DOWNTOWN SOUTH SPORTS & ENTERTAINMENT VENUE:

Feasibility Study Report

Prepared for

WAKE COUNTY
NORTH CAROLINA

Raleigh

March 12, 2020

Table of Contents

Executive Summary

Overview

In 2018, JLL completed a Destination Strategic Plan (DSP) for Wake County under the auspices of the Greater Raleigh Convention and Visitors Bureau and its desire to understand the initiatives and investments needed to increase Wake County/Raleigh's competitiveness as a visitor destination. Through the course of the work, JLL identified the need for Wake County to connect and further develop its existing placemaking assets to drive higher levels of visitation.

For this feasibility study, JLL was tasked with building upon the DSP and specifically assessing the proposed Downtown South Sports and Entertainment Venue (aka "Soccer Stadium") and its effect on the hospitality industry in Wake County. Discussions were underway during the strategy development process to vie for one of the Major League Soccer (MLS) expansion teams; however, for the purposes of this project, JLL was provided more latitude in envisioning and assessing a stadium that need not meet MLS specifications at the onset and that would be part of the announced Downtown South mixed-use project.

To study the feasibility of this broader sports and entertainment venue, JLL undertook a series of benchmarking and stakeholder input workstreams to gather data and perceptions of the potential impact of the proposed venue from a placemaking and visitor-facing perspective. This included several discussions with the venue developers to ensure some level of correlation between the venue studied in this report and actual, developing plans.

For the sake of comparison and to narrow potential programming uses, JLL based this study on a soccer-specific stadium with the primary purpose of hosting play and with a 10,000 -12,000 seat capacity to accommodate entertainment (concerts) since a venue of this size would fill a current product gap in Wake County. The sizing and adaptability of use was identified and employed to optimize the venue for use in attracting new visitor activity to Wake County.

Methodology and Report Structure

The study was undertaken in three parts:

- **Market Demand Assessment**
  This phase of the project built upon JLL's understanding of Wake County as a visitor destination to understand the size of the potential market for the sports and entertainment venue given the other visitor demand generators in the County. JLL also conducted research to understand the probability for a future MLS expansion team and trends in other levels of professional soccer play (both men's and women's). Lastly, JLL assessed the current inventory of venues in the County and focused on other, non-professional soccer uses for the proposed venue.
- **Potential Programing**
  Given the findings of the above analysis and the emerging sentiment that a MLS expansion team for Wake County is not likely in the medium-term, JLL focused its efforts to identify programming for the venue around National Women's Soccer League (NWSL) and United Soccer League (USL) play and designed in a way to accommodate a future MLS expansion team should the opportunity arise and be a viable option. Additionally, the venue would serve other complementary sports field uses and could be used for entertainment activities that would leverage the stadium's positioning within the fast growing urban core and for markets not currently served by the County's existing venues.

- **High-level Proforma and Impact Assessment**
  The final phase of study was to create a high-level operating proforma and construction cost estimate for the venue assuming the highest and best use programming is adopted. From these projections, JLL has assessed the broad impact of the venue on the community and the potential increased hospitality tax revenues (i.e., hotel lodging tax and food & beverage tax).

Key Findings

The research and feasibility study indicate the opportunity to develop a highly flexible sports and entertainment venue that could generate a high-level of activity.

The existing brand-recognition of the proposed soccer tenants will provide an anchor. However, to fully leverage the facility's ability to draw visitors and impact the area's hospitality industry and quality of life for Wake County residents, a mix of other events is proposed to complement the soccer activation. These additional events will ensure the stadium is activated throughout the year and will provide activity to enhance the vibrancy of the Downtown South development.

Initial visitor projections suggest that for all uses, the impact of overnight visitors will not be high at the onset. Nevertheless, the activity at the stadium and within the entire development will have a broad-based impact on the Raleigh/Wake County community. It will serve as one of the placemaking amenities called for in the DSP and will provide an additional venue through which efforts to leverage event development as a driver for increased visitation can take place.

Development Context: Downtown South

The proposed sports and entertainment venue will be part of Downtown South, a proposed, large-scale, mixed-use development to the south of downtown Raleigh designed to be a commercial and entertainment hub for Raleigh/Wake County and the Triangle region. Closely proximate to the Raleigh Convention Center, Dorothea Dix Park, and the NC Farmers Market and at the intersection of Interstate 40 and US Highways 401 and 70, the development is envisioned to serve as downtown Raleigh's southern gateway and a regional demand generator for local and out-of-market retail, residential, entertainment, and other needs. The development plans to offer a broad range of market-rate and affordable housing, multi-tenant office space, and lodging/hotel product.

The proposed sports and entertainment venue is envisioned to engage the broader community and create an identity for Downtown South that supports the diverse residents and constituents in the early stages as commercial development is coming online.

Market Demand Assessment

Market Demand Assessment

Assessed Venue

As a final plan for the proposed venue has yet to be confirmed, JLL conducted the market analysis around a venue that would accommodate the needs of the two professional soccer teams (who would use the stadium as their home field), as well as be at a size and level of quality that would serve the range of events that would drive new visitation and enhance the quality of life for residents of the County. In other words, for the complementary, non-soccer activities, the venue was sized so as to fill an existing gap in the County's inventory and not simply move existing activity from other venues in the County. The market demand assessment also assumes the venue will be designed in such a way to include expandability for additional seats and stipulated amenities and structures to accommodate a future MLS expansion team should the opportunity arise and be a viable option.

Key Questions and Input Streams

The essence of the market demand analysis was to understand the level to which the local and visitor market would support a modern stadium for soccer and entertainment and the impact the venue would have on strengthening the County's tourism product and overall quality of place of the destination.

To set the context for the proposed sports and entertainment venue use, JLL reviewed existing studies pertaining to the proposed development, the impact of professional soccer stadiums on communities nationally, and the capacity for new entertainment (i.e., other sports, concert and festival) activity in the market. Additionally, JLL held several conversations with the developer of Downtown South and the owner of the professional soccer teams to understand and account for their long-term goals for the venue and its use.

JLL augmented this analysis with a number of interviews with local destination and economic development partners, existing venue operators in Wake County, national venue operators, elected officials, external, third-party experts on entertainment promotion in other markets, and experts in venue design. JLL also brought to bear its expertise and deep knowledge of the dynamics of Wake County as a visitor destination and JLL's Sports + Entertainment team's knowledge of stadium construction and operations which also contributed to and provided context for the best-practice research.

A sample of the stakeholders and experts interviews and discussions included:

Development Executives	• John Kane • Steve Malik
Destination and Economic Development Partners	• Greater Raleigh Convention and Visitors Bureau • Greater Raleigh Sports Alliance (GRSA) • Downtown Raleigh Alliance • Wake County Economic Development • Wake County Staff • City of Raleigh Staff • Town of Cary Staff
Existing Wake County Venues	• Raleigh Convention Center • WakeMed Soccer Park/Town of Cary • Shaw University • Saint Augustine's University
Elected Officials	• Mayor Baldwin • Former Mayor McFarlane • Commissioner Holmes
External, Third-party Experts	Entertainment venue promoters, private equity investors, sports tournament organizers, MLS and soccer industry experts, sports facility designers, architects, venue operators, and place making experts

Existing Venue Inventory

To ensure that the events and other activities placed in the proposed venue are new or additive to the County, JLL created an inventory of existing facilities to understand where current product gaps exist. This work built on the situational analysis conducted within the DSP.

Additionally, JLL created an inventory of existing facilities outside of the County and within a 90 mile drive-radius. The purpose of this exercise was to identify potential venues with similar capacity and use and with which the proposed venue might compete for day and overnight visitors.

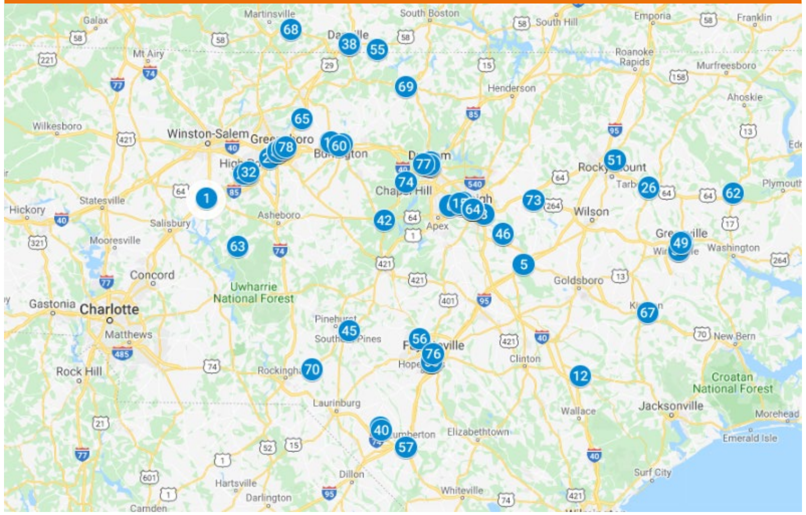
Destination Desirability and Product Need

Building on the market research conducted for the DSP, JLL validated assumptions on the desirability of Wake County as a destination for special sporting events (i.e., championship games or tournaments for which the area would need to bid and win), as an entertainment/concert market, and as a venue for large-scale festivals. Using the parameters established for the proposed venue as a base, JLL solicited feedback from event organizers, concert marketers, experts and organizers of the aforementioned special sporting events, and GRSA as to the potential for hosting such events in the venue. Given feedback as to the size of entertainment venue needed to fill a gap in the existing County product, JLL further refined the proposed stadium capacity to address that need.

Potential for MLS in Wake County

A final area of investigation was the market for professional soccer nationally and the likelihood of the stadium having the potential to attract an expansion team. As it was apparent that the MLS decision on expansion teams past the 2021 season would not be forthcoming and given the award of the 30th expansion team to the Charlotte market, JLL focused its attention on the NWSL and USL for the potential use and visitor demand of the facility. However, construction estimates for the proposed venue contemplate the potential for an MLS team in the future.

Sports or Entertainment Venues in the Region



Existing Inventory Components	Venues within 90 miles
Amphitheaters	9
Arenas	6
Convention Centers	3
Fairgrounds	4
Stadiums (not soccer)	8
Soccer fields/complexes	5

Projected Demand

Given the market assessment and comparison to other existing facilities in Wake County, the region, and nationally, JLL believes that the facility has the potential to have an impact on the Wake County community and hospitality industry in terms of increased hospitality taxes and serving as a placemaking anchor for the County's core.

While the professional soccer activity planned for the venue would pull from the activity at WakeMed Soccer Park, there is an opportunity to induce new activity for the area through the other facility uses. The proposed venue would likely spur increased soccer attendance given an improved stadium experience and its location near newly developed amenities.

The facility's flexibility to host a range of events and its location within a mixed-use development in the area's core are critical differentiators for the project:

- **Strong Placemaking Potential**
  As envisioned, the venue has the placemaking potential to create a new amenity for local use and some potential for visitor-facing events given the scale, density, and planned level of quality and flexibility of the venue. The proposed location makes the development accessible to downtown, Dorothea Dix Park, and to Interstate 40. All are strong advantages locational advantages. Planned egress and ingress into the overall development, along with parking and access to other transit options, serve both the proposed stadium and other development uses well.

- **Differentiation Among Existing Professional Sports Venues**
  While there are facilities with comparable elements and uses within the Wake County market (i.e., within a 90-mile radius of Wake County), none offer the wide range of potential programming and flexible design. The urban design and concentration of mixed-uses differentiate the venue from most other sports stadiums. Many venues within the market lack a placemaking aspect, are not adjacent to urban amenities, and focus only on professional play.

  Moreover, the current focus of the stadium on NWSL or USL play (as compared to MLS play) offers a level of flexibility that will be needed to engender other activity and non-soccer activation of the overall development. As will be discussed further in this section, the lack of flexibility created by needing to comply with major league sports rules often hampers stadium design and use.

- **Flexible Uses to Drive Visitation**
  Feedback from venue operators, research on sports market trends, and impact analysis conducted of other sports stadiums indicate that venues that are constructed with a primary use of professional, major league play are challenged. The stipulations of major league play often rule out other activation, leaving the stadium predominantly unused except during game days and are limited in supporting other event types. Conversely, non-major league, professional play allows for a greater degree of flexibility, while still adding cache and branding to the development.

  JLL believes that the flexibility of the proposed venue will be a critical component to its success in attracting other uses that will allow it to optimize visitor-facing events. A high level of design will be required to provide flexibility and a high-level of user experience to generate activity to support the remaining Downtown South development by visitors and residents alike.

Other Programming/Uses

In keeping with the assertion that a mix of uses that complement soccer will help the venue achieve higher visitation and maximize material overnight visitor potential, JLL identified potential other uses for the stadium. An initial overview and projected activity of potential highest-and-best uses are:

Venue Highest-and-Best Uses	Projected Annual Activity/ Events		
	Existing	New	Total
Professional Soccer (NC Courage, NCFC) and Shaw Soccer	35		35
Specialty Sporting Events (out-of- market tournaments/other sports)		4-6	4-6
Concerts (10,000 -12,000 attendees) across various genres		6-8	6-8
Large scale, signature festival (requires an urban footprint)		1	4
Smaller scale festivals (grow existing events and new)	1	2	3
Total	36	12-17	48-53

As noted, the uses were determined given their complementarity to soccer use and their ability to drive material levels of day and overnight visitors. Projections for other potential uses were determined based on the activity's scheduling and ability to complement the professional soccer season dates.

- **Other Field Sports**
  While the primary use of the facility will be as the home of the North Carolina Courage and North Carolina FC, the venue is envisioned to host championship collegiate games and a number of specialty youth sporting events (e.g., lacrosse, field hockey, and rugby) that would be new to the area. Some discussion centered around the potential addition of a track to provide the option of hosting track and field events. While JLL sees much merit and opportunity in such an addition, potential programming for track and field events was not included in this assessment.

As noted above, this flexibility is key to the increased activity at the venue. JLL worked with GRSA and other local organizers to refine uses and project the number of such events to be expected once the facility is stabilized. It is assumed that recruitment of other field and sports events will be conducted in partnership with GRSA.

Earlier in the market demand analysis, JLL posed the potential use of the facility for (American) football games for local colleges or high-school championships. Stakeholder feedback and input from sports event organizers suggested that there is not sufficient demand for the use and that the time needed to transform and prepare the field to/from American football use may not be the venue's highest and best use.

- **Concert Venue**
  Conversations with concert promoters indicate that Raleigh/Wake County is a strong entertainment market thanks to its range of demographics, higher than average household income levels, as well as the central location of the Triangle.

  These conversations suggest that the new venue, if sized strategically (10,000 – 12,000 seats) and specifically including design elements for some level of entertainment use (e.g. projection infrastructure and additional seating) would be complementary to Red Hat Amphitheater, Coastal Credit Union Amphitheater at Walnut Creek, and Koka Booth Amphitheater.

  Concert organizers already booking business in the area suggest that such a facility could potentially support upwards of 8 concerts annually. This would be new concert activity and would not displace events at existing venues.

  The example on the following page is an MLS stadium where entertainment was factored into the initial design. Optimal use of the facility as a concert venue would be strengthened through a partnership with a national promoter to lead marketing and booking efforts.

- **Urban Festival Venue**
  As referenced earlier, the County's recently adopted DSP (a tourism development plan developed by JLL, the Greater Raleigh Convention and Visitors Bureau, and community stakeholders) recommends the development and use of signature, large-scale events as a way to drive overnight visitors to the area.

  Downtown Raleigh, in particular, is the host to several such events (e.g., Wide Open Bluegrass, Hopscotch, and Artsplosure) that require an urban footprint, have a sizeable total attendance, and are designed to drive (or have future potential to drive) significant overnight stays (as Wide Open Bluegrass does currently). While the events as currently scaled are perceived as a positive activity generator in the downtown core, the continued growth of these events and the displacement of parking, foot traffic and access to downtown shops and restaurants suggest that relocating some—if not all—of the activity to a less congested area near downtown would be welcomed and provide opportunities for growth.

  Stakeholder interviews and conversations with event organizers reinforce the notion that a new venue that has an urban footprint but not as constrained as downtown would allow these events to grow. These conversations suggest the potential to design the venue in a way to leverage the surrounding mixed-use amenities to support the growth of these and other festival-type activities and relieve pressure.

  Lastly, national event organizers suggested that, If designed correctly, the venue could—in time—serve as the anchor for signature, nationally renowned events and festivals (e.g., Coachella) which would be significant drivers of overnight visits.

  Similar to the feedback garnered in conversations around the area's potential to absorb new concerts, national organizers believe the area could support another large festival

Examples of Venues Designed for Flexibility of Use

Toyota Stadium, Frisco, TX

Smorgasburg, Washington, DC

Soccer Market in Wake County

As a context for the potential use of the venue, JLL examined trends in the NWSL as the main proxy for potential professional soccer activity. (As envisioned, the venue will also house a USL team; USL trends are briefly described in the appendix).

Professional Soccer in Wake County

Wake County is the home to three professional soccer teams: The NC Courage, North Carolina FC, and North Carolina FC U23. The latter is the affiliate team for the North Carolina FC.

For the purposes of this study, JLL assumed that only the NC Courage and North Carolina FC would play at the proposed venue on a regular basis.

The NC Courage plays within the NWSL, a nine-team Division-I women's professional soccer league. The NC Courage began play in North Carolina in 2017; the team formerly played as the Western NY Flash. The team won the NWSL Championship in 2018 and 2019.

North Carolina FC (formerly the Carolina RailHawks) plays within the USL Championship, a Division II men's professional league with more than 30 clubs in the United States and Canada.

NSWL Attendance and Stadium Capacity

As a league, attendance at NWSL games has increased steadily since its inaugural season in 2013, reaching an estimated 792,409 attendance in the 2019 regular season. Of the nine teams, the Portland Thorns FC have recorded the highest attendance at a more than 20,000 average attendance per regular season game in 2019. The recently formed Utah Royals recorded an average attendance of 10,774 per regular season game in 2019 – its second full year of play in the NWSL.

In recent years, NWSL teams have invested heavily in their home facilities. The below table illustrates the opening date and capacity of the home fields for the current NWSL teams. During the 2021 season, the NWSL will add an expansion team based in Louisville which is slated to play at a new Lynn Family Stadium. Two other expansion teams are set to be named for the 2021 season.

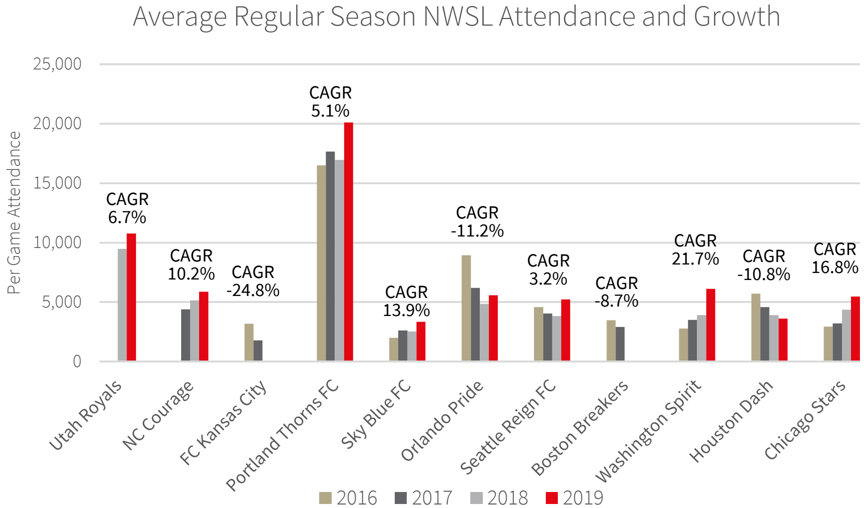
NWSL Stadiums

Team	Stadium	Year Opened	Capacity
Orlando Pride	***Exploria Stadium***	2017	25,500
Sky Blue FC	***Red Bull Arena***	2010	25,000
Houston Dash	BBVA Compass Stadium	2012	22,039
Portland Thorns FC	Providence Park	2010	20,438
Utah Royals	***Rio Tinto Stadium***	2008	20,213
Chicago Stars	***SeatGeek Stadium***	2006	20,000
NC Courage	***WakeMed Soccer Park***	2006	10,000
Seattle Reign FC	Cheney Stadium	2011	6,500
Washington Spirit	***Maryland SoccerPlex***	2000	4,000

Source: JLL and team websites. ***Bold-italics*** indicates soccer-specific stadiums

NC Courage Attendance

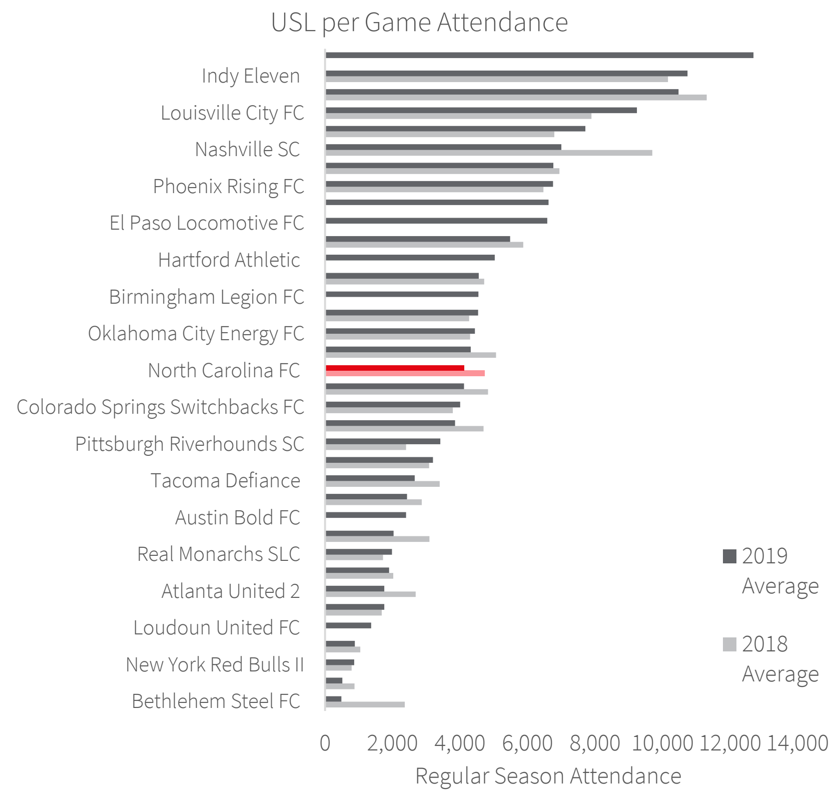
The NC Courage showed an average attendance of 5,875 per regular season game in 2019. Among the teams in the league, the NC Courage has the third highest average regular season game attendance. The team recorded the fourth highest compound annual growth rate of 10.2% since moving to Cary in 2017.



Source: Soccer Stadium Digest, JLL

North Carolina FC Attendance

The North Carolina FC showed an average attendance of 4,118 per regular season game in 2019. Among the teams in the USL, the North Carolina FC was at the median of the teams in terms of attendance. If ranked against the average USL attendance, North Carolina FC would be slightly below average (USL average game attendance in 2019 was 4,476).



Source: TranferMrkt, JLL

Potential Programming

Potential Programming

As noted, the uses were identified based on their ability to increase visitation and traffic that will support the adjacent mixed-use development and the downtown area. The increased level of activity above the programmed soccer use will also serve as a place-making anchor by supporting an increase in events as called for in the DSP.

Projected Events

The Projected Events table below projects the potential activation of the facility through a mix of the uses discussed in the previous section. As noted earlier, JLL projected the number of events based on the market demand for each such activity, input from event, concert, and festival organizers, and assumed optimized use given the regular professional soccer season. Some new events (i.e., large festival) may take a few years to develop.

Projected Events	Number of Events
Soccer (NC Courage, North Carolina FC, Shaw)	35
Other Sports (Field events for Bid)	6
Concerts	8
Festivals (Large festival comes online in Year 3)	4

Projected Visitors

The Projected Total Visitors table to the right summarizes the types of visitors projected to visit the facility in years 1, 5 and 10 (please see page 16 for projected visitor for each year). Overnight visitors are defined as those that stay overnight in the County. Day visitors reside in a county other than Wake County and who do not stay overnight in Wake County. Wake County visitors are local residents.

Attendance Projection Methodology

Attendance projections were based on the following

- Total visitor levels for all non-soccer events are based on industry-derived assumptions for attendance and the anticipated composition of local attendees, day visitors and overnight visitors.
- Projections for professional soccer attendance were derived given available attendance trend data. After year 1, it is assumed that there will be an incremental increase in attendance for both the NC Courage and North Carolina FC given the greater visibility in the local market, the new venue, and the improved attendee experience both in the new stadium and with accessibility to Downtown South and an urban core.
- Projections for concert attendance growth were kept relatively stable given existing similar entertainment events in the market. All projected concert attendance is based on the assumption that the stadium will attract new concerts to the area.
- Projections for other sporting events were also kept relatively stable owing to the need to bid for and win such business and the relatively low level of traveling spectator audience. All other sporting attendance is assumed to be new and not already occurring in the County.
- Projections for large festival attendance are based on the assumption of hosting a national-level event beginning in year 3; projections for the smaller festivals assume that one of the existing festivals will move to the stadium and experience incremental growth in years 2 onward. It is assumed that the other two festivals will be new to the area.

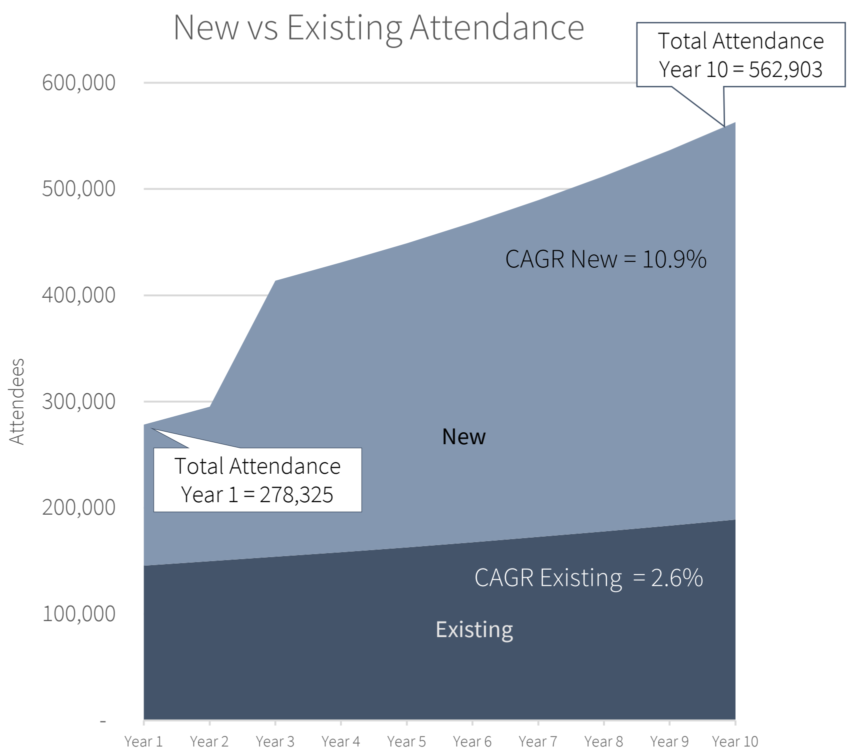
Projected Total Visitors	Year 1	Year 5	Year 10
Wake County Visitors	257,146	391,644	494,400
Day Visitors	14,953	34,050	41,029
Overnight Visitors	6,227	23,310	27,475
Total	**278,325**	**449,003**	**562,903**

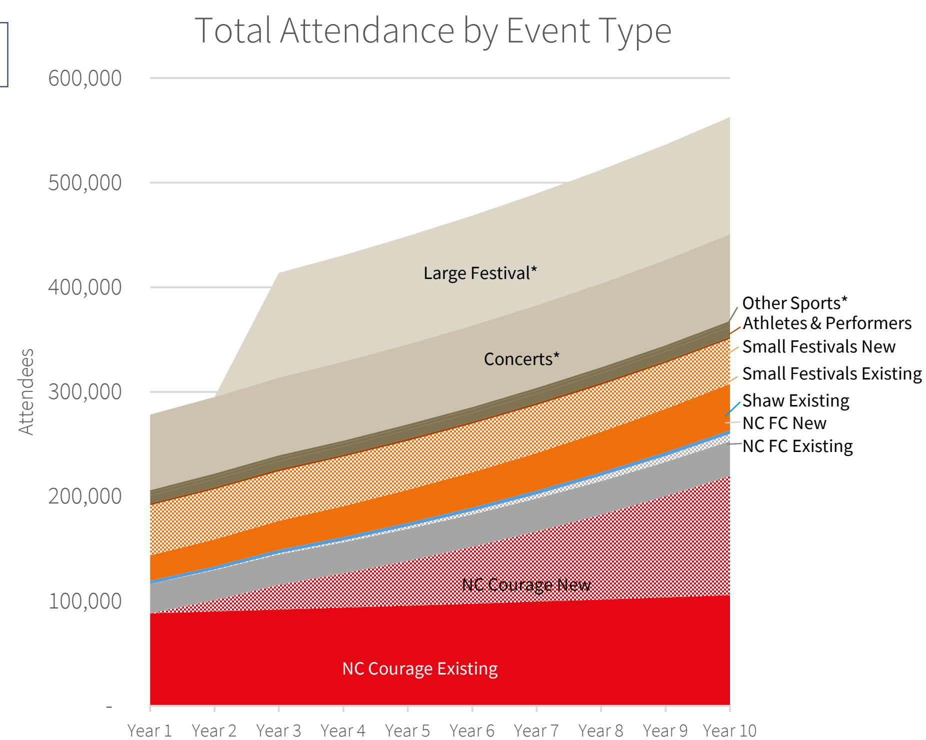
Projected Attendance: New Versus Existing

The below graphs further illustrate the breakdown of attendance projected for the proposed venue. The one on the left shows the overall breakdown of new visitors to the County and those that attend an event that has moved from another venue in Wake County to the proposed stadium. As noted on page 14, the projections assume that there is an incremental increase in attendance for both of the professional soccer teams given the new venue and improved attendee experience. The projections equate to a 10.9% compound annual growth rate (CAGR) for new activity and a 2.6% growth rate for existing activity. The projections also assume that one of the small festivals relocates from downtown Raleigh to the new venue.

The graph on the right provides further detail, indicating the incremental professional soccer attendance gains in the new facility, as well as the growth of new festival activity in the stadium.

As indicated on the graph, activity from other sports, the large festival, some of the small festivals, and concerts is considered new activity.





Overnight Visitor Projections and Hospitality Impact

As a basis for comparison with other visitor facing activities in Wake County, JLL used the meal spend and lodging spend for day and overnight visitors used by Wake County to calculate the impact on hospitality tax collections by the **total** activity stimulated at the proposed venue.

The assumptions listed on page 14 were used to derive the visitor projections and breakdown by local, day, and overnight. A breakdown of projections by event type are included in the appendix. The substantial increase in overnight stays, day visitors, and local attendees in year 3 is based on the assumption of the signature, large festival coming on line.

Projected Total Visitors and Hospitality Related Spending

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
All Overnight Visitors	6,227	6,525	21,841	22,563	23,310	24,085	24,887	25,719	26,581	27,475
All Day Visitors	14,953	15,768	31,636	32,818	34,050	35,333	36,670	38,063	39,515	41,029
All Wake County/Local Visitor	257,146	272,793	360,300	375,394	391,644	409,156	428,051	448,459	470,523	494,400
Total All Visitors (New and Existing)	278,325	295,086	413,778	430,775	449,003	468,574	489,608	512,241	536,619	562,903
% of Total Visitors that are New	47.7%	49.3%	62.8%	63.3%	63.7%	64.2%	64.8%	65.3%	65.9%	66.5%
Meal Spend[1]										
Day Visitors Meal Spend	$ 474,001	$ 499,854	$ 1,002,868	$ 1,040,341	$ 1,079,376	$ 1,120,047	$ 1,162,426	$ 1,206,592	$ 1,252,629	$ 1,300,621
Overnight Visitors Meal Spend	$ 179,955	$ 188,569	$ 631,206	$ 652,056	$ 673,659	$ 696,042	$ 719,237	$ 743,276	$ 768,190	$ 794,014
Total Meal Spend	**$ 653,955**	**$ 688,424**	**$ 1,634,074**	**$ 1,692,397**	**$ 1,753,035**	**$ 1,816,089**	**$ 1,881,663**	**$ 1,949,868**	**$ 2,020,818**	**$ 2,094,635**
Food & Bev Tax	$ 6,540	$ 6,884	$ 16,341	$ 16,924	$ 17,530	$ 18,161	$ 18,817	$ 19,499	$ 20,208	$ 20,946
Lodging[1]										
Room Nights Needed	6,227	6,525	21,841	22,563	23,310	24,085	24,887	25,719	26,581	27,475
Total Room Spend	**$ 666,268**	**$ 698,164**	**$ 2,336,991**	**$ 2,414,188**	**$ 2,494,169**	**$ 2,577,043**	**$ 2,662,920**	**$ 2,751,920**	**$ 2,844,163**	**$ 2,939,776**
Occupancy Tax	$ 39,976	$ 41,890	$ 140,219	$ 144,851	$ 149,650	$ 154,623	$ 159,775	$ 165,115	$ 170,650	$ 176,387
Total Spending[2]	$ 1,320,223	$ 1,386,588	$ 3,971,065	$ 4,106,585	$ 4,247,204	$ 4,393,132	$ 4,544,584	$ 4,701,788	$ 4,864,981	$ 5,034,410
Total Hospitality Tax Collected	*$ 46,516*	*$ 48,774*	*$ 156,560*	*$ 161,775*	*$ 167,181*	*$ 172,783*	*$ 178,592*	*$ 184,614*	*$ 190,858*	*$ 197,333*

Large Festival comes online

1. Based on Wake County lodging and meal spend projections and visitor categories
   - Day Visitor Meal Spend = $31.70
   - Overnight Visitor Meal Spend = $28.90/Lodging Spend = $107
2. Does not include into account Wake County local attendee spend; does not include induced spending at adjacent mixed use

High-level Proforma and Broader Impact

Order of Magnitude Construction Costs

To begin to understand the capital investment needs and subsequent return of the proposed venue, JLL estimated order of magnitude construction costs for a 10,000 seat soccer-specific use stadium. Note that parking costs were not calculated as the direction for parking at the venue will need to be factored within the overall development.

The per/seat cost estimates are based on recent professional-level stadium projects and consultation with sports venue architects.

The range of costs is based on the following:

- Lower-Cost envisions a stadium of relatively similar amenity package and quality to WakeMed Soccer Park
- Mid-Cost envisions a stadium with a higher-level amenity package including some enclosed seating and some adaptability for other uses
- Higher-Cost envisions a stadium with a higher-level amenity package including high-quality enclosed seating and designed with adaptability for entertainment and large gathering uses

Order of Magnitude Construction Costs

	Lower Cost End	Mid-Cost End	Higher Cost End
Total Fixed Seats	10,000	10,000	10,000
Cost/seat	$ 10,000	$ 12,500	$ 15,000
Projected Construction	$ 100,000,000	$ 125,000,000	$ 150,000,000
Field (initial installation)	$ 690,000	$ 690,000	$ 690,000
Soft Costs (40% of construction)	$ 40,000,000	$ 50,000,000	$ 60,000,000
Total Construction (no parking)	$ 140,690,000	$ 175,690,000	$ 210,690,000

Higher-cost projections factor in expenses to ensure a high quality attendee experience, a high degree of built-in flexibility, and other infrastructure to allow for conversion to an MLS stadium as warranted

Source: LMN Architects, JLL

High-level Proforma

As part of the scope, JLL created a high-level proforma to help inform the City and County on the potential operating opportunities and challenges of the proposed venue.

The below are only high-level, order of magnitude projections that will need to be refined once final programing and ownership/management of the venue are set. The use of the surplus or loss would be factored into decisions regarding the development and organizational approach.

The analysis is meant to suggests the overall projected operating impact of the stadium.

Depending on the organizational scenario/model chosen, there will be other costs to be considered, including capital costs, management fees, and/or debt service. Engaging the services of an operator or investor with marketing/ production capability will likely be warranted, since the bulk of revenue for the venue will be from ticket sales of other uses.

High-level Operating Proforma

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Total Event Days	52	52	53	53	53	53	53	53	53	53
Total Attendance	278,325	295,086	413,778	430,775	449,003	468,574	489,608	512,241	536,619	562,903
Revenue										
Event Revenue	$ 1,906,943	$ 2,036,967	$ 4,294,391	$ 4,564,277	$ 4,601,864	$ 4,639,863	$ 4,678,280	$ 4,717,122	$ 4,756,395	$ 4,796,104
Sponsorships, Other Revenue	$ 1,071,337	$ 1,080,977	$ 1,090,907	$ 1,101,134	$ 1,111,668	$ 1,122,518	$ 1,133,694	$ 1,145,204	$ 1,157,060	$ 1,169,272
Total Revenue	$ 2,978,281	$ 3,117,945	$ 5,385,298	$ 5,665,411	$ 5,713,532	$ 5,762,381	$ 5,811,974	$ 5,862,326	$ 5,913,455	$ 5,965,376
Total Operating Expenses	$ 1,477,263	$ 1,631,894	$ 1,782,055	$ 1,827,929	$ 1,846,913	$ 1,866,107	$ 1,885,516	$ 1,905,141	$ 1,924,984	$ 1,945,049
Net Operating Surplus (Loss)	**$ 1,501,018**	**$ 1,486,050**	**$ 3,603,243**	**$ 3,837,483**	**$ 3,866,619**	**$ 3,896,274**	**$ 3,926,458**	**$ 3,957,186**	**$ 3,988,471**	**$ 4,020,327**

Broader Economic Impact

A potential new stadium also holds the promise of new development taking root nearby. As illustrated in the plans for Downtown South, the overall development will consist of 160 acres of local and out-of-market retail, residential, entertainment, and other uses.

Such development might include new restaurants and bars as well as condominium and office space. As interest in the area grows, the value of existing commercial and residential property is likely to improve. In a similar vein, stadium construction can be proposed as an economic-development initiative by choosing to build in a blighted or underdeveloped area.

The hope is that the new economic activity and increased traffic will lead to revitalization of the area. In addition, the extra spending and income is taxed when it is spent, earned and spent again. The tax revenue then offsets at least some of the cost of the subsidy of the development construction.

Research conducted on the impact of sports stadiums indicates that the effects are larger and more positive when the sports use is paired with other uses. Neighborhoods surrounding the proposed sports and entertainment venue and overall development are expected to experience increased property values.

Stakeholder Sentiment

While the overall opinions of stakeholders interviewed about the Downtown South project were positive, there was a recognition that the growth and assumed gentrification of the surrounding area will need to be managed to allow for market-rate and affordable housing options. Moreover, initiatives such as those envisioned by Shaw University will set the groundwork for engaging the neighboring community in the development, so that the growth of the project allows for multiple touchpoints with the community.

The developer has indicated a commitment to working closely with the neighborhood and other interested stakeholders to gain ideas and suggestions and address any project concerns.

Economic Impact

Taking the mid-range projected cost of construction and the projected economic activity of operating and managing the proposed venue, JLL calculated the below economic impact (including induced and indirect spending) for construction of the proposed stadium. Like the construction of costs, the impact is offered to set an order of magnitude expectation.

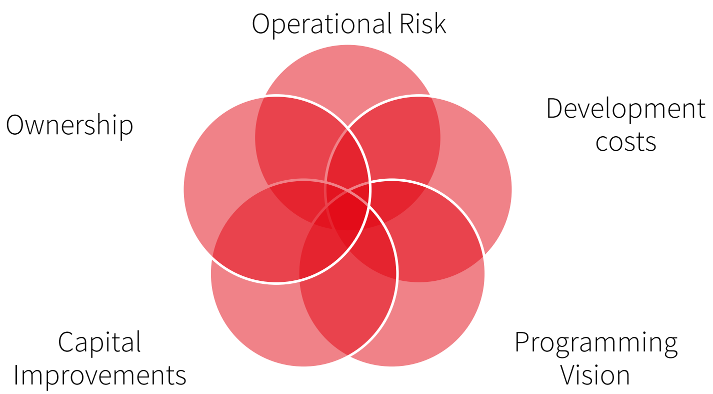
The impact analysis should be refined to include spending and induced activity from attendance and other activities at the development once plans for the stadium and overall development come to life.

Construction Spending Impact	Mid-Cost Estimate
Total Fixed Seats	10,000
Cost/seat	$ 12,500
	$ 125,000,000
Field	$ 690,000
Soft Costs (40% of construction)	$ 50,000,000
Construction Costs (no parking)	$ 175,690,000
Indirect & induced Construction Spend	$ 113,299,492
Total Construction Spending	$ 288,989,492
Construction Wages	$ 6,886,629
Indirect Job Wages	$ 5,086,203
Total Wages	$ 11,972,832

Organizational Scenarios/Models and Case Studies

Overview – Ownership/Management Spectrum

There are many variations of models for ownership and management of stadiums and like venues. The following illustrates the key considerations in developing the most effective model for Raleigh/Wake County. A balance of these should be considered in the final approach to building the sports and entertainment venue.



Financing Models

There are many components in determining the most effective financing approach for the new stadium. Many options have been used in other projects. The following are common:

- Tax Free Municipal Bonds
- Long Term Tax Exemptions
- Infrastructure Improvements
- Hospitality Taxes
- Cash Payments
- Land Contribution
- TIF – Tax Increment Financing
- Private Equity/Investment
- Operating Cost Subsidy

Organizational Scenarios/Models

To provide the City and County examples of scenarios/models that have been employed for the construction, management and operations of other professional sports venues, JLL compiled a selection of case studies to illustrate the model for venues within an urban core.

As a guide for discussion, a summary of potential scenarios/models for constructing, operating and managing the proposed venue are also offered. These *example*scenarios/models fall within an ownership spectrum. Along the spectrum, the public agency, team, and developer take on different roles and levels of risk.

The example scenarios/models to be discussed are:

- Developer-led Model: Developer takes majority risk on project from onset with the public agency contributing land, financing support, etc. The sports team is the anchor tenant with other uses of the facility;
- Partnership Model: The public agency takes on a large share of project, but the team/developer has more upfront investment (either contributing to construction costs or in adjacent non-sports development); and
- Public Model: The public agency builds or finances the asset and enters into a management agreement with a private operator for a fixed-period.

Note that the summaries provide possible scenarios that might come into play in a given arrangement. They are meant to provide examples of arrangements that have governed other asset development. They are meant to be a start for discussion and not necessarily a set structure.

The organizational scenarios/model to be employed in the proposed stadium will require further review and market testing. Nevertheless, a first step will be to build consensus around the key considerations and teste the level of market interest in the applicable elements of the example scenarios/models that follow.

Organizational Scenario/Model Types

A. Developer-led Model

The developer takes majority risk on project from onset with the public agency contributing land, financing support, etc. The sports team is the anchor tenant; there are other planned uses of the facility. The private operating partner/developer makes a material investment in the venue (i.e., construction) and is a long-term lessee with the public agency. The private operating partner also take responsibility for capital improvements and the overall programming during the term of the lease. The facility reverts back to public sector ownership when the long-term lease terminates.

Example: University of Texas Austin

	Public Agency	Master Developer/Private Equity	Sports Team as Lessee
Role	Assists with zoning, contributes or supports funding over time; could provide land lease	Up-front capital infusion; operates and manages the venue	Serves as anchor tenant
Risk	Limited	Holds primary risk in success of development/ operational results	Other programing at facility; only guaranteed certain dates; not compatible with current MLS rules
Opportunity/upside	Building ownership reverts to public agency after agreed upon long-term lease period	Control of programming beyond anchor tenants; recoup investment through net operating income	Guaranteed use at facility

B. Partnership Model

A public agency (county, municipality, authority, etc.) takes on a large share of project, but the team/team owner has more upfront investment (either contributing to construction costs or in adjacent non-sports development). In this model a professional sports team functions as the primary tenant as well as the operator/leaseholder for the venue. Depending on the economics, the team may also invest in the development of the venue. In addition, as the "leaseholder," the team assumes the operating risk of the venue.

Example: Braves Battery Park (Atlanta/Cobb County)

	Public Agency	**Sports Team/Developer Lessee**
Role	Contributes land or bonding capacity	Assist in the construction of the facility and the development around it; primary purpose is for team's use
Risk	Uses bonding capacity or funds to support development	Shares risk in development; must make lease payments and other license agreement payments; responsible for operations
Opportunity/upside	Own real property; increase sales and real estate tax; construction activity; long-term lease payments	Public support for large part of overall project; shared revenue model

C. Public Model

Public agency (county, municipality, authority, etc.) builds or finances asset and leases to team. In this model the City/County develop the venue and contracts a private management company to operate the venue. The City/County are responsible for the “bottom line” as well as the capital expenditures. The private management company has targets for performance and receives fees and incentives for services.

Example: Toyota Field (San Antonio); Children’s Mercy Park (Kansas City, KS)

	Public Agency	Master Developer/Private Equity/Team
Role	Takes responsibility for constructing and financing project; responsible for non-game day operations	Sports team handles game-day operations; lease payments for using the facility; often required to pay management or licensing agreements also
Risk	Takes the most risk – management fees and ancillary development lessens risk; potential of city/county operated	Must make lease payments and other license agreement payments; responsible for game-day operations
Opportunity/upside	Own real property; increase sales and real estate tax; construction activity; receives profit and is responsible for loss	Serves as anchor tenant; public partner provides capital investment

Case Study: Children's Mercy Park – Kansas City, KS

"It takes the right set of visionary people; it takes people who are willing to bet on the next big thing. We have a unified government of Wyandotte County in Kansas City, Kansas, that bet on the come."

—Greg Cotton, Chief of staff and General Counsel, Sporting KC

SEATING CAPACITIES

- 18,500 fixed seats
- Potential 25,000 capacity for concerts
- 36 Suites

USE

- Home of Sporting KC (MLS)
- Operated by Sporting KC
- Proximate to the Kansas Speedway and an outlet mall
- Hosted the NCAA Division II football championship in 2014
- Concerts include Zac Brown Band and Farm Aid
- Adjacent to youth soccer complex

- Stadium costs $200 million; additional $200 million in an office park complex and youth soccer complex
- Estimated $175 million public sector contribution
- Built using Sales Tax Revenue (STAR bonds) – bonding capacity allowed for Kansas municipalities to finance the development of major commercial, entertainment and tourism areas. Sales tax revenue generated by the development is used to pay off the bonds. STAR Projects must include "high quality, innovative entertainment and tourism attractions, and unique features" that will increase tourism, generate significant positive economic impacts and sustainable development over time.
- Children's Mercy Hospital acquired naming rights in 2015 (reported at $500,000/year); naming sponsor also provides care for Sporting KC Academy players

Example Approach: Toyota Field – San Antonio, TX

SEATING CAPACITIES

- 8,300 seats
- Capacity of up to 13,000 for concerts

USE

- Home to San Antonio FC
- Adjacent to regional youth soccer complex
- Special needs amusement park and 11,000
- seat high-school football stadium
- Built to expand to MLS standards (increase seats to 18-20,000

- Built by Sports Outdoor and Recreation, Inc., a non-profit that owned the NASL San Antonio Scorpions
- San Antonio and Bexar County purchased the property for $18 million with the goal of bringing an MLS team to San Antonio
- Upgrade and renovation cost = $24 million
- Approximately 12 miles northeast of downtown San Antonio
- Spurs Sports and Entertainment (SS&E) has a 20-year lease (for $3 million/year) on the renovated facility and is responsible for marketing, renovations, sponsorship, operations, and concessions; SS&E owns the San Antonio FC (USL)
- SS&E will be required to pay $5 million to both the City and County if San Antonio does not receive an MLS expansion franchise within a set number of years .

Example Approach: BB&T Point Stadium – High Point, NC

> “These major investments enhance the stadium area and make downtown High Point a year-round destination for a broad population of visitors. We now have $100 million in private investments injecting energy into the heart of High Point.
>
> -- Dr. Nido Qubein, President, High Point University

SEATING CAPACITIES

- 3,400 fixed seats
- Potential 4,500 capacity for baseball; 7,500 for concerts and events

USE

- Home of Atlantic League baseball team
- Anchor of downtown redevelopment
- Designed for other sports, concerts, festivals and community activities

- Stadium cost $38.3 million; built and owned by City of High Point; Elliott Sidewalk Communities is master developer; High Point University has funded ancillary development
- High Point Rockers are the anchor tenant; High Point Baseball Foundation is the operator
- In exchange for the 20 year lease, the operator pays the City of High Point annual lease payments, a management license fee ($300,000), and management commissions. Additionally, the City receives $2/ticket or 10% of gross ticket sales (whichever is greater)
- Funded via a limited obligation bond; total debt service (including bond principal and interest) = $51.6 million over 20 years
- Stadium designed to allow host soccer, football, and lacrosse. Part of downtown redevelopment project that will include an events center, children’s museum and other mixed-use development.
- BB&T paying $500,000 annually for 15 years for naming rights

Example Approach: The Battery – Atlanta/Cobb County, GA

"The Braves have … managed to create an entirely new, innovative way for municipalities and local governments to partner with sports franchises. This report (Georgia Tech Impact study) clearly and definitively shows [that] the public and private investments that led to SunTrust Park and The Battery Atlanta are paying off for the community."

—Sharon Mason, President and CEO, Cobb County Chamber of Commerce

Stadium Highlights

- 41,676 fixed seats
- Capacity for 3,000 standing room only
- Entertainment areas
- Stadium developed site = 57 acres

Cobb County Contribution

- Construction contribution $300 million
- Annual funding
  - $6.4 million debt service
  - $1.4 million capital maintenance
  - $970,000 operational costs

Braves Contribution

- Construction contribution $372 million; $280 million up-front costs
- Responsible for delays/over-runs
- $700 million in private investment for adjacent property development

- Master Developer: Atlanta Braves (Liberty Media Corporation)
- Total mixed-use site = 82 Acres; 1.8 million SF. Development includes 2 hotels, 650,000 SF office, 257,000 SF retail, 540 residential units, 3,800 seat theater, and the stadium
- Stadium construction = $672 million
  - 45% public funding/55% private
  - Private investment of $700 million for ancillary, mixed-use development
- Braves control master covenants regardless of final ownership – venue operated by the Braves
- Cobb Marietta Coliseum and Exhibit Hall Authority holds title to the stadium
- Adheres to MLB rules, bylaws for marketing, use and revenue share

Example Approach: University of Texas Austin – Austin, TX

"With the changes in entertainment, the changes in environment, I think that it was time for an upgrade in facility, and I think the Moody Center is going to be one of the premier facilities in the country for basketball and for entertainment,"

—Drew Martin, the executive senior associate athletics director

SEATING CAPACITIES

- 10,000 fixed seats
- Potential 16-17,000 capacity
- Indoor arena. 6.6 acre site

USE

- 60 UT events (University of Texas Austin Men's/ Women's basketball home arena)
- Other entertainment events produced/ marketed by developer
- Matthew McConaughey is "Minister of Culture"

- Set to open 2022; projected construction cost = $338 million
- Partnership with Oak View Group (OVG) – Venue operated by OVG
- Thirty-five year agreement - OVG will manage venue, sell naming rights, and collect revenue from concerts and other events
  - University of Texas (UT) Austin gets 60 dates annually
  - UT Austin will receive percentage of revenue after year 10
  - OVG gets incremental increase in ticket revenue
  - UT Austin will own building after agreement ends
  - UT Austin provided land and will take on parking/traffic management
- Galveston-based Moody Foundation provided $130 million grant toward the construction and naming rights.
- "Garage door concept" ability to close upper deck to limit capacity
- Suites and lounge for premium season-ticket holders; OVG gets incremental ticket revenue gains

Summary of Key Findings

Conclusion: Summary of Findings

JLL thanks the City of Raleigh, Wake County, and the numerous stakeholders and venue and event experts who helped frame this feasibility study and provided invaluable data points, insights, and direction.

Summary of Findings

Given the market demand analysis, soccer and entertainment trends, and the existing visitor-facing product in Wake County, JLL believes that the proposed venue will have a positive impact on the placemaking goals articulated in the Destination Strategic Plan. It will also supplement the County's facility/infrastructure in a way that helps pursue the event strategy of the Destination Strategic Plan.

The study and research indicate that to generate the types and level of activity needed to achieve the above goals, the proposed venue must be developed to be highly flexible and for uses in addition to professional soccer play. The existing brand-recognition of the proposed soccer tenants will provide an anchor; however, other complementary uses must be considered to make the highest-and-best use of the venue in driving new visitation to the County.

This report summarizes the rationale for the other types of activity recommended for the venue. The proposed venue size and flexibility were crafted to optimize new visitor facing activity.

The market demand analysis and projection of new activity recognized that some activity—specifically the attendance and activity created by the professional soccer games—will be a relocation of existing visitor activity in the County. However, industry trends and JLL's experience in other sports markets suggest that the new venue and improved attendee experience will create incremental, new activity at the venue as well.

The envisioned other uses will drive new visitation to the area and local and regional use, as there are no facilities currently in the market the offer the proposed venue size and design. The proposed venue size and flexibility are recommended to fill gaps in the County's existing product and hence generate new visitor facing activity.

As part of the study's mandate, JLL projected the volume of local, day and overnight visitors as a result of the new activity generated at the stadium. While the overnight and day visitors volume will not be high at the onset, JLL believes that the activity at the stadium and the activity induced within the entire development will have a broad-based impact on the County's hospitality industry and will drive a wide-spectrum of use. The venue's placemaking ability will serve both visitors and residents of Wake County and will help extend the destination's brand and mix of activities available to visitors.

Lastly, JLL offered examples of organizational scenarios/models that could be considered in developing and managing the new stadium. The key considerations will need to be fully vetted, including the level of interest in private investment and determining the most advantageous approach for Raleigh and Wake County.

Appendix

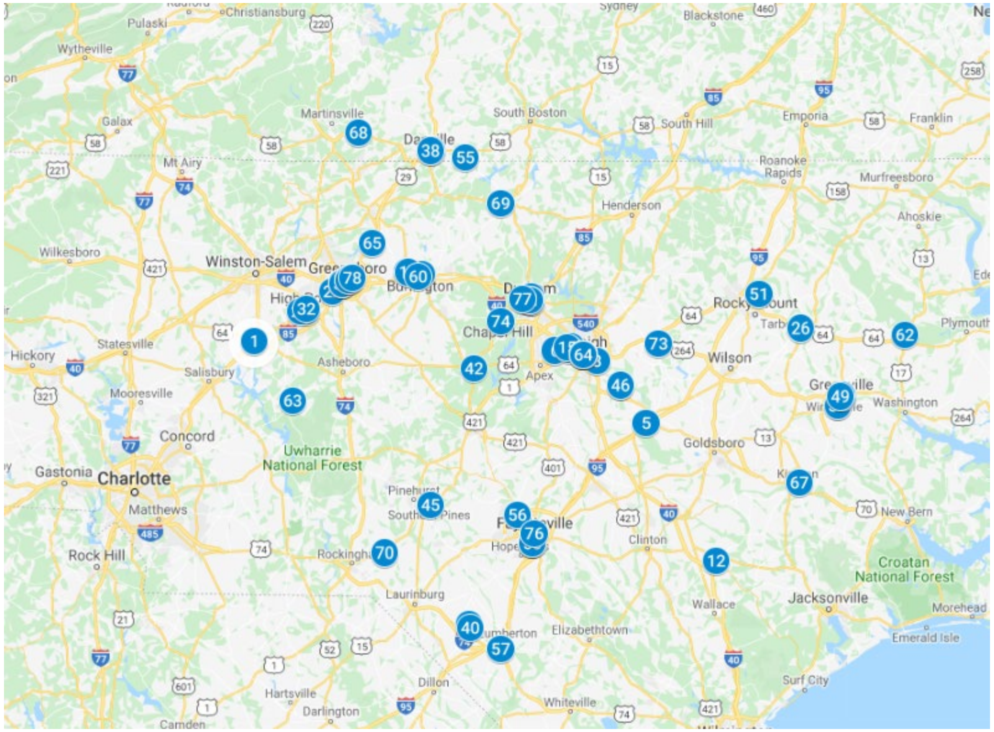
Market Assessment Phase Tasks

To derive the initial findings and form the highest-and-best-use recommendations, JLL undertook the following tasks in this phase of the project.

Aspect Assessed		Research task or method used
Destination Desirability – Overall	• Demographic and economic trends that might impact local attendance/use • Entertainment/event Organizers' perception of the Wake County/Raleigh market • Sports trends and attendance • Local stakeholder perception of the market's ability to absorb more programming	1. Validate and update destination brand benchmarking of Destination Strategic Plan 2. Assess local market metrics 3. Reviewed impacts noted in the Downtown Master Plan 4. Conducted stakeholder interviews
Proposed site	• Connectivity of site to downtown Raleigh and other demand generators	Tour of site and review of most recent plans
Market Inventory/Competitive Sites	• Complementarity or competitiveness of existing venues (in their entirety or specific elements)	Inventory of venues within a 90 mile radius
MLS	• Assessment of market and planned use • Timeline for next round of expansion teams	Interviews with sports organizers, professional soccer experts, JLL Professional Development Services database, web-based of news articles, etc.
Comparable Uses	• Using professional soccer as a base and taking into consideration the plans for surrounding mixed use, identify other uses of the proposed venue	List of possible complementary uses starting with the assumption that field use will be primarily for professional soccer and understanding the need for flexibility
Impact	• Overall impact of stadium development on neighboring community	Stakeholder input and concerns; insights solicited from venue operators; web-based research on other major league and professional stadiums

Venue Inventory

JLL created an inventory of existing venues within the Wake County/Raleigh market with similar uses. In addition to helping determine competition for market share within the region and potential areas of overlap or saturation, the inventory identified product outside of Wake County that could be (or whose core elements could be) competitors to the new venue for day and overnight visitors. As noted, no exact comparable venues exist to the planned use and scale of the potential venue. The 10-12,000 sizing of the proposed venue would fill a current entertainment venue product gap in Wake County.



Existing Inventory Components	Venues within 90 miles of Raleigh
Amphitheaters	9
Arena	6
Auditorium/Theaters	34
Convention Centers	3
Fairgrounds	4
Stadiums (not soccer)	8
Soccer fields/complexes	5

Venue Inventory – List of Venues

Venue	Type	City	Miles from Wake County
Breeden Insurance Amphitheater	Amphitheatre	Lexington, NC	83
Carrington Pavilion	Amphitheatre	Danville, VA	70
Coastal Credit Union Music Park At Walnut Creek	Amphitheatre	Raleigh, NC	4
Jimmy Combs Amphitheater	Amphitheatre	Burlington, NC	49
Johnston Community College	Amphitheatre	Smithfield, NC	25
Koka Booth Amphitheatre	Amphitheatre	Cary, NC	9
North Carolina Museum Of Art	Amphitheatre	Raleigh, NC	4
Red Hat Amphitheater	Amphitheatre	Raleigh, NC	1
White Oak Amphitheatre At Greensboro Coliseum Complex	Amphitheatre	Greensboro, NC	69
Crown Coliseum	Arena	Fayetteville, NC	55
Duplin County Events Ctr.	Arena	Kenansville, NC	69
Greensboro Coliseum	Arena	Greensboro, NC	69
J.S. Dorton Arena	Arena	Raleigh, NC	4
PNC Arena	Arena	Raleigh, NC	5
Schar Center	Arena	Elon, NC	54
Alumni Gymnasium At Elon Univ.	Auditorium / Theatre	Elon, NC	53
Carolina Theatre	Auditorium / Theatre	Greensboro, NC	67
Carolina Theatre	Auditorium / Theatre	Durham, NC	20
Center For Creative And Performing Arts	Auditorium / Theatre	High Point, NC	77
Clayton Center	Auditorium / Theatre	Clayton, NC	
Cone Denim Entertainment Center	Auditorium / Theatre	Greensboro, NC	67
Crown Theatre	Auditorium / Theatre	Fayetteville, NC	55
DPAC / Durham Performing Arts Center	Auditorium / Theatre	Durham, NC	20
Duke Energy Center For The Performing Arts	Auditorium / Theatre	Raleigh, NC	1
Edgecombe Community College	Auditorium / Theatre	Tarboro, NC	61
First Wesleyan Church	Auditorium / Theatre	High Point, NC	77
Fletcher Opera Theater	Auditorium / Theatre	Raleigh, NC	1
Givens Perf. Arts Ctr.	Auditorium / Theatre	Pembroke, NC	82
Greenville Convention Center	Auditorium / Theatre	Greenville, NC	72
Greenville Memorial Auditorium	Auditorium / Theatre	Greenville, NC	72
High Point Theatre	Auditorium / Theatre	High Point, NC	77
Lincoln Theatre	Auditorium / Theatre	Raleigh, NC	1
Memorial Auditorium	Auditorium / Theatre	Raleigh, NC	1
Meymandi Concert Hall	Auditorium / Theatre	Raleigh, NC	1
Minges Auditorium	Auditorium / Theatre	Rocky Mount, NC	48
Motorco Music Hall	Auditorium / Theatre	Durham, NC	21
North Theater	Auditorium / Theatre	Danville, VA	70
Northwood Temple	Auditorium / Theatre	Fayetteville, NC	53
Odeon Theatre	Auditorium / Theatre	Greensboro, NC	69
Pembroke Performing Arts Center	Auditorium / Theatre	Pembroke, NC	81
Rhythms Live Music Hall	Auditorium / Theatre	Durham, NC	21
Rock Rest Amphitheater	Auditorium / Theatre	Pittsboro, NC	27

Venue	Type	City	Miles from Wake County
State Theater	Auditorium / Theatre	Greenville, NC	72
Sunrise Theater	Auditorium / Theatre	Southern Pines, NC	60
The Clayton Center	Auditorium / Theatre	Clayton, NC	14
The Hayti Heritage Center	Auditorium / Theatre	Durham, NC	20
Van Dyke Performance Space	Auditorium / Theatre	Greensboro, NC	67
Whirligig Stage	Auditorium / Theatre	Greenville, NC	72
Crown Complex	Complex	Fayetteville, NC	55
Dunn Center For The Performing Arts	Complex	Rocky Mount, NC	51
Greensboro Coliseum Complex	Complex	Greensboro, NC	69
Crown Complex Expo Center	Convention Center	Fayetteville, NC	55
Raleigh Convention Center	Convention Center	Raleigh, NC	1
Danville-Pittsylvania County Fair	Fair	Ringgold, VA	67
Fort Bragg Fair	Fair	Fort Bragg, NC	48
Robeson Regional Agricultural Fair	Fair	Lumberton, NC	82
77th National Folk Festival	Festival	Greensboro, NC	68
Bull Durham Blues Festival	Festival	Durham, NC	21
Burlington Carousel Festival	Festival	Burlington, NC	49
Carolina Blues Festival	Festival	Greensboro, NC	68
Carolina Country Stampede	Festival	Williamston, NC	88
Doyle Lawson & Quicksilver's Bluegrass	Festival	Denton, NC	82
First Night - Raleigh	Festival	Raleigh, NC	0
Gather Outdoors Festival Grounds	Festival	Monticello, NC	64
Moogfest	Festival	Durham, NC	21
Neuse River Music	Festival	Kinston, NC	70
Rooster Walk	Festival	MArtinsville, VA	85
Willow Oak Bluegrass Festival	Festival	Roxboro, NC	49
Rockingham Festival Grounds	Outdoor Venues	Rockingham, NC	85
Durham Bulls Athletic Park	Stadium	Durham, NC	21
First Horizon Park	Stadium	Greensboro, NC	68
Five County Stadium	Stadium	Zebulon, NC	21
Kenan Stadium	Stadium	Chapel Hill, NC	25
North Carolina A&T State University	Stadium	Greensboro, NC	66
SEGRA Stadium Fayetteville Ballpark	Stadium	Fayetteville, NC	53
Wallace Wade Stadium	Stadium	Durham, NC	21
War Memorial Stadium	Stadium	Greensboro, NC	68
WRAL Soccer Park	Soccer	Raleigh, NC	1
WakeMed Soccer Park	Soccer	Cary, NC	1
NC USA Complex	Soccer	Lexington, NC	83
Phillips Park Soccer Complex	Soccer	High Point, NC	77
Bryan Park Soccer Complex	Soccer	Browns Summit, NC	69

Soccer Growth : USL Teams

The United Soccer League ("USL") began its inaugural season in 2011 and is designated by the United States Futsal Federation as the third tier of American professional soccer, behind MLS and North American Soccer League.

The USL is divided between two conferences (Eastern and Western). USL teams also compete against MLS Reserve teams.

Ticket sales include a combination of full and partial season tickets, group sales and individual game ticket sales for various seating areas within a stadium including general admission seating, reserved seating, group areas, club seats and luxury suites, among others.

Overall there is growth in popularity with all levels of professional and amateur soccer.

Source: USL

Soccer Growth: USL Attendance

Reported attendance of USL teams ranged from 478 to nearly 12,700 for USL teams in the 2019 season. Of the teams reporting more than one year of data, 42% reported increases in attendance. Of the teams reporting attendance over the four-year period, the Phoenix Rising FC reported the highest growth (a compound annual growth rate of 58%).

	2016 Average	2017 Average	2018 Average	2019 Average	CAGR
New Mexico United				12,693	
Indy Eleven			10,163	10,734	2.8%
Sacramento Republic FC	11,569	11,569	11,311	10,472	-2.5%
Louisville City FC	6,746	8,613	7,888	9,235	8.2%
Las Vegas Lights FC			6,786	7,711	6.6%
Nashville SC			9,691	6,999	15.0%
San Antonio FC	5,826	7,152	6,939	6,765	3.8%
Phoenix Rising FC	1,093	6,127	6,466	6,752	57.7%
Memphis 901 FC				6,623	
El Paso Locomotive FC				6,585	
Tampa Bay Rowdies			5,869	5,484	-3.3%
Hartford Athletic				5,025	
Ottawa Fury FC		5,364	4,716	4,555	-5.3%
Birmingham Legion FC				4,541	
Saint Louis FC	5,346	4,571	4,271	4,530	-4.1%
Oklahoma City Energy FC	4,953	4,251	4,298	4,442	-2.7%
Reno 1868 FC		5,559	5,066	4,313	-8.1%
North Carolina FC			4,730	4,118	-6.7%
Fresno FC			4,831	4,117	-7.7%
Colorado Springs Switchbacks FC	3,185	3,389	3,787	4,005	5.9%
Rio Grande Valley FC	2,083	7,091	4,693	3,849	16.6%
Pittsburgh Riverhounds SC	1,513	2,639	2,401	3,411	22.5%
Orange County SC	1,225	2,553	3,076	3,192	27.1%
Tacoma Defiance	1,367		3,390	2,657	24.8%

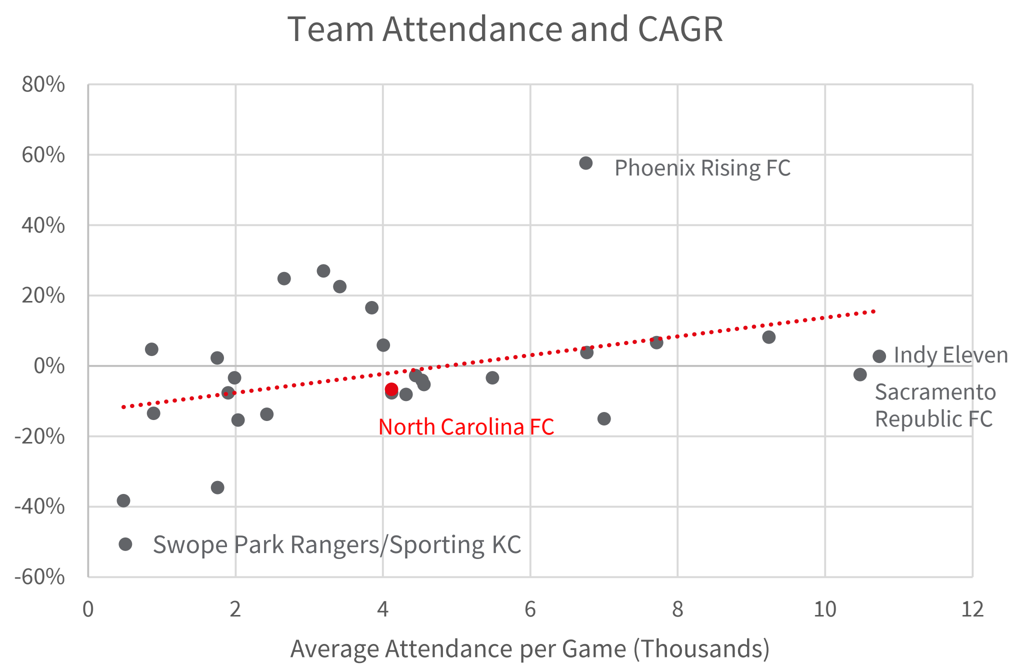
	2016 Average	2017 Average	2018 Average	2019 Average	CAGR
Charleston Battery	4,383	3,154	2,862	2,424	-13.8%
Austin Bold FC				2,395	
Tulsa Roughnecks FC	3,954	3,907	3,094	2,031	-15.3%
Real Monarchs SLC	2,277	2,577	1,713	1,983	-3.4%
Portland Timbers 2	2,615	2,524	2,015	1,899	-7.7%
Atlanta United 2			2,681	1,754	-34.6%
Charlotte Independence	1,598	1,615	1,679	1,750	2.3%
Loudoun United FC				1,363	
Los Angeles Galaxy II	1,575	1,215	1,043	884	-13.4%
New York Red Bulls II			784	860	4.7%
Swope Park Rangers/Sporting KC	4,201		869	505	-50.6%
Bethlehem Steel FC	3,301	3,052	2,364	478	-38.3%
Richmond Kickers	4,406	4,665	3,976		-3.4%
Teams that changed leagues or ceased play					
Penn FC	1,412	2,429	2,228		16.4%
Toronto FC	1,077		789		-26.7%
Rochester Rhinos	4,217	2,048			
Orlando City B	1,601	1,179			
NY Red Bulls II	998				
FC Montreal	112				
Whitecaps FC II	1,748				
Wilmington Hammerheads	2,234				

Source: TransferMarkt – Data is self-reported by registered users.

Soccer Growth: USL Attendance Trends

The figure to the right illustrates the reported team attendance growth and total attendance of the USL teams participating in the 2019 season.

In 2019, North Carolina FC had similar attendance volume as the Ottawa Fury FC, Saint Louis FC, Oklahoma City Energy FC, Reno 1868 FC, Fresno FC, and Colorado Springs Switchbacks FC. Of those teams, only the Colorado Springs Switchbacks FC reported positive attendee growth.



Source: TransferMarkt , JLL

Visitor Projections, Breakdown and Growth

The following table depicts the assumptions made for attendance per event, the breakdown of attendance by event type, and growth projections applied.

Visitor/Attendance Assumptions

	Avg Attendance	# events annally	Total Attendees	% Overnight Visitors	% Day Visitors	% Local Visitors	Annual growth (non-local)	Annual growth Wake County
NC Courage	5,900[a]	15	88,500	3%	7.5%	90%	7.5%[b]	15%[b]
NCFC	4,000[c]	7	28,000	0%	2.7%	97%	8%	4%
Shaw Soccer	250[d]	13	3,250	1%	4.5%	95%	0%	1%
Bid-Event Large (e.g. Div I Soccer Championship)	7,400[e]	1	7,400	12%	18.0%	70%	4%	2%
Bid-Event Medium (e.g. Women's Div 2 Lacrosse))	1,500[e]	2	3,000	12%	18.0%	70%	1%	2%
Other Sporting Events (i.e., Lacrosse, Field Hockey, Rugby)	750[e]	3	2,250	2%	3.5%	95%	1%	2%
Concerts	9,000[f]	8	72,000	2%	3.5%	95%	3%	2%
Large Festival (Year 3 is first year)	50,000[f]	1	100,000	15%	15.0%	70%	3%	1%
Small Festival	12,000[f]	3	72,000	2%	3.5%	95%	5%	2%
Teams and Performers[g]			1,925	34%	20%	46%		

Notes and sources of projections:

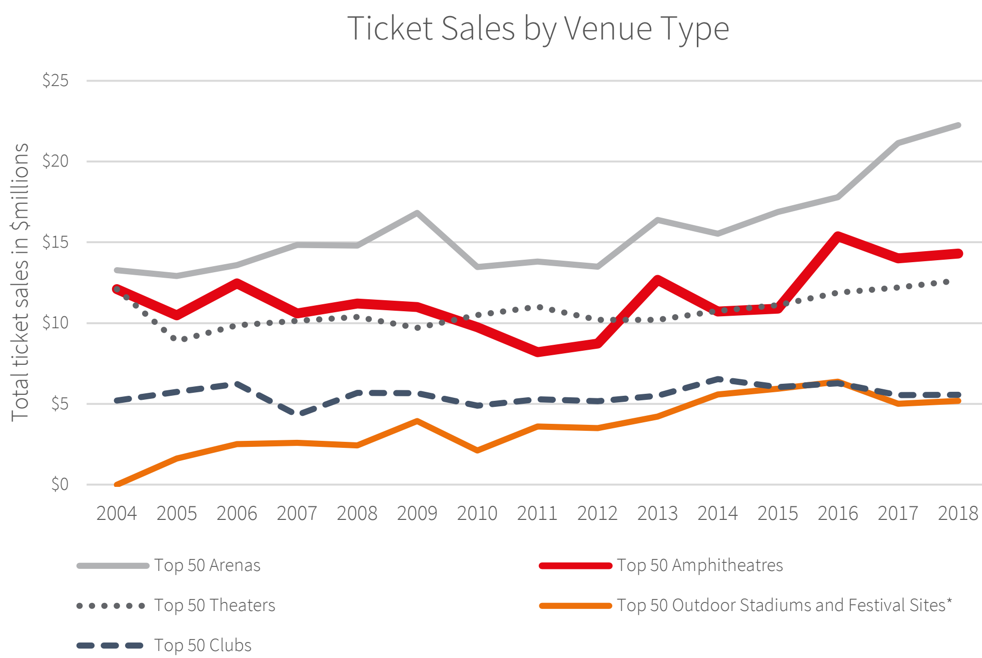
a. Soccer Stadium Digest reported attendance numbers for NWSL in 2019
b. Attendance growth projected to begin stronger than the historical trend given new stadium; growth in years 4-10 are tapered to 5% annual overnight and day visitor growth and 10% annual local attendance growth
c. TransferMrkt reported attendance numbers for USL in 2019
d. Assumption based on website data
e. Assumption based on sports event/championship game averages
f. Assumption based on stakeholder interviews, producer/organizer interviews, and industry averages
g. Reflects average breakdown of visitor type

Amphitheater/Concert Trends

Over time, the market share for amphitheater ticket sales has not increased dramatically when compared to other venues.

Ticket sales in outdoor stadiums and festival sites has grown over time.

While ticket sales at arenas are the highest among the categories, arenas tend to be among the larger venues and are not subject to weather uncertainties as outdoor venues are.



Source: Pollstar, JLL