



FINAL REPORT

EDMOND SPORTS FACILITIES ASSESSMENT

August 29, 2023



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Disclaimer: This report relies on a variety of information and assumptions to develop market, financial, and economic projections. Information sources and assumptions include, but may not be limited to, information provided by the City of Edmond, input and opinions provided by the City's relevant stakeholders and partners, Victus Advisors' industry experience and previous studies, and publicly available data from various industry sources. Any information collected by Victus Advisors has not been audited or verified and has been assumed to be correct. There will be differences between actual events and projections contained herein. We express no assurances of any kind related to any projected information, and differences between projections and actual events may be material.



EXECUTIVE SUMMARY

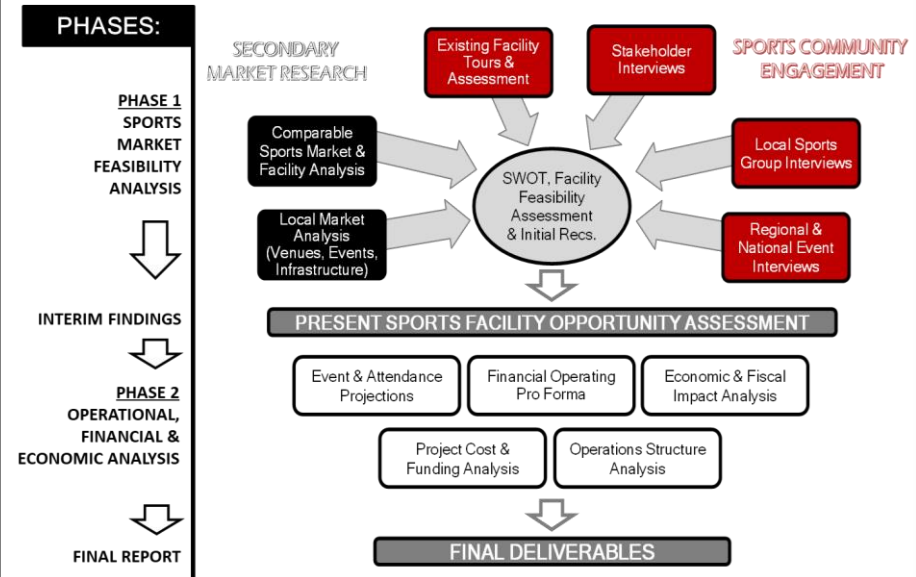
Project Background -

Victus Advisors (or “Victus”) was engaged in February 2023 by the City of Edmond (or the “City”) to conduct a sports facilities assessment to help determine the maximum recreation and/or sports tourism potential of current sports facilities in Edmond. Victus’ primary project goals for this study include:

- a) **Market Demand Analysis** - Develop a comprehensive profile of the strengths and weaknesses of Edmond as a sports market.
- b) **Sports Tourism Market & Facility Opportunity Analysis** - Develop an analysis of sports tourism market and facility opportunities for the City of Edmond.
- c) **Operating & Financial Analysis** - Operating & Financial Analysis - Analyze the current operating structure of each venue, and make recommendations regarding the ideal operating approaches. Develop recommended operating model and custom financial pro forma for the proposed venue(s).
- d) **Economic/Fiscal Impact & Funding Analysis** - Develop estimates of the economic/fiscal impacts, and associated project funding potential, that could be generated within the City by new sports facilities.

The flow chart on the right shows a more detailed visualization of our study methodology.

Study Methodology -



Please Note: This Executive Summary section only contains select highlights from our research and analysis, and our full report should be read in its entirety in order to understand all of our research, recommendations, analysis, and conclusions.

Demographic & Socioeconomic Analysis -

- The City of Edmond has an estimated population of 96,391.
- Over the past 20 years, the population of the City of Edmond has grown at 1.6% annually, which is a higher growth rate than both the OKC MSA and the U.S. as a whole. The City's projected growth rate is expected to continue to exceed that of the U.S.
- In terms of both population under 18 and median age, the City of Edmond is younger than the U.S. average. A lower median age tends to represent a larger presence of working-age populations with young families, which can be a positive indicator for youth/amateur sports and community recreation demand.
- The City of Edmond has a higher percentage of households with children than both the OKC MSA and U.S. average. A high percentage of households with children can be a positive indicator for youth sports/recreation participation demand in the local area.
- After accounting for the cost-of-living index (COLI), the COLI-adjusted median household income in the City of Edmond is significantly higher than both the OKC MSA and U.S. median income, which indicates Edmond residents may have more disposable income that can be spent on sports/recreation than would residents in other areas of OKC or the United States.

Weekday Usage Driving Zone -

Based upon Victus Advisors' experience, primary weekday attendance for sports centers (typically in the late afternoons and evenings) is usually drawn from within a 15-to-30 minute drive radius. There is a population of just over 223,000 people within a 15-minute drive time of the City Manager's Office in Edmond, and nearly 890,000 people within a 30-minute drive time of the City Manager's Office in Edmond.

Weekend Tournament Driving Zone -

There is a population of over 4.4 million people within a 2.5-hour drive time of Edmond, and over 20.5 million people within a 5-hour drive time of Edmond, to potentially draw from for sports tourism events. The largest markets (over 1 million people) within a 5-hour drive of Edmond are Dallas-Fort Worth, Kansas City, and Tulsa.

2022 Edmond Hotel Data -

In 2022, Edmond hotel average daily rates (ADR) increased to \$68 to \$92 per night throughout the calendar year, with occupancy rates ranging from approximately 50% to 72%. As in 2021, demand peaked (greater than 60% occupancy) from May through October.

Edmond Sports Facilities -

Victus Advisors identified a sample of sports facilities located within or near Edmond city limits. This list was compiled from user group interviews, stakeholder interviews, and Victus Advisors' research.

Facility	
1	A.C. Caplinger Sports Complex
2	Arctic Edge Ice Arena
3	Carl Benne Arena
4	Chad Richison Stadium
5	Cheyenne Middle School
6	Edmond 66 Softball Complex
7	Edmond Aquatic Center
8	Edmond Center Court
9	Edmond Racquet Club
10	Edmond Soccer Club Complex
11	KickingBird Golf Club
12	KickingBird Pickleball Center
13	Lazy E Arena
14	Mitch Park Athletic Complex
15	Oak Tree National
16	Score OKC
17	Solid Rock Basketball
18	The Hive Basketball Complex

Facility Profile Summary -

- **Multi-Use Courts:** There is no facility with more than four (4) multi-use courts in Edmond. Only two (2) of the court facilities have any experience in hosting basketball tournaments, and none of them has the capacity to host a large multi-day tournament that requires eight (8) or more courts.
- **Tennis Courts:** Edmond has a nationally-recognized tennis facility with 30 courts that regularly hosts regional and national tournaments.
- **Multi-Use Fields:** Edmond has one of the largest soccer complexes in the State (18 fields), however access for other field sports groups is limited, and there are no other notable multi-field complex in the City.
- **Baseball/Softball Diamonds:** Although there 16 baseball and nine (9) softball diamonds in Edmond, EYSA indicated that they are not in the optimum condition to host large tournaments.
- **Pickleball:** KickingBird Pickleball Center has 24 courts, however only 12 are indoor, and pickleball club would need 24 indoor courts so they could large scale events.
- **Aquatics:** Edmond has one (1) of just two (2) 50-meter competition pools in the State.
- **Ice:** Edmond has a multi-sheet ice facility that hosts both college and youth events.

COMPETITIVE & COMPARABLE MARKET & FACILITY ANALYSIS



Comparable & Competitive Market Overview -

Based upon our public engagement, community feedback process, and Victus' research, the following markets were identified as most comparable sports tourism destinations to Edmond/Oklahoma City. Victus Advisors compared the Oklahoma City MSA's (or "OKC Market") demographic and socioeconomic characteristics to the following competitive set of markets in the Midwest (listed in alphabetical order below):

- Dallas-Fort Worth, TX MSA (or "Dallas Market")
- Kansas City, MO MSA (or "Kansas City Market")
- Tulsa, OK MSA (or "Tulsa Market")
- Wichita, KS MSA (or "Wichita Market")

Regional Sports Tourism Facility Overview -

Victus Advisors also analyzed sports tourism facilities within the comparative markets in the Midwest (within a 6-hour drive) that could potentially be a competitive facility for existing or future sports tourism facilities in Edmond.

Sports Tourism Facilities	
1	Bouse Sports Complex (OKC)
2	Broken Arrow Challenger Sports Complex (Tulsa)
3	Chickasha Sports Complex (OKC)
4	Drive Nation Sports (Dallas)
5	Duncanville Fieldhouse (Dallas)
6	FieldhouseUSA Frisco (Dallas)
7	FieldhouseUSA Grapevine (Dallas)
8	FieldhouseUSA Mansfield (Dallas)
9	Hy-Vee Arena (Kansas City)
10	Marion C. Reed Ballpark (OKC)
11	Mid-America Sports Complex (Kansas City)
12	Mid-America West Sports Complex (Kansas City)
13	Mohawk Sports Complex (Tulsa)
14	Nienhuis Park (Tulsa)
15	Scheels Overland Park Soccer Complex (Kansas City)
16	Titan Sports and Performance Center (Tulsa)
17	Titan Sports and Performance Center South (Tulsa)
18	Wichita Hoops (Wichita)
19	Wichita Sports Forum (Wichita)
20	Young Family Athletic Center (OKC)

Regional Indoor Sports Facilities Summary -

As shown below, the facilities profiled have maximum capacity for:

- 8.4 basketball courts on average;
- 11 volleyball courts on average; and
- 0.4 indoor turf fields on average
- Only one facility had a competition pool.

Facility	Market	Owner	Operator	Square Footage	Basketball Courts	Volleyball Courts	Turf Fields	Competition Pool
Drive Nation Sports	Dallas	Private	Private	91,000	6	10	-	-
Duncanville Fieldhouse	Dallas	Public	Public	115,000	6	10	-	-
FieldhouseUSA Frisco	Dallas	Private	Private	144,000	8	8	1	-
FieldhouseUSA Grapevine	Dallas	Private	Private	106,000	9	9	-	-
FieldhouseUSA Mansfield	Dallas	Private	Private	100,000	9	9	-	-
Hy-Vee Arena	Kansas City	Private	Private	84,000	12	12	-	-
Titan Sports & Performance Center	Tulsa	Private	Private	190,000	8	16	2	-
Wichita Hoops	Wichita	Private	Private	113,000	12	14	-	-
Wichita Sports Forum	Wichita	Private	Private	148,000	6	10	1	-
Young Family Athletic Center	OKC	Public	Public	122,000	8	12	-	1
AVERAGE					8.4	11.0	1.3	1.0
HIGH					12	16	2	1
LOW					6	8	1	1

Regional Outdoor Sports Facilities Summary -

As shown below, the facilities profiled have maximum capacity for:

- 13.5 multi-use fields on average; and
- 9.5 baseball/softball diamonds on average

Facility	Market	Owner	Operator	Multi-Use Fields	Ball Fields
Bouse Sports Complex	OKC	Public	Public	-	8
Broken Arrow Challenger Sports Complex	Tulsa	Public	Private	-	5
Chickasha Sports Complex	OKC	Public	Public	14	15
Marion C. Reed Ballpark	OKC	Public	Public	-	5
Mid-America Sports Complex	Kansas City	Public	Public	-	12
Mid-America West Sports Complex	Kansas City	Public	Public	-	12
Mohawk Sports Complex	Tulsa	Public	Public	17	-
Nienhuis Park	Tulsa	Public	Private	8	-
Scheels Overland Park Soccer Complex	Kansas City	Public	Public	12	-
Titan Sports and Performance Center (Outdoor)	Tulsa	Private	Private	11	-
Titan Sports and Performance Center South	Tulsa	Private	Private	19	-
AVERAGE				13.5	9.5
HIGH				19	15
LOW				8	5

Overview -

In February and March 2023, the City of Edmond identified participants and scheduled a series of in-person, virtual, and telephone interviews for Victus Advisors. The goals of these interviews were to gather feedback from key stakeholders, community leaders, and operating partners regarding the market potential for an additional sports facility (or facilities). The set of topics and questions included perceptions of Edmond's current sports facility offerings, potential support for the project, and other such feedback concerning the proposed venue(s). Victus Advisors conducted in-person, virtual and telephone interviews with the following nine (9) stakeholders and operating partners (in alphabetical order):

- Central Oklahoma Youth Lacrosse
- Edmond Center Court
- Edmond Public Schools
- Edmond Round Up Club
- Edmond Soccer Club
- Edmond Youth Sports Association
- Greater Oklahoma City Pickleball Club
- Mitch Park YMCA
- Red Dirt Athletics

Interview Summaries -

- Operating partners indicated that there are significant gaps in the City of Edmond for indoor basketball court space, rectangular fields, and open outdoor green spaces. As a result, youth and independent programs are finding difficulty meeting the needs of their participants.
- As a general tourism destination, interviewees felt that Edmond has a lot of strengths and a good reputation, but the City doesn't have a sports facility reputation yet due to lack of sports tourism caliber facilities. Edmond Center Court is an exception, however.
- Generally speaking, operating partners were supportive of expanding or building new sports facilities in Edmond. They cited quality of life and economic impact as two major benefits of expanded or new facilities.
- The YMCA also expressed interest in utilizing any new indoor gym or outdoor field sports facilities that may be built in Edmond in the future. In particular, it should be noted that the YMCA recently extended their partnership with the NBA's Oklahoma City Thunder to be their exclusive youth basketball league provider for an additional 5 years.

LOCAL USER GROUP & REGIONAL SPORTS EVENT INTERVIEWS



Overview -

In February, March, and April 2023, Victus Advisors conducted telephone interviews with a representative sample of local sports groups and regional sports event organizers who could be potential users of an additional sports facility (or facilities) in Edmond. The goals of these interviews were to gather feedback regarding the market opportunity for local and regional events to be held at an additional sports facility (or facilities) in Edmond. Interviewees shared which local facilities they use, comparable out-of-market venues, minimum amenities required in order to attract events, and other feedback concerning the proposed venue(s). Victus Advisors conducted telephone interviews with representatives from the following 25 local and regional sports groups and event organizers (in alphabetical order):

- Baseball Factory
- Edmond Racquet Club
- Edmond Youth Football Association
- Evolve Events
- Former Director of Sports Business for the Oklahoma City CVB
- Friday Night Lights
- i9 Sports
- KickingBird Golf Club
- Mid America Youth Basketball
- NxtPro Sports
- Oak Tree National
- OKC Storm
- Oklahoma Endurance Lacrosse
- Oklahoma Lacrosse Association
- Oklahoma Secondary School Activities Association
- Peak Volleyball Club
- Prep Network
- Solid Rock Basketball
- The Hive
- Triple Crown Baseball
- Triple Crown Softball
- United States Specialty Sports Association (USSSA)
- University of Central Oklahoma
- USA Softball of Oklahoma
- Visit Edmond

User & Event Interview Summary -

- One stakeholder stated that the City needs to work with large event organizers to understand minimum specifications and requirements for hosting events. This understanding would help to plan more effectively for future sports tourism facilities. They also suggested that the City of Edmond could partner with Oklahoma City for larger tournaments by sharing venues.
- Interviewees think very highly of Edmond as a potential sports tourism destination. Many cited its proximity to Oklahoma City, and its favorable, central location relative to Dallas, Tulsa, Wichita, and Kansas City. Some interviewees also think out-of-towners have a generally positive perception of Edmond as one of the nicer communities in the Oklahoma City market with plenty to do, shop, and eat. Many interviewees also thought that there is a decent supply of hotels in Edmond, but there could be more to meet potential incremental demand if new facilities were built.
- One interviewee thinks that the City of Edmond is “missing the boat” on youth sports and in particular baseball. They stated that the ball diamond quality in Edmond are very poor. They suggested a sports tax could be an opportunity to finance facility development and they think it would get voter approval. That said, they acknowledged that community support to need to be won, considering other public needs like roads and other infrastructure.
- Another interviewee indicated that the City has a strong history of investment in sports facilities, citing Edmond City Court and KickingBird Golf Club, which is undergoing a significant multi million-dollar renovation.



What Is Sports Tourism? -

- “Sports Tourism” is regional or national travel to observe or participate in a sporting event.
- The typical sports tourism traveler is a family traveling via car within a 3-to-6 hour drive range for youth/amateur sports tournaments.
- Visitor spending via sports tourism is typically captured via room nights/hotel spending, restaurants, retail, and local entertainment and cultural attractions.
- In 2019, US sports tourism exceeded \$45.1 billion in annual spending by sports travelers, event organizers, and venues.

How Do Markets Retain Sports Tourism -

Victus Advisors has collected thousands of online survey responses in various communities across the country regarding sports tourism participation.

- **Primary Consideration:** Generally speaking, about 73% of online survey respondents cited Quality of sports facilities as the primary reason in determining the best overall job as an amateur host.
- **Secondary Considerations:** Respondents also cited Community Interest/Support for Sports, Travel Accessibility, and Nearby Entertainment/Hotels/Restaurants as critical factors in not only choosing the best sports community, but also the reasons why they would come back again in future years.

SWOT Analysis Overview for Edmond as a Sports Tourism Destination -



INITIAL IDENTIFICATION & PRIORITIZATION OF POTENTIAL SPORTS FACILITY OPPORTUNITIES



Sports Tourism Priority*	Sports	Facility Opportunity	Rationale
1	Basketball/Volleyball	New 8-Court Basketball/Volleyball Facility	A new indoor sports court facility would allow Edmond to pursue significant basketball and volleyball tournament activity, and could also be used for indoor sports activity such as pickleball, cheer, futsal, etc.
1	Youth Baseball/Softball	Renovate/Improve Mitch Park Ballfields & Renovate/Improve A.C. Caplinger Ballfields	Although a substantial number of baseball and softball fields already exist in Edmond, there would be a significant opportunity for more and bigger tournaments with improved facility/field quality.
2	Football/Lacrosse/Soccer	New 10-Field Rectangular Field Facility with Artificial Turf (at least 4-6) & Lights	Edmond Soccer Club has limited access for outside groups, therefore significant demand exists for multi-use field space for football (both flag and tackle), lacrosse, and other soccer programming.
2	Pickleball	Renovate/Improve Kickingbird Pickleball Center Indoor Facilities	Indoor courts need a proper moisture barrier under the courts and also lacks HVAC. Indoor food/event space would better serve tournaments. New tournaments could be hosted in conjunction with new sports center.
2	Tennis	Complete Planned Tournament Upgrades to Edmond Center Court	Completion of originally-planned improvements such as indoor balcony/event space and additional indoor courts to off-load the burden on the outdoor courts, would help continue to grow tournament activity.
3	Adult Softball	Renovate/Improve Edmond 66 Complex	The operator is continuing to grow their programs and events, as the facility is not yet at capacity. In the future, potential improvements could include more concessions, artificial turf infields, and another 4-plex.

Note: Within each sports tourism priority level, opportunities are presented in alphabetical order by sport

- * Key: 1 = High Impact Opportunity
 2 = Moderate Impact Opportunity
 3 = Potential Future Opportunity



Overview -

Based on guidance from the City, we selected the following two (2) sports facility models for further operations and financial analysis:

- **Outdoor Field Complex:** 10 full-sized, rectangular, multi-use artificial turf fields with lights. Local and tournament usage for rectangular field sports such as football, lacrosse, and other soccer programming.
- **Upgraded Mitch Park Athletic Complex & A.C. Caplinger Sports Complex:** 12 baseball diamonds (resized to maximize usage) at A.C. Caplinger with artificial turf infields, and five (5) softball and four (4) baseball diamonds (re-skinned with artificial turf infields and resized to maximize usage). Local and tournament usage for baseball and softball.

Outdoor Field Complex Financial Pro Forma - In a stabilized year of operations, it is estimated that the operations of the proposed outdoor field complex in Edmond could operate at an approximate 97% cost recovery.

	Stabilized Year
Operating Revenues:	
Rental Income (Tournaments, Practices, etc.)	\$707,000
Concessions (Net)	\$284,000
Advertising & Sponsorship	\$50,000
Other	\$10,000
Total Revenues:	1,051,000
Operating Expenses:	
Salaries, Wages, & Benefits	\$700,000
Utilities	\$153,300
Advertising, Marketing, & Promotion	\$50,000
General, Administrative, & Other	\$43,100
Maintenance/Repair	\$67,100
Materials/Supplies	\$67,100
Total Expenses:	1,080,600
EBIDA	(\$29,600)
COST RECOVERY	97%

Notes: (1) Presented in 2023 dollars (2) EBIDA represents "earnings before interest, depreciation, and amortization".

Upgraded Ball Diamonds Financial Pro Forma -

In a stabilized year of operations, it is estimated that the operations of the upgraded ball diamonds in Edmond could operate at an approximate \$256,800 annual loss.

	A.C. Caplinger	Mitch Park	Combined Operations
Operating Revenues:			
Private Programming (Leagues, Etc.)	\$364,000	\$124,000	\$488,000
Rental Income (Tournaments, Practices, etc.)	\$163,000	\$163,000	\$326,000
Concessions (Net)	\$165,000	\$93,000	\$258,000
Advertising & Sponsorship	\$33,000	\$31,000	\$64,000
Other	\$10,000	\$10,000	\$20,000
Total Revenues:	\$371,000	\$297,000	\$1,156,000
Operating Expenses:			
Salaries, Wages, & Benefits	-	-	\$525,000
Program Expenses	\$218,400	\$74,400	\$292,800
Utilities	\$153,000	\$138,000	\$291,000
Advertising, Marketing, & Promotion	-	-	\$25,000
General, Administrative, & Other	-	-	\$25,000
Maintenance/Repair	\$67,000	\$60,000	\$127,000
Materials/Supplies	\$67,000	\$60,000	\$127,000
Total Expenses:	505,400	332,400	1,412,800
EBITDA	(\$134,400)	(\$35,400)	(\$256,800)
OPERATING MARGIN	-36%	-12%	-22%

Notes: (1) Presented in 2023 dollars (2) EBIDA represents "earnings before interest, depreciation, and amortization".

Estimated Net Annual Economic & Fiscal Impacts Of Ongoing Operations -

It is estimated that the operations of the proposed new or upgraded sports facilities in Edmond could generate the following impacts within Edmond on an annual basis:

- \$13.8 million (Outdoor Field Complex) or \$13.3 million (Upgraded Ball Diamonds) in annual economic output
- 201 (Outdoor Field Complex) or 194 (Upgraded Ball Diamonds) sustainable annual jobs
- \$13.8 million (Outdoor Field Complex) or \$13.3 million (Upgraded Ball Diamonds) in annual labor income
- 43,000 (Outdoor Field Complex) or 42,000 (Upgraded Ball Diamonds) in annual hotel nights
- \$316,000 (Outdoor Field Complex) or \$307,000 (Upgraded Ball Diamonds) in city sales tax
- \$139,000 (Outdoor Field Complex) or \$135,000 (Upgraded Ball Diamonds) in city hotel room tax

Facility	VISITATION & SPENDING		ANNUAL ECONOMIC IMPACTS			HOTEL IMPACTS	ANNUAL FISCAL IMPACTS	
	Estimated Annual Out-of-Town Visitors	Estimated Net New Direct Spending (1)	Total Output	Employment	Labor Income	Estimated Annual Hotel Nights	City Sales Tax (3.75%)	City Hotel Tax (4%)
Outdoor Field Complex	126,000	\$11,668,000	\$13,779,000	201	\$13,757,000	43,000	\$316,000	\$139,000
Upgraded Ball Diamonds	122,000	\$11,335,000	\$13,341,000	194	\$13,320,000	42,000	\$307,000	\$135,000

Notes: (1) Only includes direct spending by visitors from outside of Edmond.
(2) Assumes 1.5 nights per out-of-town visitor, and average daily room rate of \$81.

Summary Of Net Impact Over Time (30 Years) -

Over a 30-year period, it is estimated that proposed new or upgraded sports facilities in Edmond could generate overall long-term impacts within the City of Edmond with a net present value (NPV) of:

- \$320 million (Outdoor Field Complex) or \$310 million (Upgraded Ball Diamonds) in total economic output
- 201 (Outdoor Field Complex) or 194 (Option 2) sustainable annual jobs
- \$320 million (Outdoor Field Complex) or \$309 million (Upgraded Ball Diamonds) in total labor income
- \$7.3 million (Outdoor Field Complex) or \$7.1 million (Upgraded Ball Diamonds) in city sales tax
- \$3.2 million (Outdoor Field Complex) or \$3.1 million (Upgraded Ball Diamonds) in city hotel room tax

Facility	NET PRESENT VALUE (NPV) OF INCREMENTAL IMPACTS OVER 30 YEARS (1)				
	ECONOMIC IMPACTS			FISCAL IMPACTS	
	Total Output	Employment	Labor Income	City Sales Tax (3.75%)	City Hotel Tax (4%)
Outdoor Field Complex	\$320,101,000	201	\$319,590,000	\$7,341,000	\$3,229,000
Upgraded Ball Diamonds	\$309,926,000	194	\$309,438,000	\$7,132,000	\$3,136,000

Notes: (1) Assumptions include 3.0% annual inflation and 4.0% discount rate.
(2) Represents new/full- and part-time jobs sustained on an annual basis.

Public Debt Financing Tools -

- **General Obligation Bonds:** A GO bond issue for sports tourism projects may be difficult to pass if it is perceived as taking away funds that could be allocated to other uses that the public may favor, such as other capital projects, improvements to services or infrastructure, etc. That said, Edmond City Council and the Edmond Planning Commission have publicly floated GO bonds as a way to expedite road improvement projects and free up future capital improvement project funds (sales tax) for other community needs.
- **Revenue Bonds:** One advantage to revenue bonds is that they are project specific, and thus do not diminish the City's bonding capacity for future GO bonds. One disadvantage is that they typically carry a higher interest rate than GO bonds, and due to debt service reserve requirements and other credit enhancements, the bonds are usually larger with higher payment terms. However, the biggest disadvantage in this case is that since the annual operations of the proposed facilities could require annual financial support, operating revenues are not likely to be a viable funding source for debt service payments. Therefore, any revenue bonds would need to be funded by a dedicated tax revenue source.
- **Special Tax Districts and/or Tax Increment Financing (TIF):** TIF or other special tax districts can be a powerful tool for financing sports tourism facilities using incremental (or temporary new) tax revenues resulting from development in a designated area. However, in order for TIF to be viable, the proposed facilities must be a component of a larger redevelopment area, and approvals typically must be obtained from all of the relevant taxing authorities within the defined district.

Potential Revenue Sources -

- **Ad Valorem Taxes:** In 2016, Edmond citizens approved a ½ cent sales tax increase for capital improvement projects. The tax runs from April 2017 through March 2027. It also helped to fund the development of Edmond Center Court.
- **Contractually Obligated Revenue Streams:** Private sector corporations often purchase long-term naming rights on large public venues, and those revenue streams may either be applied to capital costs or operations.
- **Edmond Public Schools Partnership:** Edmond Public Schools and the City of Edmond could potentially collaborate on the funding of new or upgraded sports facilities in Edmond, assuming it meets the needs of both parties.
- **General Funds:** As of June 30, 2022, according to the City's CAFR, the City had approximately \$191,549 of unassigned general funds.
- **Hotel Tax:** It is estimated that an additional increase to the Hotel Tax could generate approximately over \$24 million of capital project funding for every 0.5% increase
- **Public-Private Development (P3):** Similar venue projects across the country recently have been funded with a combination of public and private funds. These public-private partnerships, commonly referred to as "P3" development, usually involve a contract between a public sector agency and a private party, and the contract is typically structured so the private party assumes substantial project development and/or financial operations risk (typically in exchange for profit opportunity).



Overview Of Management Options For City Sports Facilities -

It should be noted that the ownership of a sports complex will determine what operation options are available. The chart below summarizes the different combinations that could be available for operations of City-owned sports facilities in Edmond (as denoted with a check mark).

		OWNER	
		Public	Private
OPERATOR	Public	✓	✗
	Private	✓	✓

As shown above, the City as facility owner has the option of public management or private management by a third-party contractor (either for-profit or non-profit).

Recommendations -

- We recommend that the City should negotiate long-term contracts going forward with their non-profit lease partners, which typically could be in the range of 3 to 5 years, with mutual options for renewal.
- As part of these negotiations, the City should also include: a) minimum annual reporting requirements for the operators (such as financial operations, event calendars, etc.), and b) a consistent City-wide policy for the City to be responsible for Long-Term Capital Maintenance and Utilities, while the sports operators should be responsible for day-to-day General Maintenance, Janitorial, etc.

Recommendations (Cont.) -

- Regarding a potential new sports fields complex for use by multiple sports groups, the City is likely to have severable viable options for a private management group to maintain those fields and allocate them to each group wishing to utilize the field:
 - **Non-Profit:** If it wishes to continue the existing non-profit management structure, the City could: 1) Encourage the local user groups with a vested interest in utilizing these fields to form a new non-profit entity to manage the fields under agreement with the City. Typically, each sports group would have a seat on the non-profit's Board of Directors, however if the Board was controlled by just a small handful of the sports groups it could skew programming and uses to heavily favor particular events and activities to the detriment of other potential community user groups. This non-profit organization could also likely rely in part on donations and grants from individuals, companies, foundations, etc., in addition to volunteer labor hours, to be sustainable in both the short- and long-term. Or 2) Partner with the YMCA (an existing City partner) to serve as an independent operator of the fields who is responsible for divvying up rental space/time to the interested sports organizations, as well as filling any gaps in field scheduling with some of their own programming.
 - **For-Profit:** The City could partner with a for-profit, independent, third-party management firm and task them with operating/maintaining the fields and renting to local groups, tournaments, etc. This option could lead to greater sports tourism opportunities, but it is also likely to cost the City a significant annual management fee.



1. INTRODUCTION

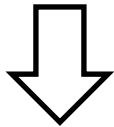
Victus Advisors (or “Victus”) was engaged in February 2023 by the **City of Edmond** (or the “City”) to conduct a sports facilities assessment to help determine the maximum recreation and/or sports tourism potential of current sports facilities in Edmond. Victus’ primary project goals for this study include:

- a) **Market Demand Analysis** - Develop a comprehensive profile of the strengths and weaknesses of Edmond as a sports market.
- b) **Sports Tourism Market & Facility Opportunity Analysis** - Develop an analysis of sports tourism market and facility opportunities for the City of Edmond.
- c) **Operating & Financial Analysis** - Operating & Financial Analysis - Analyze the current operating structure of each venue, and make recommendations regarding the ideal operating approaches. Develop recommended operating model and custom financial pro forma for the proposed venue(s).
- d) **Economic/Fiscal Impact & Funding Analysis** - Develop estimates of the economic/fiscal impacts, and associated project funding potential, that could be generated within the City by new sports facilities.

The flow chart on the next page shows a more detailed visualization of our study methodology.

PHASES:

PHASE 1
SPORTS
MARKET
FEASIBILITY
ANALYSIS



INTERIM FINDINGS

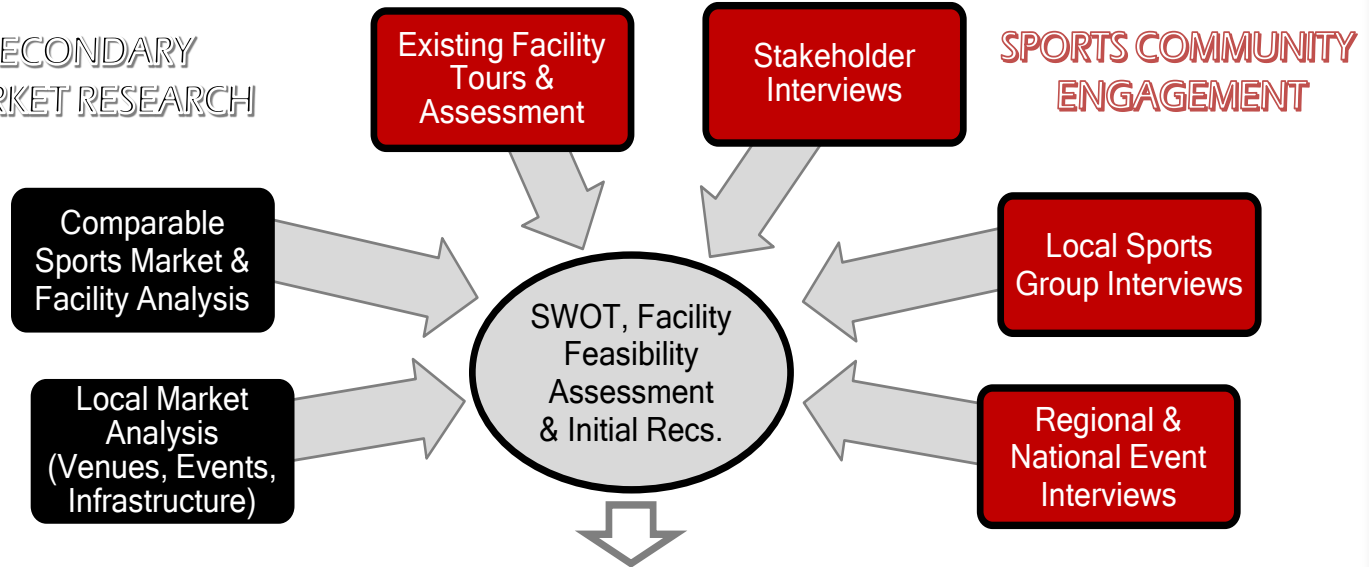


PHASE 2
OPERATIONAL,
FINANCIAL &
ECONOMIC ANALYSIS



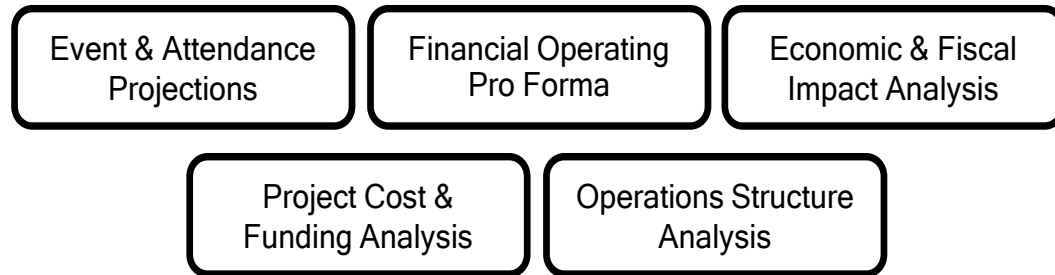
FINAL REPORT

SECONDARY
MARKET RESEARCH



SPORTS COMMUNITY
ENGAGEMENT

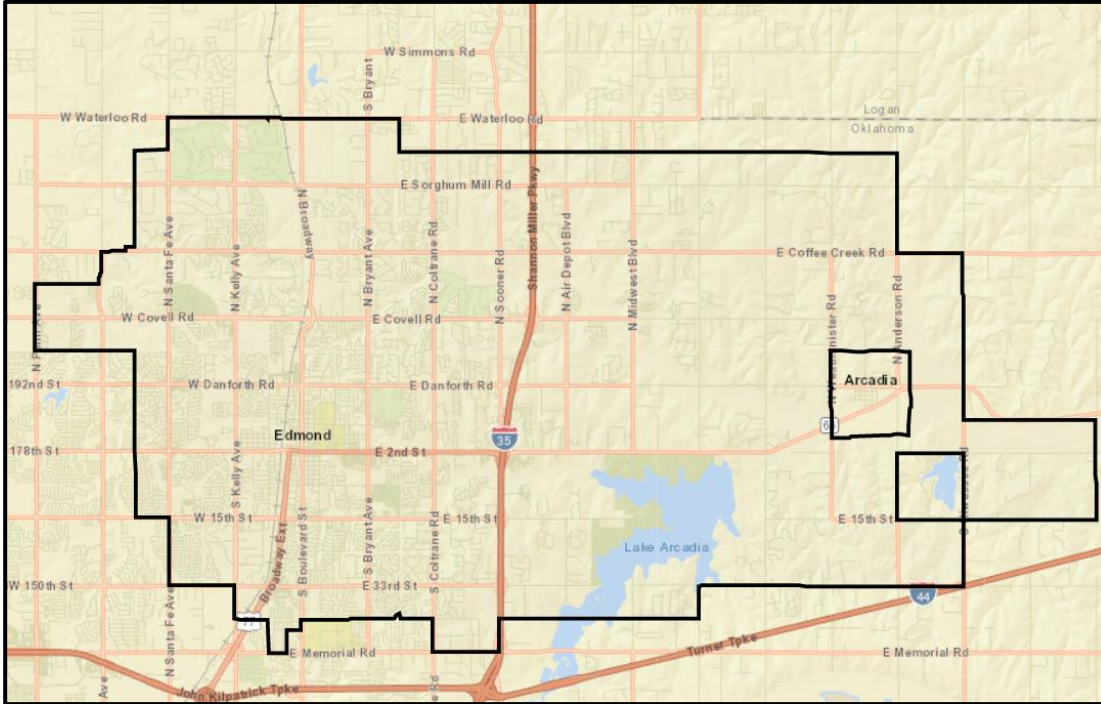
PRESENT SPORTS FACILITY OPPORTUNITY ASSESSMENT



FINAL DELIVERABLES



2. DEMOGRAPHIC & SOCIOECONOMIC ANALYSIS



The City of Edmond has an estimated population of 96,391.

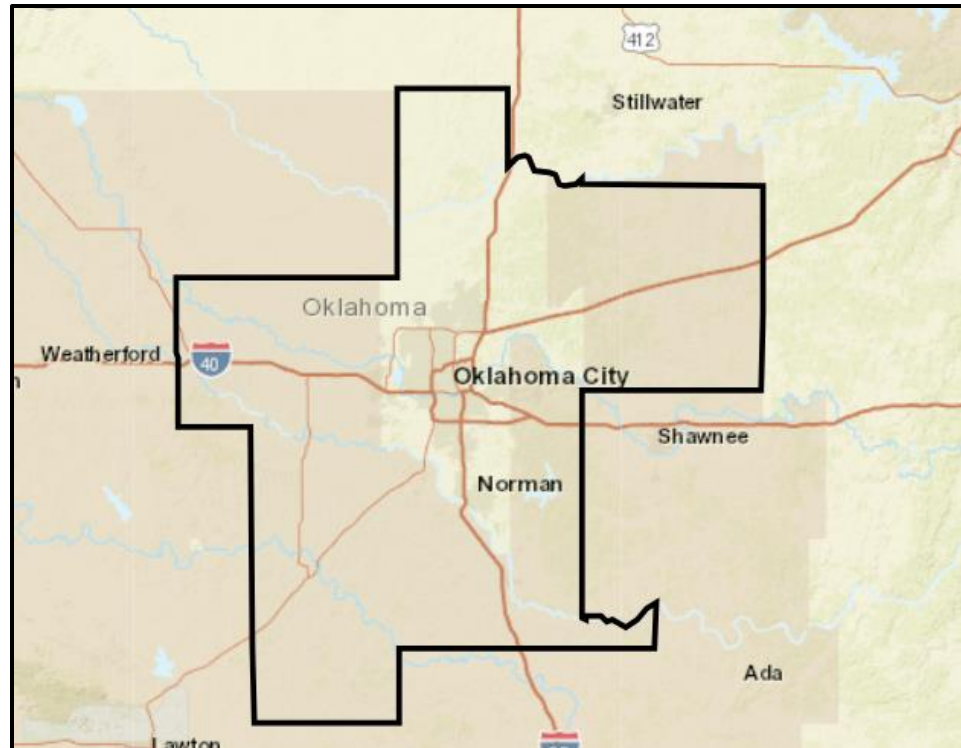
Source: Esri

Metro.
Statistical
Areas

- MSA's are defined by the U.S. Office of Management & Budget.
- They are defined by adjacent counties with a high degree of social/economic integration and an urban core of 50,000 people or more.

Oklahoma
City
MSA

- The Oklahoma City MSA (or "OKC MSA" for the remainder of this report) has a population of more than 1.4 million people.
- The OKC MSA is geographically defined as 7 counties (Oklahoma, Canadian, Cleveland, Grady, Lincoln, Logan, and McClain).



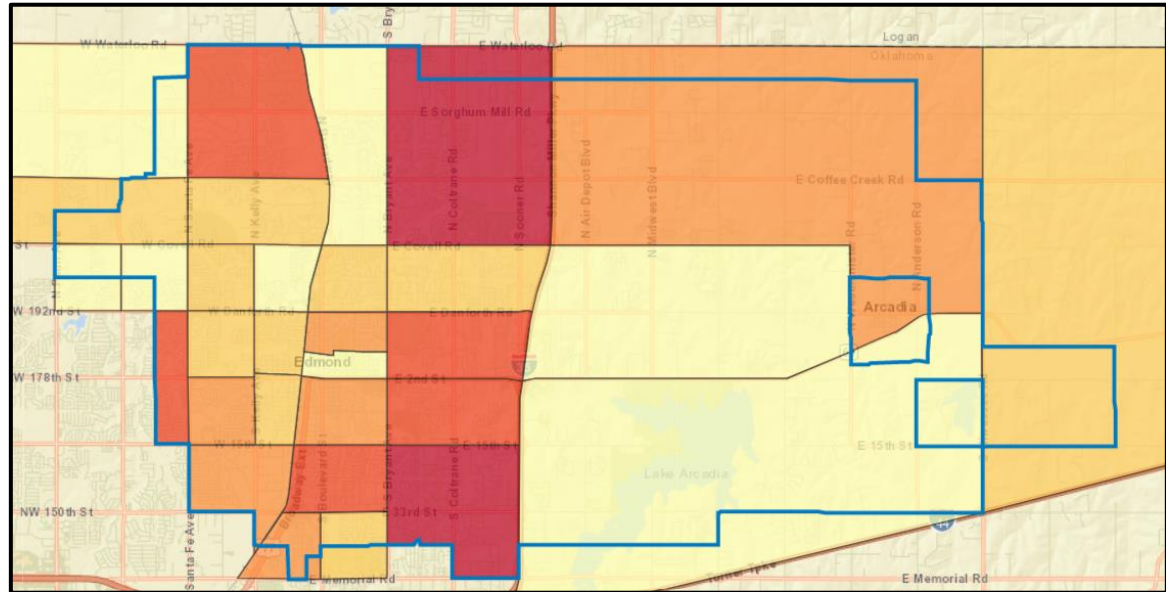
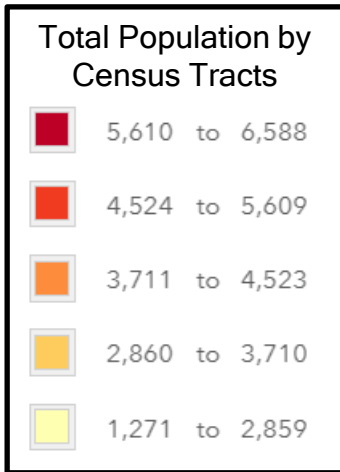
Source: Esri

	City of Edmond	OKC MSA	United States
Population	96,391	1,465,917	335,707,897
Population Under 18	21,450	340,605	72,900,044
Percentage of Population Under 18	22.3%	23.2%	21.7%
Population Growth:			
Annual Pop. Growth (2000 to 2022)	1.6%	1.3%	0.8%
Annual Pop. Growth (5-year Projection)	0.4%	0.7%	0.2%
Projected Population (2027)	98,453	1,516,625	339,902,796
Median Age	37.4	36.8	38.9

Source: Esri

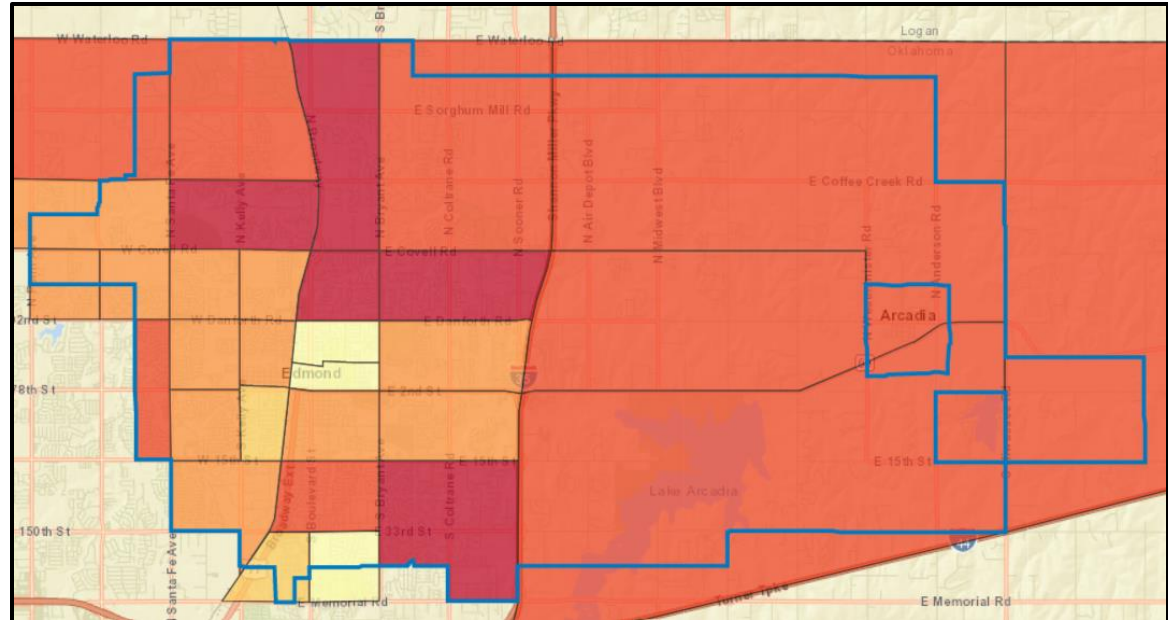
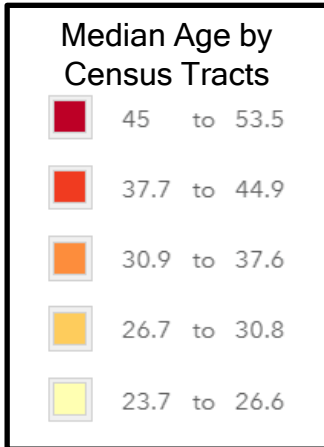
Over the past 20 years, the population of the City of Edmond has grown at 1.6% annually, which is a higher growth rate than both the OKC MSA and the U.S. as a whole. The City's projected growth rate is expected to continue to exceed that of the U.S.

In terms of both population under 18 and median age, the City of Edmond is younger than the U.S. average. A lower median age tends to represent a larger presence of working-age populations with young families, which can be a positive indicator for youth/amateur sports and community recreation demand.



Source: Esri

Population density within the City of Edmond is highest in the central part of the City.



Source: Esri

Median age tends to be lowest in the southwestern part of the City of Edmond.

	City of Edmond	OKC MSA	United States
Total Households	37,123	567,583	128,657,669
Households With Children Under 18	25,782	366,378	83,407,414
Percentage of Households With Children	69.5%	64.6%	64.8%

Source: Esri

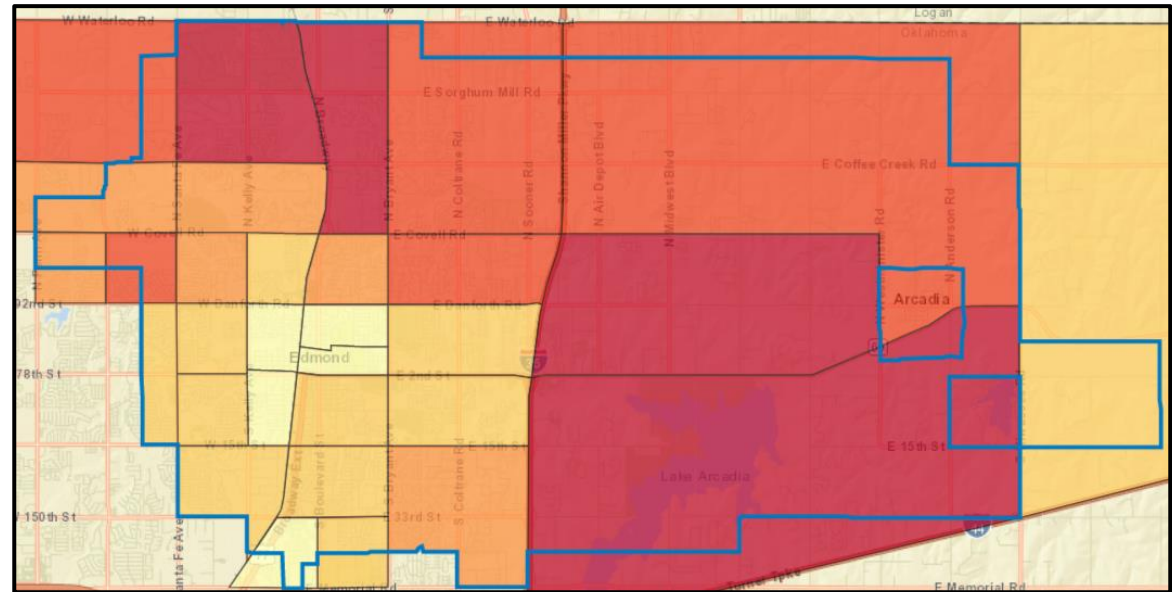
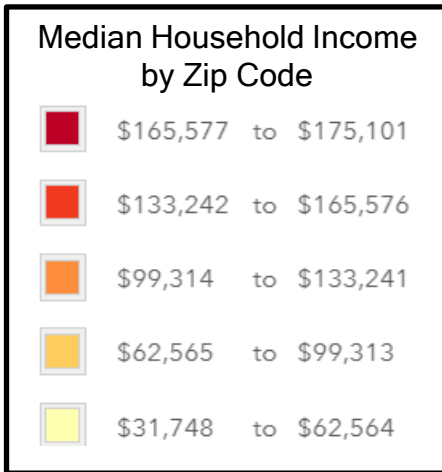
	City of Edmond	OKC MSA	United States
Median Household Income	\$94,846	\$66,899	\$72,414
Adjusted Median Household Income (1)	\$98,490	\$76,807	

Sources: Esri, Sperling

Note: (1) Adjusted for cost of living according to Sperling

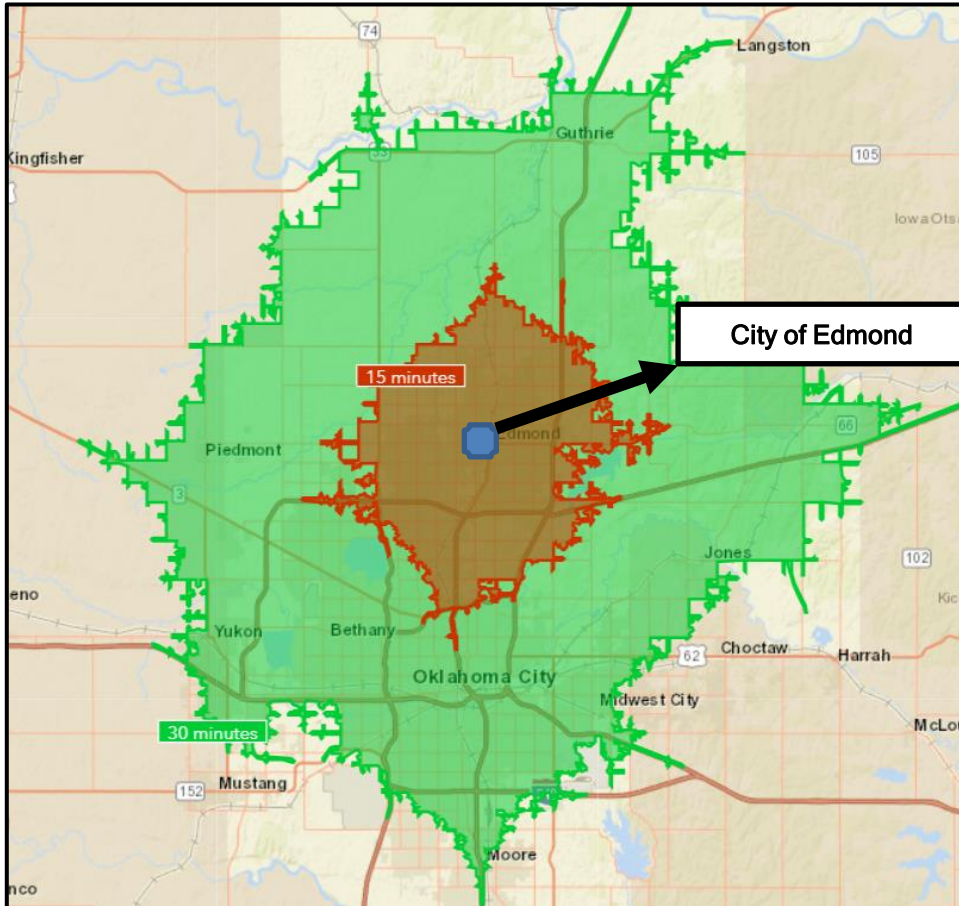
The City of Edmond has a higher percentage of households with children than both the OKC MSA and U.S. average. A high percentage of households with children can be a positive indicator for youth sports/recreation participation demand in the local area.

After accounting for the cost-of-living index (COLI), the COLI-adjusted median household income in the City of Edmond is significantly higher than both the OKC MSA and U.S. median income, which indicates Edmond residents may have more disposable income that can be spent on sports/recreation than would residents in other areas of OKC or the United States.



Source: Esri

Median Household Income tends to be higher in the northern and western parts of the City.



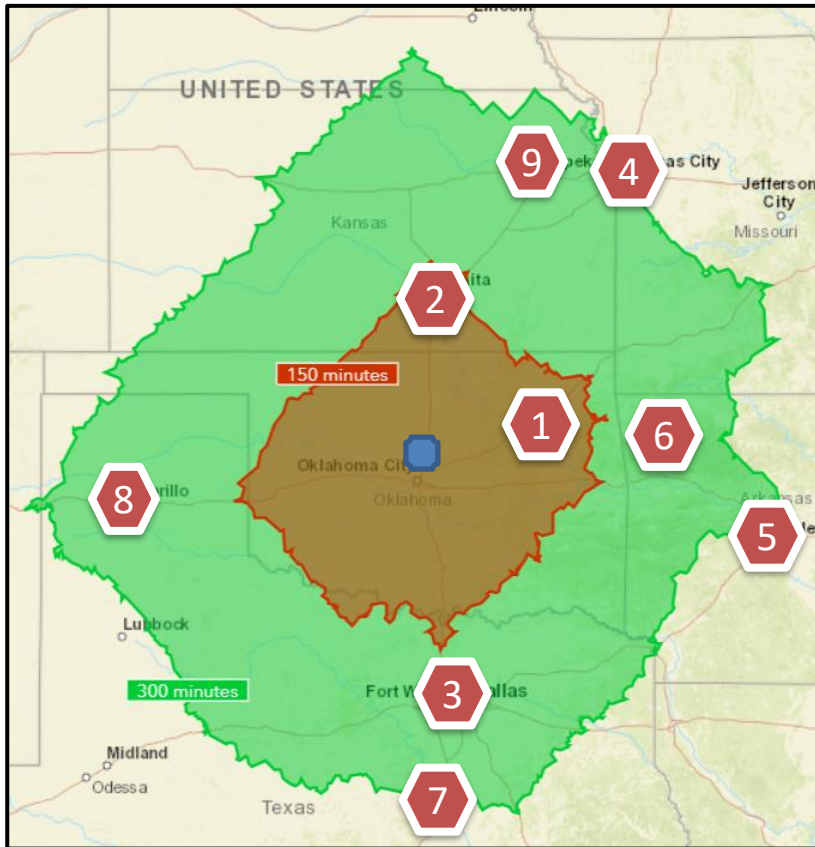
Source: Esri

Based upon Victus Advisors' experience, primary weekday attendance for youth/amateur sports facilities (typically in the late afternoons and evenings) is usually drawn from within a 15-to-30 minute drive radius.

There is a population of just over 223,000 people within a 15-minute drive time of the City Manager's Office in Edmond, and nearly 890,000 people within a 30-minute drive time of the City Manager's Office in Edmond.

Note: Regional, multi-day, weekend tournament attendance will typically be drawn from a much wider drive radius, as shown on the next page.

REGIONAL TOURNAMENT DRIVE-TIME ZONES



Source: Esri

Large MSAs (230K+ Pop) Within a 2-3 Hour Drive

1

Tulsa MSA
1,032,331

2

Wichita MSA
650,709

Large MSA's (230K+ Pop) Within a 5-6 Hour Drive

3

Dallas-Fort Worth MSA
7,961,535

4

Kansas City MSA
2,229,421

5

Little Rock MSA
760,573

6

Fayetteville MSA
574,301

7

Waco MSA
282,551

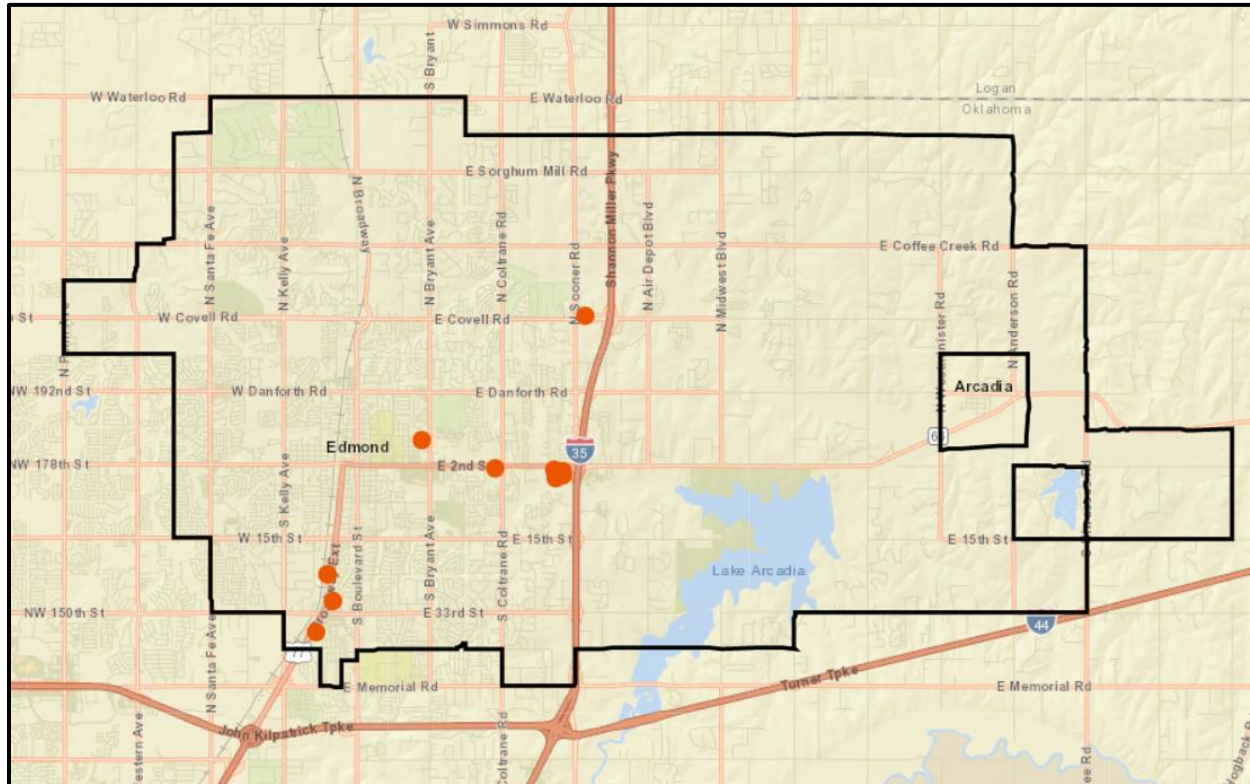
8

Amarillo MSA
271,776

9

Topeka MSA
232,356

There is a population of over 4.4 million people within a 2.5-hour drive time of Edmond, and over 20.5 million people within a 5-hour drive time of Edmond, to potentially draw from for sports tourism events. The largest markets (over 1 million people) within a 5-hour drive of Edmond are Dallas-Fort Worth, Kansas City, and Tulsa.

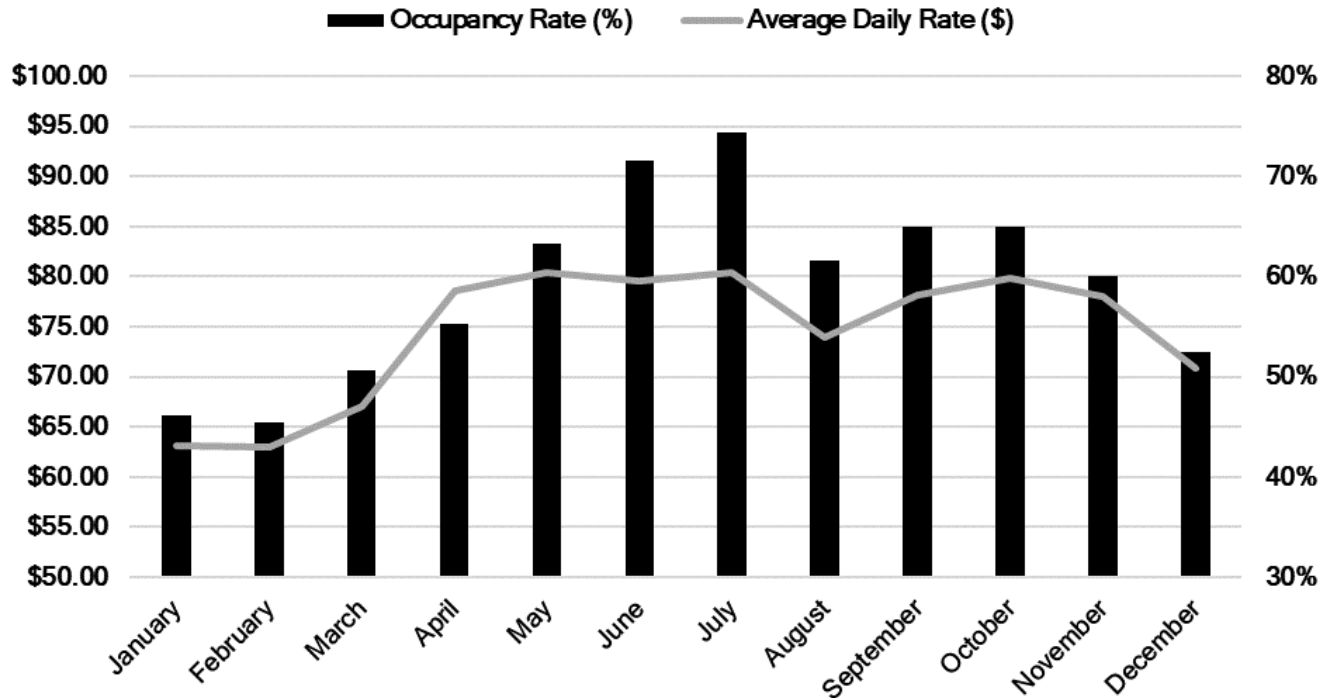


Source: Esri

Convenient, affordable, family-friendly lodging (preferably within a 10-minute drive area from a sports tourism venue) is an important component of attracting and hosting multi-day tournament activity.

Victus Advisors found over 10 lodging options (minimum 2-star hotel class) in Edmond, all located west of I-35, including appealing family-oriented brands such as Hampton Inn & Suites, Fairfield Inn & Suites, and Holiday Inn Express, among others.

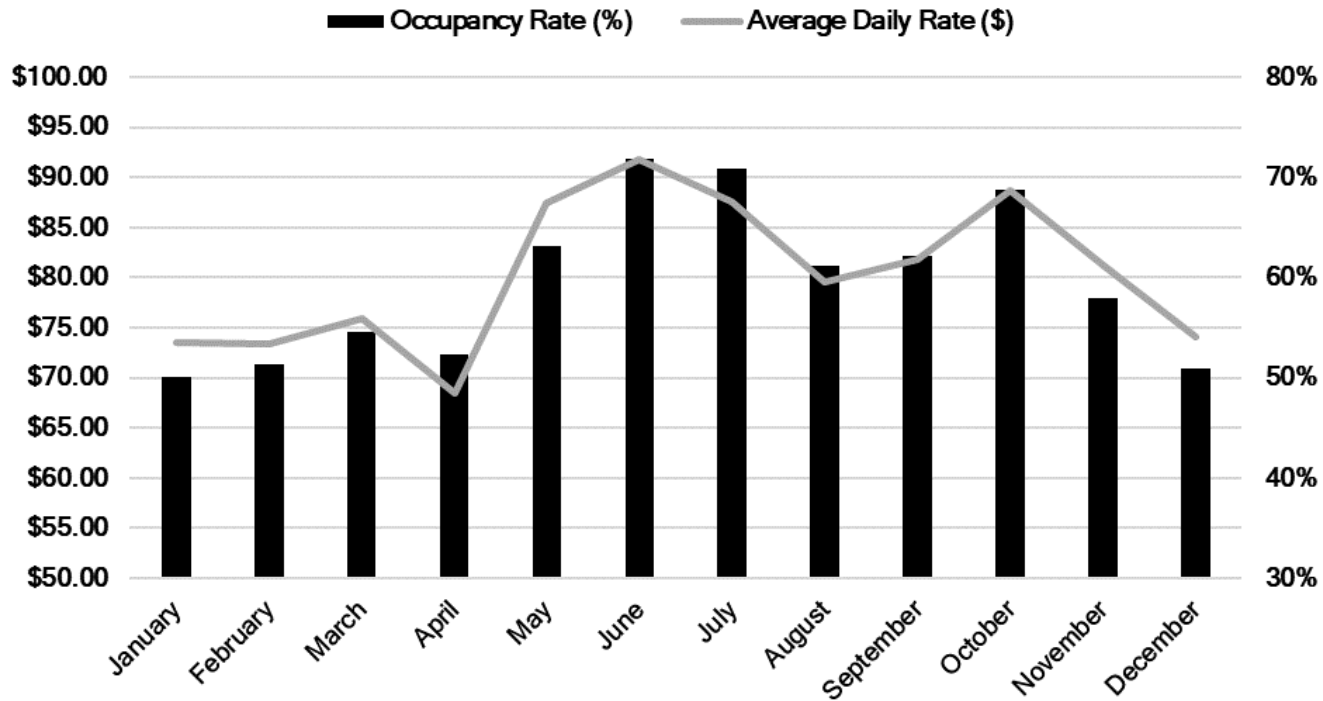
2021 EDMOND HOTEL DATA



Source: Visit Edmond

In 2021, Edmond hotel average daily rates (ADR) ranged from \$63 to \$81 per night throughout the calendar year, with occupancy rates ranging from approximately 46% to 74%. Demand was notably higher (greater than 60% occupancy) during the 6-month period from May to October.

2022 EDMOND HOTEL DATA

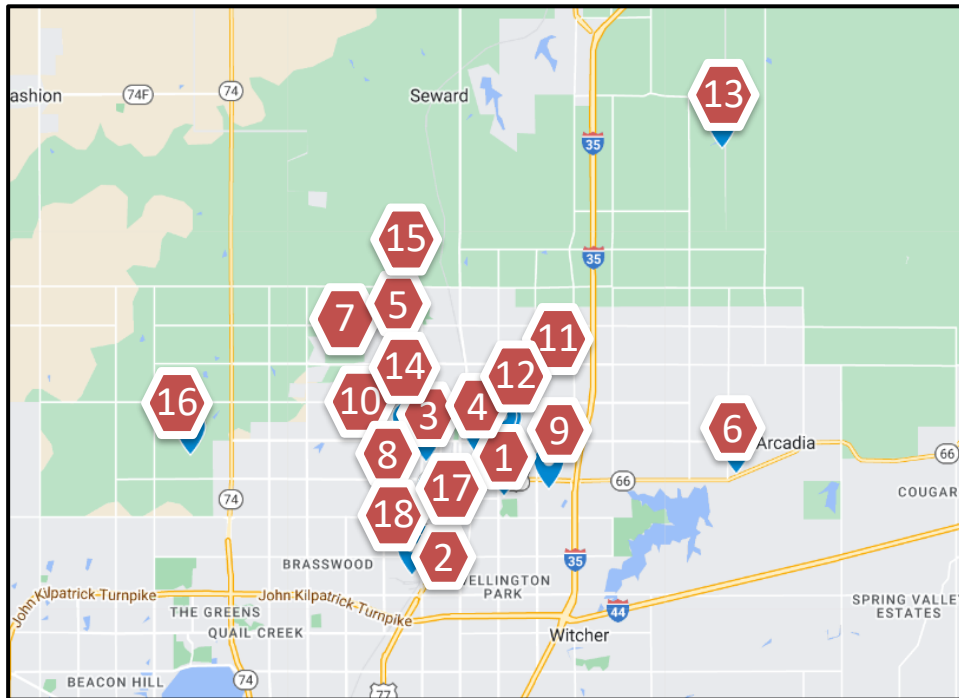


Source: Visit Edmond

In 2022, Edmond hotel average daily rates (ADR) increased to \$68 to \$92 per night throughout the calendar year, with occupancy rates ranging from approximately 50% to 72%. As in 2021, demand peaked (greater than 60% occupancy) from May through October.



3. LOCAL SPORTS FACILITY ANALYSIS



Source: Google Maps

Note: Sorted by Facility in alphabetical order

Facility

- 1 A.C. Caplinger Sports Complex
- 2 Arctic Edge Ice Arena
- 3 Carl Benne Arena
- 4 Chad Richison Stadium
- 5 Cheyenne Middle School
- 6 Edmond 66 Softball Complex
- 7 Edmond Aquatic Center
- 8 Edmond Center Court
- 9 Edmond Racquet Club
- 10 Edmond Soccer Club Complex
- 11 KickingBird Golf Club
- 12 KickingBird Pickleball Center
- 13 Lazy E Arena
- 14 Mitch Park Athletic Complex
- 15 Oak Tree National
- 16 Score OKC
- 17 Solid Rock Basketball
- 18 The Hive Basketball Complex

Victus Advisors identified a sample* of sports facilities located within or near Edmond city limits**. This list was compiled from user group interviews, stakeholder interviews, and Victus Advisors' research.

**Note 1: This list may not be comprehensive, but rather is intended to represent area facilities that are marketed by Visit Edmond and/or are frequently utilized by youth/amateur sports user groups within Edmond.*

***Note 2: Some facilities like Score OKC and Lazy E Arena are not within Edmond city limits, however they are frequently used by Edmond residents and/or economically tied to the City of Edmond. For example, Lazy E Arena has received grants from Visit Edmond in the past due to some events generating economic activity within Edmond.*



Facility	Owner	Operator	Inventory
A.C. Caplinger Sports Complex	City of Edmond	Edmond Youth Sports Association	12 Baseball Fields
Arctic Edge Ice Arena	Private	Private	2 Ice Sheets
Carl Benne Arena	City of Edmond	Edmond Round Up Club	Outdoor Rodeo Arena
Chad Richison Stadium	University of Central Oklahoma	University of Central Oklahoma	1 Football Field
Cheyenne Middle School	City of Edmond/Edmond Public Schools	Central Oklahoma Youth Lacrosse	Green Space
Edmond 66 Softball Complex	City of Edmond	Red Dirt Athletics	4 Softball Fields
Edmond Aquatic Center	Edmond Public Schools	YMCA	50-meter Competition Pool
Edmond Center Court	City of Edmond/Edmond Public Schools	Edmond Tennis Services	30 Indoor/Outdoor Tennis Courts
Edmond Racquet Club	Private	Private	9 Indoor/Outdoor Tennis Courts
Edmond Soccer Club Complex	City of Edmond	Edmond Soccer Club	16 Soccer Fields
KickingBird Golf Club	City of Edmond	City of Edmond	18-hole Golf Course
KickingBird Pickleball Center	City of Edmond	Oklahoma City Pickleball Club	20 Indoor/Outdoor Pickleball Courts
Lazy E Arena	Private	Private	Outdoor Rodeo Arena
Mitch Park Athletic Complex	City of Edmond	Edmond Youth Sports Association	5 Softball/4 Baseball Fields
Oak Tree National	Private	Private	18-hole Golf Course
Score OKC	Private	Private	4 Multi-use Courts, 2 Turf Fields
Solid Rock Basketball	Private	Private	4 Basketball Courts
The Hive Basketball Complex	Private	Private	4 Basketball Courts
% Public:	56%	6%	
% Private or University:	44%	94%	

Sources: City of Edmond, Visit Edmond, Victus research

Note: Cheyenne Middle School is owned by Edmond Public Schools, but there is an agreement with the City of Edmond that allows it to lease the green space to Central Oklahoma Youth Lacrosse.

As shown above, the City of Edmond has numerous sports facilities that can cater to a variety of sports and activities. Although more than half (56%) of these facilities are owned by the City of Edmond and/or Edmond Public Schools, all but one (KickingBird Golf Club) are operated by a private entity. Operating agreements for the City-owned facilities are summarized on the next page.

Later in this section, we profile select facilities that are most used for youth and amateur sports events locally and/or regionally in more detail.

OPERATING AGREEMENT SUMMARY



City-Owned Facility	Private Operator	Annual Lease Payment	Term Length (Years)	City Responsibilities	Operator Responsibilities
A.C. Caplinger Sports Complex	Edmond Youth Sports Association	\$1,250	4	Capital Maintenance & Utility Services	General Maintenance
Carl Benne Arena	Edmond Round Up Club	\$10	1	Capital Maintenance & Utility Services	General Maintenance
Cheyenne Middle School Fields	Central Oklahoma Youth Lacrosse	\$50	1	None	General Maintenance
Edmond 66 Softball Complex	Red Dirt Athletics	\$10	1	Capital Maintenance & Utility Services	General Maintenance
Edmond Center Court	Edmond Tennis Services	\$15,000	1	All Maintenance & Utility Services	Cleaning & Janitorial
Edmond Soccer Club Complex	Edmond Soccer Club	\$100	1	Capital Maintenance & Utility Services	Field Maintenance
KickingBird Pickleball Center	Oklahoma City Pickleball Club	\$10	1	Capital Maintenance & Utility Services	Cleaning & Janitorial
Mitch Park Athletic Complex	Edmond Youth Sports Association	\$1,250	4	Capital Maintenance & Utility Services	General Maintenance
AVERAGE		\$2,210	1.8		
MEDIAN		\$75	1.0		

Source: City of Edmond

Notes: (1) Cheyenne Middle School is owned by Edmond Public Schools, but there is an agreement with the City of Edmond that allows it to lease the green space to Central Oklahoma Youth Lacrosse. (2) Edmond Youth Sports Association pays a \$2,500 combined lease payment to the City of Edmond for use of both A.C. Caplinger Sports Complex and Mitch Park Athletic Complex.

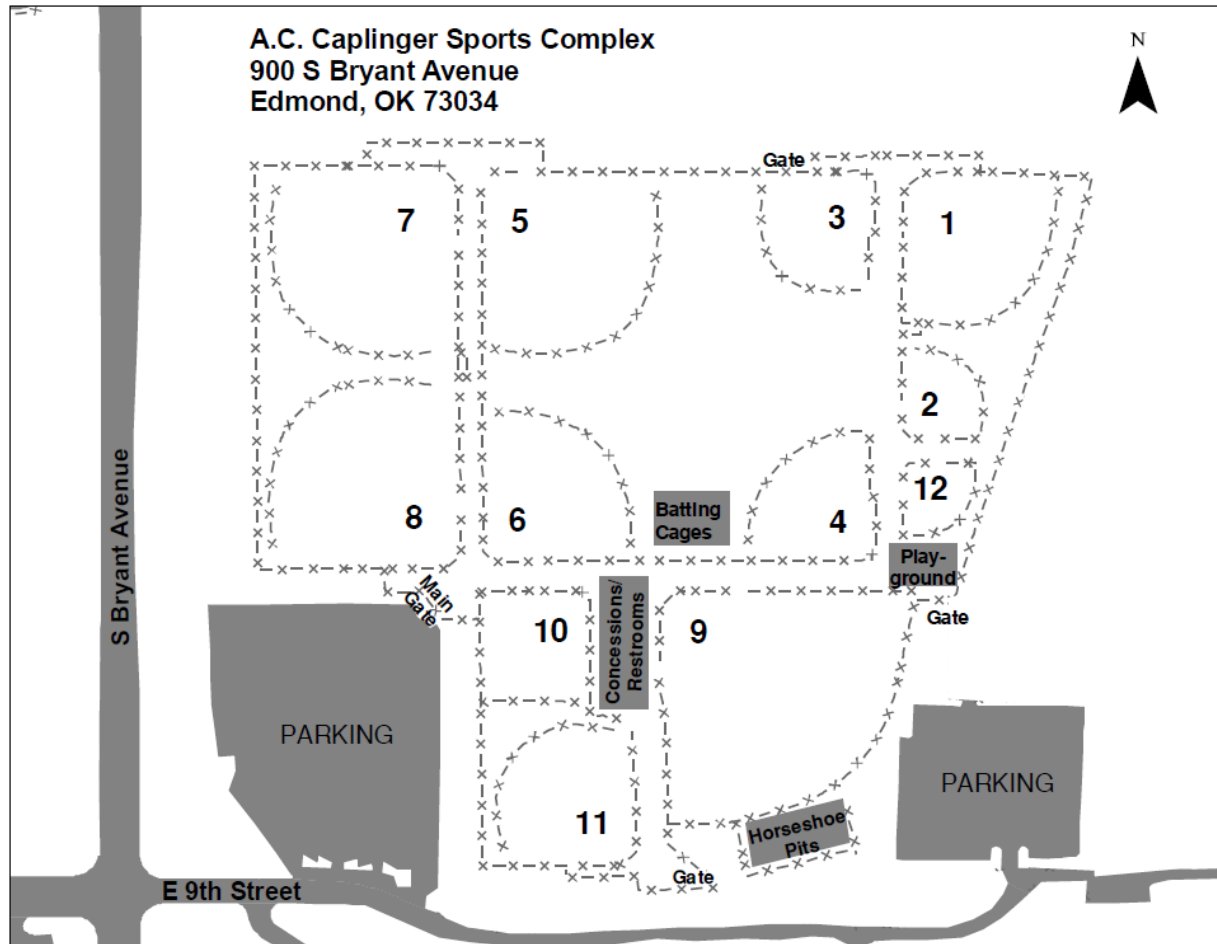
As shown above, the City of Edmond has lease agreements with seven (7) different sports operators at eight (8) facilities. Annual lease payments range from \$10 per year to up to \$15,000 per year, averaging \$2,210 per facility. Most agreements are year-to-year, with the exception of Edmond Youth Sports Association which has a 4-year agreement to operate A.C. Caplinger Sports Complex and Mitch Park Athletic Complex.

- Owner: City of Edmond; Operator: Edmond Youth Sports Association (EYSA)
- Features:
 - 12 baseball diamonds (various sizes)
 - Restrooms, concessions stand, and playground
- Sample Users:
 - Edmond Youth Sports Association
- Sports Tourism:
 - There are 30 planned tournaments in 2023. Each tournament will be held both at A.C. Caplinger (baseball events) and Mitch Park Athletic Complex (softball and/or baseball events).
- Operating Agreement:
 - EYSA paid the City of Edmond a \$1,000 lease payment (for both A.C. Caplinger Sports Complex and Mitch Park Athletic Complex) in 2022. That amount was raised to \$2,500 for 2023 upon renewal of the agreement and will continue at that annual rate until the end of four (4) years.
 - The City is principally responsible for major capital maintenance while EYSA is responsible for regular maintenance of the facility.
- Operator Feedback:
 - EYSA indicated that the fields at the facility are in bad shape and often have sand spurs throughout the dirt and grass. Additionally, they mentioned that the field sizes are wrong, so several cannot be used for tournaments.
 - EYSA recommends “resizing” the fields to specific dimensions for hosting baseball tournaments. They also recommended turf fields citing the ability to be able to host baseball and softball with that feature. Lastly, EYSA would ideally like to see an indoor training facility with batting cages developed on-site, which could run year-round and generate daily revenue.



RENTAL RATES

- Baseball Field: \$40 per field per hour (league teams); \$70 per field per hour (non-league teams)



- Owner/Operator: Private
- Footprint: 86,000 sq. ft.
- Features:
 - 2 Olympic-size ice rinks
 - Concessions stand
 - Pro shop
 - Locker rooms
- Programming:
 - The facility is the home to collegiate (University of Central Oklahoma and Oklahoma University), youth (Oklahoma City Youth Hockey Association and NHL Dallas Stars Learn to Play), and adult (Oklahoma City Adult Hockey League) hockey programs. It also hosts programming for the Oklahoma City Figure Skating Club and Oklahoma Curling Club.
- Sports Tourism:
 - The facility hosts about five (5) hockey tournaments per year, but they are mostly composed of local Oklahoma City clubs.
- Facility Feedback:
 - Staff feels that supply is meeting demand for ice time in Edmond and the surrounding area. They are not actively trying to attract regional and national tournament activity, preferring to focus on local programming as a privately-owned and operated facility.



RENTAL RATES

- \$350 per rink per hour

- Opened: 2014; Construction Cost: \$8.1M in 2022 dollars*
- Owner: City of Edmond; Operator: Red Dirt Athletics
- Features:
 - 4 adult softball diamonds
 - Restrooms and concessions stand
- Sample Users:
 - Red Dirt Athletics softball leagues and tournaments for adults (men and women) over 18
- Sports Tourism:
 - Red Dirt hosts two (2) softball tournaments per month, with only a few teams from outside of the Oklahoma City market. The facility will be one of many softball venues in the Oklahoma City market for a youth Triple Crown Sports event in June 2023.
- Operating Agreement:
 - Red Dirt pays the City of Edmond an annual lease payment of \$10.
 - The City is principally responsible for major capital maintenance while Red Dirt is responsible for regular maintenance of the facility.
- Operator Feedback:
 - Red Dirt indicated that the facility is great, but the primary downsides are that it's far away from nearby food/amenities for attendees and that the concession stand isn't located in the right place (they suggested it could be more centrally located).
 - Red Dirt is still growing their programs, but in the future they would like to see an additional four (4) fields on the complex grounds. Additionally, they mentioned that it would be ideal to have all artificial turf infields. Lastly, they stated that they could use a storage shed on-site (for lawnmower, field drag, golf cart, field dry, chalk, etc.).



- Opened: 2020; Construction Cost: \$18.3M in 2023 dollars*
- Owner: City of Edmond / Edmond Public Schools; Operator: Edmond Tennis Services (ETS)
- Features:
 - 24 outdoor tennis courts; 6 indoor tennis courts
 - 31,000 sq. ft. clubhouse
 - Concessions stand and pro shop
 - Locker rooms (public and high school)
 - High school team offices and lounges
- Sample Programming:
 - High school games and tournaments
 - Local, regional, and national leagues and tournaments
- Sports Tourism:
 - The facility plans on hosting 40 tournaments in 2023. They estimate about 30 tournaments will be multi-day events and attract out-of-town visitation.
- Operating Agreement:
 - ETS pays the City of Edmond an annual lease payment of \$15,000. The operator is responsible for cleaning and janitorial for the facility and courts, while the schools clean and maintain their own locker rooms, lounges, and offices. The City of Edmond is responsible for all maintenance (landscaping, mowing, and building maintenance).
 - As part of the operating agreement, the high school teams use all the outdoor courts in the Fall and Spring from about 3:00 to 5:30 (Free Use).
 - The facility currently operates at a positive operating margin.



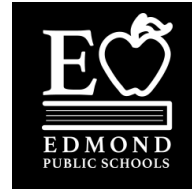
* Estimated according to the Turner Building Cost Index Q1 2023

- Operator Feedback:
 - ETS indicated that Edmond Center Court is one of the best public tennis facilities in the country, and that the partnership between the City of Edmond and Edmond Public Schools is a unique and successful relationship.
 - The operator feels that there is still demand for more indoor (at least four to six) and outdoor tennis courts at the facility. They stated that they are at capacity for instructional programming and additional courts would help meet demand. Additionally, ETS mentioned that more courts would allow the facility to host larger tournaments. Other requests include to finish the upstairs and balcony area for tournament operations, and an additional room they can use for meetings, conferences, multi-use space, agility training, etc. A small classroom for after school programs, camps, etc. would be ideal as well. Lastly, they stressed the need for restrooms on the north side of the facility.
 - ETS feels like they have a great relationship with the City of Edmond. They mentioned that the City is very responsive and clearly wants to keep the facility looking good.

RENTAL RATES & OTHER FEES

- Outdoor Courts: \$12 per court per hour
- Indoor Courts: \$28 per court per hour
- Adult Classes: \$15-\$20 per person (depending on class)
 - Private Lessons: \$55-\$75 per person per hour

- Opened: 2014
- Construction Cost: \$16.6M in 2023 dollars*
- Owner: Edmond Public Schools (EPS)
- Operator: YMCA
- Aquatic Center Features:
 - 50-meter competition pool
 - Bleachers with seating capacity of 780
 - Locker rooms
 - Water slide
 - Play zone
- Sample Users:
 - Edmond Public Schools swim teams (about 17 swim events per year)
 - University of Central Oklahoma, Oklahoma Secondary School Activities Association, Special Olympics, local swim clubs
- Sports Tourism:
 - The pool will host 45 swim meets for the 2022-2023 swim season (Fall 2022 - Summer 2023)
- Operating Agreement:
 - The YMCA operates the pool, but Edmond Public Schools has first priority for usage and events.
 - The operator sends a monthly bill to the City of Edmond with expenses and revenue, and the City will reimburse the operator for the difference to make the budget zero-out. Additionally, EPS gives the City a sum of money that goes toward operating expenses.



* Estimated according to the Turner Building Cost Index Q1 2023



FINANCIAL OPERATIONS

For fiscal year 2022 (November 2021 - October 2022) the pool operated at a 55% cost recovery (\$287,828 deficit) before contributions from the City of Edmond, as shown to the right:

	Fiscal Year 2022
Operating Revenues:	
Rental Revenue	\$345,092
Total Revenues:	\$345,092
Operating Expenses:	
Occupancy	\$415,495
Salary & Wages	\$99,733
Supplies	\$47,397
Equipment Costs	\$32,648
Contracted Services	\$18,410
Employee Benefits	\$9,945
Payroll Taxes	\$9,202
Telephone	\$90
Total Expenses:	\$632,920
NET OPERATING LOSS	(\$287,828)
COST RECOVERY	55%
CITY CONTRIBUTIONS	\$287,828

Source: YMCA

RENTAL RATES

- Meets: \$2,376 per day (plus fees for set-up, lifeguards, etc.)
- 25-Yard Lane: \$14-\$32 per lane per hour (depending on total lane hours per week)
- 50-Meter Lane: \$28-\$57 per lane per hour (depending on total lane hours per week)

- Owner: City of Edmond
- Operator: Edmond Soccer Club (ESC)
- Features:
 - 16 full-sized natural grass soccer fields
 - 10 have lights
 - 2 smaller soccer fields
 - 3 concession stands
 - Restrooms
- Sample Users:
 - Edmond Soccer Club
 - In the past the facility had rented out to groups such as the YMCA and Friday Night Lights, but ESC now mostly tries to avoid outside rentals to preserve the field quality for their programs.
- Sports Tourism:
 - Edmond Soccer Club typically will host about three (3) events per year, with each event hosting up to over 250 teams.
 - ESC reports that the 2021 Beat the Heat tournament hosted about 6,500 out-of-town visitors generating over \$4.8 in local economic impact.
- Operating Agreement:
 - ECS used to pay the City of Edmond an annual lease payment of \$100.
 - The City of Edmond manages all improvements on the complex while ESC is responsible for the maintenance of the fields.



- Operator Feedback:
 - ECS stated that the City of Edmond is currently in phase one (around \$5 million) of renovations to the facility which include referee space, offices and meeting rooms, new maintenance stands, and new concession stands. A future phase two will include a reorientation of the fields, a championship field, and light installation.
 - ECS indicated that the greatest needs (aside from the renovations) are more parking, and adding turf fields and lights which could allow for more tournaments.
 - In general, ECS feels like there is a good working relationship with the City of Edmond, but they would like more support by turning the irrigation on earlier in the year and responding faster to issues at the complex.



- Owner: City of Edmond; Operator: Greater Oklahoma City Pickleball Club
- Features:
 - 12 indoor pickleball courts
 - 12 outdoor pickleball courts
- Sample Users:
 - Greater Oklahoma City Pickleball Club and open play
- Sports Tourism:
 - The facility has hosted three (3) major pickleball tournaments since 2020, with each averaging at least 300 total participants.
- Operating Agreement:
 - The pickleball club pays the City of Edmond an annual lease payment of \$10 for use of the KickingBird Pickleball Center.
 - The City is principally responsible for major capital maintenance while the operator is responsible for cleaning and janitorial for the facility and courts.
- Operator Feedback:
 - The relationship with the City has been frustrating since the club was first started in 2014. They mentioned that when the City set up KickingBird for pickleball, they didn't consult the club and made a lot of decisions that actual pickleball players wouldn't have made, like taking away 12 outdoor pickleball courts for parking.
 - The operator is a volunteer-run, non-profit group, therefore they lack the capacity to man the facility with full- or even part-time staff. They added a camera system and an app that members use to log-in at the facility. For restrooms, they put a keypad entry in the clubhouse.



- Operator Feedback:
 - The City redid the indoor facility and resurfaced it and put in permanent nets but when they resurfaced the indoor courts, they didn't put in a moisture barrier under the courts, so the surface is already starting to bubble up. The indoor facility also has no HVAC system.
 - As pickleball continues to grow, they're worried the current operational model (volunteers) at the facility won't be sustainable and they wonder if the City will eventually take over operations. They also would like to explore the possibility of a similar city/school district partnership like Edmond Center Court for a new pickleball facility. An ideal facility for them would have 24 indoor courts so they could host professional events and regional qualifying tournaments via USA Pickleball.

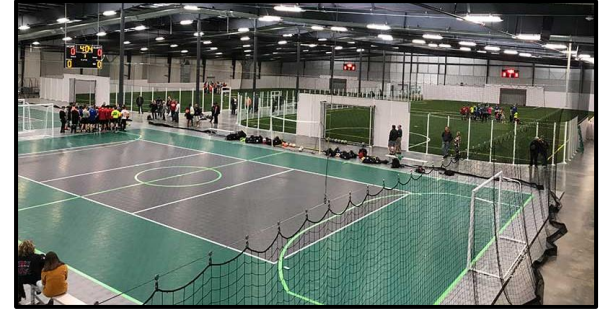
- Owner: City of Edmond ; Operator: Edmond Youth Sports Association (EYSA)
- Features:
 - 5 softball diamonds; 4 baseball diamonds
 - Restrooms, walking trail, and playground
- Sample Users:
 - Edmond Youth Sports Association and YMCA
- Sports Tourism:
 - There are 30 planned tournaments in 2023. Each tournament will be held both at A.C. Caplinger (baseball events) and Mitch Park Athletic Complex (softball and/or baseball events).
- Operating Agreement:
 - EYSA paid the City of Edmond a \$1,000 lease payment (for both A.C. Caplinger Sports Complex and Mitch Park Athletic Complex) in 2022. That amount was raised to \$2,500 for 2023 upon renewal of the agreement and will continue at that annual rate until the end of four (4) years.
 - The City is principally responsible for major capital maintenance while EYSA is responsible for regular maintenance of the facility.
- Operator Feedback:
 - EYSA indicated that the facility has had a bad reputation for a while in the baseball/softball community, and the fields are outdated and dilapidated. They also mentioned that the fields all slope down. They recommend that the fields be redone completely with artificial turf fields.



RENTAL RATES

- Baseball Field: \$40 per field per hour (league teams); \$70 per field per hour (non-league teams)

- Owner/Operator: Private
- Footprint: 80,000 sq. ft.
- Features:
 - 4 multi-use courts (basketball, volleyball, futsal)
 - 2 indoor turf fields
 - Party room
- Programming:
 - The facility hosts programs and leagues for various sports including basketball, volleyball, futsal, and soccer. The facility also rents to outside sports groups.
- Sports Tourism:
 - The facility does not host regional or national tournaments.



RENTAL RATES

- Futsal: \$50 per court per hour
- Volleyball: \$50 per court per hour
- Basketball: \$50 per court per hour
- Turf Field: \$125 per field per hour

- Opened 2016
- Owner/Operator: Private
- Footprint: 32,000 sq. ft.
- Features:
 - 4 basketball courts
 - Concessions stand
 - Golf simulator
- Programming:
 - The facility hosts various basketball programs and leagues and rents to outside sports groups.
- Sports Tourism:
 - The facility is used by regional and national event organizers for a handful of tournaments per year as part of various venues in the Oklahoma City market.
- Facility Feedback:
 - Staff feels that supply is meeting demand for court spaces in Edmond, although they admitted that they do turn away groups for court space from time to time. That said, they felt that there is need for a multi-purpose space in Edmond that can cater to other sports such as pickleball, etc.



RENTAL RATES

- \$45-\$55 per court per hour



- Opened 2016
- Owner/Operator: Private
- Features:
 - 1 building with 3 basketball courts
 - 1 annex building with 1 basketball court
- Programming:
 - The facility hosts programs and leagues for various sports including basketball, volleyball, futsal, and soccer. The facility also rents to outside sports groups.
- Sports Tourism:
 - The facility is used by regional and national event organizers for a handful of tournaments per year as part of various venues in the Oklahoma City market.
- Facility Feedback:
 - Staff indicated that there could be demand for an additional four (4) to six (6) courts to host regional and national tournaments. They added, however that a new facility would be a competing facility for local usage.

RENTAL RATES

- \$50 per court per hour

Facility	Multi-Use Courts	Indoor Fields	Tennis Courts	Multi-Use Fields	Baseball Fields	Softball Fields	Pickleball Courts	Competition Pool	Ice Sheets
A.C. Caplinger Sports Complex	-	-	-	-	12	-	-	-	-
Arctic Edge Ice Arena	-	-	-	-	-	-	-	-	1
Edmond 66 Softball Complex	-	-	-	-	-	4	-	-	-
Edmond Aquatic Center	-	-	-	-	-	-	-	1	-
Edmond Center Court	-	-	30	-	-	-	-	-	-
Edmond Soccer Club Complex	-	-	-	18	-	-	-	-	-
KickingBird Pickleball Center	-	-	-	-	-	-	24	-	-
Mitch Park Athletic Complex	-	-	-	-	4	5	-	-	-
Score OKC	4	2	-	-	-	-	-	-	-
Solid Rock Basketball	4	-	-	-	-	-	-	-	-
The Hive Basketball Complex	4	-	-	-	-	-	-	-	-
TOTAL	12	2	30	18	16	9	24	1	1

Source: Victus Research

Note: Sorted by Facility in alphabetical order

Multi-Use Courts: There is no facility with more than four (4) multi-use courts in Edmond. Only two (2) of the court facilities have any experience in hosting basketball tournaments, and none of them has the capacity to host a large multi-day tournament that requires eight (8) or more courts.

Tennis Courts: Edmond has a nationally-recognized tennis facility with 30 courts that regularly hosts regional and national tournaments.

Multi-Use Fields: Edmond has one of the largest soccer complexes in the State (18 fields), however access for other field sports groups is limited, and there are no other notable multi-field complex in the City.

Baseball/Softball Diamonds: Although there 16 baseball and nine (9) softball diamonds in Edmond, EYSA indicated that they are not in the optimum condition to host large tournaments.

Pickleball: KickingBird Pickleball Center has 24 courts, however only 12 are indoor, and pickleball club would need 24 indoor courts so they could large scale events.

Aquatics: Edmond has one (1) of just two (2) 50-meter competition pools in the State.

Ice: Edmond has a multi-sheet ice facility that hosts both college and youth events.



4. COMPETITIVE & COMPARABLE MARKET & FACILITY ANALYSIS

Based upon our public engagement, community feedback process, and Victus' research, the following markets were identified as most comparable sports tourism destinations to Edmond/Oklahoma City. Victus Advisors compared the Oklahoma City MSA's (or "OKC Market") demographic and socioeconomic characteristics to the following competitive set of markets in the Midwest (listed in alphabetical order below):

- Dallas-Fort Worth, TX MSA (or "Dallas Market")
- Kansas City, MO MSA (or "Kansas City Market")
- Tulsa, OK MSA (or "Tulsa Market")
- Wichita, KS MSA (or "Wichita Market")

In the next section of this report, Victus Advisors also analyzed facilities within these markets that could potentially be a competitive facility for existing or future sports tourism facilities in Edmond.

COMPARATIVE MARKETS: POPULATION



MSA	Population
Dallas-Fort Worth	8,393,172
Kansas City	2,269,147
Oklahoma City	1,465,917
Tulsa	1,053,986
Wichita	653,257
Average	2,767,096
Median	1,465,917

Source: Esri

Note: Sorted by Total Population in descending order

The Oklahoma City market's population of 1.5 million represents the third most populated among the competitive markets selected for comparative analysis.

COMPARATIVE MARKETS: POPULATION GROWTH



<u>MSA</u>	<u>Annualized Pop. Growth (2000-2022)</u>	<u>Proj. Annual Pop. Growth (2022-2027)</u>
Dallas-Fort Worth	2.0%	1.1%
Oklahoma City	1.3%	0.7%
Tulsa	0.8%	0.4%
Kansas City	0.9%	0.4%
Wichita	0.6%	0.1%
Average		0.5%
Median		0.4%

Source: Esri

Note: Sorted by Proj. Annual Pop. Growth in descending order

The projected growth rate of the Oklahoma City market ranks third among the six (6) comparative markets.

COMPARATIVE MARKETS: MEDIAN AGE



MSA	Median Age
Dallas-Fort Worth	35.3
Oklahoma City	36.8
Wichita	36.9
Kansas City	38.4
Tulsa	38.4
Average	37.2
Median	36.9

Source: Esri

Note: Sorted by Median Age in ascending order

The Oklahoma City market's median age of 36.8 is below the average among comparative markets. A younger median age can indicate that a market could be more likely to support and participate in amateur sports events due to the presence of a working-age population and young families.

COMPARATIVE MARKETS: YOUTH



<u>MSA</u>	<u>Total Households</u>	<u>Households w/ Children Under 18</u>	<u>% of Households w/ Children</u>
Dallas-Fort Worth	2,877,711	1,941,886	67.5%
Tulsa	404,237	266,795	66.0%
Wichita	253,944	164,147	64.6%
Oklahoma City	567,583	366,378	64.6%
Kansas City	884,847	567,993	64.2%
Average	997,664	661,440	65.4%
Median	567,583	366,378	64.6%

Source: Esri

Note: Sorted by % of Households w/ Children in descending order

Nearly 65% of households in the Oklahoma City markets have children, which ranks tied for third amongst comparative markets. This metric tends to improve over time in areas that are experiencing rapid population increases and economic growth.

COMPARATIVE MARKETS: MEDIAN HOUSEHOLD INCOME



<u>MSA</u>	<u>Median Household Income</u>	<u>Adj. Median Household Income</u>
Kansas City	\$76,500	\$81,818
Wichita	\$64,781	\$78,618
Oklahoma City	\$66,899	\$76,807
Dallas-Fort Worth	\$79,627	\$76,712
Tulsa	\$63,342	\$74,258
Average		\$77,643
Median		\$76,807

Sources: Esri, Sperling

Note: Sorted by Adj. Median Household Income in descending order

The Oklahoma City market ranks third amongst comparative markets in terms of cost-of-living-adjusted median household income, which can be a potential indicator of household income available for spending on sports, recreation, and leisure.

COMPARATIVE MARKETS: CORPORATE BASE



MSA	Total Businesses
Dallas-Fort Worth	284,859
Kansas City	77,271
Oklahoma City	58,955
Tulsa	41,866
Wichita	24,241
Average	97,438
Median	58,955

Source: Esri

Note: Sorted by Total Businesses in descending order; Defined as NAICS recognized businesses.

Among comparative markets, the Oklahoma City market ranks third in terms of business inventory, which can be a sign of overall economic health, as well as an indicator for potential corporate sponsorship/advertising support of tourism facilities and tournaments/events.

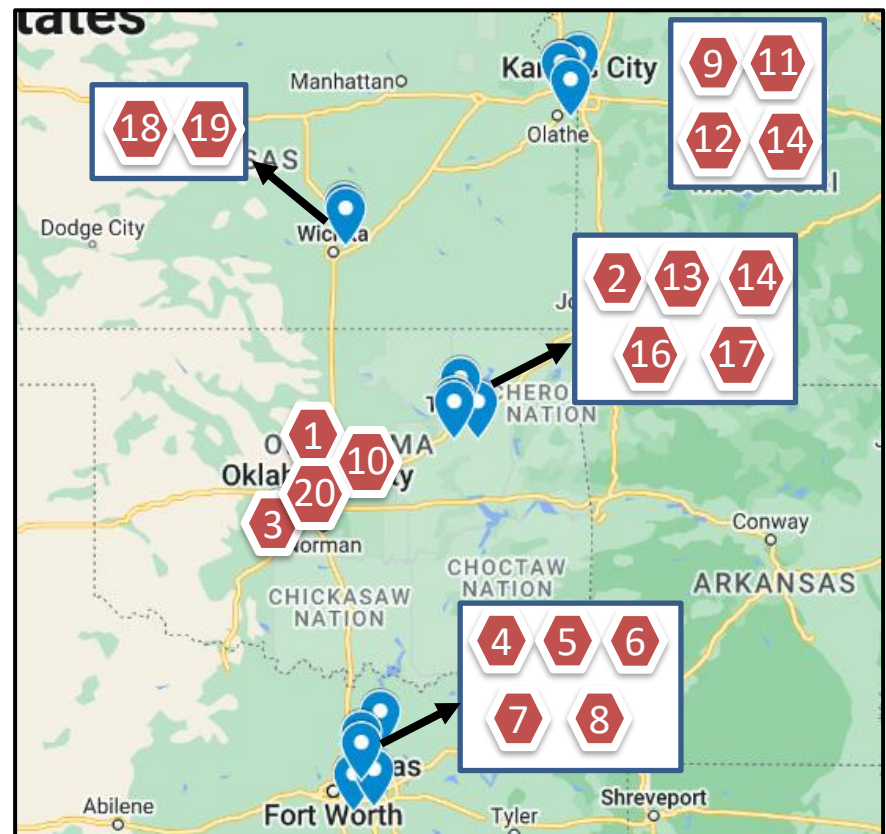


Victus Advisors also analyzed sports tourism facilities within the comparative markets in the Midwest (within a 6-hour drive) that could potentially be a competitive facility for existing or future sports tourism facilities in Edmond. Our criteria was venues with a minimum of five (5) baseball or softball diamonds, eight (8) rectangular fields, or six (6) basketball courts convertible to at least six (6) or more volleyball courts.

Sports Tourism Facilities

- 1 Bouse Sports Complex (OKC)
- 2 Broken Arrow Challenger Sports Complex (Tulsa)
- 3 Chickasha Sports Complex (OKC)
- 4 Drive Nation Sports (Dallas)
- 5 Duncanville Fieldhouse (Dallas)
- 6 FieldhouseUSA Frisco (Dallas)
- 7 FieldhouseUSA Grapevine (Dallas)
- 8 FieldhouseUSA Mansfield (Dallas)
- 9 Hy-Vee Arena (Kansas City)
- 10 Marion C. Reed Ballpark (OKC)
- 11 Mid-America Sports Complex (Kansas City)
- 12 Mid-America West Sports Complex (Kansas City)
- 13 Mohawk Sports Complex (Tulsa)
- 14 Nienhuis Park (Tulsa)
- 15 Scheels Overland Park Soccer Complex (Kansas City)
- 16 Titan Sports and Performance Center (Tulsa)
- 17 Titan Sports and Performance Center South (Tulsa)
- 18 Wichita Hoops (Wichita)
- 19 Wichita Sports Forum (Wichita)
- 20 Young Family Athletic Center (OKC)

Note: Sorted in alphabetical order



Source: Google Maps



4. COMPETITIVE & COMPARABLE MARKET & FACILITY ANALYSIS: A. DALLAS-FORT WORTH MARKET

DALLAS MARKET: DRIVE NATION SPORTS



Irving, TX

- Opened: 2017
- Owner/Operator: Private
- Footprint: 91,000 sq. ft.
- Features:
 - 6 basketball courts convertible to 10 volleyball courts
 - 10,000 sq. ft. of indoor turf
 - Gym and training facilities
 - Concessions area
 - Multi-purpose rooms
- Programming:
 - The facility offers leagues, camps, clinics, and training for basketball, volleyball, soccer, and football. The facility can also host community events, birthday parties, and corporate or other meetings.
- Additional Notes:
 - Drive Nation is owned by former NBA player Jermaine O'Neal and built on DFW airport-owned land. The airport has a 40-year contract with Drive Nation with the facility paying \$146,000 per year in rent for the first four years and \$282,000 per year for the remainder of the contract.



RENTAL RATES

- Basketball/Volleyball: \$70 per court per hour
 - Indoor Turf: \$130 per hour

DALLAS MARKET: DUNCANVILLE FIELDHOUSE



Duncanville, TX

- Opened: 2010 (repurposed)
- Owner/Operator: City of Duncanville
- Footprint: 115,000 sq. ft.
- Features:
 - 6 hardwood basketball courts convertible to 10 volleyball courts
 - High-performance turf room
 - 4 meeting rooms
 - Grill
 - General store
- Programming:
 - The facility hosts tournaments (basketball, volleyball and martial arts), leagues, camps and clinics, team training, and coach's clinics.
- Additional Notes:
 - The Fieldhouse opened in 2000 as a StarCenter hockey facility operated by the Dallas Stars but closed in 2009. The City of Duncanville took over the facility and converted it to host other indoor sports. The facility is divided into two (2) gym sections, each with three (3) courts. This setup allows for the ability to host separate events on the same day at the facility.



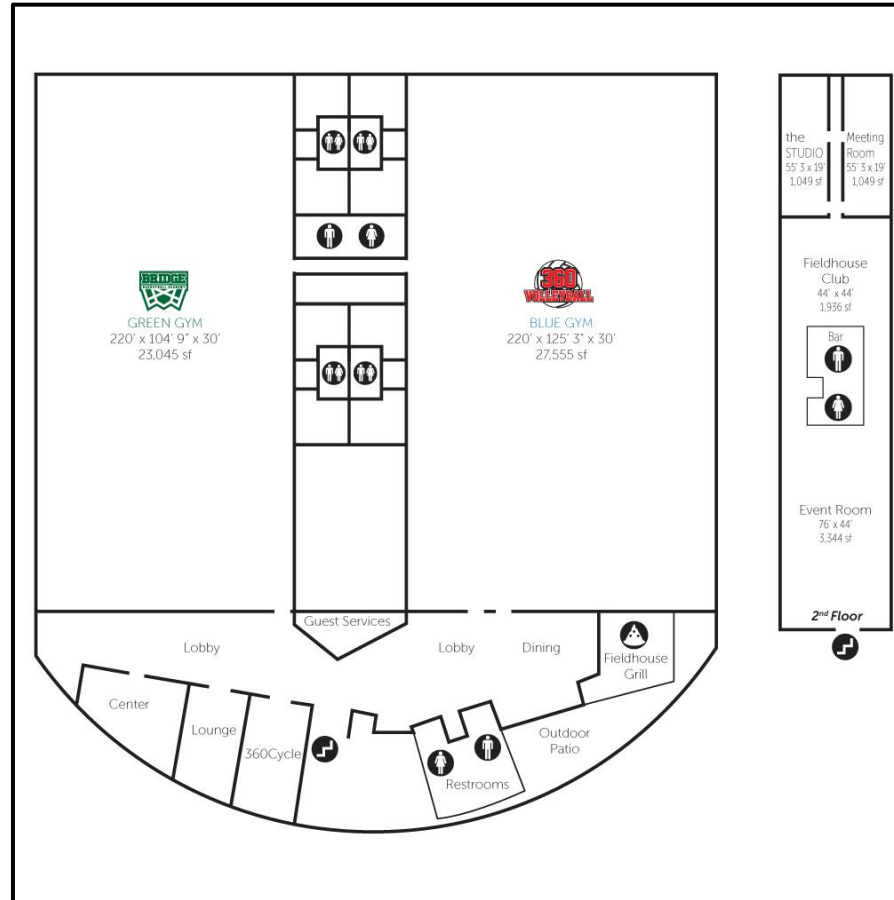
RENTAL RATES

- \$55 per court per hour

DALLAS MARKET: DUNCANVILLE FIELDHOUSE (CONT.)



Floor Plan



The facility is divided into two (2) gym sections, each with three (3) courts. This setup allows for the ability to host separate events on the same day at the facility.

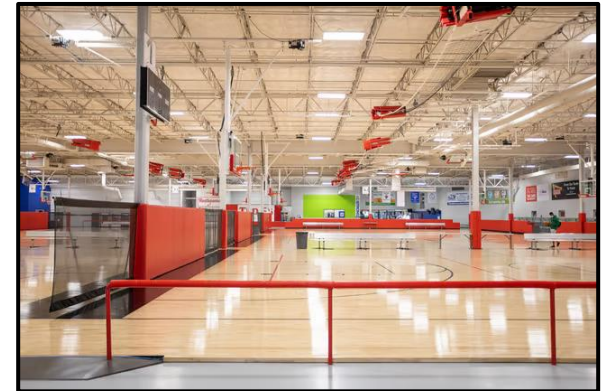
Frisco, TX

- Opened: 2009
- Owner/Operator: Private
- Features:
 - 8 basketball courts
 - 1 indoor turf field



Grapevine, TX

- Opened: 2017
- Owner/Operator: Private
- Features:
 - 9 basketball courts



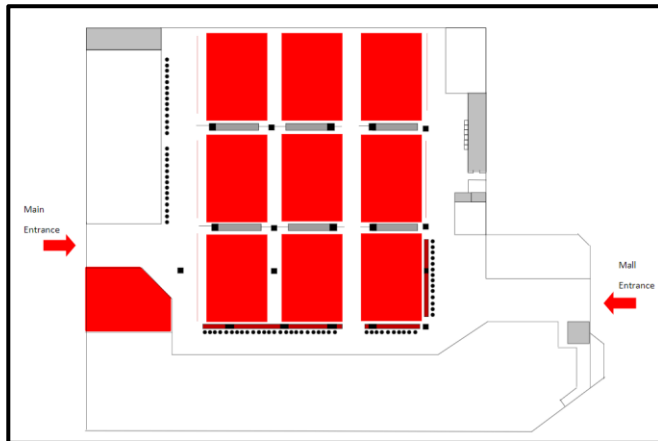
Mansfield, TX

- Opened: 2017
- Owner/Operator: Private
- Features:
 - 9 basketball courts
- Programming (all facilities):
 - The facilities host basketball, volleyball, and gymnastics events and tournaments. FieldhouseUSA also offers recreational leagues for both youth and adults for basketball, volleyball, indoor soccer, and flag football. Indoor soccer and flag football are only offered at the Frisco facility's turf field.

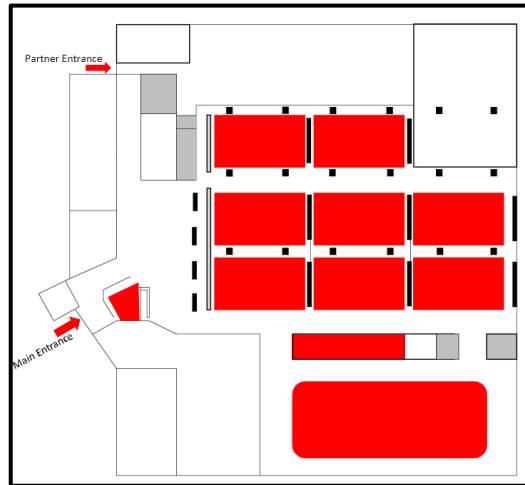
DALLAS MARKET: FIELDHOUSEUSA (CONT.)



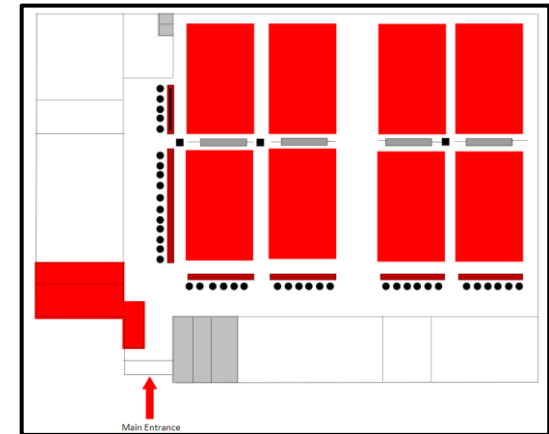
*Grapevine
Floor Plan*



*Frisco
Floor Plan*



*Mansfield
Floor Plan*



Each of the FieldhouseUSA facilities hosts volleyball and basketball practices and events. In addition to the court space, each facility has auxiliary spaces that are used for other indoor sports including cheer, martial arts, and fitness training.



4. COMPETITIVE & COMPARABLE MARKET & FACILITY ANALYSIS: B. KANSAS CITY MARKET

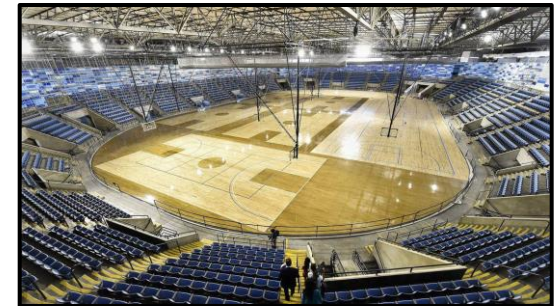
KANSAS CITY MARKET: HY-VEE ARENA



Kansas City, MO

- Opened: 1974; Renovated/Repurposed: 2018
- Renovation Cost: \$46.9M in 2023 dollars*
- Owner/Operator: Private; Footprint: 84,000 sq. ft.
- Features:
 - 12 multi-use courts for volleyball, futsal, basketball, and pickleball
 - 350-meter indoor track
 - Seating capacity for up to 8,000 people
 - Fitness center and meeting rooms
 - Concession stand and restaurant
- Programming:
 - Adult and youth leagues and tournaments and other non-sports events.
- Additional Notes:
 - Originally a concert and athletic facility, it is now touted as the nation's first multi-level sports complex with 12 full-sized hardwood courts striped for volleyball, futsal, basketball, and pickleball.
 - The facility is membership-driven and charges individual, couple, and family monthly rates from \$25 to \$65 per month which give access to the fitness center and priority access to court rentals.

HyVee
ARENA



RENTAL RATES

- Basketball: \$70 per court per hour
- Volleyball: \$70 per court per hour

* Estimated according to the Turner Building Cost Index Q1 2023

KANSAS CITY MARKET: MID-AMERICA SPORTS COMPLEX



Shawnee, KS

- Phase 1 Open: 2020; Construction Cost: \$13.8M in 2023 dollars*
- Phase 2 Open: 2021; Construction Cost: \$9.1M in 2023 dollars*
- Phase 3 Open: 2022; Construction Cost: \$5.7M in 2023 dollars*
- Owner/Operator: Johnson County Park & Recreation District
- Footprint: 70 acres
- Features:
 - 10 baseball/softball diamonds
 - 2 baseball-specific fields
 - 2 batting cages
 - Fan zone with full kitchen, playground, and rooms
 - Satellite concession stands
- Programming:
 - The facility hosts adult and youth baseball and softball practices, leagues.
 - At full build-out, the facility is projected to host 35 tournaments per year and generate approximately \$15 in economic impact.



RENTAL RATES

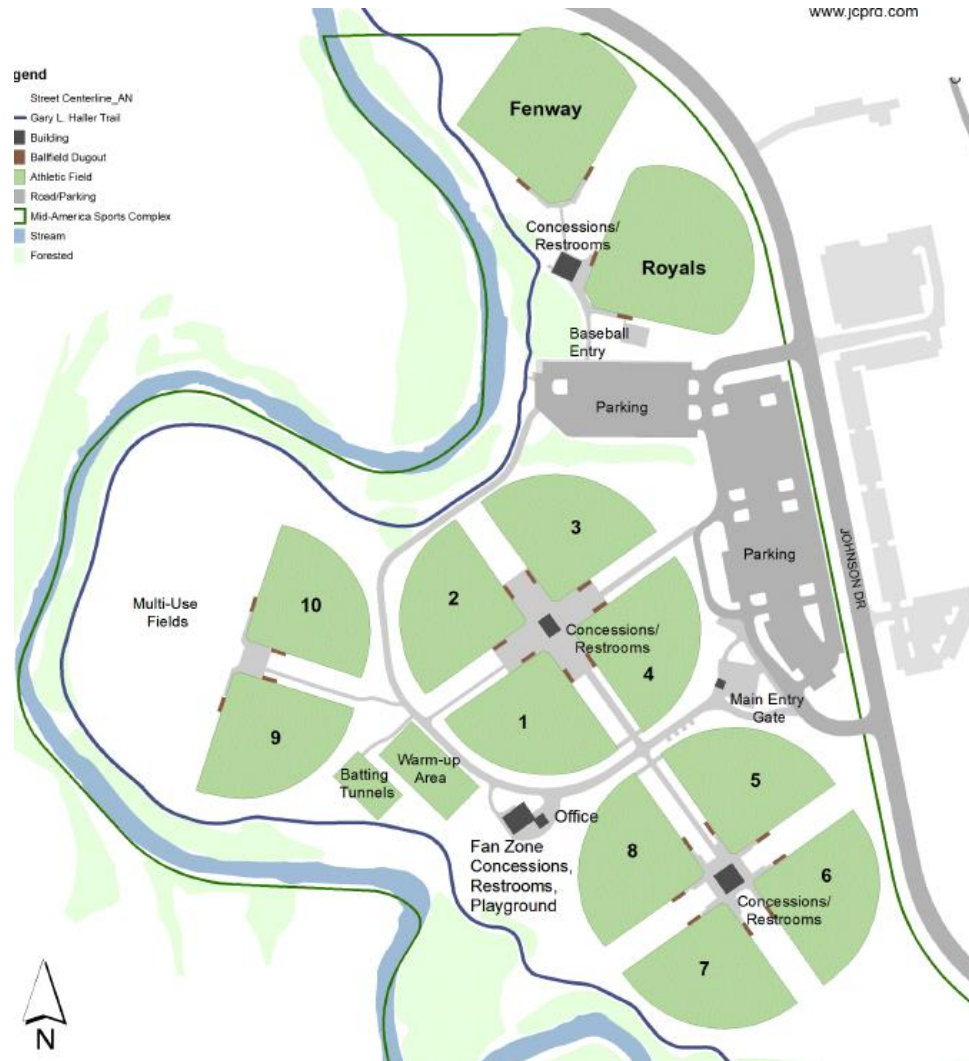
- Non-Tournament: \$55 per field per hour
- Tournament: \$40 per field per hour

* Estimated according to the Turner Building Cost Index Q1 2023

KANSAS CITY MARKET: MID-AMERICA SPORTS COMPLEX (CONT.)



Mid-America Sports Complex Map



KANSAS CITY MARKET: MID-AMERICA SPORTS COMPLEX WEST



Shawnee, KS

- Owner/Operator: Johnson County Park & Recreation District
- Features:
 - 12 softball diamonds
 - 56,000 sq. ft. indoor sports facility with 4 basketball courts convertible to 8 volleyball courts
- Programming:
 - The facility hosts youth softball leagues, regional tournaments, and youth sports camps.
 - The facility has 26 tournaments planned for 2023.



RENTAL RATES

- Non-Tournament: \$40 per field per hour
- Tournament: \$30 per field per hour

KANSAS CITY MARKET: MID-AMERICA SPORTS COMPLEX WEST (CONT.)



Mid-America Sports Complex West Map



KANSAS CITY MARKET: SCHEELS OVERLAND PARK SOCCER COMPLEX

Overland Park, KS

- Opened: 2009; Construction Cost: \$58.4M in 2023 dollars*
- Owner/Operator: City of Overland Park
- Naming Rights: \$125,000 per year (expires in 2025)
- Footprint: 96 acres
- Features:
 - 12 soccer fields (all are lit)
 - Fieldhouse which includes referee lounge and locker rooms
 - Playground and concession stand
- Programming:
 - Leagues and tournaments for youth and adult soccer.
 - The facility averages between 18 and 22 tournaments per year.
- Additional Notes:
 - According to staff, the facility generates up to \$15 million per year in economic impact to the community from tournaments. Additionally, the facility is expected to generate an approximate \$200,000 net operating income (\$1.5 million operating revenue against \$1.3 million in expenses).



RENTAL RATES

- Local Use: \$70 - \$75 per field per hour (depending on user)
- Tournaments (Whole Facility): \$23,000 per tournament (3 days)

KANSAS CITY MARKET: SCHEELS OVERLAND PARK SOCCER COMPLEX (CONT.)



Floor Plan



The facility features 12 soccer fields.



4. COMPETITIVE & COMPARABLE MARKET & FACILITY ANALYSIS: C. OKC MARKET

OKC MARKET: BOUSE SPORTS COMPLEX



Choctaw, OK

- Owner/Operator: City of Choctaw
- Features:
 - 8 turf baseball/softball diamonds
 - Splash Pad
 - Playground
- Programming:
 - The facility hosts tournaments, leagues, and camps and clinics for baseball and softball.
 - There are 9 tournaments planned for 2023.
- Additional Notes:
 - Midwest City and the City of Choctaw are working together combine their t-ball, baseball and fastpitch softball leagues in 2023. It is hoped that the merger will allow greater competition, experienced officiating, and new facilities. Games will be played at Bouse Sports Complex and Marion C. Reed Sports Complex.



CHOCTAW
A Great Place to Live!



OKC MARKET: CHICKASHA SPORTS COMPLEX



Chickasha, OK

- Owner/Operator: City of Chickasha
- Features:
 - 8 softball diamonds
 - 5 baseball diamonds
 - 2 t-ball diamonds
 - 3 football fields
 - 11 soccer fields (various sizes)
- Programming:
 - The complex hosts programs and leagues for Chickasha Youth Baseball & Softball, Chickasha Youth Soccer Association, Oklahoma Youth Sports Development League football, and baseball and softball tournaments.
 - There are 10 tournaments planned for 2023.



CHICKASHA
OKLAHOMA



RENTAL RATES

- Practice (Any Field): \$33 per field per day (residents); \$33 per field per day (non-residents)
 - Tournaments (Any Field): \$250 per field per day

OKC MARKET: MARION C. REED BALLPARK



Midwest City, OK

- Owner/Operator: Midwest City
- Features:
 - 3 baseball/softball diamonds
 - 2 t-ball/softball diamonds
 - All fields feature turf infields and grass outfields
 - Concession stand
- Programming:
 - Youth baseball and softball leagues and tournaments.
- Additional Notes:
 - Midwest City and the City of Choctaw are working together combine their t-ball, baseball and fastpitch softball leagues in 2023. It is hoped that the merger will allow greater competition, experienced officiating, and new facilities. Games will be played at Bouse Sports Complex and Marion C. Reed.



OKC MARKET: YOUNG FAMILY ATHLETIC CENTER



Norman, OK

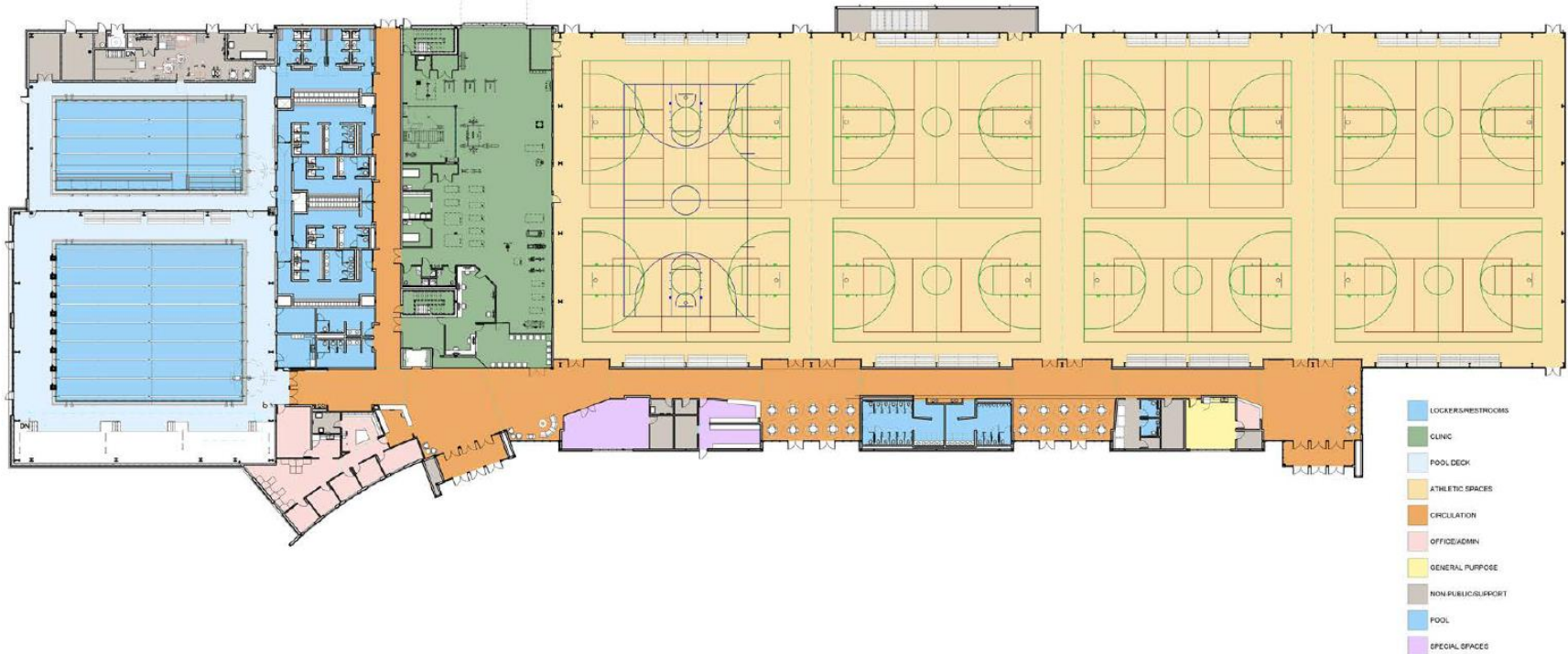
- Planned Opening: Fall 2023
- Construction Cost: \$42M
- Owner/Operator: City of Norman
- Footprint: 122,000 sq. ft.
- Features:
 - 8 basketball courts convertible to 12 volleyball courts
 - 8-lane, 25-yard competition pool
 - 4-lane, 25-meter warm-up pool
 - 25,000 sq. ft. sports and human performance center operated by Norman Regional Health
 - Concessions area
 - Multi-purpose rooms
- Programming:
 - The facility will plan on offering sports programs and leagues for residents and regional and national tournaments.
- Additional Notes:
 - Over half of the project cost was funded by a one-half percent sales tax. Additional funds were raised by a \$4 million donation from the Trae Young Family Foundation, \$6.7 million from Norman Regional Health, and other private sources.



OKC MARKET: YOUNG FAMILY ATHLETIC CENTER (CONT.)



Floor Plan



The facility will feature two (2) pools, eight (8) basketball courts convertible to 12 volleyball courts, and a sports and human performance center operated by Norman Regional Health.



4. COMPETITIVE & COMPARABLE MARKET & FACILITY ANALYSIS: D. TULSA MARKET

TULSA MARKET: BROKEN ARROW CHALLENGER SPORTS COMPLEX



Broken Arrow, OK

- Opened: 2021; Construction Cost: \$7.6M in 2023 dollars*
- Owner: City of Broken Arrow
- Operator: Broken Arrow Adult Softball Club
- Footprint: 165 acres
- Features:
 - 4 softball diamonds
 - 1 adaptive ball field
 - All fields feature turf infields and grass outfields
 - Concession stand
- Programming:
 - Adult softball leagues and tournaments.
 - Over 40 adult softball tournaments planned for 2023.
- Additional Notes:
 - The construction of the facility was funded by general obligation bonds approved by voters in 2014 and 2018.



BROKEN ARROW
WHERE OPPORTUNITY LIVES



TULSA MARKET: MOHAWK SPORTS COMPLEX



Tulsa, OK

- Opened: 2013; Construction Cost: \$10.5M in 2023 dollars*
- Owner: City of Tulsa
- Operator: Tulsa Sports Commission
- Features:
 - 17 soccer fields (10 are lit)
 - Team warm-up areas between fields
 - Referee locker rooms, events pavilion, and concession stand
- Programming:
 - Soccer leagues and tournaments.
 - The facility typically hosts up to 15 tournaments per year which generate up to \$30 million annually in economic impact.
- Additional Notes:
 - Facility staff stated that the current structure limits their ability to leverage the complex to the fullest extent (they have one person that handles booking, one person on a part-time basis that oversees it, and one part-time person that helps with the operations of the complex during events) and the city is currently evaluating proposals for an outside management group to take over the management of the complex.



RENTAL RATES

- Local: \$35 per field per game; \$150 per field per day
- Tournaments: \$75 per field per game; \$250 to \$350 per field per day

** Estimated according to the Turner Building Cost Index Q1 2023*

TULSA MARKET: MOHAWK SPORTS COMPLEX (CONT.)



Site Plan

E 56th St. N



The facility features 17 soccer fields, 10 of which are lit.

Broken Arrow, OK

- Owner: City of Broken Arrow
- Operator: Broken Arrow Youth Football
- Features:
 - 8 football/multi-use fields
 - 2 artificial turf fields (added in 2017)
 - 6 natural grass fields
- Programming:
 - Football and lacrosse leagues and tournaments.
- Additional Notes:
 - Broken Arrow voters approved construction of the two (2) artificial turf fields as part of the 2014 general obligation bond package.



BROKEN ARROW

WHERE OPPORTUNITY LIVES



TULSA MARKET: TITAN SPORTS & PERFORMANCE CENTERS



Titan Sports & Performance Center

Tulsa, OK

- Opened: 2017; Owner/Operator: Private;
- Indoor Footprint: 190,000 sq. ft.
- Features:
 - 8 indoor basketball courts convertible to 16 volleyball courts
 - 2 indoor soccer fields, 11 outdoor soccer fields
 - Fitness center
- Programming:
 - The complex hosts leagues, and state and regional tournaments for soccer, basketball and volleyball.
- Additional Notes:
 - The facility is membership-driven and charges individual, couple, and family monthly rates from \$58 to \$150 per month which give access to the fitness center and priority access to court rentals.



Titan Sports & Performance Center South

Jenks, OK

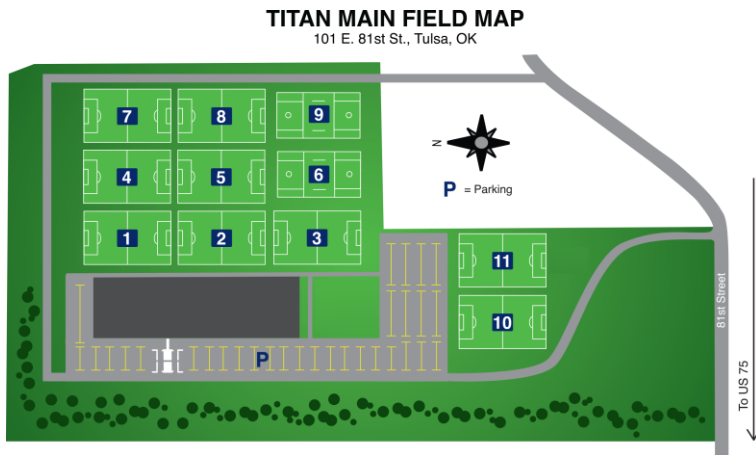
- Owner/Operator: Private
- Features:
 - 19 outdoor soccer fields (various sizes)
 - Concession stand
- Programming:
 - The facility hosts leagues and tournaments for football and soccer.



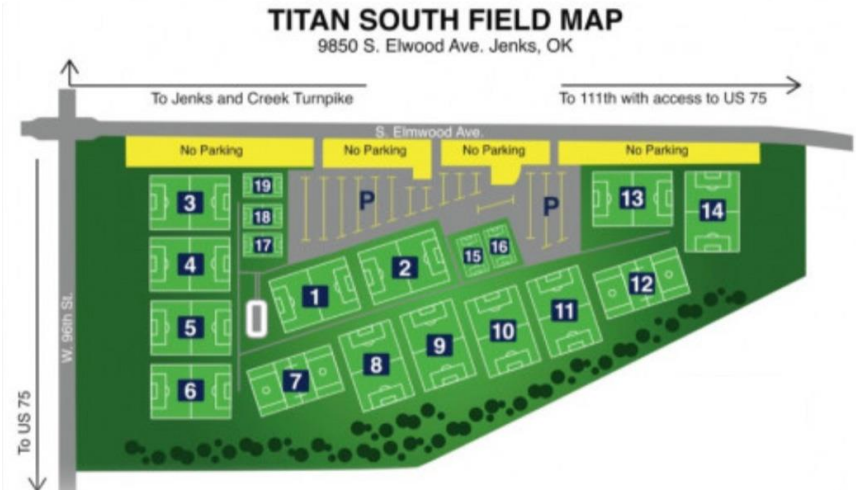
TULSA MARKET: TITAN SPORTS & PERFORMANCE CENTERS (CONT.)



Titan Sports & Performance Center Map



Titan Sports & Performance Center South





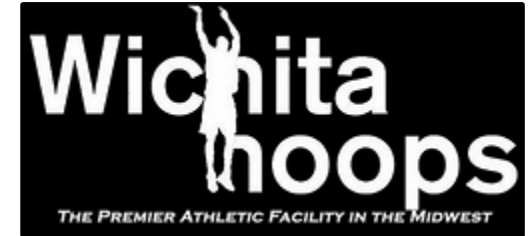
4. COMPETITIVE & COMPARABLE MARKET & FACILITY ANALYSIS: E. WICHITA MARKET

WICHITA MARKET: WICHITA HOOPS



Bel Aire, KS

- Opened: 2014
- Owner/Operator: Private
- Footprint: 113,000 sq. ft.
- Features:
 - 12 basketball courts convertible to 14 volleyball courts
 - Team warm-up areas between fields
 - Flex rooms
 - Pro shop
 - Concession stand
- Programming:
 - The facility hosts practices, trainings, and tournaments for basketball and volleyball.



RENTAL RATES

- \$40 per court per hour

WICHITA MARKET: WICHITA SPORTS FORUM



Wichita, KS

- Opened: 2016
- Owner/Operator: Private
- Footprint: 148,000 sq. ft.
- Features:
 - 6 basketball courts convertible to 10 volleyball courts
 - 1 indoor turf field
 - 6 batting cages
 - Fitness center
 - 6 indoor sand volleyball courts
 - Indoor trampoline park
- Programming:
 - The facility hosts leagues, camps, and tournaments for basketball, volleyball, soccer, and football.



RENTAL RATES

- Courts: \$35 (Non-Prime) or \$55 (Prime) per court per hour
 - Indoor Turf Field: \$100 per hour



Facility	Market	Owner	Operator	Square Footage	Basketball Courts	Volleyball Courts	Turf Fields	Competition Pool
Drive Nation Sports	Dallas	Private	Private	91,000	6	10	-	-
Duncanville Fieldhouse	Dallas	Public	Public	115,000	6	10	-	-
FieldhouseUSA Frisco	Dallas	Private	Private	144,000	8	8	1	-
FieldhouseUSA Grapevine	Dallas	Private	Private	106,000	9	9	-	-
FieldhouseUSA Mansfield	Dallas	Private	Private	100,000	9	9	-	-
Hy-Vee Arena	Kansas City	Private	Private	84,000	12	12	-	-
Titan Sports & Performance Center	Tulsa	Private	Private	190,000	8	16	2	-
Wichita Hoops	Wichita	Private	Private	113,000	12	14	-	-
Wichita Sports Forum	Wichita	Private	Private	148,000	6	10	1	-
Young Family Athletic Center	OKC	Public	Public	122,000	8	12	-	1
AVERAGE					8.4	11.0	1.3	1.0
HIGH					12	16	2	1
LOW					6	8	1	1

Source: Victus research

Note: Sorted by Facility in alphabetical order.

As shown above, the facilities profiled have maximum capacity for:

- 8.4 basketball courts on average;
- 11 volleyball courts on average; and
- 0.4 indoor turf fields on average
- Only one facility had a competition pool.

By comparison, the Edmond facilities we profiled have:

- 4 basketball/volleyball courts on average (Score OKC, Solid Rock, The Hive);
 - 2 indoor turf fields (Score OKC); and
 - 1 50-meter competition pool.



<u>Facility</u>	<u>Market</u>	<u>Owner</u>	<u>Operator</u>	<u>Multi-Use Fields</u>	<u>Ball Fields</u>
Bouse Sports Complex	OKC	Public	Public	-	8
Broken Arrow Challenger Sports Complex	Tulsa	Public	Private	-	5
Chickasha Sports Complex	OKC	Public	Public	14	15
Marion C. Reed Ballpark	OKC	Public	Public	-	5
Mid-America Sports Complex	Kansas City	Public	Public	-	12
Mid-America West Sports Complex	Kansas City	Public	Public	-	12
Mohawk Sports Complex	Tulsa	Public	Public	17	-
Nienhuis Park	Tulsa	Public	Private	8	-
Scheels Overland Park Soccer Complex	Kansas City	Public	Public	12	-
Titan Sports and Performance Center (Outdoor)	Tulsa	Private	Private	11	-
Titan Sports and Performance Center South	Tulsa	Private	Private	19	-
AVERAGE				13.5	9.5
HIGH				19	15
LOW				8	5

Source: Victus research

Note: Sorted by Facility in alphabetical order.

As shown above, the facilities profiled have maximum capacity for:

- 13.5 multi-use fields on average; and
- 9.5 baseball/softball diamonds on average

By comparison the Edmond facilities we profiled have:

- 18 soccer fields (Edmond Soccer Club); and
- 8.3 ball diamonds on average (A.C. Caplinger, Mitch Park, Edmond 66)



4. COMPETITIVE & COMPARABLE MARKET & FACILITY ANALYSIS: F. SPORTS MARKETING OVERVIEW



Most municipalities across the country that own and operate sports facilities will typically rely on public (or quasi-public) tourism promotion agencies, such as Visit Edmond, to handle the bulk of their external youth/amateur sports marketing efforts. These efforts may typically include regionally-branded efforts such as:

- Dedicated staff who can obtain, sell, and sometimes help produce events
- Website detailing the available sports facilities and opportunities
- Sports-focused collateral materials (brochures, magazines, etc.)
- Social media marketing (Facebook, Instagram, Twitter, YouTube, etc.)
- Personal contact and relationship marketing (trade shows, phone calls, etc.)

The balance of sports tourism advertising for each individual facility is then conducted by the local venue operator, as well as any local tournament/event organizers. But it should be noted that the most successful models tend to include a mix of regional marketing efforts (via tourism promotion agencies) and facility-specific and event-specific marketing efforts (via facility operators and event operators). Therefore, it will be imperative for Visit Edmond to maintain strong working relationships and clear lines of communication with key local sports groups and sports facility operators.

The following pages highlight sports marketing campaigns from some of the markets we profiled earlier in this section.

SPORTS-FOCUSED CITY BRAND

Wichita, Kansas

“We Take Our Playtime Seriously”

**WE TAKE OUR
PLAYTIME SERIOUSLY.**
YOUR PASSION FOR SPORTS IS THE SAME AS OURS.

SPORTS THRIVE IN WICHITA
Enjoy everything from pro sports and college events to youth competitions and amateur matches. Check out local favorites like Wichita Thunder ice hockey, Wichita Wind Surge baseball games, Wichita Force and Wichita Regulators indoor football, Wichita Wings soccer, plus WSU Shockers to name a few.

Go to VisitWichita.com for more upcoming sporting events.

WICHITA
THE
Heart
OF THE COUNTRY

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FAMILY ENTERTAINMENT & ATTRACTIONS

Frisco, Texas

“The City That Plays”





ACCESSIBILITY
Tulsa, Oklahoma
“How To Get Here”



QUALITY OF LIFE

Kansas City, Kansas

“Making A Better Kansas City Through Sports”

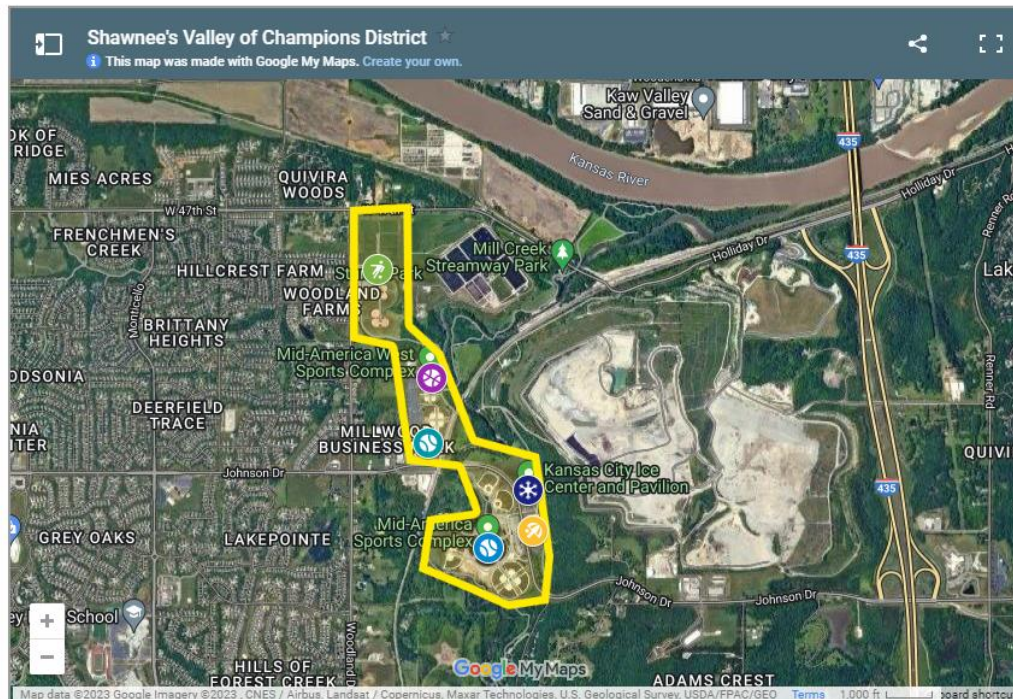


SPORTS FACILITY FOCUS

Shawnee, Kansas

“Shawnee Valley of Champions Map”

Shawnee Valley of Champions Map





5. OPERATING PARTNER INTERVIEW SUMMARIES

In February and March 2023, the City of Edmond identified participants and scheduled a series of in-person, virtual, and telephone interviews for Victus Advisors. The goals of these interviews were to gather feedback from key stakeholders, community leaders, and operating partners regarding the market potential for an additional sports facility (or facilities). The set of topics and questions included perceptions of Edmond's current sports facility offerings, potential support for the project, and other such feedback concerning the proposed venue(s).

INTERVIEWS - Victus Advisors conducted in-person, virtual and telephone interviews with the following nine (9) stakeholders and operating partners (in alphabetical order):

- Central Oklahoma Youth Lacrosse
- Edmond Center Court
- Edmond Public Schools
- Edmond Round Up Club
- Edmond Soccer Club
- Edmond Youth Sports Association
- Greater Oklahoma City Pickleball Club
- Mitch Park YMCA
- Red Dirt Athletics

GENERAL FEEDBACK

- Operating partners indicated that there are significant gaps in the City of Edmond for indoor basketball court space, rectangular fields, and open outdoor green spaces. As a result, youth and independent programs are finding difficulty meeting the needs of their participants.
- As a general tourism destination, interviewees felt that Edmond has a lot of strengths and a good reputation, but the City doesn't have a sports facility reputation yet due to lack of sports tourism caliber facilities. Edmond Center Court is an exception, however.
- Generally speaking, operating partners were supportive of expanding or building new sports facilities in Edmond. They cited quality of life and economic impact as two major benefits of expanded or new facilities.

OPERATING PARTNERS

CENTRAL OKLAHOMA YOUTH LACROSSE (COYL)

- **Operating Agreement:** COYL pays the City of Edmond an annual lease payment of \$50 for use of the fields at Cheyenne Middle School. The City has no obligations, while COYL is responsible for regular maintenance of the facility. It should be noted that the fields at Cheyenne Middle School are owned by Edmond Public Schools, but there is an agreement with the City of Edmond that allows it to lease the green space to Central Oklahoma Youth Lacrosse.
- **Feedback:** COYL uses the green space at Cheyenne Middle School and one of the softball diamonds at Mitch Park Athletic Complex where they pay EYSA for rent during the winter due to no lights access at Cheyenne Middle School. They indicated that it is hard to sell the sport to parents with the current limited access to quality fields in Edmond. They believe there is demand for at least two (2) artificial turf fields in Edmond, and that access to those fields would help to grow their program.

OPERATING PARTNERS (CONT.)

EDMOND ROUND UP CLUB

- **Operating Agreement:** The club pays the City of Edmond an annual lease payment of \$10 for use of Carl Benne Arena. The City is principally responsible for major capital maintenance while the operator is responsible for general maintenance.
- **Feedback:** The relationship with the City is strong, and there have been no major concerns.

EDMOND SOCCER CLUB

- **Operating Agreement:** ECS used to pay the City of Edmond an annual lease payment of \$100 for use of the Edmond Soccer Complex. That has since been increased to \$1,500 per year. The City of Edmond manages all improvements on the complex while ESC is responsible for the maintenance of the fields.
- **Feedback:** ECS indicated that the greatest needs (aside from the renovations) are more parking, and adding turf fields and lights which could allow for more tournaments. In general, ECS feels like there is a good working relationship with the City of Edmond, but they would like more support by turning the irrigation on earlier in the year and responding faster to issues at the complex.

OPERATING PARTNERS (CONT.)

EDMOND TENNIS SERVICES

- **Operating Agreement:** ETS pays the City of Edmond an annual lease payment of \$15,000 for Edmond Center Court. The operator is responsible for cleaning and janitorial for the facility and courts while the schools clean and maintain their own locker rooms, lounges, and offices. The City of Edmond is responsible for all maintenance (landscaping, mowing, and building maintenance). As part of the operating agreement, the high school teams use all the outdoor courts in the Fall and Spring from about 3:00 to 5:30 (Free Use).
- **Feedback:** ETS indicated that Edmond Center Court is one of the best facilities in the country, and that the partnership between the City of Edmond and Edmond Public Schools is a unique and successful relationship. The operator feels that there is still demand for more indoor (at least four to six) and outdoor tennis courts at the facility. They stated that they are at capacity for instructional programming and additional courts would help meet demand. Additionally, ETS mentioned that more courts would allow the facility to host larger tournaments. Other requests include to finish the upstairs and balcony area for tournament operations, and an additional room they can use for meetings, conferences, multi-use space, agility training, etc. A small classroom for after school programs, camps, etc. would be ideal as well. Lastly, they stressed the need for restrooms on the north side of the facility. ETS feels like they have a great relationship with the City of Edmond. They mentioned that the City is very responsive and want to keep the facility looking good.

OPERATING PARTNERS (CONT.)

EDMOND YOUTH SPORTS ASSOCIATION

- **Operating Agreement:** EYSA paid the City of Edmond a \$1,000 lease payment (for both A.C. Caplinger Sports Complex and Mitch Park Athletic Complex) in 2022. That amount was raised to \$2,500 for 2023 upon renewal of the agreement and will continue at that annual rate until the end of four (4) years. The City is principally responsible for major capital maintenance while EYSA is responsible for regular maintenance of the facility.
- **Feedback:** EYSA indicated that the fields at the A.C. Caplinger Sports Complex are in bad shape and often have sand spurs throughout the dirt and grass. Additionally, they mentioned that the field sizes are wrong, so several cannot be used for tournaments. EYSA recommends “resizing” the fields to specific dimensions for hosting baseball tournaments. They also recommended turf fields citing the ability to be able to host baseball and softball with that feature. Lastly, EYSA would ideally like to see an indoor training facility developed on-site with batting cages that could run year-round and generate daily revenue. With regards to Mitch Athletic Complex, EYSA indicated that facility has had a bad reputation for a while and the fields are outdated and dilapidated. They also mentioned that the fields all slope down. They recommend that the fields be redone completely with artificial turf fields.

OPERATING PARTNERS (CONT.)

OKLAHOMA CITY PICKLEBALL CLUB

- **Operating Agreement:** The pickleball club pays the City of Edmond an annual lease payment of \$10 for use of the KickingBird Pickleball Center. The City is principally responsible for major capital maintenance while the operator is responsible for cleaning and janitorial for the facility and courts.
- **Feedback:** The relationship with the City has been frustrating since the club was first started in 2014. They mentioned that when the City set up KickingBird for pickleball, they didn't consult the club, and made a lot of decisions that actual pickleball players wouldn't have made like taking away 12 of outdoor pickleball courts for parking. The City redid the indoor facility and resurfaced it and put in permanent nets but when they resurfaced the indoor courts, they didn't put in a moisture barrier under the courts, so the surface is already starting to bubble up. The indoor facility also has no HVAC system. As pickleball continues to grow, they're worried the current operational model (volunteers) at the facility won't be sustainable and they wonder if the City will eventually take over operations. They also would like to explore the possibility of a similar city/school district partnership like Edmond Center Court for a new pickleball facility. An ideal facility for them would have 24 indoor courts so they could host professional events and regional qualifying tournaments via USA Pickleball.

OPERATING PARTNERS (CONT.)

MITCH PARK YMCA

- **Operating Agreement:** The YMCA operates the Edmond Aquatic Center, but Edmond Public Schools has first priority for usage and events. The operator sends a monthly bill to the City of Edmond with expenses and revenue and the City will reimburse the operator for the difference to make the budget zero out. Additionally, EPS gives the City a sum of money that goes toward operating expense.
- **Feedback:** The YMCA indicated that there is a significant need for indoor courts for basketball and volleyball. On a typical Saturday, they need about 17 courts just to run their own basketball programs and mentioned that could use an eight (8) or 10 court facility. They also think that it would be great to have more green space for their soccer and baseball programs since it is harder to get access at Mitch Park. More specifically, the YMCA stated that there needs to be more synthetic fields because they get a lot of rain outs. Ultimately, they felt that the City needs “championship level” facilities, as compared to the existing local-use inventory. The City needs a championship level baseball complex and a championship level soccer complex.

OPERATING PARTNERS (CONT.)

RED DIRT ATHLETICS

- **Operating Agreement:** Red Dirt pays the City of Edmond an annual lease payment of \$10 for use of Edmond 66 Softball Complex. The City is principally responsible for major capital maintenance while Red is responsible for regular maintenance of the facility.
- **Feedback:** Red Dirt indicated that the facility is great, but the primary downsides are that it's far away from nearby food/amenities for attendees and that the concession stand isn't located in the right place; suggesting it could be more centrally located. Red Dirt also mentioned that they are still growing their programs but in the future they would like to see an additional four (4) fields on the complex grounds. Additionally they mentioned that it would be ideal to have all artificial turf infields. Lastly, they stated that they could use a storage shed on-site (for lawnmower, field drag, golf cart, field dry, chalk, etc.).



6. LOCAL USER GROUP & REGIONAL SPORTS EVENT INTERVIEWS

In February, March, and April 2023, Victus Advisors conducted telephone interviews with a representative sample of local sports groups and regional sports event organizers who could be potential users of an additional sports facility (or facilities) in Edmond. The goals of these interviews were to gather feedback regarding the market opportunity for local and regional events to be held at an additional sports facility (or facilities) in Edmond. Interviewees shared which local facilities they use, comparable out-of-market venues, minimum amenities required in order to attract events, and other feedback concerning the proposed venue(s).

INTERVIEWS - Victus Advisors conducted telephone interviews with representatives from the following 25 local and regional sports groups and event organizers (in alphabetical order):

- Baseball Factory
- Edmond Racquet Club
- Edmond Youth Football Association
- Evolve Events
- Former Director of Sports Business for the Oklahoma City CVB
- Friday Night Lights
- i9 Sports
- KickingBird Golf Club
- Mid America Youth Basketball
- NxtPro Sports
- Oak Tree National
- OKC Storm
- Oklahoma Endurance Lacrosse
- Oklahoma Lacrosse Association
- Oklahoma Secondary School Activities Association
- Peak Volleyball Club
- Prep Network
- Solid Rock Basketball
- The Hive
- Triple Crown Baseball
- Triple Crown Softball
- United States Specialty Sports Association (USSSA)
- University of Central Oklahoma
- USA Softball of Oklahoma
- Visit Edmond

GENERAL FEEDBACK

- One stakeholder stated that the City needs to work with large event organizers to understand minimum specifications and requirements for hosting events. This understanding would help to plan more effectively for future sports tourism facilities. They also suggested that the City of Edmond could partner with Oklahoma City for larger tournaments by sharing venues.
- Interviewees think very highly of Edmond as a potential sports tourism destination. Many cited its proximity to Oklahoma City, and its favorable, central location relative to Dallas, Tulsa, Wichita, and Kansas City. Some interviewees also think out-of-towners have a generally positive perception of Edmond as one of the nicer communities in the Oklahoma City market with plenty to do, shop, and eat. Many interviewees also thought that there is a decent supply of hotels in Edmond, but there could be more to meet potential incremental demand if new facilities were built.
- One interviewee thinks that the City of Edmond is “missing the boat” on youth sports and in particular baseball. They stated that the ball diamond quality in Edmond are very poor. They suggested a sports tax could be an opportunity to finance facility development and they think it would get voter approval. That said, they acknowledged that community support to need to be won, considering other public needs like roads and other infrastructure.
- Another interviewee indicated that the City has a strong history of investment in sports facilities, citing Edmond City Court and KickingBird Golf Club, which is undergoing a significant multi million-dollar renovation.

COMPARATIVE VENUES

BASKETBALL/VOLLEYBALL

- Drive Nation Sports (Dallas, TX)
- Duncanville Fieldhouse (Duncanville, TX)
- FieldhouseUSA (Dallas Market)
- Hy-Vee Arena (Kansas City, MO)
- Wichita Hoops (Bel Aire, KS)
- Wichita Sports Forum (Wichita, KS)

LACROSSE

- Nienhuis Park (Broken Arrow, OK)

SOFTBALL

- Bouse Sports Complex (Choctaw, OK)
- Broken Arrow Challenger Sports Complex (Broken Arrow, OK)
- Chickasha Sports Complex (Chickasha, OK)
- Marion C. Reed Ballpark (Midwest City, OK)

DEMAND & IDEAL AMENITIES FOR A NEW SPORTS FACILITY

BASEBALL

- One national event organizer, stated that the OKC market does not have the “life experience hook” that it needs for their youth events. They host most of their events in markets like Cooperstown, New York and Dyersville, Iowa (Field of Dreams). Another event organizer indicated that they’ve never given much thought to the OKC market because of their long-lasting relationships with facilities in Dallas that span over 20 years. That said, the company is in a growth stage and would consider speaking with City of Edmond representatives to learn more about current and future baseball facility offerings. They added that they typically need access to up to 20 baseball diamonds in a market for their events.

BASKETBALL

- Local facility operators that we interviewed feel that the local indoor court inventory has been meeting demand in Edmond. They did however acknowledge that they are near capacity for programs and rentals, and that they lack the court inventory to host large regional multi-day tournaments. One facility operator did think that another indoor court facility with four (4) courts could work in Edmond for some local demand, but most of the unserved demand is for regional tournament event activity that requires a larger number of courts. The other facility operator felt that there is more local need for an indoor multi-use space that could be used for other sports like pickleball, etc.

DEMAND & IDEAL AMENITIES FOR A NEW SPORTS FACILITY (CONT.)

BASKETBALL (CONT.)

- Regional/national event organizers indicated that they use The Hive, Solid Rock, church gymnasiums, and school gymnasiums when hosting events in Edmond. They added that they typically use between 15 to 20 courts for each event which means they often also have to use indoor court facilities from the greater Oklahoma City market. With that in mind, the event organizers agreed that an indoor court facility with eight (8) courts could work in Edmond, and that it would help their tournaments by consolidating venues instead of having them spread out throughout the Oklahoma City market.

FOOTBALL

- One interviewee stated that they “scramble, beg, and plead” for any available green space in Edmond due to the lack of available rectangular field space. Another interviewee mentioned that they bring in tower lights which cost \$25,000 per year to use in green spaces for practices at nights. Both interviewees indicated that they could use four (4) to six (6) new lit fields with a mix of artificial turf and natural grass in Edmond.

DEMAND & IDEAL AMENITIES FOR A NEW SPORTS FACILITY (CONT.)

LACROSSE

- Both interviewees indicated that there isn't much available field space for lacrosse in Edmond and the Oklahoma City market. One interviewee will sometimes use the green space at Cheyenne Middle School or the outfields at Mitch Park Athletic Complex. They both would like to see an outdoor complex with eight (8) to 10 fields and a mix of natural grass and artificial turf. Most importantly they would like to see that these fields give priority to non-soccer groups.

MULTI-SPORT

- One interviewee runs programs for soccer, flag football, baseball, basketball, and volleyball in Edmond and the surrounding communities. In Edmond, they typically use the green space at Cheyenne Middle School, a private school, and Score OKC for their programs. For outdoor programs they would like to have access to three (3) rectangular fields while they would like to have access to four (4) basketball courts convertible to four (4) or more volleyball courts for indoor programs.
- Another interviewee has used the Edmond Aquatic Center and Chad Richison Stadium for their district and state championships. They would love to use a softball complex in Edmond, but felt that Mitch Park Athletic Complex is below their standards. They believe there is demand for a new 4-plex with a seating capacity between 300 and 400 per field.

DEMAND & IDEAL AMENITIES FOR A NEW SPORTS FACILITY (CONT.)

MULTI-SPORT (CONT.)

- One group runs programs for volleyball, basketball, track, golf, and soccer with the majority of participants living in or near Edmond. For basketball and volleyball, they use The Hive and for soccer they use Wheeler park in Oklahoma City. They feel there is demand for an eight (8) court basketball/volleyball facility in Edmond in addition to a 10-field (mostly turf) outdoor complex for soccer. They indicated that they would use both facilities year-round for their programs.

VOLLEYBALL CLUB

- One local volleyball club owns three (3) warehouses on the same site that has seven (7) indoor volleyball courts. They would consider using an indoor facility with up to 16 volleyball courts for a handful of annual tournaments.

YOUTH SOFTBALL

- Local and regional interviewees agreed that the fields at Mitch Park Athletic Complex are in poor condition. One event organizer mentioned that they have opted to not use the facility for their events in 2023 due to negative feedback from participating teams. The same interviewee thinks that there could be demand for another 4-plex in Edmond. They added that they would use Edmond 66 Softball Complex, a renovated Mitch Park Athletic Complex, and a new facility for multiple events per year. Interviewees think that turf infields, field leveling, and shaded bleachers would be the most critical improvements at Mitch Park Athletic Complex.

USER GROUP & EVENT DEMAND SUMMARY: NEW INDOOR SPORTS COURTS



Group/Organization	Sport	Likelihood of Usage	Type of Usage	Ideal # of Courts	Number of Annual Events
Evolve Events	Basketball	Definitely Use	Events	8	9
i9 Sports	Basketball	Definitely Use	Practices, Games, Events	4	1
i9 Sports	Volleyball	Definitely Use	Practices, Games	4	-
OKC Storm	Basketball	Definitely Use	Practices, Games	8	-
OKC Storm	Volleyball	Definitely Use	Practices, Games	8	-
Peak Volleyball Club	Volleyball	Possibly Use	Events	16	4
Mid America Youth Basketball	Basketball	Definitely Use	Events	8	6
NxtPro Sports	Basketball	Definitely Use	Events	8	4
Prep Network	Basketball	Possibly Use	Events	8	8
					32

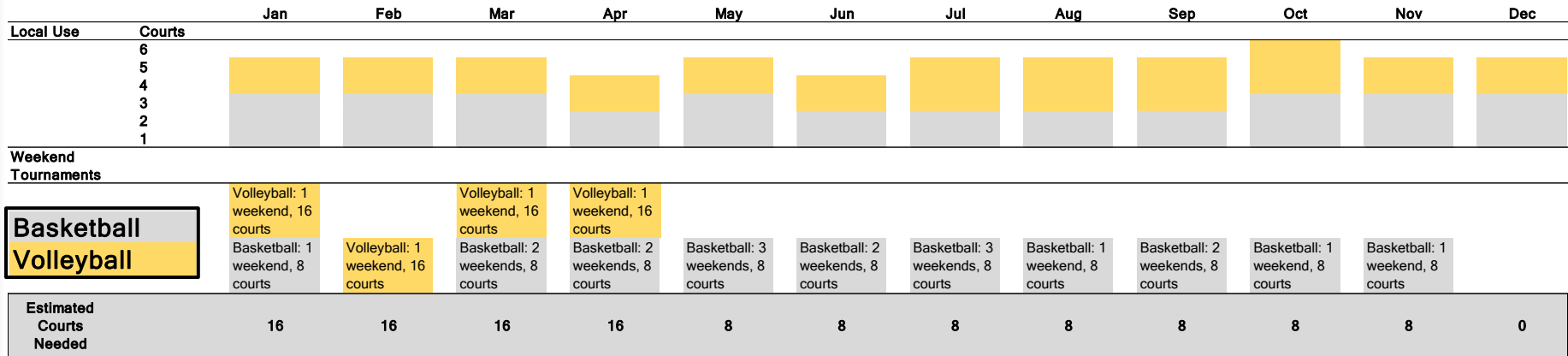
Source: Victus research

Notes: Sorted by Group/Organization in alphabetical order. This is a representative sample of potential users, and the potential usage shown above is based solely on the interviewees contacted by Victus Advisors. (*) Courts are sport specific according to Group/Organization.

Victus Advisors interviewed a representative sample of potential indoor sports facility users/events:

- All of the sports groups above expressed interest in using a new indoor sports facility in Edmond.
- Usage ranged from weekday use for games and practices to weekend tournament event usage.
- Overall, we found initial interest for up to 32 annual tournaments/weekend events. These events ranged in terms of both the number of courts needed and the number of event days needed.

ESTIMATED UNMET DEMAND & USAGE CALENDAR: INDOOR BASKETBALL/VOLLEYBALL COURTS



Source: Victus research

ESTIMATED USAGE PATTERNS

Estimated usage of basketball and volleyball courts would be consistent year-round. Weekend tournament usage would be consistent year-round as well.

NEW FACILITY DEMAND

Victus estimates that a new eight (8)-court basketball facility (convertible to more volleyball courts) would be able to capture the vast majority of local and tournament usage year-round.

USER GROUP & EVENT DEMAND SUMMARY: NEW OUTDOOR SPORTS FIELDS



Group/Organization	Sport	Likelihood of Usage	Type of Usage	Ideal # of Surfaces*	Number of Annual Events
Baseball Factory	Baseball	Would Not Use	-	-	-
Edmond Youth Football Association	Football	Definitely Use	Practices, Games, Events	4	2
Friday Night Lights	Football	Definitely Use	Practices, Games	4	4
i9 Sports	Football	Definitely Use	Practices, Games	3	-
i9 Sports	Soccer	Definitely Use	Practices, Games	3	-
OKC Storm	Soccer	Definitely Use	Practices, Games	10	-
Oklahoma Endurance Lacrosse	Lacrosse	Definitely Use	Practices, Games, Events	10	4
Oklahoma Lacrosse Association	Lacrosse	Definitely Use	Practices, Games, Events	8	2
Oklahoma Secondary School Activities Association	Softball	Definitely Use	Events	4	3
Triple Crown Baseball	Baseball	Possibly Use	Events	20	-
Triple Crown Softball	Softball	Definitely Use	Events	4	1
United States Specialty Sports Association	Softball	Definitely Use	Events	4	12
USA Softball of Oklahoma	Softball	Definitely Use	Events	4	10
					38

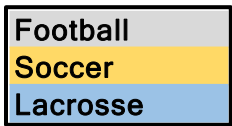
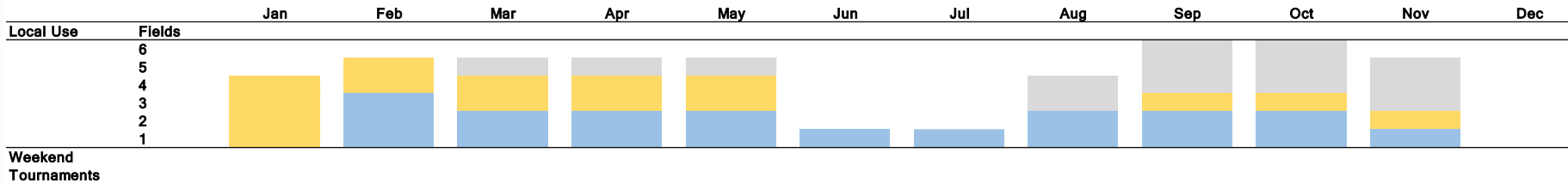
Source: Victus research

Notes: Sorted by Group/Organization in alphabetical order. This is a representative sample of potential users, and the potential usage shown above is based solely on the interviewees contacted by Victus Advisors. (*) Surfaces are sport specific (softball diamonds, soccer fields, etc.) according to Group/Organization.

Victus Advisors interviewed a representative sample of potential outdoor sports facility users/events:

- All of the sports groups above, except one, expressed interest in using a new or renovated outdoor sports facility in Edmond.
- Usage ranged from weekday use for games and practices to weekend tournament event usage.
- Overall, we found initial interest for up to 38 annual tournaments/weekend events. These events ranged in terms of both the number of surfaces needed and the number of event days needed.
- It should be noted from a softball standpoint that Edmond currently has five (5) softball diamonds at Mitch Park, however event organizers do not consider them to be up to tournament standards.

ESTIMATED UNMET DEMAND & USAGE CALENDAR: RECTANGULAR FIELDS



Estimated Fields Needed	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Estimated Fields Needed	0	0	4	10	10	4	0	4	0	4	4	0

Source: Victus research

ESTIMATED USAGE PATTERNS

Estimated usage of rectangular fields peaks during the spring and the fall. Weekend tournament usage would be highest between March and early summer.

NEW FACILITY DEMAND

In addition to the existing Edmond Soccer Club facility, Victus estimates that a 10-field complex would be able to capture the vast majority of local and tournament usage year-round for youth football, lacrosse, and other soccer (non-ESC).

ESTIMATED UNMET DEMAND & USAGE CALENDAR: BALL DIAMONDS



	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Weekend Tournaments												
				Softball: 4 weekends, 4 fields	Softball: 4 weekends, 4 fields	Softball: 4 weekends, 4 fields	Softball: 4 weekends, 4 fields	Softball: 4 weekends, 4 fields	Softball: 4 weekends, 4 fields	Softball: 4 weekends, 4 fields	Softball: 2 weekends, 4 fields	
Estimated Fields Needed	0	0	0	4	4	4	4	4	4	4	0	0

Source: Victus research

ESTIMATED USAGE PATTERNS

Estimated usage of softball diamonds would be consistent for tournaments April through October.

NEW FACILITY DEMAND

Victus estimates that a tournament-caliber 4-plex softball complex would be able to capture additional youth tournament usage in the spring, summer, and fall. Given that youth softball tournament organizations are not currently interested in utilizing Mitch Park due to the quality of fields, renovations/improvements to Mitch Park's ball diamonds could potentially capture this demand.

Local baseball organizers indicated that they have a satisfactory number of fields in Edmond, however the fields need to be resized and resurfaced (ideally with artificial turf infields) to maximize both local/regional use and tournament use.

In addition to the unmet demand presented on the previous pages, the YMCA also expressed interest in utilizing any new sports facilities that are built in Edmond. A summary of the YMCA's current gym and sports field usage is presented below:

Basketball

- The YMCA recently extended their partnership with the NBA's Oklahoma City Thunder to be their exclusive youth basketball league provider for an additional 5 years.
- In the Winter, the YMCA currently uses up to 14 courts on Saturday game days and 7 courts on weeknights. In the summer, they use up to 5 courts on Saturdays and 8 courts on weeknights.

Volleyball

- In both the spring and the fall, they currently use 5 courts on Saturdays and 4 courts on weeknights.

Soccer

- They currently use 13 fields on Saturdays in spring and fall.

Flag Football

- They currently use 3 fields on Saturdays in the fall.

Baseball, T-ball, and Softball

- The YMCA currently uses 8 fields per night on weeknights (not including the Miracle League Field).

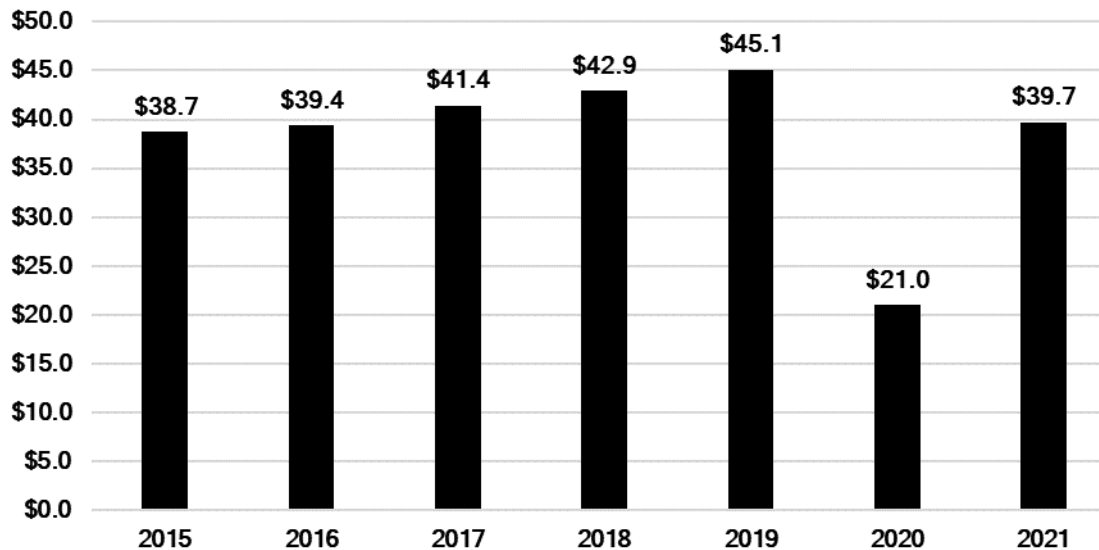


7. SPORTS TOURISM SWOT ANALYSIS



- “Sports Tourism” is regional or national travel to observe or participate in a sporting event.
- The typical sports tourism traveler is a family traveling via car within a 3-to-6 hour drive range for youth/amateur sports tournaments.
- Visitor spending via sports tourism is typically captured via room nights/hotel spending, restaurants, retail, and local entertainment and cultural attractions.
- In 2019, US sports tourism exceeded \$45.1 billion in annual spending by sports travelers, event organizers, and venues as shown below:

Annual Sports Tourism Spending in the U.S. (Billions)

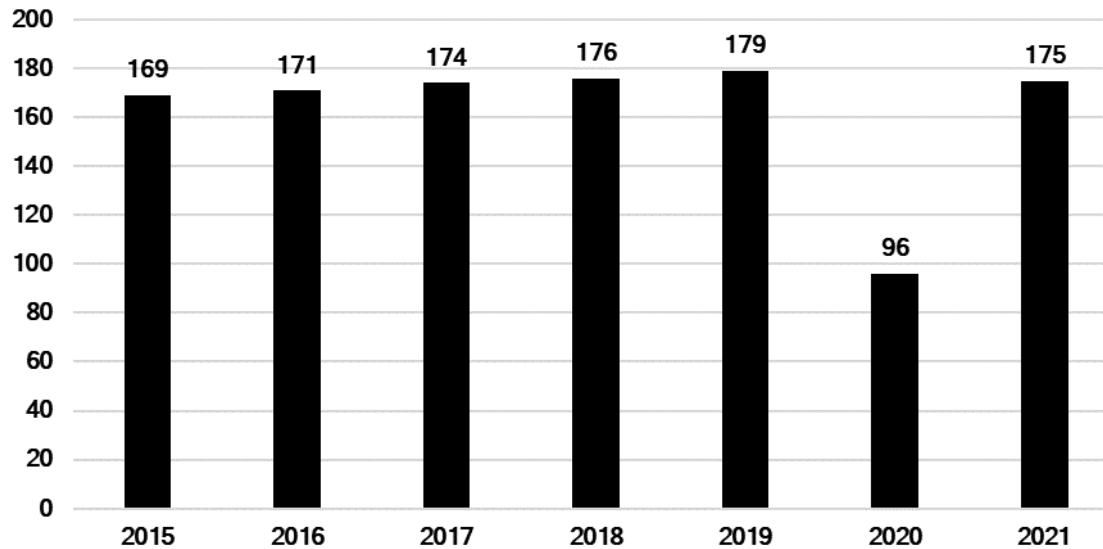


Sports-related travel spending reached \$45.1 billion in 2019, a 5% increase from 2018 and 17% increase since 2015. 2021 saw a significant recovery from 2020 (impacted by the COVID-19 pandemic), and trends we are monitoring for 2022 indicate that sports tourism spending has likely returned to pre-pandemic levels.

Source: Sports ETA



Annual Sports Tourism Travelers in the U.S. (Millions)



Sports-related travel reached 179 million people in 2019.

2021 sports tourism travelers rebounded to 2017-18 levels after 2020 was negatively impacted by the COVID-19 pandemic.

Source: Sports ETA

NATIONAL YOUTH TEAM SPORTS PARTICIPATION TRENDS



<u>Sport</u>	<u>Participants (millions)</u>
1 Basketball	7,866,023
2 Baseball	5,650,563
3 Football (Flag & Tackle)	3,683,542
4 Soccer (Outdoor)	3,564,135
5 Tennis	3,341,015
6 Golf	3,100,000
7 Volleyball	1,837,997
8 Track & Field	1,349,284
9 Cheerleading	1,145,536
10 Gymnastics	1,141,196
11 Swimming (Team)	796,312
12 Softball (Fast Pitch)	717,873
13 Lacrosse	596,113
14 Ice Hockey	514,322
15 Wrestling	362,985

The chart to the left highlights the leading national team sports by participation. 10 of the top 15 sports have over one (1) million participants each.

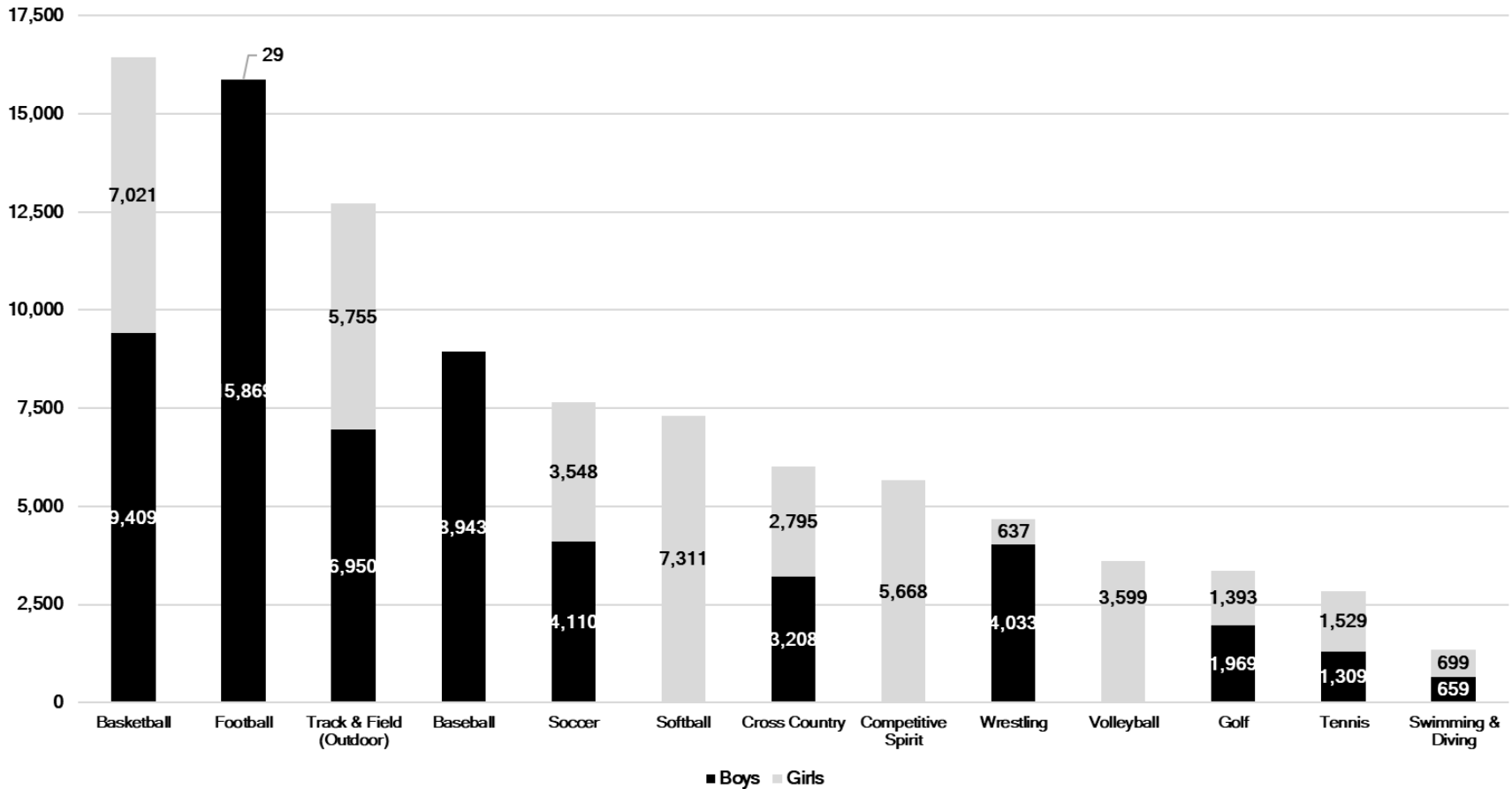
Source: 2021 Sports & Fitness Industry Association

Note: (1) Sorted by Participants, defined as participating on a regular basis. (2) Youth defined as 6 to 17 years-old.

OKLAHOMA HIGH SCHOOL SPORTS PARTICIPATION



Participants



Source: National Federation of High School Associations, 2021-2022 Report

Note: Sorted by total participants in descending order.

Basketball, football, baseball/softball, track & field, and soccer are currently the most popular sports in Oklahoma high schools.

ADDITIONAL NOTES REGARDING FOOTBALL PROGRAMMING



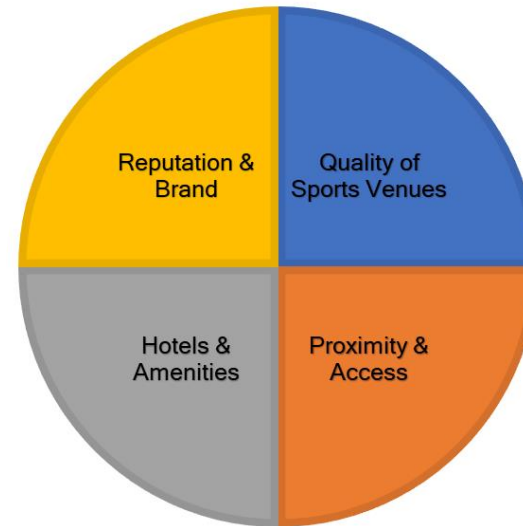
Historically, football (tackle and flag) has not been a major driver in youth and amateur sports tourism. That being said, flag football has recently experienced significant growth and could potentially be a future untapped market for events. The following data highlights some key growth trends:

- **High School Sports Participation (Boys):** In 2022, boys 11-player football was down three (3) percent (1,006,013 to 973,792), while participation in 6-, 8- and 9-player football saw a 12 percent increase - from 31,221 to 34,935. *(Source: National Federation of State High School Associations)*
- **High School Sports Participation (Girls):** Gains by girls playing football were even greater. In all four versions of the game (11, 9, 8, 6), girls participation increased 39 percent from the 2018-19 survey - 2,604 to 3,633. Additionally, the increase in girls flag football was 40 percent - 11,209 to 15,716 participants. *(Source: National Federation of State High School Associations)*
- **Youth Participation:** During the past three (3) years participation numbers of 6- to 12-year-olds playing flag football crossed more than 1.5 million, a 40% increase in three (3) years. *(Source: NY Times)*
- **7-On-7 Flag Football:** The Texas State 7-on-7 Organization (a private organization not associated with the Texas University Interscholastic League) held the first 7-on-7 state championship in 1998 with the sport evolving by 2019 into 128 teams in three (3) divisions at the title level, culled from 1,000-plus teams and 15,000-plus participants in statewide pool play.

Sports Tourism Site Selection Factors

According to SportsETA*, tournament organizers focus on four (4) key factors when making their site selections:

- #1 ... Quality of Sports Venues**
- #2 ... Proximity and Access**
- #3 ... Hotels and Amenities**
- #4 ... Reputation and Brand**



In regards to these factors it should be noted that most tournament operators will not even consider a location that does not have the venues with the capacity they require (#1). Furthermore, locating a new sports complex on a site with convenient highway access (#2) and hospitality amenities (#3) would also be attractive for sports events. Lastly, the facility's reputation and brand (#4) within the sports tourism industry could continue be developed over time, once a sports complex is in place, by developing a track record of attracting and servicing successful indoor sports events.

* Sports Events & Tourism Association

Reason for Choosing Best Sports Community	Percent Chosen
Quality of Sports Facilities	73%
Community Interest/Support for Amateur Sports Events	8%
Accessibility (Ease of Travel/Transportation Access)	6%
Nearby Family Entertainment Options	6%
Nearby Hotel/Lodging Options	2%
Nearby Restaurant/Dining Options	2%
Climate/Weather	1%

Victus Advisors has collected thousands of online survey responses in various communities across the country regarding sports tourism participation.

Primary Consideration: Generally speaking, about 73% of online survey respondents cited **Quality of sports facilities** as the primary reason in determining the best overall job as an amateur host.

Secondary Considerations: Respondents also cited **Community Interest/Support for Sports, Travel Accessibility, and Nearby Entertainment/Hotels/Restaurants** as critical factors in not only choosing the best sports community, but also the reasons why they would come back again in future years.

HOW IS EDMOND CURRENTLY POSITIONED TO ATTRACT NEW SPORTS TOURISM MARKETS?

1. SPORTS TOURISM VENUES



Edmond has large event-caliber venues for soccer, tennis, and swimming, whereas there is not a facility in Edmond with more than four (4) indoor basketball/volleyball courts. Additionally, despite having a decent number of fields, the baseball and softball diamonds in Edmond are not of a sufficient quality level to host large scale tournaments.

2. PROXIMITY & ACCESS



There is a population of over 4.4 million people within a 2.5-hour drive time of Edmond, and over 20.5 million people within a 5-hour drive time of Edmond, to draw from for sports tourism events. Edmond can be conveniently accessed from large markets such as Dallas and Kansas City.

3. LODGING & AMENITIES



Victus Advisors found over 10 lodging options (minimum 2-star hotel class) in Edmond, including appealing family-oriented brands such as Hampton Inn & Suites, Fairfield Inn & Suites, and Holiday Inn Express, among others. There are also numerous restaurant and retail options in town.

4. REPUTATION



As a general tourism destination, interviewees felt that Edmond has a lot of strengths and a positive reputation, but the City doesn't have a significant sports facility reputation yet due to lack of sports tourism-caliber facilities in some of the most popular youth sports such as basketball, volleyball, softball, and baseball.

Strengths

1. Location
2. Reputation
3. Existing Sports Tourism-Caliber Facilities
4. Successful Partnerships & Investments
5. Visit Edmond
6. Strong hotel, retail, & restaurant inventory

Weaknesses

1. Overall Quality & Quantity of Destination Sports Facilities
2. Lack of Large/Consolidated Multi-Court Sports Facilities

Opportunities

1. Draw from 20.5 Million People inside 5 hours
2. Enhance Sports Reputation
3. Additional Hotel Development As a Result of New Sports Tourism Facilities
4. Local Support for Additional Sports Tourism Facility Development

Threats

1. Regional Facility Competition
2. Neglecting Popular Youth Sports



KEY STRENGTHS OF EDMOND AS A SPORTS TOURISM DESTINATION:

LOCATION

- Local and regional interviewees think very highly of Edmond as a potential sports tourism destination. Many cited its proximity to Oklahoma City, and its favorable, central location relative to Dallas, Tulsa, Wichita, and Kansas City as a positive.

PERCEPTION OF THE CITY

- Some interviewees also think out-of-towners have a generally positive perception of Edmond as one of the nicer communities in the Oklahoma City market with plenty to do, shop, and eat.

EXISTING SPORTS TOURISM-CALIBER FACILITIES FOR SOME SPORTS

- Edmond currently has Edmond Center Court, a 50-meter competition pool, and Edmond Soccer Complex, which are all capable of hosting regional and national event activity.

SUCCESSFUL SPORTS PARTNERSHIPS & INVESTMENTS

- The City has a strong history of investment in sports facilities, such as Edmond Center Court and KickingBird Golf Club more recently, as well as past investments in large competitive soccer and swimming facilities.

STRONG HOTEL, RETAIL, & RESTAURANT INVENTORY

- Edmond has more than 10 hotels with family-friendly chains such as Hampton Inn & Suites, Fairfield Inn & Suites, and Holiday Inn Express, among others.
- There are also numerous retail and restaurant options in Edmond highlighted by national stores and brands like Target, Walmart, Chick-Fil-A, and Raising Cane's among others.

KEY WEAKNESSES OF EDMOND AS A SPORTS TOURISM DESTINATION:

SOME SPORTS HAVE LIMITED LOCAL-USE INVENTORY OR POOR QUALITY FIELDS

- Stakeholders and operating partners indicated that there are significant gaps in the City of Edmond for indoor basketball court space and rectangular artificial turf fields for non-soccer groups like football (tackle and flag) and lacrosse. As a result, many of the local youth and amateur programs within these sports are finding difficulty meeting the demand of their participants.
- Despite having a decent number of fields, baseball and softball diamonds are not up to the sufficient quality to host large scale tournaments.

LACK OF LARGE MULTI-COURT SPORTS TOURISM FACILITIES FOR SOME SPORTS

- From a basketball/volleyball standpoint, Victus found that there are only three (3) facilities with four (4) multi-use courts each in Edmond, and only two (2) of those facilities have any experience hosting basketball tournaments.
- The Edmond Soccer Complex is essentially only used for soccer, and there is no other field space in Edmond to host other tournaments for lacrosse, football, etc.
- An ideal facility for the Greater Oklahoma Pickleball Club would have 24 indoor courts so they could host professional events and regional qualifying tournaments via USA Pickleball.

KEY OPPORTUNITIES FOR EDMOND AS A SPORTS TOURISM DESTINATION:

ATTRACT VISITORS FROM REGIONAL DRIVE MARKETS

- There is a population of over 4.4 million people within a 2.5-hour drive time of Edmond, and over 20.5 million people within a 5-hour drive time of Edmond, to draw from for sports tourism events.
- The opportunity to draw tournament participants for multi-night stays from large markets such as Dallas-Fort Worth and Kansas City should be particularly appealing.

ENHANCE SPORTS TOURISM REPUTATION

- As a general tourism destination, interviewees felt that Edmond has a lot of strengths and positive reputation, but the City doesn't have a significant sports facility reputation yet due to lack of sports tourism-caliber facilities in popular youth sports such as basketball, volleyball, softball, and baseball.

ADDITIONAL HOTEL DEVELOPMENT AS A RESULT OF NEW SPORTS TOURISM FACILITIES

- Many interviewees also thought that there is a decent supply of hotels in Edmond, but there could be an opportunity to develop more to meet potential incremental demand if expanded or new sports facilities are built.

LOCAL SUPPORT FOR ADDITIONAL SPORTS TOURISM FACILITY DEVELOPMENT

- Generally speaking, stakeholders and operating partners were supportive of expanding or building new sports facilities in Edmond.

KEY THREATS FOR EDMOND AS A SPORTS TOURISM DESTINATION:

REGIONAL FACILITY COMPETITION

- Other similarly-sized facilities within the Oklahoma City market and Oklahoma could compete with Edmond for events.

NEGLECTING POPULAR YOUTH SPORTS

- Several local stakeholders felt that the City of Edmond could “miss the boat” on sports tourism if they continue to lack large enough (and/or high enough quality) venues for some of the most popular youth sports in Oklahoma (in particular basketball, baseball, and softball).



8. SPORTS FACILITY OPPORTUNITY ASSESSMENT

INITIAL IDENTIFICATION & PRIORITIZATION OF POTENTIAL SPORTS FACILITY OPPORTUNITIES

Based on the results of our research and analysis presented up to this point, Victus Advisors has developed the following list of potential sports facility opportunities and priorities in the City of Edmond:

Sports Tourism Priority*	Sports	Facility Opportunity	Rationale
1	Basketball/Volleyball	New 8-Court Basketball/Volleyball Facility	A new indoor sports court facility would allow Edmond to pursue significant basketball and volleyball tournament activity, and could also be used for indoor sports activity such as pickleball, cheer, futsal, etc.
1	Youth Baseball/Softball	Renovate/Improve Mitch Park Ballfields & Renovate/Improve A.C. Caplinger Ballfields	Although a substantial number of baseball and softball fields already exist in Edmond, there would be a significant opportunity for more and bigger tournaments with improved facility/field quality.
2	Football/Lacrosse/Soccer	New 10-Field Rectangular Field Facility with Artificial Turf (at least 4-6) & Lights	Edmond Soccer Club has limited access for outside groups, therefore significant demand exists for multi-use field space for football (both flag and tackle), lacrosse, and other soccer programming.
2	Pickleball	Renovate/Improve Kickingbird Pickleball Center Indoor Facilities	Indoor courts need a proper moisture barrier under the courts and also lacks HVAC. Indoor food/event space would better serve tournaments. New tournaments could be hosted in conjunction with new sports center.
2	Tennis	Complete Planned Tournament Upgrades to Edmond Center Court	Completion of originally-planned improvements such as indoor balcony/event space and additional indoor courts to off-load the burden on the outdoor courts, would help continue to grow tournament activity.
3	Adult Softball	Renovate/Improve Edmond 66 Complex	The operator is continuing to grow their programs and events, as the facility is not yet at capacity. In the future, potential improvements could include more concessions, artificial turf infields, and another 4-plex.

Note: Within each sports tourism priority level, opportunities are presented in alphabetical order by sport

** Key: 1 = High Impact Opportunity*

2 = Moderate Impact Opportunity

3 = Potential Future Opportunity



9. USAGE PROJECTIONS & OPERATING PRO FORMAS

In this section, Victus Advisors will project both the sustainable daily usage (local group usage) and the number of special or recurring events and attendance (sports tourism events) at additional and renovated sports facilities in Edmond. Based on input from the City, we have created the following two (2) models for analysis and comparison:

Outdoor Field Complex:

- **Features:** 10 full-sized, rectangular, multi-use artificial turf fields with lights.
- **Usage:** Local and tournament usage for rectangular field sports such as football, lacrosse, and other soccer programming.

Upgraded Mitch Park Athletic Complex & A.C. Caplinger Sports Complex Ball Diamonds:

- **Features:** 12 baseball diamonds (resized to maximize usage) at A.C. Caplinger with artificial turf infields, and five (5) softball and four (4) baseball diamonds (re-skinned with artificial turf infields and resized to maximize usage).
- **Usage:** Local and tournament usage for baseball and softball.

The following key assumptions were utilized by Victus Advisors in order to develop operating and financial projections for new and upgraded sports facilities in Edmond:

- No assumptions have been made yet regarding the operations of the Outdoor Field Complex, but it is assumed that EYSA would continue to operate Mitch Park Athletic Complex and A.C. Caplinger Sports Complex.
- It is assumed that the facilities will be owned by the City of Edmond and thus exempt from property taxes.
- No assumptions have been made yet for debt service or capital improvement funds.
- The facilities will offer competitive regional rental rates and aggressively market to third-party events.
- Revenues and expenses are based upon the recommended building programs and estimated annual utilizations presented for each option later in this section.
- The facilities will offer affordable rental rates and market to both local teams and regional tournaments. Additionally, the facilities will be designed to compete against other regional sports complexes in attracting tournament usage and sports tourism.
- These projections are based on current market circumstances, and therefore assume that there will be no major changes to the Edmond/Oklahoma City event market or available regional facilities.
- Our utilization estimates and revenue model estimates are primarily based on metrics related to square footage, seating capacity, and annual event activity.
- The financial projections displayed on the following page utilize a variety of additional assumptions, including data gathered from third-party sources, information provided by the Madison Area Sports Commission, and Victus Advisors' industry experience. There will be differences between these projections and actual events, and these differences may be material.



9. USAGE PROJECTIONS & OPERATING PRO FORMA: A. OUTDOOR FIELD COMPLEX

RECOMMENDED VISION & PURPOSE FOR A NEW OUTDOOR FIELD COMPLEX



It should be noted that the primary purpose of a new outdoor field complex in Edmond would be to provide a home for a wide variety of outdoor field uses that cannot currently be accommodated at the Edmond Soccer Club's fields. Most of these organizations (such as lacrosse, tackle football, flag football, other soccer groups/programs, etc.) have seasonal needs for a certain number of fields, rather than needing annual control over the entire complex.

As a result, it will be important that the operator of this field complex is an independent entity (not beholden to any one sport or group) that can rent or lease field space to each interested sports group according to their relative needs during each sports season. It will also be important that this operator can work closely with Visit Edmond to bring in weekend tournaments that generate economic impact via overnight hotel stays and restaurant/retail spending.

The projections in this section assume that the operator would be an independent entity capable of allocating field rentals to a multitude of organizations and uses.

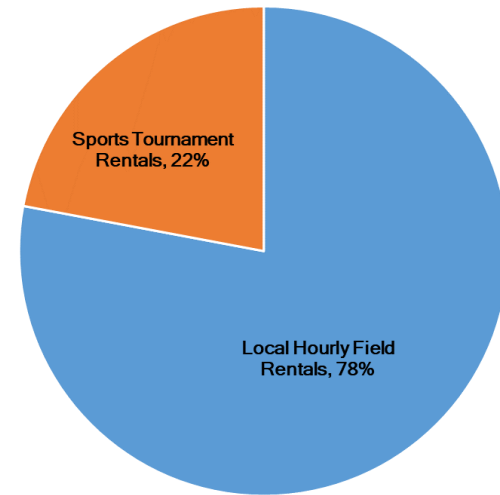
OUTDOOR FIELD COMPLEX: ESTIMATED ANNUAL UTILIZATION



It is estimated that an outdoor field complex in Edmond could host approximately 16 annual sports tournaments, primarily on the weekends or during holidays. While weekend tournaments and events would draw athletes, spectators, and participants from outside of Edmond (Friday through Sunday), it should be noted that local use (practices and games, etc.) would primarily be Edmond residents (typically Monday through Thursday).

<u>Event</u>	<u>Facility Hours</u>
Local Hourly Field Rentals	9,900
Sports Tournament Rentals	2,800
TOTAL	12,700

Note: Sorted by Facility Hours in descending order

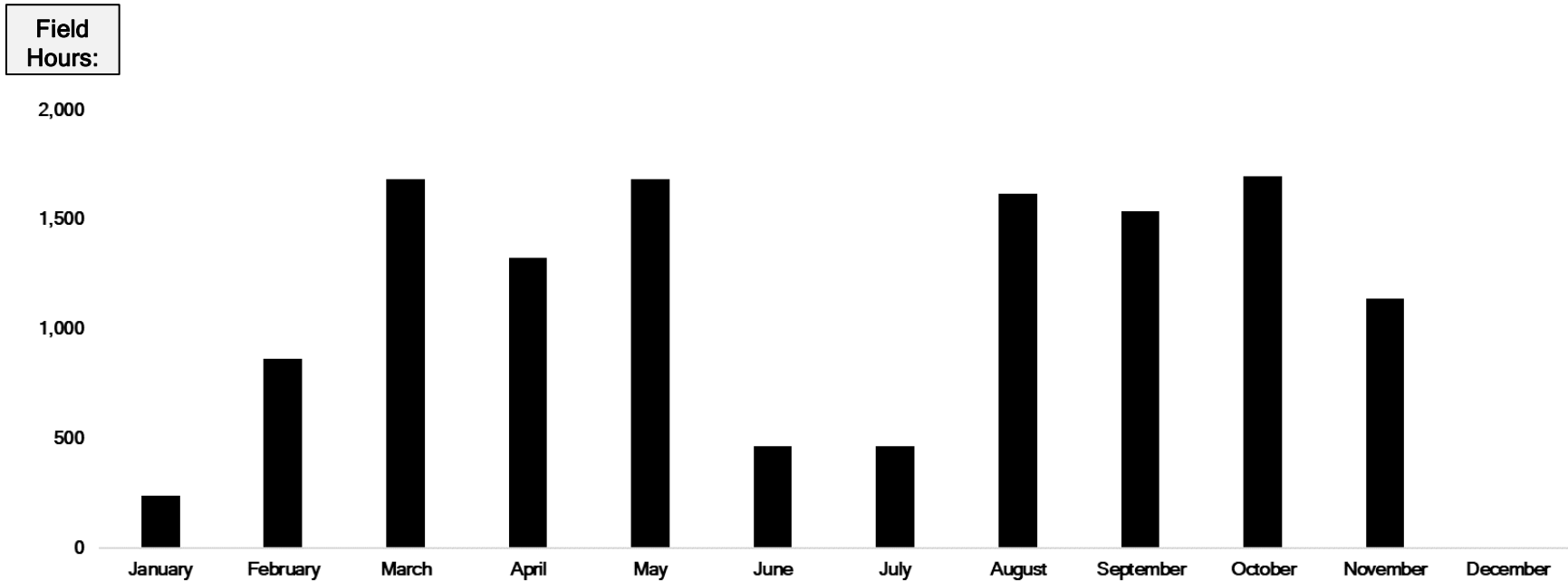


Estimated Annual Lacrosse Tournaments: 6
Estimated Annual Football Tournaments: 6
Estimated Annual Other Sports Tournaments Days: 4

Total Estimated Annual Visits: 388,200**

Notes: () Tournament days a calendar day in which tournament activity is held in the facility. (**) Includes estimated **athletes, officials, coaches, parents/family, spectators, etc.** (**) Represents unique daily visits. For example, if an athlete participated in practices on a Tuesday and a Thursday one week, that would count as two (2) unique visits that week.*

OUTDOOR FIELD COMPLEX: ESTIMATED ANNUAL UTILIZATION BY MONTH



Victus Advisors estimates that there would be fairly consistent levels of usage of a potential outdoor field complex in Edmond in the spring and fall.

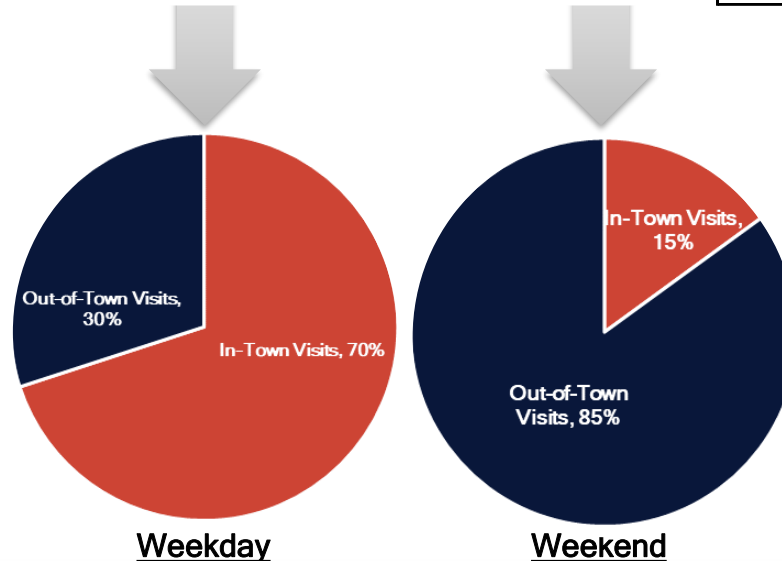
OUTDOOR FIELD COMPLEX: TOTAL ESTIMATED OUT-OF-TOWN VISITATION



It is estimated that visitors from outside of Edmond could account for about 52% of annual attendance at a potential outdoor field complex in Edmond.

It is assumed that weekday usage would primarily be regional programming, including youth and adult sports. Whereas weekend use would primarily be dedicated to youth/amateur sports tournaments.

	Weekday	Weekend	TOTAL
In-Town Visits	173,700	14,000	187,700
Out-of-Town Visits	74,400	126,100	200,500
TOTAL VISITORS	248,100	140,100	388,200



**Notes: (1) "Out-of-town" refers to visitors from outside Edmond. (2) Visitors include estimated athletes, officials, coaches, parents/family, spectators, etc. Visitors also represent unique daily visits. For example, if an athlete participated in practices on a Tuesday and a Thursday one week, that would count as two (2) unique visits that week.*

OUTDOOR FIELD COMPLEX: FINANCIAL PRO FORMA



In a stabilized year of operations, it is estimated that the operations of the proposed outdoor field complex in Edmond could operate at an approximate 97% cost recovery.

	Stabilized Year
Operating Revenues:	
Rental Income (Tournaments, Practices, etc.)	\$707,000
Concessions (Net)	\$284,000
Advertising & Sponsorship	\$50,000
Other	\$10,000
Total Revenues:	1,051,000
Operating Expenses:	
Salaries, Wages, & Benefits	\$700,000
Utilities	\$153,300
Advertising, Marketing, & Promotion	\$50,000
General, Administrative, & Other	\$43,100
Maintenance/Repair	\$67,100
Materials/Supplies	\$67,100
Total Expenses:	1,080,600
EBIDA	(\$29,600)
COST RECOVERY	97%

Notes: (1) Presented in 2023 dollars (2) EBIDA represents "earnings before interest, depreciation, and amortization".



9. USAGE PROJECTIONS & OPERATING PRO FORMA: B. UPGRADED BALL DIAMONDS

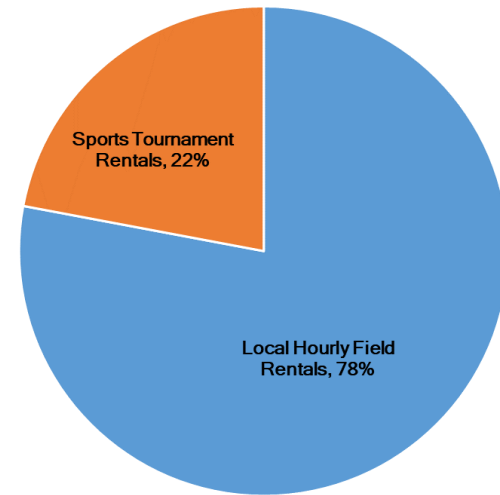
UPGRADED BALL DIAMONDS: ESTIMATED ANNUAL UTILIZATION



It is estimated that upgraded ball diamonds in Edmond could host approximately 24 annual baseball and softball tournaments, primarily on the weekends or during holidays. While weekend tournaments and events would draw athletes, spectators, and participants from outside of Edmond (Friday through Sunday), it should be noted that local use (practices and games, etc.) would primarily be Edmond residents (typically Monday through Thursday).

Event	Facility Hours
Private Programming	13,900
Tournament Rentals	3,600
Local Rentals	1,200
TOTAL	18,700

Notes: (1) Sorted by Facility Hours in descending order
(2) Combined facility hours for A.C. Caplinger and Mitch Park

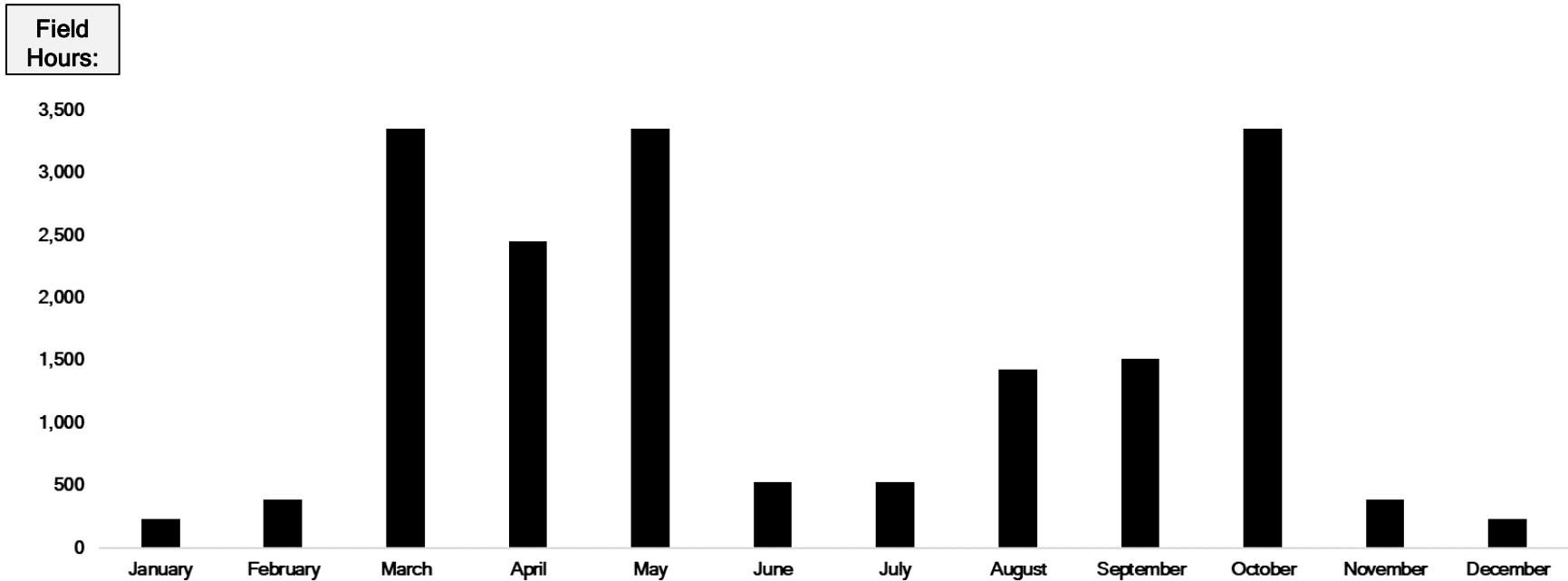


Estimated Annual Baseball Tournaments: 12
Estimated Annual Softball Tournaments: 12

Total Estimated Annual Visits: 422,000**

Notes: (*) Tournament days a calendar day in which tournament activity is held in the facility. (**) Includes estimated **athletes, officials, coaches, parents/family, spectators, etc.** (**) Represents unique daily visits. For example, if an athlete participated in practices on a Tuesday and a Thursday one week, that would count as two (2) unique visits that week.

UPGRADED BALL DIAMONDS: ESTIMATED ANNUAL UTILIZATION BY MONTH



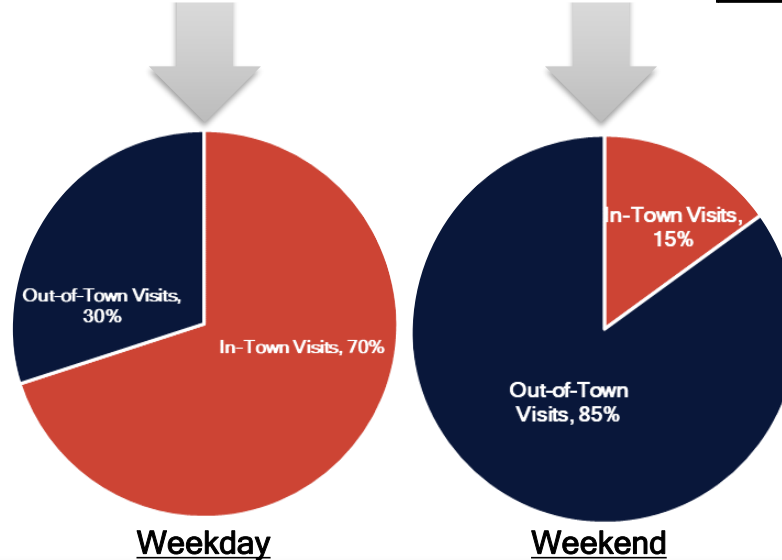
Victus Advisors estimates that there the upgraded ball diamonds in Edmond would have peak usage in the spring and in the fall.

UPGRADED BALL DIAMONDS: TOTAL ESTIMATED OUT-OF-TOWN VISITATION

It is estimated that visitors from outside of Edmond could account for about 52% of annual attendance at the upgraded ball diamonds in Edmond.

It is assumed that weekday usage would primarily be regional programming, including youth and adult sports. Whereas weekend use would primarily be dedicated to youth/amateur sports tournaments.

	<u>Weekday</u>	<u>Weekend</u>	<u>TOTAL</u>
In-Town Visits	194,500	21,600	216,100
Out-of-Town Visits	83,400	122,500	205,900
TOTAL VISITORS	277,900	144,100	422,000



**Notes: (1) "Out-of-town" refers to visitors from outside Edmond. (2) Visitors include estimated athletes, officials, coaches, parents/family, spectators, etc. Visitors also represent unique daily visits. For example, if an athlete participated in practices on a Tuesday and a Thursday one week, that would count as two (2) unique visits that week.*

UPGRADED BALL DIAMONDS: FINANCIAL PRO FORMA



In a stabilized year of operations, it is estimated that the operations of the upgraded ball diamonds in Edmond could operate at an approximate \$256,800 annual loss.

	A.C. Caplinger	Mitch Park	Combined Operations
Operating Revenues:			
Private Programming (Leagues, Etc.)	\$364,000	\$124,000	\$488,000
Rental Income (Tournaments, Practices, etc.)	\$163,000	\$163,000	\$326,000
Concessions (Net)	\$165,000	\$93,000	\$258,000
Advertising & Sponsorship	\$33,000	\$31,000	\$64,000
Other	\$10,000	\$10,000	\$20,000
Total Revenues:	\$371,000	\$297,000	\$1,156,000
Operating Expenses:			
Salaries, Wages, & Benefits	-	-	\$525,000
Program Expenses	\$218,400	\$74,400	\$292,800
Utilities	\$153,000	\$138,000	\$291,000
Advertising, Marketing, & Promotion	-	-	\$25,000
General, Administrative, & Other	-	-	\$25,000
Maintenance/Repair	\$67,000	\$60,000	\$127,000
Materials/Supplies	\$67,000	\$60,000	\$127,000
Total Expenses:	505,400	332,400	1,412,800
EBITDA	(\$134,400)	(\$35,400)	(\$256,800)
OPERATING MARGIN	-36%	-12%	-22%

Notes: (1) Presented in 2023 dollars (2) EBIDA represents "earnings before interest, depreciation, and amortization".



9. USAGE PROJECTIONS & OPERATING PRO FORMA: C. OPERATIONAL DETAILS

Revenue generated by upgraded or new sports fields in Edmond are expected to consist primarily of rental income, concessions, and advertising. A brief description of each potential revenue source is provided below.

Rental Income:

Facility rent is typically one of the largest revenue sources for a multi-events facility. Rentals typically occur for practices and league play (primarily local use within Edmond) and tournaments/meets (regional/national usage). We have conservatively assumed, based on competitive rental rates within the market, that average rental rates would be approximately **\$60 per hour per field for rectangular fields** and **\$75 per hour per field for ball diamonds**. Lastly, we have assumed a meet/tournament rate **\$3,500 per day for use of the entire facility for the rectangular sports fields complex** and **\$5,000 per day for ball diamonds**.

Concessions (Net):

Concessions revenue consists of sales of various food and beverage items at various points-of-sale throughout the facility. Revenue assumptions are based on estimated usage and attendance, and comparable per capita spending from facilities across the country (approximately \$1 to \$3 per visitor per day) and is shown after cost of goods sold (COGS) of approximately 70%.

Programming:

We have assumed that the rectangular field complex will primary be used for rentals. For the baseball/softball diamonds, programming consist of camps, clinics, leagues, and tournaments organized by the facility operator, with revenue primarily consisting of registration fees.



Advertising & Sponsorship:

Advertising and sponsorship revenues are assumed to be derived from the sale of wall and board banners (\$225 per banner), permanent signage (\$225 per sign), scoreboard signage (\$350 per scoreboard), and presenting/founding level partnerships (\$5,000 per founding partner). Overall, we have conservatively assumed that no more than 80% of the available inventory would be sold.

Other Revenue:

Other revenue opportunities would primarily consist of any equipment rental fees or other special service charges.

Operating expenses expected to be generated by upgraded or new sports fields in Edmond include salaries, wages, and benefits, operations/programming costs, utilities, and other expenses. A brief description of each potential major source of expense is provided below.

Salaries, Wages & Benefits:

We have assumed that each operating entity would hire seven (7) full-time equivalent (FTE) employees each, including a General Manager, Event/Sales Manager, Accountant, Admin Assistant, Operations Manager, and Maintenance and Custodial staff. Lastly, we have assumed approximately \$100,000 to \$150,000 a year in part-time/seasonal hours for each operator.

Utilities:

Utilities often represent one of the largest expenses incurred by facility operators. Cost estimates for utilities include use of electricity, gas, water, and steam, and are based upon comparable utility costs per square foot at similar facilities.

Other Expenses:

Other expenses expected to be incurred by the facilities include general and administrative expenses, repairs and maintenance, materials and supplies, marketing/advertising costs, insurance, and other such expenses, as described on the next page:

- Maintenance and repairs for structures, equipment, grounds, etc.
- Materials and supplies for administration and operations of the facility such as office supplies, sports equipment, janitorial supplies, etc.
- General liability insurance to cover the grounds, restrooms, and other such areas (Note: events and users are typically required to carry their own liability insurance specific to their activities at the facility)
- Office and administrative expenses, including but not limited to marketing and advertising, telecommunications, travel costs, permits, bad debt, bank service charges, licenses, dues/subscriptions service fees, and other such operating expenses.

These expenses have been estimated based upon expenses at comparable venues.



10. ECONOMIC & FISCAL IMPACT ANALYSIS

1. ESTIMATE DIRECT GROSS SPENDING



The first step in projecting the potential economic and fiscal impacts of new or upgraded facilities in Edmond is estimating the Gross Direct Spending activity that could occur due to the on-going annual operations of the new or upgraded facilities.

Gross Direct Spending represents all of the direct spending that could be associated with the projects, regardless of income source or spending location.

Primary Sources of Direct Spending from New Or Upgraded Facilities

Ongoing Facility Operations

In-Facility Revenues:

- Facility Rental Fees
- Programming Revenue
- Concessions Sales
- Sponsorships/Advertising

City-Wide Visitor Spending:

- Lodging
- Restaurants
- Entertainment
- Retail
- Transportation

After estimating the “Gross” economic activity associated with the potential new or upgraded sports facilities in Edmond, Victus Advisors estimated the portion of Gross Direct Spending that could represent incremental (or “Net”) spending within the City’s economy. Net Direct Spending accounts for the phenomenon of “displacement”, as described below.

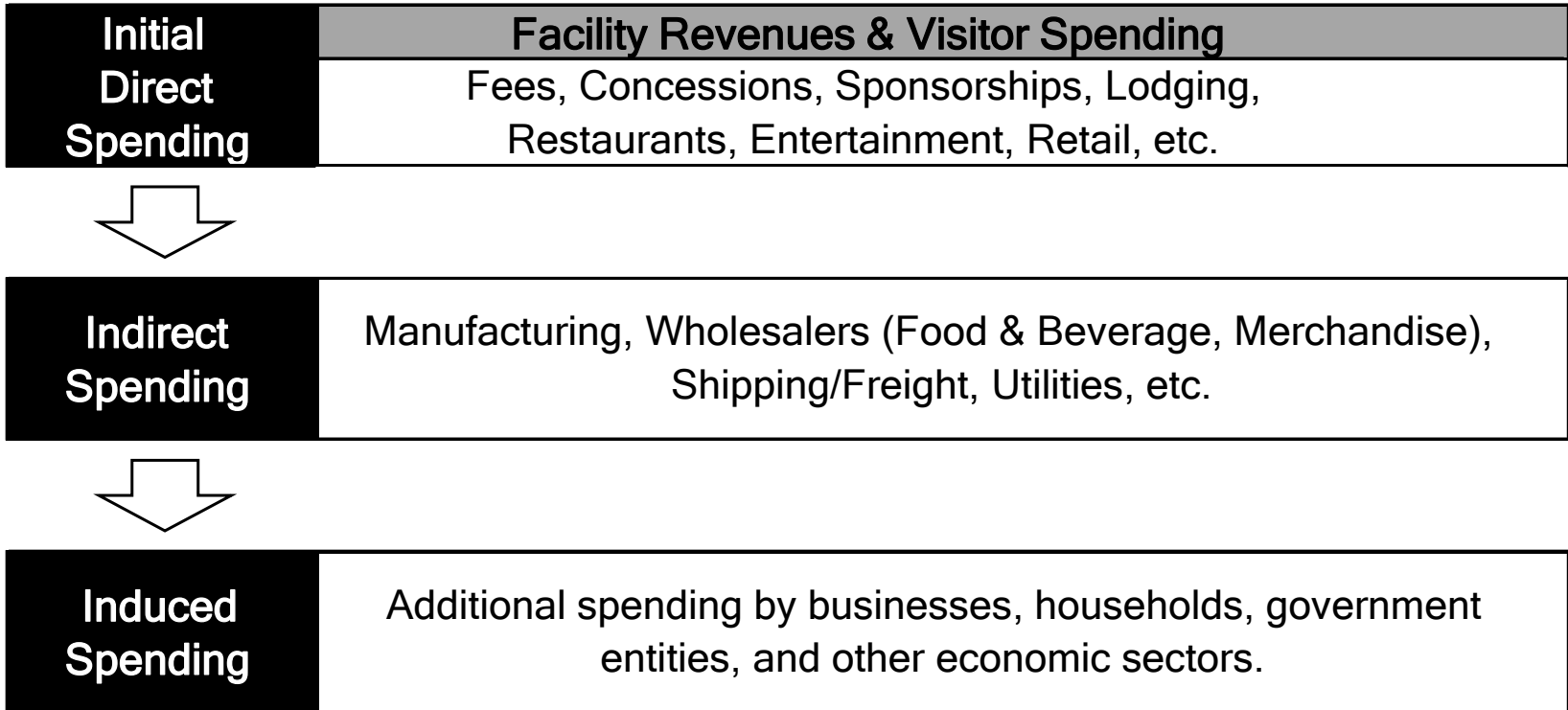
DISPLACEMENT is the economic principle that assumes a household (or business) sports and recreation budget would be spent within the local economy with or without development of new or upgraded sports facilities. For purposes of this study, we have assumed that local usage spending would be displaced (i.e. spent elsewhere within the Edmond economy) without the presence of new or upgraded sports facilities. Therefore...

NET IMPACTS estimated by Victus Advisors will only include the estimated dollars spent within Edmond City limits by visitors who come to the City because of the presence of new or upgraded sports facilities, thus injecting new incremental dollars into the City’s economy.

4. THE MULTIPLIER EFFECT



Direct Spending that is captured in the City of Edmond is subsequently re-spent, both inside and outside the local economy. The cumulative impact of the re-spending cycles that occur within City limits is called the “Multiplier Effect”.



4. THE MULTIPLIER EFFECT (CONT.)



Victus Advisors utilized IMPLAN Multipliers specific to Edmond (as shown below) to estimate the following Net Economic Impacts:

- **TOTAL OUTPUT** (direct, indirect & induced spending in Edmond)
- **EMPLOYMENT** (full-time & part-time jobs in Edmond)
- **LABOR INCOME** (salaries & personal earnings associated with City of Edmond jobs)
- **TAX REVENUES** (local taxes associated with the total output)

IMPLAN MULTIPLIERS - CITY OF EDMOND

Industry	Total Output Multiplier	Employment Multiplier	Labor Income Multiplier
Retail Stores	1.04853	1.660 x 10 ⁻⁵	1.02451
Transit & Ground Passenger Transportation	1.05504	2.833 x 10 ⁻⁵	1.05920
Fitness & Recreational Sports Centers	1.05582	1.983 x 10 ⁻⁵	1.06585
Hotels & Motels, Including Casino Hotels	1.03725	9.550 x 10 ⁻⁵	1.04708
Food Service & Drinking Places	1.03708	1.221 x 10 ⁻⁵	1.02766

ESTIMATED NET ANNUAL ECONOMIC & FISCAL IMPACTS OF ONGOING OPERATIONS



Facility	VISITATION & SPENDING		ANNUAL ECONOMIC IMPACTS			HOTEL IMPACTS	ANNUAL FISCAL IMPACTS	
	Estimated Annual Out-of-Town Visitors	Estimated Net New Direct Spending (1)	Total Output	Employment	Labor Income	Estimated Annual Hotel Nights	City Sales Tax (3.75%)	City Hotel Tax (4%)
Outdoor Field Complex	126,000	\$11,668,000	\$13,779,000	201	\$13,757,000	43,000	\$316,000	\$139,000
Upgraded Ball Diamonds	122,000	\$11,335,000	\$13,341,000	194	\$13,320,000	42,000	\$307,000	\$135,000

Notes: (1) Only includes direct spending by visitors from outside of Edmond.

(2) Assumes 1.5 nights per out-of-town visitor, and average daily room rate of \$81.

It is estimated that the operations of the proposed new or upgraded sports facilities in Edmond could generate the following impacts within Edmond on an annual basis:

- \$13.8 million (Outdoor Field Complex) or \$13.3 million (Upgraded Ball Diamonds) in annual economic output
- 201 (Outdoor Field Complex) or 194 (Upgraded Ball Diamonds) sustainable annual jobs
- \$13.8 million (Outdoor Field Complex) or \$13.3 million (Upgraded Ball Diamonds) in annual labor income
- 43,000 (Outdoor Field Complex) or 42,000 (Upgraded Ball Diamonds) in annual hotel nights
- \$316,000 (Outdoor Field Complex) or \$307,000 (Upgraded Ball Diamonds) in city sales tax
- \$139,000 (Outdoor Field Complex) or \$135,000 (Upgraded Ball Diamonds) in city hotel room tax



Facility	NET PRESENT VALUE (NPV) OF INCREMENTAL IMPACTS OVER 30 YEARS (1)				
	ECONOMIC IMPACTS			FISCAL IMPACTS	
	Total Output	Employment	Labor Income	City Sales Tax (3.75%)	City Hotel Tax (4%)
Outdoor Field Complex	\$320,101,000	201	\$319,590,000	\$7,341,000	\$3,229,000
Upgraded Ball Diamonds	\$309,926,000	194	\$309,438,000	\$7,132,000	\$3,136,000

Notes: (1) Assumptions include 3.0% annual inflation and 4.0% discount rate.
 (2) Represents new full- and part-time jobs sustained on an annual basis.

Over a 30-year period, it is estimated that proposed new or upgraded sports facilities in Edmond could generate overall long-term impacts within the City of Edmond with a net present value (NPV) of:

- \$320 million (Outdoor Field Complex) or \$310 million (Upgraded Ball Diamonds) in total economic output
- 201 (Outdoor Field Complex) or 194 (Option 2) sustainable annual jobs
- \$320 million (Outdoor Field Complex) or \$309 million (Upgraded Ball Diamonds) in total labor income
- \$7.3 million (Outdoor Field Complex) or \$7.1 million (Upgraded Ball Diamonds) in city sales tax
- \$3.2 million (Outdoor Field Complex) or \$3.1 million (Upgraded Ball Diamonds) in city hotel room tax



11. PROJECT FUNDING ANALYSIS

The purpose of this section is to provide an overview of the various funding sources that may be available to fund construction and operations of new and upgrades sports facilities in Edmond.

This analysis is based upon a review of comparable venues across the country, as well as unique funding opportunities and financing vehicles that may be available within the State of Oklahoma.

The analysis in this section is organized into two primary sections, with debt-related financing vehicles presented at the beginning, followed by a summary of various revenues streams or cash sources that are often used to pay for sports and event center debt service and/or upfront capital costs:

Public Debt Financing Tools:

- General Obligation Bonds
- Revenue Bonds
- Special Tax Districts and/or Tax Increment Financing (TIF)

Potential Revenue Source:

- Ad Valorem Taxes
- Contractually Obligated Revenue Streams
- Edmond Public Schools Partnership
- General Funds
- Hotel Tax
- Public-Private Development (P3)

PUBLIC DEBT FINANCING TOOLS: GENERAL OBLIGATION BONDS



The City of Edmond may use the full faith and credit of the municipality to issue **General Obligation (GO) Bonds** to pay for all or part of construction of recreational sports facilities. GO bonds are secured by the issuing government entity's pledge to use all legally available resources, including tax revenues, to pay debt service.

The primary advantage of GO bonds is that they typically carry a lower interest rate, assuming the issuing government entity carries a strong credit rating. Generally speaking, the better the issuer's credit rating, the lower the interest rate. Another advantage of GO bonds is that the annual operations of the built venue does not necessarily need to break-even annually, as the repayment of the bonds is not linked directly to the annual cash flows stemming directly from the venue project. The primary disadvantage associated with GO bond financing is that the GO indebtedness reduces the municipality's available bonding capacity for other potential capital projects.

APPLICATION FOR THE CITY OF EDMOND

A GO bond issue for sports tourism projects may be difficult to pass if it is perceived as taking away funds that could be allocated to other uses that the public may favor, such as other capital projects, improvements to services or infrastructure, etc. That said, Edmond City Council and the Edmond Planning Commission have publicly floated GO bonds as a way to expedite road improvement projects and free up future capital improvement project funds (sales tax) for other community needs.

PUBLIC DEBT FINANCING TOOLS: REVENUE BONDS



Revenue Bonds are payable solely from a dedicated revenue source, often: a) an available tax source, or b) from the revenues of the public project that is being financed. Since debt service is tied to particular revenue streams, rather than the general obligation of the taxing authority, revenue bonds are considered to have a much higher risk of default than GO bonds and thus carry a higher interest rate. As shown below, depending on the interest rate and debt coverage ratio, it is generally estimated that for every \$1 million of annual revenue that is applicable to debt service, 30-year revenue bonds could fund anywhere from approximately \$7.7 million to \$15.7 million in project costs:

Interest Rate	Bond Term (Yr)	Funding Capacity per \$1M of Annual Incremental Income			
		Debt Coverage Ratio:			
		1.25x	1.5x	1.75x	2.0x
3%	30	\$15,680,353	\$13,066,961	\$11,200,252	\$9,800,221
4%	30	\$13,833,627	\$11,528,022	\$9,881,162	\$8,646,017
5%	30	\$12,297,961	\$10,248,301	\$8,784,258	\$7,686,226

APPLICATION FOR THE CITY OF EDMOND

One advantage to revenue bonds is that they are project specific, and thus do not diminish the City's bonding capacity for future GO bonds. One disadvantage is that they typically carry a higher interest rate than GO bonds, and due to debt service reserve requirements and other credit enhancements, the bonds are usually larger with higher payment terms. However, the biggest disadvantage in this case is that since the annual operations of the proposed facilities could require annual financial support, operating revenues are not likely to be a viable funding source for debt service payments. Therefore, any revenue bonds would need to be funded by a dedicated tax revenue source.

PUBLIC DEBT FINANCING TOOLS: TAX INCREMENT FINANCING (TIF) DISTRICTS

Tax Increment Financing (TIF) involves capturing assessed valuation growth within a specific area (e.g. a “TIF District”) related to a particular development project. Tax increment financing often requires enactment of legislation by a State legislature, in cooperation with the existing tax authorities within the designated district (typically a City and/or County). Typically, a project area is delineated, and a base year is declared for tax purposes. Once the proposed development occurs, incremental tax revenue is collected on the tax rolls over the base year, and these incremental tax revenues are used to pay debt service.

It should be noted that property taxes are the most common form of TIF financing method, as underdeveloped areas are often designated as tax increment districts for purposes of promoting redevelopment, and such development efforts can significantly increase assessed valuations within an underdeveloped area. That said, depending on state laws, other forms of special tax may also be created using other incremental or new tax types. For example, for purposes of servicing project debt a temporary tax could be instituted within the district that target specific businesses that are expected to benefit from the development, such as a restaurant meals tax or an incremental hotel tax.

APPLICATION FOR THE CITY OF EDMOND

TIF or other special tax districts can be a powerful tool for financing sports tourism facilities using incremental (or temporary new) tax revenues resulting from development in a designated area. However, in order for TIF to be viable, the proposed facilities must be a component of a larger redevelopment area, and approvals typically must be obtained from all of the relevant taxing authorities within the defined district.

POTENTIAL REVENUE SOURCES: AD VALOREM TAXES



Ad Valorem Taxes are taxes collected on the value of a transaction or property, typically in the form of property taxes or sales taxes. The City of Edmond currently assesses a 3.75% sales tax. The chart below illustrates the current sales taxes for cities in other surrounding communities in the Oklahoma City market:

<u>Entity</u>	<u>Rate</u>
Oklahoma City	4.13%
Yukon	4.00%
Edmond	3.75%
Shawnee	3.50%

Source: Victus research

Note: Sorted by Rate in descending order

APPLICATION FOR THE CITY OF EDMOND

In 2016, Edmond citizens approved a ½ cent sales tax increase for capital improvement projects. The tax runs from April 2017 through March 2027. It currently generates around \$11.5 million in annual tax revenues and is meant to fund various public infrastructure projects like roads, fire station improvements, etc. It also helped to fund the development of Edmond Center Court.

POTENTIAL REVENUE SOURCES: CONTRACTUALLY OBLIGATED REVENUE



Contractually Obligated Revenue (COR) is facility-related revenue that is typically generated by multi-year contracts on commercial leases and naming rights:

- **Commercial Leases:** If the project includes any commercial store, office and/or restaurant lease space, those spaces can provide lease income to go toward the payment of debt service, and/or cover maintenance and operations expenses.
- **Naming Rights:** Private sector corporations often purchase long-term naming rights on large public venues, and those revenue streams may either be applied to capital costs or operations. A sample of naming rights deals for youth and amateur sports facilities is shown below:

SAMPLE OF ACTIVE NAMING RIGHTS DEALS FOR YOUTH & AMATEUR SPORTS COMPLEXES

<u>Youth/Amateur Sports Complex</u>	<u>Location</u>	<u>Naming Rights Buyer</u>	<u>Total Price</u>	<u>Term</u>	<u>Annual Average</u>
Great Park presented by UCI Health	Irvine, CA	UCI Health	\$5,700,000	10	\$570,000
Young Family Athletic Center	Norman, OK	Donor (Trae Young)	\$4,000,000	Life	\$200,000
UW Health Sports Factory	Rockford, IL	UW Health	\$1,940,000	10	\$194,000
TCO Sports Garden	Vadnais Heights, MN	Twin Cities Orthopedics	\$1,950,000	15	\$130,000
Scheels Overland Park Sports Complex	Overland Park, KS	Scheels Sporting Goods	\$625,000	5	\$125,000
Woodman's Indoor Athletic & Conference Center	Janesville, WI	Woodman's Food Markets	\$2,000,000	Life	\$100,000
Kaiser Permanente Sports Village	Bakersfield, CA	Kaiser Permanente	\$500,000	5	\$100,000
Parkway Bank Sports Complex	Rosemont, IL	Parkway Bank & Trust	\$300,000	3	\$100,000
Citynet Center	Bridgeport, WV	CityNet	\$1,000,000	10	\$100,000
Art Van Sports Complex*	Grand Rapids, MI	Art Van Furniture	\$1,800,000	Life	\$90,000
Tarina Homes Sports Complex	Bakersfield, CA	Tarina Homes, Inc.	\$200,000	3	\$66,667
St. Luke's Proctor Sports & Events Center	Duluth, MN	St. Luke's Health System	\$300,000	10	\$30,000
Average			\$1,692,917	11	\$150,472
Median			\$1,400,000	10	\$100,000

**Note: for naming rights agreements with a lifetime term, we have assumed 20 years is the primary period over which the naming benefits will be earned*

POTENTIAL REVENUE SOURCES: EDMOND PUBLIC SCHOOLS PARTNERSHIP



The City of Edmond and Edmond Public Schools have a history of collaborating on sports facility development and usage as illustrated below:

- **Cheyenne Middle School Fields:** The fields at Cheyenne Middle School are owned by Edmond Public Schools, but there is an agreement with the City of Edmond that allows it to lease the green space to Central Oklahoma Youth Lacrosse.
- **Edmond Aquatic Center:** The pool was built with school-issued bond money for \$16.5 million (in 2023 dollars). The YMCA operates the pool, but Edmond Public Schools has first priority for usage and events. The YMCA sends a monthly bill to the City of Edmond with expenses and revenue, and the City of Edmond will reimburse the YMCA for the difference to make the budget zero-out. Additionally, Edmond Public Schools gives the City of Edmond a sum of money that goes toward operating expenses.
- **Edmond Center Court:** Edmond Public Schools and the City of Edmond split the development cost (over \$18 million in 2023 dollars). The City of Edmond is responsible for all maintenance (landscaping, mowing, and building maintenance). As part of the operating agreement, the high school teams use all the outdoor courts in the Fall and Spring from about 3:00 to 5:30 (Free Use).

APPLICATION FOR THE CITY OF EDMOND

Given these precedents, Edmond Public Schools and the City of Edmond could potentially collaborate on the funding of new or upgraded sports facilities in Edmond, assuming it meets the needs of both parties.

POTENTIAL REVENUE SOURCES: GENERAL FUNDS



The City of Edmond could choose to use cash to support the construction of the proposed facilities with an allocation of **General Funds** from the City's coffers.

Allocation of general funds typically requires available cash (or an unexpected revenue windfall) that is free and clear of any other government obligation.

APPLICATION FOR THE CITY OF EDMOND

As of June 30, 2022, according to the City's CAFR, the City had approximately \$191,549 of unassigned general funds.

In most cases where cash is used to develop comparable sports and recreation facilities, these funds have not been dedicated to pay for the entire capital project, but rather used to pay a portion of development costs and thus reduce the amount of additional public debt that needs to be issued and/or private funds that need to be raised.

POTENTIAL REVENUE SOURCES: HOTEL TAX



The funding of sports facilities via a **Hotel Tax** is a growing trend across the country. Sports tourism via attendance at sports tournament events can drive multi-day stays at nearby hotels, as well as incremental retail and restaurant spending within the local market, and local hotel groups are often supportive of using lodging tax dollars to build sports tourism facilities that will generate incremental room nights. The chart to the right illustrates the current hotel taxes for cities in other surrounding communities in the Oklahoma City market:

<u>Entity</u>	<u>Rate</u>
Oklahoma City	5.50%
Shawnee	5.00%
Edmond	4.00%

Source: Victus research
Note: Sorted by Rate in descending order

APPLICATION FOR THE CITY OF EDMOND

In November of 2022, Edmond City Council received a recommendation from Visit Edmond to place a question on a 2023 ballot asking Edmond citizens whether to increase the city’s lodging tax from 4 percent to 5.5 percent. City Council has yet to vote on whether the question would be on the ballot. According to the analysis shown below, it is estimated that an additional increase to the Hotel Tax could generate approximately over \$24 million of capital project funding for every 0.5% increase:

	City of Edmond Hotel Tax Collections in FY2022*	Scenario 1: 0.5% Increase	Scenario 2 1.0% Increase	Scenario 3 1.5% Increase
Total Taxable Sales	\$418,350,000	\$418,350,000	\$418,350,000	\$418,350,000
Hotel Tax Rate	4.0%	4.5%	5.0%	5.5%
Hotel Tax Collections	\$16,734,000	\$18,825,750	\$20,917,500	\$23,009,250
Annual Incremental Hotel Tax Revenues	-	\$2,091,750	\$4,183,500	\$6,275,250
Estimated Funding Potential		\$24,114,000	\$48,227,000	\$72,341,000

Similar venue projects across the country recently have been funded with a combination of public and private funds. These public-private partnerships, commonly referred to as “P3” development, usually involve a contract between a public sector agency and a private party, and the contract is typically structured so the private party assumes substantial project development and/or financial operations risk (typically in exchange for profit opportunity).

There are a variety of ways to structure a P3 development, depending upon the profit opportunity and parties involved. The most important part of establishing a P3 project is finding private sector investors that are interested in working with the public entity on the particular proposed project. Local government funders would need to identify potential partners early in the project in order to construct an effective partnership. However, sports and event facility operations alone are not likely to attract a P3 partner, but rather a P3 partner would likely require mixed-use revenue streams (such as retail, residential, etc.) in order to generate a sufficient return on capital.

Typical incentives for a governing body to utilize a P3 model for development include:

- Preservation of government body debt capacity for other projects,
- Reduction of the government body’s risk associated with the project by transferring operational risk and debt service risk to the private sector, and/or
- Expedited project delivery by moving responsibility for purchasing and procurement from governmental processes to the private sector.



12. FACILITY MANAGEMENT AGREEMENTS ANALYSIS

OVERVIEW OF MANAGEMENT OPTIONS FOR CITY SPORTS FACILITIES



OWNERSHIP & OPERATIONS COMBINATIONS

It should be noted that the ownership of a sports complex will determine what operation options are available. The chart below summarizes the different combinations that could be available for operations of City-owned sports facilities in Edmond (as denoted with a check mark).

		<u>OWNER</u>	
		Public	Private
<u>OPERATOR</u>	Public	✓	✗
	Private	✓	✗

As shown above, the City as facility owner has the option of public management or private management by a third-party contractor (either for-profit or non-profit).

The following pages detail these different potential operating models from the City’s perspective.

PUBLIC OPERATIONS

Publicly-owned facilities have the option of either being operated by the public entity that owns the facility (or an affiliated public entity) or contracting out operations to a private entity. Both options have associated advantages and disadvantages.

Public management of sports complexes was the typical model prior to the early 2000's. Facility operational control within a government is typically done either by creating a separate department that is responsible for facility management or by designating responsibility to an existing department within the government. In many cases a government will already have other existing public assembly facilities such as arenas, auditoriums, expo centers, or theaters under their control prior to the development of a new sports venue, and in these cases the governmental departments currently overseeing the other public assembly facilities could operate a new sports venue as well. However, it should be noted that this is not the case in Rancho Cordova which would need to create a new operating entity.

Advantages of public management include owner control, financial support, and sharing of staff and support functions, among other factors. Within this structure, the management's primary responsibility is to the governmental agency goals. The ability to combine the purchase of goods and services with other governmental departments provides a distinct advantage in maximizing purchasing power. The ability to use governmental employees from other departments can also be advantageous. Lastly, under public management, the need to pay additional fees to a private management contractor is not required.

Disadvantages of public management can include a lack of private sector financial participation, civic service constraints, and changing political policies. The primary disadvantages relate to the additional burden placed on governmental departments and the additional level of bureaucracy sometimes required to facilitate operating decisions. The decisions made regarding the operation of a facility may also be slowed due to the nature of the particular governmental department in terms of requirements for approvals and other regulations and procedures. Lastly, with public management (especially by a parks and recreation department), local-use programming for residents can often be given priority over sports tournaments and other such economic impact-generating events, unless the facility’s charter clearly dictates that the operating goals should include economic impact and that staff should include sports tournament operating expertise.

A summary of advantages and disadvantages to the public sector associated with public management is shown at right:

ADVANTAGES	DISADVANTAGES
<ul style="list-style-type: none"> • Owner control • Financial support • Coordinating/sharing of staff/support functions • Bulk-price purchasing • No management fees 	<ul style="list-style-type: none"> • Lack of outside/private sector financial support • Civic service constraints • Contract approval requirements • Changing political policies • Limited flexibility • Possible lack of expertise and access in sports industry • Local resident programs often given priority over sports tournaments/economic impact.

CONTRACT MANAGEMENT BY A PROFESSIONAL OPERATING FIRM

Facilities that are publicly-owned also have the option to utilize a private facility operator. Intense and increasing levels of competition among facilities coupled with increased pressure from governmental entities for facilities to break even operationally has caused some governments to consider changes in the fundamental process of managing sports venues. As a result, numerous venues across the country have contracted day-to-day operations to a private for-profit management company under fee-based management agreements (with the public entity paying the management company to operate on their behalf).

Under typical private management, the facility owner retains all of the rights and privileges of ownership while the private management firm performs assigned management functions. The public owner sets policies while the private management firm establishes procedures in order to implement the policies. The private management firm is often compensated with a flat annual fee plus incentive payments designed to reward the contractor for producing desired results. Incentives could be based on achieving specific revenue goals, attendance, events, room night generation, or other such targets. Operating contracts usually stipulate that operating budgets must be submitted by the management company to the public owner of the facility for approval. It is important to note however that the public owner is still responsible for providing the funds necessary to operate the facility, including funding of any operating deficits.

Private management firms are typically responsible for various key operational and fiscal factors such as policies and directives, organizational structure, job classifications, competition, scheduling and booking, facility and event accounting, and routine maintenance/repairs. However, the public owner is typically responsible for any annual operating deficits and long-term capital needs, including capital maintenance and working capital. In addition to the day-to-day operations of the venue, a number of private management firms also offer project services such as pre-opening management services and event marketing support as alternatives to full facility management.

A summary of key advantages and disadvantages associated with private management is shown below:

ADVANTAGES

- Incentives for efficiency or performance
- Network of relationships to leverage event bookings
- Internal network of facility knowledge/experience
- More independence in negotiations
- Greater staffing resources
- More objective criteria for accountability
- More efficient procurement process
- Design support and pre-opening services
- Less financial risk for owner

DISADVANTAGES

- Potential loss of direct control by owner
- Potential misaligned purpose and goals between community-focused owner and profit-focused management firm
- Less access for affordable public use
- Annual facility management fees
- Management personnel turnover
- Corporate resources spread among several facilities
- City still responsible for management fee, any annual operating deficits, and long-term capital upkeep/investment

PRIVATE MANAGEMENT BY A LOCAL SPORTS ORGANIZER OR CLUB TEAM

Another potential operator could be a local youth sports club or organizer, however it should be noted that this sometimes limits access to members of that particular club/league. Local groups typically negotiate a long-term usage agreement with a government and sometimes pay a small fixed annual fee. In exchange, the group will typically have exclusive or priority access to the facility throughout the year, which means other clubs/programs will typically have limited access. The tenant group is typically responsible for most operational expenses including maintenance and staffing, however they also receive most revenue streams, such as concessions, merchandise, sponsorships/advertising, parking fees, etc., whereas the government is still often responsible for long-term capital maintenance. A summary of key advantages and disadvantages associated with non-profit operations is shown below:

ADVANTAGES

- Consistent, predictable usage for owner, without having to pay management fees or handle day-to-day operations/maintenance
- Network of relationships to leverage tournament usage/bookings
- Internal sports knowledge and experience
- More independence in negotiations

DISADVANTAGES

- Loss of direct control by owner
- Tenant operators tend to limit access to outside groups that are not part of their club/program
- Club income motive versus community benefit motive... i.e. potential misaligned purpose and goals between community-focused owner and private club focused on income and growth
- Less access for affordable or free public use
- Owner still responsible for long-term, capital maintenance

CURRENT EDMOND SPORTS FACILITY OPERATING AGREEMENT SUMMARY & RECOMMENDATIONS



CURRENT OPERATING AGREEMENTS

City-Owned Facility	Private Operator	Annual Lease Payment	Term Length (Years)	City Responsibilities	Operator Responsibilities
A.C. Caplinger Sports Complex	Edmond Youth Sports Association	\$1,250	4	Capital Maintenance & Utility Services	General Maintenance
Carl Benne Arena	Edmond Round Up Club	\$10	1	Capital Maintenance & Utility Services	General Maintenance
Cheyenne Middle School Fields	Central Oklahoma Youth Lacrosse	\$50	1	None	General Maintenance
Edmond 66 Softball Complex	Red Dirt Athletics	\$10	1	Capital Maintenance & Utility Services	General Maintenance
Edmond Center Court	Edmond Tennis Services	\$15,000	1	All Maintenance & Utility Services	Cleaning & Janitorial
Edmond Soccer Club Complex	Edmond Soccer Club	\$100	1	Capital Maintenance & Utility Services	Field Maintenance
KickingBird Pickleball Center	Oklahoma City Pickleball Club	\$10	1	Capital Maintenance & Utility Services	Cleaning & Janitorial
Mitch Park Athletic Complex	Edmond Youth Sports Association	\$1,250	4	Capital Maintenance & Utility Services	General Maintenance
AVERAGE		\$2,210	1.8		
MEDIAN		\$75	1.0		

Source: City of Edmond

Notes: (1) Cheyenne Middle School is owned by Edmond Public Schools, but there is an agreement with the City of Edmond that allows it to lease the green space to Central Oklahoma Youth Lacrosse. (2) Edmond Youth Sports Association pays a \$2,500 combined lease payment to the City of Edmond for use of both A.C. Caplinger Sports Complex and Mitch Park Athletic Complex.

As shown above, the City of Edmond has lease agreements with seven (7) different non-profit sports operators at eight (8) facilities. Annual lease payments range from \$10 per year to up to \$15,000 per year, averaging \$2,210 per facility. Most agreements are year-to-year, with the exception of Edmond Youth Sports Association which has a 4-year agreement to operate A.C. Caplinger Sports Complex and Mitch Park Athletic Complex.

CURRENT EDMOND SPORTS FACILITY OPERATING AGREEMENT SUMMARY & RECS. (CONT.)



BENEFITS

Edmond's current system of operating City-owned sports facilities via partnership with local sports clubs and organizers has benefited the City in a number of key ways, including but not limited to:

- The City has not had to build out a larger parks/recreation department that includes significant facility management and sports programming headcount.
- The City has received small annual lease payments from these non-profit partners, rather than having to pay fees to a for-profit firm to manage on the City's behalf.
- Even though the City has still been responsible for long-term capital maintenance, that would also still typically be the case for a City-operated facility or a facility operated by a for-profit management firm under a management fee agreement.

DISADVANTAGES

- Certain facilities operated by local club teams can limit access to outside groups, which the City has seen with Edmond Soccer Club, as other soccer teams and other rectangular field users have had limited access. As a result, our study found significant demand for an additional 8-field complex in Edmond that could cater to non-Edmond Soccer Club rectangular field users.
- The City has not had a consistent approach to assigning responsibility for long-term capital maintenance, utilities, general maintenance, and cleaning/janitorial between the City and their non-profit operators, which can create some confusion as to the operator's ultimate responsibilities.

CURRENT EDMOND SPORTS FACILITY OPERATING AGREEMENT SUMMARY & RECS. (CONT.)



DISADVANTAGES (CONT.)

- The City has not had a consistent approach to contract length with non-profit operators. Most of the operators we spoke to were hesitant to invest in (or otherwise customize) their facility because they only have year-to-year contracts.
- The City has lacked transparency into the operations of these facilities, as the operators are not generally required to submit annual budgets, track usage/visitation, overnight stays, etc.; which can limit the City's ability to assess the successes/failures of these partnerships.

RECOMMENDATIONS

- The City's approach to non-profit management agreements to operate many of their sports facilities has been a very successful approach overall for the City to date, as it has saved the City in terms of headcount and management fees, as well as allowed local non-profit clubs and private sector organizations to grow. That said, we do recommend some potential improvements to this system, as noted in the bullets below.
- We recommend that the City should negotiate long-term contracts going forward with their non-profit lease partners, which typically could be in the range of 3 to 5 years, with mutual options for renewal.
- As part of these negotiations, the City should also include: a) minimum annual reporting requirements for the operators (such as financial operations, event calendars, etc.), and b) a consistent City-wide policy for the City to be responsible for Long-Term Capital Maintenance and Utilities, while the sports operators should be responsible for day-to-day General Maintenance, Janitorial, etc.

CURRENT EDMOND SPORTS FACILITY OPERATING AGREEMENT SUMMARY & RECS. (CONT.)



RECOMMENDATIONS (CONT.)

- Regarding a potential new sports fields complex for use by multiple sports groups, the City is likely to have severable viable options for a private management group to maintain those fields and allocate them to each group wishing to utilize the field:
 - a) *Non-Profit:* If it wishes to continue the existing non-profit management structure, the City could:
 - 1) Encourage the local user groups with a vested interest in utilizing these fields to form a new non-profit entity to manage the fields under agreement with the City. Typically, each sports group would have a seat on the non-profit's Board of Directors, however if the Board was controlled by just a small handful of the sports groups it could skew programming and uses to heavily favor particular events and activities to the detriment of other potential community user groups. This non-profit organization could also likely rely in part on donations and grants from individuals, companies, foundations, etc., in addition to volunteer labor hours, to be sustainable in both the short- and long-term. Or 2) Partner with the YMCA (an existing City partner) to serve as an independent operator of the fields who is responsible for divvying up rental space/time to the interested sports organizations, as well as filling any gaps in field scheduling with some of their own programming.
 - b) *For-Profit:* The City could partner with a for-profit, independent, third-party management firm and task them with operating/maintaining the fields and renting to local groups, tournaments, etc. This option could lead to greater sports tourism opportunities, but is also likely to cost the City a significant annual management fee.



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