* | 36 | NA | *NA* |
| Rockford, IL | 0 | *24* | 140 | NA | *NA* | 22 | NA | *NA* |
| Spartanburg, SC | 0 | *24* | 134 | NA | *NA* | 25 | NA | *NA* |
| **Savannah, GA (Current)** | **0** | ***24*** | **126** | **NA** | ***NA*** | **30** | **NA** | ***NA*** |
| Flint, MI | 0 | *24* | 103 | NA | *NA* | 17 | NA | *NA* |
| Salem, OR | 0 | *24* | 89 | NA | *NA* | 27 | NA | *NA* |
| Naples-Immokalee et al, FL | 0 | *24* | 86 | NA | *NA* | 11 | NA | *NA* |
| Columbus, GA-AL | 0 | *24* | 69 | NA | *NA* | 22 | NA | *NA* |
| Ocala, FL | 0 | *24* | 61 | NA | *NA* | 18 | NA | *NA* |
| Average (Ex. Savannah) | 26 | | 130 | 11.3 | | 29 | 2.4 | |
| Average (Ex. Savannah and Outliers) - (1) | 16 | | 130 | 13.5 | | 28 | 2.9 | |

(1) Outliers include CBSAs with college football stadiums over 50,000 in capacity: Eugene, South Bend, Tallahassee, Lincoln, and Ann Arbor.
Source: Hoovers 2015, Industry Research.

# B. COMPARABLE MARKET ANALYSIS

## Median Market Comparison
## High Income Households per Club Seat

- Savannah does not currently have any club seat inventory in the market
- With the assumed 400 club seats for the new arena, Savannah's inventory would be near the average of the median comparable markets with outliers excluded
- Savannah would be above the average of the median comparable markets in terms of high income households per seat

| CBSA | Total Club Seats | Rank | HHs w/ Income $100,000+ (000s) | Rank | High Income Households per Club Seat | Rank |
|---|---|---|---|---|---|---|
| Davenport-Moline et al, IA-IL | 298 | *16* | 32.6 | *7* | 109.5 | *1* |
| Mobile, AL | 209 | *17* | 22.6 | *21* | 108.0 | *2* |
| Manchester-Nashua, NH | 542 | *11* | 51.4 | *2* | 94.8 | *3* |
| **Savannah, GA (Adding New Arena)** | **400** | ***13*** | **26.5** | ***14*** | **66.3** | ***4*** |
| **Savannah, GA (Replacing MLK with New Arena)** | **400** | ***13*** | **26.5** | ***14*** | **66.3** | ***4*** |
| Kalamazoo-Portage, MI | 325 | *15* | 21.4 | *26* | 65.9 | *6* |
| Tallahassee, FL | 468 | *12* | 28.4 | *11* | 60.8 | *7* |
| Trenton, NJ | 1,150 | *7* | 49.4 | *3* | 42.9 | *8* |
| Reading, PA | 757 | *9* | 31.7 | *10* | 41.8 | *9* |
| Fayetteville, NC | 660 | *10* | 21.9 | *24* | 33.1 | *10* |
| Montgomery, AL | 790 | *8* | 24.8 | *17* | 31.3 | *11* |
| Fort Collins, CO | 1,207 | *6* | 31.9 | *9* | 26.4 | *12* |
| Ann Arbor, MI | 3,200 | *5* | 39.6 | *4* | 12.4 | *13* |
| Lincoln, NE | 3,832 | *3* | 27.2 | *13* | 7.1 | *14* |
| South Bend-Mishawaka, IN-MI | 3,500 | *4* | 19.0 | *30* | 5.4 | *15* |
| Eugene, OR | 4,106 | *2* | 21.5 | *25* | 5.2 | *16* |
| Huntington-Ashland, WV-KY-OH | 4,432 | *1* | 22.9 | *20* | 5.2 | *17* |
| Anchorage, AK | 0 | *18* | 54.1 | *1* | NA | *NA* |
| Peoria, IL | 0 | *18* | 34.8 | *5* | NA | *NA* |
| Naples-Immokalee et al, FL | 0 | *18* | 34.0 | *6* | NA | *NA* |
| Salisbury, MD-DE | 0 | *18* | 32.0 | *8* | NA | *NA* |
| Beaumont-Port Arthur, TX | 0 | *18* | 27.3 | *12* | NA | *NA* |
| **Savannah, GA (Current)** | **0** | ***18*** | **26.5** | ***14*** | **NA** | ***NA*** |
| Rockford, IL | 0 | *18* | 24.0 | *18* | NA | *NA* |
| Canton-Massillon, OH | 0 | *18* | 23.4 | *19* | NA | *NA* |
| Myrtle Beach-Conway et al, SC-NC | 0 | *18* | 22.4 | *22* | NA | *NA* |
| Flint, MI | 0 | *18* | 22.1 | *23* | NA | *NA* |
| Salem, OR | 0 | *18* | 21.2 | *27* | NA | *NA* |
| Gulfport-Biloxi-Pascagoula, MS | 0 | *18* | 21.0 | *28* | NA | *NA* |
| Columbus, GA-AL | 0 | *18* | 20.5 | *29* | NA | *NA* |
| Hickory-Lenoir-Morganton, NC | 0 | *18* | 16.0 | *31* | NA | *NA* |
| Spartanburg, SC | 0 | *18* | 15.9 | *32* | NA | *NA* |
| Ocala, FL | 0 | *18* | 13.0 | *33* | NA | *NA* |
| Average (Ex. Savannah) | 849 | | 27.6 | | 43.3 | |
| Average (Ex. Savannah and Outliers) - (1) | 415 | | 27.7 | | 55.9 | |

(1) Outliers include CBSAs with college football stadiums over 50,000 in capacity: Eugene, South Bend, Tallahassee, Lincoln, and Ann Arbor.
Source: Claritas 2015, Industry Research.

# C. COMPETITIVE FACILITIES

# C. COMPETITIVE FACILITIES

**Overview**

- Existing and planned competitive inventory of arenas/stadiums in the Savannah market will impact the operations of the proposed arena

- Direct competition from comparable arenas, as well as, indirect competition from stadiums, amphitheaters, performing arts centers (to a lesser degree), and other entertainment alternatives must be considered
  - Patrons
  - Tenants
  - Advertising/sponsorships
  - Premium seating
  - Other

- Venues in surrounding markets including Jacksonville and North Charleston represent additional competitive threats

# C. COMPETITIVE FACILITIES

**Competitive Facilities – In Market**

- Martin Luther King, Jr. Arena
  - Opened: 1974
  - Primary Tenant: Savannah Steam (AIF) (2016)
  - Capacity: 7,200

- Johnny Mercer Theatre
  - Opened: 1974
  - Primary Tenant: NA
  - Capacity: 2,566

# C. COMPETITIVE FACILITIES

## Competitive Facilities – In Market

- Savannah Civic Center event days information is summarized in the following tables

- The arena has averaged approximately 84 events over the past three years

| Martin Luther King, Jr. Arena Event Days | 2013 | 2014 | 2015 | Average |
|---|---|---|---|---|
| Circus | 4 | 5 | 5 | 4.7 |
| Cirque | 3 | 0 | 0 | 1.0 |
| Comedy | 0 | 0 | 1 | 0.3 |
| Community | 14 | 14 | 12 | 13.3 |
| Concert | 3 | 3 | 2 | 2.7 |
| Convention | 1 | 2 | 1 | 1.3 |
| Family | 5 | 5 | 4 | 4.7 |
| Graduation | 7 | 6 | 6 | 6.3 |
| Gun Show | 8 | 8 | 7 | 7.7 |
| Gymnastics | 4 | 3 | 4 | 3.7 |
| Hockey | 3 | 3 | 2 | 2.7 |
| Other Sporting | 37 | 35 | 31 | 34.3 |
| Religious | 1 | 0 | 1 | 0.7 |
| Other | 0 | 1 | 0 | 0.3 |
| Total | 90 | 85 | 76 | 83.7 |

Source: Savannah Civic Center.

- Ticket information was provided for selected events

| Selected Arena Events | Average Paid Attendance | Total Tickets Sold | Total Sales | Average Ticket Price |
|---|---|---|---|---|
| Concert | 3,420 | 20,521 | $764,720 | $37.27 |
| Comedy | 5,329 | 5,329 | $254,002 | $47.66 |
| Globetrotters | 3,637 | 10,911 | $242,689 | $22.24 |
| Other Sporting | 2,143 | 6,429 | $197,485 | $30.72 |
| Circus | 2,406 | 21,651 | $398,920 | $18.43 |
| Disney | 2,422 | 46,024 | $932,806 | $20.27 |

# C. COMPETITIVE FACILITIES

## Competitive Facilities – In Market

- Savannah Civic Center event days information is summarized in the following tables

- The theater has averaged approximately 70 events over the past three years

| Johnny Mercer Theatre Event Days | | | | |
|---|---|---|---|---|
| | 2013 | 2014 | 2015 | Average |
| Cirque | 1 | 0 | 1 | 0.7 |
| Comedy | 8 | 5 | 11 | 8.0 |
| Community | 27 | 25 | 16 | 22.7 |
| Concert | 16 | 10 | 17 | 14.3 |
| Convention | 1 | 1 | 1 | 1.0 |
| Family | 4 | 5 | 3 | 4.0 |
| Graduation | 5 | 5 | 5 | 5.0 |
| Other Sporting | 0 | 1 | 0 | 0.3 |
| Play/Ballet | 5 | 4 | 4 | 4.3 |
| Religious | 4 | 7 | 6 | 5.7 |
| Other | 3 | 3 | 5 | 3.7 |
| Total | 74 | 66 | 69 | 69.7 |

Source: Savannah Civic Center.

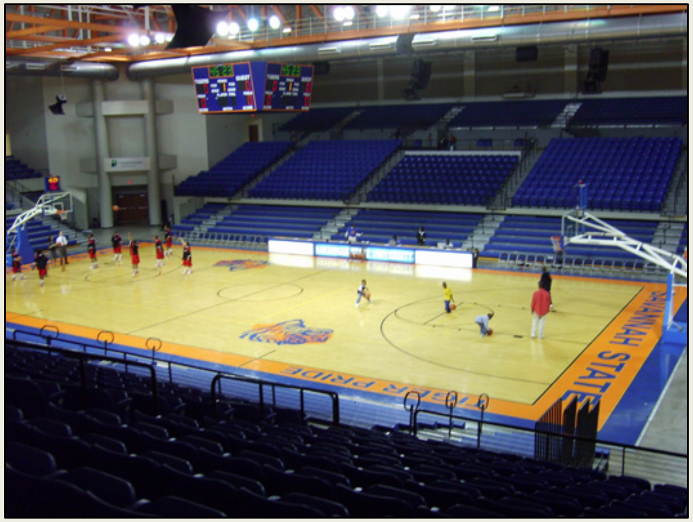
- Ticket information was provided for selected events

| Selected Theatre Events | Average Paid Attendance | Total Tickets Sold | Total Sales | Average Ticket Price |
|---|---|---|---|---|
| Concert | 1,834 | 51,349 | $2,800,495 | $54.54 |
| Comedy | 1,730 | 29,405 | $1,492,579 | $50.76 |
| Family | 1,002 | 1,002 | $36,104 | $36.03 |
| Disney | 2,229 | 4,457 | $163,552 | $36.70 |
| Play/Ballet | 993 | 7,945 | $281,415 | $35.42 |
| Religious | 1,227 | 1,227 | $43,080 | $35.11 |
| Other | 1,414 | 1,414 | $73,173 | $51.75 |

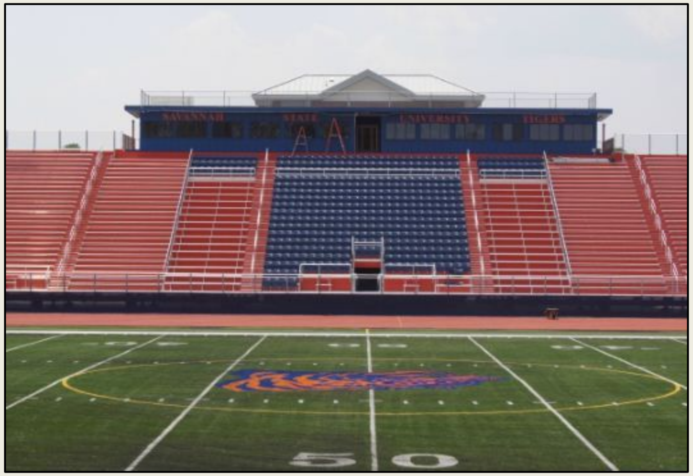
# C. COMPETITIVE FACILITIES

**Competitive Facilities – In Market**

- Tiger Arena
  - Opened: 2000
  - Primary Tenant: Savannah State University
  - Capacity: 6,000



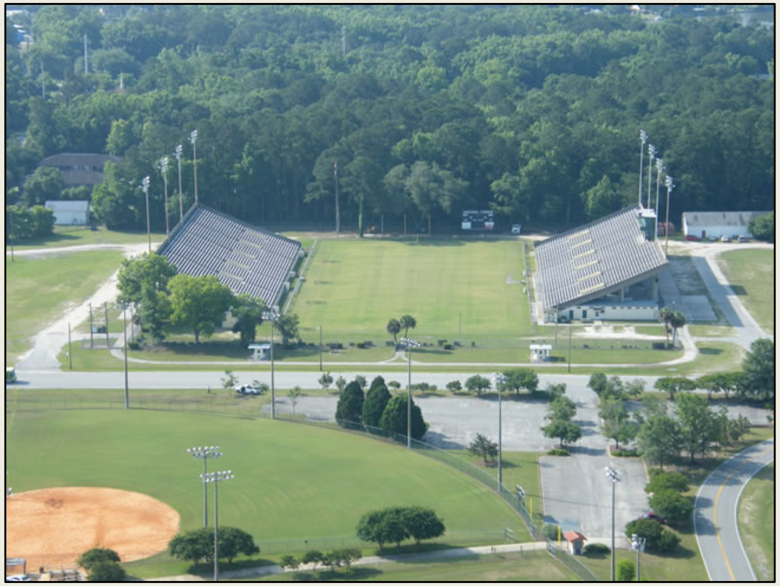
- Ted Wright Stadium
  - Opened: 1969 (Renovated in 2010)
  - Primary Tenant: Savannah State University
  - Capacity: 8,500



# C. COMPETITIVE FACILITIES

## Competitive Facilities – In Market


- Alumni Arena
  - Opened: 1995
  - Primary Tenant: Armstrong Atlantic State University
  - Capacity: 4,000



- Memorial Stadium
  - Opened: 1957
  - Primary Tenant: NA
  - Capacity: 15,000

# C. COMPETITIVE FACILITIES

**Competitive Facilities – In Market**

- Grayson Stadium
  - Opened: 1926
  - Primary Tenant: Savannah Bananas (CPL)
  - Capacity: 4,000

- Roebling Road Raceway (Bloomingdale)
  - Opened: 1959
  - Primary Tenant: NA
  - Capacity: NA

# C. COMPETITIVE FACILITIES

**Other Facilities – In Market**

- Lucas Theatre
  - Opened: 1921
  - Capacity: 1,200

- Trustees Theater
  - Opened: 1946
  - Capacity: 1,105

- Savannah Theatre
  - Opened: 1950 (Rebuild)
  - Capacity: 525

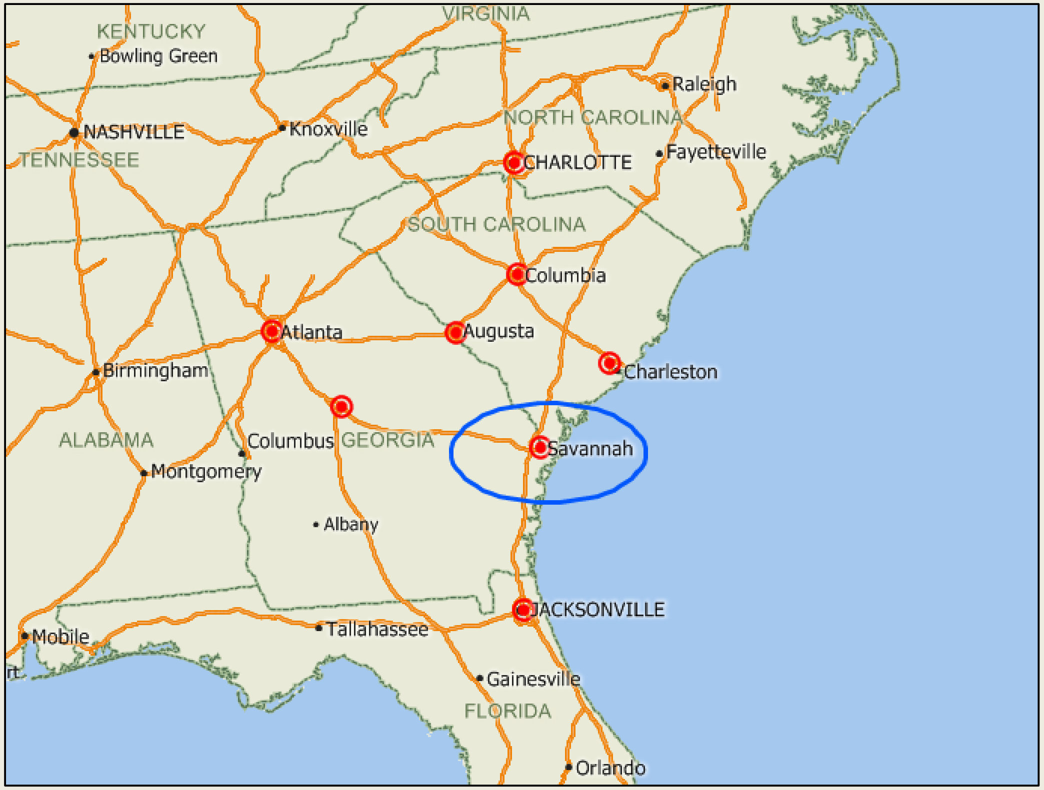
# C. COMPETITIVE FACILITIES

## Regional Facilities – Arenas

- Other arenas in Savannah's region can have an impact on competition for shows/events and routing for family shows, concerts, etc.

- BSG did not identify any potentially competitive arenas within a 50 mile radius of Savannah, but the following regional arenas were considered for their effect on routing

  - James Brown Arena (Augusta, GA)
  - Macon Coliseum (Macon, GA)
  - Philips Arena (Atlanta, GA)
  - Time Warner Cable Arena (Charlotte, NC)
  - North Charleston Coliseum (North Charleston, SC)
  - Colonial Life Arena (Columbia, SC)
  - Jacksonville Veterans Memorial Arena (Jacksonville, FL)



# C. COMPETITIVE FACILITIES

**Regional Facilities – Arenas**

- BSG has analyzed event information from Pollstar to determine the optimal capacity for a new arena in Savannah
- BSG has analyzed the percentage of non-sporting events that were held at each of the following four arenas that a new Savannah arena could host based on attendance cutoffs
  - Jacksonville Veterans Memorial Arena – Jacksonville
  - James Brown Arena – Augusta
  - Macon Coliseum – Macon
  - North Charleston Coliseum – North Charleston
- Promoters indicated that the above facilities provided the most competition to Savannah
- 86% of the Pollstar-reported events held at those four arenas from 2012-2015 had 9,000 or fewer paid attendees
  - 77% of events had 7,500 or fewer

| Combined | | |
|---|---|---|
| **Total Events** | | **166** |
| **Attendance Cutoff** | **Count** | **%** |
| 5,000 | 88 | 53% |
| 5,500 | 94 | 57% |
| 6,000 | 106 | 64% |
| 6,500 | 118 | 71% |
| 7,000 | 124 | 75% |
| 7,500 | 128 | 77% |
| 8,000 | 134 | 81% |
| 8,500 | 138 | 83% |
| 9,000 | 142 | 86% |
| 9,500 | 145 | 87% |
| 10,000 | 148 | 89% |
| 10,500 | 151 | 91% |
| 11,000 | 154 | 93% |

# C. COMPETITIVE FACILITIES

## Regional Facilities – Arenas

- 71% of the Pollstar-reported events held at Jacksonville Veterans Memorial Arena from 2012-2015 had 9,000 or fewer paid attendees
  - 59% of events had 7,500 or fewer
  - Jacksonville has a much larger capacity (15,000) than the Savannah market would be able to support

| Jacksonville | | |
|---|---|---|
| **Total Events** | | **83** |
| **Attendance Cutoff** | **Count** | **%** |
| 5,000 | 31 | 37% |
| 5,500 | 35 | 42% |
| 6,000 | 42 | 51% |
| 6,500 | 46 | 55% |
| 7,000 | 49 | 59% |
| 7,500 | 49 | 59% |
| 8,000 | 54 | 65% |
| 8,500 | 56 | 67% |
| 9,000 | 59 | 71% |
| 9,500 | 62 | 75% |
| 10,000 | 65 | 78% |
| 10,500 | 68 | 82% |
| 11,000 | 71 | 86% |

# C. COMPETITIVE FACILITIES

## Regional Facilities – Arenas

- 100% of the Pollstar-reported events held at James Brown Arena from 2012-2015 had 9,000 or fewer paid attendees
  - James Brown Arena is not a modern facility

| Augusta | | |
|---|---|---|
| **Total Events** | | **32** |
| **Attendance Cutoff** | **Count** | **%** |
| 5,000 | 20 | 63% |
| 5,500 | 21 | 66% |
| 6,000 | 25 | 78% |
| 6,500 | 28 | 88% |
| 7,000 | 30 | 94% |
| 7,500 | 32 | 100% |
| 8,000 | 32 | 100% |
| 8,500 | 32 | 100% |
| 9,000 | 32 | 100% |
| 9,500 | 32 | 100% |
| 10,000 | 32 | 100% |
| 10,500 | 32 | 100% |
| 11,000 | 32 | 100% |

## Regional Facilities – Arenas

- 100% of the Pollstar-reported events held at Macon Coliseum from 2012-2015 had 9,000 or fewer paid attendees
  - Macon Coliseum only hosted 12 Pollstar-reported events from 2012-2015
  - Macon Coliseum is not a modern facility

| Macon | | |
|---|---|---|
| **Total Events** | | **12** |
| **Attendance Cutoff** | **Count** | **%** |
| 5,000 | 12 | 100% |
| 5,500 | 12 | 100% |
| 6,000 | 12 | 100% |
| 6,500 | 12 | 100% |
| 7,000 | 12 | 100% |
| 7,500 | 12 | 100% |
| 8,000 | 12 | 100% |
| 8,500 | 12 | 100% |
| 9,000 | 12 | 100% |
| 9,500 | 12 | 100% |
| 10,000 | 12 | 100% |
| 10,500 | 12 | 100% |
| 11,000 | 12 | 100% |

# C. COMPETITIVE FACILITIES

## Regional Facilities – Arenas

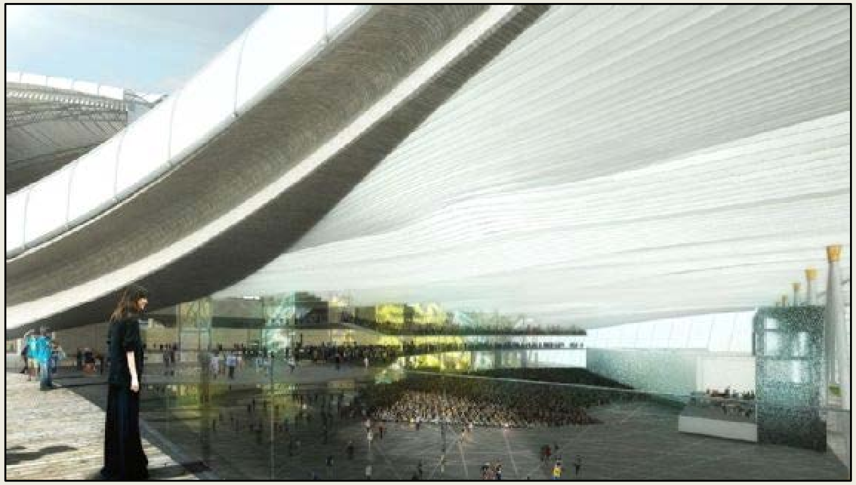
- 100% of the Pollstar-reported events held at North Charleston Coliseum from 2012-2015 had 9,000 or fewer paid attendees
  - 90% of events had 7,500 or fewer

| North Charleston | | |
|---|---|---|
| **Total Events** | | **39** |
| **Attendance Cutoff** | **Count** | **%** |
| 5,000 | 25 | 64% |
| 5,500 | 26 | 67% |
| 6,000 | 27 | 69% |
| 6,500 | 32 | 82% |
| 7,000 | 33 | 85% |
| 7,500 | 35 | 90% |
| 8,000 | 36 | 92% |
| 8,500 | 38 | 97% |
| 9,000 | 39 | 100% |
| 9,500 | 39 | 100% |
| 10,000 | 39 | 100% |
| 10,500 | 39 | 100% |
| 11,000 | 39 | 100% |

# C. COMPETITIVE FACILITIES

**Regional Facilities – Other**

- It is important to note that a $45 million amphitheater is currently under construction in Jacksonville
- The amphitheater is being built adjacent to Everbank Field, as part of a larger renovation that includes a NFL practice facility
  - Will be under a continuous roof with practice field
- The amphitheater will include 5,500 fixed seats and room for temporary seating
  - Could provide additional competition to Savannah for smaller concerts



# D. COMPARABLE FACILITY OVERVIEW

# D. COMPARABLE FACILITY OVERVIEW

## Comparable Arenas

- BSG has identified the following "comparable arenas"

| CBSA | CBSA Population | Primary Arena | Operator | Year Built | Capacity | Suites | Club Seats | Tenants |
|---|---|---|---|---|---|---|---|---|
| Dallas-Fort Worth-Arlington, TX | 6,951,575 | Allen Event Center | City of Allen | 2009 | 6,200 | 29 | TBD | ECHL, CIF, MASL |
| Philadelphia et al, PA-NJ-DE-MD | 6,061,117 | Liacouras Center | Spectra | 1997 | 10,200 | 10 | 0 | NCAA |
| Riverside et al, CA | 4,431,306 | Citizens Business Bank Arena | AEG | 2008 | 9,736 | 36 | 770 | AHL, D-League, MASL |
| Seattle-Tacoma-Bellevue, WA | 3,662,992 | ShoWare Center | SMG | 2009 | 6,500 | 20 | 0 | WHL, MASL |
| Denver-Aurora-Lakewood, CO | 2,767,737 | 1STBANK Center | Peak Entertainment | 2006 | 7,000 | 26 | 520 | NA |
| Kansas City, MO-KS | 2,076,290 | Silverstein Eye Centers Arena | Spectra | 2009 | 5,800 | 27 | 500 | ECHL, MISL |
| Austin-Round Rock, TX | 1,927,989 | Cedar Park Center | Texas Stars | 2009 | 8,000 | 24 | 0 | AHL, D-League |
| Providence-Warwick, RI-MA | 1,607,227 | Ryan Center | Spectra | 2002 | 7,657 | 7 | 11,200 | NCAA |
| Salt Lake City, UT | 1,160,217 | Maverik Center | Centennial Management Group | 1997 | 10,500 | 41 | 1,750 | ECHL |
| Grand Rapids-Wyoming, MI | 1,031,360 | Van Andel Arena | SMG | 1996 | 10,834 | 44 | 1,800 | AHL |
| Bridgeport-Stamford-Norwalk, CT | 949,354 | Webster Bank Arena | Bridgeport Sound Tigers | 2001 | 8,525 | 36 | 1,300 | AHL, NCAA (Multiple) |
| Albuquerque, NM | 907,679 | Santa Ana Star Center | Spectra | 2006 | 6,000 | 26 | 500 | AIF |
| Bakersfield, CA | 879,459 | Rabobank Arena | AEG | 1998 | 8,700 | 28 | 1,000 | AHL, CSUB |
| McAllen-Edinburg-Mission, TX | 840,926 | State Farm Arena | City of Hidalgo | 2003 | 5,500 | 25 | 500 | D-League |
| Allentown-Bethlehem et al, PA-NJ | 828,380 | PPL Center | Spectra | 2014 | 8,500 | 45 | 992 | AHL, AIF |
| Stockton-Lodi, CA | 713,388 | Stockton Arena | SMG | 2005 | 10,000 | 24 | 344 | AHL |
| Harrisburg-Carlisle, PA | 561,825 | Giant Center | Hershey Bears | 2002 | 10,500 | 40 | 688 | AHL |
| Scranton--Wilkes-Barre et al, PA | 560,216 | Mohegan Sun Arena at Casey Plaza | SMG | 1999 | 8,050 | 32 | 624 | WNBA, NLL |
| Youngstown-Warren et al, OH-PA | 550,695 | Covelli Centre | SMG | 2005 | 5,717 | 26 | 520 | USHL, MASL |
| Spokane-Spokane Valley, WA | 545,410 | Spokane Veterans Memorial Arena | Spokane PFD | 1995 | 12,638 | 16 | 0 | IFL, WHL |
| Corpus Christi, TX | 448,950 | American Bank Center Arena | SMG | 2004 | 8,156 | 11 | 302 | AIF, NAHL, A&M-CC |
| Green Bay, WI | 314,906 | Resch Center | Green Bay Gamblers | 2002 | 8,709 | 25 | 608 | USHL, IFL, UW-GB |
| Laredo, TX | 270,142 | Laredo Energy Arena | SMG | 2002 | 8,065 | 14 | 158 | NA |
| Prescott, AZ | 218,089 | Prescott Valley Event Center | Encore Facility Management | 2006 | 5,100 | 24 | 400 | NA |
| Wenatchee, WA | 115,141 | Town Toyota Center | Wenatchee PFD | 2008 | 4,300 | 26 | 400 | BCHL |
| Enid, OK | 63,462 | Enid Event Center | Spectra | 2013 | 3,200 | 3 | 0 | NA |
| Dodge City, KS | 35,143 | United Wireless Arena | VenuWorks | 2011 | 4,200 | 13 | 156 | CIF |
| Average | | | | | 7,714 | 25 | 963 | |

Source: Industry Research.

# D. COMPARABLE FACILITY OVERVIEW

## Median Market Analysis Primary Arenas

- BSG identified the primary arena in each median comparable market
  - Markets may include more than one facility or no facilities

| CBSA | Primary Arena | Operator | Year Built | Capacity | Suites | Club Seats |
|---|---|---|---|---|---|---|
| Myrtle Beach-Conway et al, SC-NC | HTC Center | Coastal Carolina University | 2012 | 3,600 | 0 | 0 |
| Mobile, AL | Mobile Civic Center Arena | SMG | 1964 | 10,112 | 0 | 0 |
| Reading, PA | Santander Arena | SMG | 2001 | 7,160 | 20 | 701 |
| Flint, MI | Dort FCU Event Center | Flint Firebirds | 1969 | 4,021 | 0 | 0 |
| Beaumont-Port Arthur, TX | Ford Arena | SMG | 2003 | 9,000 | 0 | 0 |
| Salem, OR | NA | NA | NA | NA | NA | NA |
| Manchester-Nashua, NH | Verizon Wireless Arena | SMG | 2001 | 10,019 | 39 | 542 |
| Canton-Massillon, OH | Canton Memorial Civic Center | SMG | 1951 | 5,200 | 0 | 0 |
| Anchorage, AK | Sullivan Arena | SMG | 1983 | 6,000 | 0 | 0 |
| Salisbury, MD-DE | Wicomico Youth & Civic Center | Wicomico County | 1980 | 5,600 | 0 | 0 |
| Fayetteville, NC | Crown Coliseum | Spectra | 1997 | 11,200 | 10 | 0 |
| Gulfport-Biloxi-Pascagoula, MS | Mississippi Coast Coliseum | Mississippi Coast Coliseum Commission | 1977 | 8,200 | 0 | 0 |
| Davenport-Moline et al, IA-IL | iWireless Center | Quad City Civic Center Authority | 1993 | 9,200 | 22 | 48 |
| Peoria, IL | Carver Arena | SMG | 1982 | 11,060 | 0 | 0 |
| Tallahassee, FL | Donald L. Tucker Civic Center | Florida State University | 1981 | 12,100 | 34 | 468 |
| **Savannah, GA** | **Martin Luther King Jr. Arena** | **City of Savannah** | **1974** | **7,200** | **0** | **0** |
| Trenton, NJ | Sun National Bank Center | Spectra | 1999 | 9,000 | 34 | 1,150 |
| Montgomery, AL | Garrett Coliseum | Alabama Dept. of Agriculture & Industries | 1951 | 13,500 | 0 | 0 |
| Hickory-Lenoir-Morganton, NC | NA | NA | NA | NA | NA | NA |
| Huntington-Ashland, WV-KY-OH | Big Sandy Superstore Arena | SMG | 1977 | 7,500 | 2 | 0 |
| Eugene, OR | Matthew Knight Arena | University of Oregon | 2011 | 12,364 | 0 | 106 |
| Ann Arbor, MI | Crisler Center | University of Michigan | 1967 | 13,751 | 0 | 0 |
| Naples-Immokalee et al, FL | NA | NA | NA | NA | NA | NA |
| Rockford, IL | BMO Harris Bank Center | SMG | 1981 | 5,700 | 0 | 0 |
| Ocala, FL | NA | NA | NA | NA | NA | NA |
| Kalamazoo-Portage, MI | Wings Event Center | Kalamazoo Wings | 1974 | 5,113 | 0 | 0 |
| Columbus, GA-AL | Columbus Civic Center | City of Columbus | 1996 | 10,000 | 0 | 0 |
| Fort Collins, CO | Budweiser Events Center | Spectra | 2003 | 7,200 | 24 | 777 |
| Spartanburg, SC | Benjamin Johnson Arena | Wofford College | 1981 | 3,500 | 0 | 0 |
| Lincoln, NE | Pinnacle Bank Arena | SMG | 2013 | 16,000 | 36 | 832 |
| South Bend-Mishawaka, IN-MI | Purcell Pavilion | University of Notre Dame | 1968 | 9,149 | 0 | 0 |
| | | | | | | |
| Average (Excluding Savannah) | | | | 8,663 | 9 | 178 |
| Average (Excluding Savannah and University Sports Arenas) | | | | 8,539 | 9 | 203 |

Source: Industry Research.

# D. COMPARABLE FACILITY OVERVIEW

## Median Market Analysis Comparable Arenas

- Of the primary arenas in each median comparable market, BSG has added the following arenas to the comparable arenas list based on size and age
  - Comparable arenas list used in Financial Analysis section

| CBSA | CBSA Population | Primary Arena | Operator | Year Built | Capacity | Suites | Club Seats | Tenants |
|---|---|---|---|---|---|---|---|---|
| Reading, PA | 414,347 | Santander Arena | SMG | 2001 | 7,160 | 20 | 701 | ECHL |
| Beaumont-Port Arthur, TX | 409,175 | Ford Arena | SMG | 2003 | 9,000 | TBD | TBD | NA |
| Manchester-Nashua, NH | 403,993 | Verizon Wireless Arena | SMG | 2001 | 10,019 | 39 | 542 | ECHL |
| Fayetteville, NC | 388,796 | Crown Coliseum | Spectra | 1997 | 11,200 | 10 | 0 | AIF, SPHL |
| Davenport-Moline et al, IA-IL | 385,404 | iWireless Center | Quad City Civic Center Authority | 1993 | 9,200 | 22 | 48 | ECHL |
| Trenton, NJ | 372,212 | Sun National Bank Center | Spectra | 1999 | 9,000 | 34 | 1,150 | NA |
| Columbus, GA-AL | 326,282 | Columbus Civic Center | City of Columbus | 1996 | 10,000 | 0 | 0 | AIF, SPHL |
| Fort Collins, CO | 323,793 | Budweiser Events Center | Spectra | 2003 | 7,200 | 24 | 777 | ECHL, IFL |
| Average | | | | | 9,097 | 21 | 460 | |

Source: Industry Research.

# D. COMPARABLE FACILITY OVERVIEW

## Median Market Analysis

- Premium seating pricing (where available) is illustrated below

| CBSA | Primary Arena | Year Built | Capacity | Suites | Low Price | High Price | Club Seats | Low Price | High Price | Tenants |
|---|---|---|---|---|---|---|---|---|---|---|
| Tallahassee, FL | Donald L. Tucker Civic Center | 1981 | 13,500 | 34 | $38,000 | $51,000 | 468 | $1,750 | $1,750 | Florida State University |
| Davenport-Moline et al, IA-IL | iWireless Center | 1993 | 9,850 | 22 | $20,000 | $30,900 | 48 | $500 | $500 | ECHL |
| Scranton--Wilkes-Barre et al, PA | Mohegan Sun Arena at Casey Plaza | 1999 | 8,500 | 28 | $35,000 | $40,000 | 624 | $999 | $1,275 | WNBA, NLL |
| McAllen-Edinburg-Mission, TX | State Farm Arena | 2003 | 6,800 | 25 | $26,000 | $46,000 | 556 | $897 | $1,039 | D-League |
| Trenton, NJ | Sun National Bank Center | 1999 | 8,100 | 30 | $33,000 | $60,000 | 1,150 | $973 | $973 | NA |
| Average | | | 9,350 | 28 | $30,400 | $45,580 | 569 | $1,024 | $1,107 | |

Note: ALSD statistics may differ somewhat from the actual indicators of certain facilities and have been provided for illustrative purposes only.

# D. COMPARABLE FACILITY OVERVIEW

## Minor League Hockey Analysis

- Identified the following facilities – AHL hockey arenas

| Team | Arena | Year Open | Capacity | Suites | Club Seats | Operator |
|---|---|---|---|---|---|---|
| Albany Devils | Times Union Center | 1990 | 14,236 | 25 | 0 | SMG |
| Bakersfield Condors | Rabobank Arena | 1998 | 8,700 | 28 | 1,000 | AEG |
| Binghamton Senators | Floyd L. Maines Veterans Memorial Arena | 1973 | 4,910 | 8 | 0 | Broome County |
| Bridgeport Sound Tigers | Webster Bank Arena | 2001 | 8,525 | 36 | 1,300 | Team |
| Charlotte Checkers | Bojangles' Coliseum | 1955 | 9,605 | 0 | 0 | Charlotte Regional Visitors Authority |
| Chicago Wolves | Allstate Arena | 1980 | 16,692 | 48 | 0 | Village of Rosemont |
| Grand Rapids Griffins | Van Andel Arena | 1996 | 10,834 | 44 | 1,800 | SMG |
| Hartford Wolf Pack | XL Center | 1975 | 15,635 | 40 | 310 | Spectra |
| Hershey Bears | Giant Center | 2002 | 10,500 | 40 | 688 | Team |
| Iowa Wild | Wells Fargo Arena | 2005 | 15,181 | 36 | 630 | Spectra |
| Lake Erie Monsters | Quicken Loans Arena | 1994 | 20,056 | 91 | 2,000 | Team |
| Lehigh Valley Phantoms | PPL Center | 2014 | 8,500 | 45 | 992 | Spectra |
| Manitoba Moose | MTS Centre | 2004 | 15,015 | 57 | 918 | Team |
| Milwaukee Admirals | BMO Harris Bradley Center | 1988 | 17,845 | 47 | 500 | Bradley Center Sports and Entertainment Corp. |
| Ontario Reign | Citizens Business Bank Arena | 2008 | 9,736 | 36 | 770 | AEG |
| Portland Pirates | Cross Insurance Arena | 1977 | 6,733 | 0 | 0 | Spectra |
| Providence Bruins | Dunkin' Donuts Center | 1972 | 11,075 | 20 | 0 | SMG |
| Rochester Americans | Blue Cross Arena | 1955 | 12,428 | 25 | 0 | SMG |
| Rockford IceHogs | BMO Harris Bank Center | 1981 | 5,700 | 0 | 0 | SMG |
| San Antonio Rampage | AT&T Center | 2002 | 18,581 | 50 | 2,018 | Team |
| San Diego Gulls | Valley View Casino Center | 1966 | 12,920 | 0 | 0 | AEG |
| San Jose Barracuda | SAP Center at San Jose | 1993 | 17,562 | 65 | 3,300 | Team |
| Springfield Falcons | MassMutual Center | 1972 | 7,485 | 1 | 222 | Spectra |
| St. John's IceCaps | Mile One Centre | 2001 | 6,287 | 0 | 0 | Team |
| Stockton Heat | Stockton Arena | 2005 | 10,000 | 24 | 344 | SMG |
| Syracuse Crunch | Oncenter War Memorial Arena | 1951 | 6,159 | 0 | 0 | SMG |
| Texas Stars | Cedar Park Center | 2009 | 8,000 | 24 | 0 | Team |
| Toronto Marlies | Ricoh Coliseum | 1922 | 8,140 | 38 | 0 | Team |
| Utica Comets | Utica Memorial Auditorium | 1959 | 3,815 | 0 | 0 | UMV Memorial Auditorium Authority |
| Wilkes-Barre/Scranton Penguins | Mohegan Sun Arena at Casey Plaza | 1999 | 8,050 | 32 | 624 | SMG |
| Average | | | 10,964 | 29 | 581 | |

Source: Resource Guide Live, industry research.

# D. COMPARABLE FACILITY OVERVIEW

## Minor League Hockey Analysis

## AHL Premium Seating (Includes NBA/NHL Arenas)

| | Luxury Suites | | | Club Seats | | |
|---|---|---|---|---|---|---|
| **AHL Team** | **Suite Count** | **Low Price** | **High Price** | **Seat Count** | **Low Price** | **High Price** |
| Albany Devils | 25 | $48,000 | $48,000 | NA | NA | NA |
| Bakersfield Condors | NA | NA | NA | NA | NA | NA |
| Binghamton Senators | NA | NA | NA | NA | NA | NA |
| Bridgeport Sound Tigers | 41 | $16,000 | $35,000 | 1,300 | $1,295 | $1,295 |
| Charlotte Checkers | NA | NA | NA | NA | NA | NA |
| Chicago Wolves | 40 | $37,500 | $37,500 | NA | NA | NA |
| Grand Rapids Griffins | 44 | $30,000 | $35,000 | 1,800 | $859 | $859 |
| Hartford Wolf Pack | 46 | $35,000 | $55,000 | NA | NA | NA |
| Hershey Bears | 40 | $40,000 | $55,000 | 688 | $590 | $590 |
| Iowa Wild | 36 | $35,000 | $50,000 | 600 | $798 | $798 |
| Lake Erie Monsters | 88 | $168,000 | $350,000 | 2,700 | $3,485 | $3,485 |
| Lehigh Valley Phantoms | NA | NA | NA | NA | NA | NA |
| Manitoba Moose | 46 | $104,000 | $197,000 | 936 | $1,705 | $1,705 |
| Milwaukee Admirals | 44 | $150,000 | $180,000 | NA | NA | NA |
| Ontario Reign | 36 | $50,000 | $80,000 | 770 | $1,150 | $1,150 |
| Portland Pirates | NA | NA | NA | NA | NA | NA |
| Providence Bruins | 20 | $50,000 | $50,000 | NA | NA | NA |
| Rochester Americans | 25 | $40,000 | $50,000 | NA | NA | NA |
| Rockford Ice Hogs | 11 | $45,000 | $45,000 | 120 | $2,000 | $2,000 |
| San Antonio Rampage | 54 | $90,000 | $370,000 | 1,800 | $5,625 | $18,900 |
| San Diego Gulls | NA | NA | NA | NA | NA | NA |
| San Jose Barracuda | 65 | $160,000 | $300,000 | 3,413 | $5,504 | $9,064 |
| Springfield Falcons | NA | NA | NA | NA | NA | NA |
| St. John's Icecaps | NA | NA | NA | NA | NA | NA |
| Stockton Heat | 24 | $35,000 | $50,000 | 500 | $800 | $800 |
| Syracuse Crunch | NA | NA | NA | NA | NA | NA |
| Texas Stars | 24 | $50,000 | $75,000 | 541 | $1,512 | $2,352 |
| Toronto Marlies | 38 | $44,000 | $61,000 | 1,100 | $2,220 | $2,388 |
| Utica Comets | NA | NA | NA | NA | NA | NA |
| Wilkes-Barre Scranton Penguins | 32 | $40,000 | $40,000 | 624 | $1,500 | $2,000 |
| Average | | $63,375 | $108,175 | | $2,075 | $3,385 |

Source: Revenues from Sports Venues.

# D. COMPARABLE FACILITY OVERVIEW

## Minor League Hockey Analysis

- Identified the following facilities – ECHL hockey arenas

| Team | Arena | Year Open | Capacity | Suites | Club Seats | Operator |
|---|---|---|---|---|---|---|
| Adirondack Thunder | Glens Falls Civic Center | 1979 | 4,794 | 0 | 0 | Spectra |
| Alaska Aces | Sullivan Arena | 1983 | 6,000 | 0 | 0 | SMG |
| Allen Americans | Allen Event Center | 2009 | 6,200 | 29 | 0 | City of Allen |
| Atlanta Gladiators | Infinite Energy Arena | 2003 | 11,355 | 36 | 1,388 | Gwinnett Convention and Visitors Bureau Board |
| Brampton Beast | Powerade Centre | 1998 | 5,000 | 27 | 0 | Realstar Group |
| Cincinnati Cyclones | U.S. Bank Arena | 1975 | 12,823 | 39 | 0 | AEG |
| Colorado Eagles | Budweiser Events Center | 2003 | 7,200 | 24 | 777 | Spectra |
| Elmira Jackals | First Arena | 2000 | 3,784 | 31 | 0 | Elmira Jackals |
| Evansville IceMen | Ford Center | 2011 | 9,400 | 21 | 95 | VenuWorks |
| Florida Everblades | Germain Arena | 1998 | 7,186 | 26 | 3,000 | Carolina Hurricanes |
| Fort Wayne Komets | Allen County War Memorial Coliseum | 1952 | 10,495 | 24 | 318 | Allen County |
| Greenville Swamp Rabbits | Bon Secours Wellness Arena | 1998 | 13,707 | 30 | 840 | Greenville Arena District |
| Idaho Steelheads | CenturyLink Arena Boise | 1997 | 5,002 | 39 | 1,100 | Idaho Steelheads |
| Indy Fuel | Indiana Farmers Coliseum | 1939 | 6,300 | 0 | 0 | Indiana State Fair Commission |
| Kalamazoo Wings | Wings Event Center | 1974 | 5,113 | 0 | 0 | Kalamazoo Wings |
| Manchester Monarchs | Verizon Wireless Arena | 2001 | 10,019 | 39 | 542 | SMG |
| Missouri Mavericks | Silverstein Eye Centers Arena | 2009 | 5,800 | 27 | 500 | Spectra |
| Norfolk Admirals | Norfolk Scope | 1971 | 8,701 | 0 | 0 | City of Norfolk |
| Orlando Solar Bears | Amway Center | 2010 | 17,353 | 70 | 1,428 | City of Orlando |
| Quad City Mallards | iWireless Center | 1993 | 9,200 | 22 | 48 | Quad City Civic Center Authority |
| Rapid City Rush | Rushmore Plaza Civic Center | 1977 | 5,132 | 18 | 500 | City of Rapid City |
| Reading Royals | Santander Arena | 2001 | 7,160 | 20 | 701 | SMG |
| South Carolina Stingrays | North Charleston Coliseum | 1993 | 10,537 | 8 | 0 | SMG |
| Toledo Walleye | Huntington Center | 2009 | 7,389 | 20 | 750 | SMG |
| Tulsa Oilers | BOK Center | 2008 | 17,096 | 38 | 682 | SMG |
| Utah Grizzlies | Maverik Center | 1997 | 10,100 | 46 | 0 | Centennial Management Group, Inc. (Team Co-Owner) |
| Wheeling Nailers | WesBanco Arena | 1977 | 5,406 | 0 | 0 | Wheeling Municipal Auditorium Board |
| Wichita Thunder | Intrust Bank Arena | 2010 | 13,450 | 24 | 300 | SMG |
| Worcester ECHL Team | DCU Center | 1982 | 12,239 | 4 | 0 | SMG |
| Average | | | 8,757 | 23 | 447 | |

Source: Resource Guide Live, industry research.

# D. COMPARABLE FACILITY OVERVIEW

## Minor League Hockey Analysis

## ECHL Premium Seating (Includes NBA Arena)

| | Luxury Suites | | | Club Seats | | |
|---|---|---|---|---|---|---|
| **ECHL Team** | **Suite Count** | **Low Price** | **High Price** | **Seat Count** | **Low Price** | **High Price** |
| Adirondack Thunder | NA | NA | NA | NA | NA | NA |
| Alaska Aces | NA | NA | NA | NA | NA | NA |
| Allen Americans | NA | NA | NA | NA | NA | NA |
| Atlanta Gladiators | 36 | $50,000 | $70,000 | 1,390 | $669 | $1,700 |
| Brampton Beast | 27 | $14,000 | $14,000 | 1,100 | $410 | $515 |
| Cincinnati Cyclones | 39 | $45,000 | $60,000 | NA | NA | NA |
| Colorado Eagles | 24 | $25,000 | $55,000 | 777 | $844 | $1,040 |
| Elmira Jackals | 31 | $8,500 | $24,000 | 800 | $532 | $532 |
| Evansville Icemen | 20 | $55,000 | $55,000 | 516 | $288 | $288 |
| Florida Everblades | 26 | $45,000 | $45,000 | NA | NA | NA |
| Fort Wayne Komets | 24 | $26,000 | $36,000 | 322 | $300 | $300 |
| Greenville Swamp Rabbits | 30 | $60,000 | $70,000 | 1,000 | $1,650 | $1,650 |
| Idaho Steelheads | 38 | $17,000 | $40,000 | 1,000 | $805 | $1,035 |
| Indy Fuel | NA | NA | NA | NA | NA | NA |
| Kalamazoo Wings | NA | NA | NA | NA | NA | NA |
| Manchester Monarchs | 34 | $49,500 | $49,500 | 600 | $1,600 | $1,600 |
| Missouri Mavericks | 25 | NA | NA | 500 | $1,200 | $1,200 |
| Norfolk Admirals | NA | NA | NA | NA | NA | NA |
| Orlando Solar Bears | 60 | $150,000 | $320,000 | 2,000 | $3,225 | $5,400 |
| Quad City Mallards | 15 | $12,000 | $30,900 | NA | NA | NA |
| Rapid City Rush | 5 | $21,000 | $39,000 | NA | NA | NA |
| Reading Royals | 20 | $34,000 | $34,000 | 850 | $880 | $880 |
| South Carolina Stingrays | 8 | $45,000 | $45,000 | NA | NA | NA |
| Toledo Walleye | 20 | $40,000 | $55,000 | 850 | $1,360 | $1,360 |
| Tulsa Oilers | 45 | $40,000 | $60,000 | 682 | $1,950 | $2,000 |
| Utah Grizzlies | 41 | $45,000 | $65,000 | 1,750 | $920 | $920 |
| Wheeling Nailers | NA | NA | NA | NA | NA | NA |
| Wichita Thunder | 22 | $37,500 | $37,500 | 192 | $1,100 | $1,100 |
| Average | | $40,975 | $60,245 | | $1,108 | $1,345 |

Source: Revenues from Sports Venues.

# E. PROMOTER/USER INTERVIEWS

# E. PROMOTER/USER INTERVIEWS

**Potential Tenants**

- Balancing the needs of potential arena tenants is key to optimizing seating capacity

- BSG spoke to representatives from the following organizations to get a better understanding of their need for a new facility and their interest in the Savannah market

  - Promoters
    - AEG Live
    - Live Nation
    - Feld Entertainment
    - Phatt Katz Productions

  - Minor league sports leagues
    - AHL
    - ECHL
    - SPHL
    - AFL
    - D-League

# E. PROMOTER/USER INTERVIEWS

**Promoter Interviews**

- Martin Luther King, Jr. Arena is a dated facility that is a liability in terms of bringing events to Savannah
  - Green rooms for artists and food service were specifically mentioned

- Promoters are strongly in favor of a new arena in Savannah
  - Savannah is generally considered a solid market for shows and could be considered a strong market with a new arena
  - Considered an annual play for family shows

- Savannah competes primarily with Jacksonville and North Charleston for events, but can route well with those markets in many instances
  - Some artists have passed over Savannah for Jacksonville
  - Columbia, Fayetteville, Augusta, and Macon were also mentioned as competition for Savannah

- Promoters focused on local event patrons, with some preferring to avoid high-tourism weekends such as St. Patrick's Day and the Savannah Music Festival altogether

# E. PROMOTER/USER INTERVIEWS

**Promoter Interviews**

- Promoters' feelings on maximum capacity were mixed
  - Some indicated that they would prefer a capacity over 10,000
  - Others favored a number closer to 8,500-9,000 with concerns about the market supporting a facility with over 10,000 seats

- An end stage concert capacity of 7,500 was considered sufficient

- Capacity is not an issue for family shows

- The concert and entertainment industry is generally considered strong at the moment
  - One concern is that some artists are looking globally in terms of routing, leading to fewer regional routing opportunities on their tours
    - Markets that were considered complimentary may be in a competitive situation
  - Dynamic pricing for tickets has generated a good deal of incremental revenue

- One promoter felt that Savannah's arena would benefit significantly from utilizing a third party arena operator such as SMG or Spectra to take advantage of their booking advantages and operational best practices

- Feld Entertainment indicated that the Gold Unit of Ringling Bros. and Barnum & Bailey Circus was disbanded – BSG has adjusted cash flow model to account for this change moving forward
  - Gold Unit was a one-ring circus that toured markets including Savannah
  - Remaining units are three-ring circuses that will focus on larger markets

# E. PROMOTER/USER INTERVIEWS

**American Hockey League (AHL) Interview**

- Team locations are driven primarily by NHL-owned teams
  - Over one half of AHL teams are owned by NHL affiliate
- AHL's interest level in Savannah would be completely dependent on NHL team's wishes
  - A team in Savannah would generally be feasible
- Indicated 7,600 hockey capacity would be ideal
- There would be some economies of scale with the Charlotte Checkers
- AHL will expand along with any future NHL expansion

## ECHL Interview

- The league expressed interested in the Savannah market and believes the opportunity should be pursued by the City and an ownership group
- Geography fits well with current teams
- The market would be a smaller ECHL market, but could still be successful
- ECHL is planning to expand to 30 teams in the near future
  - Recently added 29th team in Worcester, MA
- One expansion franchise is currently available
  - Relocation candidates as well
- ECHL would prefer a capacity between 6,000 and 7,000 for hockey games, but a slightly larger capacity would be acceptable

**ECHL Summary - CBSA Designation Overview**

| Statistical Measure | Savannah | Rank 30 | ECHL Average - (1) |
|---|---|---|---|
| 2015 Population (000s) | 373.1 | 23 | 1,369.3 |
| 2020 Population (000s) | 396.3 | 22 | 1,443.4 |
| Est. % Growth 2015-20 | 6.22% | 10 | 4.02% |
| 2015 Households (000s) | 142.1 | 20 | 446.9 |
| 2020 Households (000s) | 151.1 | 20 | 475.0 |
| Est. % Growth 2015-20 | 6.34% | 10 | 4.49% |
| Average Household Income | $65,371 | 19 | $71,180 |
| Median Household Income | $47,957 | 24 | $53,812 |
| High Income Households (000s) | 26.5 | 24 | 124.5 |
| Average Age (US Only) | 37.0 | 6 | 38.6 |
| Median Age | 34.8 | 3 | 37.8 |
| Companies w/ $20+mm Sales | 126 | 24 | 577 |
| Companies w/ 500+ Employees | 30 | 25 | 102 |

(1) - Average excludes Savannah.

Note: Evansville team relocating to Owensboro, KY after a voluntary 1-year suspension.

Source: Claritas 2015, Sitewise 2015, Hoovers 2015.

# E. PROMOTER/USER INTERVIEWS

## Southern Professional Hockey League (SPHL) Interview

- League has had contact with the City of Savannah regarding placing a team in the City in the past
- Martin Luther King, Jr. Arena was not an acceptable venue
  - Not fit to host a hockey team
  - Scheduling issues for weekend dates
    - League requires approximately 20 weekend dates for games, which were not available
- League is looking to expand
- Savannah is within the league's footprint and would be a logical geographical addition
  - Nearby teams include
    - Macon, GA
    - Columbus, GA
    - Fayetteville, NC
    - Pensacola, FL
- League is interested in placing a team in Savannah if a new arena is constructed

**SPHL Summary - CBSA Designation Overview**

| Statistical Measure | Savannah | Rank 11 | SPHL Average - (1) |
|---|---|---|---|
| 2015 Population (000s) | 373.1 | 8 | 525.3 |
| 2020 Population (000s) | 396.3 | 7 | 544.0 |
| Est. % Growth 2015-20 | 6.22% | 8 | 9.03% |
| 2015 Households (000s) | 142.1 | 8 | 205.1 |
| 2020 Households (000s) | 151.1 | 8 | 213.0 |
| Est. % Growth 2015-20 | 6.34% | 9 | 11.51% |
| Average Household Income | $65,371 | 6 | $65,278 |
| Median Household Income | $47,957 | 5 | $48,827 |
| High Income Households (000s) | 26.5 | 7 | 38.3 |
| Average Age (US Only) | 37.0 | 3 | 38.4 |
| Median Age | 34.8 | 3 | 37.5 |
| Companies w/ $20+mm Sales | 126 | 7 | 182 |
| Companies w/ 500+ Employees | 30 | 6 | 42 |

(1) - Average excludes Savannah.
Note: Does not include recently announced Evansville expansion team.
Source: Claritas 2015, Sitewise 2015, Hoovers 2015.

# E. PROMOTER/USER INTERVIEWS

## Arena Football League (AFL) Interview

- AFL is planning to expand to over 20 teams
  - Currently at 8
  - Likely adding 4-6 in the next year
    - Including one in Mexico
- Very interested in the Savannah market
- Projected capacity of approximately 7,600 (similar to hockey capacity) is smaller than the league would prefer, but would be acceptable

**AFL Summary - CBSA Designation Overview**

| Statistical Measure | Savannah | Rank 9 | AFL Average - (1) |
|---|---|---|---|
| 2015 Population (000s) | 373.1 | 9 | 2,750.9 |
| 2020 Population (000s) | 396.3 | 9 | 2,871.2 |
| Est. % Growth 2015-20 | 6.22% | 3 | 4.78% |
| 2015 Households (000s) | 142.1 | 9 | 1,062.0 |
| 2020 Households (000s) | 151.1 | 9 | 1,110.0 |
| Est. % Growth 2015-20 | 6.34% | 3 | 4.98% |
| Average Household Income | $65,371 | 7 | $69,472 |
| Median Household Income | $47,957 | 7 | $51,293 |
| High Income Households (000s) | 26.5 | 9 | 234.4 |
| Average Age (US Only) | 37.0 | 1 | 39.0 |
| Median Age | 34.8 | 1 | 38.3 |
| Companies w/ $20+mm Sales | 126 | 9 | 829 |
| Companies w/ 500+ Employees | 30 | 9 | 200 |

(1) - Average excludes Savannah.
Note: Does not include recently announced Washington D.C. expansion team.
Source: Claritas 2015, Sitewise 2015, Hoovers 2015.

- There is a potential synergy with the AFL team in Jacksonville and a team that was recently announced in Washington D.C. for 2017

## NBA Development League (D-League) Interview

- Very interested in the Savannah market
  - Have been looking into the southeast region
  - Atlanta Hawks could be a fit as a D-League affiliate
    - Florida-based teams would be interested in affiliates that are in the southeast region
- Ideal building size is 5,000 – 10,000 seats
  - Current arenas vary considerably
- D-League is looking to expand to 30 teams
  - Will soon have 22 teams

**NBA D-League Summary - CBSA Designation Overview**

| Statistical Measure | Savannah | Rank 23 | D-League Average - (1) |
|---|---|---|---|
| 2015 Population (000s) | 373.1 | 19 | 4,214.7 |
| 2020 Population (000s) | 396.3 | 19 | 4,365.9 |
| Est. % Growth 2015-20 | 6.22% | 14 | 12.57% |
| 2015 Households (000s) | 142.1 | 19 | 1,529.0 |
| 2020 Households (000s) | 151.1 | 19 | 1,590.9 |
| Est. % Growth 2015-20 | 6.34% | 15 | 13.86% |
| Average Household Income | $65,371 | 17 | $75,807 |
| Median Household Income | $47,957 | 18 | $56,146 |
| High Income Households (000s) | 26.5 | 19 | 452.2 |
| Average Age (US Only) | 37.0 | 6 | 38.2 |
| Median Age | 34.8 | 4 | 37.5 |
| Companies w/ $20+mm Sales | 126 | 19 | 2,165 |
| Companies w/ 500+ Employees | 30 | 17 | 372 |

(1) - Average excludes Savannah.

Source: Claritas 2015, Sitewise 2015, Hoovers 2015.

# F. POTENTIAL TENANT MIX

# F. POTENTIAL TENANT MIX

**Potential Tenants**

- As illustrated by the comparable arenas, a wide variety of potential tenants exist for a new arena in Savannah

- Options include
  - Minor league hockey
    - American Hockey League (AHL)
    - ECHL
    - Southern Professional Hockey League (SPHL)
  - Arena football
    - Arena Football League (AFL)
    - American Indoor Football (AIF) – Savannah Steam
    - Indoor Football League (IFL)
    - Champions Indoor Football (CIF)
  - Basketball
    - Women's National Basketball Association (WNBA)
    - NBA Developmental League (D-League)
      - Atlanta Hawks do not yet have a D-League affiliate

# F. POTENTIAL TENANT MIX

**Minor League Hockey**

- North American minor league system consists of a combination of affiliated and independent leagues

- Two primary NHL-affiliated leagues
  - AHL
    - Highest level of North American minor league hockey
    - 30 teams – each team is typically affiliated with one NHL team

  - ECHL
    - 2nd tier of North American minor league hockey
    - 28 teams – all but three have an affiliation with an NHL team as of 2015-16 season
      - 29th team was recently announced

  - Both leagues comprised of players drafted by NHL clubs out of Canadian juniors, collegiate hockey, or international leagues

- Annual “Savannah Classic” hockey event generally well supported

# F. POTENTIAL TENANT MIX

## Minor League Hockey Attendance

- Announced attendance for the AHL and ECHL is summarized to the right
- Average attendance is approximately 5,500 for the AHL and 4,600 for the ECHL

| AHL Team | 2014-15 Avg. Attendance |
|---|---|
| Hershey Bears | 9,791 |
| Providence Bruins | 8,389 |
| Lake Erie Monsters | 8,331 |
| Lehigh Valley Phantoms | 8,163 |
| Grand Rapids Griffins | 8,082 |
| Chicago Wolves | 7,958 |
| San Antonio Rampage | 6,579 |
| Rochester Americans | 6,165 |
| Syracuse Crunch | 5,986 |
| Charlotte Checkers | 5,822 |
| Milwaukee Admirals | 5,809 |
| St. John's IceCaps | 5,778 |
| Wilkes-Barre/Scranton Penguins | 5,708 |
| Iowa Wild | 5,659 |
| Manchester Monarchs | 5,621 |
| Toronto Marlies | 5,347 |
| Texas Stars | 5,002 |
| Rockford IceHogs | 4,834 |
| Norfolk Admirals | 4,752 |
| Bridgeport Sound Tigers | 4,744 |
| Hartford Wolf Pack | 4,468 |
| Hamilton Bulldogs | 4,452 |
| Worcester Sharks | 3,847 |
| Binghamton Senators | 3,773 |
| Utica Comets | 3,720 |
| Adirondack Flames | 3,642 |
| Albany Devils | 3,323 |
| Springfield Falcons | 3,273 |
| Oklahoma City Barons | 3,262 |
| Portland Pirates | 2,963 |
| Average | 5,508 |

Source: AHL.

| ECHL Team | 2014-15 Avg. Attendance |
|---|---|
| Ontario Reign | 7,802 |
| Fort Wayne Komets | 7,277 |
| Toledo Walleye | 6,440 |
| Orlando Solar Bears | 6,209 |
| Tulsa Oilers | 5,479 |
| Missouri Mavericks | 5,317 |
| Colorado Eagles | 5,289 |
| Florida Everblades | 5,205 |
| Evansville IceMen | 5,019 |
| Wichita Thunder | 5,007 |
| Gwinnett Gladiators | 4,927 |
| Utah Grizzlies | 4,919 |
| Bakersfield Condors | 4,799 |
| Stockton Thunder | 4,621 |
| Alaska Aces | 4,367 |
| Cincinnati Cyclones | 4,342 |
| Reading Royals | 4,192 |
| Allen Americans | 4,096 |
| Idaho Steelheads | 4,030 |
| South Carolina Stingrays | 3,979 |
| Quad City Mallards | 3,913 |
| Rapid City Rush | 3,856 |
| Indy Fuel | 3,720 |
| Greenville Road Warriors | 3,619 |
| Kalamazoo Wings | 2,703 |
| Brampton Beast | 2,572 |
| Elmira Jackals | 2,557 |
| Wheeling Nailers | 2,499 |
| Average | 4,598 |

Source: ECHL.

## Arena Football

- The AFL is the longest running arena football league
  - Began play in 1987
  - Footprint spans coast to coast
  - League went through bankruptcy and suspended operations in 2009
    - Re-established the next year
  - The league has experienced recent contraction
    - Down to 8 teams for 2016

- AIF
  - Began play in 2005 (21 teams expected in 2016)
  - The league has experienced a great deal of turnover since its inception
  - Footprint from East Coast to Texas/New Mexico/Colorado
  - Savannah Steam play in AIF

- IFL
  - Began play in 2009 (12 teams expected in 2016)
  - Merger of Intense Football League and United Indoor Football
  - Footprint from Midwest to Pacific Northwest

- CIF
  - Began play in 2015 (12 teams expected in 2016)
  - Merger of Champions Professional Indoor Football League and Lone Star Football League
  - Footprint from Midwest to Texas/New Mexico

| AFL Team | 2015 Avg. Attendance |
|---|---|
| Tampa Bay Storm | 12,312 |
| Cleveland Gladiators | 11,558 |
| Orlando Predators | 11,459 |
| Arizona Rattlers | 10,701 |
| Jacksonville Sharks | 10,006 |
| San Jose SaberCats | 8,815 |
| Philadelphia Soul | 8,491 |
| Portland Thunder | 8,290 |
| Spokane Shock | 8,035 |
| Los Angeles Kiss | 7,913 |
| Las Vegas Outlaws | 4,732 |
| New Orleans VooDoo | 4,067 |
| Average | 8,865 |

Source: Industry Research.

# F. POTENTIAL TENANT MIX

## Basketball

- WNBA
  - Began play in 1997
  - 2015 marked a record low in terms of attendance
    - Approximately 7,300 per game
  - Currently 12 teams
  - Based on the league's focus on major markets, we did not feel the league would be a fit for Savannah
- D-League
  - Began play in 2001
  - Currently 19 teams (will be 22 by 2016-17 season)
  - Average attendance is reported at approximately 2,700
  - The league is moving toward having an affiliate for each NBA team
    - Atlanta Hawks are a natural fit and do not currently have a D-League affiliate

| WNBA Team | 2015 Avg. Attendance |
|---|---|
| Phoenix Mercury | 9,946 |
| Minnesota Lynx | 9,364 |
| New York Liberty | 9,159 |
| Los Angeles Sparks | 9,065 |
| Washington Mystics | 7,714 |
| Indiana Fever | 7,485 |
| Chicago Sky | 6,894 |
| Seattle Storm | 6,516 |
| Atlanta Dream | 6,122 |
| Connecticut Sun | 5,557 |
| Tulsa Shock | 5,167 |
| San Antonio Stars | 4,831 |
| Average | 7,318 |

Source: Industry Research.

NBA DEVELOPMENT LEAGUE

# G. GENERAL OBSERVATIONS

# G. GENERAL OBSERVATIONS

**General Observations**

- Among the median comparable markets, Savannah is generally near the median in terms of market characteristics such as income, unemployment, GDP, media market size, and corporate base
  - High income households and corporate base are key drivers of premium seating revenue
- Savannah's population is growing at a rate of 6.22%, more than double the average of the median comparable markets
- In terms of geographic rings, Savannah is a relatively larger market based on the 20 mile ring
- There is limited competition for a new arena – no existing modern arena within the market
- Theaters in the Savannah market are small in terms of total capacity – limited competition for events above 2,000 attendees

# G. GENERAL OBSERVATIONS

**General Observations**

- Most median comparable markets have some level of suite inventory, while approximately half of the markets have club seat inventory
- Savannah market would likely be able to support premium inventory with a tenant in a new arena
- Promoters and minor league sports representatives indicated a favorable opinion of the Savannah market if a new arena is built

# III. PRELIMINARY FACILITY CHARACTERISTICS

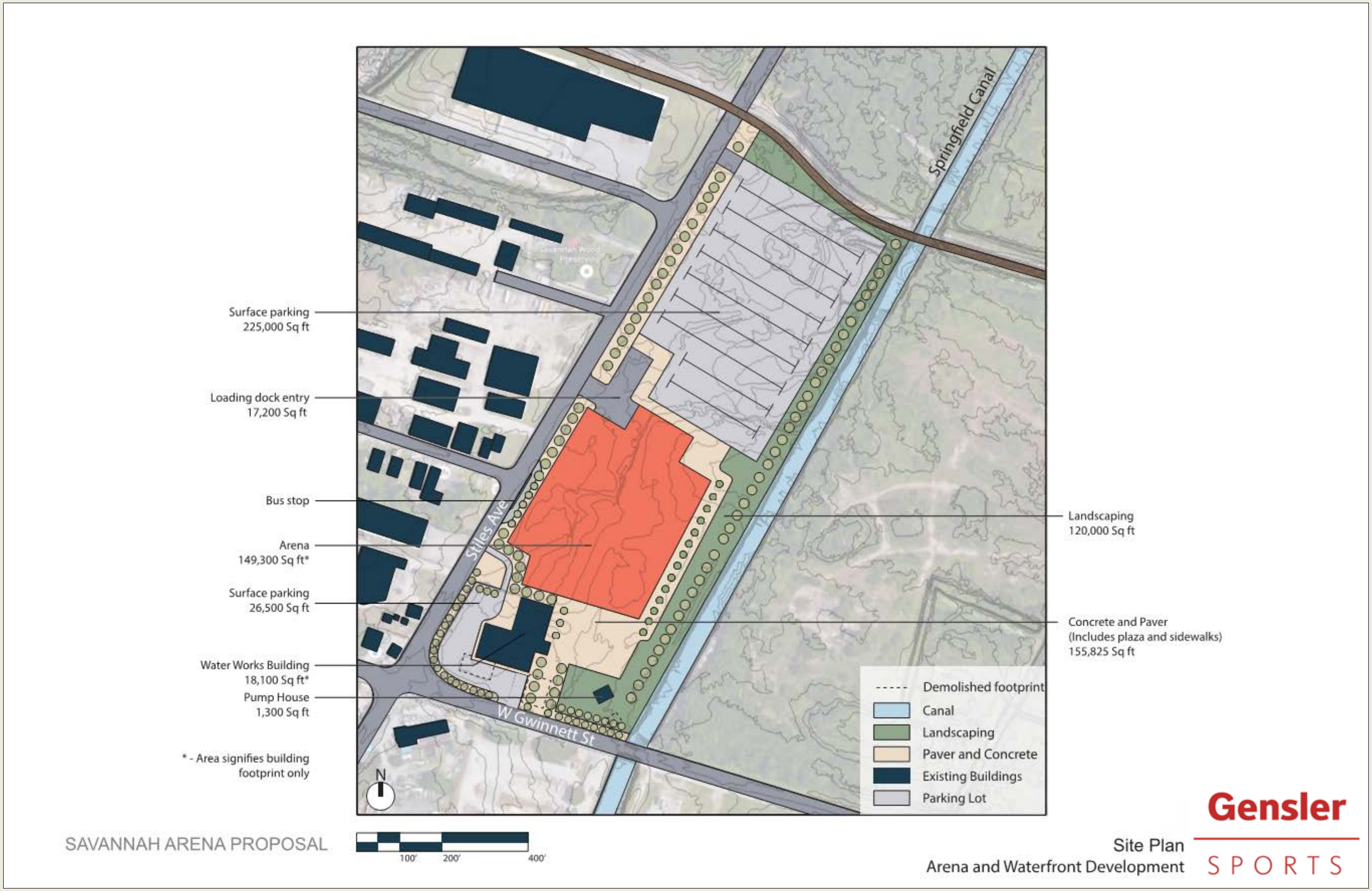
# III. PRELIMINARY CHARACTERISTICS

**Preliminary Program Recommendations**

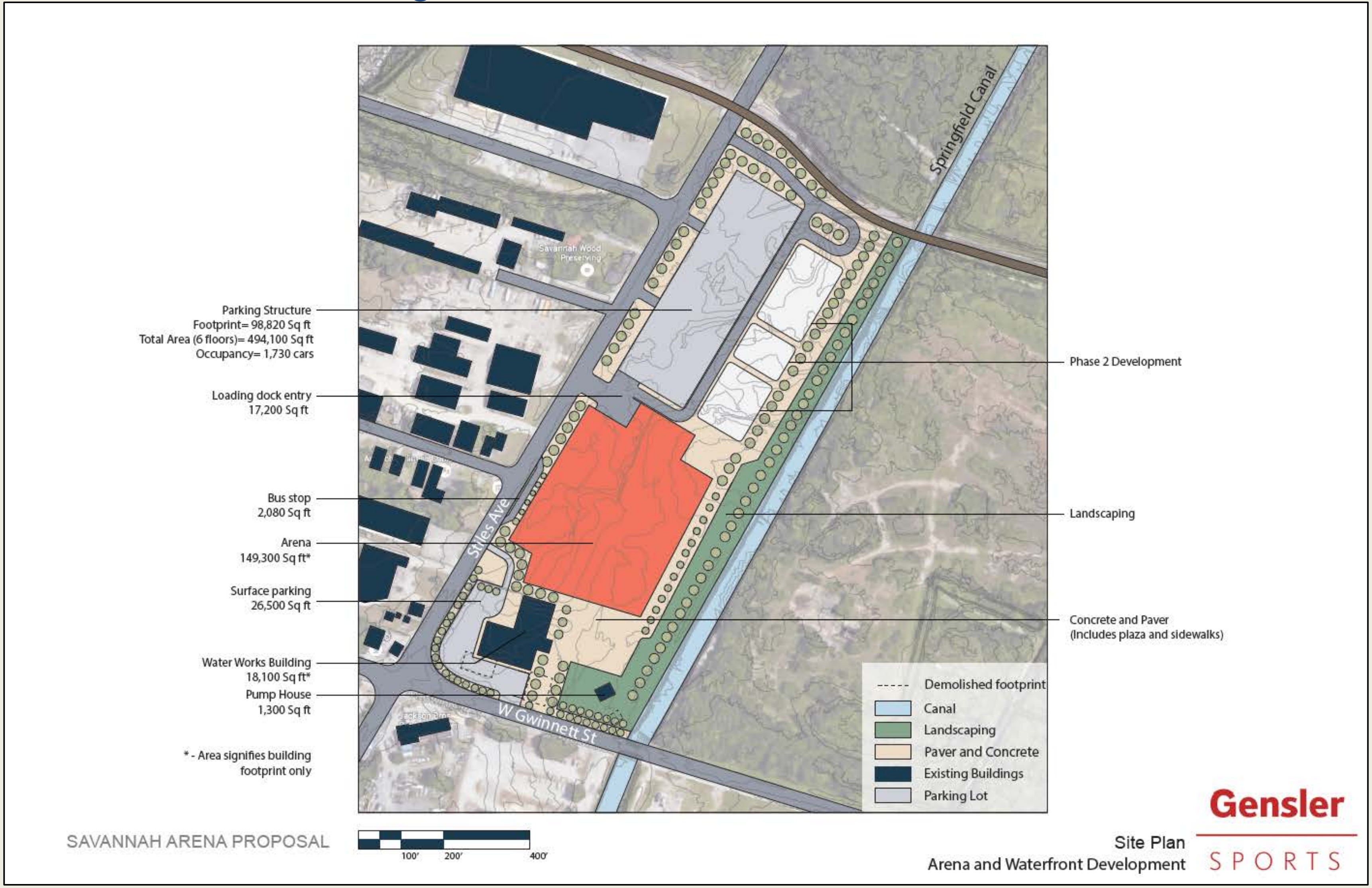
- Arena Characteristics
  - Capacity – 360 Degree 8,500 – 9,500
  - Capacity – 270 Degree (End Stage) 7,500 – 8,000
  - Luxury Suites 12 – 15
  - Club Seats 350 – 450
  - Parking 2,750 – 3,000

Note: Premium seating inventory assumes anchor minor league tenant

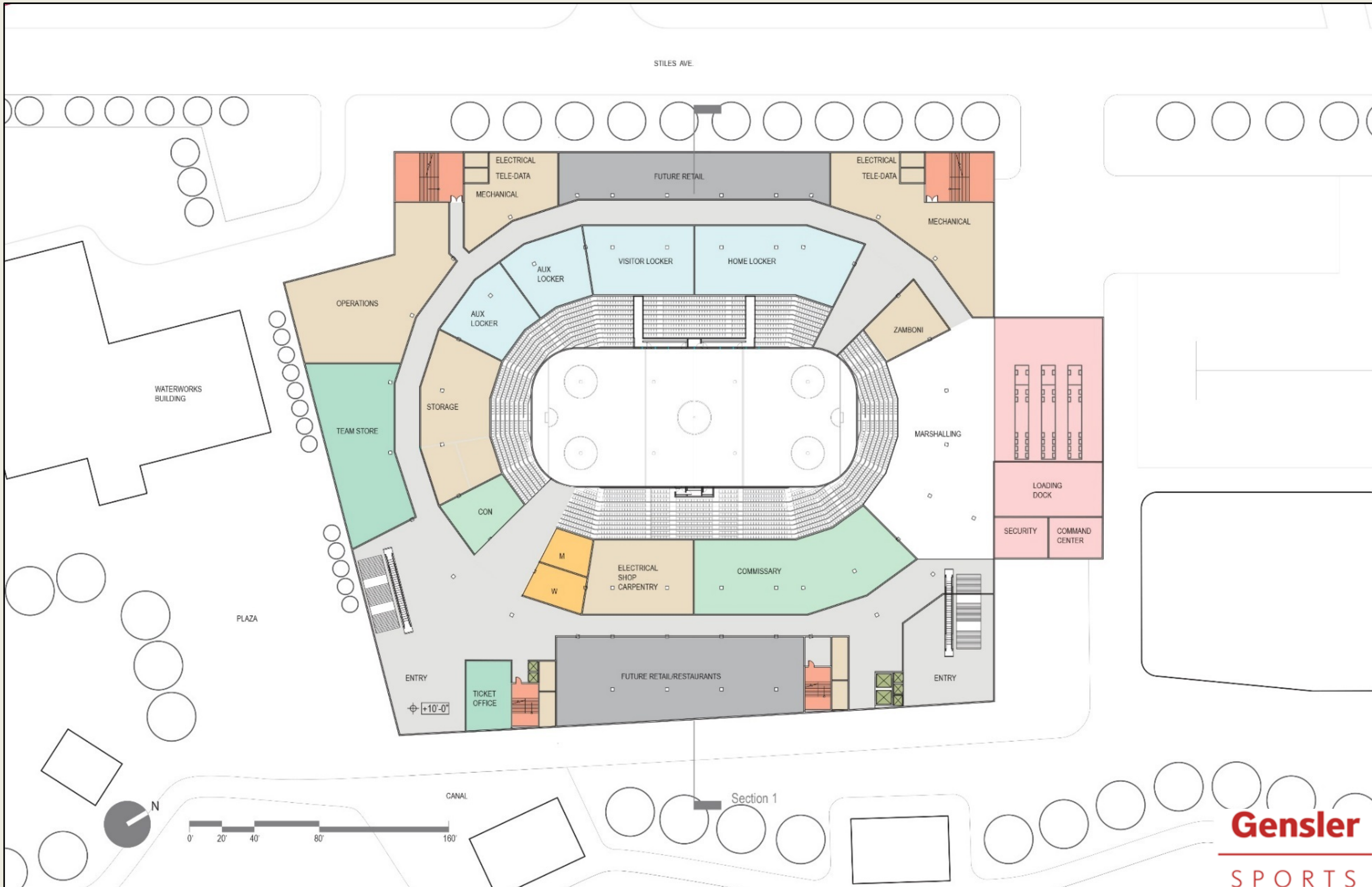
## Arena Site Plan



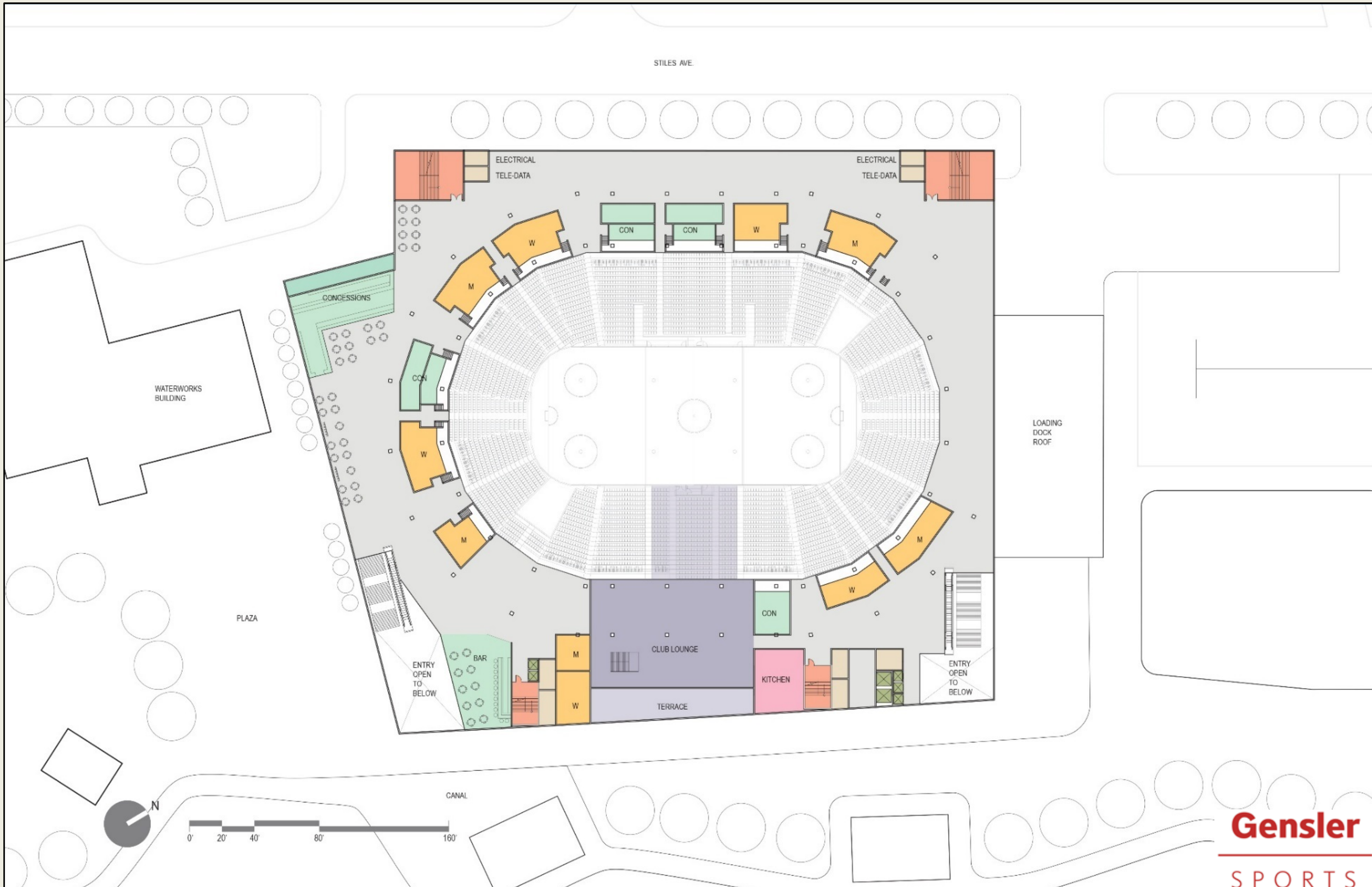
## Arena Site Plan – With Parking Structure



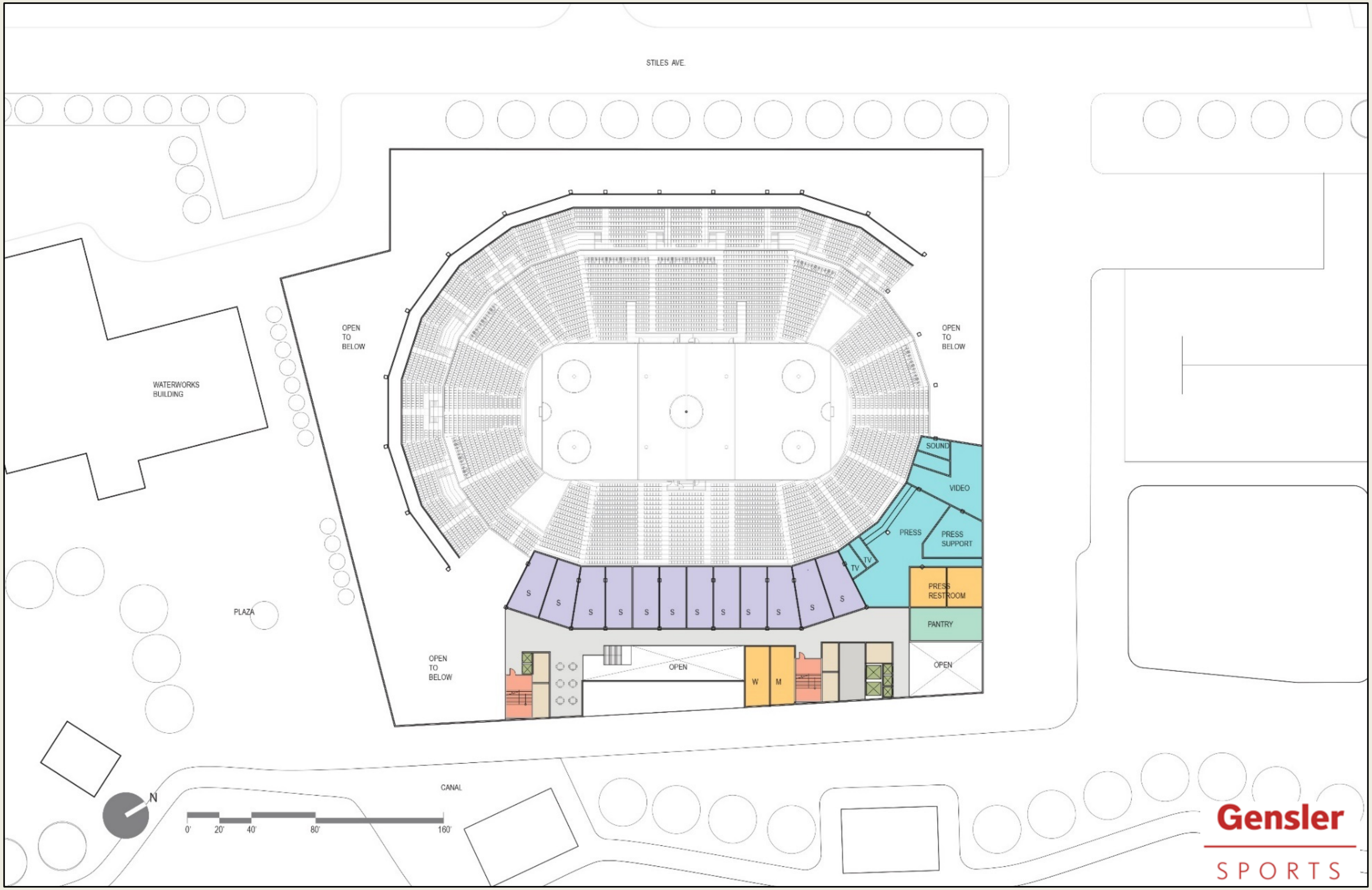
## Event Level Plan



## Main Concourse Level Plan

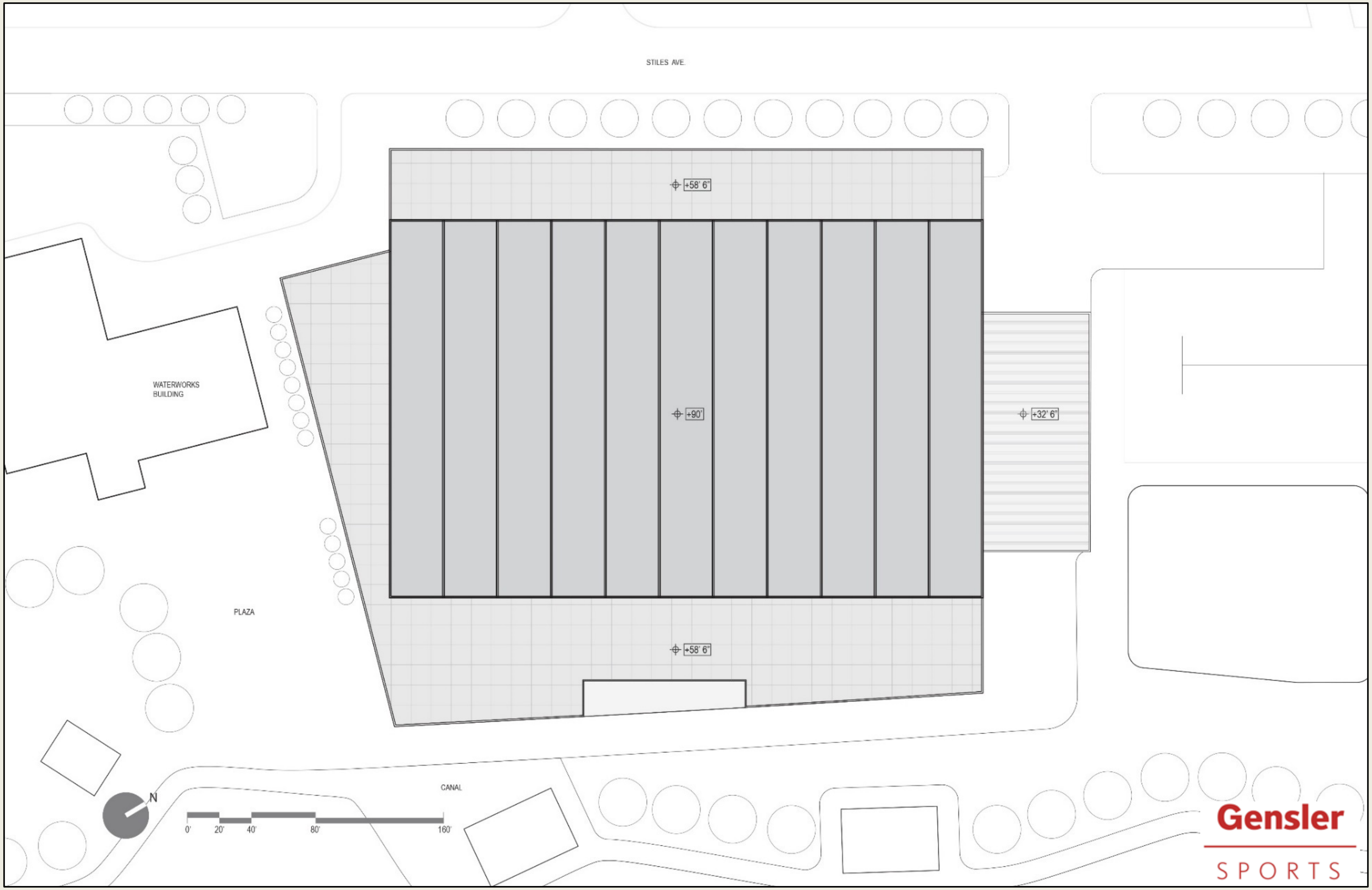


## Suite and Press Level Plan

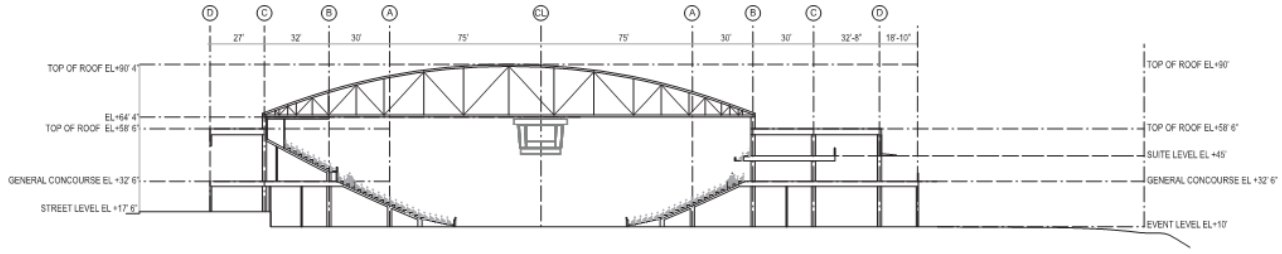


# III. PRELIMINARY CHARACTERISTICS

## Roof Plan



## Arena Section Diagram

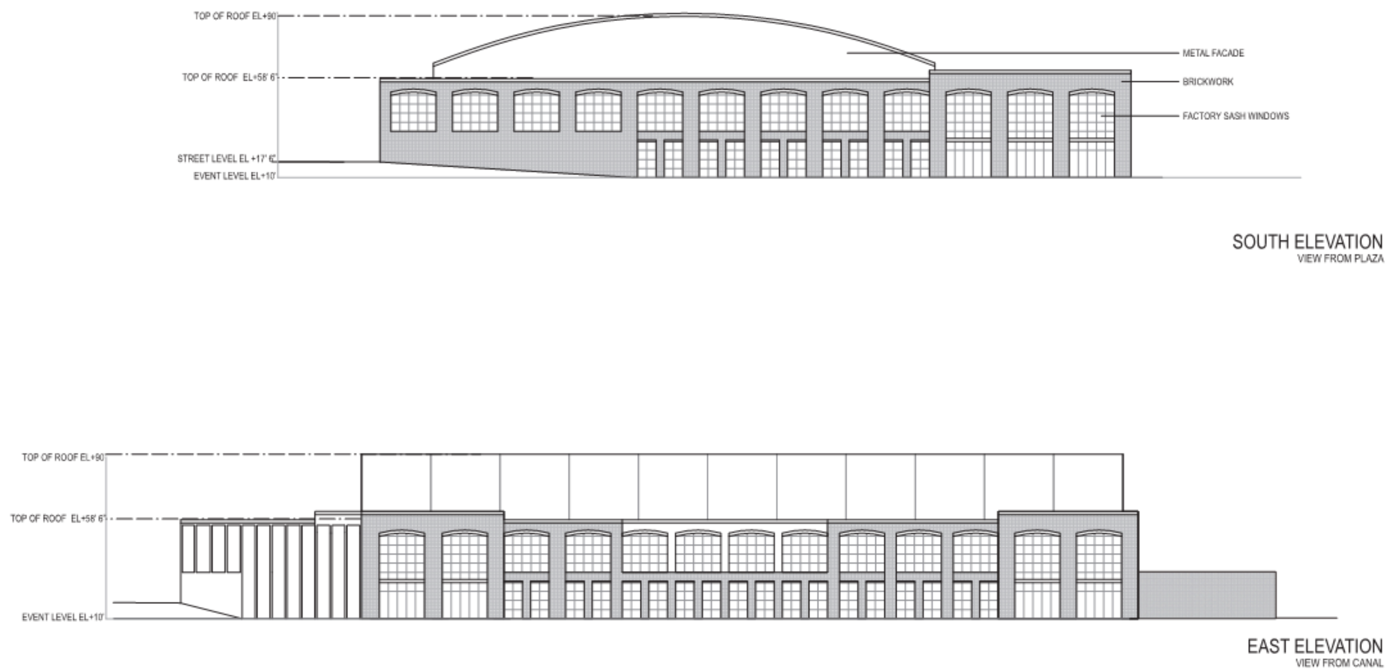



SECTION DIAGRAM @ HALF-COURT / CENTER ICE

Gensler

SPORTS

## Arena Elevations

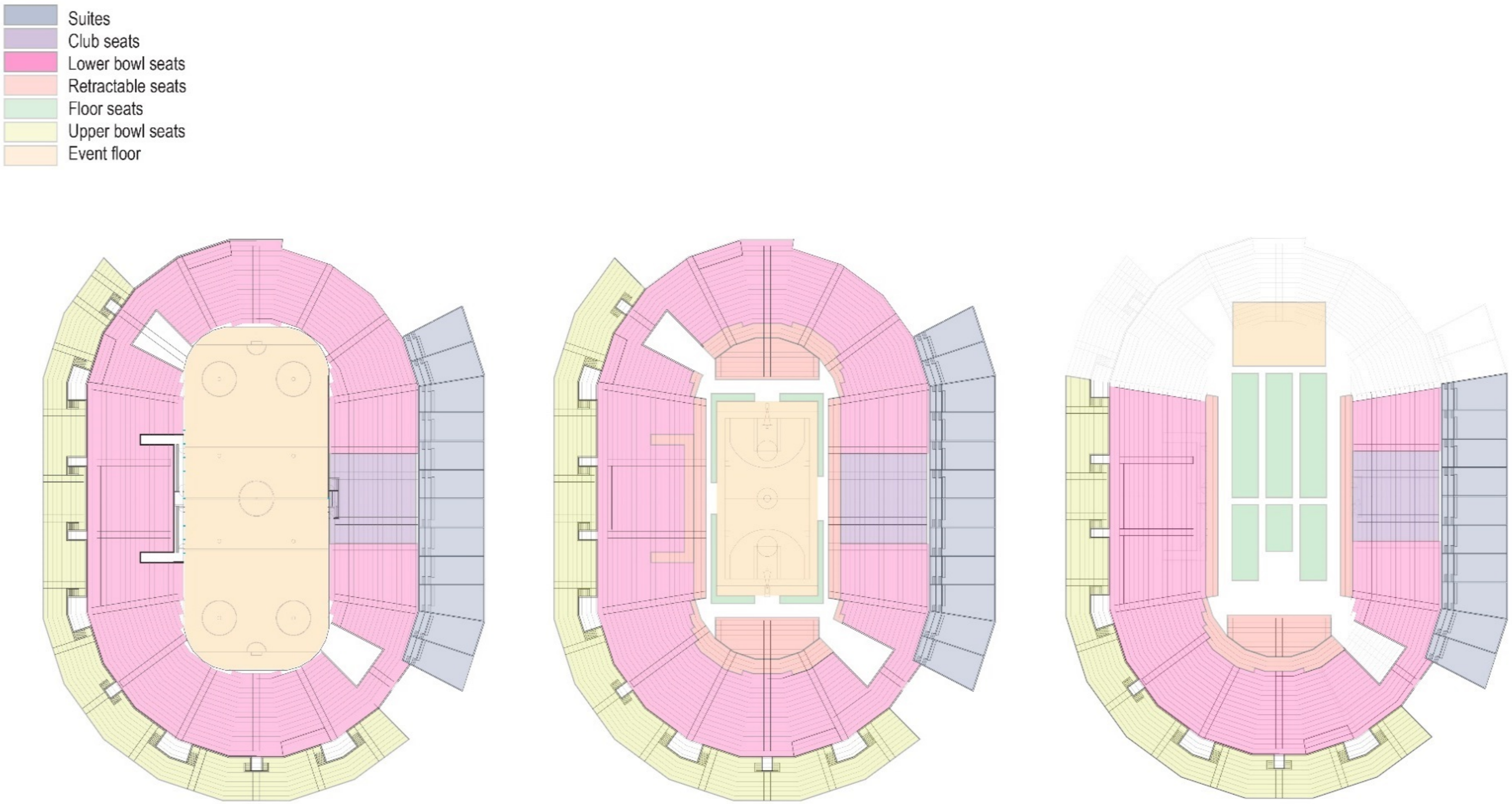



Gensler SPORTS

# III. PRELIMINARY CHARACTERISTICS

## Arena Section Perspective

## Seating Bowl Layouts




Hockey
Total – 7,600 seats

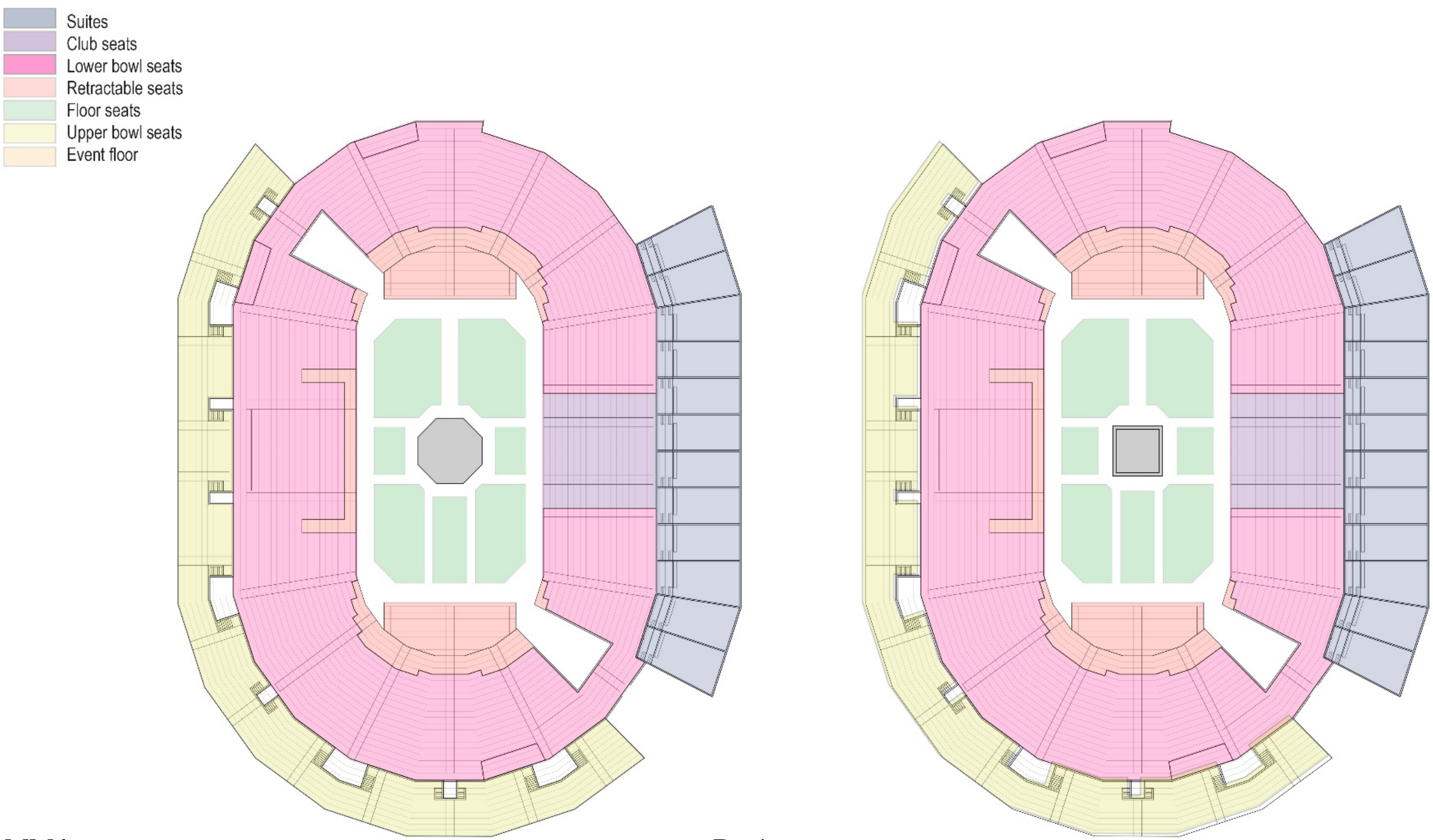
Basketball
Total – 8,400 seats

End Stage Concert
Total – 7,500 seats

Gensler
SPORTS

# III. PRELIMINARY CHARACTERISTICS

## Seating Bowl Layouts




MMA
Total – 8,900-9,300 seats

Boxing
Total – 8,900-9,300 seats

Gensler
SPORTS

## Arena Area Program

### Savannah Arena Area Calculations

| Total Arena Area (SF) | | | 268,849 |
|---|---|---|---|
| | | | |
| **Description** | **Quantity** | **Area (SF)** | **Subtotal Area** |
| | | | |
| **SEATING BOWL:** | | | |
| 21" General Admission Seats (upper and lower bowl) | 6,805 | 39,023 | |
| 21" Retractable Seats - General Admission | 460 | 0 | |
| 21" Variable Rise - General Admission | 470 | | |
| 22" Club Seats | 438 | 2,913 | |
| 22" Variable Rise - Club | 200 | | |
| 22" Suite Seats | 144 | | |
| Suite Stools | 84 | | |
| Removable Seats basketball | 460 | | |
| ADA Seats (Qty:138) | 138 | 2,783 | |
| Hockey Seating Capacity | 7,600 | | |
| Basketball Seating Capacity | 8,400 | | |
| End Stage Concert Capacity | 7,500 | | |
| Floor Seating for concerts | 1,200 | | |
| | | | |
| **SUBTOTAL - SEATING BOWL** | | | **44,719** |

## Arena Area Program

| Description | Quantity | Area (SF) | Subtotal Area |
|---|---|---|---|
| | | | |
| **SUITE LEVEL** | | | |
| **Service Elevator Lobby** | | **585** | |
| **Storage at Elevator Lobby** | | **215** | |
| **Exit Stairways (Qty: 2)** | | **950** | |
| **Suite Corridor/Circulation** | | **5,050** | |
| **Suites (Qty: 12 suites)** | 12 | **8,260** | |
| GM Box | | | |
| Owner's Box | | | |
| **Suite Toilets** | | **1,120** | |
| Mens | | | |
| Womens | | | |
| **Pantry** | | **920** | |
| **Press Area** | | **6,649** | |
| Open Press Room | | | |
| Writing Press Row at Seating Bowl | | | |
| Press Support Room | | | |
| Press Toilets | | | |
| Storage/Coat Check | | | |
| Radio Broadcast | | | |
| Scoreboard Operator | | | |
| Sound/PA | | | |
| Video Board Control Room | | | |
| Equipment Room (conditioned) | | | |
| Media Storage | | | |
| Press Warming Pantry | | | |
| **Mechanical/Electrical Rooms** | | **795** | |
| | | | |
| **SUBTOTAL - SUITE LEVEL** | | | **24,544** |

## Arena Area Program

| Description | Quantity | Area (SF) | Subtotal Area |
|---|---|---|---|
| | | | |
| **MAIN CONCOURSE LEVEL** | | | |
| **Club** | | **11,000** | |
| Club Corridor / Circulation | | | |
| Club Lounge | | | |
| Open Stairway to Suite Level | | | |
| Exterior Terrace | | | |
| Club Kitchen | | | |
| Club Food & Beverage Concession | | | |
| Club Restrooms | | | |
| Men | | | |
| Women | | | |
| Family | | | |
| Satellite Lounge/Bar | | | |
| **Concourse** | | **41,300** | |
| First Aid | | | |
| Guest Services | | | |
| Retail | | | |
| Permanent Novelty Stands | | | |
| Portable Stands (Qty: 4) | | | |
| Storage | | | |
| **Exit Stairs (Qty: 4)** | | **3,510** | |
| **Mechanical/Electrical Rooms** | | **1,400** | |
| **Service Elevator Lobby and storage** | | **790** | |
| **Concourse Restrooms** | | **6,117** | |
| Men (Qty: 4) | | | |
| Women (Qty: 4) | | | |
| Family | | | |
| Gender Neutral | | | |
| Janitor's Closet | | | |
| **Specialty Food Court Area and pantry** | | **5,060** | |
| **Bar Area** | | **2,060** | |
| **Concessions (Qty: 4, all w/ exhaust hoods)** | | **2,970** | |
| Serving / POS | | | |
| Cooking | | | |
| Prep | | | |
| Hawking | | | |
| Portable Stands | | | |
| Vending Machines | | | |
| Storage | | | |
| Camera Platforms | | | |
| Mid-Court | | | |
| Endlines | | | |
| Mid-Court Reverse | | | |
| | | | |
| SUBTOTAL - MAIN CONCOURSE LEVEL | | | 74,207 |

## Arena Area Program

| Description | Quantity | Area (SF) | Subtotal Area |
|---|---|---|---|
| | | | |
| EVENT LEVEL | | | |
| **Event Floor (with seating retracted)** | | **16,650** | |
| **SE Entrance Lobby** | | **9,809** | |
| Metal Detector Storage | | | |
| **Open Stair to Main Concourse** | | **690** | |
| **NE Lobby Entrance** | | **3,520** | |
| Metal Detector Storage | | | |
| **Open Stair to Main Concourse** | | **690** | |
| **Ticketing Lobby / Office** | | **1,230** | |
| **Exit Stairways** | 4 | **3,350** | |
| **Storage / Elevator Mechanical** | | **860** | |
| **Service Corridor** | | **17,064** | |
| Head End (Broadcast) | | | |
| Show Power Connection Area | | | |
| **East Retail / Restaurant Shell Space** | | **7,740** | |
| **Commissary** | | **5,840** | |
| Central Kitchen | | | |
| Cold Prep Kitchen | | | |
| Beer Keg Storage | | | |
| Premium Finishing Area | | | |
| Serving Pantries | | | |
| Dry Storage | | | |
| Food Service Provider Area | | | |
| GM Office | | | |
| AGM Office | | | |
| Restrooms | | | |
| Female Staff Lockers | | | |
| Male Staff Lockers | | | |
| Laundry | | | |
| Uniform Check-out/Break Room | | | |
| **Electrical / Carpentry Shop** | | **2,960** | |
| **Concession** | | **1,280** | |
| Storage | | | |
| **Restrooms** | | **1,410** | |
| Women | | | |
| Men | | | |
| **Team Store** | | **4,750** | |
| Sales Floor | | | |
| Storage | | | |
| **Floor Storage** | | **3,900** | |
| Officials | | | |
| Officials Locker Rooms | | | |
| Officials Wet Area | | | |
| Officials Meeting Room | | | |
| Green Room | | | |
| **SW Mechanical / Operations Room** | | **8,530** | |
| Building Management | | | |
| GM Office | | | |
| Operations Suite | | | |
| Accounting Suite | | | |
| Marketing Suite | | | |
| Reception / Waiting | | | |
| Conference Room | | | |
| Break Room | | | |
| Work Room | | | |
| Storage | | | |
| Restrooms | | | |
| IT Space | | | |
| **Auxiliary Locker Rooms (Qty: 2)** | | **3,870** | |
| Locker Room | | | |
| Wet Area | | | |
| **Visitor Locker Room** | | **2,780** | |
| Locker Room | | | |
| Stretching/Storage | | | |
| Wet Area | | | |
| Grooming Area | | | |
| Coaches Office | | | |
| Treatment Room | | | |
| Video Room | | | |
| Trainers Office | | | |

## Arena Area Program

| | | | |
|---|---|---|---|
| **Home Locker Room** | | **4,100** | |
| Locker Room | | | |
| Stretching/Storage | | | |
| Wet Area | | | |
| Grooming Area | | | |
| Coaches Office | | | |
| Treatment Room | | | |
| Video Room | | | |
| Trainers Office | | | |
| **Storage / Shell for Future West Retail** | | **4,830** | |
| **NW Mechanical Room** | | **5,000** | |
| Bowl AHU | | | |
| Other AHU | | | |
| Boiler Room | | | |
| Chiller Room | | | |
| Cooling Towers | | | |
| Water Entry / Booster | | | |
| Fire Entry / Pump | | | |
| Building Service | | | |
| Main Elec Room | | | |
| Emergency Generator | | | |
| Main Tele | | | |
| Floor Elec | | | |
| Floor Tele | | | |
| Data | | | |
| DAS | | | |
| **Zamboni** | | **1,315** | |
| **Dock** | | **3,960** | |
| Trash Dock / Recycling / Compactor | | | |
| Dock Office | | | |
| Restroom | | | |
| Storage | | | |
| Security | | | |
| Office | | | |
| Detention Room | | | |
| Toilet | | | |
| Storage | | | |
| Fire Command Center | | | |
| **Marshalling Area** | | **8,825** | |
| Staging Area | | | |
| Marshalling Area / Receiving | | | |
| Janitorial | | | |
| Central Storage | | | |
| Distributed JCs | | | |
| Trash Collection Rooms | | | |
| Recycling Rooms | | | |
| **Vertical Circulation** | | | |
| Passenger Elevators - 3 Stops | 5 | 210 | |
| Service Elevators - 3 Stops | 2 | 216 | |
| Escalator - Service Level to Main Concourse | 2 | | |
| | | | |
| SUBTOTAL - EVENT LEVEL | | | 125,379 |

# IV. SITE CONSIDERATIONS

# IV. SITE CONSIDERATIONS

## Site Description

- 15.7 acre tract bounded by Stiles Avenue, Gwinnett St. the Springfield Canal and CSX railroad spur
- Elevations on the site range from 7 NAVD on the east to 14 NAVD
- Currently home to several City departments and vehicle maintenance facility

# IV. SITE CONSIDERATIONS

## Site Description

- Bulk of the site in 100 year flood plain
  - FEMA 100 year flood elevation is 11.0. It is proposed to be lowered to elevation 9.0 in 2017.

# IV. SITE CONSIDERATIONS

## Wetlands

- As a result of previous land uses, preliminary opinion is there are no jurisdictional wetlands on site
- The Springfield Canal would be considered jurisdictional waters of the U.S. and the State of Georgia
- There are likely jurisdictional wetlands on the adjacent City-owned properties
  - A jurisdictional determination is recommended for those properties if they are to be developed

# IV. SITE CONSIDERATIONS

**Environmental & Groundwater**

- There are several areas of environmental concern on the proposed arena site
  - Fueling Stations and Underground Storage Tanks
    - Active fueling station with four underground tanks and fueling station
      - Some previous leakage
      - Potential for contaminated soil
  - Monitoring Wells
    - Used to monitor offsite leaking tanks on S.E. corner of Stiles & Gwinnett
  - Suspected Underground Storage Tanks
    - Fill pipes and vents suggest the potential presence of underground storage near the N.W. corner of the vehicle maintenance shop
  - Vehicle Maintenance Shop
    - Potential soil and groundwater contamination from petroleum products, solvents and other chemicals

# IV. SITE CONSIDERATIONS

**Environmental & Groundwater**

- Buried Medical Waste
  - Site personnel encountered buried medical waster thought to be from former blood bank operating on the site
- Former Paint Shop
  - Current refuse building was used as a paint shop for traffic signage
    - Potential soil and groundwater contamination from paint and solvents
- Former Coal Pocket
  - Former coal storage yard adjacent to vehicle maintenance shop – stormwater leachate may have impacted soil and groundwater heavy metals and petroleum hydrocarbons
- Former Fueling Station
  - Spills associated with this fueling station may have impacted underlying soil and groundwater with petroleum hydrocarbons and lead
- Asbestos Containing Materials
  - Since the City Lot buildings were constructed between 1892 and 1968, a number of them are likely to have ACMs

# IV. SITE CONSIDERATIONS

## Environmental & Groundwater

- Arena Site Areas of Concern

# IV. SITE CONSIDERATIONS

**Environmental & Groundwater**

- There are properties surrounding the site that may create environmental impacts to the arena site
  - Tenenbaum Property
    - Given the previous use of the property (metal reclamation, potential use of solvents), there may be soil and groundwater contamination on the property
  - Stiles Avenue Property
    - 2004 investigations identified lead in the surface soil, subsurface soil, and groundwater at concentrations exceeding applicable regulatory standards
    - Chromium was detected at levels above the minimum contaminant level
      - Groundwater was resampled later in 2004 and metals were not found to be above minimum contaminant levels
      - Topography suggests the property is downgradient from the arena site
  - Norfolk Southern Property
    - A Phase I ESA in September 2006 identified areas of stressed vegetation and evidence of buried debris
    - No Phase II was conducted

# IV. SITE CONSIDERATIONS

**Environmental & Groundwater**

- Louisville Road Property
  - A Phase II ESA conducted in 2004 identified a large amount buried trash and debris
  - No parameters were detected in the soil or groundwater at concentrations exceeding applicable regulatory criteria
- CSXT Property on Feely Avenue
  - Listed by the Georgia EPD due to a known release of arsenic in soil and groundwater at levels exceeding the reportable quantity
  - Property is upgradient of the arena site
- Citgo Gas Station
  - Regulatory database indicates an active leaking underground storage site with a remediation system and monitoring wells
  - Topography suggests the property is upgradient from the new arena site

# IV. SITE CONSIDERATIONS

**Environmental & Groundwater**

- El Cheapo Gas Station
  - Regulatory database indicates an active leaking underground storage site with a remediation system and monitoring wells
  - Topography suggests the property is upgradient from the new arena site

- Savannah Wood Preserving Company
  - Regulatory database indicates a spill of chromium copper arsenic was reported in 2000
  - Property is upgradient of new arena site

# IV. SITE CONSIDERATIONS

**Environmental & Groundwater**

- There are properties surrounding the site that may create environmental impacts to the arena site
  - Mosovitz of Georgia
    - Regulatory database indicates two past diesel spills from an underground storage tank. No further action was recommended by EPD. Property is upgradient of the new arena site.

# IV. SITE CONSIDERATIONS

**Environmental & Groundwater**

- Conclusions
  - The environmental review identified eight (8) areas of concern at the City Lot that are in need of further investigation
  - Contamination has been previously identified at four (4) properties directly adjacent to the arena tracts: Citgo Gas Station, El Cheapo Gas Station, CSXT Property on Freely Avenue, and the Stiles Avenue Property
    - There may be contamination on the Tenenbaum property
  - The current conditions and geographic extents of the existing plumes on the surrounding properties is unknown
    - Source materials do exist on these sites
    - There has been no remediation undertaken on the Tenenbaum or Stiles Ave. properties
  - The Springfield Canal is likely to act as a groundwater divide that would prevent the migration of potential contaminants from the Tenenbaum Property to the New Arena Site
    - Neither surface or ground water has been sampled in the canal

# IV. SITE CONSIDERATIONS

**Environmental & Groundwater**

- Proposed utility lines installed within or adjacent to areas of groundwater contamination on the proposed arena tracts and/or surrounding properties are likely to serve as preferential pathways for contaminant migration
  - Dewatering within or adjacent to areas of contaminated groundwater has the potential to cause or speed up the migration of contaminants into non- or less-impacted areas

- Contaminated groundwater withdrawn from the surficial aquifer during dewatering operations would need to be stored and disposed of in accordance with local, state, and federal regulations
  - Long-term extraction and disposal of contaminated groundwater may be necessary depending on the nature and extent of groundwater contamination

- Contaminant barrier walls may be necessary to prevent the migration of groundwater contamination from adjacent properties

- Pervious surface improvements in certain areas may enhance recharge and increase groundwater contaminant migration in the surficial aquifer

# IV. SITE CONSIDERATIONS

**Environmental & Groundwater**

- Recommendations for Arena Site

  - A limited site investigation (LSI) for the New Arena Site is recommended to evaluate surface soil, subsurface soil, and groundwater conditions in the vicinity of identified areas of concern. LSI should include an assessment of soil, subsurface soil, and groundwater conditions along the boundaries between the New Arena Site and the following adjacent properties with known and suspected groundwater contamination:
    - Sheppard Pojos (Citgo Gas Station) Site
    - Jackson Brothers Service Center (El Cheapo Gas Station) Site
    - Tenenbaum Property
    - CSXT Property on Feely Avenue
    - Stiles Avenue Property

  - The LSI should also include an assessment of the surface water conditions in the Springfield Canal including an evaluation of the hydrogeologic characteristics to determine if the canal acts as an effective groundwater barrier

  - An asbestos survey should be completed prior to the demolition or renovation of any structures on the City Lot

# IV. SITE CONSIDERATIONS

**Environmental & Groundwater**

- Recommendations for Adjacent Properties
  - **Stiles Avenue Property** – Conduct an LSI to determine the nature and extent of lead and chromium impacts previously identified lead in the surface soil, subsurface soil, and groundwater at the site
    - The LSI should also include an evaluation of groundwater conditions along the boundary with the Tenenbaum property
  - **Norfolk Southern Property** – Conduct an LSI to evaluate surface and subsurface conditions in areas of stressed vegetation
    - The LSI should include a subsurface investigation to determine the horizontal and vertical extent of buried debris previously identified at the site
  - **Louisville Road Property** – Conduct an LSI to determine the horizontal and vertical extent of buried debris previously identified at the site
  - **Former Oglethorpe Charter School Site** – Conduct an LSI to determine if the UST release at the Citgo Gas Station has impacted groundwater or soil vapor conditions at the site
- The estimated potential remediation costs for the arena site and adjacent properties is in the neighborhood of $720,000

# IV. SITE CONSIDERATIONS

**Water Supply**

- There are three potable water wells on site or adjacent to the site as well as a 16 inch water main

- Average daily potable water demand for the arena is calculated to be approximately 26,472 gallons per day with a peak demand of 105,887 gallons per day

    - Fire demand requires a flow of 2,250 gallons per minute for a four hour duration

- Typically the City’s 16-inch mains are capable of 2,000 plus gallons per minute fire flows at 20 psi, especially in close proximity to this number of wells

    - A fire protection booster pump may be required within the building to meet the high pressure needs of an automatic sprinkler system

# IV. SITE CONSIDERATIONS

**Sanitary Sewer**

- The City's Lift Station No. 77 is on the arena site and conveys sewage via an 8-inch force main across Springfield Canal and to an 8-inch/10-inch/12-inch sewers (it steps up from 8 to eventually 12-inch over a short distance) to a large 30-inch interceptor sewer that continues to Lift Station No. 23 (one of the City's largest stations)

- Calculated peak sewage flow is approximately 74 gallons per minute

- Lift Station pump, electrical, and control upgrades may be required to meet the additional pump capacity needs

  - The 8 inch force main may also need to be relocated with an improved jack/bore or directional drill crossing of Springfield Canal

  - The 30-inch sewer and Lift Station 23 should have ample capacity for the additional 74 gallons per minute

# IV. SITE CONSIDERATIONS

**Water Resources**

- Recommendations from the Stormwater Management Report for Springfield Canal Improvements from 2009 and updates in 2011 were considered for the arena site and Springfield
- Recommendations included the following proposed improvements to increase Springfield Canal conveyance level of service to projected 100-year, 24-hour design flows:
  - Expand existing stormwater pump station near the Savannah River from 1,050 cubic feet/second to 3,150 cubic feet/second
  - Widening canal bottom to 100 feet from the pump station to Gwinnett St.
  - Constructing 100 foot wide bridge at Louisville Rd.
  - Stabilizing canal side slopes
- While not required to develop the arena site, these improvements would eliminate the need for water quantity retention/detention and flood plain mitigation subject to City approval
  - Total cost would be in the neighborhood of $33 million

## Water Resources

- The City's canal district concept envisions greenways on the arena site and adjacent City-owned properties. Canal widening and overbank maintenance strips will require a width of 165 feet on the arena site, the greenway's pedestrian must be included in the overbank maintenance strip.

# IV. SITE CONSIDERATIONS

**Water Resources**

- Due to the size of the arena and available area, the conceptual grading plan assumes that required retention/detention is provided offsite on adjacent City-owned property
    - This will not be required if the Springfield Canal conveyance is improved to 100 year design standards
    - Since the City sees the canal improvements as a phased project, the retention/detention should be provided to be consistent with the current stormwater ordinance
- The grading plan assumes that the proposed water feature from the Canal District plan be utilized for peak flow attenuation and water quality treatment
- The cut and fill quantities on the grading plan are balanced such that floodplain mitigation should not be required

# IV. SITE CONSIDERATIONS

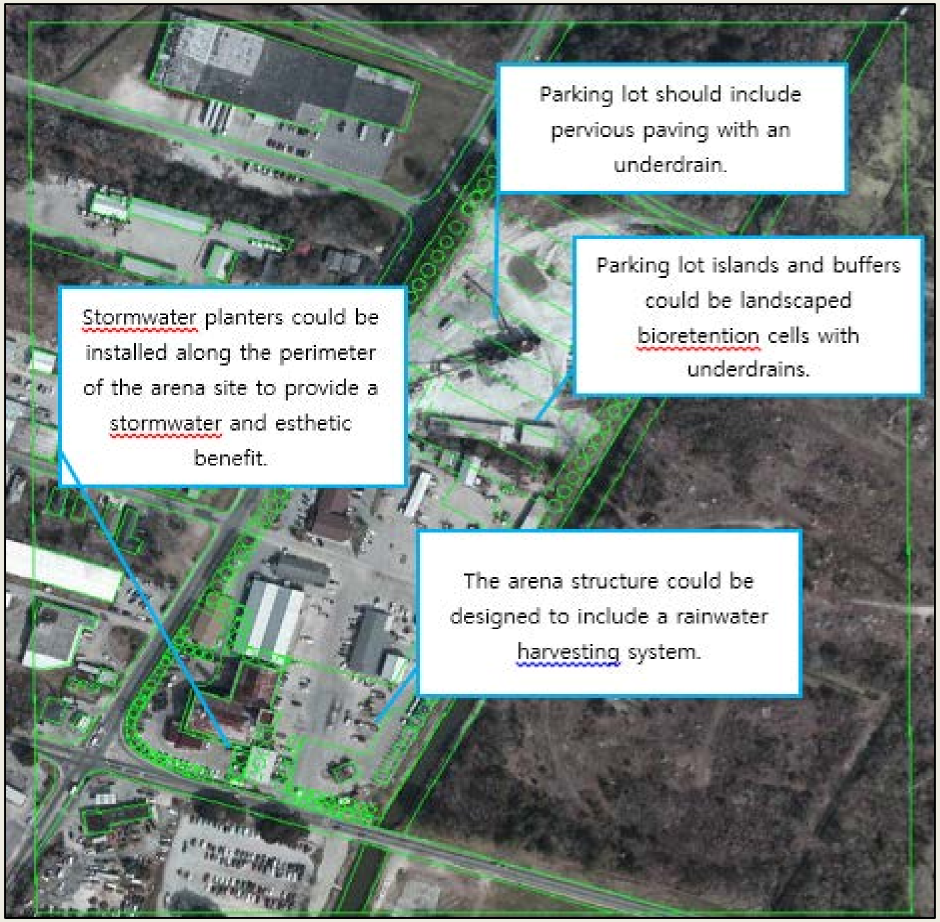
**Water Resources**

- Grading Plan
  - The conceptual grading plan is consistent with the most current version of the Americans with Disabilities Act

# IV. SITE CONSIDERATIONS

## Water Resources

- Water quality control will be required for the arena site stormwater runoff. The following green infrastructure best management practices are recommended for the site:



# IV. SITE CONSIDERATIONS

**Access**

- Consulting Team was instructed to consider a traffic study for the arena that was completed for the arena site in 2014

- That study assumed an arena capacity of 11,500 seats with 10,000 sq. ft. of commercial development
  - The study used the following traffic distribution:
    - 72% to/from east on W. Gwinnett
      - 45% to/from I-16 south
      - 24% to/from areas to the east on Gwinnett
      - 3% to/from Boundary St
    - 9% West on Gwinnett
      - 8%  to/from I-516
      - 1% to/from Gwinnett
    - 17% to/from north on Stiles
      - 5% to/from Augusta Avenue
      - 5% to/from E Lathrop
      - 4% to/from US 17 via Oglethorpe
      - 3% to/from the east on Oglethorpe
    - 2% to/from south on Stiles

# IV. SITE CONSIDERATIONS

**Access**

- Based on the preliminary design in this study, the arena should be planned to accommodate a slightly smaller capacity of 8,400 seats for basketball, 7,600 seats for hockey, with a maximum capacity of approximately 8,900-9,300

- Using the same trip generation assumptions as in the 2014 study, the smaller arena could be expected to generate 2,232 arriving trips in the peak hour before the event and 2,455 departing trips in the hour after the event

# IV. SITE CONSIDERATIONS

**Access**

- It is the opinion of the Consulting Team that more people will likely come from downtown via Stiles Avenue/Louisville Road due to the existing hotels and restaurants in the area that people may visit prior to an event
  - The following traffic distribution is therefore expected for the arena site:
    - 65% to/from east on W. Gwinnett
      - 43% to/from I-16 south
      - 20% to/from areas to the east on Gwinnett
      - 2% to/from Boundary St
    - 7% West on Gwinnett
      - 6%  to/from I-516
      - 1% to/from Gwinnett
    - 26% to/from north on Stiles
      - 5% to/from Augusta Avenue
      - 5% to/from E Lathrop
      - 8% to/from US 17 via Oglethorpe
      - 8% to/from the east on Oglethorpe/Liberty
    - 2% to/from south on Stiles

# IV. SITE CONSIDERATIONS

**Access**

- Corridors
  - Stiles Avenue
    - As part of the arena area redevelopment, it is suggested that between Gwinnett Street and Louisville Road, Stiles Avenue be reconfigured to provide two lanes in each direction separated by a raised median
      - This configuration could be similar to the existing Oglethorpe or Liberty corridors downtown
    - During periods when the arena is not in use, the outside lane could be utilized as a parking lane or on-street parking could be added to the section if right-of-way allows
      - During events at the arena, the outside lane could be utilized as a bus only lane
    - The conceptual budget to complete these improvements would range from $3.0 to $4.0 million plus right-of-way acquisition costs
  - Louisville Road
    - The 2014 study recommended a left turn lane at the Louisville Road at Boundary Street intersection. Since this recommendation would require widening a significant portion of the two lane section, it is suggested that the remaining section of Louisville Road between Stiles Avenue and Boundary Street be widened to three lanes.

# IV. SITE CONSIDERATIONS

**Access**

- Corridors
  - Louisville Road (continued)
    - Prior to an event, the center lane could be designated as a westbound lane or used as a dedicated bus/transit lane
      - After an event, the center lane could be reversed to provide an extra westbound lane for exiting vehicles or it could be used as a dedicated bus/transit lane for returning patrons to other parking areas downtown
    - The conceptual budget to complete these improvements would range from $1.25 to $1.75 million plus right-of-way acquisition costs

  - Gwinnett Street
    - Gwinnett St. is planned to be widened to four lanes by the City from I-16 to Stiles Avenue
      - The widening will be needed to accommodate the traffic generated by arena events
    - As part of the widening project, a bridge will be constructed across the Springfield Canal
      - The bridge will be at a height to allow pedestrian access for a greenway/pedestrian trail along the canal
    - The conceptual budget to complete these improvements would range from $3.5 to $4.5 million plus right-of-way acquisition costs

# IV. SITE CONSIDERATIONS

**Access**

- Intersection Improvements
  - The 2014 study recommended the following intersection improvements:
    - Along Gwinnett St:
      - At the I-516 off ramp intersection, install a roundabout or a signal with a NB right turn lane
      - At the Stiles Avenue intersection, install additional turn lanes (above and beyond those anticipated as part of the Gwinnett widening) to include a EB right, WB dual left, NB left, and SB dual left
      - At the I-16 on ramp intersection, install additional turn lanes (above and beyond those anticipated as part of the Gwinnett widening) to include a SB dual left and a EB free flow right
      - At the I-16 off ramp intersection, install additional turn lanes (above and beyond those anticipated as part of the Gwinnett widening) to include a NB through/ left
    - Along Louisville Road:
      - At the Stiles Avenue intersection, install additional turn lanes to include a EB right
      - At the US 17 off ramp intersection, install a roundabout or a signal
      - At the W. Boundary Street intersection, install additional turn lanes to include a EB left
    - At the W. Oglethorpe and W. Boundary Street intersection, install a multi lane roundabout or a signal

# IV. SITE CONSIDERATIONS

**Access**

- Parking
  - Parking near the proposed arena is envisioned to consist of surface parking lots on-site, adjacent to Stiles Avenue, and adjacent to Gwinnett Street
    - The total parking needed for the maximum capacity of the arena is based on the following assumptions:

   1 space per three seats for attendees - (5% transit use and 5% walk/bike)

\+ 1 space per twenty seats for employees w/2 people/vehicle – (13% transit and 7% walk/bike)

= 2,976 parking spaces

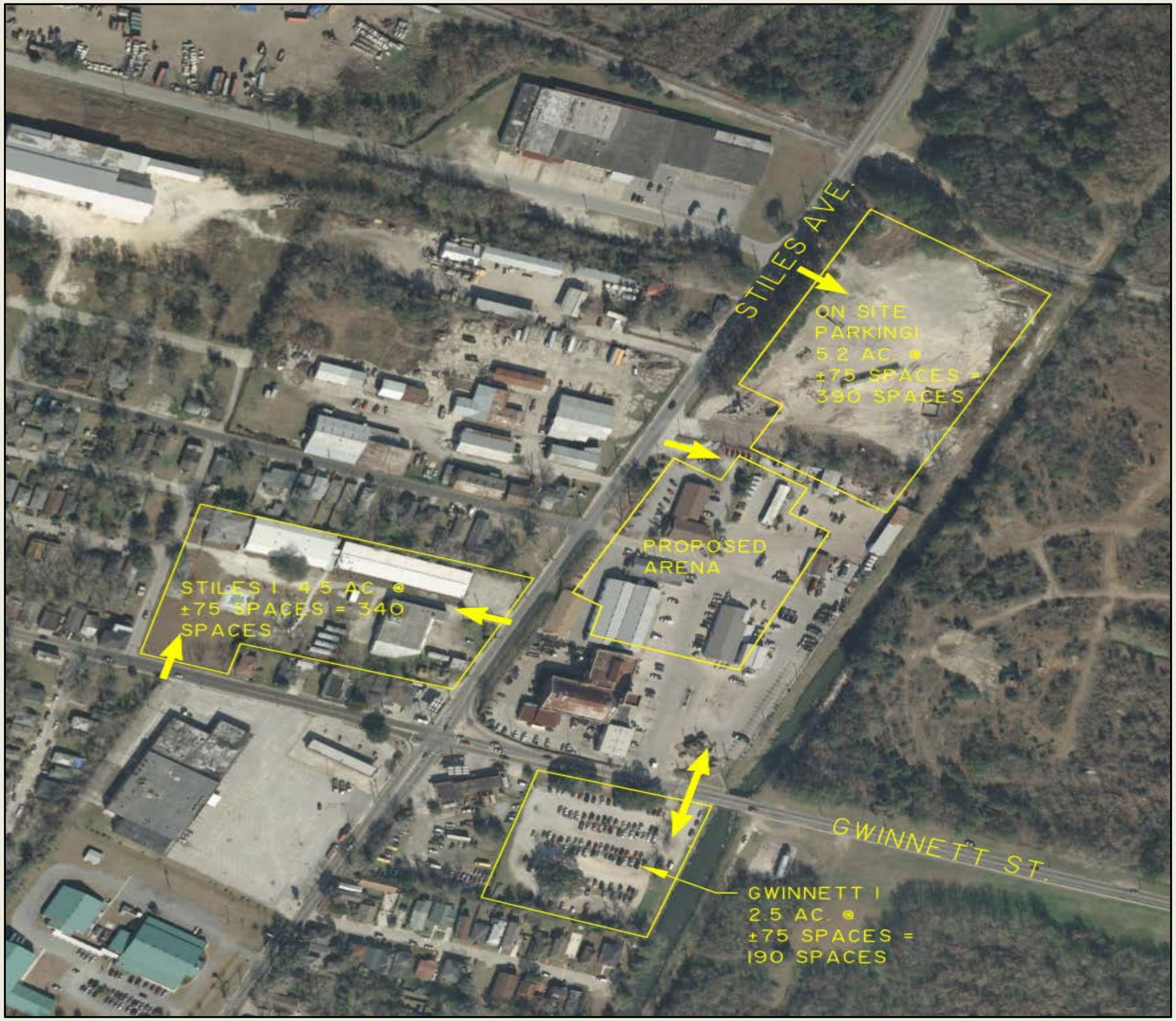
  - Of the three lots planned for the immediate area adjacent to the arena, the main lot accesses from Stiles just north of the arena can accommodate 390 vehicles
    - The City employee lot on the south side of Gwinnett Street can accommodate approximately 190 spaces and the City property on the northwest corner of Stiles Avenue and Gwinnett St. can accommodate 340 vehicles for a total of 920 spaces
    - The nearby church parking lot has been estimated to potentially hold 200 parking spaces

  - This leaves a deficit of approximately 1,856 parking spaces that will be needed for the arena

# IV. SITE CONSIDERATIONS

## Access

- Parking



# IV. SITE CONSIDERATIONS

**Access**

- Parking
  - Some options to address the shortfall include:
  - Option 1: Utilize adjacent City-owned and private properties for surface parking
    - With a parking deficit of 1,856 spaces and a parking yield of approximately 75 spaces per acre, it would require approximately 25 acres of property to accommodate the needed spaces
      - The City owns approximately 27 acres of vacant property north of the arena
      - There are wetlands on the property that would be impacted for the construction of surface parking lots
    - There is vacant private property east and south of the property that could be used for surface parking
      - Some of this property is contaminated and the balance is listed for sale
      - Further investigation would be required on the contaminated parcels
      - The listed property may not be feasible for purchase as it is likely priced to be developed

# IV. SITE CONSIDERATIONS

**Access**

- Parking
  - Option 2: Build a parking deck on the proposed surface parking lot north of the arena
    - A six level parking deck would be required to provide the 1,856 space deficit
    - The estimated cost to construct a parking deck would be $27,840,000 at $15,000/space
      - Prices range from $13,000-$17,000/space and decrease with larger parking decks
    - Ingress and egress points to the parking deck would be significantly less than multiple parking lots
  - Option 3: Use existing parking facilities in the downtown area with increased mass transit
    - The biggest advantage to this option is it is the most cost effective because existing infrastructure is being utilized
    - There is currently a parking deficit in downtown Savannah, particularly the western portion
      - Remote parking facilities such as Hutchinson Island and lands to the west would be required to make up the deficit

# IV. SITE CONSIDERATIONS

**Access**

- Site ingress/egress
  - There are three parking areas proposed adjacent to the arena, the proposed new surface parking lot just north of the arena, the existing City lot on the south side of Gwinnett Street and a future lot on City-owned property near the northwest corner of Stiles Avenue and Gwinnett Street
  - The lot north of the arena should have two ingress/egress points separated by a minimum of 500 feet
    - The northern most access should be placed at Feeley Avenue and the second should be at Hoover St.
  - Parking lot entry points should allow for two entering lanes prior to an event and two exit lanes after an event
    - Access points could be configured with enough width to accommodate three lanes at the approaches to Stiles Avenue or Gwinnett St.
    - This would require that the access points be reconfigured during an event (with cones or flaggers) to accommodate the change in directional flow of traffic before and after an event

# IV. SITE CONSIDERATIONS

**Access**

- Site ingress/egress (continued)
  - The main pedestrian walkways should be separate from the main points of vehicular access for the parking areas
  - If parking fees are to be charged, planning efforts should include evaluation of potential collection areas as well as the number of entry points
    - All collection points should be located well within the overall site and be adequately staffed to ensure queues do not extend on the main roadways
  - The small loop road access adjacent to the arena on Stiles Avenue will be used exclusively for transit drop off and pick up

# IV. SITE CONSIDERATIONS

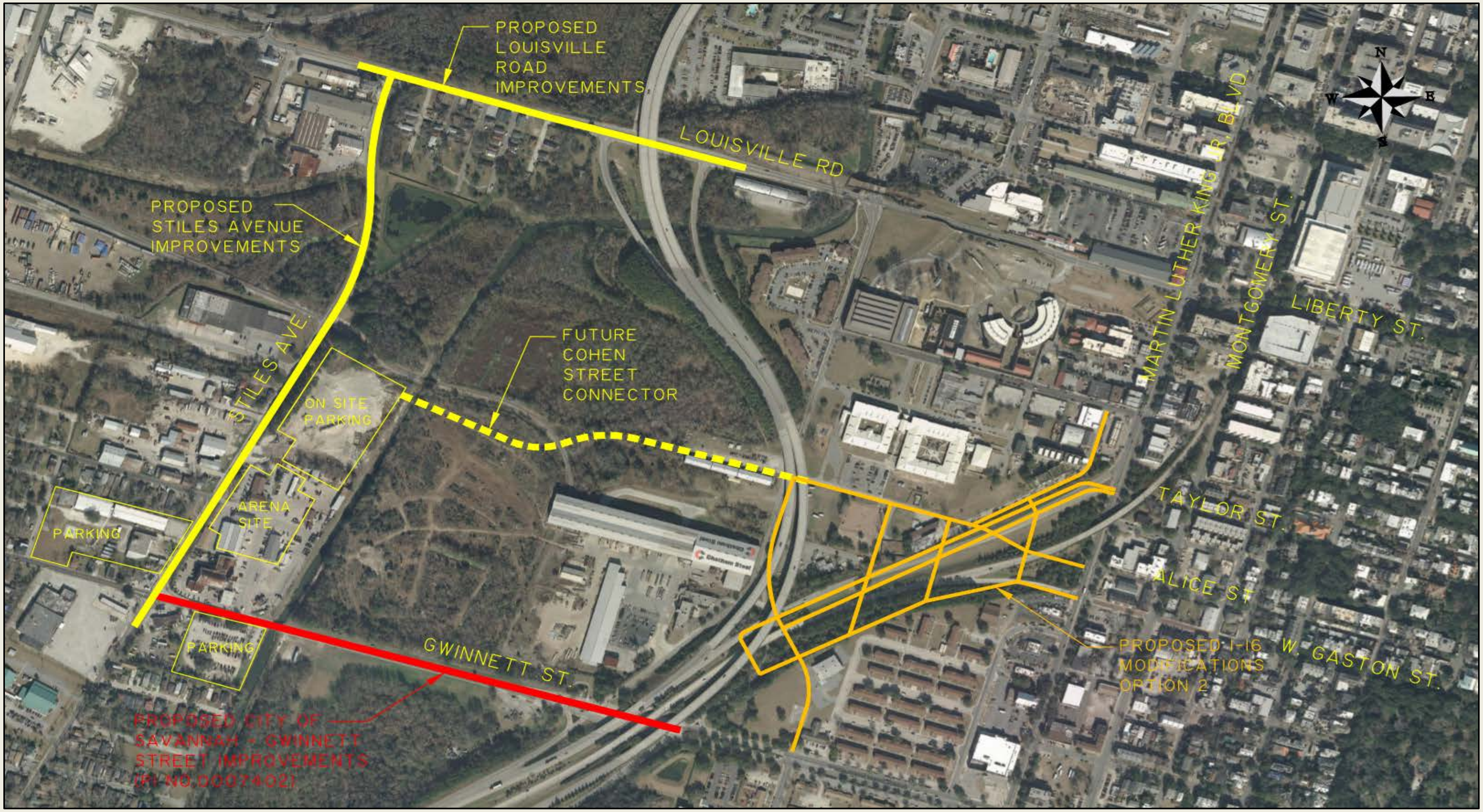
**Access**

- Additional connection opportunities
  - The Coastal Region Metropolitan Planning Organization (CORE) is in the process of completing an Interchange Modification Report to remove the I-16 Montgomery St. flyover and reconfigure the eastern terminus of I-16 at the Martin Luther King, Jr. (MLK) Blvd. to restore the surface street network and improve connectivity and mobility
  - As part of that report and in conjunction with the flyover removal, three surface streets, Cohen, Union and Selma Streets are proposed to be extended to the east to provide better connectivity with MLK Blvd.
    - The report suggests that all three of these streets be extended to the west towards the arena
    - The extensions of any one of these streets to the arena would provide additional vehicular and pedestrian connectivity
  - No grade separation from US 17 would be required to extend any of these streets to the west as one already exists
    - The conceptual budget to complete one road extension to the arena would range from $1.5 to $2.0 million plus right-of-way acquisition costs

# IV. SITE CONSIDERATIONS

## Access

- Suggested corridor improvements



# IV. SITE CONSIDERATIONS

**Access**

- Transit connections
  - Chatham Area Transit (CAT) reviewed the site plan and requested a bus bay that would allow queuing of three buses adjacent to the facility
    - There is a bus bay shown on western side of the arena accesses off of Stiles Ave.
  - Allowances should be made for public and private shuttles to operate between the arena and parking facilities in the downtown and canal district area

- Pedestrian connections
  - The CORE I-16 flyover removal study included a defined street and block plan, sidewalk street trees and other pedestrian oriented public spaces in the proposed flyover removal area
    - The arena development offers an opportunity to extend this revitalization west through the canal district to the arena
    - The sidewalks along the extended roads would provide pedestrian connectivity to the east
  - The concept for the Canal District includes a greenway/pedestrian/bike trail along the Springfield Canal which would extend from Boundary and Oglethorpe Streets along the Canal to Gwinnett St.
    - This trail would provide pedestrian connectivity to the north

# IV. SITE CONSIDERATIONS

## Access

- CORE MPO Flyover Removal and Civic Master Plan

# V. PRELIMINARY CONSTRUCTION COST ESTIMATES

# V. PRELIMINARY CONSTRUCTION COST ESTIMATES

## Cost Estimate Methodology

- Conceptual line-by-line estimate versus typical square foot cost comparison
- Detailed estimate allows clients to make informed decisions early in design process
- Estimate uses historical cost database for both material and labor rates
- Area take-off’s completed and coordinated with Gensler
- Estimate includes Savannah market rates for material and labor
- Estimating software creates flexibility to allow for ‘on-the-fly’ changes during meetings
- Soft cost percentage assumed based on cost history to provide a true project cost
- New Arena cost per seat is in line with 14 peer facilities from across the country used in comparison

# V. PRELIMINARY CONSTRUCTION COST ESTIMATES

## New Ground Up Arena

- Construction Cost Summary Sheet (February 12, 2016)

| | | | |
|---|---|---|---|
| Sitework | 15.8 acres | $8,416,320 | |
| New Arena | 294,438 sf | $80,911,441 | $275 / sf |
| **Construction Subtotal** | **294,438 sf** | **$89,327,761** | **$304 / sf** |
| | | | |
| Design & Estimating Contingency | 5% | $4,468,709 | |
| Construction Contingency | 3% | $2,681,225 | |
| Escalation to 2nd Qtr. 2017 | 6% | $5,791,447 | |
| Sales Tax (project assumed tax exempt at this time) | | | |
| **Total Construction Cost** | **294,438 sf** | **$102,269,142** | **$347 / sf** |
| | | | |
| Offsite Improvement | | $9,000,000 | |
| Site Remediation | | $720,000 | |
| Owner Soft Cost Allowance | 25% | $27,997,285 | |
| (see following slide for examples) | | | |
| **TOTAL PROJECT COST** | | **$139,986,427** | |

- Does not include improvements/upgrades to canal

# V. PRELIMINARY CONSTRUCTION COST ESTIMATES

## Sitework

- Preparation of the arena site is estimated to cost $8.4 million (not including soft costs)

| Item | Description | Quantity | Unit | Unit Cost | Total | Comments |
|---|---|---|---|---|---|---|
| Clearing | Site Clearing and Grubbing | 15.77 | AC | $2,000.00 | $31,540.00 | |
| Demolition | Demolition of Existing structures - Bldg and foundation | 67000.00 | SF | $5.00 | $335,000.00 | Demo of buildings and foundations |
| Conc. Demo | Demolition of Concrete Paving | 240000.00 | SF | $1.50 | $360,000.00 | |
| Erosion Ctrl. | Erosion Control - silt fence, mulch, grass, etc. | 1 | LS | $35,000 | $35,000.00 | Lump Sum (approx. $2200 / acre) |
| Unsuitable | Unsuitable soil/material haul off | 22500 | CY | $12.00 | $270,000.00 | Undercut 1 ft. @ bldg pad/haul; undercut 2 ft @ pavements |
| Select Fill | Additional select backfill for Building Pad | 27000 | CY | $20.00 | $540,000.00 | Approx. 2 ft. fill x 16,000 SY Pad/approx 2' for Pavements |
| Site Grading | Grading complete - cut/fill/borrow, grading/detention ponds (fill material and hauling not included) | 15.77 | AC | $15,000.00 | $236,550.00 | Site earthwork balances |
| Temp. Items | Temporary Roads/Parking / Fencing | 1 | LS | $50,000.00 | $50,000.00 | Allowance for temporary items |
| Rock Base | GAB/Agrregate for Parking/paving | 6471 | CY | $35.00 | $226,485.00 | 8" Light Duty and 12" HD Asph. |
| Asphalt | Asphalt Paving - Parking LIGHT DUTY 3" Thick | 8718 | SY | $16.50 | $143,847.00 | $100 / ton, 330 lbs/yd^2 - 50% of Parking Stalls |
| Asphalt HD | Asphalt Paving - Parking /Drives HEAVY DUTY 5" Thick | 7789 | SY | $27.50 | $214,197.50 | $100 / ton, 550 lbs/yd^2 |
| Pervious Pvmt | Pervious Paving in Parking lot - 50% of parking | 8718 | SY | $100.00 | $871,800.00 | 50% of Parking Stalls to be pervious |
| Concrete | Concrete flatwork - sidewalks, plazas, docks, etc. | 85000 | SF | $6.00 | $510,000.00 | |
| Conc. Curb | Concrete Curb and Gutter - 18" | 8800 | LF | $18.00 | $158,400.00 | |
| Misc. Conc. | Miscellaneous Site Concrete | 1 | LS | $5,000.00 | $5,000.00 | Allowance |
| Pavers | Brick Pavers w/ sub-slab concrete 4" | 112000 | SF | $18.00 | $2,016,000.00 | Allowance based on estimate |
| Retaining Walls | Concrete Retaining Walls - Site | 1 | LS | $150,000.00 | $150,000.00 | Allowance based on estimate |
| Stormwater | Stormwater Pipe/ Structures | 1 | | $250,000.00 | $250,000.00 | Pipes and Structures to Canal |
| Stormwater | Off-site Detention/with Outfall Structure | 1 | EA | $600,000.00 | $600,000.00 | Enlarge Wiliams Ward Detention Basin |
| Storm. Special | Special Stormwater Structures for run-off reduction - planters, bioretention, rainwater harvesting, etc. | 1 | | $50,000.00 | $50,000.00 | Allowance for planters, bioretention |
| Utility Water | Site Utilities - Domestic and Fire water piping, fittings, valves, structures, backflow preventors, meters, etc. | 1 | | $172,500.00 | $172,500.00 | 1500 LF 8" Water Main Loop, 150 LF 12" Fire Main, 150 LF 4" Domestic, Backflows, Meter, Vaults, Valves & Manholes/Taps, Fire Hydrants |
| Utility Sewer | Site Utilities - Sanitary Sewer piping, fittings, valves, structures, grease trap, etc. | 1 | | $200,000.00 | $200,000.00 | 300 LF 8" SDR26 / 3 Manholes / Tie to Existing, Cleanouts, Laterals - Possible Lift Station Upgrades / Jack & Bore |
| Other Utilities | Other Site Utilities including electrical, gas, communication | 1 | LS | $150,000.00 | $150,000.00 | Allowance based on estimate |
| Landscaping | Site Landscaping - sod, grassing, trees, shrubbery, etc. AND irrigation | 1 | LS | $500,000.00 | $500,000.00 | Allowance |
| Striping/Signs | Site signage and striping for parking lot, etc. | 1 | LS | $50,000.00 | $50,000.00 | |
| Lighting | Site Lighting | 1 | LS | $250,000.00 | $250,000.00 | LEDS from Estimate |
| Misc. Items | Site Fencing, bollards, posts | 1 | LS | $20,000.00 | $20,000.00 | Allowance |
| Site Other | Other Specialty Items - Flagpole, benches, trash cans | 1 | LS | $20,000.00 | $20,000.00 | Allowance based on estimate |
| | | | | | | |
| TOTAL | | | | | $8,416,319.50 | |
| | | | | | | |

## Waterworks Building Renovation

- Construction Cost Summary Sheet (February 12, 2016)

| | | | |
|---|---|---|---|
| Offsite Improvement | | By Others | |
| Waterworks Core & Shell | 27,557 sf | $6,254,202 | $227 / sf |
| **Construction Subtotal** | **27,557 sf** | **$6,254,202** | **$227 / sf** |
| | | | |
| Design & Estimating Contingency | 10% | $625,420 | |
| Construction Contingency | 5% | $312,710 | |
| Escalation to 2nd Qtr. 2017 | 6% | $431,540 | |
| Sales Tax (project assumed tax exempt at this time) | | | |
| **Total Construction Cost** | **27,557 sf** | **$7,623,872** | **$277 / sf** |
| | | | |
| Owner Soft Cost Allowance | 10% | $762,387 | |
| (see following slide for examples) | | | |
| **TOTAL PROJECT COST** | | **$8,386,260** | |

# V. PRELIMINARY CONSTRUCTION COST ESTIMATES

## Johnny Mercer Theatre Code Compliance/Minor Improvements
## Demolition of MLK Arena

- Construction Cost Summary Sheet (February 12, 2016)

| | | | |
|---|---|---|---|
| Offsite Improvement | | By Others | |
| Arena Demo & New Park | 8.49 acres | $2,121,141 | |
| Perry Street Extension | 625 lf | $769,483 | |
| Mercer Theatre Code Compliance/Minor Renovations | 100,874 sf | $20,118,468 | $200 / sf |
| South Restroom & Canopy Addition | 4,000 sf | $1,065,041 | $266 / sf |
| **Construction Subtotal** | **104,874 sf** | **$24,074,133** | **$230 / sf** |
| | | | |
| Design & Estimating Contingency | 10% | $2,407,413 | |
| Construction Contingency | 5% | $1,203,707 | |
| Escalation to 2nd Qtr. 2017 | 6% | $1,661,115 | |
| Sales Tax (project assumed tax exempt at this time) | | | |
| **Total Construction Cost** | **104,874 sf** | **$29,346,368** | **$280 / sf** |
| | | | |
| Owner Soft Cost Allowance | 25% | $7,336,592 | |
| **TOTAL PROJECT COST** | | **$36,682,960** | |

# V. PRELIMINARY CONSTRUCTION COST ESTIMATES

## Johnny Mercer Theatre and MLK Arena Code Compliance/Minor Improvements

- Construction Cost Summary Sheet (February 12, 2016)

| | | | |
|---|---|---|---|
| Offsite Improvement | | By Others | |
| Existing Arena Site Improvements | 5.30 acres | $926,388 | |
| Mercer Theatre Code Compliance/Minor Renovations | 100,874 sf | $19,206,789 | $190 / sf |
| Existing Arena Code Compliance/Minor Renovations | 84,224 sf | $18,891,706 | $224 / sf |
| **Construction Subtotal** | **185,098 sf** | **$39,024,882** | **$210 / sf** |
| | | | |
| Design & Estimating Contingency | 10% | $3,902,488 | |
| Construction Contingency | 5% | $1,951,244 | |
| Escalation to 2nd Qtr. 2017 | 6% | $2,692,717 | |
| Sales Tax (project assumed tax exempt at this time) | | | |
| **Total Construction Cost** | **185,098 sf** | **$47,571,332** | **$257 / sf** |
| | | | |
| Owner Soft Cost Allowance | 25% | $11,892,833 | |
| **TOTAL PROJECT COST** | | **$59,464,164** | |

- Note: Improvements to arena would not result in a state of the art facility

# V. PRELIMINARY CONSTRUCTION COST ESTIMATES

## Potential Soft Cost Allowance

- The following items are those normally provided by the owner during the course of the project. These costs are not included in the construction estimate, but are accounted for in the Soft Cost Allowance. This list below is not comprehensive of all soft costs that could be incurred. No site acquisition costs are included since the property is City-owned.

  - Architect / engineering fees and expenses
  - Special assessments or development fees
  - Site survey
  - Soil borings and report
  - Drawings reproduction costs
  - Testing and inspections
  - Furnishing, fixtures and equipment (FF&E)
  - Basketball court / goals
  - Artwork
  - Telephone systems
  - Moving expenses
  - Financing fees
  - Legal fees and expenses
  - Owner’s contingency

# VI. FINANCIAL ANALYSIS

# VI. FINANCIAL ANALYSIS

**Financial Analysis**

- Completed analysis of potential financial and operating characteristics of a new Savannah arena to understand potential net operating income generated by proposed facility

- BSG has made significant assumptions related to the proposed arena's operating revenues and expenses

- Information obtained from comparable facilities and our database on arena operations
  - In order to obtain accurate and relevant information, BSG agreed to maintain confidentiality of facilities
  - Facilities providing information are referred to as Arena 1, 2, 3, etc.
  - Arena reference letters have been randomly adjusted to further protect identity

- Operating data gathered from 21 comparable arenas – list created based on:
  - Market demographics
  - Physical characteristics (age, capacity, premium seating, etc.)
  - Tenants
  - Climate
  - Others

- Comparable data has been adjusted, as appropriate, to reflect current dollars

# VI. FINANCIAL ANALYSIS

**Financial Analysis**

- Baseline assumptions adjusted to reflect variables
  - Market demographics
  - Physical characteristics (age, capacity, premium seating, etc.)
  - Tenant/event mix
  - Number of professional franchises
  - Other entertainment alternatives
  - Climate
  - Cost of living
  - Other

# VI. FINANCIAL ANALYSIS

## Key Assumptions

- Based on the program described in the market analysis section

| | | | |
|---|---|---|---|
| | ARENA CHARACTERISTICS | | |
| **Capacity - Maximum** | | | 8,400 |
| **Capacity - End Stage** | | | 7,500 |
| **Luxury Suites (Including Game Day/Reserved)** | | | 12 |
| **Loge Boxes** | | | 0 |
| **Club Seats** | | | 438 |
| **Parking (Public Sector Spaces - Revenue to Arena)** | | | 390 |
| | EVENT MIX | | |
| | **Events** | **Average Paid Attendance - (1)** | **Total Paid Attendance** |
| **Sporting Events** | | | |
| Minor League Hockey | 39 | 4,254 | 165,913 |
| Arena Football | 4 | 4,000 | 16,000 |
| **Concerts** | 9 | 4,889 | 44,000 |
| **Family Shows** | 14 | 3,500 | 49,000 |
| Circus | | | |
| Sesame Street | | | |
| Disney/Other | | | |
| **Other Sporting Events** | | | |
| Thrill/Dirt Shows/WWE | 4 | 5,000 | 20,000 |
| Professional Ice Skating | 2 | 5,000 | 10,000 |
| High School/Amateur | 2 | 2,500 | 5,000 |
| Other | 4 | 3,000 | 12,000 |
| **Miscellaneous** | | | |
| Conventions | 5 | 4,000 | 20,000 |
| Assemblies/Other | 10 | 1,000 | 10,000 |
| **Total** | 93 | | 351,913 |

(1) Reflects weighted average. Events and average attendance may not equal total attendance.

# A. PROPOSED ARENA – REVENUE ASSUMPTIONS

# A. REVENUE ASSUMPTIONS

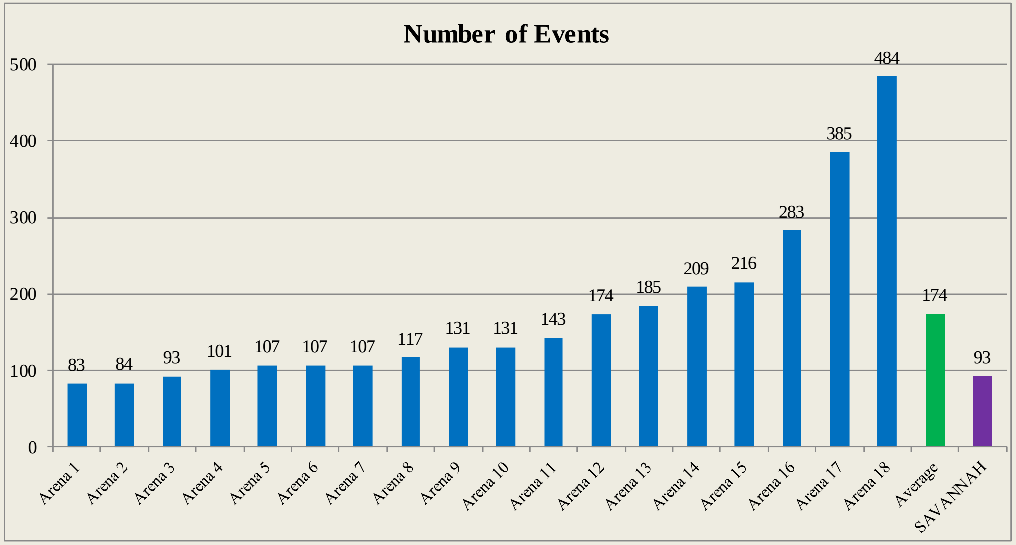
**Event Mix**

- Potential types of events include
  - Sporting events (e.g., minor league hockey, minor league basketball, arena football, etc.)
  - Family shows (e.g., circus, Disney, etc.)
  - Tournaments (e.g., NCAA basketball, etc.)
  - Ice shows
  - Rodeo
  - Thrill/dirt shows/WWE
  - Concerts
  - Meetings/banquets/conferences
  - Other
- Number of events per comparable vary significantly due to a variety of factors including: tenant mix; market competition; age; amenities; etc.

# A. REVENUE ASSUMPTIONS

**Event Mix**

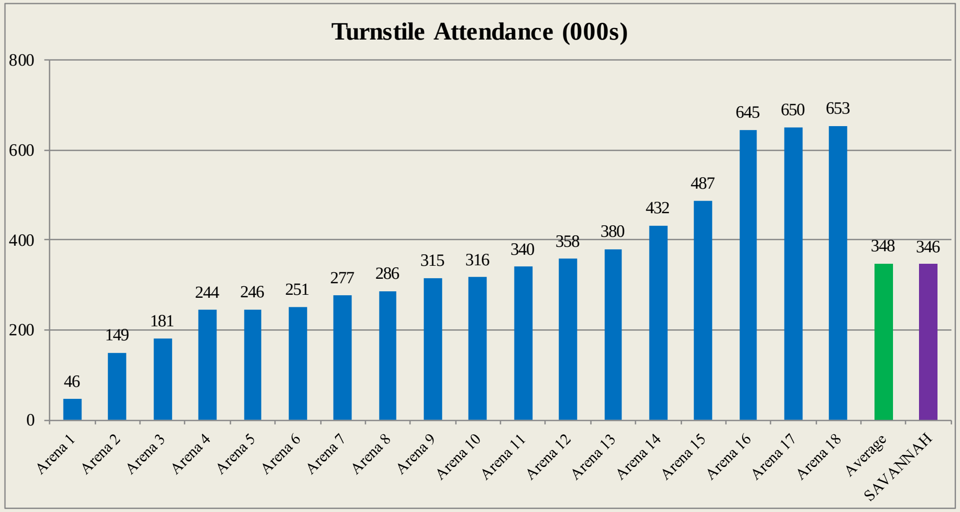
- Number of events ranged from a low of 83 to a high of 484 with an average number of events of approximately 174
- For analytical purposes, we have assumed the proposed arena would host 93 events (including conventions/assemblies)
- Higher activity facilities are often part of larger complex operating in conjunction with convention center, performing arts center, etc. or have different accounting/reporting methods



# A. REVENUE ASSUMPTIONS

**Total Attendance**

- Attendance at the comparables vary significantly due to a variety of factors including: tenant mix; market competition; age; amenities; accounting/reporting policies etc.
- Total attendance ranged from a low of 46,000 to a high of 653,000. Average attendance was approximately 348,000.
- We have assumed total turnstile attendance of approximately 346,000 and paid attendance of approximately 352,000 for the proposed arena (Year 1). Attendance for selected events is expected to decrease somewhat after Year 3.



# A. REVENUE ASSUMPTIONS

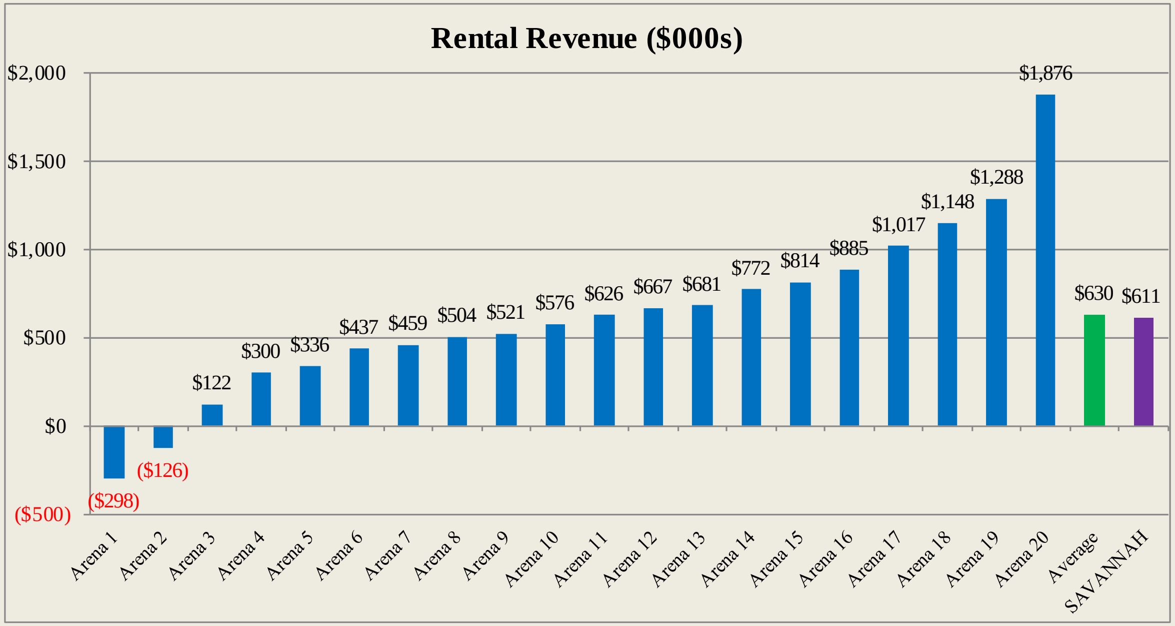
**Rental Revenues**

- Rental revenues are expected to provide a source of revenue at the proposed arena
- Rental revenues are generally determined by a percentage of ticket sales, flat use fees (annual or one-time), or other methods
- Rental rates among comparables may vary significantly depending on a number of factors including: methodology of calculations; age and design of facility; and team/event performance
- The rental rate varies dramatically from promoter to promoter and show to show

# A. REVENUE ASSUMPTIONS

## Rental Revenues

- Rental revenue ranged from a loss of $298,000 to a high of $1.9 million.  Average rental revenue was approximately $630,000.
- We have assumed rental revenue of approximately $611,000 in Year 1 at the proposed arena.



# A. REVENUE ASSUMPTIONS

## Average Ticket Price

- Ticket prices vary considerably among the comparable arenas

- Factors that impact ticket prices include, among others: market demand, entertainment alternatives, income levels, team performance, etc.

| | Average Ticket Price |
|---|---|
| **Sporting Events** | |
| Minor League Hockey | $15.00 |
| Arena Football | $15.00 |
| | |
| **Concerts** | $35.00 - $50.00 |
| | |
| **Family Shows** | |
| Circus | $20.00 |
| Sesame Street | $20.00 |
| Disney/Other | $15.00 - $25.00 |
| | |
| **Other Sporting Events** | |
| Thrill/Dirt Shows/WWE | $30.00 |
| Professional Ice Skating | $25.00 |
| High School/Amateur | $10.00 |
| Other | $15.00 |
| | |
| **Miscellaneous** | |
| Conventions | $10.00 |
| Assemblies/Other | $0.00 |

# A. REVENUE ASSUMPTIONS

**Advertising Revenues**

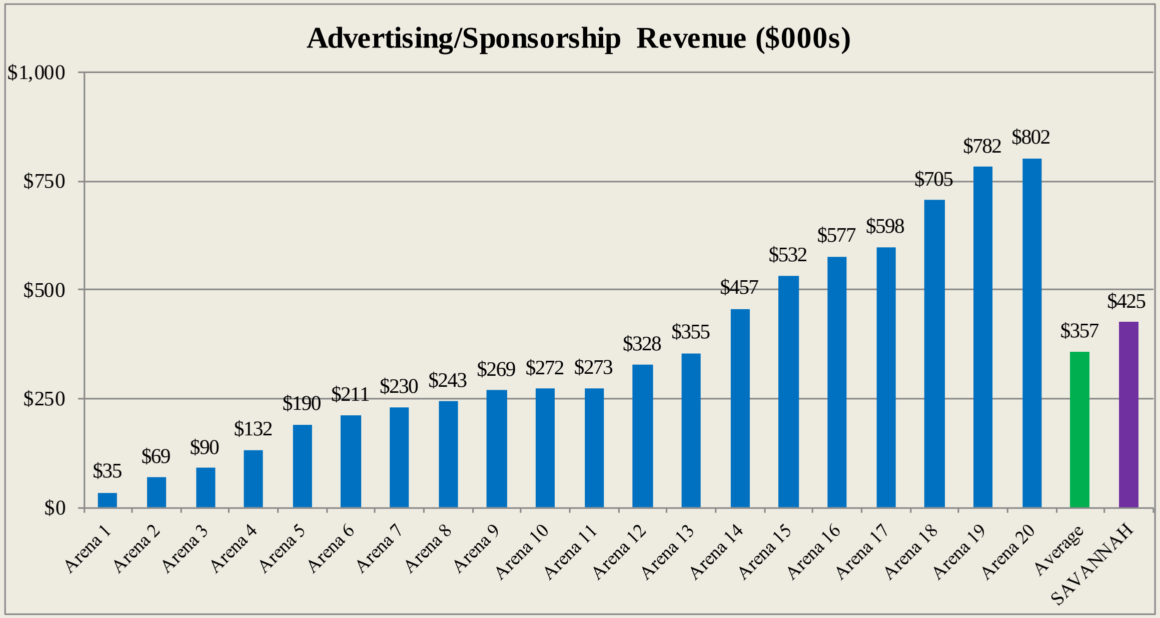
- Advertising revenues are generally derived from the following sources:
  - Display Advertising: signage throughout the concourses, concession stands, and other common areas in the building
  - Scoreboard Advertising: fixed signage, electronic advertising on the scoreboard, and video message boards
  - Basketball Advertising: advertising on the basketball standards, basketball floor, ball carts, scorers' table and players benches
  - Dasher Board Advertising: signage on the hockey dasher board
- It is important to note that direct comparison of advertising revenue is difficult
  - Trade and barter arrangements
  - Revenue sharing
  - Gross advertising vs net advertising
  - Overall sponsorship revenues

# A. REVENUE ASSUMPTIONS

## Advertising Revenues

- Annual advertising revenues for comparable facilities ranged from approximately $35,000 to approximately $802,000. Average annual advertising revenue was approximately $357,000.

- For analytical purposes, we have assumed annual arena-only advertising revenues of $425,000. Prominent and well integrated signage and sponsorships could cause the advertising revenue assumption to be higher (founding partner program should be considered).



# A. REVENUE ASSUMPTIONS

**Naming Rights Revenues**

- Value of naming rights transaction can often be misunderstood and misrepresented
  - Reported in generic terms

- Variety of factors to consider in valuing and comparing naming rights deals from purchaser and seller perspectives
  - Regional/national/international media exposure
  - Market size and demographic profile
  - Number and profile of major tenants
  - Number and type of facility events
  - Facility attendance
  - Facility location/visibility
  - Location of naming rights signage
  - Deal structure and other amenities

- Value of naming rights to purchaser is a function of following factors
  - Number of impressions/exposures
  - Brand exclusivity
  - Public relations/community image
  - Sponsorship/cross promotion opportunities
  - Tax deductible expense (as applicable)
  - Other

## Naming Rights Revenues (continued)

- Naming rights deals for minor league and collegiate arenas are illustrated to the right

- We have assumed annual naming rights advertising revenues of $300,000, plus 3.0% annual escalation (10 year agreement, $3.4 million)

- It is important to note that naming rights revenues may be included as part of arena financing plan

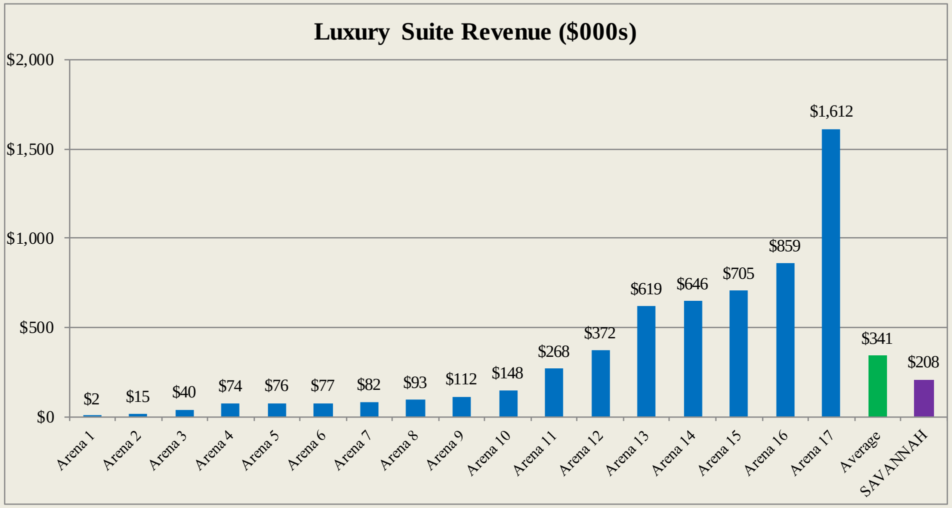
| Arena | City | Total Value (Millions) | Years | Annual Value | Expiration |
|---|---|---|---|---|---|
| KFC Yum! Center | Louisville, KY | $13.50 | 10 | $1,350,000 | 2020 |
| Sears Centre Arena | Hoffman Estates, IL | $10.00 | 10 | $1,000,000 | 2016 |
| CenturyLink Center Omaha | Omaha, NE | $14.00 | 15 | $933,333 | 2018 |
| Verizon Wireless Arena | Manchester, NH | $11.40 | 15 | $760,000 | 2016 |
| Budweiser Gardens | London, ON | $6.20 | 10 | $620,000 | 2022 |
| Indiana Farmers Coliseum | Indianapolis, IN | $6.00 | 10 | $600,000 | 2024 |
| Wells Fargo Arena | Des Moines, IA | $11.50 | 20 | $575,000 | 2025 |
| CenturyLink Center | Bossier City, LA | $5.50 | 11 | $500,000 | 2016 |
| Giant Center | Hershey, PA | $5.00 | 10 | $500,000 | 2022 |
| DCU Center | Worcester, MA | $4.80 | 10 | $480,000 | 2025 |
| Bon Secours Wellness Arena | Greenville, SC | $4.50 | 10 | $450,000 | 2023 |
| Dunkin' Donuts Center | Providence, RI | $4.25 | 10 | $425,000 | 2021 |
| iWireless Center | Moline, IL | $4.25 | 10 | $425,000 | 2017 |
| Ford Center | Evansville, IN | $4.20 | 10 | $420,000 | 2021 |
| U.S. Cellular Center | Cedar Rapids, IA | $3.80 | 10 | $380,000 | 2023 |
| Comcast Arena at Everett | Everett, WA | $3.70 | 10 | $370,000 | 2017 |
| Alerus Center | Grand Forks, ND | $7.20 | 20 | $360,000 | 2020 |
| Intrust Bank Arena | Wichita, KS | $8.75 | 25 | $350,000 | 2034 |
| Germain Arena | Estero, FL | $7.00 | 20 | $350,000 | 2018 |
| Rabobank Arena | Bakersfield, CA | $3.50 | 10 | $350,000 | 2025 |
| SaskTel Centre | Saskatoon, SK | $3.50 | 10 | $350,000 | 2024 |
| Times Union Center | Albany, NY | $3.50 | 10 | $350,000 | 2016 |
| Webster Bank Arena at Harbor Yard | Bridgeport, CT | $3.50 | 10 | $350,000 | 2021 |
| Huntington Center | Toledo, OH | $2.10 | 6 | $350,000 | 2017 |
| MassMutual Center | Springfield, MA | $5.00 | 15 | $333,333 | 2020 |
| ShoWare Center | Kent, WA | $3.18 | 10 | $318,000 | 2019 |
| FirstOntario Centre | Hamilton, ON | $3.13 | 10 | $313,000 | 2024 |
| Santander Arena | Reading, PA | $9.00 | 30 | $300,000 | 2030 |
| Verizon Arena | North Little Rock, AR | $6.00 | 20 | $300,000 | 2019 |
| Erie Insurance Arena | Erie, PA | $3.00 | 10 | $300,000 | 2022 |
| Sun National Bank Center | Trenton, NJ | $2.10 | 7 | $300,000 | 2016 |
| BMO Harris Bank Center | Rockford, IL | $1.30 | 5 | $260,000 | 2016 |
| Compuware Arena | Plymouth, MI | $5.00 | 20 | $250,000 | 2016 |
| WesBanco Arena | Wheeling, WV | $2.50 | 10 | $250,000 | 2023 |
| Royal Farms Arena | Baltimore, MD | $1.25 | 5 | $250,000 | 2019 |
| Mohegan Sun Arena at Casey Plaza | Wilkes-Barre, PA | $2.38 | 10 | $238,000 | 2020 |
| Toyota Center | Kennewick, WA | $2.10 | 10 | $210,000 | 2015 |
| Cross Insurance Center | Bangor, MN | $3.00 | 15 | $200,000 | 2028 |
| The Sanford Center | Bemidji, MN | $2.00 | 10 | $200,000 | 2020 |
| Bert Ogden Arena | Edinburg, TX | $1.00 | 5 | $200,000 | 2015 |
| Covelli Centre | Youngstown, OH | $0.60 | 3 | $200,000 | 2016 |
| Blue Cross Arena at the War Memorial | Rochester, NY | $2.93 | 15 | $195,333 | 2028 |
| General Motors Centre | Oshawa, ON | $1.75 | 10 | $175,000 | 2016 |
| U.S. Cellular Coliseum | Bloomington, IL | $1.75 | 10 | $175,000 | 2015 |
| WFCU Centre | Windsor, ON | $1.64 | 10 | $164,000 | 2018 |
| Essar Centre | Sault Ste. Marie, ON | $1.52 | 10 | $152,000 | 2018 |
| Big Sandy Superstore Arena | Huntington, WV | $0.75 | 5 | $150,000 | 2018 |
| Bojangles' Coliseum | Charlotte, NC | $1.25 | 10 | $125,000 | 2019 |
| Verizon Wireless Center | Mankato, MN | $2.20 | 20 | $110,000 | 2018 |
| CN Centre | Prince George, BC | $1.30 | 15 | $86,667 | DND |
| Budweiser Events Center | Loveland, CO | $1.50 | 20 | $75,000 | 2023 |
| Credit Union iPlex | Swift Current, SK | $0.60 | 10 | $60,000 | DND |

Source: Resource Guide Live.

# A. REVENUE ASSUMPTIONS

**Luxury Suite Revenue**

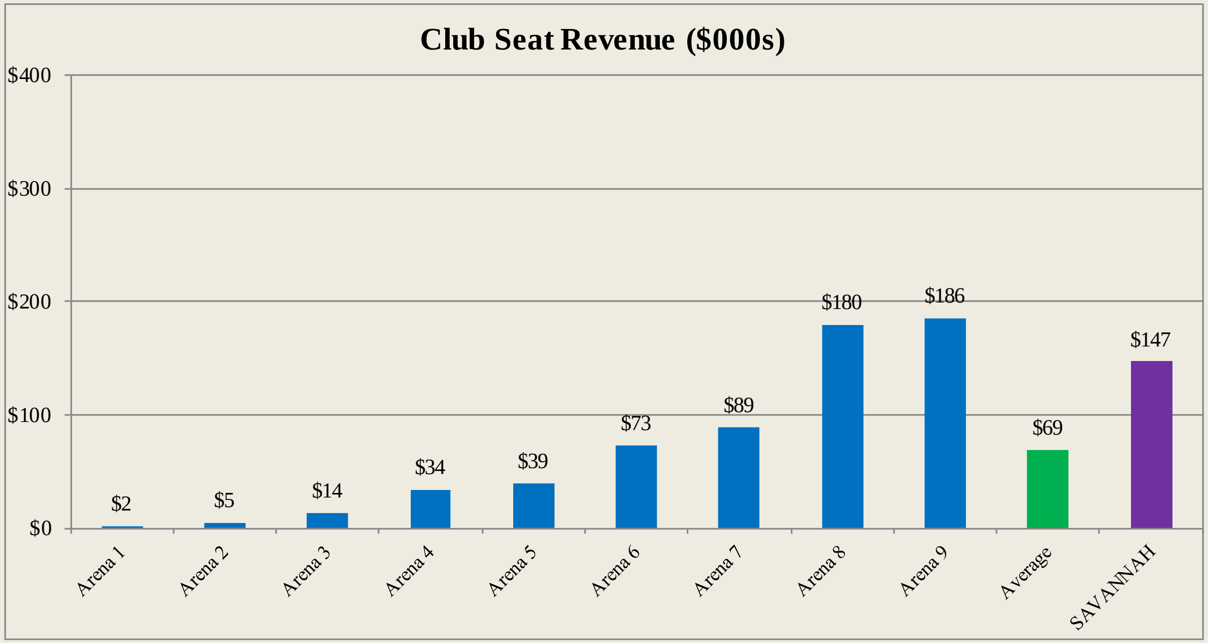
- Luxury suite prices vary considerably based on numerous factors, including: age of facility; market; corporate base; premium seat demand; amenities; etc.
- Annual luxury suite revenue in comparable facilities ranged from approximately $2,000 to approximately $1.6 million. Average annual luxury suite revenue was approximately $341,000.
- Based on estimated market demand, we have assumed approximately $208,000 of net luxury suite revenue
- Assumption based primarily on: development of 12 luxury suites (10 available for lease/1 reserved/1 available for game day); luxury suite gross price of $30,000 (includes hockey tickets)



# A. REVENUE ASSUMPTIONS

## Club Seat Revenue

- Club seat prices vary considerably based on numerous factors, including: age of facility; market; corporate base; high net-worth individuals; premium seat demand; amenities; etc.
- Annual club seat revenue in comparable facilities ranged from approximately $2,000 to approximately $186,000. Average annual club seat revenue was approximately $69,000.
- We have assumed approximately $147,000 of net club seat premium. Assumption based on: development of 438 club seats (394 leased); club seat gross price of $1,250.



# A. REVENUE ASSUMPTIONS

## Concessions Revenue

- Concessions are anticipated to provide significant revenue
- Concession spending is typically higher at newer facilities than older facilities due to increased number of points-of-sale and improved locations
- Based on the anticipated event mix and turnstile attendance, we have assumed concessions per capitas as follows

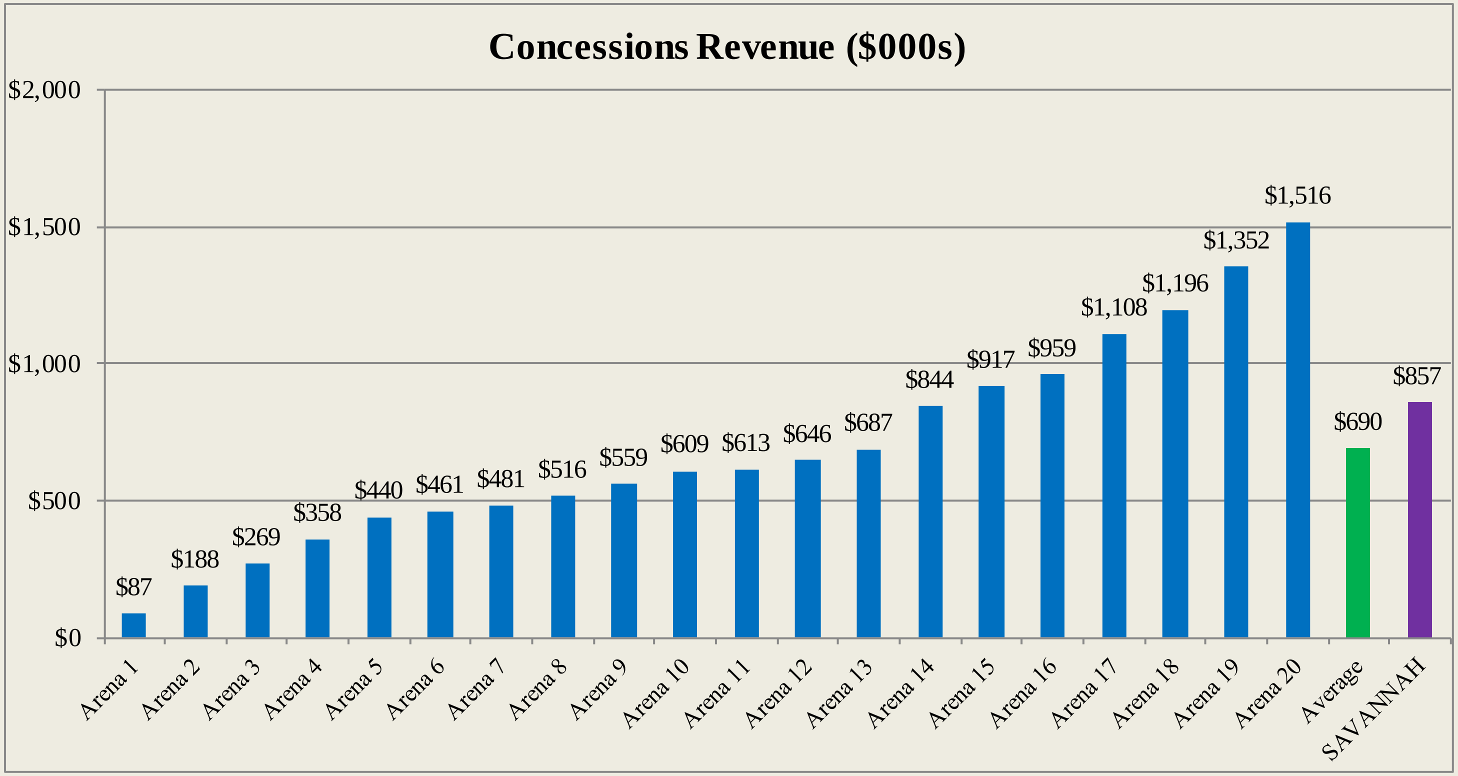
| | Concessions Per Capitas |
|---|---|
| **Sporting Events** | |
| Minor League Hockey | $11.50 |
| Arena Football | $8.00 |
| **Concerts** | $12.50 - $15.00 |
| **Family Shows** | |
| Circus | $6.00 |
| Sesame Street | $6.00 |
| Disney/Other | $4.00 - $6.00 |
| **Other Sporting Events** | |
| Thrill/Dirt Shows/WWE | $10.00 |
| Professional Ice Skating | $8.00 |
| High School/Amateur | $5.00 |
| Other | $6.00 |
| **Miscellaneous** | |
| Conventions | $4.00 |
| Assemblies/Other | $0.00 |

# A. REVENUE ASSUMPTIONS

## Concessions Revenue

- Annual concessions revenues for comparable facilities ranged from approximately $87,000 to approximately $1.5 million. Average annual concessions revenue was approximately $690,000.

- For analytical purposes, we have assumed annual net concessions of $857,000 (after revenue sharing)



# A. REVENUE ASSUMPTIONS

## Novelties Revenue

- Novelties revenues are typically retained by tenant or act
- Facility occasionally receives nominal share of novelties revenues
- Based on the anticipated event mix and turnstile attendance, we have assumed novelties per capitas as follows

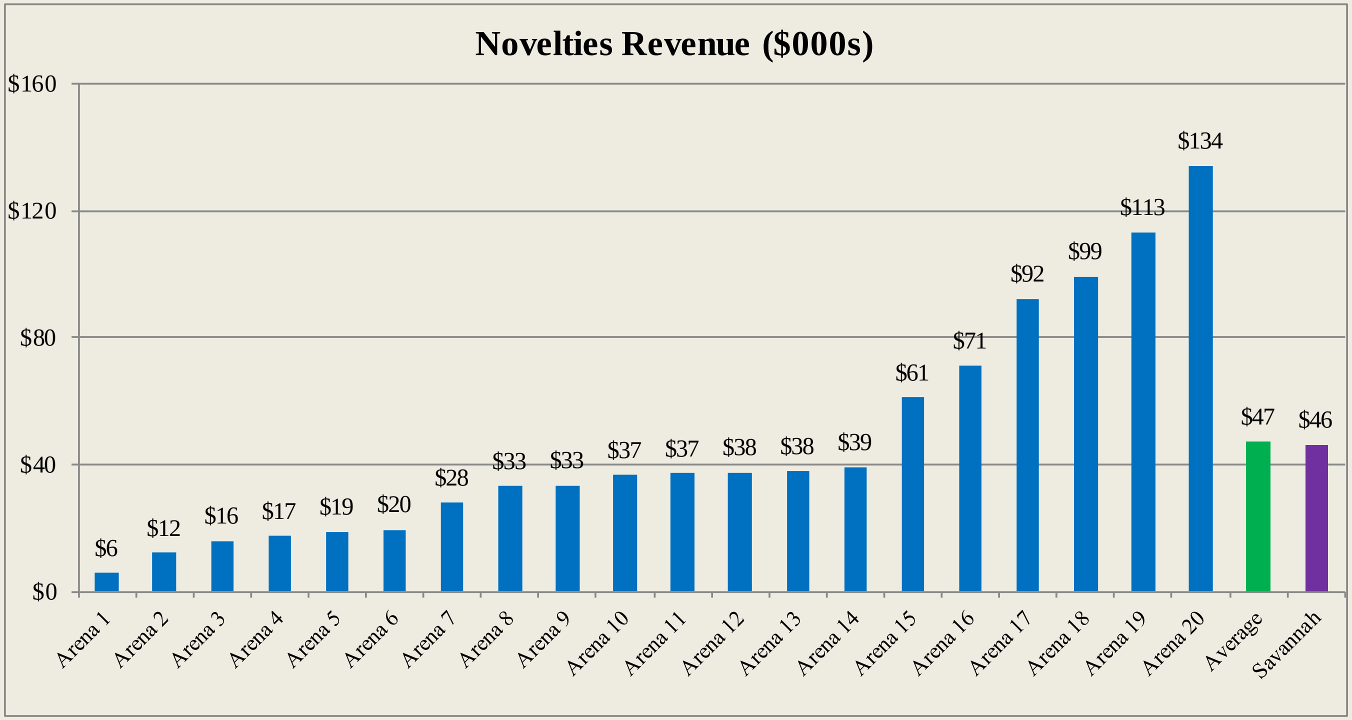
| | Novelties Per Capitas |
|---|---|
| **Sporting Events** | |
| Minor League Hockey | $2.00 |
| Arena Football | $1.25 |
| **Concerts** | $5.00 - $10.00 |
| **Family Shows** | $0 - $6.00 |
| Circus | |
| Sesame Street | |
| Disney/Other | |
| **Other Sporting Events** | $0.50 - $5.00 |
| Thrill/Dirt Shows/WWE | |
| Professional Ice Skating | |
| High School/Amateur | |
| Other | |
| **Miscellaneous** | $0.00 |
| Conventions | |
| Assemblies/Other | |

# A. REVENUE ASSUMPTIONS

## Novelties Revenue

- Annual novelties revenues for comparable facilities ranged from approximately $6,000 to approximately $134,000. Average annual novelties revenue was approximately $47,000.

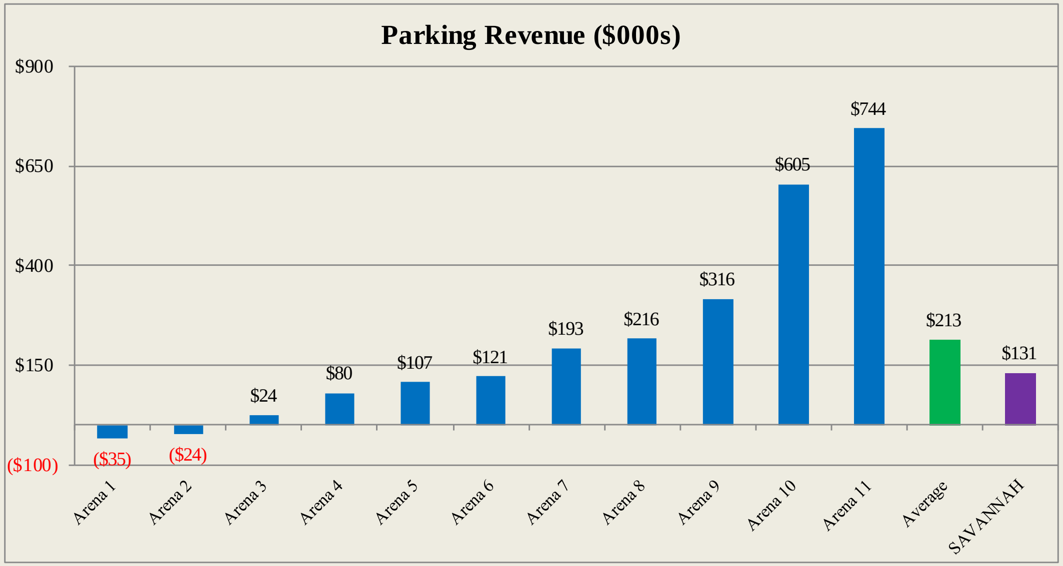
- For analytical purposes, we have assumed annual net novelties of $46,000 (after revenue sharing)



# A. REVENUE ASSUMPTIONS

## Parking Revenue

- Facility location will impact the number of required parking spaces – downtown facilities typically require fewer controlled parking spaces
- Parking revenue in comparable facilities ranged from a loss of approximately $35,000 to approximately $744,000. Average parking revenue was approximately $213,000
- We have assumed 390 on-site parking spaces. Arena management will need to secure additional off-site parking for arena events. We have assumed approximately $131,000 of net parking revenue generated by proposed facility (after revenue sharing).



# A. REVENUE ASSUMPTIONS

## Other Revenue

- Proposed arena will generate additional miscellaneous revenues, including:
  - Facility fee
  - Convenience charge rebate
  - Credit card fees
  - Interest income
  - Other

| | Facility Fee | Convenience Charge Rebate: % Sold by Service | Convenience Charge Rebate: Average Charge | Convenience Charge Rebate: % to Facility |
|---|---|---|---|---|
| **Sporting Events** | | | | |
| Minor League Hockey | $1.00 | 20.0% | $4.00 | 0.0% |
| Arena Football | $1.00 | 20.0% | $4.00 | 0.0% |
| **Concerts** | $1.00 | 65.0% | $7.50 | 30.0% |
| **Family Shows** | $1.00 | 65.0% | $4.00 | 30.0% |
| Circus | | | | |
| Sesame Street | | | | |
| Barney/Disney/Other | | | | |
| **Other Sporting Events** | $1.00 | 65.0% | $4.00 | 30.0% |
| Thrill/Dirt Shows/WWE | | | | |
| Professional Ice Skating | | | | |
| High School/Amateur | | | | |
| Other | | | | |
| **Miscellaneous** | | | | |
| Conventions | $1.00 | 65.0% | $4.00 | 30.0% |
| Assemblies/Other | $0.00 | 0.0% | $0.00 | 0.0% |

# B. PROPOSED ARENA – EXPENSE ASSUMPTIONS

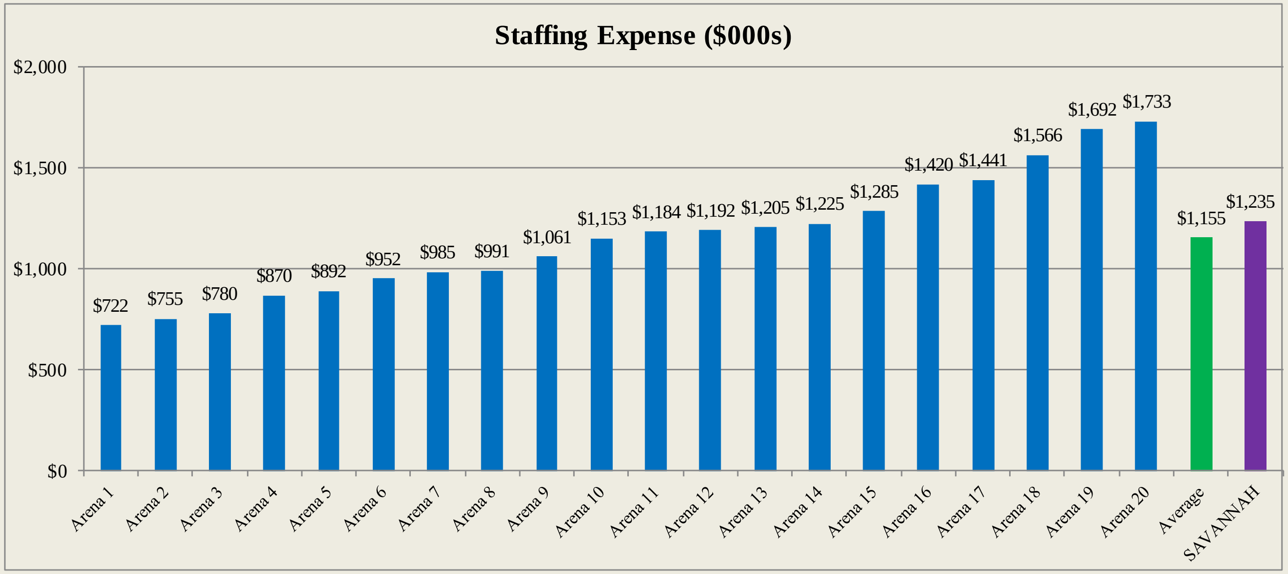
# B. EXPENSE ASSUMPTIONS

## Staffing Expense

- Staffing expenses vary considerably due to several factors, including: local wage levels; event mix/schedules; accounting policies/procedures; overhead allocations; contract labor policies; and reimbursement polices for game/event related staffing expenses

- Staffing expense in comparable facilities ranged from approximately $722,000 to approximately $1.7 million. Average staffing expense was approximately $1.2 million.

- We have assumed approximately $1.2 million of staffing expenses at the proposed arena (including benefits)



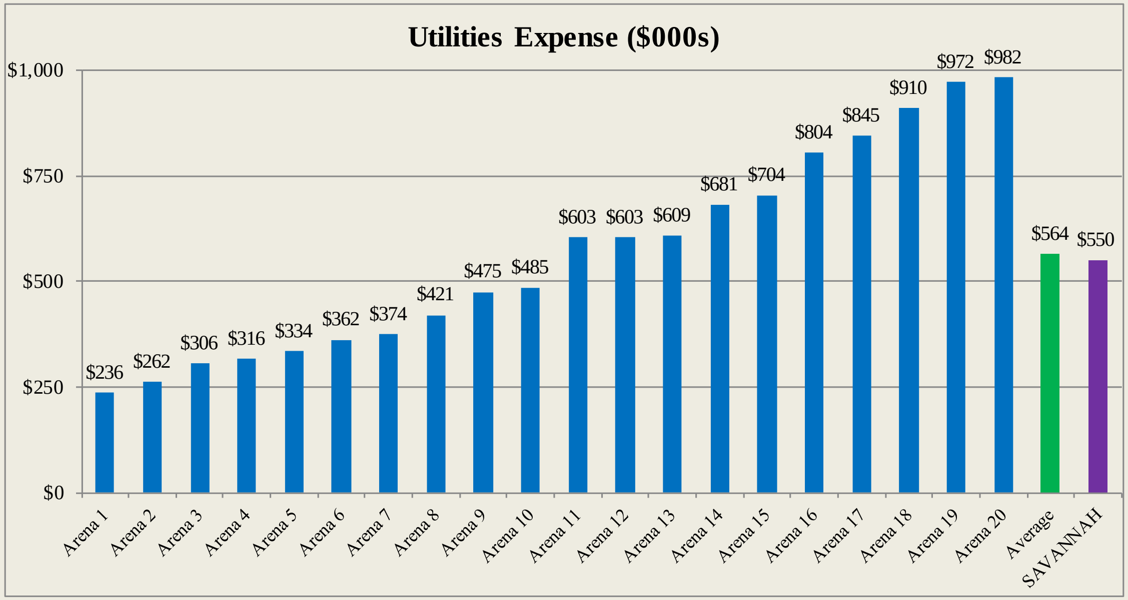
# B. EXPENSE ASSUMPTIONS

## Utilities Expense

- Utilities expense vary considerably due to several factors, including: event mix/schedules and local climate, etc.

- Utilities expense in comparable facilities ranged from approximately $236,000 to approximately $982,000. Average utilities expense was approximately $564,000.

- We have assumed approximately $550,000 of utilities expense at the proposed facility



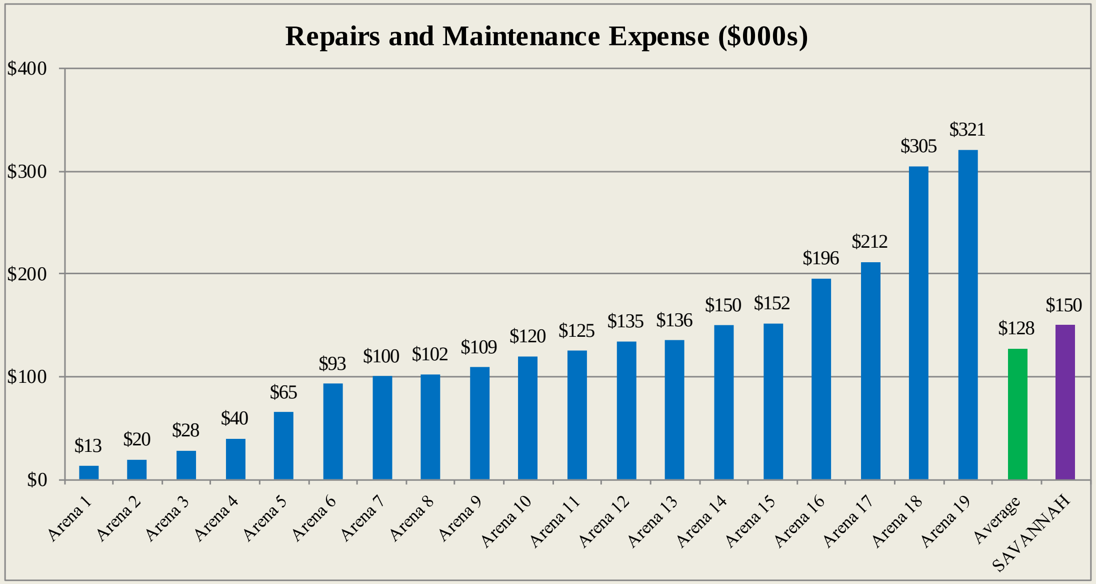
# B. EXPENSE ASSUMPTIONS

**Repairs and Maintenance Expense**

- Repairs and maintenance expense vary due to a number of factors, including: age and condition of facility; accounting policies/procedures; etc.

- Repairs and maintenance expense in comparable facilities ranged from approximately $13,000 to approximately $321,000. Average repairs and maintenance expense was approximately $128,000.

- We have assumed approximately $150,000 of repairs and maintenance expense at the proposed facility



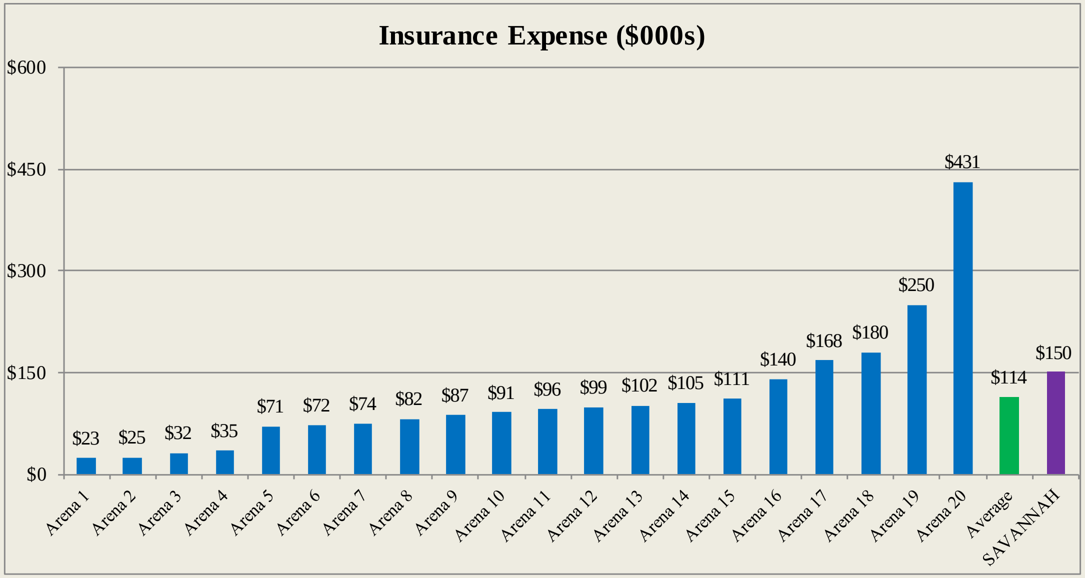
# B. EXPENSE ASSUMPTIONS

## Insurance Expense

- Insurance typically reflects an important expense for operations
  - Tenants may share in insurance expenses or facility covered by municipality umbrella policy

- Insurance expense in comparable facilities ranged from approximately $23,000 to approximately $431,000.  Average insurance expense was approximately $114,000.

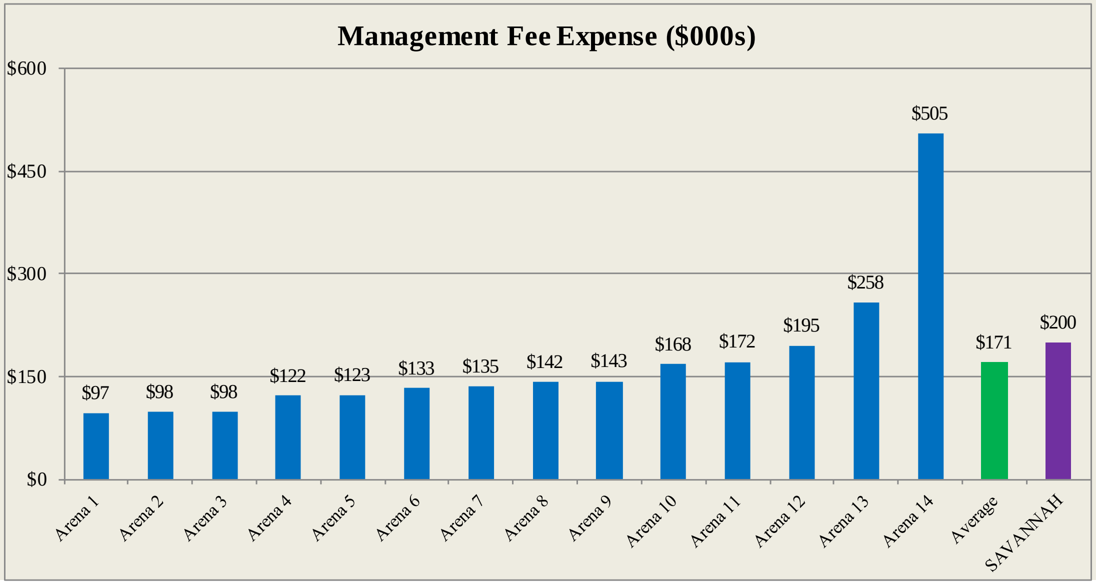
- We have assumed approximately $150,000 of insurance expense at the proposed facility



# B. EXPENSE ASSUMPTIONS

## Management Fee Expense

- Some facilities hire an outside manager or team affiliate for management of facility
- Management fee typically consists of base fee and incentive fee
- Management fee expense in comparable facilities ranged from approximately $97,000 to approximately $505,000. Average management fee expense was $171,000.
- We have assumed that the proposed arena would be third party managed and would incur a $200,000 annual management fee (subject to escalation) – would include base and incentive fee



# B. EXPENSE ASSUMPTIONS

**Other Expenses**

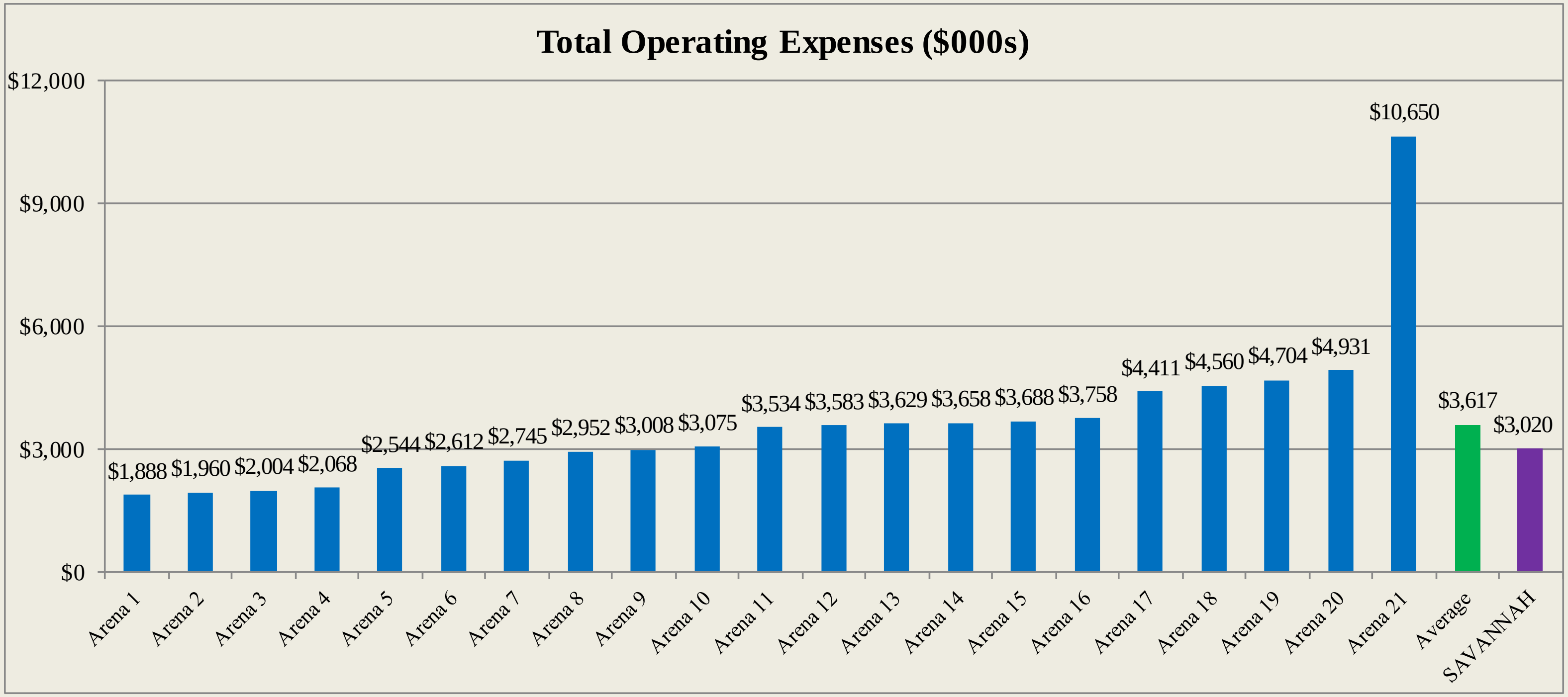
- Supplies
- Equipment Rental
- Promotions/Marketing
- General and Administrative Expenses
  - Photocopying
  - Printing
  - Office Supplies
  - Travel
  - Entertainment
  - Other General and Administrative Expenses
- Security Expenses
- Other Operating Expenses

# B. EXPENSE ASSUMPTIONS

## Total Operating Expenses

- Total operating expenses in comparable facilities ranged from approximately $1.9 million to approximately $10.7 million.  Average total operating expenses were $3.6 million

- For analytical purposes, we have assumed approximately $3.0 million of total operating expenses at the proposed facility based on the proposed size, tenant mix, etc.



# B. EXPENSE ASSUMPTIONS

**Other Miscellaneous Expenses**

- Concession Expenses
  - Concessions assumed to be managed and subject to cost of goods sold (COGS), concession operating expenses, and profit margin (collectively “expenses”)
  - Total concession expenses assumed to be 60.0% of gross concession sales on weighted average basis

- Novelty Expenses
  - Novelties assumed to be managed by concessionaire, tenant, or other third party
  - Novelties assumed to be managed and subject to cost of goods sold (COGS), operating expenses, and profit margin (collectively “expenses”)
  - Total novelty expenses assumed to be 80.0% of gross novelty sales on weighted average basis

- Parking Expenses
  - Parking expenses assumed to be 10.0% of gross parking revenues (surface lots)

# B. EXPENSE ASSUMPTIONS

**Other Miscellaneous Expenses**

- Game Day Expenses
  - Event set-up/tear down, staffing, ticket takers, security, clean-up, etc.
  - Significant portion, or all, of game day expense are often reimbursed by event/tenant
- Property Taxes
  - No property taxes have been assumed
- Capital Replacement Reserve
  - Initial funding and annual deposit assumed to be determined

# C. CASH FLOW SUMMARY

# C. CASH FLOW SUMMARY

## Cash Flow Summary

- Although assumptions appear reasonable based on current and anticipated market conditions, actual results depend on actions of arena owner, management, tenants, and other factors both internal and external to project, which frequently vary

- It is important to note that because events and circumstances may not occur as expected, there may be significant differences between actual results and those estimated in this analysis, and those differences may be material

- As illustrated in the following table, the cash flow analysis prepared indicates arena would be able to generate a positive cash flow from operations

- Net cash flow from operations (before consideration of capital replacement reserve) would be approximately $297,000 in Year 1

- Consideration should be given to establishing a capital repair, replacement, and improvement fund

## Cash Flow Summary (continued)

| ARENA SUMMARY ($ in 000s) | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 |
|---|---|---|---|---|---|
| Number of Events | 93 | 93 | 93 | 93 | 93 |
| Paid Attendance - Total (000s) | 352 | 352 | 352 | 334 | 334 |
| **Operating Revenue (Net)** | | | | | |
| Rental Revenue | $611 | $623 | $635 | $648 | $661 |
| Premium Seating Revenue | $491 | $506 | $521 | $537 | $553 |
| Advertising and Sponsorship | 425 | 440 | 455 | 471 | 488 |
| Naming Rights | 255 | 263 | 271 | 279 | 287 |
| Concessions | 857 | 883 | 909 | 895 | 922 |
| Novelties | 46 | 48 | 49 | 47 | 48 |
| Parking | 131 | 135 | 139 | 143 | 148 |
| Other (Facility Fee/Rebate/Etc.) | 500 | 500 | 500 | 478 | 478 |
| **Operating Revenue (Net) - Total** | **$3,317** | **$3,397** | **$3,479** | **$3,498** | **$3,585** |
| **Operating Expense** | | | | | |
| Staffing | $1,235 | $1,272 | $1,310 | $1,350 | $1,390 |
| Utilities | $550 | $567 | $583 | $601 | $619 |
| General and Administrative | $500 | $515 | $530 | $546 | $563 |
| Repairs and Maintenance | $150 | $155 | $159 | $164 | $169 |
| Supplies | $125 | $129 | $133 | $137 | $141 |
| Insurance | $150 | $155 | $159 | $164 | $169 |
| Legal & Professional Fees | $60 | $62 | $64 | $66 | $68 |
| Miscellaneous/Other | $50 | $52 | $53 | $55 | $56 |
| Non-Reimbursed Event Expenses | $0 | $0 | $0 | $0 | $0 |
| **Operating Expense - Total** | **$2,820** | **$2,905** | **$2,992** | **$3,081** | **$3,174** |
| **Net Cash Flow - Before Management Fee** | **$497** | **$492** | **$488** | **$417** | **$411** |
| Management Fee | $200 | $206 | $212 | $219 | $225 |
| **Net Cash Flow - After Management Fee** | **$297** | **$286** | **$276** | **$198** | **$186** |

# C. CASH FLOW SUMMARY

## Sensitivity Analysis

- Sensitivity analysis intended to illustrate impact of individual assumptions
  - Variations in assumptions can be combined to reflect overall impact of potential scenarios
    - For example, Events and Attendance could drop 10% and Operating Expenses could increase 10% – overall impact would result in decrease in base case cash flow of approximately $582,000

| | NET CASH FLOW |
|---|---|
| BASE CASE | $297 |

SENSITIVITY ANALYSIS

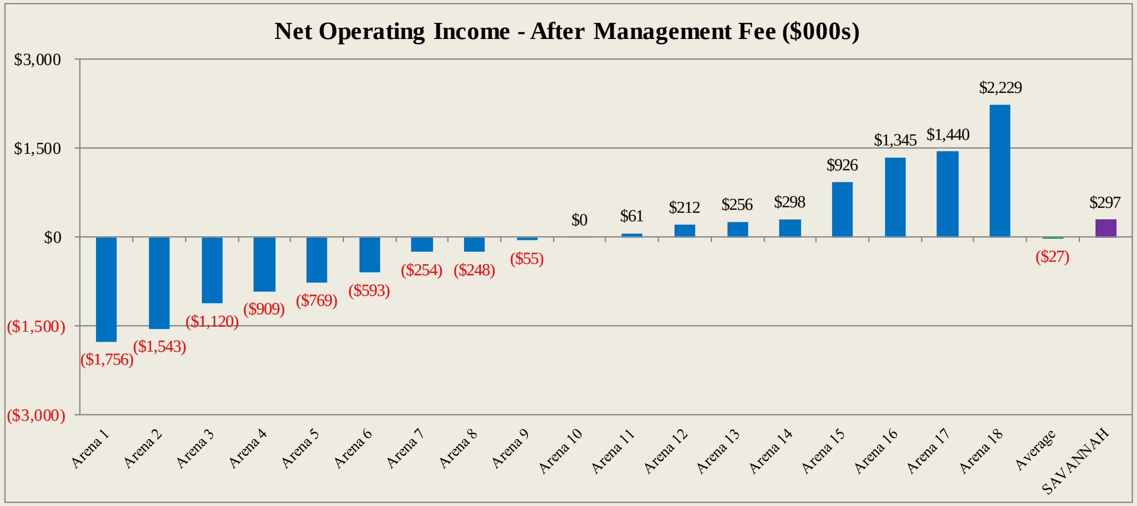
| ASSUMPTION | ADJUSTMENT | NET IMPACT | ADJUSTED CASH FLOW |
|---|---|---|---|
| **Number of Other Events** | | | |
| Increase | 10% | **$119** | **$416** |
| Decrease | (10%) | **($119)** | **$177** |
| **Average Paid Attendance - (1)** | | | |
| Increase | 10% | **$161** | **$457** |
| Decrease | (10%) | **($161)** | **$136** |
| **Premium Seating - Average Price** | | | |
| Increase | 10% | **$79** | **$376** |
| Decrease | (10%) | **($79)** | **$218** |
| **Premium Seating - Occupancy - (2)** | | | |
| Increase | 10% | **$56** | **$353** |
| Decrease | (10%) | **($56)** | **$241** |
| **Advertising** | | | |
| Increase | 10% | **$43** | **$339** |
| Decrease | (10%) | **($43)** | **$254** |
| **Naming Rights** | | | |
| Increase | 10% | **$26** | **$322** |
| Decrease | (10%) | **($26)** | **$271** |
| **Concessions/Novelties Per Capitas** | | | |
| Increase | 10% | **$90** | **$387** |
| Decrease | (10%) | **($90)** | **$206** |
| **Operating Expenses** | | | |
| Increase | 10% | **($302)** | **($5)** |
| Decrease | (10%) | **$302** | **$599** |

(1) - Reflects general seating attendance only - does not include premium seating.
(2) - Increased occupancy may assume additional inventory for illustrative purposes.

# C. CASH FLOW SUMMARY

## Limited Scope Benchmarking – Net Operating Income

- For illustrative purposes, below is a summary of net operating income statistics for comparable facilities




- Facilities in other markets may be able to achieve higher (or lower) net operating income
  - Market demographics
  - Physical characteristics
  - Anchor tenants
  - Entertainment alternatives
  - Competitive facilities
  - Other

# VII. ECONOMIC IMPACT ANALYSIS

# VII. ECONOMIC IMPACT ANALYSIS

**Overview**

- Construction and operation of the proposed arena will generate economic and fiscal impacts in the Savannah region

- Economic impacts typically measured by

  - Direct spending (initial spending)
  - Indirect spending (dollars spent through interaction of local industries)
  - Induced spending (dollars spent through household spending patterns)
  - Tax impacts
  - Employment impacts
  - Labor income impacts

- Although assumptions appear reasonable based on current and anticipated market conditions, actual results depend on actions of arena, management, tenants, and other factors both internal and external to project, which frequently vary

- It is important to note that because events and circumstances may not occur as expected, there may be significant differences between actual results and those estimated in this analysis, and those differences may be material

# VII. ECONOMIC IMPACT ANALYSIS

**Methodology**

- Gross expenditure and economic multiplier approach was used to quantify economic impacts
- Basis of approach is that spending on goods and services creates demand within particular industries
- Initial spending is referred to as "direct" spending and defined as purchases of goods and services resulting from economic event
- Exchanges or re-sales of goods and services purchased during preceding periods are not counted
- A portion of each "direct" dollar spent is re-spent, generating additional or "indirect" economic benefits
- Result of process is that $1 in direct spending increases final demand by more than $1 – "multiplier effect"

# VII. ECONOMIC IMPACT ANALYSIS

**Methodology**

- Analysis utilizes the IMPLAN Type SAM multiplier
  - Accounts for the social security and income tax leakage
  - Institution savings
  - Commuting
- “Substitution effect” considered
- Tax impacts were estimated based on current statutory rates and estimated new economic activity

# VII. ECONOMIC IMPACT ANALYSIS

**Multiplier Effect**

- Introduction of new money into economy begins cycle in which money is re-spent several times by different parties
- Turnover of each $1 is projected through use of economic multiplier applied to initial expenditure
- Multiplier conveys that additional spending into a finite economy will lead to secondary spending
- Cycle continues until initial $1 has experienced leakage sufficient to end its economic cycle
  - Purchases outside region
  - Taxes paid outside region
  - Individual savings
- Multiplier illustrates a more realistic image of economic system where direct consumption leads to various levels of indirect consumption
- Employment multipliers are similar to output multipliers
- Employment multipliers estimate number of jobs created/supported within economic region based on every $1.0 million in direct spending

# VII. ECONOMIC IMPACT ANALYSIS

**Estimated Multipliers**

- Regional economic impact model developed by the Minnesota IMPLAN group (IMPLAN)
- Economic multipliers estimate impacts associated with gross expenditures
- Use of multipliers requires identification of each industry or economic event
- IMPLAN combines national averages for industries and production functions with data from the federal government, including:
  - U.S. Bureau of Labor Statistics
  - U.S. Bureau of Economic Analysis
  - U.S. Census Bureau
  - U.S. Department of Agriculture Census
- IMPLAN has identified approximately 536 economic sectors
- IMPLAN provides two different types of multipliers: Type I and Type SAM
  - Type SAM multiplier is utilized in our analysis

*Type SAM Multiplier = (Direct Effect + Indirect Effect + Induced Effect) / (Direct Effect)*

## Estimated Multipliers

- Type SAM multipliers utilizes social accounting matrix information to capture inter-institutional transfers – Type SAM Multiplies Include the Impact of Household Spending

- Type SAM accounts for the following
  - Social security leakage
  - Income tax leakage
  - Institution savings
  - Commuting

- Multipliers Utilized

| | Output Multipliers | Employment Multipliers |
|---|---|---|
| Arena Construction | 1.4682 | 1.5429 |
| Arena Operations | 1.7500 | 1.7644 |
| Hotel Spending | 1.4760 | 1.3724 |
| Restaurant and Bar Spending | | |
| Full-Service | 1.5276 | 1.1796 |
| Limited Service | 1.4018 | 1.2343 |
| Other Food and Drinking | 1.6284 | 1.1748 |
| Food and Beverage Store Spending | 1.5496 | 1.2610 |
| Gasoline Station Spending | 1.5790 | 1.3386 |
| Miscellaneous Retail Store Spending | 1.6327 | 1.1999 |
| Car Rental Spending | 1.4345 | 1.6846 |
| Other Transportation Spending | 1.5693 | 1.2801 |

Source: IMPLAN.

# VII. ECONOMIC IMPACT ANALYSIS

**Substitution Effect**

- Direct spending leads to reduced spending within other sectors of economy
- Economic event which generates $1 of economic output actually generates less than $1 in new net spending
- Magnitude varies significantly depending upon circumstances
  - Demand
  - Alternatives
  - Expenditure size
  - Disposable income
  - Savings
- Magnified when demand is relatively fixed, many alternatives available, and expenditure is large

# VII. ECONOMIC IMPACT ANALYSIS

**Other Considerations**

- Findings included herein reflect evaluation of gross economic and fiscal impacts – does not account for spending currently in market
- Proposed arena would attract new events and generate additional spending
  - Increased activity and spending in the market
  - New sports franchises
  - New events not currently held in market
  - Increased number of out-of-town visitors to attend events
  - Increased spending at proposed arena for advertising/premium seating/etc.
  - Increased spending on concessions/novelties resulting from increased points-of-sale and new restaurant/club options
  - Potential ancillary development opportunities

# VII. ECONOMIC IMPACT ANALYSIS

**Government Revenue Impacts**

- Tax impacts are based on the existing relationships of the data found in the IMPLAN database

- The input/output model developed specifically for the studied area was used to estimate tax impacts – model incorporates data from national income and product accounts (developed by U.S. Bureau of Economic Analysis), consumer expenditure surveys, annual survey of state and local government finances, and regional economic accounts

- It is important to note that any tax collected at the point of sales (sales, hotel, etc.) is included in this analysis, but are not separated by individual type of tax

- Taxes include
  - Sales tax
  - Hotel tax
  - Property tax
  - Motor vehicle license tax
  - Other miscellaneous taxes and non-taxes (fees/fines)

- We have not included employment taxes such as social security contributions, nor have we included certain taxes on corporations such as corporate profit tax, among others

# VII. ECONOMIC IMPACT ANALYSIS

**Major Study Efforts**

- Customized input/output economic model to estimate economic output and employment multipliers

- Prepared preliminary cost estimate of the proposed arena to be included in MIG model
  - Site preparation
  - On-site infrastructure requirements
  - Demolition
  - Hard and soft construction costs
  - Project management
  - Project contingency
  - Other

- Estimated direct spending to be generated in the arena.  Key operating variables include:

  - Attendance/event mix
  - Average ticket price
  - Parking rates
  - Premium seat pricing
  - Advertising revenue
  - Per capita spending on concessions
  - Per capita spending on novelties

# VII. ECONOMIC IMPACT ANALYSIS

**Major Study Efforts**

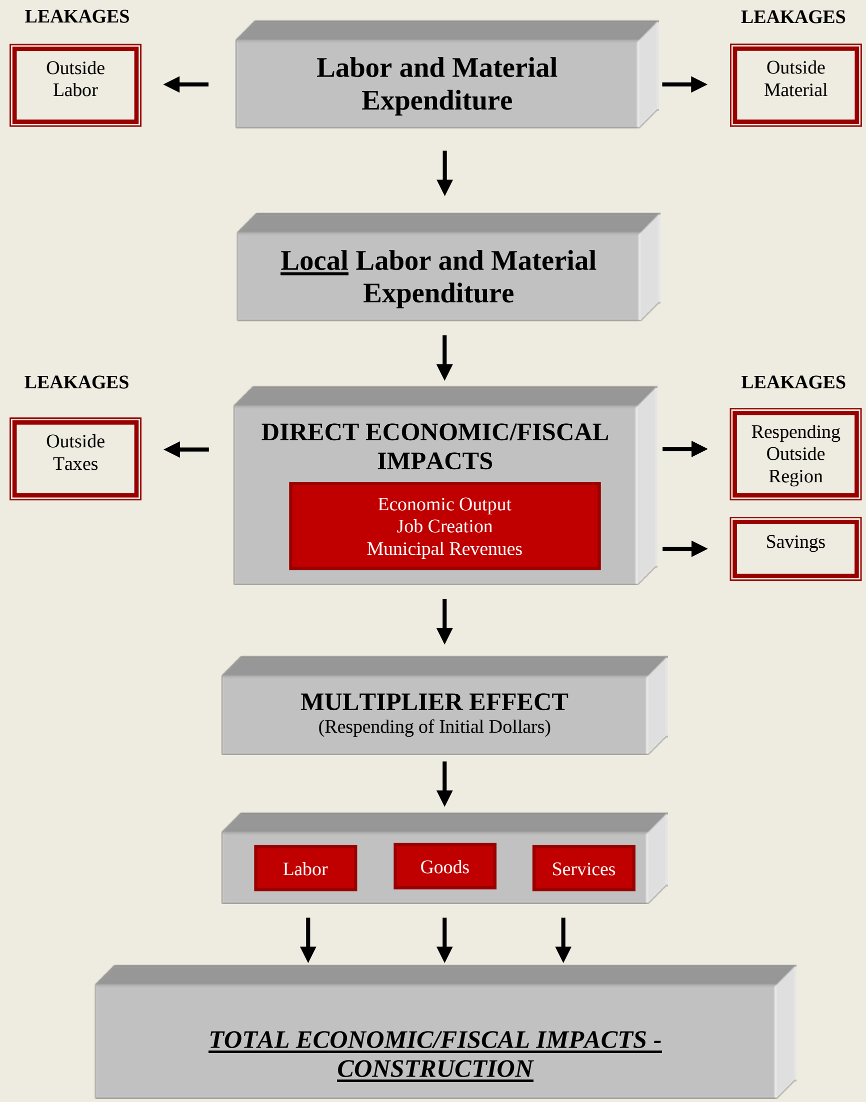
- Utilized BSG database of fan patron surveys to understand out-of-facility spending by non-residents

- Non-resident spending behavior was evaluated

  - Hotels
  - Restaurants/bars
  - Gasoline stations
  - Grocery stores
  - Convenience stores
  - Other retail establishments
  - Car rental
  - Other transportation

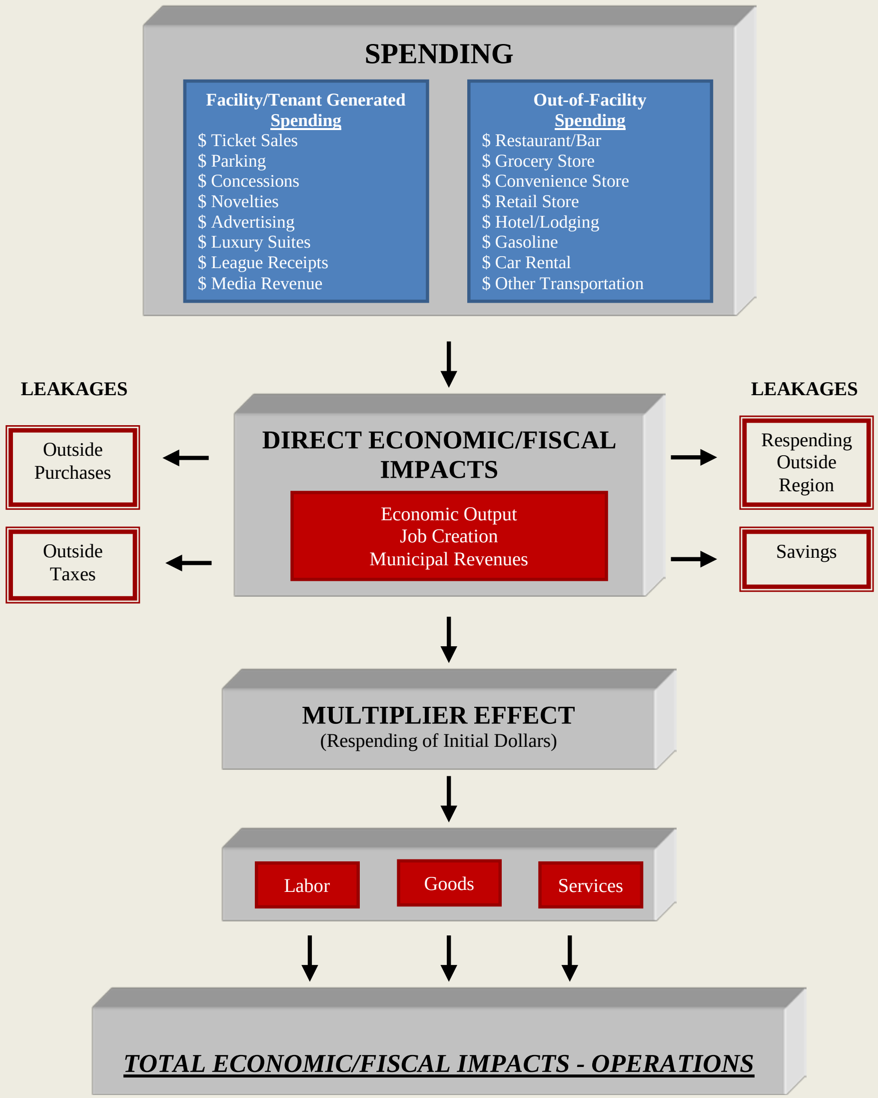
## Flow Chart

**ECONOMIC/FISCAL IMPACT SUMMARY – CONSTRUCTION**



## Flow Chart

**ECONOMIC/FISCAL IMPACT SUMMARY – OPERATIONS**



## Construction Economic Impact

- Construction of the proposed arena will generate considerable economic impacts during the construction period (presented in 2016 dollars)

- Figures reflect gross impacts

| Construction Operations (2016 Dollars) | |
|---|---|
| Direct Economic Output | $57,620,463 |
| Indirect Economic Output | $15,241,694 |
| Induced Economic Output | $13,397,303 |
| Total Economic Output | $86,259,460 |
| Jobs - (1) | 609 |
| Labor Income - (2) | $27,285,158 |
| Tax Impacts - (3) | $2,501,833 |

(1) - Includes full time and part time employment.
(2) - Includes all forms of employment income, including employee compensation (wages/benefits) and proprietor income.
(3) - Includes state and local tax revenue generated by the total economic output (excluding taxes on employee compensation and corporation profit taxes/dividends).

- Note: 40% of labor/materials expenditures sourced in the local market based on local construction industry input

# VII. ECONOMIC IMPACT ANALYSIS

**Annual Economic Impact**

- Ongoing operations of the proposed arena will generate annual, recurring economic and fiscal impacts as events are held in the market
  - In-arena spending
  - Out-of-arena visitor spending

- In order to arrive at new spending, we first started with an evaluation of the estimated gross revenues from in-arena and out-of-arena spending

- BSG evaluated paid attendance figures provided by the Savanah Civic Center as a proxy for resident/non-resident spending – point-of-origin of ticket purchases as a proxy for total visitor percentages used in the visitor spending estimates

- Based on data provided, approximately 46% of all ticket purchases were made by residents of the County, resulting in 54% of all ticket purchases being made by visitors to the County. It should be noted that the analysis excludes ticket purchases made by cash buyers or other buyers who did not provide a zip code. Given the limited data provided, we further conservatively adjusted the data for cash buyers and turnstile attendance.

- BSG utilized its our internal database to estimate resident/non-resident spending within the study area

- Percentages are important as we made adjustments to in-arena and out-of-arena spending based on the number of visitors – residents were not included to estimate in-arena and out-of-arena spending

- Visitor expenditures made outside of the arena were further adjusted based on the significance of the attended event on their purchasing behavior – “significant” impacts had the highest value, and in contrast, impacts of “little” or “none” had the lowest impact

# VII. ECONOMIC IMPACT ANALYSIS

## Annual Economic Impact

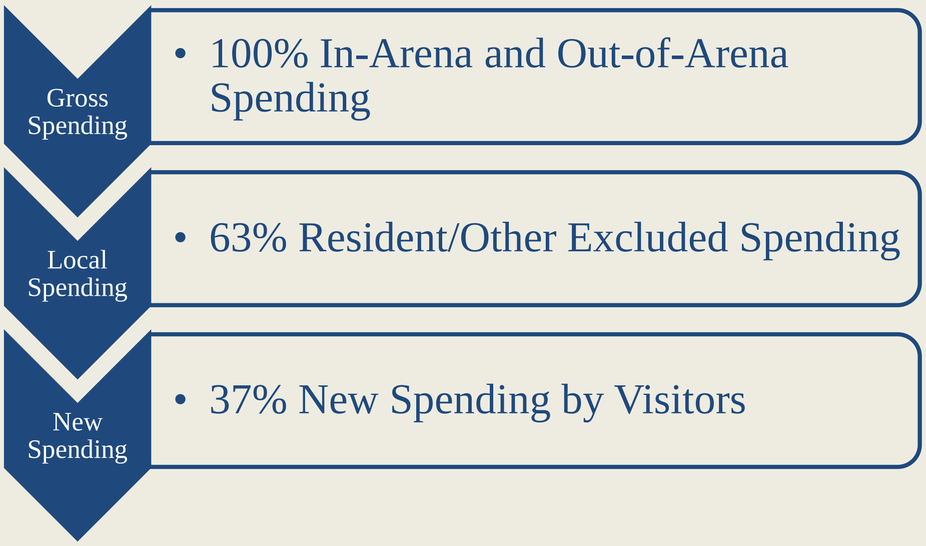
- The table below summarizes gross in-arena and out-of-arena spending and, following the adjustments described earlier, the resulting resident (excluded) and visitor (included) spending

| ($ Millions) | **Annual Operations** | **% of Gross** |
|---|---|---|
| **Summary** | | |
| Spending (Gross) | | |
| In-Arena Spending | $12.9 | |
| Out-of-Arena Spending | $11.5 | |
| Total Spending (Gross) | $24.3 | |
| Resident/Other Excluded Spending - (1) | | |
| In-Arena Spending | $8.3 | 64% |
| Out-of-Arena Spending | $7.0 | 61% |
| Total Resident/Other Excluded Spending | $15.2 | 63% |
| **Visitor Spending (New Spending)** | | |
| **In-Arena Spending** | **$4.6** | **36%** |
| **Out-of-Arena Spending** | **$4.5** | **39%** |
| **Total Visitor Spending** | **$9.1** | **37%** |

(1) Includes local resident spending and portion of visitor spending not influenced by event and IMPLAN model adjustments.

## Annual Economic Impact

- Please see below for a graphical representation of the how gross spending is adjusted in the analysis
- Approximately 63% of gross spending has been excluded from the analysis



# VII. ECONOMIC IMPACT ANALYSIS

## Summary of Results – Operations

- On-going operations of the arena will generate considerable new spending and resulting economic impacts on an annual basis (presented in 2016 dollars)
  - Annual arena operations
  - Non-resident spending

| Annual Operations (2016 Dollars) | |
|---|---|
| Direct Economic Output | $9,100,593 |
| Indirect Economic Output | $3,720,086 |
| Induced Economic Output | $1,896,563 |
| Total Economic Output | $14,717,242 |
| Jobs - (1) | 162 |
| Labor Income - (2) | $3,861,579 |
| Tax Impacts - (3) | $745,276 |

(1) - Includes full time and part time employment.
(2) - Includes all forms of employment income, including employee compensation (wages/benefits) and proprietor income.
(3) - Includes state and local tax revenue generated by the total economic output (excluding taxes on employee compensation and corporation profit taxes/dividends).

# VII. ECONOMIC IMPACT ANALYSIS

**Intangible Benefits**

- Proposed arena generates other significant impacts for Savannah that are less explicit and more difficult to quantify
  - Catalyst for economic development (attract/retain businesses)
  - Ancillary redevelopment opportunities
  - National (and potentially international) exposure
  - Civic/community pride and identity
  - Prestige associated with facility/teams/events
  - Improved quality of life/additional entertainment alternatives
  - Contributions and donations to local charities/causes
  - Marketing/advertising opportunities for local (and national) businesses
  - Other

# VIII. CIVIC CENTER OVERVIEW

# VIII. CIVIC CENTER OVERVIEW

**Introduction**

- As part of the arena study, we were asked to provide an evaluation of the Civic Center and make general assessments as to the long-term viability of the building and its components
- The Johnny Mercer Theatre is one of two components of the Savannah Civic Center
  - The second component is the Martin Luther King, Jr. Arena, which is adjacent to, but physically separate from, the theater
  - Most of the mechanical and electrical for the arena is housed within the theater
- We have walked the building and have had a code and ADA assessment report from Code Consultants, Inc. (CCI) dated December 15, 2015
- We have not completed any in-depth analysis with regard to asbestos and other hazardous materials which may be concealed above ceilings and within walls
- We would advise that the next step be to do a more comprehensive study to determine if there are any hazardous materials within the building
  - Therefore, we have not assumed any cost associated with the removal of hazardous materials
- In addition, our observation and those in the CCI report are limited to visual observation

# VIII. CIVIC CENTER OVERVIEW

**Code Issues – Johnny Mercer Theatre**

- Sprinklers above stage do not provide adequate protection due to catwalk construction
- Stage doors require upgrade to self-closing or automatic-closing swing doors
- Fire alarm system requires upgrade to voice alarm/communication system with proper coverage
- Fire curtain at proscenium requires upgrade to some method of automatic activation
- Area above stage appears to require upgrade to smoke/heat venting and/or mechanical exhaust
- Ballroom requires fire sprinkler system
- Curb ramp flares adjacent to Montgomery Street entry were in excess of 10% maximum slope
- Drop off areas to not currently provide an accessible passenger loading zone

# VIII. CIVIC CENTER OVERVIEW

**Code Issues – Johnny Mercer Theatre (continued)**

- Exterior signage showing route of nearest accessible entrance must be provided
- Accessible ramps adjacent to Montgomery Street and box office entrances exceeds 8.33% slope
- Curb cut ramp must be provided along Jefferson Street at loading dock entry
- Wheelchair seating area does not appear adequate for 20 accessible seats and 20 companion seats
- Wheelchair seating must be dispersed around the theater where technically feasible
- Multiple accessibility clearance issues should be resolved in restrooms
- Multiple wall mounted objects protruding more than four inches were observed throughout the building

Source: Code Consultants Inc. report dated December 15, 2015

# VIII. CIVIC CENTER OVERVIEW

**Code Issues – Martin Luther King, Jr. Arena**

- Majority of arena does not have automatic sprinkler system protection
- Aisles require handrails to comply with current code requirements
- Guardrails require upgrade to comply with current code requirements
- Riser height varied between 7.5 inches and 8.5 inches, but should not vary by more than .375 inches
- Bottom row of stairs in upper seating area requires a guard to comply with current code requirements
- Platform lift providing access between Ground Level and the Lobby was not operating properly
  - The lift also does not provide required 36 inch clearance
- Accessible seating must be provided

# VIII. CIVIC CENTER OVERVIEW

**Code Issues – Martin Luther King, Jr. Arena (continued)**

- Accessible unisex toilet rooms must be provided where separate sex toilet facilities are not accessible
- Exterior entrance thresholds from parking lot and from Montgomery Street are non-compliant due to excessive changes in pathway level
- Some vending machines, towel dispensers, hand sanitizer dispensers and hand dryers had operable parts in excess of the code required reach range of 27 inches to 80 inches above finished floor
- Exterior signage showing route of nearest accessible entrance must be provided

Source: Code Consultants Inc. report dated December 15, 2015

# VIII. CIVIC CENTER OVERVIEW

**Preliminary Recommendations**

- Based upon the CCI report and our observation of the building, we would recommend razing the arena portion of the Civic Center due to the cost required to bring this building up to Code, Life Safety, and ADA compliance and the fact that such expenditures would not result in a state of the art arena. In addition, the arena contributes to a significant annual operating loss at the Civic Center.

- Additionally, the market cannot support two arenas competing against each other
  - The presence of two arenas in a market the size of Savannah could result in increased promoter leverage and lower rents
  - Consideration needs to be given to accommodating community oriented uses on an affordable basis in the new arena or alternative locations

- Refer to the following photographs for an illustration of the arena portion to be removed

- Additionally, refer to the rough south elevation level depicting a new façade, entry, and plaza (square) for the theater

# VIII. CIVIC CENTER OVERVIEW

## Preliminary Recommendations (Continued)

- We believe the Johnny Mercer Theatre is of great value to the City and with modifications, can be brought to Code, Life Safety, and ADA compliance
  - The existing Command Center and mechanical/electrical systems are to remain in the lower level

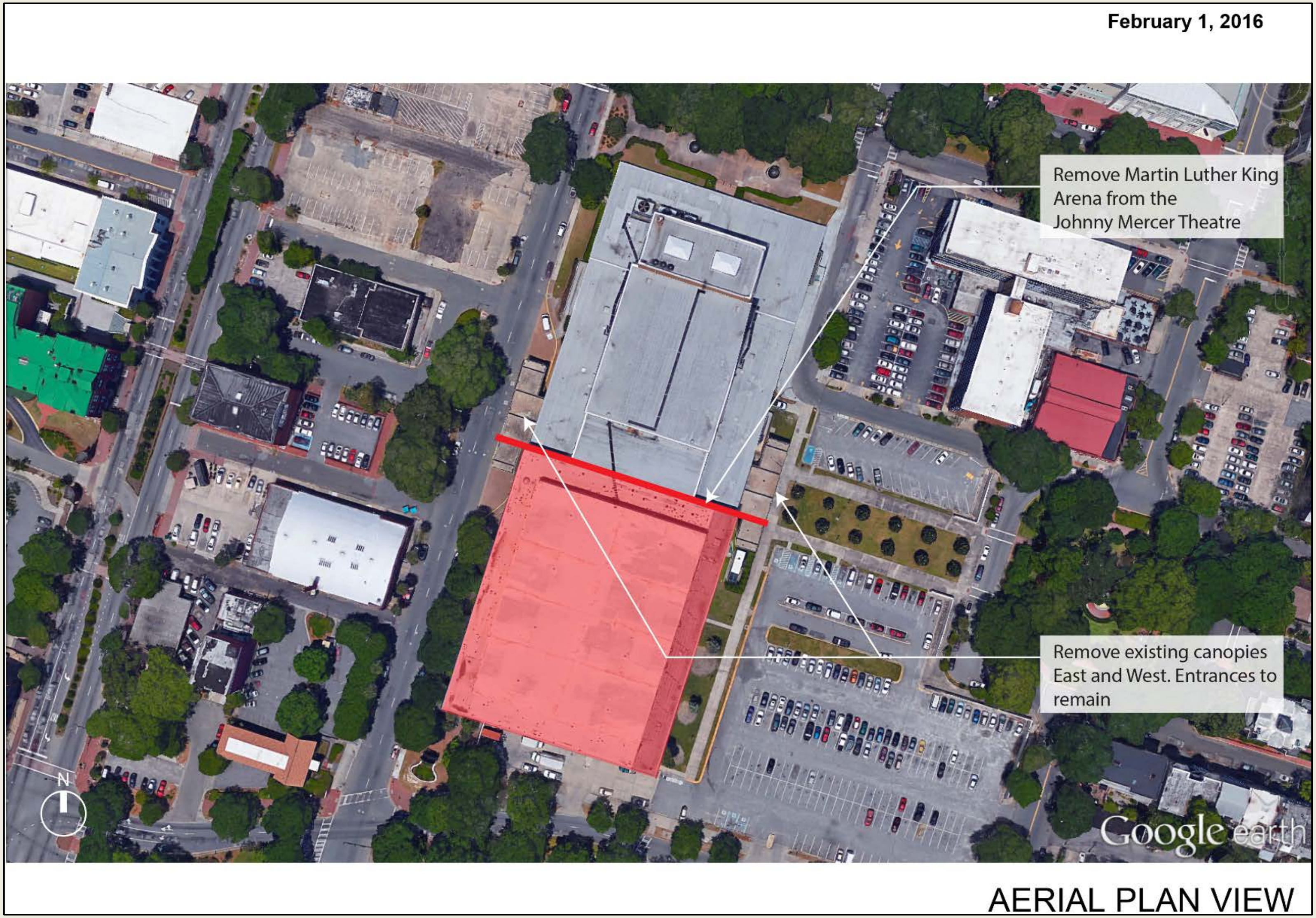
- The following is a summary of potential theater modifications/improvements

| Interior |
|---|
| Add ADA seating as described in the CCI report |
| Provide new elevators within existing shafts |
| New general lighting in the theater |
| New rigging and theatrical lighting at the stage house |
| New sound system within theater (small shows and lecture quality, not major concert) |
| Refurbished theater seating |
| New carpeting |
| Renovate existing restrooms with new fixtures, dividing panels, and counters |
| New restrooms for men and women on both the east and west of the new south entry |
| Paint all existing surfaces throughout the building and provide updated dressing rooms and green rooms at the back of the house areas |
| New electrical system |
| New mechanical system |
| New fire alarm system |
| Repair plumbing only as required for new and refurbished fixtures |

| Exterior |
|---|
| New roof on theater and stage house |
| Addition of a new south façade, ramp, stairs, and enclosure for new m/w restrooms east and west |
| Provide a park (square) at existing arena footprint as a foreground to the theater |
| Clean and seal exterior brick |
| Refurbish existing lighting system |
| Provide new code compliant entry doors at existing east and west entries |
| Remove existing canopies at the east and west entries |
| Remove and provide new general landscape at the exterior |
| Restore element of Elbert Square on the east side of Montgomery St. |
| Continue Perry St. to the west to Montgomery St. |

# VIII. CIVIC CENTER OVERVIEW

## Aerial Plan



# VIII. CIVIC CENTER OVERVIEW

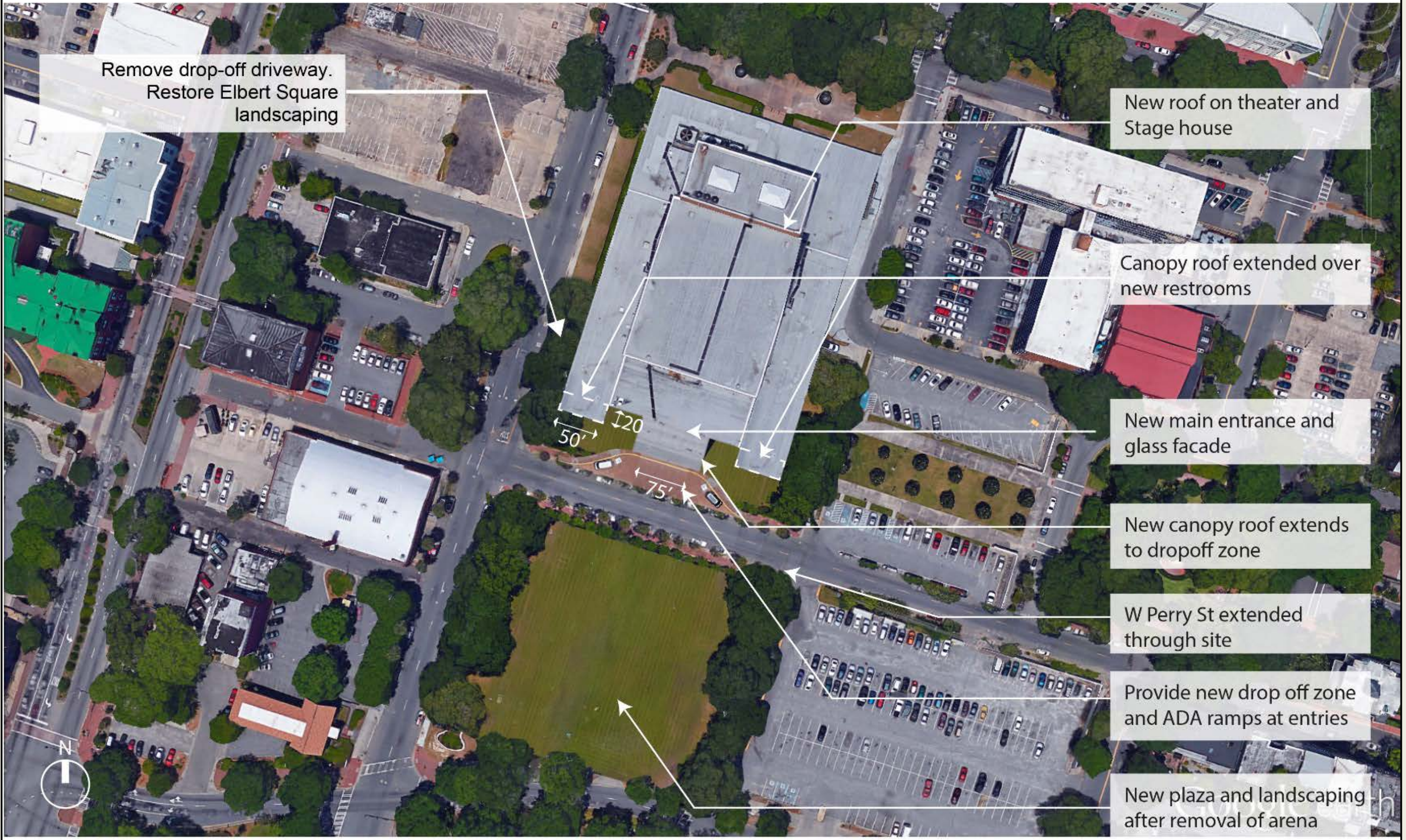
## Aerial Plan

February 1, 2016


AERIAL VIEW LOOKING WEST

## Aerial Plan

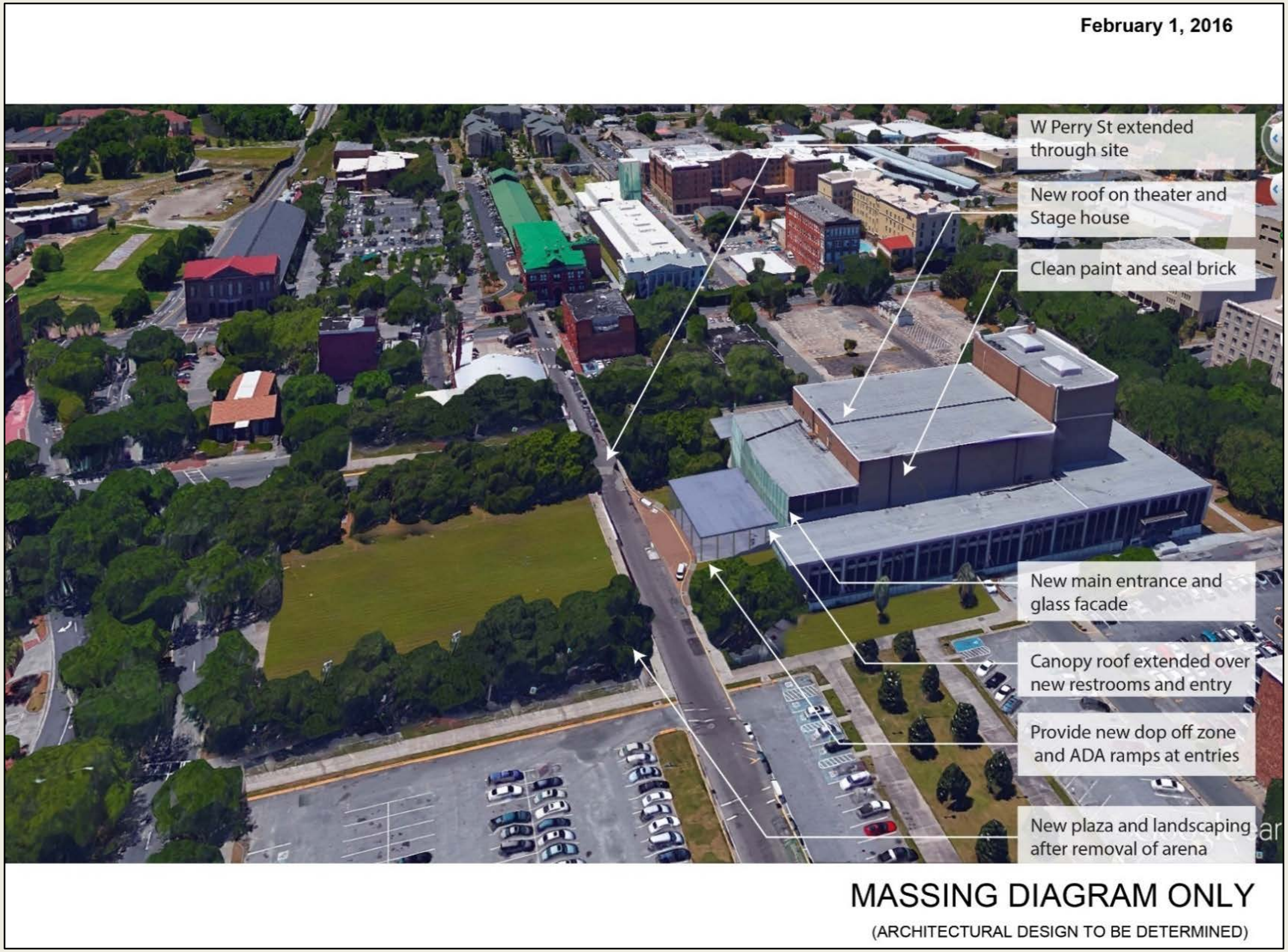
February 1, 2016




*-Measurements to be verified on site
-Measurements not drawn to scale

# VIII. CIVIC CENTER OVERVIEW

## Aerial Plan



# IX. SUBCOMMITTEE REPORTS

# IX. SUBCOMMITTEE REPORTS

**Overview**

- The City formed six advisory subcommittees to assist with the arena project

- Each subcommittee consists of community representatives and City staff members

  - Programming Potential Subcommittee
  - Business Development Subcommittee
  - Community Education and Engagement Subcommittee
  - Mobility and Transportation Subcommittee
  - Utilizations of Current Civic Center Subcommittee
  - Greenway Planning Subcommittee

# IX. SUBCOMMITTEE REPORTS

**Programming Potential Subcommittee**

- Scope: Consider programs, activities, and events that could be suitable for a new arena
- Assumes theater and ballrooms/meeting rooms will be retained and that MLK Arena may be retained
  - Significant capital, operating, and maintenance cost implications
  - Patrons generally like MLK Arena, condition aside
- Significant potential for events at new arena
- There will be inevitable competition between buildings for business
  - New arena should not be constrained in competing for local business
- Savannah may have difficulty supporting premium seating
  - Consider flexible space
- Availability of hotel space is a concern

# IX. SUBCOMMITTEE REPORTS

**Programming Potential Subcommittee (Continued)**

- Waterworks site is suitable from operator and producer standpoint
- Four to six rooms for meetings and lobby space, plus a 25,000-30,000 square foot exhibit ‘box’ would be sufficient
- A significant concern is the arena site’s isolation from established vehicle and pedestrian circulation
  - Concern increases if MLK Arena is retained
  - New arena must be pulled into City’s everyday rhythms by supporting traffic around it
    - Subcommittee believes it is possible to do this and see economic growth around the site

# IX. SUBCOMMITTEE REPORTS

**Business Development Subcommittee**

- Scope: Provide research and key recommendations for business strategies, resources, and opportunities surrounding the arena and Canal District

- Planning, design, and infrastructure
  - Consider a master plan and develop transportation and signage that facilitates development
  - Ensure roads are widened and district becomes a destination for visitors and locals
  - Consider extending downtown Savannah’s street system and design elements to district
  - Create physical connection to nearby neighborhoods and avoid isolation with a large parking lot
  - Balance recreation and business development
    - Maximize sponsorship while creating opportunities to generate non-arena traffic through multiple art/music/performance locations

- Business Development Incentives
  - Develop a loan fund for the District and expand Enterprise Zone to include District
  - Promote infill incentives for business development in flood zone
  - Focus efforts on local small and minority businesses

# IX. SUBCOMMITTEE REPORTS

**Business Development Subcommittee (Continued)**

- Outdoor micro-business opportunities
  - Support outdoor markets and special events by ensuring zoning and permitting is inclusive
  - Rent outdoor areas with limited fees and develop mini shops for District patrons
  - Consider including utility connections at islands in parking lot

- Sponsorship
  - Maximize revenue and undertake a cost analysis to determine realistic estimate
  - Consider tiered sponsorship packages that offer several options to sponsors

- Indoor concession bays
  - Include in strategic areas and offer portable kiosk locations as well
  - Determine effectiveness of contracting concession operations without limiting local participation
  - Offer opportunities for local, minority, and women-owned business to lease bays and non-profits and community organizations to lease bays for fundraising

# IX. SUBCOMMITTEE REPORTS

**Business Development Subcommittee (Continued)**

- Minority and women business participation
  - Strive to achieve minority business participation that reflects City demographics
  - Maintain directory of minority and women businesses on the City's website
  - Provide training and procurement information to contractors
  - Establish goals for minority and women business participation in City projects and report on those and business creation in the District

- Food trucks
  - Allow for exemption in District to allow food trucks with annual license fee of $150
  - Allow for flexibility in District regarding density of trucks and proximity to residential property and restaurants
  - Develop utility areas to support trucks within District

# IX. SUBCOMMITTEE REPORTS

**Community Education and Engagement Subcommittee**

- Scope: Recommend methods of keeping the neighboring communities and the City-at-large involved and connected to the arena development
- Guiding principles should focus on engaging community, inclusiveness, and ensuring all stages of the project are consistent with the desires of the community
- Impact groups divided into primary, secondary, and tertiary
- Develop outreach strategies during pre-construction, construction, and post-construction
- Maintain clear and simple two-way communication with primary stakeholders and identify project spokespersons
- Put protocol for communication in writing
- Establish relationship with media

# IX. SUBCOMMITTEE REPORTS

**Community Education and Engagement Subcommittee (Continued)**

- Find ways to reach individuals who are not connected to groups or organizations
- Engage Canal Keepers in the process
- Ensure that the public can track progress via a timeline
- Engage youth
- Document process through pictures and video

# IX. SUBCOMMITTEE REPORTS

**Mobility and Transportation Subcommittee**

- Scope: Address the various forms of transportation connecting the proposed arena and the Canal District with downtown Savannah and the Historic District

- Roadway access
  - Implement “Complete Street” policy, widen Gwinnett St. and Stiles Ave., and extend Cohen St.
  - Develop event Maintenance of Traffic plan and support removal of I-16 terminal ramps

- Transit access
  - Coordinate development of event specific routes and future development plans with Chatham Area Transit

- Bicycle and pedestrian access
  - Support implementation of the Heritage trail
  - Integrate recommendations of the Non-Motorized Transportation Plan into projects
  - Link walkable sub-districts

# IX. SUBCOMMITTEE REPORTS

**Mobility and Transportation Subcommittee (Continued)**

- Character corridors
  - Create a context sensitive character along key corridors and develop character corridors as complete streets
  - Recommendations are Oglethorpe Ave., Liberty Ave.-Louisville Rd., Alice St.-Cohen St., and Gwinnett St.

- Land use
  - Establish Stiles/Gwinnett intersection as the nodal intersection
  - Enhance land use features through context sensitive design and create appealing space
  - Support other developments to establish attendance for more than just arena events
  - Consider attaching Waterworks Building to the arena to create a gourmet food hall

# IX. SUBCOMMITTEE REPORTS

**Utilizations of Current Civic Center Subcommittee**

- Scope: Offer advisory guidance on the utilization and future use of the Civic Center

- Johnny Mercer Theatre, Ballroom, and the meeting rooms should be retained

- MLK arena retained to be used for primarily local events and a soundstage with few renovations
  - It would be very difficult to build a facility of that size in the historic district in the future

- Steps should be taken to ensure there is no competition between the new arena and MLK Arena

- Minority position recommends removing entire Civic Center and selling land for private development
  - Future losses from organizations not paying market rates would drain City resources
  - Downtown residents need more commercial services
  - Removal of Civic Center could allow for re-establishment of original historic squares
  - Revenue benefits

# IX. SUBCOMMITTEE REPORTS

**Greenway Planning Subcommittee**

- Scope: Focus specifically on the connection to existing neighborhoods, the downtown area, and political amenities within the Canal District
- Greenways are corridors of protected open space managed for conservation and recreation purposes, often following natural land or water features
    - The community must be educated on what a greenway is and what the benefits are
- Studies have shown that greenways do not attract crime along the trail
- Coastal Greenway project will be a 160 mile trail that connects South Carolina and Florida through Georgia
- The subcommittee overwhelmingly supports the development of a greenway along Springfield Canal
- An environmental study on the canal water must be completed and a cleanup seems necessary
- Initial design work should be developed to be easily replicated and adapted to neighborhoods

# IX. SUBCOMMITTEE REPORTS

**Greenway Planning Subcommittee (Continued)**

- Plans should incorporate FEMA lots along the canals
- Greenway should be included in the design of drainage systems on the arena site, but the Greenway should be developed whether the arena is built or not
- Greenway should include protection of wetlands, natural habitat, waterways, and should connect neighborhoods
- Greenway will help correct drainage problems around corridor

# LIMITING CONDITIONS AND ASSUMPTIONS

# LIMITING CONDITIONS AND ASSUMPTIONS

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

- The analysis has been prepared for internal decision making purposes of the Client only and shall not be used for any other purposes without the prior written permission of Barrett Sports Group, LLC.
- The analysis includes findings and recommendations; however, all decisions in connection with the implementation of such findings and recommendations shall be Client's responsibility.
- Ownership and management of the stadium are assumed to be in competent and responsible hands. Ownership and management can materially impact the findings of this analysis.
- Any estimates of historical or future prices, revenues, rents, expenses, occupancy, net operating income, mortgage debt service, capital outlays, cash flows, inflation, capitalization rates, yield rates or interest rates are intended solely for analytical purposes and are not to be construed as predictions of the analysts. They represent only the judgment of the authors based on information provided by operators and owners active in the market place, and their accuracy is in no way guaranteed.
- Our work has been based in part on review and analysis of information provided by unrelated sources which are believed accurate, but cannot be assured to be accurate. No audit or other verification has been completed.
- Current and anticipated market conditions are influenced by a large number of external factors. We have not knowingly withheld any pertinent facts, but we do not guarantee that we have knowledge of all factors which might influence the operating potential of the facility. Due to rapid changes in the external factors, the actual results may vary significantly from estimates presented in this report.
- The analysts reserve the right to make such adjustments to the analyses, opinions, and conclusions set forth in this report as may be required by consideration of additional data or more reliable data which may become available.
- The analysis is intended to be read and used as a whole and not in parts. Separation of any section or page from the main body of the report is expressly forbidden and invalidates the analysis.
- Possession of the analysis does not carry with it the right of publication. It shall be used for its intended purpose only and by the parties to whom it is addressed. Other parties should not rely on the findings of this report for any purpose and should perform their own due diligence.
- Our performance of the tasks completed does not constitute an opinion of value or appraisal, or a projection of financial performance or audit of the facility in accordance with generally accepted audit standards. Estimates of value (ranges) have been prepared to illustrate current and possible future market conditions.
- The analysis shall not be used in any matters pertaining to any financing, or real estate or other securities offering, registration, or exemption with any state or with the federal Securities and Exchange Commission.
- No liability is assumed for matters which are legal or environmental in nature.