



Market Feasibility & Economic Impact Analysis for a Sports Complex and/or Commercial Development

August 11, 2014





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Ms. Lauren Palmer
City Administrator
City of Parkville
8880 Clark Avenue
Parkville, MO 64152

Dear Ms. Palmer:

Conventions, Sports & Leisure International (“CSL”) and DiSalvo Development Advisors (“DDA”) are pleased to present this report regarding a market feasibility and economic impact analysis for a sports complex and/or commercial development at the southeast corner of Interstate 435 and Highway 45. The attached report summarizes our research and analyses, and is intended to assist the City of Parkville in making informed decisions regarding development alternatives for the site.

The information contained in this report is based on estimates, assumptions and other information developed from research of the market, knowledge of the public assembly facility industry and other factors, including certain information you and other project stakeholders have provided.

All information provided to us by others was not audited or verified, and was assumed to be correct. Because the procedures were limited, we express no opinion or assurances of any kind on the achievability of any estimated information contained herein and this report should not be relied upon for that purpose. Furthermore, there will be differences between estimated and actual results. This is because events and circumstances frequently do not occur as expected, and those differences may be material. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

Ms. Lauren Palmer

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We sincerely appreciate the opportunity to assist you with this project, and would be pleased to be of further assistance in the interpretation and application of the study's findings.

Very truly yours,

CSL International

CSL International

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Executive Summary

Executive Summary

The City of Parkville

Parkville is located in the southern portion of Platte County, approximately 20 miles north of downtown Kansas City, Missouri. Parkville is home to Park University, Parkville Commons, English Landing Park, the National Golf Club, Riss Lake, and the historic downtown Main Street area. Parkville is also part of the Park Hill School District, which is one of the three top performing school districts in the State of Missouri and serves as a major driver of residential growth in the area.

Situation

In 2006, the City of Parkville responded to petitions and began the process to create two Neighborhood Improvement Districts (“NID”s) on an approximately 350-acre site located at the intersection of Interstate 435 and Highway 45 as a means of completing public sewer and road improvement projects. It was envisioned that the improvement projects would spur private development on the site, including mixed office and light industrial space, townhomes and single-family residential, multi-family residential, and supporting retail uses. However, due to a variety of factors, including the economic recession, private development on the site has not occurred, with the exception of a convenience store.

In order to fund the NID projects, the city issued approximately \$9.1 million in limited general obligation bonds in 2014 with the first interest-only debt service payment of \$315,992 due in 2015, increasing to more than \$700,000 per year in 2017. As a means of spurring development on the site and generating additional tax revenues to cover debt service, the Parkville Economic Development Council (“EDC”) appointed a Sports Village Task Force to explore potential options, with the group focusing its efforts on the development of a youth sports complex aimed at generating economic and fiscal benefits to the local economy by hosting tournaments that draw visitors to the area and spur commercial development.

Conceptual site planning concluded that the southeast quadrant of the NID properties could support 12 regulation soccer fields with adjacent parking and support facilities, as well as a hotel or indoor sports facility, however, project representatives are open to considering alternative sports complex uses such as baseball/softball fields and other such uses if market conditions warrant.

In recent years, Platte County has partnered with various cities to develop parkland that includes soccer fields, baseball/softball fields, trails and green space, and other such uses as part of its Parks & Recreation Master Plan. Based on discussions with County officials, there is no current interest in financially supporting a youth sports park at the site.



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As a next step in the process, the City of Parkville engaged Conventions, Sports & Leisure International (“CSL”) and DiSalvo Development Advisors (“DDA”) to provide a market feasibility and economic impact analysis for a sports complex and/or commercial development at the southeast corner of Interstate 435 and Highway 45.

The remainder of this executive summary presents key findings related to the analysis. The full report should be read in its entirety to obtain the background, methods and assumptions underlying the findings.

Stakeholder Engagement

As an initial step in the feasibility study process, the consulting team of CSL and DDA visited Parkville to tour the subject site, the City of Parkville and the greater Northland region, as well as meet with a variety of community leaders and project stakeholders. The following is a summary of key take-aways from the stakeholder engagement process.

- Parkville is an attractive area for families due to a top-performing school system and overall quality of life;
- Hotel and meeting room space is very limited in Parkville;
- There is currently a shortage of quality soccer fields in the Northland;
- Although there are over 200 youth soccer teams, consisting of over 2,000 players, in the Northland, there is concern that the market may become oversaturated with large-scale soccer tournament complexes;
- Parkville’s location to Village West and Zona Rosa could be a positive amenity for potential visitors, however, the 435 corridor is currently isolated and plans to develop the area could take upwards of 15 to 20 years, resulting in a loss of economic benefits to the area;
- Although the most stakeholders believe that more athletic fields are needed in the Northland region, many stakeholders were not convinced that a sports complex was the highest and best use at Interstate 435 and Highway 45.
- One stakeholder indicated that too much focus is placed on generating sales tax revenue from the site and not enough focus is placed on the potential for increased property tax revenue.



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Local & Regional Market Characteristics

The viability of a proposed sports complex in Parkville is dependent, in large part, on local market demographic and socioeconomic characteristics and the marketability of the community to potential visiting tournament participants. The following is a summary of the characteristics of the local and regional market:

- Although the population within Parkville is limited (5,700 residents), income levels of local residents are significantly higher than the national average, and the area is growing at a rate that meets or exceeds the national average.
- There are approximately 11.2 million residents within a four-hour drive of Parkville, which includes large metropolitan areas such as Omaha, Des Moines, Wichita and St. Louis. In addition, Parkville is conveniently located within 13 miles of Kansas City International Airport.
- There is an ample corporate base within the local and regional market area to support the level and types of partnerships generally offered by sports complexes around the country.
- The visitor-related infrastructure in Parkville is not well-positioned to capture spending by out-of-town overnight and/or daytrip visitors, mainly due to a lack of hotel accommodations and limited restaurant and retail establishments. It is anticipated that much of this spending would leak to nearby developments such as Village West, Zona Rosa and other areas.
- A sports complex in Parkville would face significant competition from other existing and announced/planned sports complexes in the area to host/attract tournaments.

Sports Participation Trends

An analysis of sports participation trends at a national, regional and local level was conducted in order to provide a framework from which to assess potential demand for the proposed Parkville Sports Complex.

Based on discussions with project stakeholders, including local sports organizations, sports requiring outdoor fields (baseball, flag football, lacrosse, soccer, softball, tackle football, touch football, etc.) and sports requiring an indoor athletic complex (basketball, cheerleading, gymnastics, volleyball, wrestling, etc.) were identified as the most likely users of a sports complex in Parkville. The following are key findings and conclusions of the sports participation research.



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- Basketball (25.5 million), soccer (12.8 million), basketball (11.7 million), volleyball (10.1 million) and softball (10.0 million) have the highest national participation rates among targeted indoor and outdoor sports.
- Sports with the largest number of frequent participants include basketball (5.7 million), soccer (3.9 million), volleyball (3.3 million), baseball (2.8 million), swimming (2.7 million) and softball (2.5 million).
- Soccer reported the highest combined participation levels among the targeted youth sports age group of seven to 17 year-olds (54 percent), followed by baseball (45 percent), basketball (40 percent), volleyball (36 percent) and softball (32 percent).
- When adjusted to reflect the West North Central Region index, volleyball, wrestling, baseball and soccer comprise the largest number of frequent participants in the Northland region.
- These participation rates were considered in the context of the number of similar sports complexes catering to these sports in the Kansas City and surrounding region to determine which, if any, sports were being underserved by the existing facilities in the Northlands and greater Kansas City area.

Estimated Utilization & Building Program

Based on the results of in-depth interviews with individuals representing local, regional, and national sports organizations, as well as discussions with local project stakeholders, the demographic and socioeconomic characteristics of the local and regional market, and current trends in youth sports, it is estimated that a multi-field soccer complex in Parkville would best meet the needs of the local and regional area. The proposed soccer complex in Parkville should focus on accommodating the existing needs of Northland region-based soccer organizations, while also marketing itself to attract local and regional tournaments.

Given the current and expected competition in the market for tournament complexes, as well as its current lack of visitor infrastructure and inconvenient location relative to users in the southern portion of the Kansas City metropolitan area, it is unreasonable to expect a proposed soccer complex in Parkville to consistently host large-scale national or regional tournaments on the same level as Overland Park Soccer Complex. As the I-435 and Highway 45 corridor develop over time and makes Parkville a more attractive visitor destination, Parkville's ability to host national and regional tournaments could be enhanced.



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An eight-field complex could adequately support Northland based clubs for practice and league play, while also providing the minimum critical mass of fields to enable the complex to host smaller local and regional tournaments. The recommended building program includes:

- Eight lighted soccer fields (capable of hosting lacrosse, field hockey, football and other field sports);
- Synthetic all-weather turf;
- Restroom and concession facilities;
- Pavilion building;
- Warm-up areas;
- Park entrance signage; and,
- Paved parking lot.

It is recommended that the sports complex contain a synthetic all-weather playing surface to enable the sports complex to maximize utilization, reduce long-term maintenance costs and significantly reduce the possibility of cancelled tournaments due to inclement weather. The upfront costs to develop synthetic fields is higher than natural grass, but the long-term savings on maintenance and higher revenues that can result from higher utilization levels (reduced weather cancellations and no need to rest fields as is the case with natural grass services, etc.).

Based on a review of similar-sized complexes, as well as experience on comparable projects in the Kansas City metro area, construction costs for an eight-field soccer complex are estimated to approximate \$12.0 million to \$14.0 million, excluding the cost of land, based on the following schedule:

Proposed Parkville Sports Complex Construction Cost Summary		
	<u>\$12 Million Complex</u>	<u>\$14 Million Complex</u>
Soccer Field Construction	\$4,102,000	\$4,785,000
Ancillary Building Construction	1,768,000	2,063,000
Site Construction - On-Site	1,774,000	2,070,000
Site Construction - Off-Site	3,422,000	3,992,000
Engineering / Landscape Architecture	283,000	330,000
Development Fee	106,000	124,000
Hard Construction Cost Contingency	332,000	387,000
Soft Construction Cost Contingency	221,000	258,000
TOTAL	\$12,008,000	\$14,009,000
Note: Presented in 2016 dollars.		



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Comparable Facility Analysis

An assessment of the physical, operational and financial characteristics of comparable soccer complexes was conducted to provide a benchmark from which to assess the market potential for the proposed sports complex in Parkville. Key characteristics of comparable soccer complexes include the following:

- Comparable soccer complexes are located in markets with an average population of 239,000 residents.
- The average comparable sports complex opened in 2000 at a cost of approximately \$14.2 million. Comparable complexes receive slightly more funding from the public sector, however, the majority of complexes required the use of private financing.
- Of the six comparable complexes, four are owned by a public entity, while the remaining two are owned by private organizations. Only two of the six comparable complexes are operated by a public entity.
- Comparable complexes offer an average of 18 soccer fields, the majority of which are natural grass. Several complexes offer a few synthetic turf fields, while all fields at the \$36 million Overland Park Soccer Complex are synthetic turf and have a field cooling system to minimize the temperature of the turf.
- On an annual basis, comparable complexes host between eight and 23 tournaments. The Overland Park Soccer Complex, considered by some to be the best youth soccer complex in the country, hosts tournaments nearly every weekend it is in operation, while other community complexes (i.e. 8-field Cownie Complex in Des Moines) host under 10 tournaments per year due to the fact that it is not as aggressively marketed by the public entity and lacks a large inventory of fields.
- On average, comparable complexes attract approximately 500,000 visitors per year, ranging from a low of 85,000 (Des Moines) to a high of 996,000 (Overland Park).

Financial Projections

The table on the following page presents the operating revenues and expenses estimated to be generated by the proposed sports complex in Parkville in a stabilized year of operations.



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As shown, it is estimated that the proposed sports complex in Parkville could generate approximately \$758,000 in operating revenues and incur approximately \$718,000 in operating expenses, resulting in a net operating income of approximately \$40,000 in the first year of stabilized operations before debt service. Following a \$65,000 capital reserve payment, as well as a \$350,000 payment to cover the NID assessment for the 70-acre facility, it is estimated that the complex would incur total losses of approximately \$375,000 in a stabilized year of operations.



Financial Operation Summary	
Proposed Parkville Soccer Complex	
Stabilized Year of Operations	
	8-Field Soccer Complex
OPERATING REVENUES	
Tournaments	\$89,000
Games	104,000
Practices	156,000
Food & Beverages	156,000
Parking	153,000
Advertising & Sponsorship	75,000
Camps & Clinics	25,000
TOTAL OPERATING REVENUES	\$758,000
OPERATING EXPENSES	
Salaries, Wages & Benefits	\$271,000
Utilities	160,000
General & Administrative	60,000
Repairs & Maintenance	36,000
Insurance	35,000
Food & Beverage Costs	133,000
Parking Costs	23,000
TOTAL OPERATING EXPENSES	\$718,000
NET OPERATING INCOME / (LOSS)	\$40,000
NON-OPERATING EXPENSES	
Capital Reserve	\$65,000
NID Assessment (70-acre site)	\$350,000
TOTAL NET INCOME / (LOSS)	(\$375,000)
<small>Note: Net Operating Income (Loss) is shown before debt service or contributions to a capital reserve.</small>	



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Hotel/Commercial Development Analysis

Hotel

A market exists to support a 65-room mid-priced hotel in Parkville. The subject site, however, cannot capture the fair share of demand and is not an appropriate location at this time for the following key reasons:

- Hoteliers require sites with nearby traveler services, most notably multiple restaurants. Traveler services are limited to The Station.
- The Highway 45/I-435 interchange lacks the dynamics of a conventional interstate where travelers drive for a considerable distance and stop for a respite.
- There are very few houses west of I-435 limiting support for the hotel from visitors to family and friends.
- The lack of businesses in the area limits the need for meeting space beyond weekends.
- The additional demand from soccer tournaments, while large in aggregate, occurs on 12 weekends or 24 days of the entire year. At best, the soccer complex would account for 1,500 total room nights or 10% of the overall demand needed to support the hotel.

Consideration should be given to siting a hotel adjacent the downtown and Park University. The “traveler services” are abundant in the downtown and there is a business and student population concentration there. A boutique hotel, possibly affiliated with Park University, should be considered. Also, overall hotel demand could be expanded by adding multiple-day events downtown and additional programming from Park University.

Retail

Any retail development within the study area in the near term would be ahead of the timing of the prevailing market for the following reasons:

- Average Daily Traffic (ADT) volumes are low at approximately 5,000 vehicles per day, one-third of the traffic volume at Parkville Commons.
- The area west of the I-435/Hwy 45 interchange has few residents and does not contribute to a population base within a two-mile radius of the study area. In 2013, the population was estimated at 4,131 (Source: Esri, Incorporated). This population is considered low for retailers.
- Potential development of approximately 100,000 square feet of retail at Highway 45 and K will drain support for retail in the study area.



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- The Highway 45/I-435 interchange lacks the dynamics of a conventional interstate where travelers drive for a considerable distance and stop for refreshments.

Significant development incentives are likely required to develop the retail space in the near term. The proximate spending power of the nearby households bolstered by the attendees of the soccer complex or residents at a multifamily development, however, could support a small single retail store.

Scenario 1: Small Specialty Foods Store with Soccer Complex/Fields - Walkup/seasonal specialty foods store (e.g. ice cream, coffee, baked goods etc.)

Scenario 2: Food and Beverage Restaurant with Apartment Development - Year-round food and beverage business easily accessed from apartments (deli, small café, quick service restaurant)

Alternative Development

The NIDs assessments create an additional financial hurdle for development of the parcels. To accelerate development of the study area, there should be some incentive to offset the NID assessments. In most cases, the incentive could be a reduced land sale price and/or property tax abatement (not including NID). This reduction in price will also allow a developer to have more capital/equity early on to develop the property.

Multifamily

A total of up to 300 upscale rental units are recommended as an alternative near-term development for the southeast parcel. The northwest parcel was not recommended because it is rolling terrain and appears to require significant amount of grade work to accommodate large building footprints. The cost associated with this site work may be prohibitive to multifamily development. As noted in the report, a development this size (unit count) is necessary to support the additional costs of common area amenities which are essential to attracting potential residents to the site.

To facilitate multifamily development consideration should be given to allowing higher density housing development. City staff has been asked to reexamine plans to adjust density requirements for multi-family housing development. In DDA's opinion, the current multifamily zoning ordinance, requiring no more than 8 units per acre, may dissuade large scale multifamily development in Parkville; especially since other developable sites are available proximate Parkville in Platte County and Kansas City, which are much less restrictive with density requirements. As the chart below shows, multifamily zoned property in Platte County allows for 1.5 times the density of Parkville.



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Under a 300-unit multifamily development scenario, a developer has to acquire 12.5 more acres in Parkville than a developer building the same size project in Platte County.

Jurisdiction	Zoning Ordinance	Density Requirements	Acreage Requirement to Develop 300 Units
Parkville	R-5, Planned Multifamily Residential District*	8 units per acre*	37.5
Platte County	RMD, Residential Multiple Dwelling District	1 unit per 3,500 square feet or approximately 12 units per acre	25
Kansas City	MPD, Master Planned Development District	Not defined, recent use at 20 units per acre**	15

*Ord. No. 1570 §1, 3-5-1996 currently being reexamined

**Residences at Burlington Creek

The market's ability to absorb 300 new rental housing units is predicated on the developer delivering a competitively-priced project with a comprehensive common area amenity package (exercise facility, walking trails, media room, etc.). An aggressive marketing effort and ongoing relationship with major employers in the region is required. The property should be regularly listed and updated on the military housing website, AHRN (Automated Housing Referral Network) and brochures should be made available at the housing office at Fort Leavenworth.

Other Uses for Consideration

Outdoor Amphitheater

During the course of DDA's stakeholder interviews, it was mentioned that Platte County does not have an auditorium, events center or conference facility adequate enough to support some of the area programs; especially those that are art related. Given the accessibility of the site and that single-family homes do not back up to the southwest quadrant, consideration may be given to an outdoor amphitheater. As in other markets, this venue could be an interim use of the land or a long-term solution.

Large Lot Single-Family Homes

Large-lot single-family homes are the most likely development scenario for the northwest quadrant of the interchange. The rolling terrain may provide for some premium lot views. Assuming single-family building permit activity continues at the same level as 2012 and 2013 and the study area accommodates 10 to 15 percent of Parkville's single-family demand, it would yield five to eight developed lots per year.



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Storage Facility

A storage facility for boats, RV's and outdoor storage could also be a reuse of the southwest quadrant. There is an active outdoor segment in the region, as evidenced by the nearby Cabela's, which locates stores in areas with significant outdoor activity (boating and fishing licenses, hunting licenses, and various other outdoor activities). Because of the central location of the site to the outlying markets, the storage facility could serve as a regional facility that is easily accessed during any time of day.

It is important to consider commercial opportunities that are available at the interchange in the long term (10 to 20 years). Aside from small scale retail outlined in this report, land in the study area within a few hundred feet of Highway 45 should be a priority for later commercial opportunities.

DDA's Assumptions and Limitations

The recommendations for near term development alternatives were based on DDA's opinion of the near term highest and best uses at the site; the study of area characteristics; and national experience with all types of development. It is important to note that a detailed feasibility study for the alternative uses was not completed, and as such, each use will require additional investigation and study to assess the full financial and market feasibility.

Economic & Fiscal Impact Analysis

The table on the following page summarizes the net new economic impacts anticipated to be generated to the City of Parkville and Platte County by the construction and on-going operations of the proposed development scenarios. Scenario 1 consists of the development of the proposed sports complex in Parkville along with the construction of an 800 square-foot walkup/seasonal specialty foods store (e.g. ice cream, coffee, baked goods etc.). Alternative commercial development Scenario 2 involves the construction of a multi-family housing complex with 300 units along with a 2,400 square-foot year-round food and beverage business easily accessed from apartments (deli, small café, quick service restaurant) in lieu of development Scenario 1.

It should be noted that net new impacts to the City and County are not additive. As a means of providing context for interpreting the table on the following page, an example is provided below.

If a resident from outside Platte County (i.e. Topeka) ate at a restaurant in Parkville in conjunction with their attendance at the sports complex, the money spent would be net new to both Parkville and Platte County. If someone who resides in Platte County, but outside Parkville (i.e. Platte City) ate at a restaurant in Parkville in conjunction with their



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attendance at the sports complex, the money spent would be net new to Parkville, but not new to Platte County.

Economic Impacts Proposed Parkville Soccer Complex				
	Scenario 1 8-Field Complex and Specialty Food Store		Scenario 2 Multi-Family Housing (300 Units) Food & Beverage Business	
	Net New to Parkville	Net New to Platte County	Net New to Parkville	Net New to Platte County
Net New				
Construction Impacts:				
Direct Spending	\$1,449,000	\$3,688,000	\$5,068,000	\$12,900,000
Total Output	\$2,215,000	\$5,638,000	\$7,560,000	\$19,245,000
Jobs (FTEs)	16	41	47	119
Earnings	\$905,000	\$2,304,000	\$2,512,000	\$6,321,000
Net New				
Annual Operations Impacts:				
Direct Spending	\$2,933,000	\$5,116,000	\$3,878,000	\$4,311,000
Total Output	\$4,419,000	\$7,686,000	\$5,181,000	\$5,772,000
Jobs (FTEs)	74	119	60	74
Earnings	\$1,751,000	\$3,005,000	\$1,253,000	\$1,489,000
Cumulative Construction and 30-Year Operations Impacts				
Direct Spending	\$135,102,000	\$243,473,000	\$184,496,000	\$205,096,000
Total Output	\$203,169,000	\$365,746,000	\$246,479,000	\$274,604,000
Jobs (FTEs) ⁽¹⁾	106	181	90	111
Earnings	\$80,565,000	\$142,992,000	\$59,622,000	\$70,827,000
(1) Average FTEs over construction and operations. Note: Impacts to Parkville and Platte County are not additive. Note: Based on stabilized year of operations.				

Scenario 1 Economic Impact Summary

- Total project costs associated with the proposed sports complex in Parkville are estimated to be approximately \$13.0 million, while total project costs for the proposed specialty foods store are estimated to be approximately \$163,000.
- The one-time net new economic impacts estimated to be associated with the construction of the proposed sports complex and specialty foods store in Parkville include approximately \$1.4 million in direct spending, \$2.2 million in total output, 16 full and part-time jobs and \$905,000 in personal earnings. Net new impacts to Platte County include approximately \$3.7 million in direct spending, \$5.6 million in total output, 41 full and part-time jobs and \$2.3 million in personal earnings.
- Net new impacts from annual operations of Scenario 1 are estimated to generate \$2.9 million in net new direct spending, \$4.4 million in total output, 74 full and part-time jobs, and \$1.8 million in earnings. Scenario 1



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is also estimated to generate \$5.1 million in net new direct spending, \$7.7 million in total output, 119 full and part-time jobs, and \$3.0 million in earnings on an annual basis to Platte County.

- Over a 30-year period, the cumulative one-time construction and annual operations of the proposed Scenario 1 is estimated to provide the following net new impacts to the City of Parkville: \$135.1 million in total direct spending, \$203.2 million in total output, 106 annual full and part-time jobs, and \$80.6 million in personal earnings. Net new impacts generated to Platte County over a 30-year period include: \$243.5 million in total direct spending, \$365.8 million in total output, 181 annual full and part-time jobs, and \$143.0 million in personal earnings.

Scenario 2 Economic Impact Summary

- Total project costs associated with Scenario 2 include the proposed multi-family housing complex in Parkville estimated to be approximately \$45.5 million, and the food and beverage business with estimated project costs of approximately \$572,000.
- The one-time net new economic impacts estimated to be associated with the construction of the multi-family housing complex and food and beverage business in Parkville include approximately \$5.1 million in direct spending, \$7.6 million in total output, 47 full and part-time jobs and \$2.1 million in personal earnings. Net new impacts to Platte County include approximately \$12.9 million in direct spending, \$19.2 million in total output, 119 full and part-time jobs and \$6.3 million in personal earnings.
- Net new impacts from annual operations of Scenario 2 are estimated to generate \$3.9 million in net new direct spending, \$5.2 million in total output, 60 full and part-time jobs, \$1.3 million in earnings and \$129,000 in local tax revenue to Parkville. Scenario 2 is also estimated to generate \$4.3 million in net new direct spending, \$5.8 million in total output, 74 full and part-time jobs, and \$1.5 million in earnings in a stabilized year of operations .
- Over a 30-year period, the cumulative one-time construction and annual operations of the proposed Scenario 2 is estimated to provide the following net new impacts to the City of Parkville: \$184.5 million in total direct spending, \$246.5 million in total output, 90 annual full and part-time jobs, and \$59.6 million in personal earnings. Net new impacts generated to Platte County over a 30-year period include: \$205.1 million



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in total direct spending, \$274.6 million in total output, 111 annual full and part-time jobs, and \$70.8 million in personal earnings.

In addition to the economic impacts associated with each potential development scenario (i.e. spending, employment, earnings), new tax revenues will also be generated to the City of Parkville and Platte County by visitors to the area. The following table presents a summary of the tax revenues estimated to be generated by each potential development scenario to the City of Parkville and Platte County.

Fiscal Impacts Proposed Parkville Soccer Complex				
	Scenario 1 8-Field Complex and Specialty Food Store		Scenario 2 Multi-Family Housing (300 Units) Food & Beverage Business	
	Net New to Parkville	Net New to Platte County	Net New to Parkville	Net New to Platte County
Net New				
Annual Operations Impacts:				
Tax Revenue	\$37,000	\$72,000	\$129,000	\$95,000
30-Year Operations Impacts:				
Tax Revenue	\$1,752,000	\$3,439,000	\$4,885,000	\$3,813,000

Note: Estimated tax revenues depicted are based on the amount generated in each jurisdiction, and are exclusive of each other.
Note: Tax revenues depicted herein include only those generated to the City/County governments and do not include those generated to the school district or other taxing jurisdictions.

Scenario 1 Fiscal Impact Summary

- Net new annual tax revenue estimated to be generated to the City of Parkville totals approximately \$37,000, while tax revenues estimated to be generated to Platte County total \$72,000.
- Over 30 years, it is estimated that developments in Scenario 1 could generate approximately \$1.8 million in total tax revenue to the City of Parkville and approximately \$3.4 million in Platte County.

Scenario 2 Fiscal Impact Summary

- Net new annual tax revenue estimated to be generated to the City of Parkville totals approximately \$129,000, while tax revenues estimated to be generated to Platte County total \$95,000.
- Over 30 years, it is estimated that developments in Scenario 1 could generate approximately \$4.9 million in total tax revenue to the City of Parkville and approximately \$3.8 million in Platte County.



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It should be noted that tax revenues generated in each scenario could provide a potential resource to help offset the impact of NID assessments on development.

Study Conclusion

Based on the analyses conducted herein, a proposed sports complex in Parkville would meet the needs of Northland region-based soccer organizations, while also hosting a limited number of local and regional tournaments. Current and expected competition in the market for tournament complexes, as well as Parkville's lack of visitor infrastructure, make it unreasonable to expect a proposed soccer complex in Parkville to host national tournaments. Given the type and level of programming anticipated to be hosted at the proposed sports complex, it is estimated that the complex would operate at loss of upwards of \$400,000 annually, including payment of the NID assessment.

In lieu of the sports complex, alternate commercial development involving the construction of a multi-family housing complex and year-round food and beverage business is estimated to be a better use of the site due to the ability to generate higher levels of tax revenues to the local economy, as well as an annual NID assessment from the developer. The development of a multi-family housing complex would also meet an existing need that is not currently being met in the community for housing.

The NIDs assessments create an additional financial hurdle for development of the parcels. To accelerate development of the study area, there should be some incentive to offset the NID assessments. In most cases, the incentive could be a reduced land sale price and/or property tax abatement (not including NID). This reduction in price will also allow a developer to have more capital/equity early on to develop the property.



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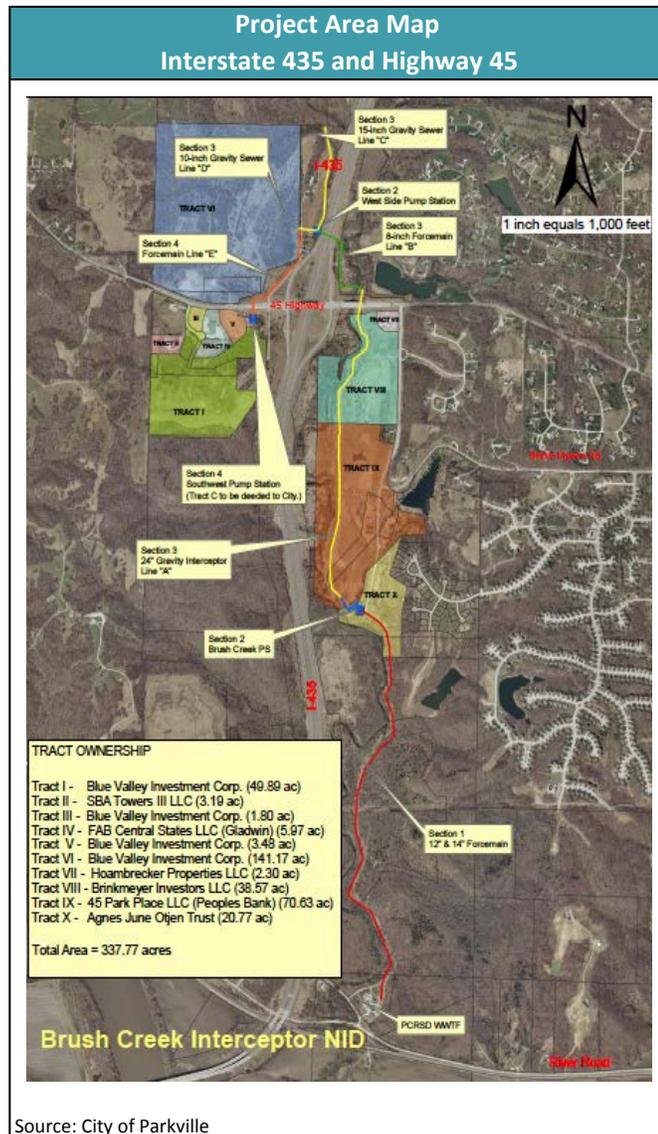
1. Introduction

1. Introduction

Parkville is located in the southern portion of Platte County, approximately 20 miles north of downtown Kansas City, Missouri. Parkville is home to Park University, Parkville Commons, English Landing Park, the National Golf Club, Riss Lake, and the historic downtown Main Street area. Parkville is also part of the Park Hill School District, which is one of the three top performing school districts in the State of Missouri and serves as a major driver of residential growth in the area.

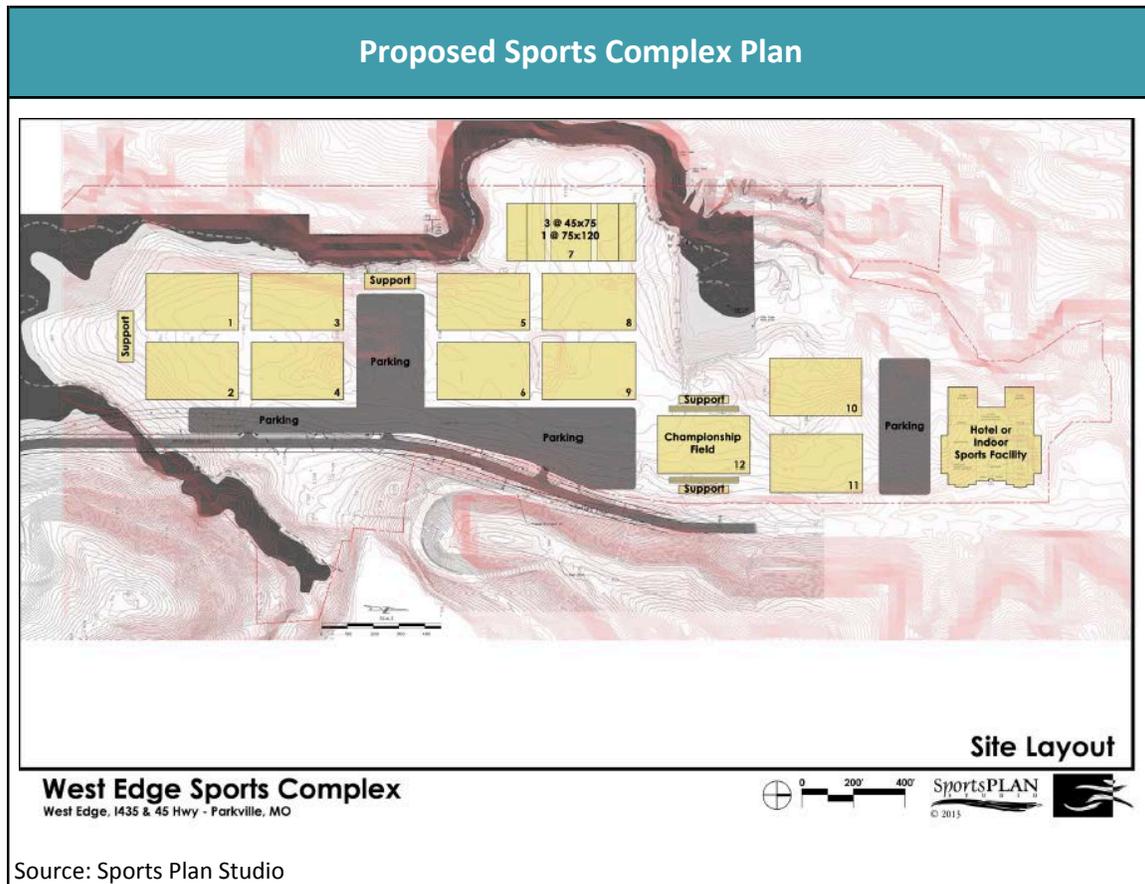
In 2006, the City of Parkville responded to petitions and began the process to create two Neighborhood Improvement Districts (“NID”s) on an approximately 350-acre site located at the intersection of Interstate 435 and Highway 45 as a means of completing public sewer and road improvement projects. It was envisioned that the improvement projects would spur private development on the site, including mixed office and light industrial space, townhomes and single-family residential, multi-family residential, and supporting retail uses. However, due to a variety of factors, including the economic recession, private development on the site has not occurred, with the exception of a convenience store.

In order to fund the NID projects, the city issued approximately \$9.1 million in limited general obligation bonds in 2014 with the first interest-only debt service payment of \$315,992 due in 2015, increasing to more than \$700,000 per year in 2017. As a means of spurring development on the site and generating additional tax revenues to cover debt service, the Parkville Economic Development Council (“EDC”) appointed a Sports Village Task Force to explore potential options, with the group focusing its efforts on the development of a youth sports complex aimed at generating economic and fiscal benefits to the local economy by hosting tournaments that draw visitors to the area and spur commercial development.



1. Introduction

In order to understand whether a sports complex could be accommodated in the NID, the EDC engaged Sports Plan Studio and Bartlett & West Engineers to develop preliminary plans for the site. Conceptual site planning concluded that the southeast quadrant of the NID properties could support up to 12 regulation soccer fields (inclusive of one championship field with permanent bleacher seating) with adjacent parking and support facilities, as well as a hotel or indoor sports facility. It should be noted that although Plan Studio and Bartlett & West Engineers developed plans that focused on soccer and indoor sports, project representatives are open to considering alternative sports complex uses such as baseball/softball fields and other such uses.



In addition to preliminary site planning, the City has also had discussions with Platte County regarding a potential partnership on the sports complex. The Platte County Parks & Recreation Master Plan has allocated funds for improvements to parks and open space and trails and greenways throughout the county, but has not specifically earmarked funds for the development of a sports complex within the county. Although the County has indicated no interest in financially supporting a youth sports park at the site, the City is in the process of determining the feasibility of a sports complex to be located at the southeast corner of Interstate 435 and Highway 45.

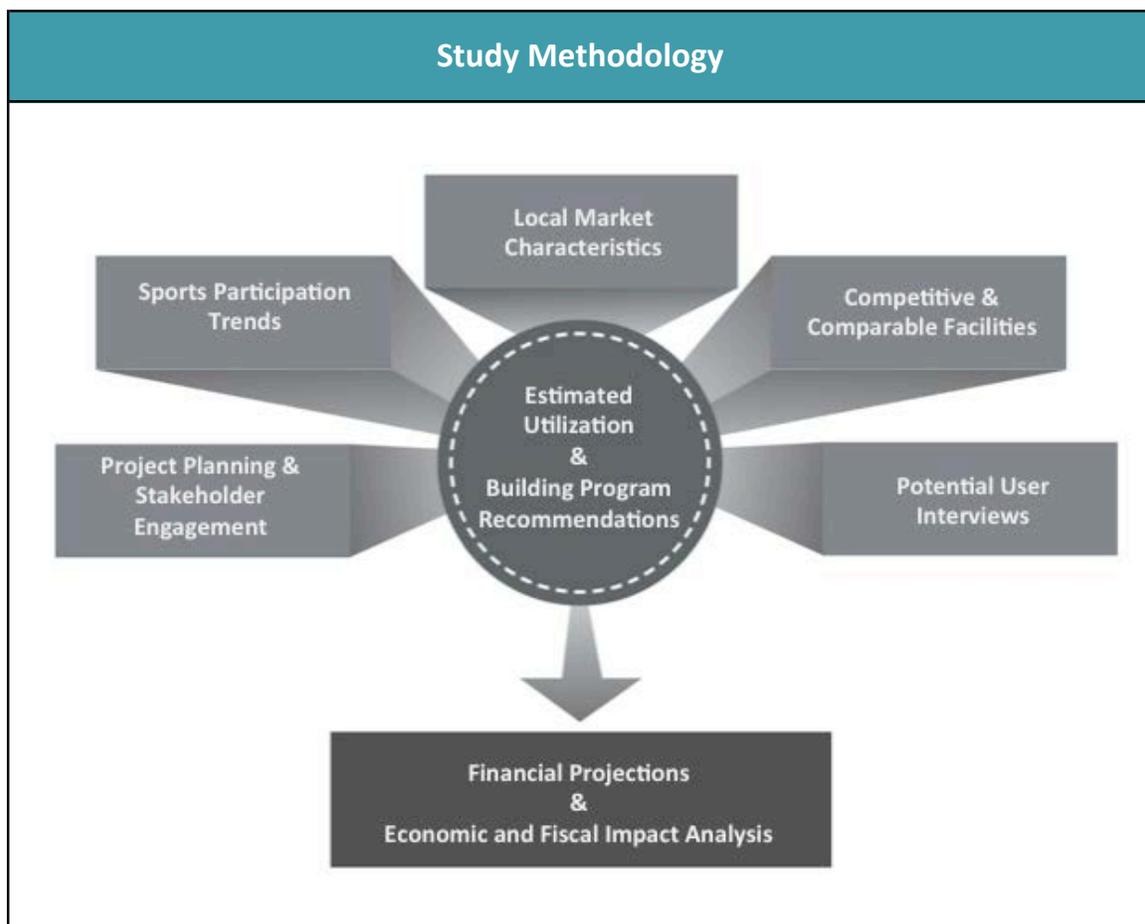


1. Introduction

As a next step in the process, the City of Parkville engaged Conventions, Sports & Leisure International (“CSL”) and DiSalvo Development Advisors (“DDA”) to provide a market feasibility and economic impact analysis for a sports complex and/or commercial development at the southeast corner of Interstate 435 and Highway 45.

In order to provide the City with a thorough analysis of potential development on the site, CSL and DDA reviewed local market demographic and socioeconomic characteristics, assessed industry trends, compiled an inventory of local sports, hotel, retail, and single-family and multi-family housing facilities, reviewed the operations of comparable and competitive sports complexes, analyzed the ability of the proposed site to support a variety of commercial developments, and interviewed local and regional sports and recreation organizations and potential project stakeholders.

Research results were used to estimate potential demand for the proposed sports complex and ancillary or alternative commercial development, define general building program elements necessary to accommodate demand, estimate potential financial operating results, and estimate potential economic and fiscal benefits.



1. Introduction

The study's findings are presented in the following sections:

Executive Summary

1. Introduction
2. Stakeholder Engagement Summary
3. Sports Complex Analysis:
 - Local & Regional Market Characteristics
 - Sports Participation Trends
 - Estimated Utilization & Building Program
 - Comparable Facility Analysis
 - Financial Projections
4. Hotel/Commercial Development Analysis:
 - Hotel Market Analysis
 - Retail Market Analysis
 - Other Near Term Development Alternatives
5. Economic & Fiscal Impact Analysis

This report outlines the key findings of the feasibility analysis and is designed to assist project representatives in making informed decisions regarding future development of the southeast intersection of Interstate 435 and Highway 45. The report should be read in its entirety to obtain the background, methods and assumptions underlying the findings.



Executive Summary

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2. Stakeholder Engagement Summary

2. Stakeholder Engagement Summary

As an initial step in the feasibility study process, the consulting team of CSL and DDA visited Parkville to tour the subject site, the City of Parkville and the greater Northland region, as well as meet with a variety of community leaders and project stakeholders. These interviews were designed to provide the consulting team with valuable insight into the project vision, community history and potential users of the proposed sports complex and/or hotel and other commercial development.

Key community stakeholders that were interviewed as part of the initial stakeholder engagement process included the following:

- Bank of Blue Valley;
- Barth Development Group;
- City of Parkville;
- Dalmark Group;
- Foutch Brothers Development;
- Legacy Soccer Club;
- Main Street Inn;
- Park Hill School District;
- Park University;
- Parkville Commons;
- Parkville Sports Village Task Force;
- Platte County Convention & Visitors Bureau;
- Platte County Economic Development Council;
- Platte County Parks and Recreation;
- The Station; and,
- Other Project Stakeholders.

The following is a summary of the key observations and/or common themes of the wide-ranging discussions with various community stakeholders regarding Parkville and the proposed sports complex and/or hotel and other commercial development opportunities at the intersection of Interstate 435 and Highway 45.

1. In 2006, the city created two Neighborhood Improvement Districts (NIDs) for public sewer and road improvement projects. In total, the city issued approximately \$9.1 million in general obligation bonds to pay for the projects. The first interest-only debt service payment on the general obligation bonds in the amount of \$315,992 is due in 2015, and the city is seeking new development to generate incremental tax revenues in order to cover the debt service.
2. Potential uses that have been identified for the NID by a variety of community stakeholders include a sports complex (outdoor or indoor), an extension of



2. Stakeholder Engagement Summary

riverfront parks and trails, single-family housing development, multi-family housing development, and a new hotel and retail development, among others.

3. Private development on the site has not occurred as envisioned, and as a result, the City is currently assessing a variety of alternative uses.
4. The consensus among stakeholders was that Parkville is an attractive area for families, as Park Hill School District is one of the three top performing school districts in the state of Missouri.
5. Several stakeholders indicated that a hotel at the proposed site could accommodate a variety of local/regional users, including demand drivers from Park University and Fort Leavenworth, among others. Hotel rooms and meeting space is very limited in Parkville.
6. Many of the stakeholders interviewed stated that there is currently a shortage of quality soccer fields in the Northland, which results in residents having to drive upwards of 45 minutes to Johnson County or other locales for practices and games.
7. It was estimated by stakeholders that there are over 200 youth soccer teams, consisting of over 2,000 players, in the Northland that could potentially utilize additional high-quality soccer fields, including clubs such as Legacy, Harambe, Futura, Freebirds, and KC Milan.
8. South Kansas City is home to a large number of soccer fields, including the 12-field Overland Park Soccer Complex, which is regarded as one of the best soccer complexes in the country. In addition, several communities, including Lee's Summit, Olathe, and Lenexa, as well as Sporting KC, are currently considering the construction of a new soccer complex. Some stakeholders expressed concern that the market may become oversaturated with large-scale soccer tournament complexes.
9. Stakeholders indicated that Parkville's proximity to Village West and Zona Rosa could be an attractive amenity for potential users of a development at the proposed site, but could also result in a loss of economic impact for the City/County. Several stakeholders also indicated that the 435 corridor is currently isolated and plans to develop the area could take upwards of 15 to 20 years, resulting in a lack of infrastructure in place to capture a large portion of the economic impact generated by the proposed development.
10. The Platte County Parks & Recreation Master Plan includes \$15.9 million in funding for improvements to parks and open space (\$9.4 million), as well as trails



2. Stakeholder Engagement Summary

and greenways (\$6.5 million). A project in Parkville could be eligible for a portion of funding allocation if proposed site included these improvements.

11. Park University is primarily a commuter school that consists of approximately 1,600 students and 400 employees. The University has employees located throughout the country that occasionally come to campus and representatives of the University stated that there is a need for hotel rooms located in close proximity to campus. In addition, the University also participates in an athletic conference that spans several states (MO, AR, IL, TN) and there is a need for additional hotel rooms to accommodate visiting teams, which currently stay close to the airport. University representatives also stated that they have difficulty hosting conferences on campus due to a lack of meeting space.
12. While most stakeholders believe more athletic fields are needed in the Northland region, many stakeholders were not convinced that a sports complex was the highest and best use at Interstate 435 and Highway 45.
13. Several stakeholders believe that too much focus is placed on generating sales tax revenue from the site and not enough focus is placed on the potential for increased property tax revenue.

Overall, the issues that emerged during the stakeholder engagement process, as well as others identified throughout the research process, served to provide invaluable market-specific information to guide the direction of the study going forward.



Executive Summary

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3. Sports Complex Analysis

3. Sports Complex Analysis

Local & Regional Market Characteristics

The proposed sports complex in Parkville is envisioned to not only meet the needs of Parkville and the Northland residents, it is also envisioned to host tournaments that draw out of town visitors to the area and generate economic and fiscal impacts.

As a result, the viability of a proposed sports complex in Parkville is dependent, in large part, on local market demographic and socioeconomic characteristics and the marketability of the community to potential visiting tournament participants. Key local and regional market characteristics that may impact the viability of a proposed sports complex in Parkville include:

- Demographic & Socioeconomic Characteristics;
- Transportation Accessibility;
- Air Access;
- Hotel Inventory;
- Visitor Attractions; and,
- Local & Regional Athletic Facilities.

The demographic and socioeconomic data presented in this report is based on the anticipated *primary* and *secondary* markets of a proposed sports complex in Parkville. The *primary* market is the geographic area from which it is anticipated that the majority of participants, spectators and corporate partners are expected to originate. The size of this primary market area can be influenced by such factors as transportation systems, site accessibility, and competing athletic facilities in the surrounding region. For purposes of this analysis, the primary market is estimated to be comprised of the Northland region (comprised of Platte and Clay Counties).

The *secondary* market is the geographic area that will draw many of the tournament visitors. The tournament market is broken into two groups; the Kansas City core-based statistical area and a four-hour drive time radius. Industry research indicates that participants in youth sports tournaments are willing to travel, on average, up to four hours to participate in regional tournaments. As such, it is expected that the majority of tournament participants traveling to a proposed sports complex in Parkville will be derived from these areas. Occasionally, sports complexes can draw from national or international markets, but these opportunities are very limited

The remainder of this section of the report summarizes the local and regional market characteristics and their potential implications on the viability of a proposed sports complex in Parkville.



3. Sports Complex Analysis

Local & Regional Market Characteristics

Demographic and Socioeconomic Characteristics

Parkville is located in Platte County, approximately 20 miles north of downtown Kansas City, Missouri, and is part of the Northland region, which comprises Platte and Clay counties. Parkville is home to Park University, Parkville Commons, English Landing Park, the National Golf Club, Riss Lake, and the historic downtown Main Street area. Parkville is also part of the Park Hill School District, which is one of the top three school districts in the State of Missouri and serves as a major driver of migration to the area.

The historical, current and projected demographic and socioeconomic characteristics of Parkville and the surrounding regional area provide an indication of the market’s ability to support a proposed sports complex. The table below provides a demographic and socioeconomic overview of the City of Parkville, Northland region, Kansas City Core-Based Statistical Area and a four-hour drive time from Parkville compared to the United State as a whole.

Local & Regional Market Demographic Summary					
Demographic Variable	Primary Market		Secondary Market		U.S. Total
	City of Parkville	Northland Region	Kansas City CBSA	4-Hour Drive Time Radius	
Population:					
2010 Population	5,554	311,261	2,009,342	10,667,531	308,745,538
2014 Population	5,710	321,431	2,042,935	10,872,752	314,467,933
2019 Population	6,055	339,837	2,110,685	11,241,592	325,843,774
Historical annual growth rate (2010 to 2013)	0.2%	0.2%	0.1%	0.1%	0.1%
Projected annual growth rate (2013 to 2018)	1.2%	1.1%	0.7%	0.7%	0.7%
Age:					
Median Age	38.0	37.8	37.0	37.1	37.6
Age Distribution:					
Under 20	27.8%	27.2%	27.4%	26.8%	26.1%
20 to 34	19.0%	19.7%	20.1%	20.6%	20.7%
35 to 54	27.7%	28.5%	27.4%	25.8%	26.7%
55 & Over	25.5%	24.7%	25.2%	26.8%	26.5%
Household Income:					
Median Household Income	\$70,628	\$59,913	\$44,286	\$56,887	\$51,314
Income Distribution:					
\$0 to \$24,999	11.7%	17.0%	21.2%	24.4%	24.0%
\$25,000 to \$49,999	25.3%	23.9%	24.5%	26.1%	24.6%
\$50,000 to \$74,999	15.0%	20.9%	19.4%	19.7%	18.4%
\$75,000 to \$99,999	7.7%	13.5%	12.6%	12.0%	11.8%
\$100,000 to \$149,999	13.6%	16.1%	14.1%	11.6%	12.5%
\$150,000 and over	26.7%	8.7%	3.6%	6.3%	8.7%
Ethnicity:					
White	86.6%	83.7%	73.2%	83.4%	62.8%
African-American	4.6%	5.8%	12.0%	7.6%	11.1%
Latino	4.7%	6.1%	8.6%	7.1%	15.2%
Asian	2.9%	2.1%	2.2%	2.1%	4.3%
Other	1.2%	2.3%	4.0%	4.0%	6.6%

Source: ESRI



3. Sports Complex Analysis

Local & Regional Market Characteristics

Key demographic and socioeconomic characteristics include:

Population – The size and quality of the population in the local and regional area has a direct impact on Parkville’s ability to support a proposed sports complex. Key population characteristics of the local and regional area include:

- The City of Parkville consists of approximately 5,700 residents and is expected to grow by 1.2 percent per year to 6,100 residents by 2019.
- In 2014, the Northland region had a total population of approximately 321,000 residents. The total population of the Northland region is anticipated to grow to approximately 340,000 residents by 2019, an annual growth rate of 1.1 percent which is greater than the national average (0.7 percent).
- There are approximately 2.1 million and 11.2 million residents living in the Kansas City CBSA and within a four-hour drive time of Parkville. Both the Kansas City CBSA and four-hour drive time population are expected to grow at the same rate as the rest of the country over the next five years.

Age Distribution – The age distribution of a market’s population base can be indicative of the number of participants from which to draw participants and can also serve to influence the type of programming offered at the proposed sports complex. Key age characteristics of Parkville’s local and regional market population include:

- In general, the median age of residents living within the primary and secondary markets are comparable to the median age of the U.S. as a whole. Specifically, the median age of residents living in Parkville is 38.0 years, while residents living in the Northland region, Kansas City CBSA and within a four-hour drive of Parkville have a median age of 37.8 years, 37.0 years, and 37.1 years, respectively.
- The percentage of residents under the age of 20 within the primary and secondary market is comparable to that of the U.S. population, which will provide a significant base from which to attract participants to the proposed complex.

Household Income – An important socioeconomic characteristic that provides insight into a market’s ability to allocate discretionary income to various



3. Sports Complex Analysis

Local & Regional Market Characteristics

participatory sports activities include household and per capita income. Key income characteristics of Parkville's local and regional market include:

- The median household income in Parkville is \$70,628, which is significantly higher than (38 percent) the U.S. median household income of \$51,314.
- Median household income levels in the Northland region (\$59,913) and within a four-hour drive (\$56,887) are both higher than the U.S. median household income, while the median household income within the Kansas City CBSA (\$44,286) is below the national average.
- Any discussion of household income should consider the cost of living characteristic of an area. The cost of living indicates how expensive or inexpensive a city is, relative to the nation as a whole. The national average is 100 and greater Kansas City is 99.2, indicating that cost of living in and around Kansas City is similar to that of the nation as a whole. Such statistics indicate that local/regional participants and will have comparable levels of discretionary income to spend when compared to the national average
- It should be noted that the percentage of households in the City of Parkville (26.7 percent) with a median income in excess of \$150,000 is over three-times higher than that of the U.S. as a whole. (8.7 percent), while the percentage of households in the Northland Region are equal to the national average. These characteristics can provide a positive indication of the local market's ability to participate in sports hosted at the proposed sports complex, as people participating in the targeted indoor and outdoor sports generally exhibit higher income levels than the national average.

Ethnicity – The ethnic make-up of the area can impact demand for various sports activities at the proposed sports complex in Parkville. Key ethnicity characteristics include:

- Overall, the primary and secondary markets can be classified as less diverse than the U.S. as a whole, as caucasians make up a large portion of the total population.



3. Sports Complex Analysis

Local & Regional Market Characteristics

Corporate Base

The depth and breadth of the local and regional corporate market provides a base from which the proposed sports complex in Parkville could draw from for advertising, sponsorships and naming rights opportunities. Key characteristics of Parkville’s local and regional corporate market include:



Corporate Base Local & Regional Market								
	Parkville		Northland		Kansas City CBSA		4-Hour Drive Time	
	Companies	Percentage	Companies	Percentage	Companies	Percentage	Companies	Percentage
Corporate Base Distribution:								
Under \$1 MM	231	92.8%	12,690	92.9%	87,083	91.6%	732,699	92.8%
\$1 MM to \$2.4 MM	8	3.2%	506	3.7%	3,992	4.2%	28,433	3.6%
\$2.5 to \$4.9 MM	3	1.2%	186	1.4%	1,686	1.8%	11,820	1.5%
\$5 MM to \$9.9 MM	5	2.0%	118	0.9%	970	1.0%	6,973	0.9%
\$10 MM to \$24.9 MM	0	0.0%	87	0.6%	716	0.8%	5,271	0.7%
\$25 MM to \$49.9 MM	0	0.0%	28	0.2%	307	0.3%	1,983	0.3%
Over \$50 MM	2	0.8%	41	0.3%	330	0.3%	2,010	0.3%
Total Corporate Base	249	100.0%	13,656	100.0%	95,084	100.0%	789,189	100.0%

Source: Hoover's

As shown above, there are 249 companies in Parkville, 13,656 companies in the Northland region, 95,024 in the Kansas City CBSA and 789,189 companies within a four-hour drive of Parkville. It should be noted that certain industries such as education, government, membership organizations, non-profit institutions, private households and religious organizations were excluded from the analysis.

Although a large portion of companies generate annual revenues under \$1 million, the majority of advertising, sponsorship and naming rights opportunities offered at a sports complex are generally much smaller than those offered at larger professional venues, which provides a greater number of local companies with the opportunity to provide support.

The table on the following page presents the major employers in Platte County, as compiled by the Platte County Economic Development Council.



3. Sports Complex Analysis

Local & Regional Market Characteristics

Platte County Major Employers			
Rank	Company	Description	Employees
1	Park Hill School District	Education	1,500
2	Harley-Davidson Motor Co.	Auto Sales	1,004
3	Argosy Casino Hotel & Spa	Resort / Hotel	750
4	Saint Luke's Northland Hospital	Health Care	728
5	Johnson Controls	Technology	600
6	Tyco Integrated Security	Technology	585
7	Kansas City Aviation Department	Travel	520
8	Platte County R 3 Schools	Education	448
9	Aetna Rx Home Delivery	Health Care / Courier	420
10	Park University	Education	377
11	Farmland Foods	Agriculture	365
12	Travelport	Travel	359
13	KCP&L	Utility	342
14	Daily Farmers of America	Agriculture	309
15	Platte County Government	Government	255
16	Southwest Airlines	Travel	245
17	Faurecia Riverside	Manufacturing	235
18	HMS Host/LJA Enterprises	Travel	208
19	Federal Express	Courier	207
20	Hilton-Kansas City Airport	Resort / Hotel	160
21	The National Golf Club of Kansas City Sport		146
22	Embassy Suites	Resort / Hotel	144
23	Kansas City Airport Marriott	Resort / Hotel	110

Source: Platte County Economic Development Council

As shown above, the Park Hill School District is the largest employer in Platte County with 1,500 employees. The Park Hill School District is one of the top three school districts in Kansas City. Additionally, the district's average Missouri Assessment Program index score ranked ninth out of the 469 Missouri school districts that reported scores for all tested subject areas. The quality of the educational experience offered at the Park Hill School District is one of the main drivers of population migration to the area.

In addition to the Park Hill School District, the Harley-Davidson Motor Company and Argosy Casino Hotel & Spa are also two of the largest employers in the area, with 1,004 and 750 workers, respectively. Other major employers with 500 or more employees include Saint Luke's Northland Hospital, Johnson Controls, Tyco Integrated Security and the Kansas City Aviation Department.

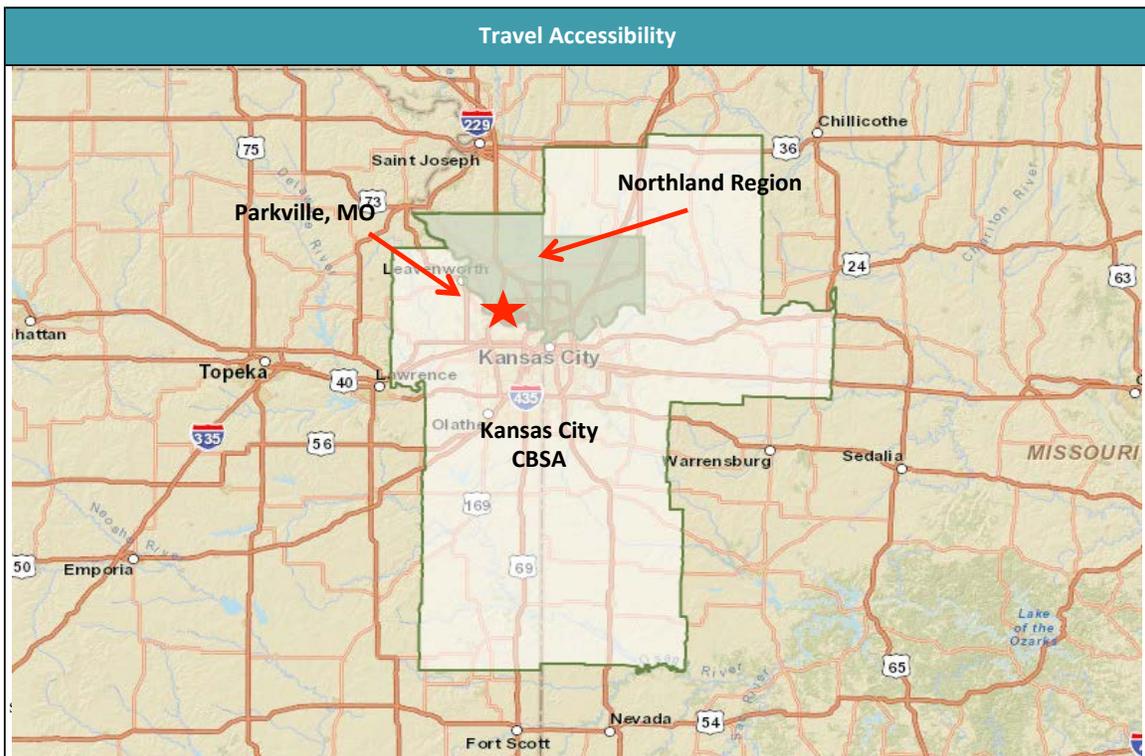


3. Sports Complex Analysis

Local & Regional Market Characteristics

Transportation Accessibility

Transportation access will be integral to the success of the proposed sports complex in Parkville. Ease of access is not only important from the perspective of the complex's marketability to national sports organizations, but also in the ability of the complex to accommodate to attract visitors and participants on a local and regional basis. Located on the western edge of Missouri, Parkville is ideally situated approximately 20 miles from downtown Kansas City. The following map illustrates the location of Parkville in relation to the local and regional markets.



As shown above, Parkville's location provides convenient access to Kansas City, Missouri, one of the two largest metropolitan areas in the Midwest. It is also anticipated that a proposed sports complex in Parkville would also likely draw participants and visitors from other regional cities and metropolitan areas. The table on the following page presents a list of the metropolitan areas located within a four-hour drive of Parkville, as it is estimated that the vast number of participants and visitors will originate within a four-hour drive of the proposed complex.



3. Sports Complex Analysis

Local & Regional Market Characteristics

Driving Distance to Regional Markets			
City, State	Metro Area Population	Miles from Parkville	Drive Time (Hours) *
Kansas City, MO	2,042,935	10	0.2
Overland Park, KS	178,919	20	0.4
Olathe, KS	130,045	29	0.5
Topeka, KS	127,679	66	1.1
Manhattan, KS	127,081	124	2.0
Columbia, MO	115,276	136	2.2
Omaha, NE	877,110	177	2.8
Springfield, MO	164,122	176	2.9
Wichita, KS	385,577	202	3.1
Lincoln, NE	265,404	190	3.2
Des Moines, IA	588,999	202	3.2
St. Charles, MO	66,463	238	3.8
St. Louis, MO	2,150,706	259	4.1
Tulsa, OK	961,561	268	4.3

*As defined by Google Maps
Source: Claritas, CSL International research, Google Maps

One of the greatest strengths of Parkville and the greater Kansas City metropolitan area is the convenience of its location and drive time to numerous nearby metropolitan areas. Specifically, Parkville is located within a four-hour drive time of large metropolitan areas including Omaha, Wichita, Lincoln, Des Moines, and St. Louis. This convenient access will be critical to the long-term viability of a proposed sports complex in Parkville and its ability to attract participants and visitors.

Air Access

Although it is estimated that the vast majority of participants and visitors will originate from within a four-hour drive of Parkville, air access can be an important factor in attracting participants and spectators originating from a regional or national location. Based on discussions with project stakeholders and local sports organizations, a limited number of youth tournaments, mainly collegiate showcases or regional/national club team tournaments, attract teams from across the country that utilize air access.

Parkville is located approximately 13 miles south of the Kansas City International Airport, which serves approximately 10 million passengers annually. The airport is served by 15 commercial airlines and their regional partners, including American Airlines, Delta Airlines, Southwest Airlines, Spirit Airlines, United Airlines and US



3. Sports Complex Analysis

Local & Regional Market Characteristics

Airways. The airport provides non-stop service to 51 cities in the United States, Canada and Mexico. The convenience of air access represents an advantage to attracting national tournaments to a proposed sports complex in Parkville.

Hotel Inventory

The availability and quality of hotel rooms are important considerations in determining the ability of a proposed sports complex in Parkville to accommodate athletic tournaments and other activities that draw out-of-town attendees and generate economic benefits to the local area. The table on the following page summarizes accommodations within a 15-mile radius of Parkville, which captures hotels around Kansas City International Airport. According to the Platte County Convention & Visitors Bureau, there are no known plans for hotel development in Parkville in the foreseeable future. An analysis of hotel development potential is presented later in this report.

As shown in the table on the following page, there are currently 61 hotel, motel and bed and breakfast establishments within 15 miles of Parkville. In total, the area includes approximately 7,000 hotel guestrooms, consisting of a variety of full-service, limited service and extended stay accommodations. The three-room Main Street Inn is currently the only hotel in Parkville, which will present significant challenges when trying to accommodate out-of-town users of the proposed sports complex in Parkville and generate economic benefits to the local area. Until further hotel development occurs in Parkville, a significant portion of the spending associated with overnight tournament participants will likely be spent outside of Parkville.



3. Sports Complex Analysis

Local & Regional Market Characteristics

Overnight Accommodations Within 15 Miles of Parkville		
Name	Distance to Parkville (miles)	Total Number of Rooms
Main Street Inn	1	3
La Quinta Inns & Suites Kansas City Airport	4	80
Motel 6 Kansas City North Airport	4	86
Super 8 Kansas City Airport	4	46
Super 8 Riverside Kansas City Area	4	48
Courtyard Kansas City @ Briardcliff	5	123
Extended Stay America Kansas City Airport Tiffany Springs	5	89
Sleep Inn Kansas City Airport	5	104
Hyatt Place Kansas City Airport	5	134
Courtyard Kansas City Airport	5	149
Relax Inn	5	27
Regency Inn Kansas City	6	60
Holiday Inn Express & Suites Kansas City Airport	6	109
Drury Inn & Suites Kansas City Airport	6	122
Chase Suites Kansas City	6	112
Riverside Motel	6	11
Argosy Casino Hotel & Spa	6	258
Residence Inn Kansas City Downtown Convention Center	6	112
Courtyard Kansas City Downtown Convention Center	6	147
Hilton Garden Inn Kansas City Kansas	6	147
Days Inn & Suites Kansas City Airport	7	49
Best Western Plus Kansas City Airport KCI East	7	79
Comfort Inn Kansas City Airport South	7	85
Candlewood Suites Kansas City Airport	7	88
Super Inn	7	115
Hilton Kansas City Airport	7	347
Homewood Suites by Hilton	7	116
Howard Johnson Plaza	7	120
Drury Inn & Suites KCI	7	123
Residence Inn by Marriott - KC Airport	7	152
Embassy Suites - KCI	7	237
Hampton Inn Kansas City Airport	7	120
Econo Lodge Airport Kansas City	7	59
Holiday Inn Express & Suites North Kansas City	7	73
Days Inn Kansas City	7	78
American Inn	7	167
Best Western Country Inn North	7	44
La Quinta Inns & Suites Kansas City North	7	96
Extended Stay Inn	7	213
Econo Lodge Downtown North Kansas City	8	86
Comfort Inn I 70 Near Kansas Speedway	8	45
American Motel	8	158
Super 8 Kansas City	8	41
Microtel Inn & Suites by Wyndham Kansas City Airport	8	80
The Plaza Hotel	8	138
Four Points Kansas City Airport	8	200
Quality Inn Suites Kansas City International Airport	8	73
Comfort Suites Speedway Kansas City	8	84
Marriott Kansas City Airport	8	384
Hotel Savoy	8	22
Harrah's North Kansas City Casino	8	375
Best Western Country Inn KCI	9	43
Extended Stay America - Kansas City Airport	9	109
Holiday Inn	9	141
Fairfield Inn - KCI	10	129
Radisson - Kansas City Airport	10	138
Super 8 Motel Platte City	14	61
Best Western Airport Inn & Suites KCI North	14	72
Homestead Studio Suites	15	89
Comfort Inn Airport	15	92
Travelodge	15	120
TOTAL		7,008

*Distance defined by Google Maps from hotel to Parkville City Hall
Source: Smith Travel Research



3. Sports Complex Analysis

Local & Regional Market Characteristics

Attractions

Platte County offers numerous cultural, recreational, outdoor and entertainment attractions and activities throughout the year. Platte County's combination of outdoor recreational activities and entertainment attractions make it a unique destination that appeals to a variety of travelers throughout the year. Many visitors come to the area for its variety of wineries, orchards, museums and other attractions.

Specific area attractions and activities include, but are not limited to:

- Alldredge Orchards
- AMC Barrywoods 24 Movie Theater
- Argosy Riverside Casino
- Bell Road Barn Players
- Ben Ferrel Platte County Museum
- Comanche Acres Iris Gardens
- E.H. Young Riverfront Park
- Harley-Davidson Final Assembly Plant
- Herbert Bonnell Museum
- Historic Square District
- Jowler Creek Winery
- Line Creek Community Arena and Park
- National Silk Art Museum
- Northland Symphony Orchestra
- Parkville Mini-Golf
- Pirtle Winery
- Platte Ridge Park
- Pumpkins Etc.
- Renner Brenner Site Park
- River Roll
- Riverside Municipal Swimming Pool
- Riverwood Winery
- Shiloh Springs Golf Club
- Snow Creek Sky & Board Area
- Springs Aquatic Center at Tiffany Hills
- Tiffany Greens Golf Club
- Tiffany Hills Sports Complex
- Tuileries Plaza
- United Federation of Doll Clubs Museum
- Vaughn Orchard and Country Store
- Village West
- Weston Bend State Park
- Weston Brewing Company
- Weston Historical Museum
- Weston Red Barn Farm
- Zona Rosa Town Center

Parkville has a historic downtown Main Street area that offers a variety of restaurants, antique and specialty shops and other attractions that draw people to the area. The historic downtown Parkville offers a unique destination that could appeal to tournament participants and visitors.

Zona Rosa Town Center and Village West are two of the area's primary attractions, offering a variety of dining, shopping, and entertainment options, as well as a variety of hotel, residential and office space. Located within approximately 15 miles from Parkville, Zona Rosa (located within five miles of Parkville) and Village West could serve to attract teams and participants to tournaments hosted at a proposed sports complex in Parkville, however, the fact that both developments are located outside city limits



3. Sports Complex Analysis

Local & Regional Market Characteristics

could result in Parkville losing out on a significant amount of economic and fiscal benefits.

Annual Events/ Festivals

Additional attractions that could provide entertainment opportunities and potential tie-ins to sports tournaments include annual events or festivals. Platte County is home to a variety of annual events that provide visitors with additional entertainment activities.

Annually recurring events hosted in Platte County include:

March – 5 th Weekend	2014 Northland Ethnic Festival
April – 3 rd Weekend	Platte City Antique, Swap Meet & Flea Market
April – 4 th Weekend	Lions Club Antique and Collectibles Show
April – 4 th Weekend	Parkville Microbrew Fest
May – 1 st Weekend	Woofstock: A Festival for Dogs and People
May – 3 rd Weekend	Heartland Armed Forces Celebration
May – 5 th Weekend	Festa Italiana
June – 2 nd Weekend	Parkville River Jam – Jazz, Blues and Fine Arts Festival
July – 4 th Week	Platte County Fair
August – 4 th Weekend	Parkville Days
September – 2 nd Weekend	Edgerton Pioneer Days
September – 2 nd Weekend	Zona Rosa Arts Festival
September – 3 rd Weekend	Riverfest
October – 1 st Weekend	Applefest...A Fall Harvest Festival
October – 1 st Weekend	Parktoberfest
October – 1 st Weekend	A Taste of Zona Rosa
October – 2 nd Weekend	Weston IrishFest
November – 3 rd Weekend	Holiday Weekend Open House
November – 4 th Weekend	Christmas on the River
December – 1 st Weekend	Candlelight Homes Tour

The Parkville Microbrew Fest, Parkville River Jam – Jazz, Blues and Fine Arts Festival, Parkville Days, Parktoberfest and Christmas on the River are all also held in Parkville.

Local & Regional Athletic Facilities

Operations of a proposed sports complex in Parkville would be impacted by the number and type of local and regional facilities that compete for the limited supply of events, spectators, participants and sponsorship dollars within the marketplace.



3. Sports Complex Analysis

Local & Regional Market Characteristics

Some facilities in the local marketplace will compete directly to host similar users, while other facilities do not represent significant direct competition as they may not host the type and/or level of programming targeted by a proposed sports complex in Parkville.

The following section presents a summary of major multi-field or multi-court athletic complexes located within the local and regional market that could provide competition for a proposed sports complex in Parkville.

Outdoor Sports Complexes

In order to gain an understanding of the existing level of potential competition to host outdoor sports programming in the Kansas City metropolitan area, the following is a summary of outdoor sports complexes in the local and regional market:

- **Tiffany Hills Park** (*Kansas City, MO*) – Tiffany Hills Park is located in Kansas City, Missouri, approximately six miles north of Parkville (City Hall). The complex includes eight baseball/softball fields and two natural grass soccer fields. In the summer months, the complex is primarily utilized as a tournament facility for youth baseball and softball, however, local soccer clubs utilize the fields for practices and games throughout the year. Current master plans for the facility include the addition of four or five new baseball/softball fields, as well as the potential for additional soccer fields. The park is owned by the City of Kansas City and operated by the Southern Platte County Athletic Association.
- **Tiffany Springs Park** (*Kansas City, MO*) – Tiffany Springs Park is located in Kansas City, Missouri, approximately seven miles northwest of Parkville. The complex includes 10 natural grass soccer fields and five baseball/softball fields. The soccer fields primarily accommodate local practice and league play, however, future master plan improvements do include additional soccer and baseball/softball fields. The complex is owned by the City of Kansas City and operated by the Northland Sports Alliance.
- **Platte Purchase Park** (*Kansas City, MO*) – Located approximately 10 miles northeast of Parkville, Platte Purchase Park is a 140-acre sports complex that offers 13 baseball/softball fields, four of which were opened in 2004. Platte County acquired the complex in 2007, and the park is currently jointly owned and operated by Platte County and the City of Kansas City. Primarily utilized for baseball and softball, the complex is home to the Clay/Platte County Baseball League.



3. Sports Complex Analysis

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- **National Training & Coaching Development Center** (*Kansas City, KS*) – Located approximately 10 miles southwest of Parkville, Sporting Kansas City, in conjunction with Wyandotte County, announced plans in July 2014 to construct a \$75 million national Training & Coaching Development Center at the southeast corner of 98th Street and Parallel Parkway in Kansas City, Kansas, that would become the home of the U.S. Soccer Federation. Located in the Village West development, the 190-acre facility would offer 16 fields, consisting of one climate-controlled indoor field, 11 outdoor natural grass fields, and four synthetic turf fields. The complex would also include a 100,000 square foot, climate-controlled indoor pavilion, beach training courses, futsal courses, running courses, and would also be connected to a 125-room extended stay hotel. The complex, anticipated to open in 2016, is being constructed by Sporting KC as part of its agreement to receive \$230 million in state and local tax subsidies to construct Sporting Park. Given its association with Sporting KC, the anticipated quality of facilities, and its location near Village West, it is anticipated that the facility could become one of the most in-demand complexes in the local and regional market. The development of this complex, along with the Overland Park Soccer Complex, will likely limit Parkville’s ability to compete to host major national and regional soccer tournaments.
- **Platte Ridge Park** (*Platte City, MO*) – Located approximately 20 miles northwest of Parkville, the 215-acre Platte Ridge Park opened in 2005 in Platte City, Missouri. The park consists of four soccer fields, four baseball/softball fields, a 5k running trail, playground equipment, a pond and family recreation area. A joint partnership between Platte County and Platte City brought \$2.4 million in improvements to the park in 2005, and Platte City funded its portion through its half-cent sales tax. The majority of programming at the park is centered around serving the recreational needs of the citizens of Platte City.
- **Shawnee Soccer Complexes** (*Shawnee, KS*) – Shawnee, Kansas, is located approximately 20 miles southwest of Parkville in Johnson County. The City of Shawnee is home to two complexes, the 60-acre Stump Park and the nine-acre Swarner Park, which combined offer 11 natural grass soccer fields, baseball fields, a walking trail, and other outdoor recreational activities. Owned and operated by the City of Shawnee, the fields are mainly utilized by the Metro United Soccer Club for practices and league play.
- **Overland Park Soccer Complex** (*Overland Park, KS*) – The Overland Park Sports Complex is located approximately 20 miles south of Parkville in Johnson County, and is considered one of the premier soccer complexes in



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the country. The 96-acre complex includes 12 lighted, regulation-size synthetic turf fields, as well as a field cooling system and evaporating cooling fans. The complex hosted 23 tournaments in 2013, along with a full schedule of practice and 14 weeks of league play from the Heartland Soccer Association, Sporting Blue Valley and the Overland Soccer Club. The \$36 million complex is owned and operated by the City of Overland Park.

- **Swope Park Soccer Village** (*Kansas City, MO*) – Swope Park Soccer Village serves as the official training site for Sporting KC and the Sporting KC Academy and consists of a three-field soccer complex. It was recently announced in 2014 that a \$13.5 million expansion of the complex was approved, and will include five new synthetic turf fields, 1,500-seat championship grass field and the expansion of two existing natural grass professional training fields. The project also includes additional parking, an expansion of training facilities, new concession stands, and a renovation of restrooms and shelters. The project is being financed through the City and Jackson County’s portion of existing TIF funds.
- **Raytown Soccer Complex** (*Kansas City, MO*) – The Raytown Soccer Complex is located approximately 25 miles southeast of Parkville in Kansas City, Missouri, and includes 14 soccer fields. The complex serves as the home of the Raytown Soccer Club, which competes in the KC Metro League, and hosts a variety of practice, league and tournament play throughout the year. Tournaments hosted at the complex in 2014 include the Autumn Bash, KC Cup and Tournament in the Woods, among others.
- **Jackson County Soccer Complexes** (*Kansas City, MO*) – The Jackson County Parks & Recreation Department owns and operates a collection of five soccer complexes in southeast Kansas City. The complexes include the 99th & Blue River Soccer Complex (five fields), 122nd & Blue River Soccer Complex (five fields), 128th & Blue Ridge Soccer Complex (four fields), Kenneth Road Soccer Complex (four fields), and the Franke Soccer Complex (four fields). In total, the complexes offer 18 natural grass fields that host a variety of practice, league and tournament play for the Heartland Soccer Association.
- **Heritage Soccer Park** (*Olathe, KS*) – Located approximately 30 miles south of Parkville in Olathe, Kansas, the Heritage Soccer Park has 18 natural grass soccer fields, and is part of the 1,238-acre Heritage Park, which opened in 1981. Although the 18 soccer fields are not considered tournament-quality, the park is utilized by the Heartland Soccer Association for a variety of practice and league play, occasionally hosts additional programming that cannot be accommodated at the Overland Park Soccer Complex. In addition



3. Sports Complex Analysis

Local & Regional Market Characteristics

to soccer fields, the complex also offers 10 grass football fields, a four-field softball complex, golf course, and equestrian facility. The park is owned and operated by the Johnson County Park and Recreation District.

- **Lone Elm Park (Olathe, KS)** – Also located in Olathe, Kansas, Lone Elm Park is a 160-acre park that includes eight natural grass soccer fields (two lighted), five lighted softball fields, a walking trail, and other camping facilities. Utilization of the eight soccer fields is derived, primarily, from practice and league play organized by the Heartland Soccer Association (which also utilizes Heritage Soccer Park), and also hosts a limited number of tournaments annually. The park is owned and operated by the City of Olathe Parks and Recreation District.
- **Legacy Park (Lee’s Summit, MO)** – Located in Lee’s Summit, Missouri, approximately 35 miles southeast of Parkville, Legacy Park offers 12 natural grass soccer fields as part of a 692-acre complex. In addition to soccer fields, the complex also includes 16 baseball fields, eight softball fields, three football fields, and a 45,000 square foot community center. The complex is owned and operated by the Lee’s Summit Parks and Recreation Department, with the soccer fields leased by the Lee’s Summit Soccer Association in order to accommodate the groups practice and league play. Developers in Lee’s Summit are in the planning stages of a new \$230 million sports complex and entertainment village on the northeast corner of Interstate 470 and View High Drive. A new 15-field complex would be part of a larger, 130-acre development that could include a 200-room hotel, entertainment options, restaurants and upscale apartments. Should the proposed development become a reality, and combined with the presence of the Overland Park Soccer Complex and the soon to be built Sporting KC National Training Center, it is likely that a sports complex in Parkville would be at a competitive disadvantage in attracting regional and national tournaments.

In addition to the above-mentioned complexes, several communities within the local and regional area, including Olathe (\$22 million, 12-field complex) and Lenexa, have recently explored or are currently in the process of assessing the viability of new sports complexes capable of hosting regional and national tournament activity. The development of other tournament-quality sports complexes in the area could negatively impact the marketability of the proposed sports complex in Parkville, particularly to host tournaments, to generate significant levels of local and regional utilization.



3. Sports Complex Analysis

Local & Regional Market Characteristics

Indoor Sports Complexes

In order to gain an understanding of the existing level of potential competition to host indoor sports programming, the following is a summary of indoor sports complexes in the local and regional market:

- **Parkville Athletic Complex** (*Parkville, MO*) – Opened in 2004 at a cost of approximately \$4 million, the Parkville Athletic Complex (“PAC”) is located in close proximity to Parkville City Hall. The 41,000 square foot indoor complex has three basketball/volleyball courts, a batting cage, and space to accommodate a variety of other activities including wrestling, judo, futsal, yoga, and Pilates, as well as space for parties, classes, and other gatherings. Owned and operated by Barth Real Estate Development, the complex hosts wrestling, basketball and volleyball programming 18 weeks per year, and leases out practice time for a variety of users throughout the year. Overall, the PAC draws approximately 100,000 visitors annually.
- **LeVo Sports Complex** (*Riverside, MO*) – Located approximately five miles southeast of Parkville, the LeVo Sports Complex is a 35,000 square foot multi-gym complex inside the Star Medical building. The complex consists of six full-size basketball courts and seven regulation-size volleyball courts, as well as an on-site exercise facility. Privately owned and operated, the complex hosts a variety of basketball and volleyball practice, league and tournament play throughout the year.
- **Heart of America Volleyball Facility** (*Kansas City, MO*) – Located approximately 15 miles south of Parkville in Kansas City, Missouri, The Heart of America Volleyball facility serves as the headquarters of The Heart of America Region Volleyball, an independent incorporated member of USA Volleyball that covers club volleyball in Kansas and the western half of Missouri. The facility offers eight volleyball courts, as well as outdoor sand volleyball courts, that are used for tournaments, matches, camps, and practices throughout the year.
- **Okun Fieldhouse** (*Shawnee, KS*) – The Okun Fieldhouse opened in 1999 in Shawnee, Kansas, approximately 20 miles southwest of Parkville. The 56,500 square foot facility includes eight volleyball courts, four basketball courts, and is part of the Mid-America West Sports Complex, which covers 100 acres and includes 12 baseball/softball fields. The facility is owned by Johnson County and operated by the Johnson County Parks & Recreation Department. Approximately 140,000 people use the facility on an annual basis, including approximately 50,000 tournament participants. On an annual basis, the



3. Sports Complex Analysis

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facility generates approximately \$900,000 in operating revenues and incurs approximately \$1.0 million in operating expenses, resulting in an annual operating loss of approximately \$100,000 which is subsidized by the County.

- **KC Sports Lodge** (*Independence, MO*) – Opened in 2008, the KC Sports Lodge is located in Independence, Missouri, approximately 20 miles southeast of Parkville. The 70,000 square foot facility includes three indoor soccer/football fields, three basketball/volleyball courts, a fitness center, training space, meeting facilities, and a concessions area. Privately owned and operated, the complex hosts a variety of recreational, practice, league and tournament play for sports such as indoor soccer, basketball, lacrosse, flag football, and volleyball.
- **Sports City** (*Blue Springs, MO*) – The 76,000 square foot Sports City opened in 2000 in Blue Springs, Missouri, approximately 30 miles southeast of Parkville. The complex features two full-size arena soccer fields, one full-size basketball/volleyball court with a drop-down curtain for half-court capabilities, four batting cages, miniature golf course, bar and grill, and an arcade. Programming at the privately owned and operated complex consists mainly of basketball, volleyball, flag football and indoor soccer league play, as well as practices, games and other activities.
- **Sports Pavilion Lawrence at Rock Chalk Park** (*Lawrence, KS*) – The City of Lawrence and the University of Kansas have partnered on the \$63.5 million Sports Pavilion Lawrence at Rock Chalk Park, which will be located in Lawrence, Kansas, approximately 40 miles southwest of Parkville. The facility will include a \$24.5 million, 181,000 square foot indoor recreation center that will include eight full-size basketball courts, 16 full-size volleyball courts, and indoor soccer/sports area, a 1/8-mile track, a fitness center, meeting rooms and other ancillary spaces. The City of Lawrence is funding \$22.5 million of the total costs, with the remaining \$2 million donated by Bill and Cindy Self’s Assist Foundation. The facility will also include a \$39 million development for the University of Kansas, consisting of a 1,500-seat softball stadium, a 2,500-seat soccer stadium, a 10,000-seat track and field complex, and a 28,000 square foot indoor training building. Given the facility’s association with the University of Kansas, it is anticipated that the complex will generate a steady level of programming, and would be a more attractive option for indoor sports users than a new facility in Parkville.
- **New Century Fieldhouse** (*Gardner, KS*) – Opened in 2011 at a cost of \$6.0 million, the 88,000 square foot New Century Fieldhouse is located in in Gardner, Kansas, approximately 40 miles southwest of Parkville. The



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complex includes a 100' x 190' artificial turf field, four full-length basketball courts, eight volleyball courts, four futsal courts, a 78' x 29' multi-purpose room, four upper level party suites with court and field views, and an upper level lounge area with court and field views. The complex is owned by Johnson County and operated by the Johnson County Parks & Recreation Department. New Century Fieldhouse was the first public recreation center in the Kansas City metropolitan area to receive LEED certification.

- **Sport Zone (Topeka, KS)** – Sport Zone is a multi-purpose youth and adult sports complex located approximately 65 miles west of Parkville in Topeka, Kansas. The facility offers four multi-use basketball/volleyball courts, a separate area with two additional volleyball courts, and indoor batting cages. The facility hosts tournaments, camps, and other such activities for sports such as basketball, volleyball, indoor soccer, football, and baseball.

In addition to the local and regional facilities discussed herein, the 388,800 square foot Bartle Hall, the main exhibition hall of the Kansas City Convention Center, has hosted large-scale basketball and volleyball tournaments that can accommodate 60 courts and approximately 10,000 participants.

Currently, there is a proposal to spend approximately \$22 million to redevelop the 19,500-seat Kemper Arena, located in downtown Kansas City, Missouri, into a multi-purpose venue that could include 12 basketball courts and host tournaments that could attract users from throughout the Midwest. The proposal also includes a half-mile running track, as well as a variety of recreation, retail and other multi-use space.

There are also various YMCAs and other community recreation centers located throughout the Kansas City, Topeka, and Wichita areas that have the potential to host an occasional small-scale basketball or volleyball tournament.

Local & Regional Athletic Facility Summary

It is important to consider the number and type of sports complexes in the local and regional market when determining the appropriate use and potential utilization of a proposed sports complex in Parkville. The table on the following page summarizes the local and regional outdoor and indoor sports complexes, which are estimated to provide competition for a proposed sports complex in Parkville.

As shown below, there are 13 major multi-field outdoor sports complexes within 35 miles of Parkville that have a total of 134 soccer fields and 63 baseball/softball fields.



3. Sports Complex Analysis

Local & Regional Market Characteristics

There are also nine major indoor sports complexes with 65 miles of Parkville that have 43 basketball (approximately 50 to 70 volleyball courts) and 18 other multi-use fields.

It should be noted that although this analysis focused on major indoor and outdoor facilities within the local and regional area, there are numerous other small facilities (i.e. high school gyms, parks, etc.) that also offer outdoor and indoor programming that could compete with a proposed sports complex in Parkville to host practices and games. In addition, the number of major outdoor and indoor facilities capable of hosting large-scale tournaments and competitions is also subject to increase given the number of facilities in the area that are currently in the initial planning stages.

Local & Regional Athletic Facilities Outdoor & Indoor Sports Complexes				
Outdoor Sports Complex Summary				
Complex	Location	Distance (miles)	Soccer Fields	Baseball/ Softball Fields
Tiffany Springs Park	Kansas City, MO	7	10	5
Tiffany Hills Park	Kansas City, MO	6	2	8
Platte Purchase Park	Kansas City, MO	10	0	13
National Training & Coaching Center	Kansas City, KS	10	16	0
Platte Ridge Park	Platte City, MO	20	4	4
Shawnee Soccer Complexes	Shawnee, KS	20	11	n/a
Overland Park Soccer Complex	Overland Park, KS	20	12	0
Swope Park Soccer Village	Kansas City, MO	20	9	0
Raytown Soccer Complex	Kansas City, MO	25	14	0
Johnson County Soccer Complexes	Kansas City, MO	30	18	0
Heritage Park	Olathe, KS	30	18	4
Lone Elm Park	Olathe, KS	30	8	5
Legacy Park	Lee's Summit, MO	35	12	24
Total / Average		20	134	63
Indoor Sports Complex Summary				
Complex	Location	Distance (miles)	Basketball/ Volleyball Courts	Multi-Use Fields
Parkville Athletic Complex	Parkville, MO	0	3	0
LeVo Sports Complex	Riverside, MO	5	6	0
Heart of America Volleyball Facility	Kansas City, MO	15	8	0
Okun Fieldhouse	Shawnee, KS	20	4	12
KC Sports Lodge	Independence, MO	30	3	3
Sports City	Blue Springs, MO	30	1	2
Sports Pavilion Lawrence	Lawrence, KS	40	8	1
New Century Fieldhouse	Gardner, KS	40	4	0
Sport Zone	Topeka, KS	65	6	0
Total / Average		27	43	18
Source: CSL International research				



3. Sports Complex Analysis

Local & Regional Market Characteristics

Summary

As previously mentioned, the viability of the proposed Parkville Falls Sports Complex is dependent, in large part, on the socioeconomic and demographic characteristics, as well as the depth and breadth of competitive facilities in the local and regional market. The following presents a summary of the characteristics of the local and regional market.

- Although the population within Parkville is limited (5,700 residents), there are approximately 11.2 million residents within a four-hour drive, and the population of the areas surrounding Parkville is growing at a rate that meets or exceeds the national average.
- Median household incomes in Parkville are significantly higher than the national average. In addition, median household income levels within the Northland region and a four-hour drive time are also higher than the U.S. as a whole.
- The percentage of residents under the age of 20 within the local and regional market is comparable to that of the U.S. population, which will provide a significant base from which to attract participants to a proposed complex.
- Although a large portion of companies generate annual revenues under \$1 million, the majority of advertising, sponsorship and naming rights opportunities offered at a sports complex are generally much smaller than those offered at larger professional venues, which provides a greater number of local companies with the opportunity to provide support.
- The Park Hill School District is ranked among the top three school districts in the State of Missouri, and serves as a major driver of migration to the area.
- Parkville is very accessible due to its proximity to the Kansas City International Airport (13 miles), and is located within a four-hour drive of large metropolitan areas including Omaha, Wichita, Lincoln, Des Moines, and St. Louis.
- The visitor-related infrastructure in Parkville is not well-positioned to serve as an asset in attracting out-of-town visitors, mainly due to a lack of hotel accommodations.
- There are a number of outdoor and indoor sports complexes located within the local and regional market that will provide competition for a proposed sports complex in Parkville to host a variety of programming, including practices, league play and tournaments. In addition, there are also a number of facilities currently



3. Sports Complex Analysis

Local & Regional Market Characteristics

in the planning stages of development that would provide additional competition for the proposed facility.

The local / regional market characteristics of a proposed sports complex in Parkville are considered along with an assessment of sports industry trends, interviews from potential facility users, and the historical operations of comparable and competitive facilities to estimate demand.



3. Sports Complex Analysis

Sports Participation Trends

The purpose of this section is to provide an overview of sports participation trends in the United States. An understanding of these trends at a national, regional and local level provides a framework from which to assess potential demand for the proposed Parkville Sports Complex.

The statistical data presented in this section was derived from the Sporting Goods Manufacturer’s Association (SGMA) and the Sports Business Research Network (SBRNet). Research information from the Sporting Goods Manufacturer’s Association is derived from a study based on approximately 40,000 interviews encompassing youth and adult sports participation. SBRNet compiles studies from organizations such as the National Sporting Goods Association (NGSA), which publishes a comprehensive annual report of sports participation in the United States. This report contains participation data which is gathered to analyze trends and patterns within 51 sports and activities.

The remainder of this section presents relevant information on sports participation trends for sports that a proposed sports complex in Parkville could potentially host.

National Sports Participation Rates

Based on discussions with project stakeholders, including local sports organizations, sports requiring outdoor fields (baseball, flag football, lacrosse, soccer, softball, tackle football, touch football, etc.) and sports requiring an indoor athletic complex (basketball, cheerleading, gymnastics, volleyball, wrestling, etc.) were identified as the most likely users of a sports complex in Parkville and are subject to further consideration and analysis.

National Sports & Activities Potential Primary Uses	
Targeted Outdoor Sports:	Targeted Indoor Sports:
<ul style="list-style-type: none"> • Baseball • Flag Football • Lacrosse • Soccer • Softball • Tackle Football • Touch Football 	<ul style="list-style-type: none"> • Basketball • Cheerleading • Gymnastics • Swimming • Volleyball • Wrestling

The information on the following pages summarizes the SGMA study completed in 2014. Cumulative national sports participation levels are shown as well as participation trends from 2007 to 2013 for each of the identified sports.



3. Sports Complex Analysis

Sports Participation Trends

Frequent Participation

Based on SGMA study guidelines, sports participation is split into three classifications, including frequent participation, infrequent participation and occasional participation. It is envisioned that a sports complex in Parkville would attempt to host a variety of practice, league and tournament play on an annual basis, thus dedicating a significant portion of programming towards frequent users. Frequent participation is defined in the table below.

Frequent Participants Definition			
<u>Targeted Outdoor Sports:</u>		<u>Targeted Indoor Sports:</u>	
Soccer	40+ times annually	Volleyball	20+ times annually
Softball	40+ times annually	Gymnastics	40+ times annually
Baseball	50+ times annually	Basketball	50+ times annually
Flag Football	50+ times annually	Wrestling	50+ times annually
Tackle Football	50+ times annually	Cheerleading	70+ times annually
Touch Football	50+ times annually		
Lacrosse	60+ times annually		

Source: SGMA

Among sports requiring outdoor fields, soccer and softball have the lowest defined frequent participation rate of at least 40 times annually. People participating in baseball, flag football and tackle football at least 50 times per year are classified as frequent participants, whereas lacrosse requires at least 60 times per year.

Volleyball has the lowest required threshold to be considered a frequent participant (at least 20 times per year), followed by basketball and wrestling (50+ times annually) and cheerleading (70+ times annually).

National Sports Participation Levels

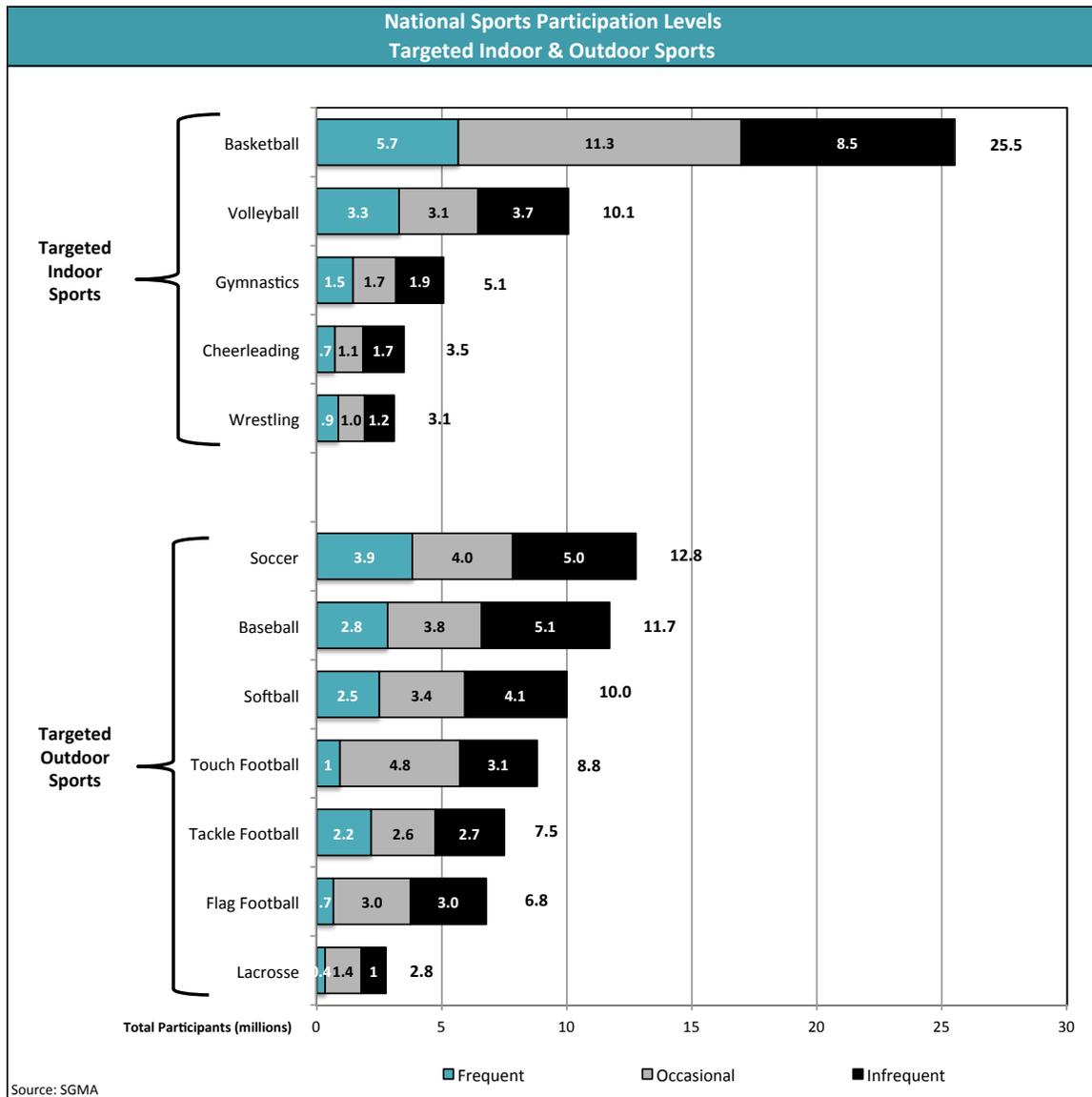
Although it is anticipated that the vast majority of programming at the proposed sports complex in Parkville would be dedicated to frequent sports participants, it is important to understand the overall participation rates on a national level. National participation rates can provide insights into the overall popularity of a sport, as well as the size of the base from which to attract new frequent participants.



3. Sports Complex Analysis

Sports Participation Trends

The following chart presents a summary of the national participation rates of targeted indoor and outdoor sports broken out by participation level (i.e. frequent, infrequent and occasional).



As shown above, basketball (25.7 million) and volleyball (10.1 million) have the highest national participation levels among sports requiring and indoor complex, soccer (12.9 million), baseball (11.7 million) and softball (10.0 million) have the highest national participation levels among sports requiring outdoor fields.



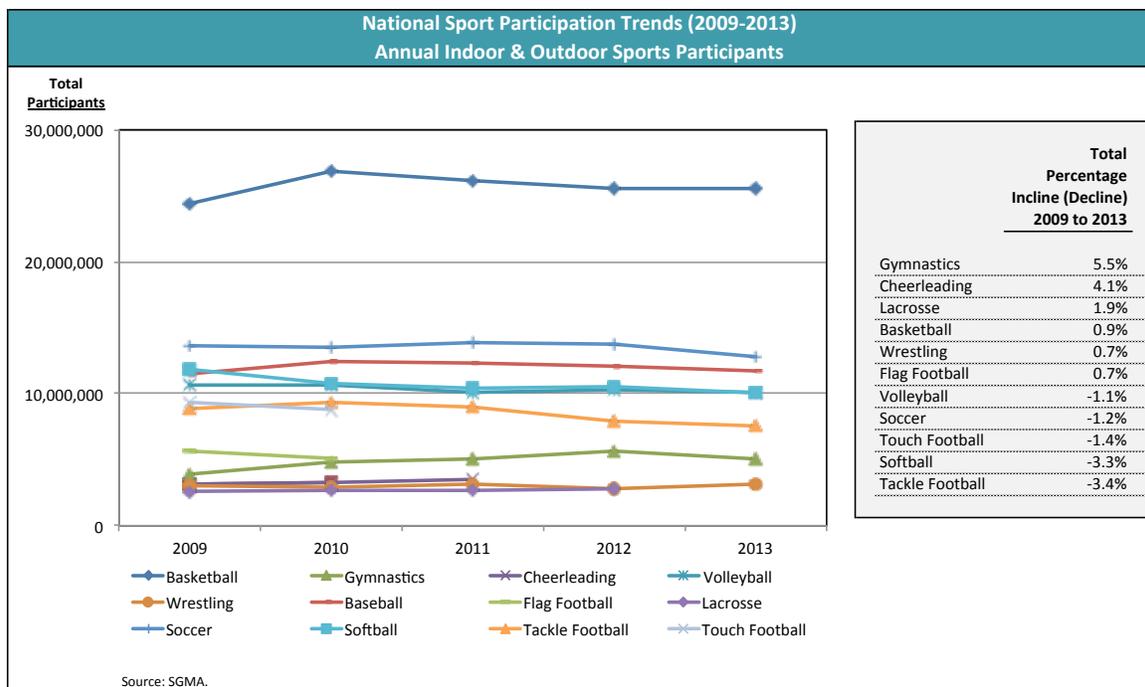
3. Sports Complex Analysis

Sports Participation Trends

Basketball has the highest number of frequent participants (5.7 million), followed by soccer (3.9 million), volleyball (3.3 million), basketball (2.8 million), softball (2.5 million) and tackle football (2.2 million).

National Sports Participation Trends

In addition to analyzing the most recent year's sports participation levels, it is also important to assess historical participation trends in order to understand which sports are experiencing a rise in popularity and which ones are remaining constant or declining in popularity. The following table presents a summary of the participation trends of targeted outdoor and indoor sports from 2009 to 2013.



As shown above, gymnastics has experienced an approximate 5.5 percent growth from 2009 to 2013, the largest among targeted indoor and outdoor sports. Other targeted sports experiencing growth in total participation from 2009 to 2013 include cheerleading (4.1 percent), lacrosse (1.9 percent), basketball (0.9 percent), wrestling (0.7 percent) and flag football (0.7 percent). Total participation in soccer has declined slightly from 2009 to 2013 (1.2 percent), but still has the highest levels of frequent participation among outdoor sports and second only to basketball in terms of all targeted indoor and outdoor sports. Participation rates for softball (3.3 percent) and tackle football (3.4 percent) have experienced the largest decline since 2009.



3. Sports Complex Analysis

Sports Participation Trends

Overall, national sports participation has been remained relatively stable since 2009, which can be attributed to U.S. economic conditions improving since the economic downturn following 2008. Sports participation is very much tied to disposable income and thus, sports participation has held steady in recent years.

National Participation Rates by Age

The following chart has been prepared to summarize sports participation rates by age group for each of the targeted sports. The proposed sports complex in Parkville will be utilized by a variety of age groups, and it is important to understand which sports appeal to each age group in order to develop appropriate programming. The following percentages were compiled by SBRNet.

National Sports Participation by Age Group									
Age Groups	7 - 11	12 - 17	18 - 24	25 - 34	35 - 44	45 - 54	55 - 64	65-74	75+
Indoor Sports:									
Basketball	16.8%	23.7%	17.7%	17.2%	13.5%	7.5%	3.0%	0.6%	--
Cheerleading	27.7%	39.3%	13.7%	8.9%	7.7%	2.8%	--	--	--
Gymnastics	41.3%	19.9%	7.2%	13.7%	8.4%	4.8%	3.7%	0.9%	0.1%
Volleyball	9.9%	26.4%	17.6%	20.8%	12.3%	8.2%	3.2%	0.8%	0.7%
Wrestling	19.6%	31.0%	19.3%	15.7%	9.7%	4.3%	0.4%	--	--
AVERAGE	23.1%	28.1%	15.1%	15.3%	10.3%	5.5%	2.6%	0.8%	0.4%
Outdoor Sports:									
Baseball	24.6%	20.6%	12.5%	15.9%	13.1%	8.1%	4.1%	1.1%	--
Flag Football	23.3%	25.4%	14.6%	18.5%	10.2%	4.6%	2.5%	0.7%	0.2%
Lacrosse	22.9%	25.0%	14.8%	17.8%	11.2%	6.6%	1.3%	0.4%	--
Soccer	33.7%	20.2%	13.9%	16.6%	9.4%	4.7%	1.1%	0.2%	0.2%
Softball	14.6%	17.2%	14.3%	19.7%	17.6%	9.2%	5.0%	1.8%	0.6%
Tackle Football	24.0%	40.8%	13.3%	12.1%	6.0%	2.8%	1.0%	--	--
Touch Football	18.6%	20.6%	13.2%	24.1%	12.8%	7.4%	2.3%	0.7%	0.4%
AVERAGE	23.1%	24.3%	13.8%	17.8%	11.5%	6.2%	2.5%	0.8%	0.4%

Source: SGMA

As shown above, the seven to 11 and 12 to 17 year-old age groups represent the largest percentage of national sports participants, with an average of approximately 51 percent participating in targeted indoor sports, and approximately 47 percent participating in targeted outdoor sports.

Gymnastics has the highest levels of participation (41.3 percent) among seven to 11 year-olds, followed by soccer (33.7 percent), cheerleading (27.7 percent), baseball (24.6 percent), tackle football (24 percent), flag football (23.3 percent) and lacrosse (22.9 percent).



3. Sports Complex Analysis

Sports Participation Trends

Tackle football comprises the largest percentage of 12 to 17 year-olds (40.8 percent), followed by cheerleading (39.3 percent), wrestling (31 percent), volleyball (26.4 percent), flag football (25.4 percent) and lacrosse (25 percent).

Among the sports with the highest national participation levels, soccer reported the highest combined participation levels among seven to 17 year-olds (54 percent). Baseball (45 percent), basketball (40 percent), volleyball (36 percent) and softball (32 percent) have relatively high participation rates among seven to 17 year-olds. Sports that report high participation levels among seven to 17 year-olds, but do not report high overall participation levels, include tackle football (65 percent), gymnastics (61 percent), wrestling (51 percent), flag football (49 percent), and lacrosse (48 percent).

National Participation by Income

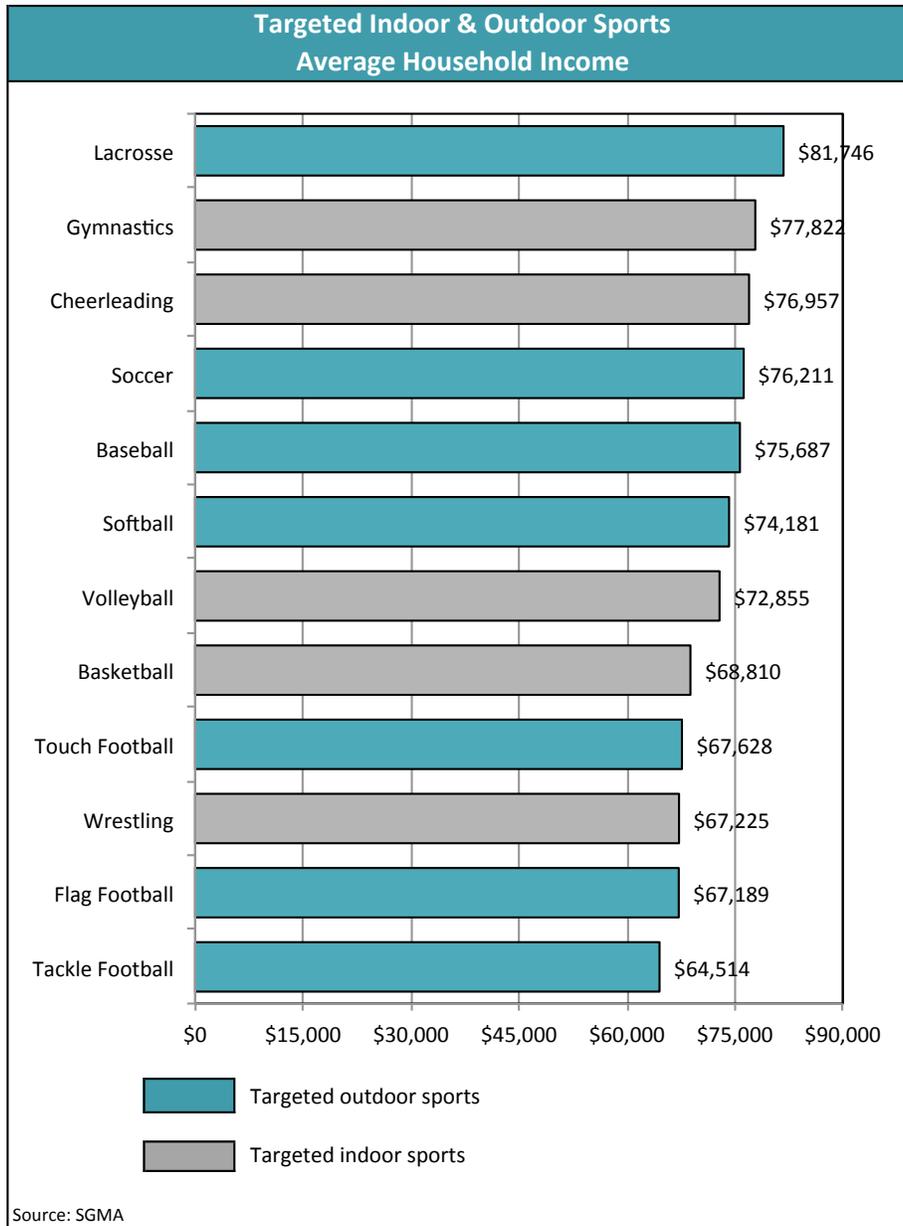
Although it is important to understand overall sports participation rates, there are other factors that contribute to an individual's ability to participate in a given sport or activity. Household income has a direct influence on sports participation due to the fact that sports differ in levels of annual investment, some of which may not be feasible for all people. The chart on the following page presents a summary of the average household income of targeted indoor and outdoor sports.

As shown in the table on the following page, lacrosse participants have the highest average annual household income of \$81,746. Sports with participants that have average household income levels higher than the national average (\$68,964) include gymnastics (\$77,822), cheerleading (\$76,957), soccer (\$76,211), and baseball (\$75,687), softball (\$74,181), and volleyball (\$72,855), indicating that these sports may report higher participation rates in areas with greater purchasing power. Overall, indoor and outdoor sports have nearly identical average household income levels, with \$72,734 and \$72,451, respectively.



3. Sports Complex Analysis

Sports Participation Trends



Regional Market Participation Rates

In addition to understanding a variety of statistics related to national sports participation, each region of the country has its own independent characteristics, traditions and history that influence which sports people choose to participate. The table on the following page presents a summary of the participation index (frequent participants) of the West North Central Region, which includes Missouri, Kansas, Iowa, Minnesota, Nebraska, North Dakota and South Dakota.



3. Sports Complex Analysis

Sports Participation Trends

Comparison of Frequent Participation Rates West North Central Region			
	National Frequent Participation Rate	West North Central Index	Adjusted West North Central Participation Rate
Indoor Sports:			
Volleyball	33.1%	121	40.1%
Wrestling	28.3%	132	37.4%
Gymnastics	29.0%	112	32.5%
Cheerleading	20.6%	149	30.7%
Basketball	22.3%	122	27.2%
Outdoor Sports:			
Baseball	24.2%	150	36.3%
Soccer	30.2%	111	33.5%
Softball	25.2%	123	31.0%
Tackle Football	29.3%	101	29.6%
Touch Football	10.9%	167	18.2%
Flag Football	10.5%	83	8.7%
Lacrosse	13.0%	61	7.9%
Note: National Index is 100. Source: SGMA.			

As shown above, the majority of targeted indoor and outdoor sports have a higher frequent participation rate when compared to the national average index of 100. When adjusted for the West North Central Region, volleyball has the highest frequent participation rate among all sports (40.1 percent), followed by wrestling (37.4 percent), baseball (36.3 percent), soccer (33.5 percent) and gymnastics (32.5 percent).

It should be noted that the West North Central Region includes a total of seven states, all with their own local nuances that serve to influence the overall participation index. As such, the local index of a particular sport could potentially be higher or lower depending upon the individual area.

Estimated Market Participation Rates

In order to estimate frequent sports participation in the primary and secondary markets, national participation percentages were adjusted to account for the West North Central Region index and applied to the primary and secondary market populations. The table below summarizes the estimated population base participating in each identified sport



3. Sports Complex Analysis

Sports Participation Trends

based on regional participation rates applied to the overall market population. The rate of participation includes all types of users, including frequent, occasional and infrequent.



Estimated Frequent Participants Local & Regional Market								
Market Population:	City of Parkville		Northland Region		Kansas City CBSA		4-Hour Drive Time	
	5,710		321,431		2,042,935		10,872,752	
	National Rate	Regional Rate	National Rate	Regional Rate	National Rate	Regional Rate	National Rate	Regional Rate
Indoor Sports:								
Basketball	1,273	1,553	71,679	87,449	455,575	555,801	2,424,624	2,958,041
Cheerleading	1,176	1,753	98,660	98,660	420,845	627,058	2,239,787	3,337,282
Gymnastics	1,656	1,855	104,401	104,401	592,451	663,545	3,153,098	3,531,470
Volleyball	1,890	2,287	128,736	128,736	676,211	818,216	3,598,881	4,354,646
Wrestling	1,616	2,133	120,074	120,074	578,151	763,159	3,076,989	4,061,625
Outdoor Sports:								
Baseball	1,382	2,073	116,679	116,679	494,390	741,585	2,631,206	3,946,809
Flag Football	600	498	28,013	28,013	214,508	178,042	1,141,639	947,560
Lacrosse	742	453	25,489	25,489	265,582	162,005	1,413,458	862,209
Soccer	1,724	1,914	107,750	107,750	616,966	684,833	3,283,571	3,644,764
Softball	1,439	1,770	99,631	99,631	514,820	633,228	2,739,934	3,370,118
Tackle Football	1,673	1,690	95,121	95,121	598,580	604,566	3,185,716	3,217,573
AVERAGE	1,379	1,634	90,567	92,000	493,462	584,731	2,626,264	3,112,009

Note: Includes estimated number of residents who participate in a formal, organized sports league.
Source: SGMA

Based on the SMGA report’s sports participation regional index, which is derived from the national average participation rates, Parkville would have an average of approximately 1,600 frequent participants, while the Northland region would have an average of approximately 92,000 frequent participants. In Parkville, volleyball, wrestling, baseball and soccer have the most participants based on the regional index and population penetration analysis. This is consistent with the Northland region as those sports also have the highest number of participants.

Summary

As previously mentioned, a review of participation trends at a national, regional and local level provides a framework from which to assess the potential demand for programming at a proposed sports complex in Parkville.



3. Sports Complex Analysis

Sports Participation Trends

The following are key findings and conclusions of the sports participation research.

- Basketball (25.5 million), soccer (12.8 million), basketball (11.7 million), volleyball (10.1 million) and softball (10.0 million) have the highest national participation rates among targeted indoor and outdoor sports.
- Sports with the largest number of frequent participants include basketball (5.7 million), soccer (3.9 million), volleyball (3.3 million), baseball (2.8 million), swimming (2.7 million) and softball (2.5 million).
- National sports participation has been stable since 2009. This can be attributed to U.S. economic conditions improving over the past few years.
- Of the sports analyzed, gymnastics, cheerleading, lacrosse, basketball, flag football and wrestling have shown the greatest amount of growth since 2009.
- Soccer reported the highest combined participation levels among seven to 17 year-olds (54 percent), followed by baseball (45 percent), basketball (40 percent), volleyball (36 percent) and softball (32 percent).
- The weighted average household income of indoor and outdoor sports participants is \$72,569, which is slightly higher than the U.S. average of \$68,964.
- When adjusted to reflect the West North Central Region index, volleyball, wrestling, baseball and soccer comprise the largest number of frequent participants in the Northland region.



3. Sports Complex Analysis

Estimated Utilization & Building Program

The purpose of this section is to obtain information from various local, regional, and national sports organizations in order to gauge their potential interest in utilizing the proposed sports complex in Parkville for their events.

In order to obtain feedback, interviews were conducted with sports club and organizations representing key potential user segments that could utilize the proposed sports complex in Parkville. Based on discussions with a community stakeholders, an assessment of youth sports trends and an assessment of existing and planned competitive facilities in the local market, the following sports were identified as being the most likely uses of a sports complex in Parkville that could drive demand for both local practice and league play, but also tournaments that would draw out of town visitors to Parkville:

- Soccer;
- Baseball;
- Basketball;
- Volleyball; and,
- Lacrosse.

Representatives from the following local, regional and national sports organizations were contacted to assess their potential interest in utilizing the proposed sports complex in Parkville:

- Challenger Sports;
- City-Platte Baseball;
- Club North;
- Futura FC;
- GSI Sports;
- Harambe Soccer Club;
- KC Metro Lacrosse;
- KC Milan;
- KC Premiere Basketball;
- KC Premiere Volleyball;
- Legacy Soccer Club;
- Missouri Youth Soccer Association;
- NKCA Baseball;
- Northland Lacrosse;
- Northland Sports Alliance;
- Park Athletic Soccer Club;
- Puma FC;
- Western Missouri Soccer League; and,
- Others.



3. Sports Complex Analysis

Estimated Utilization & Building Program

It should be noted that given the large number of soccer participants and club teams, as well as the overall popularity of soccer in the Kansas City metro area, a substantial number of soccer-specific organizations were contacted in order to thoroughly understand the current need for additional soccer programming in the local and regional area.

SOCCER

Interviews were conducted with key soccer organizations in order to gauge interest in using the proposed sports complex in Parkville. Overall, interest in Parkville as the site of a multi-field complex was very positive, citing a current lack of adequate fields in the Northland region. In general, representatives indicated that complexes consisting of six to eight fields are necessary in order to accommodate a significant amount of practice and league play, whereas 12 to 15 fields are required to host a large number of tournaments on an annual basis.

Although representatives indicated that there is demand in the Northland region for additional fields, the vast majority of representatives did not believe that Parkville could attract the annual tournaments necessary to support a complex with 12 or more fields. Representatives cited the location of Parkville as there is a much larger pool of teams in the southern Kansas City metropolitan area to draw from. Additional reasons cited by representatives included a lack of area attractions and lodging, the vast number of large tournaments already hosted by the Overland Park Soccer Complex, and the fact that there are other communities that may be better situated in the market that are currently exploring tournament-quality facilities. Overall, the majority of representatives indicated that a sports complex in Parkville would be best suited with six to eight fields that concentrated on establishing a strong practice and league schedule by utilizing clubs from the Northland Region.

As a means of establishing a strong practice and league schedule, all representatives stressed the importance of aligning with one to two local soccer clubs to serve as the anchor tenants. Aligning with a local soccer club or more will ensure a steady stream of activity, and could also result in the potential to host several local and regional tournaments throughout the year, particularly when large complexes such as Overland Park have to turn away a large number of teams.

In terms of field composition, the majority of representatives were in agreement that synthetic turf fields, while requiring a larger upfront investment, were much more practical than grass due to the limited number of rainouts and amount of maintenance required. Several representatives did indicate that having having one of two grass fields would also be beneficial.



3. Sports Complex Analysis

Estimated Utilization & Building Program

BASEBALL

Interviews were conducted with representatives of a variety of baseball organizations from across the Kansas City metro area. Based on discussions with baseball organizations there does not appear to be an immediate need for additional baseball fields in the area. Representatives indicated there are currently three baseball/softball complexes in the area, including the five-field Tiffany Springs Park, the eight-field Tiffany Hills Park and the 13-field Platte Purchase Park, that currently meet the programming needs of local users and also host tournaments.

BASKETBALL

A variety of local and regional basketball organizations were contacted in order to understand potential demand for additional basketball courts in the Northland region. Representatives indicated that there is a strong need in the Northland region for affordable practice facilities. One representative stated that they could fill four courts per night for four hours per night, however, they were concerned that the rentals fees necessary to support a new facility would be out of their budget. Although a new facility could allow for organizations to market their organizations to the Northland region, many indicated that a lack of demand for tournaments in the area would negatively affect the overall viability of a new facility.

VOLLEYBALL

Representatives of a variety of local and regional volleyball organizations were contacted in order to assess the overall demand for additional volleyball courts in the local and regional marketplace. Representative of area volleyball organizations felt that their programs needs are adequately met with the indoor facilities in the area. The months of November, December, and January were noted as being somewhat difficult to acquire court time in the area, due to overlap with basketball, but did not feel it was enough to justify more courts in the area. As previously mentioned with basketball organizations, representatives indicated that they would consider utilizing a new facility in Parkville, but suspected that the cost of courts at a new/higher quality indoor facility would be above and beyond what they would be willing to pay for court time. Representatives also indicated that there are clubs that own their own practice facilities, and they are adequately served by other indoor facilities in the region for their league and tournament play.



3. Sports Complex Analysis

Estimated Utilization & Building Program

LACROSSE

Lacrosse organizations indicated that there is a need for additional fields that are suitable for lacrosse and less expensive to rent in the local and regional marketplace. Representatives indicated that lacrosse fields are slightly larger than soccer and football fields, which makes it difficult to find fields that can properly accommodate practice, league and tournament play. Representatives indicated that there are no lacrosse-specific fields in the Northland region, but the location of Parkville far away from most teams that participate in the lacrosse league. The representatives went on to state that Parkville is not very convenient for the majority of the teams in the league and travelling there would be problematic for games and tournaments.

RECOMMENDED BUILDING PROGRAM

Based on the results of in-depth interviews with individuals representing local, regional, and national sports organizations, as well as discussions with local project stakeholders, the demographic and socioeconomic characteristics of the local and regional market, and current trends in youth sports, it is estimated that a multi-field soccer complex in Parkville would best meet the needs of the local and regional area. The proposed soccer complex in Parkville should focus on accommodating the existing needs of Northland region-based soccer organizations, while also marketing itself to attract local and regional tournaments.

Given the current and expected competition in the market for tournament complexes, as well as its current lack of visitor infrastructure and inconvenient location relative to users in the southern portion of the Kansas City metropolitan area, it is unreasonable to expect a proposed soccer complex in Parkville to host national tournaments. Conversely, as the I-435 and Highway 45 corridor further develops and makes Parkville a more attractive visitor destination, the focus of programming at the proposed soccer complex could potentially be reexamined.

Based on current and anticipated market dynamics, it is recommended that a proposed sports complex in Parkville contain eight synthetic turf fields in order to meet the needs of local and regional users in the Northland region. Although turf fields can cost upwards of \$800,000 to install (versus \$300,000 for natural grass), annual maintenance for a synthetic turf field can cost approximately \$10,000, while natural grass can cost upwards of \$40,000 per year or more. Synthetic fields also are estimated to increase the number of playable hours by approximately 50 percent due to the ability to withstand weather conditions, and have a useful life of between 10 and 15 years. Once synthetic turf fields are in need of replacement, costs to re-install are half of the initial costs as the foundation, base, and drainage system can be re-used.



3. Sports Complex Analysis

Estimated Utilization & Building Program

An eight-field complex could adequately support Northland based clubs for practice and league play, while hosting smaller local and regional tournaments. The recommended building program includes:

- Eight lighted soccer fields;
- Synthetic all-weather turf;
- Restroom and concession facilities;
- Pavilion building;
- Warm-up areas;
- Park entrance signage; and,
- Paved parking lot.

Based on a review of similar-sized complexes, as well as experience on comparable projects in the Kansas City metro area, construction costs for an eight-field soccer complex are estimated to approximate \$12.0 million to \$14.0 million, excluding the cost of land, based on the following schedule:

Proposed Parkville Sports Complex Construction Cost Summary		
	\$12 Million Complex	\$14 Million Complex
Soccer Field Construction	\$4,102,000	\$4,785,000
Ancillary Building Construction	1,768,000	2,063,000
Site Construction - On-Site	1,774,000	2,070,000
Site Construction - Off-Site	3,422,000	3,992,000
Engineering / Landscape Architecture	283,000	330,000
Development Fee	106,000	124,000
Hard Construction Cost Contingency	332,000	387,000
Soft Construction Cost Contingency	221,000	258,000
TOTAL	\$12,008,000	\$14,009,000
Note: Presented in 2016 dollars.		

This estimate is based on project costs of other existing and planned comparable complexes in the local and regional area, as well as experience on similar projects in the Kansas City metropolitan area, and should not be used as a replacement for a professional cost estimate that should be provided by an experienced youth sports complex construction manager based upon an architectural design program. The \$12.0 million to \$14.0 million estimate will be used in this report solely for purposes of projecting the potential economic impacts of complex construction later in the report.



3. Sports Complex Analysis

Comparable Facilities

Based on the recommendation of a multi-field soccer complex as the most appropriate sports complex usage in Parkville, an assessment of the physical, operational and financial characteristics of comparable soccer complexes was undertaken to provide a benchmark from which to assess the market potential for the proposed sports complex in Parkville.

This section features case studies on the following complexes:

- Overland Park Soccer Complex;
- Maryland SoccerPlex;
- Lawrence Sports Complex;
- Mike Rose Soccer Complex;
- Ethel S. Abbott Sports Complex; and,
- James W. Cownie Soccer Park.

Overland Park Soccer Complex

Location:	Overland Park, KS
Year Opened:	2009
Cost:	\$36 million
Funding:	100% public
Owner:	City of Overland Park
Operator:	City of Overland Park
City Population:	173,000



Opened in 2009, the Overland Park Soccer Complex (“OPSC”) is located on 96 acres and offers 12 lighted, regulation-size synthetic turf fields and is considered one of the premier soccer complexes in the country. The complex also includes a field cooling system to minimize the temperature of synthetic turf, evaporating cooling fans located next to player benches, electronic video boards, locker facilities, a café, basketball and tennis courts, a playground, Wi-Fi and an internal video system, and nearly 1,100-square feet of meeting space. Owned and operated by the City of Overland Park, the \$36 million complex was funded by a hotel tax increase from six to nine percent.

In 2013, the OPSC hosted 23 tournaments including the Kansas State Cup, USYSA Region II President’s Cup, US Adult Soccer Regional and National Championships, USYSA National Championships and VW Masters. Nearly 40 percent of the tournaments hosted at the facility reached their maximum number of participating teams (approximately 210). In addition, the Heartland Soccer Association, Sporting Blue Valley and the Overland Soccer Club each conducted 14 weeks of soccer league play, fulfilling the complex’s weekend schedule for the year. Along with league play, upwards of 23 local and regional club soccer teams practice at the complex during the spring and fall



3. Sports Complex Analysis

Comparable Facilities

season, and a variety of football, rugby, and lacrosse teams also conduct practices and league play throughout the year.

Overall, the complex drew a total of approximately 996,000 visitors in 2013, consisting of approximately 176,000 league and tournament participants, 702,000 spectators, and 118,000 weekday participants. Among tournaments participants and visitors, the complex estimates that between 25 and 35 percent come from outside the local area and require lodging.

In 2013, the complex generated approximately \$1.2 million in operating revenue, approximately \$850,000 of which derived from soccer field rentals and the remaining \$350,000 generated from sponsorships, leases and concession revenue. On an annual basis, the operating revenues are sufficient to cover expenses (approximately \$1 million), and remaining operating profit is allocated towards field maintenance and replacement.

Maryland SoccerPlex

Location:	Germantown, MD
Year Opened:	2000
Cost:	\$19 million
Funding:	48% public; 52% private
Owner:	Maryland Soccer Foundation
Operator:	Maryland Soccer Foundation
City Population:	86,000



The Maryland SoccerPlex opened in October 2000 in Germantown, Maryland, at a cost of \$19 million. The complex offers 24 total soccer fields, including 20 full-size natural grass fields, three lighted synthetic turf fields and a championship field with seating for approximately 4,000 spectators, upwards of 2,000 on-site parking spaces, walking trails, and a lake. In addition to the outdoor complex, the Discovery Sports Center offers eight basketball/volleyball courts, two synthetic turf fields for indoor soccer, a café, 50,000 square feet of meeting space and locker facilities. From 2004 to 2011, the complex served as the home of the Washington Freedom of Women's Professional Soccer. The complex is owned and operated by the Maryland Soccer Foundation.

In 2014, the complex will host a total of 15 soccer tournaments that attract local, regional and national participants from February to November. Major tournaments hosted at the facility include the Maryland State Cup Finals, Mid-Atlantic Cup, the US Youth Soccer National Championship, and the Bethesda Boys & Girls Thanksgiving



3. Sports Complex Analysis

Comparable Facilities

Tournament, among others. In general, tournaments hosted at the complex attract between 200 and 325 teams from a variety of age groups.

The complex generates the majority of activity through hosting practices and league play throughout the year. Overall, there are approximately 5,000 matches played at the complex throughout the year (mainly from league play). The vast majority of the complex's approximate 650,000 visitors come to the facility to participate in practices and league play. Local and regional clubs such as Montgomery Soccer Inc., Bethesda Soccer Club, Damascus Soccer Club, Potomac Soccer Association, Seneca Soccer Association and the Washington International Soccer League conduct a portion of their practice and league play at the facility.

Funding of the complex was derived through a public/private partnership between the State of Maryland, Montgomery County and the Maryland Soccer Foundation. The state and county contributed \$8.0 million in infrastructure-related costs, while the Maryland Soccer Foundation was charged with raising the additional \$11 million, the bulk of which was generated through philanthropic gifts and sponsorship agreements. John Hendricks, the founder and chairman of Discovery Communications, is the complex's main benefactor.

An economic impact study commissioned in 2012 estimated that spending related to tournament activity and complex operations totaled approximately \$25 million annually, while also generating an additional \$1.2 million in local tax revenues.

Lawrence Soccer Complex

Location:	Lawrence, IN
Year Opened:	2000
Cost:	\$5.7 million
Funding:	100% public
Owner:	City of Lawrence
Operator:	Indiana Youth Soccer Ass.
City Population:	46,000



Opened in 2000 in Lawrence, Indiana, the 60-acre Lawrence Soccer Complex consists of 21 outdoor natural grass soccer fields (three lighted), 8,000 on-site parking spaces and two concession stands. Construction of the complex cost \$5.7 million, including land, and was funded by the City of Lawrence. The complex is owned by the City of Lawrence and operated by the Indiana Youth Soccer Association.

The complex serves as the home of the FC Pride Soccer Club, which fields boys and girls U9 through U18 teams, as well as developmental programs and camps for children ages



3. Sports Complex Analysis

Comparable Facilities

five to eight. It is also home to the Northeast Youth Soccer League, which provides recreational soccer league play for kids aged five to 19 throughout the local and regional community.

In addition to the significant level of practice and league play, the complex hosts a variety of tournaments throughout the year, including the FC Pride Cup and the Red Lion Invitational. The complex has also played host to a variety of major national competitions, including The Indiana State Cup, US Youth Soccer Directors Cup Championships, the US Soccer Regional and National Championships, and the US Club Region D Championship, among others. According to facility management, national tournaments hosted at the complex were estimated to have an economic impact of \$12 million on the local economy.

Mike Rose Soccer Complex

Location:	Memphis, TN
Year Opened:	1998
Cost:	\$13 million
Funding:	62% public; 38% private
Owner:	Shelby County
Operator:	OS Memphis
City Population:	655,000



The Mike Rose Soccer Complex opened in September of 1998 and encompasses 137 acres of professional and amateur athletic facilities. The facility is owned by Shelby County and privately operated by OS Memphis. The complex currently incorporates 16 lighted, regulation-size grass soccer fields and a 5,500-seat soccer specific stadium, which opened in 2001. Additional features within the stadium include showers and locker rooms, a food court, corporate skybox, full media services, administrative offices and a conference room.

Annually, the complex is home to 15 local and regional soccer clubs that utilize the complex for practices and league play. In addition, the complex is home to the University of Memphis men's and women's soccer teams and hosts a variety of regional, national and international tournaments and events nearly every weekend of the year. Facility management estimates that approximately 285,000 patrons utilize the complex each year.

The \$13 million complex was named after Mike Rose, former chairman of Promus Hotels Corporation, who led a multi-million dollar private fundraising drive which generated approximately \$5.0 million. Shelby County funded the remaining \$8.0 million, including \$3.0 million worth of land and \$5.0 million in construction costs. A University of



3. Sports Complex Analysis

Comparable Facilities

Memphis study estimated the complex would generate \$28.0 to \$45.0 million per year in economic impact.

The \$3.8 million stadium has a capacity of 5,500 and includes 3,000 permanent seats, and a grass berm and temporary seating area accommodates an additional 2,500 spectators. The naming rights were reportedly sold to Powertel, Inc. for a 10-year, seven-figure deal. Powertel was soon bought out by Voicestream Wireless in 2001, which has a no-sponsorship corporate policy. The initial naming rights agreement was used to help finance construction of an \$800,000, 30-foot by 14-foot JumboTron at the stadium. FedEx reportedly paid \$100,000 for the naming rights to one of the fields at the complex.

Ethel S. Abbott Sports Complex

Location:	Lincoln, NE
Year Opened:	1993
Cost :	\$5.75 million
Funding:	100% private
Owner:	Lincoln Sports Foundation
Operator:	Lincoln Sports Foundation
City Population:	269,000



The Ethel S. Abbott Sports Complex opened in 1993 in Lincoln, Nebraska. The complex features 20 outdoor soccer fields, including 10 full-size grass fields, five intermediate fields, four macro fields, and a 2,500-seat championship field. Located on 215 acres, the complex also includes a 110,000 square foot indoor complex that offers 11 volleyball courts, four basketball courts, and one indoor turf field, as well as a motocross park that opened in 2013. The complex is owned and operated by the Lincoln Sports Foundation, a non-profit organization specifically formed to operate the complex through the Abbott Foundation.

The complex is home to the Capital Soccer Association, and hosts a variety of practices, league play and tournaments throughout the year, including a Memorial Day weekend recreational tournament drawing 50 to 70 teams, and a premier tournament held over Labor Day weekend, drawing a total of 150 teams. The complex attracts an estimated 700,000 participants and visitors annually.

The \$5.75 million complex was funded mainly through grants from the Ethel S. Abbott Charitable Foundation, a Lincoln-based private philanthropic foundation established in 1972. The complex relies on field rental, educational programs, sports program fees and tax-deductible donations to operate and maintain the facility.



3. Sports Complex Analysis

Comparable Facilities

James W. Cownie Soccer Park

Location:	Des Moines, IA
Year Opened:	1998
Cost:	\$5.5 million
Funding:	36% public; 64% private
Owner:	City of Des Moines
Operator:	City of Des Moines
City Population:	203,000



The James W. Cownie Soccer Park opened in 1998 in Des Moines, Iowa. The complex includes 12 natural grass fields (two lighted, one with 1,200 seats), 1,200 on-site parking spaces, and a 1,500 square foot concession stand. The \$5.5 million complex was funded by \$2.0 million in City-issued general obligation bonds \$3.5 million from private sources, which included \$750,000 from local soccer leagues via a \$4.00 per player registration surcharge.

According to facility management, the complex attempts to limit its use by area clubs and organizations for games and practices in order to preserve the fields in premium tournament condition. Since its inception, the complex has hosted an average of eight major tournaments annually, drawing 100 teams or more to each tournament. The majority of these tournaments are state and recreational tournaments and in 2003, the complex partnered with the 8-field Hidden Valley Complex to host the US Youth Soccer Region II Cup. The park also hosted the 2006 and 2007 US Youth National Soccer Championships, and most recently hosted the 2013 US Youth Soccer Region II Tournament. The park draws approximately 85,000 visitors per year.

Summary

Within this section, the physical and operational characteristics of several comparable soccer complexes were reviewed. The table on the following page summarizes key characteristics of the facilities including year opened, owner/operator structure, market population, construction cost, field inventory and utilization.

Parkville

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3. Sports Complex Analysis

Comparable Facilities

Comparable Soccer Complex Benchmarking Summary				
	Overland Park Soccer Complex	Maryland SoccerPlex	Lawrence Soccer Complex	Mike Rose Soccer Complex
Location	Overland Park, KS	Germantown, MD	Lawrence, IN	Memphis, TN
Market Population	173,000	86,000	46,000	655,000
Year Opened	2009	2000	2000	1998
Total Cost (\$MM)	\$36.0	\$19.0	\$5.7	\$13.0
Funding:				
% Public	100%	48%	100%	62%
% Private	0%	52%	0%	38%
Owner	Public	Private	Public	Public
Operator	Public	Private	Private	Private
Field Inventory	12	24	21	16
Utilization:				
Annual Tournaments	23	15	n/a	n/a
Total Visitors	996,000	650,000	285,000	285,000
Indoor Complex	No	Yes	No	No
	Abbott Sports Complex	Cownie Soccer Park	Average	Median
Location	Lincoln, NE	Des Moines, IA	--	--
Market Population	269,000	203,000	239,000	188,000
Year Opened	1993	1998	2000	1999
Total Cost (\$MM)	\$5.8	\$5.5	\$14.2	\$9.4
Funding:				
% Public	0%	36%	58%	58%
% Private	100%	74%	44%	45%
Owner	Private	Public	Public	Public
Operator	Private	Public	Private	Private
Field Inventory	20	12	18	18
Utilization:				
Annual Tournaments	n/a	8	15	15
Total Visitors	700,000	85,000	500,000	468,000
Indoor Complex	Yes	No	No	No

Source: CSL International research

Key characteristics of comparable soccer complexes include the following:

- Comparable soccer complexes are located in markets with an average population of 239,000 residents.



3. Sports Complex Analysis

Comparable Facilities

- The average comparable sports complex opened in 2000 at a cost of approximately \$14.2 million. Comparable complexes receive slightly more funding from the public sector, however, the majority of complexes required the use of private financing.
- Of the six comparable complexes, four are owned by a public entity, while the remaining two are owned by private organizations. Only two of the six comparable complexes are operated by a public entity.
- Comparable complexes offer an average of 18 soccer fields, the majority of which are natural grass. Several complexes offer a few synthetic turf fields, while all fields at the \$36 million Overland Park Soccer Complex are synthetic turf and have a field cooling system to minimize the temperature of the turf.
- On an annual basis, comparable complexes host between eight and 23 tournaments. The Overland Park Soccer Complex, considered by some to be the best youth soccer complex in the country, hosts tournaments nearly every weekend it is in operation, while other community complexes (i.e. 8-field Cownie Complex in Des Moines) host under 10 tournaments per year due to the fact that it is not as aggressively marketed by the public entity and lacks a large inventory of fields.
- On average, comparable complexes attract approximately 500,000 visitors per year, ranging from a low of 85,000 (Des Moines) to a high of 996,000 (Overland Park).



3. Sports Complex Analysis

Financial Projections

The purpose of this section is to present estimated operating revenues and expenses for the proposed sports complex in Parkville. The assumptions used in this analysis are based on the results of the market analysis, industry trends, knowledge of the marketplace and financial results from comparable facilities.

This analysis is designed to assist project representatives in estimating the financial attributes of the proposed sports complex in Parkville and cannot be considered to be a presentation of expected future results. Accordingly, this analysis may not be useful for any other purpose. The assumptions disclosed herein are not all inclusive, but are those deemed to be significant; however, there will be differences between estimated and actual results, because events and circumstances frequently do not occur as expected, and these differences may be material.

Additional physical development planning must be completed before more precise estimations of the proposed sports complex in Parkville's operating costs can be made. Also, upon completion of further planning, revenue and expense assumptions should be updated to reflect changes to the assumptions made herein. These changes could significantly affect the analysis of future operating results.

Key assumptions used to estimate the potential financial operations of the proposed sports complex in Parkville include, but are not limited to the following:

- The proposed sports complex will consist of eight full-size, lighted soccer fields with synthetic "all-weather" turf, a concession facility, administrative office space and paved parking areas.
- Based on a limited interest from local and regional soccer organizations to make a financial investment towards facility development, it is assumed the complex will be owned by the City of Parkville, or some other public entity, and therefore will be exempt from property taxes.
- Professional, competent and experienced facility management personnel will manage the facility.
- It is assumed that the City of Parkville will rent the proposed sports complex to experienced league and tournament organizers. The event organizers will take on the risk of attracting teams to participate, collecting registration fees and operating the event.
- It is assumed that the facility is aggressively marketed and offers competitive rates.



3. Sports Complex Analysis

Financial Projections

- Sufficient hotel rooms will be available in the local and regional market to accommodate demand of visiting participants and attendees.
- Ample on-site parking will be provided to accommodate demand.
- There are no significant or material changes in the supply or quality of existing venues in the marketplace.

The presentation of estimated financial operating results is comprised of the following components:

- Financial Operating Summary;
- Operating Revenues; and,
- Operating Expenses.

It should be noted that revenue and expense estimates presented herein are presented for a stabilized year of operations in 2014 dollars.

FINANCIAL OPERATING SUMMARY

The table to the right presents the operating revenues and expenses estimated to be generated by the proposed sports complex in Parkville in a stabilized year of operations.

As shown, it is estimated that the proposed sports complex in Parkville could generate approximately \$758,000 in operating revenues and incur approximately \$718,000 in operating expenses, resulting in a net operating income of approximately \$40,000 in the first year of stabilized operations before debt service. Following a \$65,000 capital reserve payment, as well as a \$350,000 payment to cover the NID assessment for the 70-acre facility, it is estimated that the complex would incur total losses of approximately \$375,000 in a stabilized year of operations.

The following is a detailed analysis of the specific revenues and expenses associated with the operation of the proposed sports complex in Parkville in a stabilized year of operations.

Financial Operation Summary Proposed Parkville Soccer Complex Stabilized Year of Operations	
	8-Field Soccer Complex
OPERATING REVENUES	
Tournaments	\$89,000
Games	104,000
Practices	156,000
Food & Beverages	156,000
Parking	153,000
Advertising & Sponsorship	75,000
Camps & Clinics	25,000
TOTAL OPERATING REVENUES	\$758,000
OPERATING EXPENSES	
Salaries, Wages & Benefits	\$271,000
Utilities	160,000
General & Administrative	60,000
Repairs & Maintenance	36,000
Insurance	35,000
Food & Beverage Costs	133,000
Parking Costs	23,000
TOTAL OPERATING EXPENSES	\$718,000
NET OPERATING INCOME / (LOSS)	\$40,000
NON-OPERATING EXPENSES	
Capital Reserve	\$65,000
NID Assessment (70-acre site)	\$350,000
TOTAL NET INCOME / (LOSS)	(\$375,000)
<small>Note: Net Operating Income (Loss) is shown before debt service or contributions to a capital reserve.</small>	



3. Sports Complex Analysis

Financial Projections

OPERATING REVENUES

Revenue generated by the operations of the proposed sports complex in Parkville will likely consist of rental fees from various types of programming (tournaments, games, practices) hosted at the facility; concessions; parking; and advertising/sponsorship. A brief description of each revenue source is provided below:

- Tournaments** – Rental fees from tournaments are expected to comprise a large source of revenue for the proposed sports complex in Parkville. For purposes of this analysis, rental fees for tournaments hosted at the proposed complex were estimated based on the projected number of field hours of each tournament type and assessed an hourly rental fee per field, per hour. Depending on the length and size of the tournament, tournament rental fees at the proposed sports complex ranged from \$5,400 to \$17,000.

Summary of Tournament Revenue Proposed Parkville Soccer Complex Normalized Year of Operations			
Tournaments	Number	Rental Fee per Event	Annual Rental Fees
State/Regional Tournaments	1	\$17,000	\$17,000
Local Tournaments	6	\$9,400	\$56,000
Other Tournaments ⁽¹⁾	3	\$5,400	\$16,000
TOTAL	10		\$89,000

(1) Lacrosse, rugby, flag football or other sports.

Based on the number and type of tournaments expected to be hosted at the proposed sports complex in Parkville, it is estimated that the facility could generate approximately \$89,000 in tournament revenue in a stabilized year of operations,

- Games** – Rental fees from hosting games at the proposed sports complex in Parkville is estimated to generate approximately \$104,000 in annual revenue in a stabilized year of operations. The average fee for league play hosted at the complex could approximate \$300 per field, per day over 24 weeks of league play (or two twelve-week sessions). Estimated revenues for game rentals assume a 90 percent usage of fields for league play.



3. Sports Complex Analysis

Financial Projections

- **Practices** – Rental fees from practices held at the proposed sports complex in Parkville will represent a significant revenue stream. Based on comparable complexes, it is assumed that the complex could charge \$45 per team, per time slot, with three time slots per field (4:30 PM to 6:00 PM, 6:00 PM to 7:30 PM, and 7:30 PM to 9:00 PM) over five weekdays. Based on discussion with soccer organizations, and experience with past projects, it is estimated that the facility could host practices 36 weeks out of the year. Assuming a 90 percent field usage, it is estimated that the proposed sports complex could generate approximately \$156,000 in practice rental revenue in a stabilized year of operations.
- **Food & Beverage** – Food and beverage revenue consists of sales of various food and beverage items at concession stands located throughout the proposed sports complex. Revenue assumptions are based on estimated events and attendance, concession spending at comparable facilities and discussions with various potential users and facility managers. For purposes of this analysis, per capita food and beverage spending is estimated to range from \$0.25 to \$1.50 per visit, depending on the type of attendee and event. It is estimated that the facility could generate approximately \$156,000 in gross concession revenue in a stabilized year of operations.
- **Parking** – Parking revenue consists of sales of parking passes for tournament weekends. A \$10.00 per car, per tournament charge for on-site parking was assumed. Additionally, it was assumed that each car would have an average of three passengers and that all tournament parking was accommodated on-site. It is estimated that the facility could generate approximately \$153,000 in gross parking revenue in a stabilized year of operations.
- **Advertising & Sponsorship** – Advertising and sponsorship revenue is derived from on-site identification and sale of permanent signage related to banners, scoreboards, fence signage, presenting sponsorships and other such advertising opportunities. In the case of amateur sports complexes, advertising and sponsorship revenue can also be derived from founding partnership programs whereby a group of area corporations/individuals provide the facility with financial support and receive name recognition in various areas of the facility (i.e. fields, entry plazas, etc.). It is estimated that the proposed complex in Parkville could generate approximately \$75,000 in advertising and sponsorship revenue in a stabilized year of operations.



3. Sports Complex Analysis

Financial Projections

OPERATING EXPENSES

Expenses expected to be associated with the operations of the proposed sports complex in Parkville include salaries, wages and benefits; utilities; maintenance and repairs; insurance; and general and administrative costs. A brief description of each major source of expense is provided below:

- **Salaries, Wages & Benefits** – Salaries, wages and benefits include expenses for full-time personnel, as well as the costs associated with event-related personnel. Salary and wage estimates are based on estimated staffing levels, industry average salaries and wages, and local demographic characteristics.

Summary of Staffing Expenses Proposed Parkville Soccer Complex Normalized Year of Operations	
	Salary, Wages & Benefits
SPORTS COMPLEX STAFF	
Facility Manager	\$60,000
Soccer Complex Coordinator	36,000
Maintenance Specialist	44,000
Maintenance Worker	32,000
Maintenance Worker	32,000
Seasonal Help	5,000
Benefits	61,000
TOTAL STAFFING EXPENSE	\$270,000

For purposes of this analysis, it is assumed that the City of Parkville, or some other public entity, would operate and maintain the complex, however, a full-time Facility Manager should be hired in order to effectively operate and market the facility. In addition, the operations of the complex will require various full-time employees, part-time employees and event-related personnel. Benefits are estimated at approximately 30 percent of salary for full-time employees. Salaries, wages and benefits for all full-time and event-related personnel are estimated to total approximately \$244,000 for the proposed sports complex in Parkville in a stabilized year of operations.

- **Utilities** – Utilities include costs associated with electricity, water and sewer, and gas. Expenses associated with utilities are estimated to total \$20,000 per field,



3. Sports Complex Analysis

Financial Projections

or approximately \$160,000, at the proposed sports complex in Parkville in a stabilized year of operations.

- **Repairs & Maintenance** – Maintenance and service of a sports complex (including playing fields), equipment and surrounding areas are primarily the responsibility of the facility operator. Expenses associated with repairs and maintenance is estimated to total approximately \$36,000 in a stabilized year of operations at the proposed sports complex in Parkville.
- **General & Administrative** – General and administrative expenses typically consist of various office and administrative expenses incurred as a result of day-to-day facility operations. Such expenses typically include materials and supplies, travel, telephone and other technology costs, professional services, printing, advertising, permits, and other miscellaneous services. General and administrative expenses are estimated to total approximately \$60,000 at the proposed sports complex in Parkville in a stabilized year of operations.
- **Insurance** – Facilities are required to carry property and liability insurance in addition to any liability insurance requirements of events and/or amateur sports teams. Insurance expenses are estimated to total approximately \$35,000 in a stabilized year of operations at the proposed sports complex.
- **Food & Beverage** – Food and beverage costs were assumed to represent 85 percent of total sales. Expenses associated with food and beverage sales are estimated to be approximately \$133,000 in a stabilized year of operations at the proposed sports complex in Parkville.
- **Parking** – Parking costs were assumed to represent 15 percent of total sales. Total operating expenses associated with parking are estimated to be \$23,000 in a stabilized year of operations at the proposed complex.

NON-OPERATING EXPENSES

The proposed sports complex is expected to make an annual contribution to a capital reserve fund. The projected annual capital reserve of approximately \$65,000 is based on industry standards; an annual capital reserve of 0.05 percent of total project costs (approximately \$13.0 million) was applied. The capital reserve is intended for major repair and replacement of turf, lighting and other significant refurbishment.

In addition to a capital reserve payment, the 70-acre complex also carries a \$350,000 NID assessment that would need to be paid by the property owner (City).



Executive Summary

1. Introduction
2. Stakeholder Engagement Summary
3. Sports Complex Analysis
4. Hotel/Commercial Development Analysis
5. Economic & Fiscal Impacts

4. Hotel/Commercial Development Analysis

4. Hotel/Commercial Development Analysis

I. Introduction

DiSalvo Development Advisors, LLC (DDA) has prepared the following market analysis for ancillary development to a soccer complex at the Highway 45/ Interstate-435 interchange in Parkville, Missouri. Specifically, DDA has analyzed the market feasibility for hotel and/or retail development as a support component to the proposed soccer complex. An alternative development assessment also has been completed considering the near-term highest & best use opportunities, with or without the soccer fields. The alternative assessment is based on DDA's nationwide experience with commercial and residential development, site characteristics, and the current and anticipated market environment.

The study area encompasses three of the four quadrants of the Highway 45 /Interstate 435 interchange including more than 300 acres of land on more than 20 parcels. A large mixed-use development was planned for the entire study area in the early- to mid-2000s. Starting in 2006 the City of Parkville passed bonds through Neighborhood Improvement Districts (NIDs) to fund sewer improvements in order to facilitate the planned development. There were expectations of development as early as 2007. However, the only notable development that occurred in the study area is The Station, a full-service convenience store and gas station at the southwest corner of Highway 45 and NW Brink Myer Road (southeast quadrant), and a modest-sized industrial building occupied by Gladwin Machinery & Supply Company (southwest quadrant).

In addition to analyzing the market feasibility of hotel and retail development ancillary the soccer fields, the goal of the market analysis is to also provide the city with potential market-supported alternative development that will provide a revenue stream that will help the city meet its financial obligations related to the NIDs.



Study Area (Hwy 45/I-435)

The acreage totals were obtained from the 2013 Assessment Summary Spreadsheet, City of Parkville

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4. Hotel/Commercial Development Analysis

1. Fort Leavenworth/Leavenworth, Kansas

Fort Leavenworth is the largest demand driver for hotel room nights in the region. The post is host to the U.S. Army Combined Arms Center (CAC) responsible for six core functions: functional training, leader development and education, collective training, doctrine, training support, and lessons learned. CAC has five major subordinate organizations all located at Fort Leavenworth: the U.S. Army Command and General Staff College, the Center for Army Lessons Learned, the Combined Arms Doctrine Directorate, the Combined Arms Center-Training, and the TRADOC Program Integration Office-Battle Command.

The post has an economic impact of nearly \$3 billion in the region. In each of the past few years visitation at the base exceeded 80,000 (Source: Fort Leavenworth Garrison Public Affairs Office).

FORT LEAVENWORTH PROFILE AS OF SEPTEMBER 30, 2013

Total Workforce	8,561
Military	3,906
DA/DOD Civilians	2,510
Other employees*	624
Contractors	1,521 (592 off post)
Inmates	671
Student Population	1,424
Military Family Population Residing Off Post	7,200 (20% in Missouri)
Visitors	82,361

*employees under Non-Appropriated Fund (NAF); Army/Airforce Exchange Service (AAFES); and Defense Commissary Agency (DeCA)

Based on research completed for the privatization of the on-base lodging at Fort Leavenworth in 2011/2012, it was estimated that 70% to 80% of the lodging needs directly related to Fort Leavenworth business were accommodated on post (source: HVS Consulting and Valuation Services and C.J. Law & Associates, LLC). In 2012, an estimated 42,000 room nights were required at off post hotels directly related to Fort Leavenworth business. The overflow of hotel demand from the post positively impacts hotel business in the entire region.

The peak hotel demand originating from Fort Leavenworth occurs during Warfighter Exercises occurring in two-week sessions in May and June. Each session requires approximately 3,000 room nights. There is also a need for more meeting space off post as approximately half the attendees are required to attend meetings at the KCI Expo Center near the airport. Many of these attendees will stay in hotels surrounding the KCI Expo Center with the hotels



4. Hotel/Commercial Development Analysis

providing shuttle service back-and-forth to the post. The events occur during the busy season for area hotels requiring room night stays throughout the metropolitan area to accommodate the overflow. DDA's interview with area hotel operators indicated that the overflow, while it provides a boost to occupancy, is a small portion of their business.

The overflow of room nights also has been a product of the lack of quality hotel options within the Leavenworth market. Other than a Holiday Inn Express & Suites built in the nearby community of Lansing more than 15 years ago and the recent rebranding of the on-post lodging as a Holiday Inn Express, there are no other mid-priced hotels until the new Fairfield Inn opens. Mid-priced hotels are those priced below upscale hotels (Hilton and Embassy) and above the economy or budget hotels (Motel 6, Econo Lodge, Super 8, etc.). To date, the Leavenworth market has been limited to small independent hotels and economy motels.

Currently, in the City of Leavenworth, there are plans to build additional hotels. A 91-room Fairfield Inn, now under construction, is scheduled to open in October 2014. A 77-room Hampton Inn is scheduled to open in Spring 2015 and the development of a third hotel has been proposed by Marriott as a 100-room TownePlace Suites. If all of these hotels are built, there is an additional supply of 268 rooms or a supply of nearly 100,000 total room nights. The type of hotels being built in the area is mid-priced brands with rates that are generally priced not to exceed Per Diem Rates. In 2013 and 2014, the maximum lodging rate (excluding tax) is \$106. The addition of new hotels in Leavenworth will result in a reduction of overflow room night demand associated with the post.

1. Kansas City International Airport (KCI)

DDA identified 32 hotel properties and 3,802 rooms within the KCI hotel market. All properties are marketed as airport hotels, generally within a 10-minute drive time of the airport, with many providing shuttle services. The KCI market generally encompasses hotels along the Interstate 29 corridor extending from Platte City south to NW Barry Road.

The median year built for a hotel in the KCI market is 1990. Only six hotel properties averaging 104 units have been built since 2000.

Decade	Hotels	Total Rooms	Share of Rooms
1970s	4	990	26.0%
1980s	8	793	20.9%
1990s	14	1,396	36.7%
2000s	3	342	9.0%

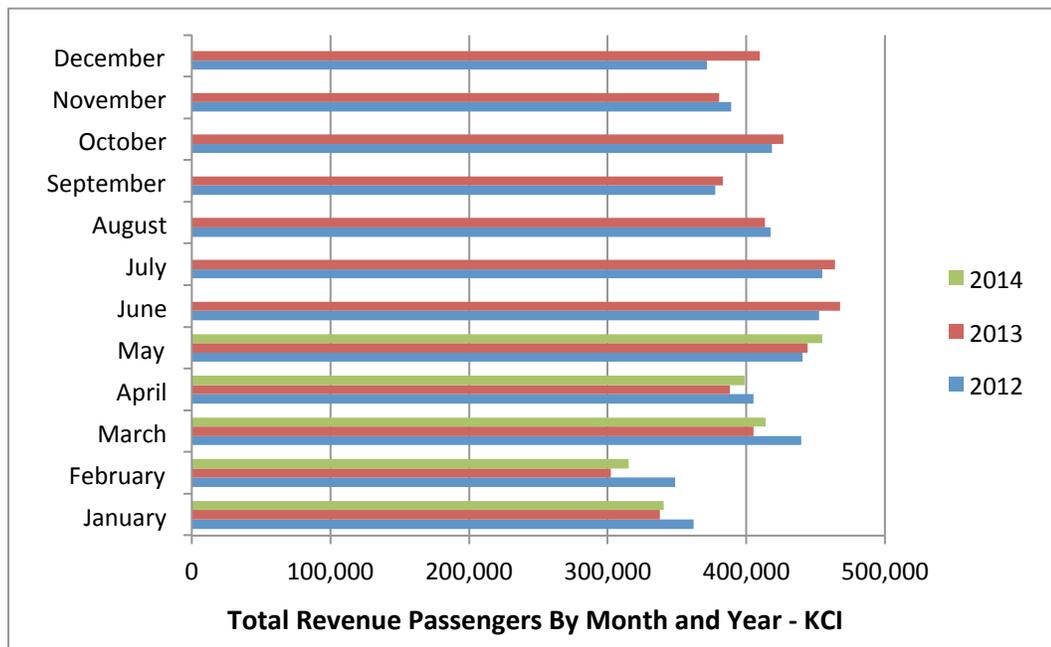


4. Hotel/Commercial Development Analysis

2010 to Present	3	282	7.4%
Total	32	3,803	100.0%

According to local officials, no recent plans exist for additional hotels in Platte County. There is, however, a hotel pad site available at Zona Rosa planned years ago. The pad is still marketed as an available hotel site. Opportunities exist for new hotel development at other sites in the area, such as Village at Burlington Creek; however, there have been no formal plans or preliminary discussions for hotel development.

As of May 2014, travel at KCI totals 1.9 million passengers, an annual increase of 2.4% or approximately 45,000 passengers. Current passenger levels are at approximately 90% of the pre-recession passenger totals of 2008.



The increase in passenger travel coincided with an increase in hotel occupancies in the area.

Aside from the limited development of hotels in the area, the KCI hotel market has remained relatively strong over the past few years with year-end occupancy ranging between 62.2% and 64.3% (The national average is 62.2%, per the American Hotel & Lodging Association). Data specific to occupancy and daily rates were provided by Smith Travel Research.

The month of June had the highest occupancy rate in 2013 at 82.8%. The record setting occupancy in May 2014 (82.8%) coincided with a May Warfighter Exercise where there were an estimated 1,800 attendees at KCI Expo Center. During this



4. Hotel/Commercial Development Analysis

month the Average Daily Room rate (ADR) also hit a new high at \$88.83, a 13.8% ADR increase from May 2013. The prior year the exercise started in June. This is the first year the military exercise will be in two sessions compared to one session in prior years. Also, NASCAR had a race at the Kansas Speedway in May which added to the demand for hotel rooms in the region. The prior year's race was in April. Because of the substantial increase in the May occupied room nights, the occupancy rate for the KCI hotel market in 2014 increased 5.8% over 2013 occupancy (1.3% without May totals). According to Smith Travel, group room sales increased 28.9% during the month of May.

As the following table shows, occupancy rates from December through February in the KCI market are low at below the 60 percentile. The month of December typically has the lowest ADR. In December 2013, the ADR was \$73.73.

**KCI Hotel Market
Occupancy Rates
2008 to May 2014**

Month	2008 – May 2014		2013	2014
	Average Occupancy (%)	Range of Occupancy (%)		
January	52.0%	49.4% - 56.3%	50.5%	53.2%
February	59.0%	56.2% - 63.3%	59.4%	60.0%
March	63.3%	61.4% - 67.9%	61.4%	62.7%
April	66.3%	60.6% - 72.6%	68.9%	67.3%
May	69.0%	64.7% - 79.9%	65.7%	79.9%
June	79.8%	75.2% - 84.6%	82.8%	-
July	73.6%	70.8% - 81.5%	71.4%	-
August	69.9%	67.3% - 72.4%	68.5%	-
September	67.1%	61.8% - 72.5%	65.7%	-
October	68.5%	63.3% - 71.5%	68.2%	-
November	54.5%	50.1% - 58.5%	54.2%	-
December	51.7%	46.8% - 58.1%	54.9%	-
Total Year	64.4%	62.2% - 68.6%	64.3%	-

Source: Smith Travel Research

Smith Travel Research further categorizes the hotel room demand by segmentation: Transient, Group, and Contract.

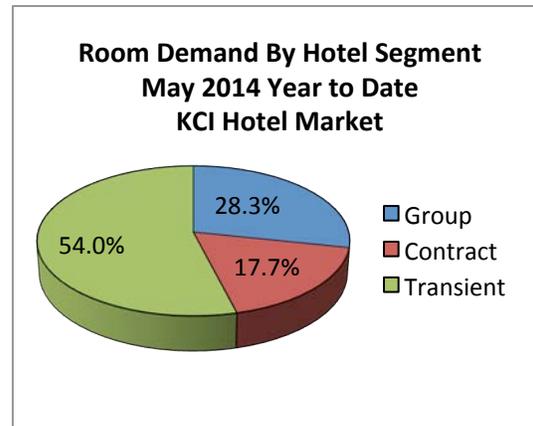
Transient: Includes rooms occupied by guests with reservations at rack, corporate, corporate negotiated, package, government or foreign travelers' rates. Also includes occupied rooms booked via third-party websites (exception: simultaneous bookings of ten or more rooms which should be defined as a group). This segment is 54.0% of the hotel rooms booked in the market and



4. Hotel/Commercial Development Analysis

represents the most likely target for occupancy at the subject site in addition to potential group soccer tournament sales.

Group: Includes rooms occupied which were sold simultaneously in blocks of ten or more (e.g. group tours, domestic and international groups, association, convention and corporate groups). This segment represented 28.3% of the hotel rooms booked in the market.



Contract: Includes rooms sold at rates stipulated by contracts including airline crews and permanent guests. Room allotments that do not require guaranteed use or payment should not be classified as contract. Rooms sold under such allotments should be classified as transient. This segment represented 17.7% of the hotel rooms booked in the market.

2. Kansas City Speedway/Village West

The Kansas City Speedway market generally includes Wyandotte County, Kansas. All of the hotels in the market are along Interstate 435 and Interstate 70. The area is commonly referred to as the “Legends” because of the Legends at Village West Outlet Center. Village West is a large mixed use area with a number of destination retailers and venues: the Kansas City Speedway, Nebraska Furniture Mart, Cabela’s, Hollywood Casino, and the Legends at Village West, among others.

There are 15 hotels in the market totaling 1,503 rooms. The hotel market is relatively young, with 40% of the hotels built within the last 10 years. The overall occupancy, however, is low at 58.5%, 5.9 percentage points below the KCI airport market. Nonetheless, the occupancy from January through May has increased 6.3% from 2013 to 2014. The spike in May 2014 is attributable, in part, to hotels booked for the NASCAR race and the Warfighters Exercises. While RV camping is popular among the NASCAR crowd, the majority of the out-of-town patrons opt for hotel accommodations. The 2013 occupancy rate was the highest for the market since 2008. The annual occupancy has ranged from 52.2% in 2009 up to 58.5% in 2013.



4. Hotel/Commercial Development Analysis

Despite the low occupancy rates, the Kansas City Speedway/Village West market has a markedly higher ADR than the KCI market exceeding \$100 ADR in May 2014.



**Kansas City Speedway/Village West
Occupancy Rates
2008 to May 2014**

Month	Occupancy Rate (%)		Average Daily Rate (ADR)	
	2013	2014	2013	2014
January	40.8%	38.6%	88.77	86.83
February	49.0%	48.7%	92.23	88.62
March	54.4%	61.2%	90.32	93.53
April	58.9%	61.2%	99.68	93.93
May	59.3%	68.8%	92.49	103.20
June	73.2%	-	96.28	-
July	73.5%	-	95.49	-
August	67.6%	-	96.66	-
September	62.7%	-	94.50	-
October	64.5%	-	105.98	-
November	52.5%	-	89.87	-
December	44.9%	-	89.11	-
Total Year	58.5%	-	94.82	-

Source: Smith Travel Research

The Kansas Speedway has NASCAR events twice a year, late April/May and again in October, with attendance in excess of 72,000 people. Other events occur at the Speedway, but none with attendance of that magnitude.

The Cerner Continuous Campus at Village West is anticipated to eventually house 4,000 employees (1,000 employees in 2013). The Cerner Corporation has preferred hotel lists for all of their office locations. The preferred hotels provide discounts to Cerner employees/contractors. In the Speedway/Village West market, Cerner has a relationship with the nearby 82-room Best Western Premier. Also, Marriott Courtyard Kansas City South, a preferred hotel near the Cerner Innovative Campus (25 miles southwest of their Continuous Campus), was noted as an option. To date, no other preferred hotel arrangements have been made by Cerner for that office location.

3. Riverside/Parkville

The Riverside/Parkville area has a limited hotel base and caters to casino patrons and overflow from downtown.



4. Hotel/Commercial Development Analysis

The Argosy Casino Hotel & Spa and the adjacent Super 8 Riverside largely attract casino patrons. The Super 8 motel operator also noted occasional stays from employees/contractors of the General Motors assembly plant in Fairfax, Kansas.

The Courtyard Marriott Kansas City at Briarcliff is part of the Briarcliff mixed-use development situated along the river with downtown views. This hotel is viewed as an alternative to downtown hotels and, for more frequent Marriott Loyalty travelers, a quality upgrade to the older Courtyard near the airport.

The City of Parkville does not have a hotel. The current offerings in the city are limited to a three-bedroom Bed & Breakfast near downtown Parkville, called Main Street Inn. An estimated 80% of the stays are one night for a birthday or anniversary. There are occasional stays from Park University visitors and a recent booking for a couple who will attend a race at Speedway.

Non-conventional lodging accommodations include Park University dorms during summer hours, and 24 rooms and 176 bunk-style accommodations in a retreat environment at the Heartland Presbyterian Center (just west of the study area along Highway 45). The Heartland Presbyterian Center business targets retreats and alcohol is not permitted on the premises.

2. Hotel Market Demand Analysis

1. Fair Share Analysis

A fair share analysis approach considers the equitable distribution of room demand if another hotel were added to the market. The fair share is calculated by dividing the overall room night demand by the number of existing and proposed similarly priced hotels.

For this analysis the full-service upscale hotel properties Hilton and Embassy Suites were not included. The ability of a hotel in the study area to capture overflow from the Fort Leavenworth market is predicated on having year round published room rates that are within reach of per diem or government/military rate (currently \$106, excluding tax). These hotels have meeting facilities in excess of 10,000 square feet and along with the KCI Expo Center account for a large share of the area's group bookings.

There are ten economy hotels in the area, including Super 8, Travel Lodge, and Motel 6. These lower-priced alternatives also have been omitted from the fair share analysis. The proximity of this class of hotel to the site limits its potential to capture demand. Also, an economy or budget-priced hotel is not an appropriate



4. Hotel/Commercial Development Analysis

price point in an affluent area. Instead, the focus of the analysis is the room night demand of mid-priced hotels.

Based on the room night demand and segmentation data provided by Smith Travel, DDA estimates that there is a current demand for 320,000 room nights from the transient segment for mid-priced hotels. The transient group includes those persons visiting family and friends which is anticipated to be the largest demand driver for the site area. The group also includes the overflow from neighboring markets, notably Fort Leavenworth and Village West.

The contract and group segments (from existing groups) are not expected to provide any appreciable amount of support for the site. The majority of the existing groups are proximate the area's demand driver and would not likely consider a remote site as an alternative. The 20 existing hotels, plus the proposed hotel, yield a fair share of 15,238 room nights per hotel, or 41.7 hotel rooms.

ANNUAL DEMAND TRANSIENT SEGMENT MID-PRICED HOTELS KCI MARKET

Total Properties	Estimated Room Night Demand Transient Segment	Fair Share Demand (Total Room Nights Per Hotel)
20 (Existing Hotels)	320,000	16,000
21 (+Subject Site)		15,238

There is a fair share demand for 15,238 annual room nights for a hotel reliant on the transient hotel segment. The annual demand equates to 41.7 occupied rooms per day. At an overall occupancy rate of 64%, there is enough demand to support a 65-room mid-priced hotel. Assuming no change in demand, the overall occupancy would remain above 63% if 65 more hotel rooms were added to the market. While the market can adequately absorb another hotel, the ability of any hotel to capture the market's fair share is predicated on the quality of location and surrounding environment.

2. Site-Specific Analysis

While there is overall demand to support additional lodging in the market, it is DDA's opinion that the subject site cannot capture the fair share and is not an appropriate location at this time for the following key reasons:



4. Hotel/Commercial Development Analysis

- Hoteliers require sites with nearby traveler services, most notably multiple restaurants. Traveler services are limited to The Station.
- The Highway 45/I-435 interchange lacks the dynamics of a conventional interstate where travelers drive for a considerable distance and stop for a respite.
- There are very few houses west of I-435 limiting support for the hotel from visitors to family and friends.
- The lack of businesses in the area limits the need for meeting space beyond weekends.
- The additional demand from soccer tournaments, while large in aggregate, occurs on 12 weekends or 24 days of the entire year. At best, the soccer complex would account for 1,500 total room nights or 10% of the overall demand needed to support the hotel.
- The site is vulnerable to future development of a hotel in a more favorable area of Platte County.
- Much of the hotel demand overflow occurs during a three-month period. The lack of other demand drivers proximate the site would result in extremely low occupancies during the winter months.
- A hotel in itself, especially a remotely located hotel, is not likely to fully engage a university following. Some level of synergy with other nearby venue space and development would likely be required to get commitments and potential programming from Park University.

3. Alternative Hotel Site in Parkville

Consideration should be given to siting a hotel adjacent the downtown and Park University. The “traveler services” are abundant in the downtown and there is a business and student population concentration there.

Based on DDAs review of the recent downtown market analysis and interviews with select businesses in the downtown area, a hotel is important to increasing the out-of-town visitor base. Such a location for a hotel provides a true economic development opportunity for downtown.



Downtown Parkville

Also, overall hotel demand could be expanded through adding multiple-day events downtown and additional programming from Park University. A boutique hotel, possibly affiliated with Park University, should be considered.

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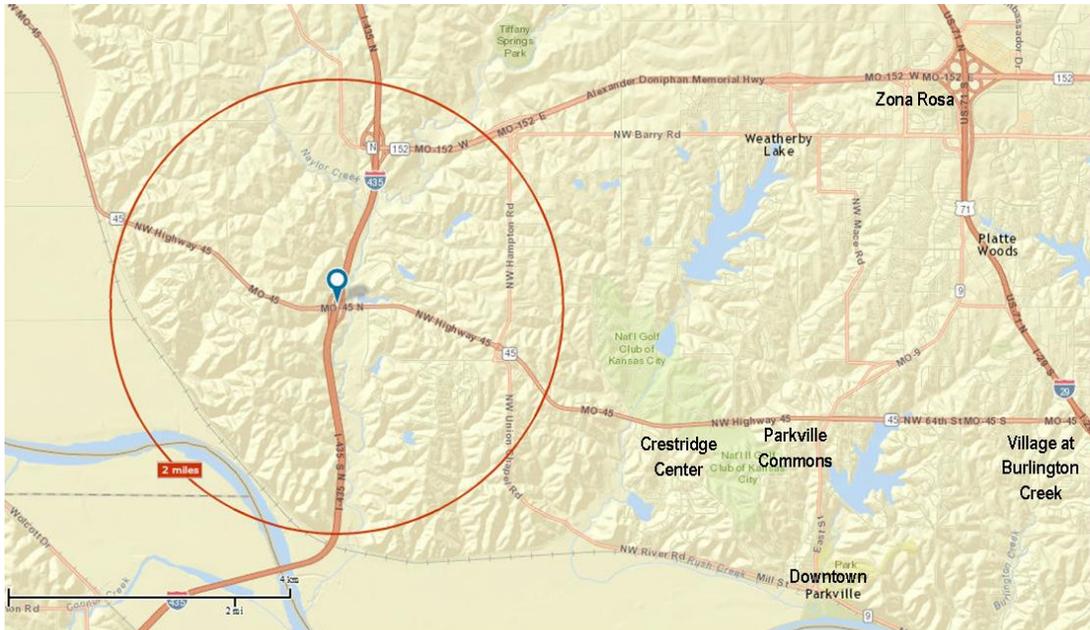
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4. Hotel/Commercial Development Analysis

III. Retail Market Analysis

A. Retail Trade Area

The primary retail trade area for the study area is considered a two-mile radius. If the trade area were any larger, consumers would have to drive by other retailers along Highway 45 to get to the site, an atypical behavior for most consumers.



The ability of the trade area to be larger is further hindered by plans for an additional 100,350 square feet of neighborhood retail at the Highway 45 and K roundabout. This planned project is in a position to capture a share of the site's primary household support. The Hwy 45/K site is more marketable than the study area as retail site because there are households on all sides of Highway 45 and K, accounting for twice the share of consumer spending than the study area.

B. Retail Space Overview

The retail development pattern in the area is generally east to west from Highway 29. The study area is on the western periphery of city corporate limits, three miles west of the closest retail development (Crestridge Center) and slightly more than four miles from Parkville Commons, the retail town center for Parkville. There are also two regional retail centers outside of Parkville along I-29; Zona Rosa and Village at Burlington Creek (initially called Tuileries Plaza).



4. Hotel/Commercial Development Analysis

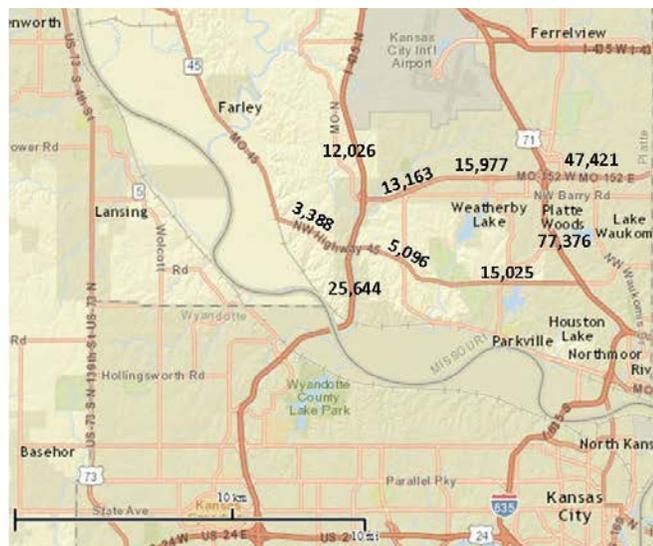
Vacancies are low (below 8%) for properties with frontage along Highway 45. Retail vacancies at the larger centers are typically those that lack the visibility or traffic of the other stores in the center. Prevailing lease rates at Parkville Commons and Village at Burlington Creek are in the mid-to high teens per square foot.

Rent levels in limited traffic volume areas, such as Crestridge Center, however, are low. A recent vacant store front at Crestridge Center was listed for \$8 per square foot triple net (NNN), half the price of the shopping centers on the east end of Parkville. The listing for this property indicated a daily traffic count of 10,957 vehicles for this center.

Traffic counts are essential to retailers. Low traffic counts typically mean that the retailers must spend additional marketing dollars to attract people to the store. High volume businesses, especially restaurants, are dependent on being in clear view of a constant flow of passersby.

According to a 2012 traffic counts survey by Missouri Department of Transportation (MDOT), Highway 45 had average daily traffic counts as low as 3,388 vehicles west of the I-435 interchange and only 5,096 east of the interchange. Traffic counts reach an average of 15,025 vehicles per day near Parkville Commons.

The traffic counts also show that there is an average of 25,644 cars each day along I-435 south of Highway 45. However, more than half of the traffic on I-435 exits immediately after Highway 45 at Exit 24, NW Barry Road, State Route 152. Based on our observations, interviews with MDOT representatives and discussions with other local officials, it appears that the majority of the traffic on I-435 is



Average Daily Traffic Counts (MDOT, 2012)



View of the study area from the southwest quadrant

4. Hotel/Commercial Development Analysis

exiting on State Route 152 as a short cut to the airport (only 1 mile difference) or to a lesser extent Zona Rosa.

This section of I-435 serves as a short bypass for local commuters.

The billboard placed north of Exit 24 for The Station convenience store and gas station is reaching only 12,026 drivers a day. It is our opinion that the success of The Station is not because of the interchange, but rather the fact that it is a quality convenience store for nearby residents.

The Station is the only retail establishment within three miles of the site. Within the trade area, a two-mile radius of The Station, there is a population of more than 4,000.

**2-MILE RADIUS
HIGHWAY 45 & I-435
2014 (ESTIMATED)**

Population	4,121
Household	1,358
Median Disposable Income	\$86,553

Source: Esri, Incorporated

The households in the outlying subdivisions, such as Thousand Oaks, Hidden Valley, and Countrywoods, have an aggregate consumer spending power of \$7.5 million for food and beverage stores (take home) and \$6.8 million in food services and drinking places (eat out).

National chain restaurants often have threshold population requirements to consider a site. The average chain restaurateur has a minimum criteria of 20,000 persons within a two-mile radius. However, the median disposable income of \$86,553 is extremely high. In fact, the median disposable income is more than 1.5 times that of the average resident household in Platte County.

C. Retail Site Assessment

Any near-term retail development of the study area is ahead of the market. The general lack of other retail, low traffic volumes, and potential development of approximately 100,000 square feet of retail at Highway 45 and K prohibits development at the site of even a small 12,000 to 15,000 square foot retail center.

The proximate spending power of the nearby households bolstered by the attendees of the soccer complex or residents at a multifamily development, however, could support a small single retail store.



4. Hotel/Commercial Development Analysis

Scenario 1: Small Specialty Foods Store with Soccer Complex/Fields

Walkup/seasonal specialty foods store (e.g. ice cream, coffee, baked goods etc.) – 800 to 1,200 square feet

Scenario 2: Food and Beverage Restaurant with Apartment Development

Year-round food and beverage business easily accessed from apartments (deli, small café, quick service restaurant) - 1,000 to 2,500 sf.



Example of Specialty Food and Drink business with Walk-Up Window

To attract a retailer to the site in the near-term will clearly require an incentive. The incentive would likely require free land or the owner providing a graduated ground lease for the property. Under Scenario 2, the developer of the apartments would have an incentive to a retailer since it will attract renters to their apartments and help sell a unique and active lifestyle.

IV. Other Near-Term Development Alternatives

Given the limited hotel and retail opportunities at the site, DDA also assessed the appropriateness of the site to support other development uses.

The site access bodes well for multi-family apartments as the “millennial” generation (generally 25 to 35 years old) is attracted to housing sites with quick and easy access to employment centers such as Legends and Fort Leavenworth. The site could also target the several thousand new employees expected at Cerner’s campus at Village West.

The City of Parkville has a disproportionately low share of rental housing units. From 2000 to 2010, the share of renter-occupied housing units declined 8.4 percentage points to 23.5% of the total occupied housing. In 2010, Platte County had a renter-occupied housing share of 33.3%, nearly 10 percentage points above Parkville. Not having a full spectrum of housing choices for all household types can limit the growth of a community. For example, without upscale apartments in the area, there will be less young professionals in Parkville. This could limit future opportunities to attract a large employer to the area who is seeking a strong workforce base.

DDA has completed dozens of housing studies for military installations. Typically, one-third of the military families choose to live on post and the other two-thirds

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4. Hotel/Commercial Development Analysis

choose to live off post. According to the 2013 post statistics, only 35% of the military stationed at Fort Leavenworth are living off post, atypical of most military installations. Quality of schools is one of the most, if not the most important factor for military families in choosing where to live. Given the high quality of the Platte County School District, it is surprising that only 20% of the off post military reside in Missouri. A higher share of off post military reside in Kansas. We attribute this to the lack of rental housing alternatives in Platte County.

Military families are provided Basic Allowance for Housing (BAH). The current BAH rate for an Army Private with a family is \$897 per month. A staff sergeant with dependents has a housing allowance of \$1,263 per month.

Multifamily development at the site should offer a wide range of common area amenities, such as a walking trail, exercise facility, and clubhouse, in order to achieve high rents and sell a unique lifestyle. The integration of a small retail store near the entrance or around the corner from the project could enhance the lifestyle and help attract more tenants. Additionally, the car wash at The Station could serve as an additional amenity to residents.



The CarWash at The Station

The southwest quadrant of the study area was initially planned as industrial and one modest sized light industrial building was built. There are too many industrial sites in better locations, including the airport's property, to consider building this area out as industrial.

During the course of DDA's stakeholder interviews it was mentioned that Platte County does not have an auditorium, events center or conference facility adequate enough to support some of the area programs, especially those that are art related. Given the accessibility of the site and that single-family homes do not back up to the southwest quadrant, consideration may be given to an outdoor amphitheater. As in other markets, this venue could be an interim use of the land or a long-term solution.

A storage facility for boats, RV's and outdoor storage could also be a reuse of the southwest quadrant. There is an active outdoor segment in the region as evidenced by the nearby Cabela's, which locates stores in areas with significant outdoor activity (boating and fishing licenses, hunting licenses, and various other outdoor activities). Because of the central location of the site to the outlying markets, the storage facility could serve as a regional facility that is easily accessed during any time of day.

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4. Hotel/Commercial Development Analysis

Large-lot single-family homes are the most likely development scenario for the northwest quadrant of the interchange. In 2012 and 2013 there were 52 and 55 single-family permits for Parkville, respectively. Parkville and Platte County more than doubled prior year permit totals.

The recommendations for near term development alternatives was based on DDA's opinion of the near term highest and best uses at the site based on the study area characteristics as well as national experience with all types of development. It is important to note that a detailed feasibility study for the alternative uses was not completed, and as such, each use will require additional investigation to assess the full financial and market feasibility.

It will be important to consider commercial opportunities that will be available at the interchange in the long term (10 to 20 years). Aside from small scale retail outlined in this report, land in the study area within a few hundred feet of Highway 45 should be a priority for later commercial opportunities.

In conclusion, it is DDA's opinion that retail development for the study area is premature and will require incentives to develop at an earlier time. It is also our opinion that housing development provides the best opportunity for near term development and would bring about a significant appraised value to buy down the NID assessments. Other uses that may be appropriate for the study area, such as the outdoor amphitheater, are those that will capitalize on the regional access provided by the interchange.



Executive Summary

1. Introduction
2. Stakeholder Engagement Summary
3. Sports Complex Analysis
4. Hotel/Commercial Development Analysis
5. Economic & Fiscal Impacts

5. Economic & Fiscal Impacts

5. Economic & Fiscal Impacts

While many of the perceived benefits of the proposed sports complex and/or alternative commercial development in Parkville are intangible including providing enhanced sports and recreation participation opportunities for local sports participants and stimulating community pride among other qualitative benefits, the construction and annual operations of the proposed sports complex and/or alternative commercial development in Parkville can provide quantifiable benefits to an area.

Typically, quantifiable effects are characterized in terms of economic impacts and fiscal impacts. Economic impacts are conveyed through measures of direct spending, total output, personal earnings, and employment. Fiscal impacts denote changes in tax revenues.

The focus of this analysis is to estimate the potential net new impacts generated from the construction and operation of the proposed sports complex and/or alternative commercial development in Parkville, and analyze potential new impacts generated by the proposed alternative commercial development. The following key issues have been addressed in this section:

- Overview of Economic Impacts;
- Estimated Economic & Fiscal Impacts; and,
- Non-Quantifiable Benefits.

The assumptions underlying the estimates of economic and fiscal impacts are based on the results of a market and financial analysis presented previously in this report. The results presented are for the construction period, the assumed first stabilized year of operations, and a cumulative construction and 30-year operations impacts.

OVERVIEW OF ECONOMIC IMPACTS

Economic impacts are typically conveyed through measures of direct spending, total output, personal earnings and employment. Each of the measures of economic impact is defined below:

- **Direct spending** represents spending generated by the proposed sports complex or alternative commercial development in Parkville including construction-related spending on labor and materials as well as spending during annual operations consisting of in-facility expenditures on registration fees, concessions and advertising; out-of-facility spending on hotels, food and beverages, retail, transportation, entertainment and other expenditures.



5. Economic & Fiscal Impacts

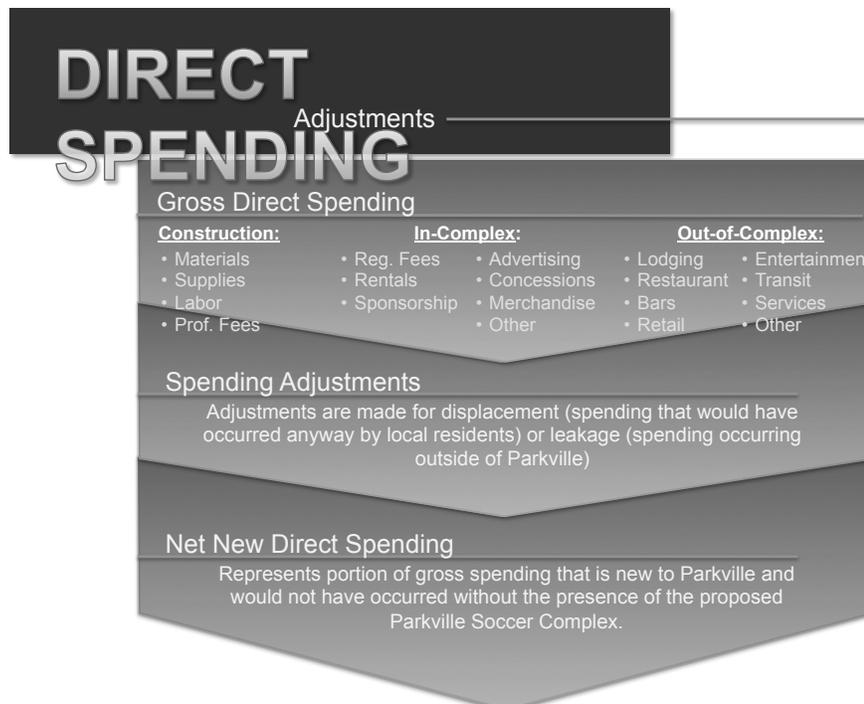
- **Total output** represents the total direct, indirect and induced spending effects generated by the proposed sports complex in Parkville.
- **Personal earnings** represent the wages and salaries earned by employees of businesses involved with the proposed sports complex or alternative commercial development in Parkville.
- **Employment** is expressed in terms of person years of employment and is based on project spending. Person years are defined as one year of employment, or 2,080 annual hours, and may be full- or part-time.



Direct Spending

The operation of a sports complex can impact the local economy in a variety of ways. As outlined in the exhibit below, initial direct spending is generated during construction on materials and labor and during operations at events on registration fees, concessions and advertising, as well as before and after events throughout local hotel, restaurant, retail and other establishments.

In order to estimate the incremental economic and fiscal impact benefits generated to the local economy, certain adjustments must be made to initial direct spending to reflect the fact that all spending is not likely to impact the local economy. The following exhibit summarizes the adjustments made to initial direct spending in order to determine net new direct spending impacting the local economy.



5. Economic & Fiscal Impacts

As illustrated in the exhibit, adjustments must be made to account for the fact that a certain amount of spending associated with the proposed sports complex in Parkville will be made by local residents and, therefore, likely represents money already spent in the economy in another form. This is called displacement and reduces the overall net new impacts. This type of spending is not considered net new to the local economy. Additionally, not all spending associated with the proposed sports complex in Parkville will take place in the local economy. A portion of this spending is likely to occur outside the immediate area. This is called leakage and reduces the overall impact. The economic and fiscal impacts presented in this section represent the estimated net new impacts associated with the proposed sports complex and alternative commercial development in Parkville.

Multiplier Effects

Economic impacts associated with the proposed sports complex in Parkville will likely be further increased through re-spending of the net new direct spending. The total impact is estimated by applying an economic multiplier to initial direct spending to account for the total economic impact. The total output multiplier is used to estimate the aggregate total spending that takes place beginning with the direct spending and continuing through each successive round of re-spending.

Successive rounds of re-spending are generally discussed in terms of their indirect and induced effects on the area economy. Each is discussed in more detail as follows:

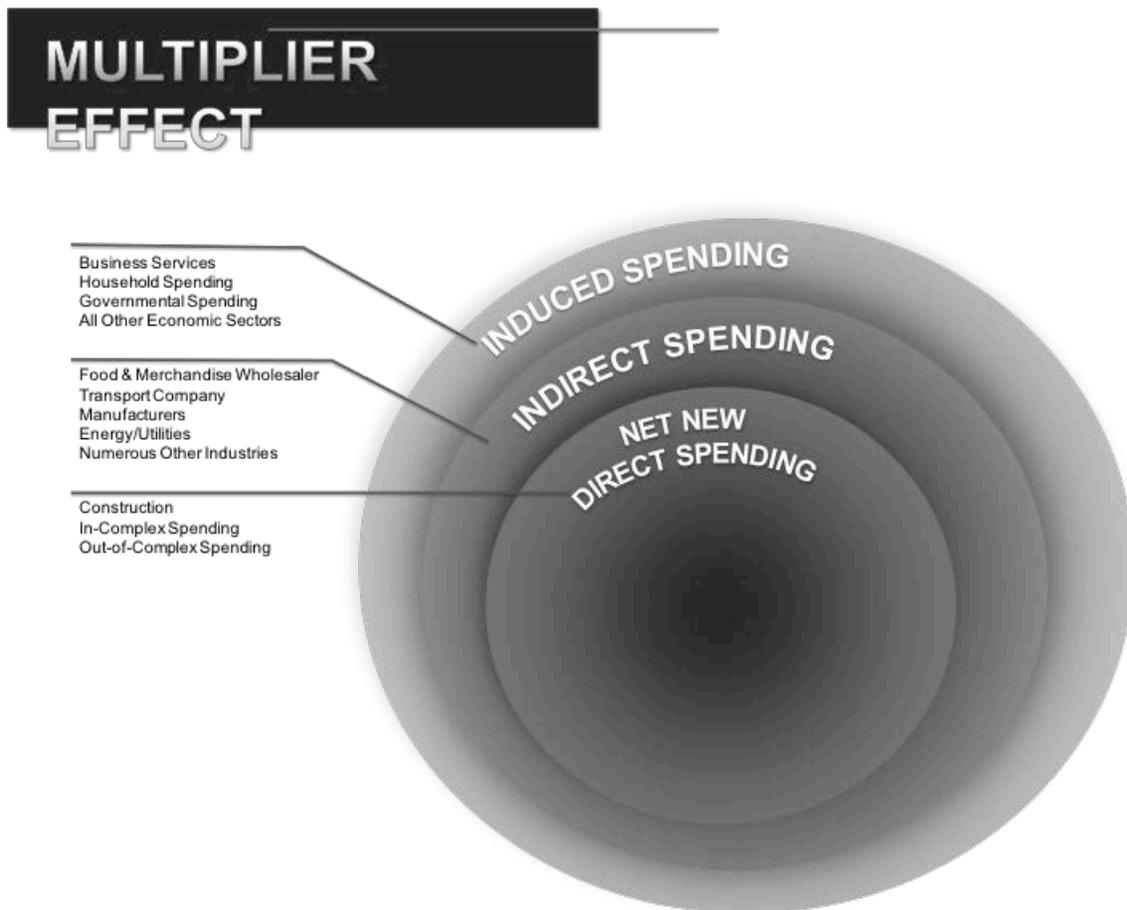
- **Indirect effects** consist of the re-spending of the initial or direct expenditures. These indirect impacts extend further as the dollars constituting the direct expenditures continue to change hands. This process, in principle, could continue indefinitely. However, recipients of these expenditures may spend all or part of it on goods and services outside the market area, put part of these earnings into savings, or pay taxes. This spending halts the process of subsequent expenditure flows and does not generate additional spending or impact within the community after a period of time. This progression is termed leakage and reduces the overall economic impact. Indirect impacts occur in a number of areas including the following:
 - wholesale industry as purchases of food and merchandise products are made;
 - transportation industry as the products are shipped from purchaser to buyer;
 - manufacturing industry as products used to service the sports complex, vendors and others are produced;

The logo for Parkville, featuring the word "Parkville" in a stylized, cursive font with a blue and green color scheme.The logo for Conventions Sports & Leisure (CSL), featuring the letters "CSL" in a large, stylized font with "CONVENTIONS SPORTS & LEISURE" written in smaller text above and below.The logo for DDA (Developmental Disabilities Agency), featuring the letters "DDA" in a bold, blue font inside a white rectangular box.

5. Economic & Fiscal Impacts

- utility industry as the power to produce goods and services is consumed; and,
 - other such industries.
- **Induced effects** consist of the positive changes in spending, employment, earnings and tax collections generated by personal income associated with the operations of a sports complex. Specifically, as the economic impact process continues, wages and salaries are earned, increased employment and population are generated, and spending occurs in virtually all business, household and governmental sectors. This represents the induced spending impacts generated by direct expenditures.

The concept of direct, indirect and induced spending is further illustrated below.



The appropriate multipliers to be used are dependent upon certain regional characteristics and also the nature of the expenditure. An area which is capable of producing a wide range of goods and services within its border will have high multipliers, a positive correlation existing between the self-sufficiency of an area's economy and the higher probability of re-spending occurring within the region. If a high

5. Economic & Fiscal Impacts

proportion of the expenditures must be imported from another geographical region, lower multipliers will result.

The multiplier estimates used in this analysis are based on the IMPLAN system. IMPLAN, which stands for Impact Analyses and Planning, is a computer software package that consists of procedures for estimating local input-output models and associated databases. Input-output models are a technique for quantifying interactions between firms, industries and social institutions within a local economy.

IMPLAN was originally developed by the U.S. Forest Service in cooperation with the Federal Emergency Management Agency and the U.S. Department of the Interior's Bureau of Land Management to assist in land and resource management planning. Since 1993, the IMPLAN system has been developed under exclusive rights by the Minnesota Implan Group, Inc. which licenses and distributes the software to users. Currently, there are hundreds of licensed users in the United States including universities, government agencies, and private companies.

The economic data for IMPLAN comes from the system of national accounts for the United States based on data collected by the U. S. Department of Commerce, the U.S. Bureau of Labor Statistics, and other federal and state government agencies. Data are collected for 440 distinct producing industry sectors of the national economy corresponding to the Standard Industrial Categories (SICs).

Fiscal Impacts

In addition to the economic impacts generated by the proposed sports complex and alternative commercial development in Parkville throughout the market area, the public sector also benefits from increased tax revenues. In preparing estimates of fiscal impacts, total tax revenues attributable to the direct spending generated by the development were estimated. In addition, estimates of the effect of total output and earnings on the tax collections have been estimated. Tax revenues are based on the current applicable tax rates. Future changes in these rates would have an impact on the resulting tax collections. The sources of tax revenue focused on in this report are outlined below:

- **Sales taxes** are assessed at an estimated rate of 7.1 percent. Of this total, 4.2 percent is allocated to the State of Missouri, 1.4 percent is allocated to Platte County and 1.5 percent is allocated to the City of Parkville.
- **Hotel taxes** are assessed at a rate of 5.3 percent. Of this total, 5.0 percent is allocated to the City of Parkville and 0.3 percent is allocated to Platte County.



5. Economic & Fiscal Impacts

- **Property taxes** are assessed at a rate of approximately 8.5 percent of the property-assessed value. Of this total, 0.7 percent is allocated to the City of Parkville and 0.4 percent is allocated to Platte County. City of Parkville assesses property value at a rate of 32 percent of market value for commercial property and 19 percent for residential property.

ESTIMATED ECONOMIC & FISCAL IMPACTS

The table on the following page summarizes the net new economic impacts anticipated to be generated to the City of Parkville and Platte County by the construction and on-going operations of the proposed development scenarios. Scenario 1 consists of the development of the proposed sports complex in Parkville along with the construction of an 800 square-foot walkup/seasonal specialty foods store (e.g. ice cream, coffee, baked goods etc.). Alternative commercial development Scenario 2 involves the construction of a multi-family housing complex with 300 units along with a 2,400 square-foot year-round food and beverage business easily accessed from apartments (deli, small café, quick service restaurant) in lieu of development Scenario 1.

It should be noted that net new impacts to the City and County are not additive. As a means of providing context for interpreting the table on the following page, an example is provided below.

If a resident from outside Platte County (i.e. Topeka) ate at a restaurant in Parkville in conjunction with their attendance at the sports complex, the money spent would be net new to both Parkville and Platte County. If someone who resides in Platte County, but outside Parkville (i.e. Platte City) ate at a restaurant in Parkville in conjunction with their attendance at the sports complex, the money spent would be net new to Parkville, but not new to Platte County.



5. Economic & Fiscal Impacts

Economic Impacts Proposed Parkville Soccer Complex				
	Scenario 1 8-Field Complex and Specialty Food Store		Scenario 2 Multi-Family Housing (300 Units) Food & Beverage Business	
	Net New to Parkville	Net New to Platte County	Net New to Parkville	Net New to Platte County
Net New				
Construction Impacts:				
Direct Spending	\$1,449,000	\$3,688,000	\$5,068,000	\$12,900,000
Total Output	\$2,215,000	\$5,638,000	\$7,560,000	\$19,245,000
Jobs (FTEs)	16	41	47	119
Earnings	\$905,000	\$2,304,000	\$2,512,000	\$6,321,000
Net New				
Annual Operations Impacts:				
Direct Spending	\$2,933,000	\$5,116,000	\$3,878,000	\$4,311,000
Total Output	\$4,419,000	\$7,686,000	\$5,181,000	\$5,772,000
Jobs (FTEs)	74	119	60	74
Earnings	\$1,751,000	\$3,005,000	\$1,253,000	\$1,489,000
Cumulative Construction and 30-Year Operations Impacts				
Direct Spending	\$135,102,000	\$243,473,000	\$184,496,000	\$205,096,000
Total Output	\$203,169,000	\$365,746,000	\$246,479,000	\$274,604,000
Jobs (FTEs) ⁽¹⁾	106	181	90	111
Earnings	\$80,565,000	\$142,992,000	\$59,622,000	\$70,827,000
(1) Average FTEs over construction and operations. Note: Impacts to Parkville and Platte County are not additive. Note: Based on stabilized year of operations.				

Scenario 1 Economic Impact Summary

- Total project costs associated with the proposed sports complex in Parkville are estimated to be approximately \$13.0 million, while total project costs for the proposed specialty foods store are estimated to be approximately \$163,000.
- The one-time net new economic impacts estimated to be associated with the construction of the proposed sports complex and specialty foods store in Parkville include approximately \$1.4 million in direct spending, \$2.2 million in total output, 16 full and part-time jobs and \$905,000 in personal earnings. Net new impacts to Platte County include approximately \$3.7 million in direct spending, \$5.6 million in total output, 41 full and part-time jobs and \$2.3 million in personal earnings.
- Net new impacts from annual operations of Scenario 1 are estimated to generate \$2.9 million in net new direct spending, \$4.4 million in total output, 74 full and part-time jobs, and \$1.8 million in earnings. Scenario 1 is also estimated to generate \$5.1 million in net new direct spending, \$7.7 million in total output, 119 full and part-time jobs, and \$3.0 million in earnings on an annual basis to Platte County.



5. Economic & Fiscal Impacts

- Over a 30-year period, the cumulative one-time construction and annual operations of the proposed Scenario 1 is estimated to provide the following net new impacts to the City of Parkville: \$135.1 million in total direct spending, \$203.2 million in total output, 106 annual full and part-time jobs, and \$80.6 million in personal earnings. Net new impacts generated to Platte County over a 30-year period include: \$243.5 million in total direct spending, \$365.8 million in total output, 181 annual full and part-time jobs, and \$143.0 million in personal earnings.

Scenario 2 Economic Impact Summary

- Total project costs associated with Scenario 2 include the proposed multi-family housing complex in Parkville estimated to be approximately \$45.5 million, and the food and beverage business with estimated project costs of approximately \$572,000.
- The one-time net new economic impacts estimated to be associated with the construction of the multi-family housing complex and food and beverage business in Parkville include approximately \$5.1 million in direct spending, \$7.6 million in total output, 47 full and part-time jobs and \$2.1 million in personal earnings. Net new impacts to Platte County include approximately \$12.9 million in direct spending, \$19.2 million in total output, 119 full and part-time jobs and \$6.3 million in personal earnings.
- Net new impacts from annual operations of Scenario 2 are estimated to generate \$3.9 million in net new direct spending, \$5.2 million in total output, 60 full and part-time jobs, \$1.3 million in earnings and \$129,000 in local tax revenue to Parkville. Scenario 2 is also estimated to generate \$4.3 million in net new direct spending, \$5.8 million in total output, 74 full and part-time jobs, and \$1.5 million in earnings in a stabilized year of operations .
- Over a 30-year period, the cumulative one-time construction and annual operations of the proposed Scenario 2 is estimated to provide the following net new impacts to the City of Parkville: \$184.5 million in total direct spending, \$246.5 million in total output, 90 annual full and part-time jobs, and \$59.6 million in personal earnings. Net new impacts generated to Platte County over a 30-year period include: \$205.1 million in total direct spending, \$274.6 million in total output, 111 annual full and part-time jobs, and \$70.8 million in personal earnings.



5. Economic & Fiscal Impacts

In addition to the economic impacts associated with each potential development scenario (i.e. spending, employment, earnings), new tax revenues will also be generated to the City of Parkville and Platte County by visitors to the area. The following table presents a summary of the tax revenues estimated to be generated by each potential development scenario to the City of Parkville and Platte County.

Fiscal Impacts Proposed Parkville Soccer Complex				
	Scenario 1 8-Field Complex and Specialty Food Store		Scenario 2 Multi-Family Housing (300 Units) Food & Beverage Business	
	Net New to Parkville	Net New to Platte County	Net New to Parkville	Net New to Platte County
Net New Annual Operations Impacts:				
Tax Revenue	\$37,000	\$72,000	\$129,000	\$95,000
30-Year Operations Impacts:				
Tax Revenue	\$1,752,000	\$3,439,000	\$4,885,000	\$3,813,000
<small>Note: Estimated tax revenues depicted are based on the amount generated in each jurisdiction, and are exclusive of each other. Note: Tax revenues depicted herein include only those generated to the City/County governments and do not include those generated to the school district or other taxing jurisdictions.</small>				

Scenario 1 Fiscal Impact Summary

- Net new annual tax revenue estimated to be generated to the City of Parkville totals approximately \$37,000, while tax revenues estimated to be generated to Platte County total \$72,000.
- Over 30 years, it is estimated that developments in Scenario 1 could generate approximately \$1.8 million in total tax revenue to the City of Parkville and approximately \$3.4 million in Platte County.

Scenario 2 Fiscal Impact Summary

- Net new annual tax revenue estimated to be generated to the City of Parkville totals approximately \$129,000, while tax revenues estimated to be generated to Platte County total \$95,000.
- Over 30 years, it is estimated that developments in Scenario 1 could generate approximately \$4.9 million in total tax revenue to the City of Parkville and approximately \$3.8 million in Platte County.



5. Economic & Fiscal Impacts

It should be noted that tax revenues generated in each scenario could provide a potential resource to help offset the impact of NID assessments on development.

NON-QUANTIFIABLE IMPACTS

The estimated impacts of the proposed sports complex in Parkville do not include benefits that may be generated from other private sector developments surrounding the development such as hotel, restaurant, other retail, and entertainment establishments. The tax revenues that may accrue to the public sector from such developments can be substantial, but are difficult to predict given the private sector nature of such projects. Should such development take place, tax impacts could include property taxes and other taxes associated with private sector development in the area of the sports complex which would likely impact the collection of a variety of state and local taxes including business license taxes and other such taxes.

In addition to the more quantifiable benefits, some benefits related to the operations of the proposed sports complex in Parkville cannot be quantitatively measured. Potential qualitative benefits for the City of Parkville and the surrounding regional area could include:

- enhanced sports and recreation opportunities for local youths and adults;
- new opportunities for local area businesses, groups and individuals to provide support for local youths;
- synergy with other entertainment facilities leading to increased tourism activity;
- enhanced community pride, self-image, exposure and reputation;
- enhanced regional exposure;
- enhanced economic growth and ancillary private sector development spurred by the operation of the proposed sports complex in Parkville; and
- other such benefits.

Study Conclusion

Based on the analyses conducted herein, a proposed sports complex in Parkville would meet the needs of Northland region-based soccer organizations, while also hosting a limited number of local and regional tournaments. Current and expected competition in the market for tournament complexes, as well as Parkville's lack of visitor infrastructure, make it unreasonable to expect a proposed soccer complex in Parkville to host national tournaments. Given the type and level of programming anticipated to be hosted at the proposed sports complex, it is estimated that the complex would operate at loss of upwards of \$400,000 annually, including payment of the NID assessment.



5. Economic & Fiscal Impacts

In lieu of the sports complex, alternate commercial development involving the construction of a multi-family housing complex and year-round food and beverage business is estimated to be a better use of the site due to the ability to generate higher levels of tax revenues to the local economy, as well as an annual NID assessment from the developer. The development of a multi-family housing complex would also meet an existing need that is not currently being met in the community for housing.

The NIDs assessments create an additional financial hurdle for development of the parcels. To accelerate development of the study area, there should be some incentive to offset the NID assessments. In most cases, the incentive could be a reduced land sale price and/or property tax abatement (not including NID). This reduction in price will also allow a developer to have more capital/equity early on to develop the property.

