
Maryland Stadium Authority
Market and Economic Analysis for a Proposed New Sports Complex
St. Mary's County, MD

- In November 2019, the Maryland Stadium Authority (MSA) entered into a Memorandum of Understanding with the Board of County Commissioners of St. Mary's County to manage a market and economic study to assess the merits of developing and operating a potential new sports complex which could include a proposed new multi-field outdoor complex and/or a new indoor fieldhouse to be located in St. Mary's County (the "County"). While any potential new facilities could be co-located, the analysis within the report is non-site specific.
- Background
 - St. Mary's County Tourism and Hospitality 2016 Master Plan identified youth and amateur sports tournaments as a market the County should explore to attract tournaments and increase overnight visitation.
- Study Includes
 - An analysis of local market attributes including demographic/socioeconomic metrics, area employment, transportation access, hotel statistics, area amenities and tourism statistics.
 - A summary of feedback from market surveys and interviews with potential users including area scholastic and collegiate programs, state, regional and national youth and amateur sports organizations and event organizers of various special athletic events.
 - A profile of the supply of existing and planned facilities in the area.
 - An analysis of secondary source information regarding historical sports activity occurring in St. Mary's County and the surrounding area.
 - A summary of sports participation trends.
 - An analysis of building program attributes and operating data from a select number of comparable/competitive facilities.
 - An analysis of potential strengths/opportunities and challenges/threats associated with the proposed new sports complex.
 - A summary of preliminary building program recommendations and an estimate of gross space required to develop the building program.
 - An economic and fiscal impact analysis of the proposed new sports complex including:
 - A financial pro forma and related assumptions regarding potential usage/event activity and facility operations in terms of operating revenues and operating expenses.
 - An estimate of annual economic impacts in terms of spending, employment, and earnings associated with on-going operations of the facility.
 - An estimate of the annual fiscal impacts associated with on-going operations of the facility.
- Market Findings for Multi-Field Outdoor Complex
 - Market research suggests demand exists for a new multi-field outdoor complex.
 - The study cites a growing demand from the local base of sports organizations with potential to expand their events and/or create new tournaments as well as demand from a sports tourism perspective.
 - Recommended Program and Site Parameters
 - A minimum of 8 to 10 tournament quality, rectangular, multi-purpose fields to accommodate competitive field sport events such as soccer, lacrosse, rugby, etc.
 - Majority should feature turf playing surfaces, preferably lighted.
 - A minimum of four fields should be configurable to offer two softball/baseball diamonds per field.
 - Bleacher seating

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- Minimum site size of 36 acres including an allocation for support space and parking.

- **Market Findings for Indoor Fieldhouse**
 - Market research suggests demand exists for a new indoor fieldhouse.
 - The study cites a growing demand from the local base of sports organizations with potential to expand their events and/or create new tournaments as well as demand from a sports tourism perspective.
 - Recommended Program and Site Parameters
 - An indoor facility with a critical mass of competitive floor space that offers a minimum of 8 hardwood basketball courts (or 16 volleyball courts) for various sports.
 - The court layout should be designed to allow turf to be overlaid onto the courts to create indoor fields that maximize usage opportunities.
 - Flexible and divisible design that can accommodate simultaneous events.
 - Bleacher seating that can be positioned between courts.
 - Scoreboards and timing systems on each court.
 - Backboards, net systems, support equipment, etc.
 - Lobby
 - Requires approximately 100,000 to 135,000 gross square feet of enclosed space or a minimum site size of seven to eight acres including an allocation for parking.

- **Additional Recommended Programming for Proposed New Sports Complex**
 - Support space including administrative office space for staff and tournament organizers, registration area, a maintenance facility and on-site storage.
 - Space for team gathering and warm-up areas for players.
 - Sufficient and convenient on-site parking.
 - Concessions/snack bar and restrooms.
 - Wi-Fi access throughout the complex that can support streaming.
 - Supporting infrastructure including electrical connectivity at each field/court and in the sponsor activation area, etc.

- The study cites that there was local demand expressed for both ice and track and field facilities; however, demand from a sports tourism perspective did not indicate that development of these types of facilities was a high priority.

- **Economic Findings for a Proposed New Sports Complex**
 - Estimated Annual Usage and Event Activity in a Stabilized Year of Operation (approximately 3 years after opening)
 - Tournament Activity of 56 events (29 outdoor, 27 indoor)
 - Total attendee days from tournament events of 388,450 (233,450 outdoor, 155,000 indoor).
 - Approximately 95% of event activity would be new to the County and approximately 75% indoor and 55% of outdoor activity would be new to the State.
 - Net new hotel room nights generated from tournament activity is estimated to be 72,500 in the County, of which, 54,600 is estimated to be net new to the State.
 - Estimated New Economic and Fiscal Impacts

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- Support 630 total jobs in the County, of which 440 are estimated to be new to the State. Total jobs represent full and part-time positions sustained on an annual basis. A person can hold more than one job, so total jobs is not necessarily the same as the count of employed persons.
 - Generate \$3,400,000 total new tax revenues annually.
 - \$600,000 is new to the County.
 - \$2,800,000 is new to the State.
- **Key Assumptions Used in Estimating Event Activity, Financial Operations, Economic and Fiscal Impacts**
- The proposed new multi-field outdoor complex and indoor fieldhouse are co-located in St. Mary's County proximate to amenities such as hotels, restaurants, retail, entertainment, etc.
 - The selected site is adequate in terms of visibility, ingress and egress, parking, safety and other similar issues.
 - The proposed new sports complex meets the recommended building program outlined in the report.
 - The proposed new sports complex is designed and constructed to be a high quality facility that is focused on hosting events that generate economic impact to the County and State (primary) as well as those that serve the needs of the community (secondary).
 - The proposed new sports complex will be owned and operated by St. Mary's County and staffed with a core group of personnel that specializes in marketing/management of sporting events and has established relationships with regional/national promoters and producers.
 - The complex's core staff will be supplemented by existing Department of Recreation and Parks employees.
 - Cooperative coordination will occur amongst facility management and tourism /hospitality stakeholders at the local and State levels.
 - The proposed new sports complex is aggressively marketed by established tourism agencies at the local and State levels.
 - Hotels will actively support sports tourism initiatives and potentially modify some existing policies as appropriate.
 - No other similar, competitive facility is built/expanded in the region other than those noted in the study.
 - Estimates do not reflect short- or long-term implications in the sports industry because of the COVID-19 pandemic.
- **Potential Next Steps for the Proposed New Sports Complex**
- The COVID-19 pandemic has had, and continues to have, a significant impact on the youth sports industry as well as the global economy. Any decisions related to the development of the proposed new sports complex should take into consideration potential short- and long-term impacts related to the pandemic.
 - Selecting and developing a site that can accommodate the required programmatic elements.
 - Preparing a detailed building program, development costs and development schedule as well as conceptual floor and site plans based on the selected site location.
 - Finalizing and conveying the operating strategy including a well-defined mission statement, booking policy and rate structure.

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- Developing a sustainable financial plan that incorporates ongoing operational needs as well as a capital reserve fund to protect the investment.
 - Creating a funding plan that covers development costs, which may include both public and private sector partners.
- The study will be released to the public and posted on MSA's website at www.mdstad.com in late October 2020.
- MSA's role in managing studies is to provide unbiased and objective analysis which provides information to local officials to assist in the decision making process about investment and benefits for their communities and constituents.

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