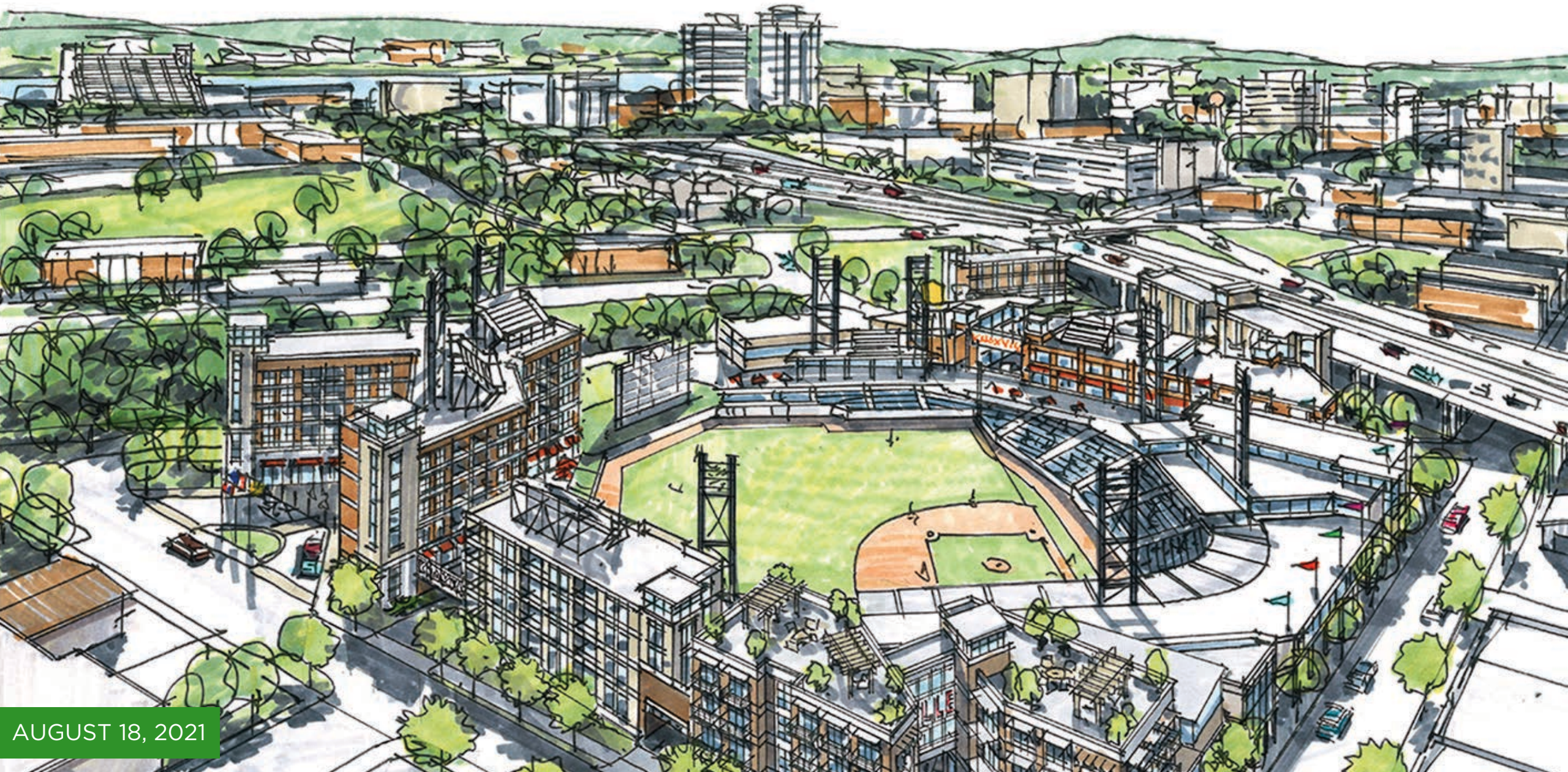


TAX REVENUE & ECONOMIC IMPACT ASSESSMENT





August 18, 2021

Mr. Glenn Jacobs
Mayor
Knox County
400 Main Street, Suite 615
Knoxville, Tennessee 37902

Dear Mayor Jacobs:

Conventions, Sports & Leisure International (“CSL”) is pleased to present this tax revenue and economic impact assessment related to the development and operations of a new multi-use stadium (“Stadium”) and adjacent development (“Development”) in downtown Knoxville, Tennessee. The attached report summarizes our research and analyses and is intended to assist project stakeholders in making informed decisions regarding the new Stadium and associated Development.

The information contained in this report is based on estimates, assumptions and other information developed from research of the market, knowledge of the sports, entertainment and real estate industries and other factors, including certain information provided by you and others. All information provided to us was not audited or verified and was assumed to be correct. Because procedures were limited, we express no opinion or assurances of any kind on the achievability of any projected information contained herein and this report should not be relied upon for that purpose. Furthermore, there will be differences between projected and actual results. This is because events and circumstances frequently do not occur as expected, and those differences may be material. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

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

Very truly yours,

A handwritten signature in cursive script that reads 'CSL International'.

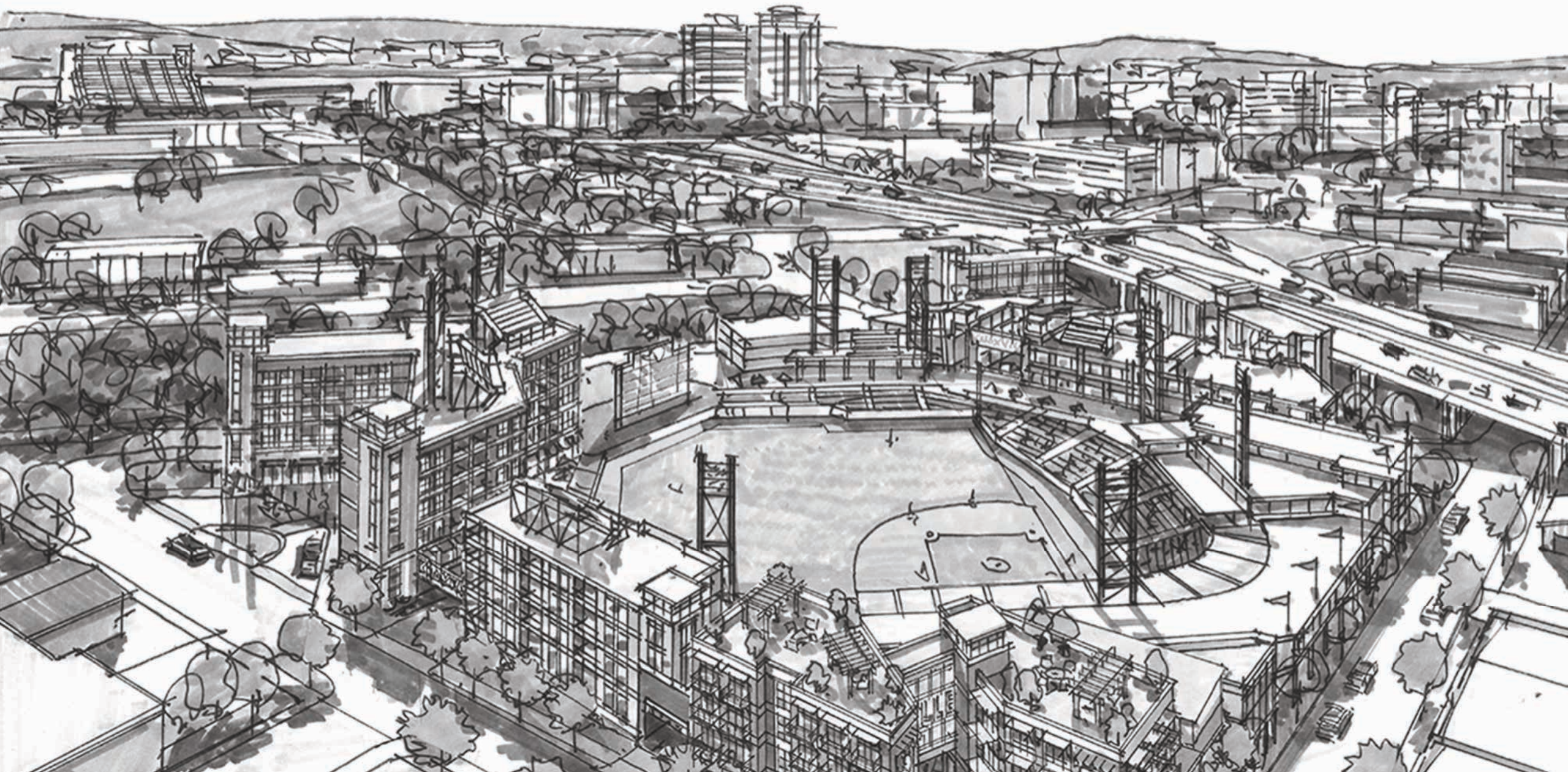
CSL International

TABLE OF CONTENTS



1. INTRODUCTION	4
2. LOCAL MARKET ANALYSIS	7
3. MINOR LEAGUE BASEBALL ANALYSIS	16
4. COMPARABLE STADIUM REVIEW	31
5. USER INTERVIEWS	39
6. KEY OPERATING ASSUMPTIONS	41
7. TAX REVENUE & ECONOMIC IMPACT ANALYSIS	43

1. INTRODUCTION



INTRODUCTION



The city of Knoxville, Tennessee has a long history supporting professional baseball in the area, from the Knoxville Indians of the Southeastern League in 1896 to the Knoxville Smokies of the Class B South Atlantic League in 1925. The Smokies would eventually move into the newly-constructed Bill Meyer Stadium just northeast of downtown Knoxville in 1953, where they continued to play for the next 46 seasons.

In 2000, the Smokies moved from Bill Meyer Stadium to Smokies Stadium in Kodak, Tennessee, located 20 miles east of Knoxville in Sevier County, and rebranded as the Tennessee Smokies.



Following 20 years at Smokies Stadium, Smokies ownership group Boyd Sports is in the process of finalizing plans to move the team from Kodak to a new facility in downtown Knoxville. The estimated 7,246-seat, \$65 million multi-use Stadium is intended to anchor a broader 520,000-square-foot mixed-use Development including residential, office, retail and parking space that will further rejuvenate the historic East Knoxville neighborhood.

As part of the Stadium planning process, Knox County, which in conjunction with the City of Knoxville has formed a Sports Authority intended to own the Stadium, is seeking an evaluation of the tax revenues and economic impacts to be realized from the new multi-use Stadium and adjacent mixed-use Development. These estimates are intended to help inform local leaders of the project's fiscal benefits that could be apportioned and distributed for the retirement of debt on and the maintenance of the Stadium.



INTRODUCTION

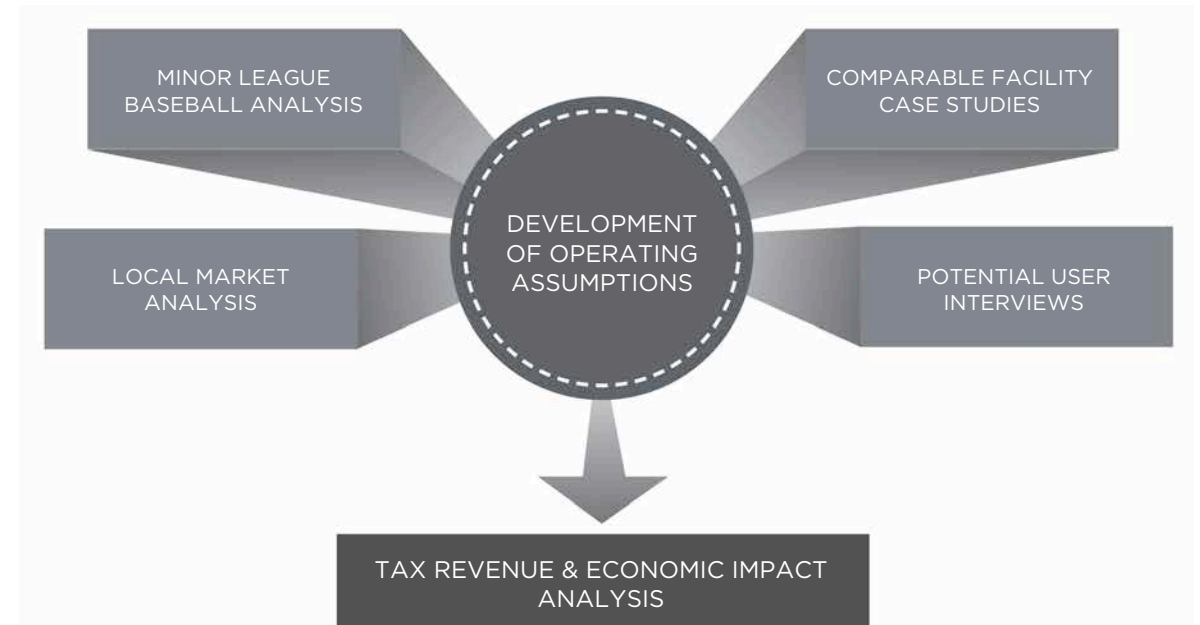


As such, Knox County has engaged Conventions, Sports & Leisure International (“CSL”) to conduct a tax revenue and economic impact analysis related to the development of the proposed Stadium and Development.

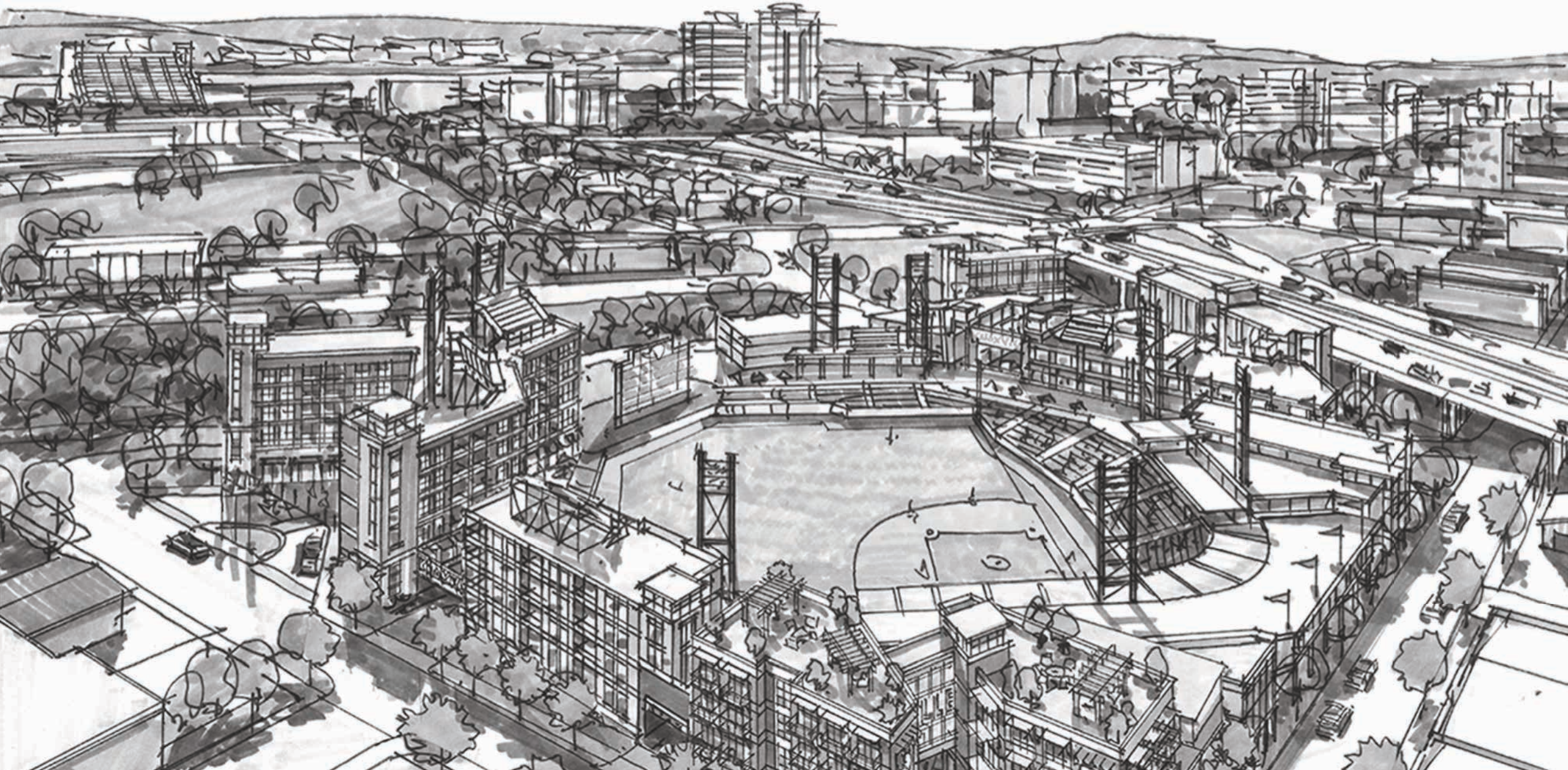
To evaluate the tax and broader economic impacts of the Stadium and Development, CSL:

- Conducted a kick-off meeting with key project stakeholders to discuss project goals;
- Reviewed preliminary analyses and planning documents related to the development of the Stadium and broader Development;
- Compiled and analyzed regional market data regarding demographic, socioeconomic, competitive venues and other trends;
- Reviewed characteristics of Double-A baseball to inform attendance, pricing, building program and lease assumptions;
- Identified and analyzed comparable stadia to provide a benchmark from which to assess key operating metrics for the new Stadium;
- Interviewed key potential user groups of the Stadium to confirm building program needs and potential utilization;
- Estimated event demand, potential annual attendance and other key operating assumptions for a new Stadium; and,
- Estimated the economic and fiscal impacts anticipated to be generated by the construction and operations of the project.

STUDY METHODOLOGY



2. LOCAL MARKET ANALYSIS





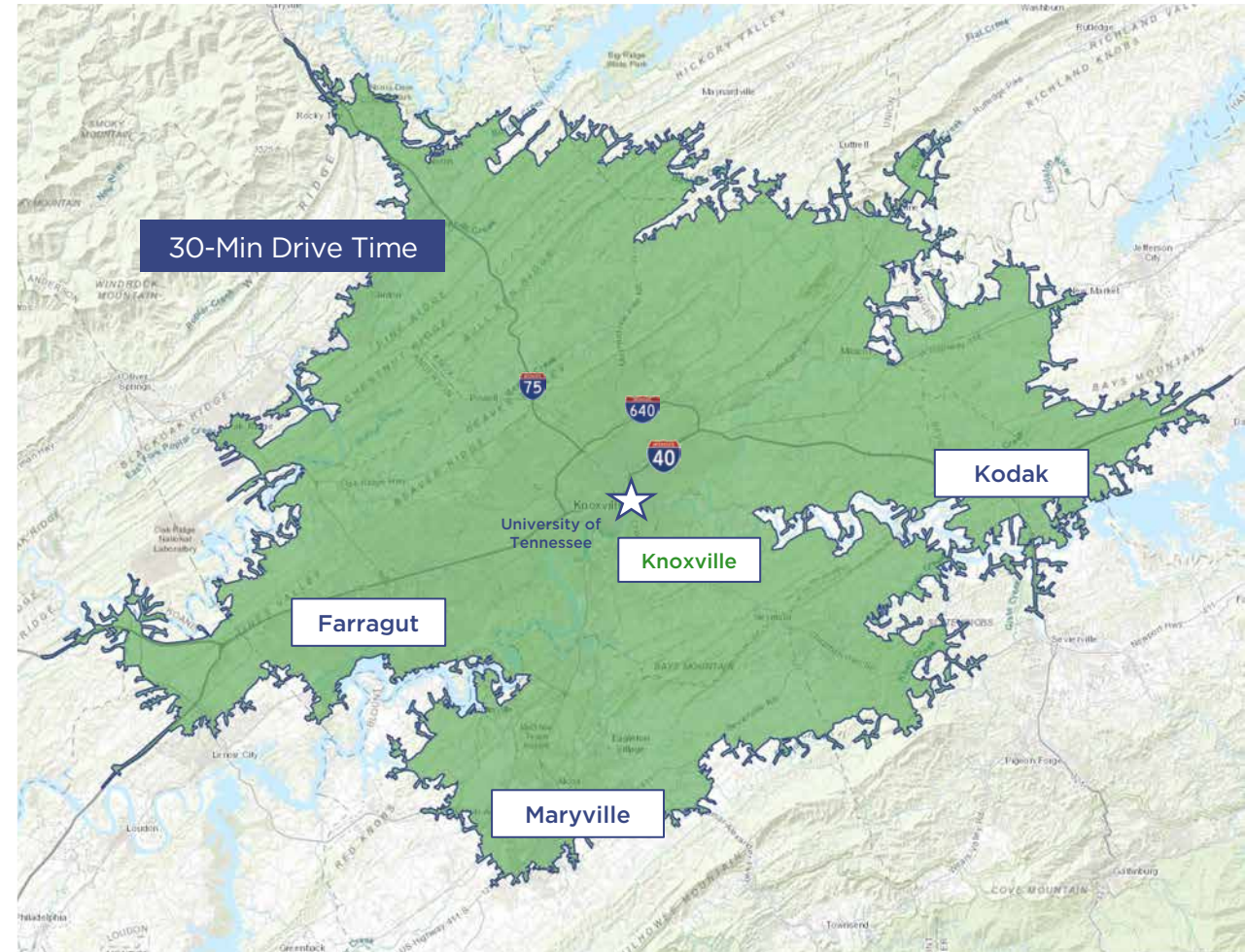
INTRODUCTION

The viability of the new Stadium in downtown Knoxville is dependent, to some degree, on the demographic and socioeconomic characteristics of the local and regional market. Key market characteristics that may have an impact on new Stadium operations include:

- Population;
- Age;
- Income;
- Corporate Base;
- Employment; and,
- Other Characteristics.

For the purposes of this analysis, the primary market for the proposed Stadium is anticipated to include patrons residing within a 30-minute drive time. This market area is anticipated to comprise a majority of attendees for most events held at the Stadium, although for certain high-profile events the Stadium could draw patrons from beyond this area.

The demographic and socioeconomic data presented in the remainder of this section is based on this anticipated market area, as illustrated in the map on the right.



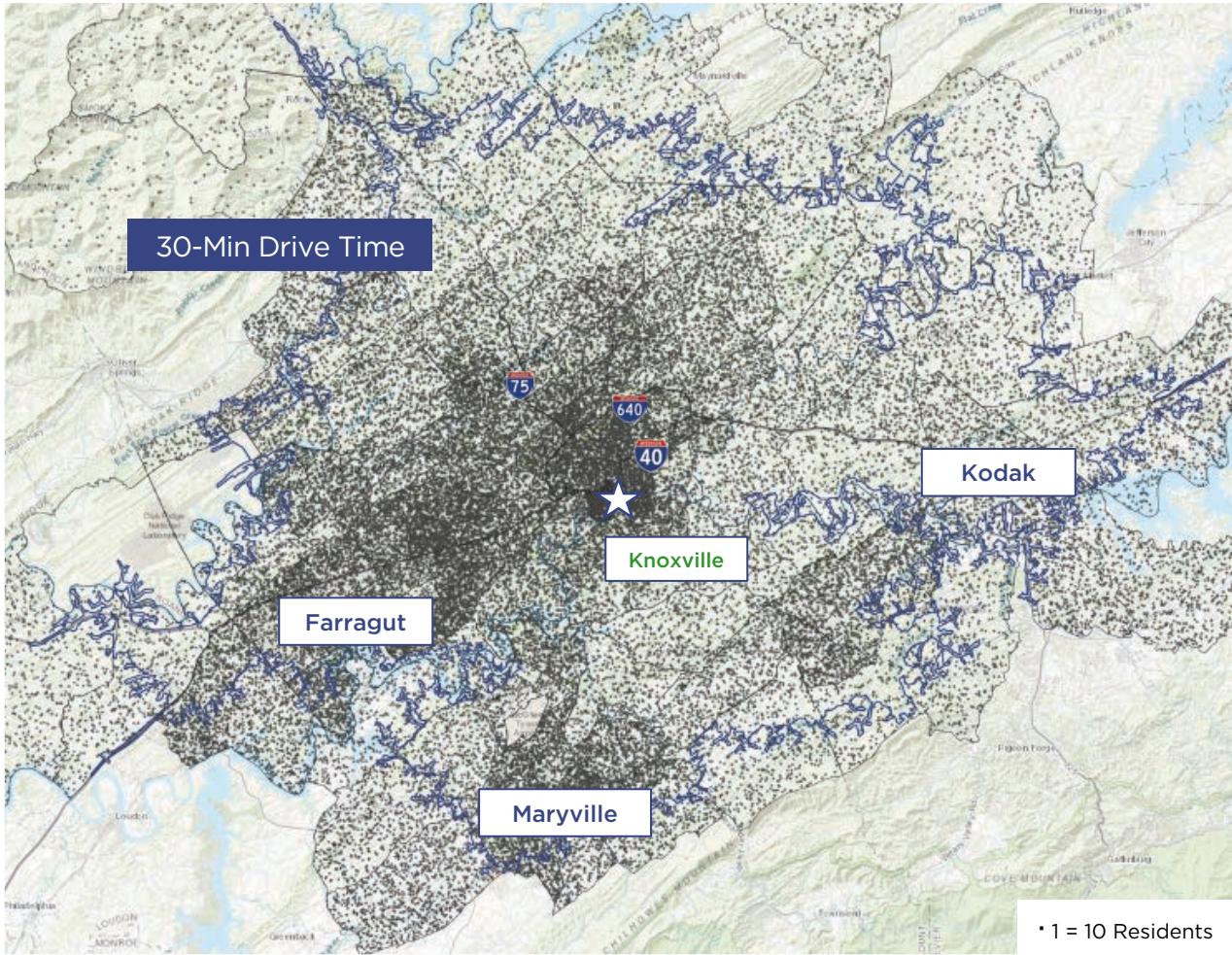
POPULATION

The ability of a venue to attract attendees to events is impacted by the level of population within the primary market. As shown in the table below, approximately 639,000 people reside within a 30-minute drive of the proposed Stadium location.

Variable	Primary Market 30-Min Drive Time	United States
2010 Total Population	579,478	308,745,538
2021 Total Population	638,934	333,934,112
2026 Total Population	667,415	345,887,495
Historical Annual Growth Rate (2010-2021)	0.9%	0.7%
Projected Annual Growth Rate (2021-2026)	0.9%	0.7%

The population of the primary market is projected to grow by 0.9 percent annually over the next five years, which is higher than the United States as a whole, which is anticipated to grow at 0.7 percent annually.

The map to the right shows the population density of the primary market. As shown, downtown Knoxville is the most densely populated area, along with areas west of the proposed Stadium site toward Farragut. Because Knoxville is home to the University of Tennessee, the area sees a significant population boost during the fall and spring semesters.



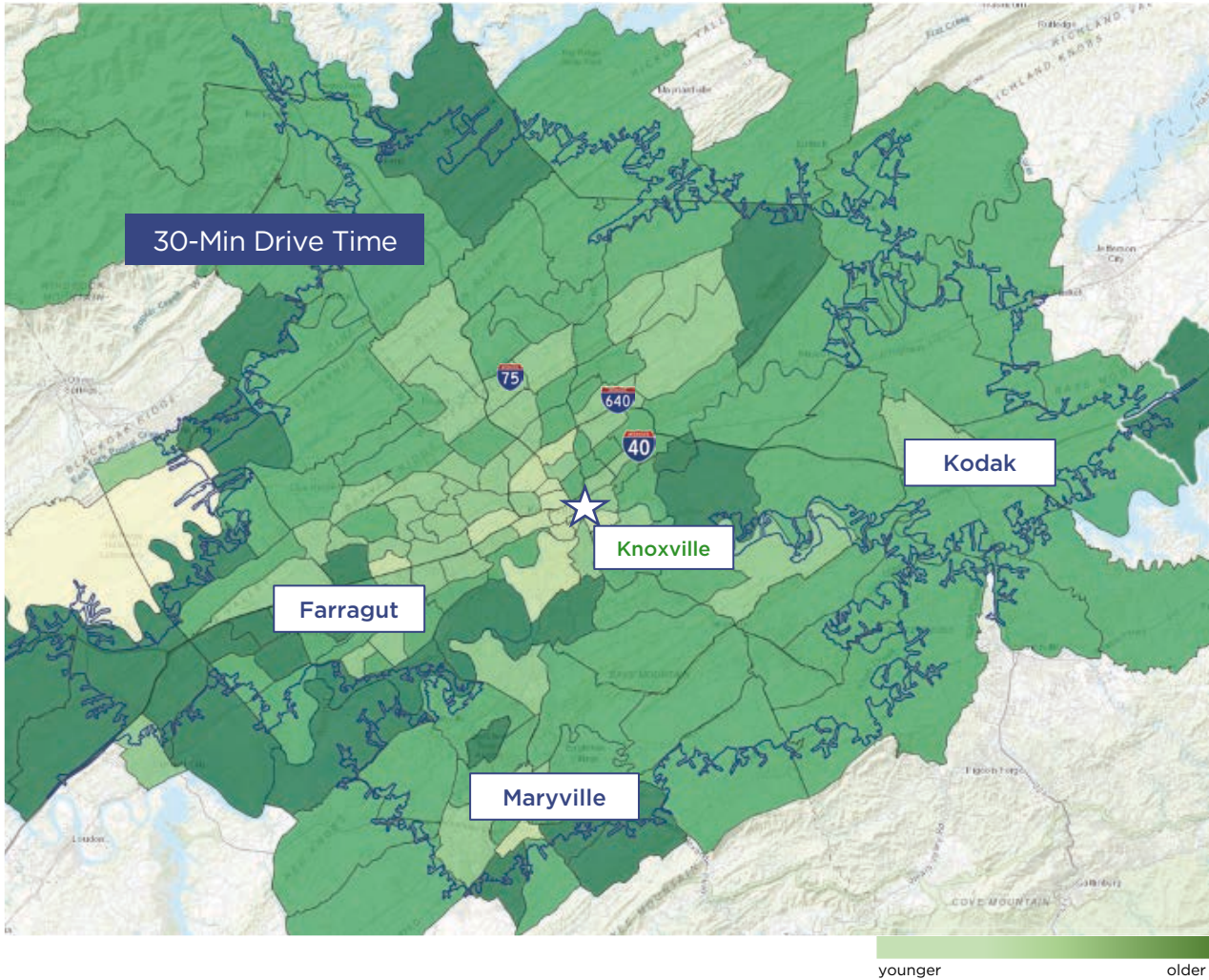
AGE

The age distribution of a market’s population can provide insight into the likely demographic base from which attendees will be drawn. Minor league baseball, in particular, appeals to a broad cross-section of the population and is marketed as a family-friendly activity. The table below shows the age distribution of residents within the primary market compared to the United States as a whole.

Variable	Primary Market 30-Min Drive Time	United States
2021 Median Age	40.3	38.8
Age Distribution		
Under 15	16.7%	18.2%
15 to 24	13.1%	12.8%
25 to 34	13.0%	14.0%
35 to 44	13.0%	12.8%
45 to 54	12.5%	12.1%
55 to 64	13.3%	13.0%
65+	18.3%	17.3%

The median age of the primary market for a potential new Stadium is 40.3, which is more than a year older than the national median age of 38.8. Typically, sports and entertainment events attract the largest number of patrons from a younger age range. In the primary market, approximately 38.5 percent of residents are between the ages of 25 and 54, which is comparable to the national average of 38.9 percent.

The map to the right illustrates the median age distribution within the proposed Stadium’s primary market area. As shown, the downtown area of Knoxville adjacent to the proposed Stadium site trends younger than outlying areas.



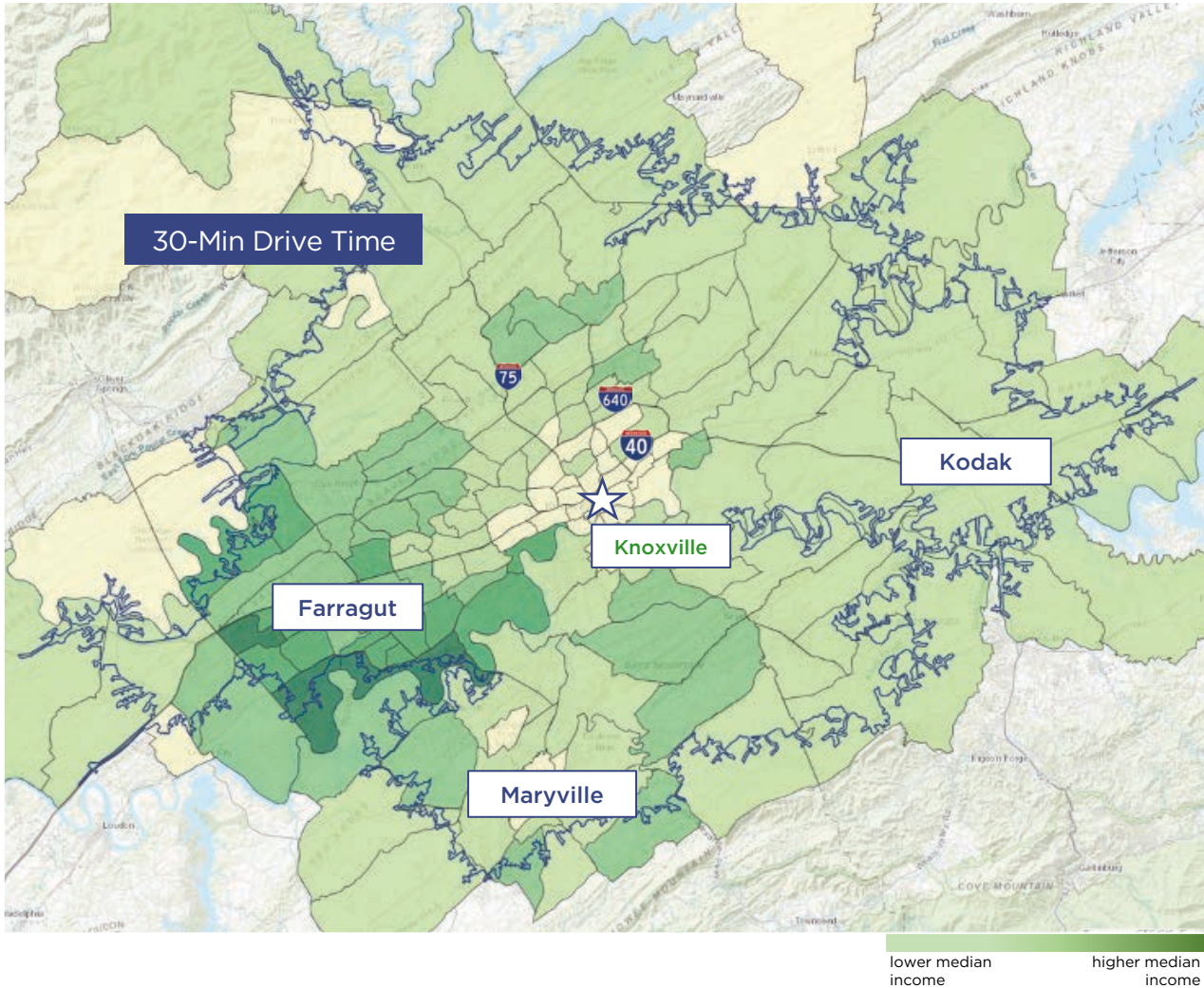
HOUSEHOLD INCOME

An important socioeconomic characteristic that provides insight into a market’s ability to support a venue through the purchase of tickets, concessions, merchandise, and parking is household income. The table below presents an overview of the income characteristics of residents within the primary market.

Variable	Primary Market 30-Min Drive Time	United States
2021 Median Household Income	\$56,960	\$64,730
Cost of Living	83.1	100.0
Adjusted Household Income	\$68,544	\$64,730
Income Distribution		
Less than \$25,000	21.1%	18.0%
\$25,000 to \$49,999	22.5%	20.3%
\$50,000 to \$74,999	17.8%	17.3%
\$75,000 to \$99,999	13.7%	12.8%
\$100,000 to \$149,999	14.4%	15.8%
\$150,000 or more	10.7%	15.7%

The median household income within the primary market is \$56,960, which is 12 percent lower than the national average of \$64,730. However, when adjusted for local cost of living, the median household income grows to \$68,544, which is six percent higher than the country as a whole. Approximately 39 percent of households within the primary market have an annual income over \$75,000, which is five percent less than the nation as a whole at 44 percent.

The map to the right shows the median household income distribution within the proposed Stadium’s primary market. As shown, areas to the west of downtown Knoxville near Farragut have the highest median household income in the area.



CORPORATE BASE

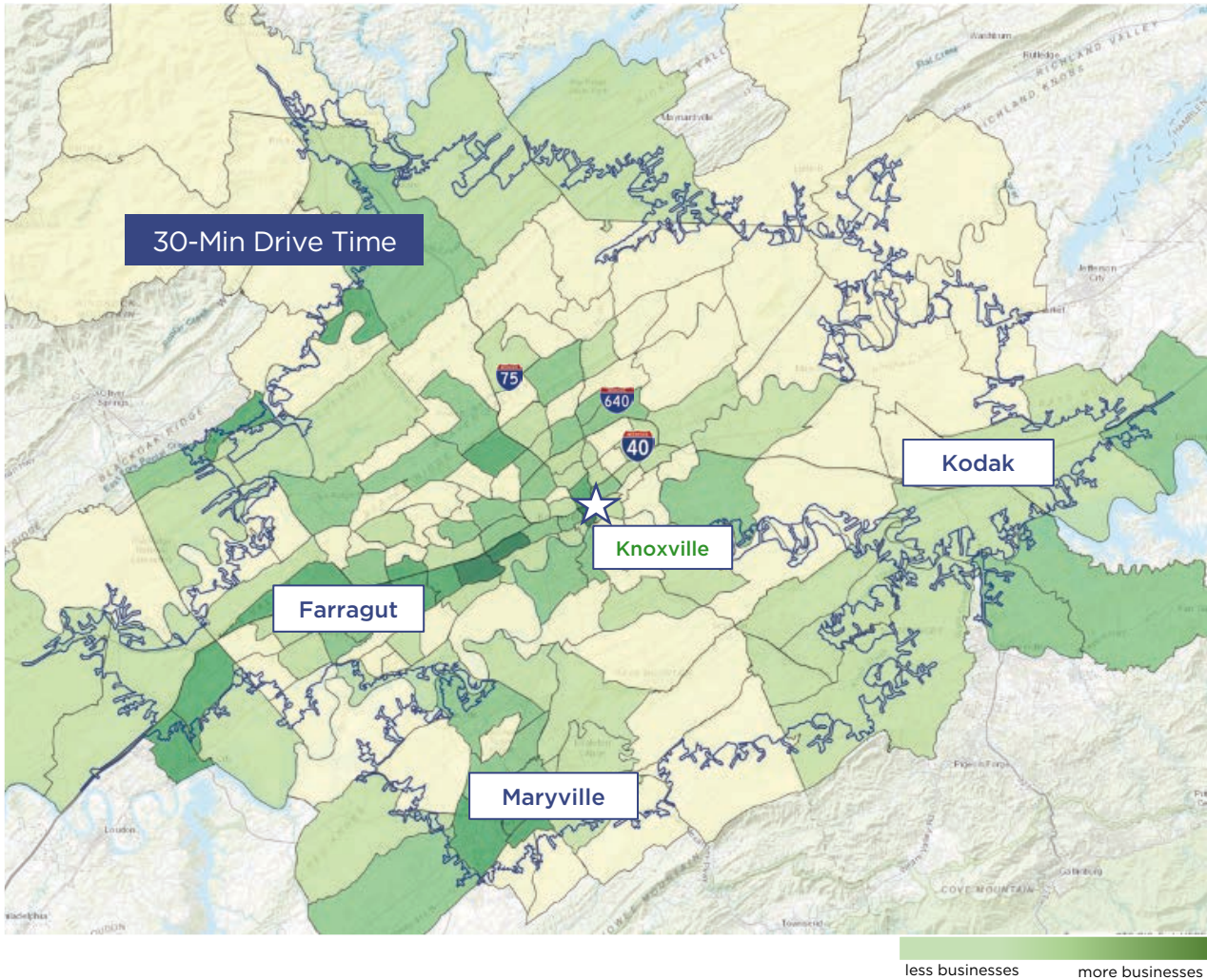
The corporate base within a market can play a crucial role in the success of a new venue. Corporate support of live sports and entertainment venues includes the purchase of tickets and premium seating, advertising and sponsorship opportunities, and the hosting of private events. The table below provides an overview of the number and size of corporations within the primary market.

Variable	Primary Market 30-Min Drive Time	United States
Corporate Base	5,785	28,422,264
Corporate Distribution by Income		
Less than \$1.0M	43.6%	39.7%
\$1.0M to \$4.9M	39.9%	52.2%
\$5.0M to \$9.9M	7.5%	4.6%
\$10.0 to \$49.9M	6.6%	2.8%
\$50.0M to \$99.9M	1.1%	0.3%
\$100.0M or More	1.3%	0.4%

Note: Excludes companies that do not have at least 10 employees

Overall, there are approximately 5,800 companies within the primary market. This corporate base has a significantly higher percentage of companies that generate more than \$10.0 million in revenue per year (9.0 percent) than the country as a whole (3.5 percent). The proposed Stadium will provide corporations of all sizes the opportunity to have a presence, including the purchase of premium, group, or general seating or partnerships including naming rights, founding partnerships, signage, game programs, and ticket backs, among others.

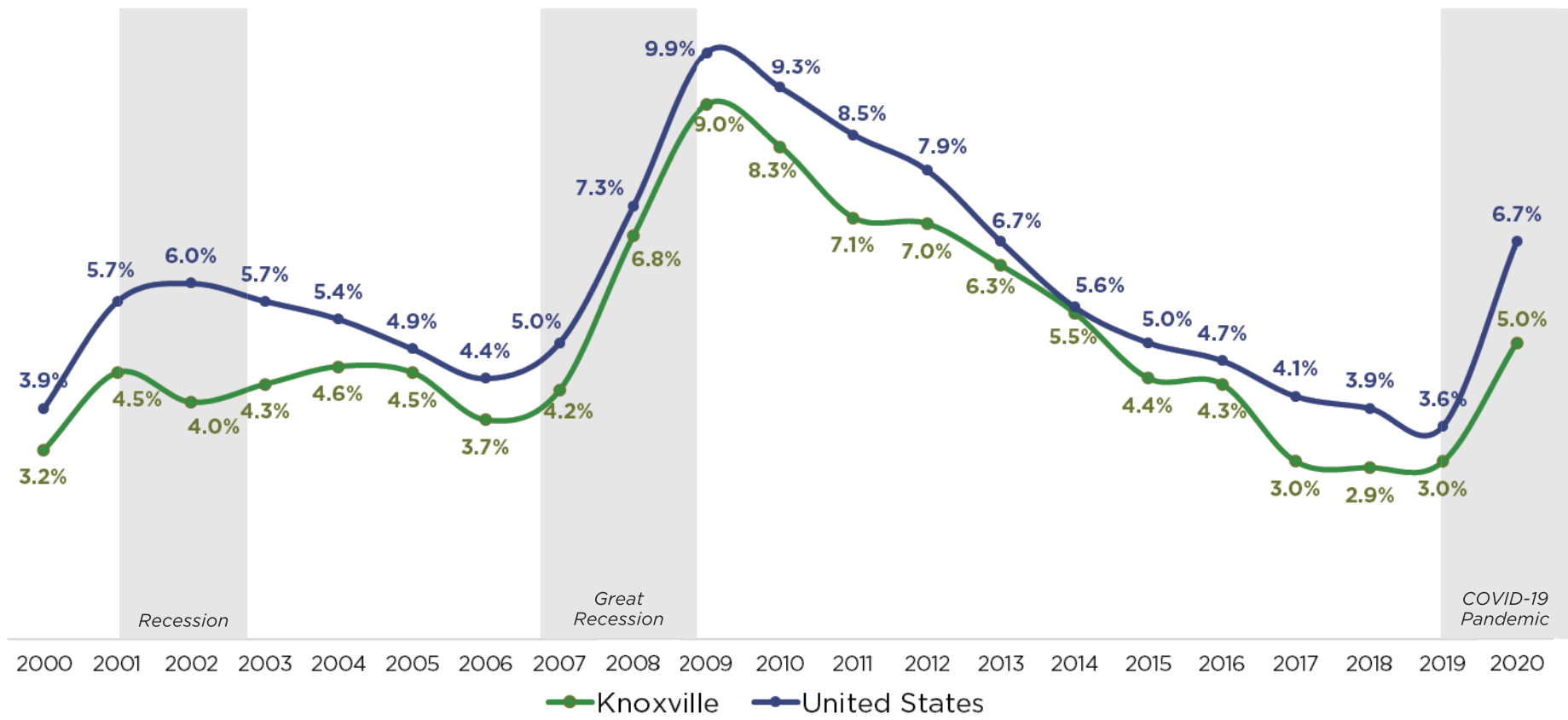
The map to the right shows the distribution of corporations within the primary market. As shown, downtown and the area immediately west near the University of Tennessee has the highest concentration of businesses.





EMPLOYMENT

A market’s unemployment rate is an indicator of the relative strength of the local economy. The chart below provides an overview of the historical unemployment rate in the Knoxville market area over the past 20 years compared to the United States as a whole. As shown, Knoxville’s unemployment rate has consistently been lower than the national average, including following the economic fallout of the 2007 to 2009 Great Recession, as well as the COVID-19 pandemic, indicating that Knoxville and outlying areas have relatively healthy local economies. The area is provided additional economic stability with the presence of a major research institution in the University of Tennessee.



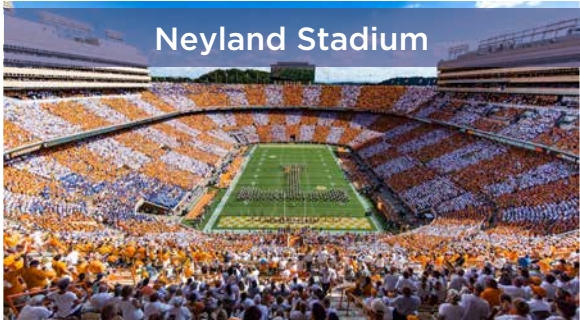
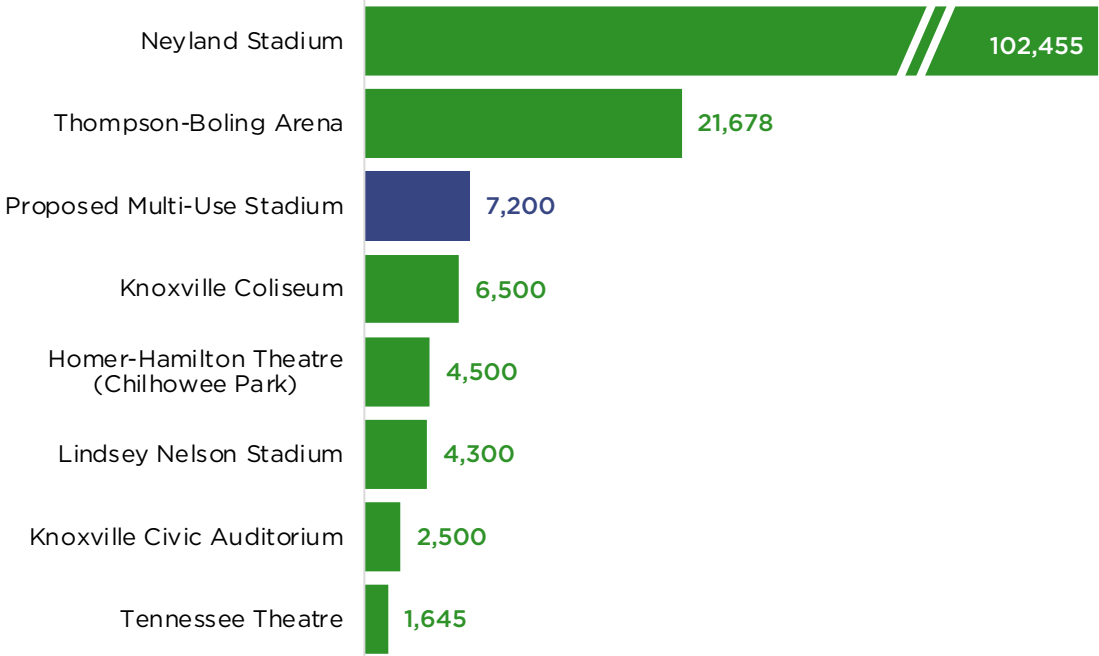


MARKET COMPETITION

The Stadium will be impacted, to some degree, by the number and type of local facilities that could compete for the limited supply of events, participants, spectators, attendees, and sponsorship dollars in the marketplace. Within the Knoxville area, major facilities include Neyland Stadium (102,455 capacity), home of University of Tennessee football, Thompson-Boling Arena (21,678 capacity), home of University of Tennessee men’s and women’s basketball, and the Knoxville Civic Auditorium (7,141 capacity), home of the Knoxville Ice Bears of the Southern Professional Hockey League.

The chart below shows the current venues and related capacities within a 30-minute drive time of the proposed Stadium site that have a capacity of at least 1,500, or venues most likely to compete with the potential Stadium. The proposed Stadium’s capacity of approximately 7,200 provides additional opportunities to host outdoor events of a small- to mid-size scale in the area.

Active Knoxville Venues



KEY TAKEAWAYS

The following are key takeaways from an analysis of local market conditions:



GROWING POPULATION BASE

The local market population is forecasted to grow at a faster rate than the nation as a whole



YOUNG DOWNTOWN CORE

Residents living near the downtown location of the proposed Stadium are significantly younger than outlying areas, providing a unique user base from which to program



STEADY ECONOMIC BASE

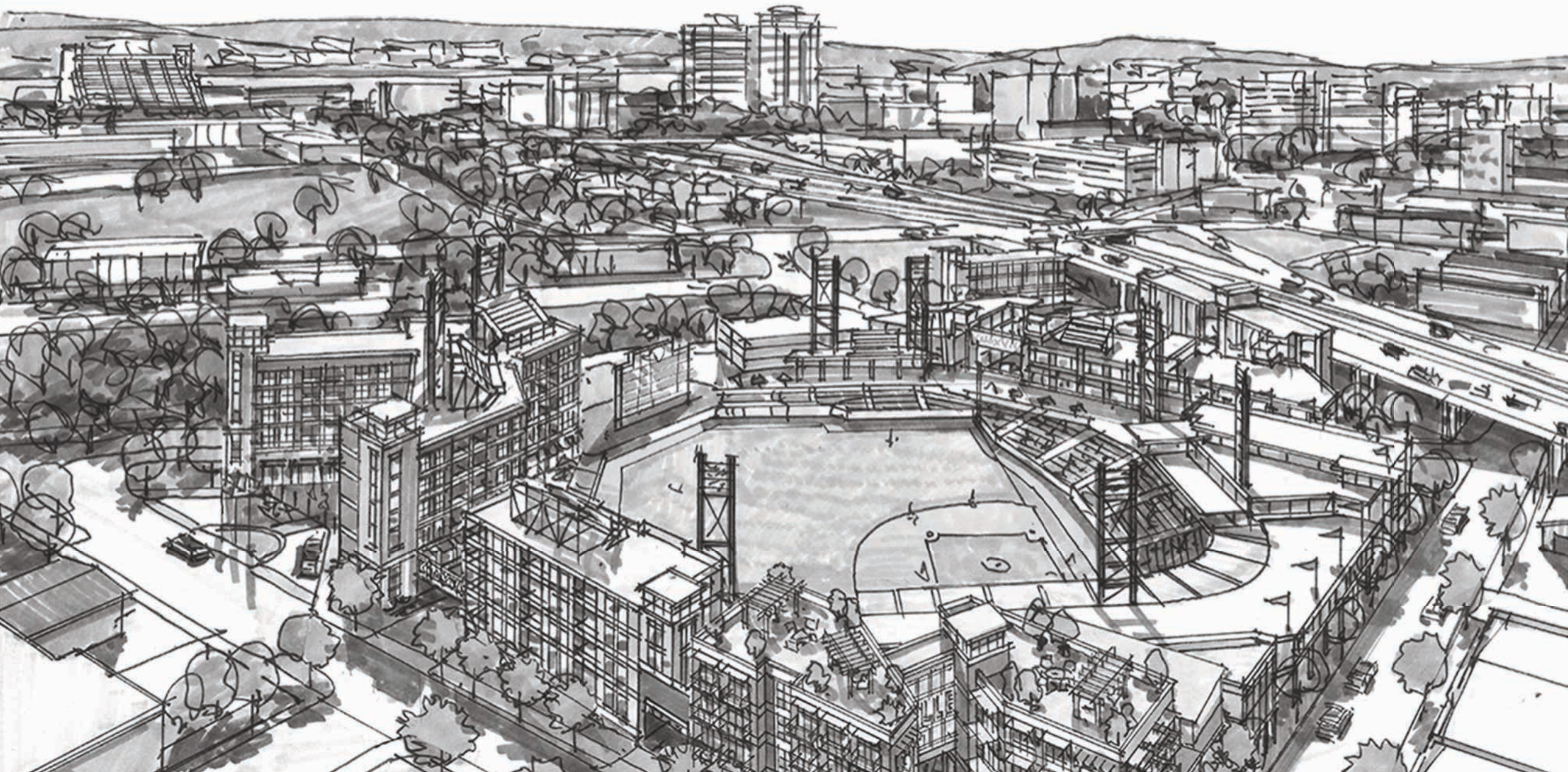
Knoxville's strong corporate base and lower-than-average unemployment rate are bolstered by the presence of the University of Tennessee



LIMITED COMPETITIVE PRESSURES

The proposed Stadium will be the only outdoor venue with a seating capacity between 5,000 and 10,000 in the area, serving a unique utilization niche

3. MINOR LEAGUE BASEBALL ANALYSIS





AFFILIATED MINOR LEAGUE CLASSIFICATION SYSTEM

Minor League Baseball (“MiLB”) underwent a major realignment and restructuring in 2021, consolidating the number of teams and organizing into a standardized affiliate system in which each Major League Baseball (“MLB”) team has four affiliate teams, one in each of the four minor leagues:

- Class AAA – “Triple-A” is the highest classification of the affiliated minor leagues. It was established in 1945, and currently consists of the Triple-A East and Triple-A West divisions. With 2021’s realignment, there was some movement in Triple-A with three teams joining the league and three teams being demoted to lower-level classifications.
- Class AA – “Double-A” is the second-highest classification of the affiliated minor leagues. It was established in 1912 and currently consists of the Double-A Central, Double-A Northeast, and Double-A South divisions. Double-A lost two teams (Trenton Thunder and Jackson Generals) and saw three new additions to the league (San Antonio Missions, Somerset Patriots, and Wichita Wind Surge) with 2021’s realignment.
- Class A-Advanced – “High-A” is the third tier of the affiliated minor leagues. It currently consists of High-A Central, High-A East, and High-A West. High-A, previously known as A+, experienced a significant amount of consolidation during 2021’s restructuring, as five leagues were combined into three divisions.
- Class A – “Low-A” is the lowest tier of the affiliated minor leagues. It currently consists of Low-A East, Low-A Southeast, and Low-A West. Teams in this league are comprised of the former California League, Carolina League, South Atlantic League, and Florida State League.

Over 40 teams that were affiliated with an MLB franchise in 2020 are no longer in 2021. Many of these clubs will be part of the new MLB Draft League, a Collegiate Summer League intended to act as a showcase for top prospects in MLB’s annual draft, or have moved to various independent leagues, while some have ceased operations entirely.





DOUBLE-A BASEBALL

Because the Smokies are an established member of Double-A baseball, having been in the classification since 1963 and maintaining its status with 2021’s realignment, the remainder of this section will focus on Double-A baseball to better understand how the Knoxville market compares to other Double-A franchises.

The table to the right presents a summary of Double-A teams including their location, league, key stadium elements, and average attendance during the 2019 season (the last season unaffected by the COVID-19 pandemic and resulting restrictions).

As shown, 18 of 30 teams currently play in stadiums located in downtown centers. Among stadiums built since 2015, four out of five have been built in downtown cores.

The average Double-A stadium opened or underwent a major renovation in 2002. Double-A stadiums range in capacity from 5,038 (Admiral Fetterman Field – Pensacola Blue Wahoos) to 10,486 (Hammons Field – Springfield Cardinals), with an average capacity of 7,640. The three most recent Double-A stadiums to be constructed are the Wichita Wind Surge’s Riverfront Stadium which opened in 2021, the Rocket City Trash Pandas’ Toyota Field which was opened in 2020, and the Amarillo Sodpoodles’ Hodgetown Stadium which opened in 2019; these stadiums have an average capacity of 8,052.

Average Double-A attendance in 2019 was approximately 4,600; new stadium average attendance was 10 percent higher at approximately 5,100.

TEAM	LOCATION	LEAGUE	STADIUM	STADIUM LOCATION	YEAR OPENED (Renovated)	TOTAL CAPACITY	2019 AVERAGE ATTENDANCE
Frisco Roughriders	Frisco, TX	Central	Riders Field	Suburban	2003	10,316	6,802
Amarillo Sodpoodles	Amarillo, TX	Central	Hodgetown Stadium	Downtown	2019*	7,000	6,291
Richmond Flying Squirrels	Richmond, VA	Northeast	The Diamond	Suburban	1985	9,560	6,255
Hartford Yard Goats	Hartford, CT	Northeast	Dunkin Donuts Park	Downtown	2017*	6,121	6,193
Reading Fightin Phils	Reading, PA	Northeast	FirstEnergy Stadium	Suburban	1951	9,000	5,945
Portland Sea Dogs	Portland, ME	Northeast	Hadlock Field	Downtown	1994	7,368	5,677
Tulsa Drillers	Tulsa, OK	Central	Oneok Field	Downtown	2010	7,833	5,507
Birmingham Barons	Birmingham, AL	South	Regions Field	Downtown	2013	8,500	5,424
Somerset Patriots	Bridgewater Township, NJ	Northeast	TD Bank Ballpark	Suburban	1999	8,580	5,385
Akron Rubber Ducks	Akron, OH	Northeast	Canal Park	Downtown	1997	9,447	5,077
San Antonio Missions	San Antonio, TX	Central	Nelson W. Wolff Municipal Stadium	Suburban	1994	9,200	4,891
Springfield Cardinals	Springfield, MI	South	Hammons Field	Downtown	2004	10,486	4,757
New Hampshire Fisher Cats	Manchester, NH	Northeast	Northeast Delta Dental Stadium	Downtown	2005	6,500	4,716
Corpus Christi Hooks	Corpus Christi, TX	Central	Whataburger Field	Downtown	2005	7,679	4,624
Altoona Curve	Altoona, PA	Northeast	People’s Natural Gas Field	Suburban	1999	7,210	4,604
Arkansas Travelers	North Little Rock, AR	Central	Dickey-Stephens Park	Downtown	2007	7,200	4,574
Pensacola Blue Wahoos	Pensacola, FL	South	Admiral Fetterman Field	Downtown	2012	5,038	4,354
Tennessee Smokies	Kodak, TN	South	Smokies Stadium	Suburban	2000	6,412	4,319
Northwest Arkansas Naturals	Springdale, AR	Central	Arvest Ballpark	Suburban	2008	5,500	4,316
Midland Rockhounds	Midland, TX	Central	Momentum Bank Ballpark	Suburban	2002	6,669	4,197
Harrisburg Senators	Harrisburg, PA	Northeast	FNB Field	Downtown	1987 (2009)	6,187	3,864
Chattanooga Lookouts	Chattanooga, TN	South	AT&T Field	Downtown	2000	6,362	3,518
Erie Sea Wolves	Erie, Pennsylvania	Northeast	UPMC Park	Downtown	1995	6,000	3,315
Bowie Baysox	Bowie, MD	Northeast	Prince George’s Stadium	Suburban	1994	10,000	3,256
Montgomery Biscuits	Montgomery, AL	South	Montgomery Riverwalk Stadium	Downtown	2004	7,000	3,189
Binghamton Rumble Ponies	Binghamton, NY	Northeast	Mirabito Stadium	Downtown	1992	6,012	3,000
Biloxi Shuckers	Biloxi, MS	South	MGM Park	Downtown	2015*	6,067	2,692
Mississippi Braves	Pearl, MS	South	Trustmark Park	Suburban	2004	8,450	2,482
Rocket City Trash Pandas	Madison, AL	South	Toyota Field	Suburban	2020*	7,500	n/a
Wichita Wind Surge	Wichita, KS	Central	Riverfront Stadium	Downtown	2021*	10,000	n/a
Overall Average					2002	7,640	4,615
New Stadium Average (*opened since 2015)					2018	7,338	5,059
Downtown Stadium Average					2006	7,267	4,516

*Sorted by 2019 Average Attendance



DOUBLE-A BASEBALL STADIUM FUNDING

The table to the right summarizes total project costs and the proportion of public and private funding contributions for Double-A stadium projects.

As shown, the average Double-A stadium cost \$28 million to construct or significantly renovate, with the public sector funding an average of 63 percent of development costs and the private sector funding an average of 37 percent. As stadium construction costs have escalated since 2015 (average cost of \$52 million), public participation in facility funding has increased, with an average of 90 percent of stadium costs covered by the public sector.

Many recently-opened stadiums (Riverfront Stadium, Toyota Field, Regions Field, and Oneok Field, amongst others) have anchored larger mixed-use development projects. There has been a significant amount of public money devoted to these projects as municipalities aim to build restaurants, shopping areas, and other attractions for tourists and residents.

TEAM	LOCATION	BALLPARK	OPENED (Renovated)	STADIUM COST	% PUBLIC	% PRIVATE
Wichita Wind Surge	Wichita, KS	Riverfront Stadium	2021*	\$75M	48%	52%
Rocket City Trash Pandas (Mobile)	Madison, AL	Toyota Field	2020*	\$46M	100%	0%
Amarillo Sodpoodles	Amarillo, TX	Hodgetown Stadium	2019*	\$46M	100%	0%
Hartford Yard Goats	Hartford, CT	Dunkin Donuts Park	2017*	\$56M	100%	0%
Biloxi Shuckers	Biloxi, MS	MGM Park	2015*	\$36M	100%	0%
Birmingham Barons	Birmingham, AL	Regions Field	2013	\$64M	100%	0%
Pensacola Blue Wahoos	Pensacola, FL	Admiral Fetterman Field	2012	\$23.8M	13%	87%
Tulsa Drillers	Tulsa, OK	Oneok Field	2010	\$39.2M	42%	58%
Harrisburg Senators	Harrisburg, PA	FNB Field	1987 (2009)	\$45M*	40%	60%
Northwest Arkansas Naturals	Springdale, AR	Arvest Ballpark	2008	\$32M	100%	0%
Arkansas Travelers	North Little Rock, AR	Dickey-Stephens Park	2007	\$40.4M	69%	31%
Corpus Christi Hooks	Corpus Christi, TX	Whataburger Field	2005	\$30.3M	89%	11%
New Hampshire Fisher Cats	Manchester, NH	Northeast Delta Dental Stadium	2005	\$27M	64%	36%
Mississippi Braves	Pearl, MS	Trustmark Park	2005	\$28M	80%	20%
Springfield Cardinals	Springfield, MI	Hammons Field	2004	\$32M	0%	100%
Montgomery Biscuits	Montgomery, AL	Montgomery Riverwalk Stadium	2004	\$26M	70%	30%
Frisco Roughriders	Frisco, TX	Riders Field	2003	\$22.7M	47%	53%
Midland Rockhounds	Midland, TX	Momentum Bank Ballpark	2002	\$23M	85%	15%
Chattanooga Lookouts	Chattanooga, TN	AT&T Field	2000	\$10M	0%	100%
Somerset Patriots	Bridgewater Township, NJ	TD Bank Ballpark	1999	\$18M	--	--
Altoona Curve	Altoona, PA	People's Natural Gas Field	1999	\$20M	--	--
Akron Rubber Ducks	Akron, OH	Canal Park	1997	\$32M	--	--
Erie Sea Wolves	Erie, Pennsylvania	UPMC Park	1995	\$9M	100%	0%
San Antonio Missions	San Antonio, Tx	Nelson W. Wolff Municipal Stadium	1994	\$10.5M	--	--
Portland Sea Dogs	Portland, ME	Hadlock Field	1994	\$3M	--	--
Bowie Baysox	Bowie, MD	Prince George's Stadium	1994	\$10M	15%	85%
Binghamton Rumble Ponies	Binghamton, NY	Mirabito Stadium	1992	\$4.6M	30%	70%
Richmond Flying Squirrels	Richmond, VA	The Diamond	1985	\$8M	50%	50%
Reading Fightin Phils	Reading, PA	FirstEnergy Stadium	1951	\$650K	--	--
Overall Average			2003	\$28M	63%	37%
New Stadium Average (*opened since 2015)			2018	\$52M	90%	10%
Downtown Stadium Average			2006	\$33M	60%	40%

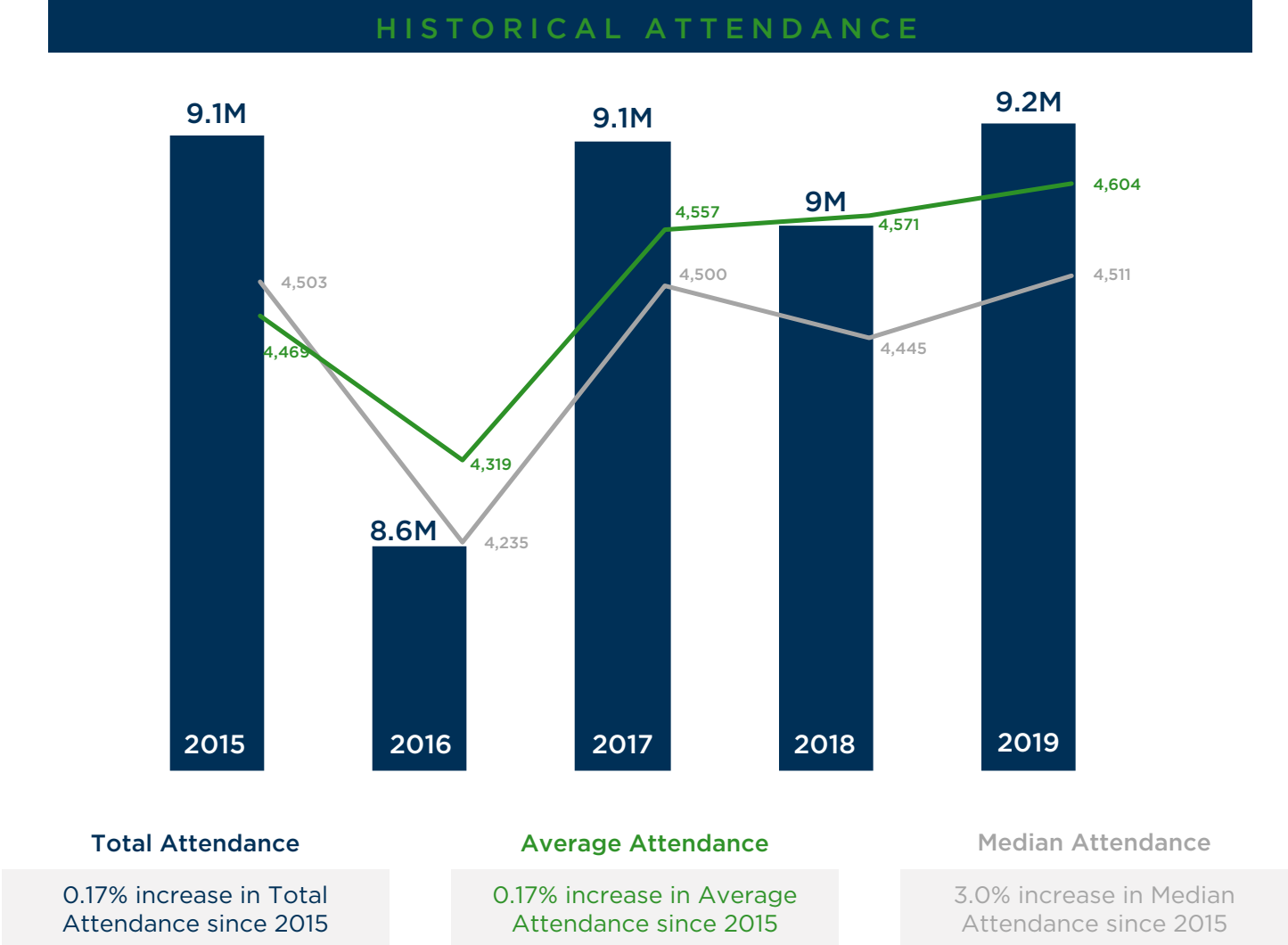
*Renovation Cost



DOUBLE-A STADIUM ATTENDANCE

Attendance levels impact the magnitude of revenue that can be generated from the sale of tickets, food and beverage, merchandise, and parking. Attendance levels can also provide an indicator of the overall health of Double-A baseball and the general support for a team within its market. The chart on the right presents a summary of league-wide Double-A baseball home attendance from 2015 to 2019, as reported by Minor League Baseball.

Despite 2016’s material drop in attendance (attributed to the delayed relocation of the Hartford Yard Goats), Double-A attendance has remained consistent from 2015 to 2019. Total and average attendance has grown 0.17 percent while median attendance has grown three percent since 2015.



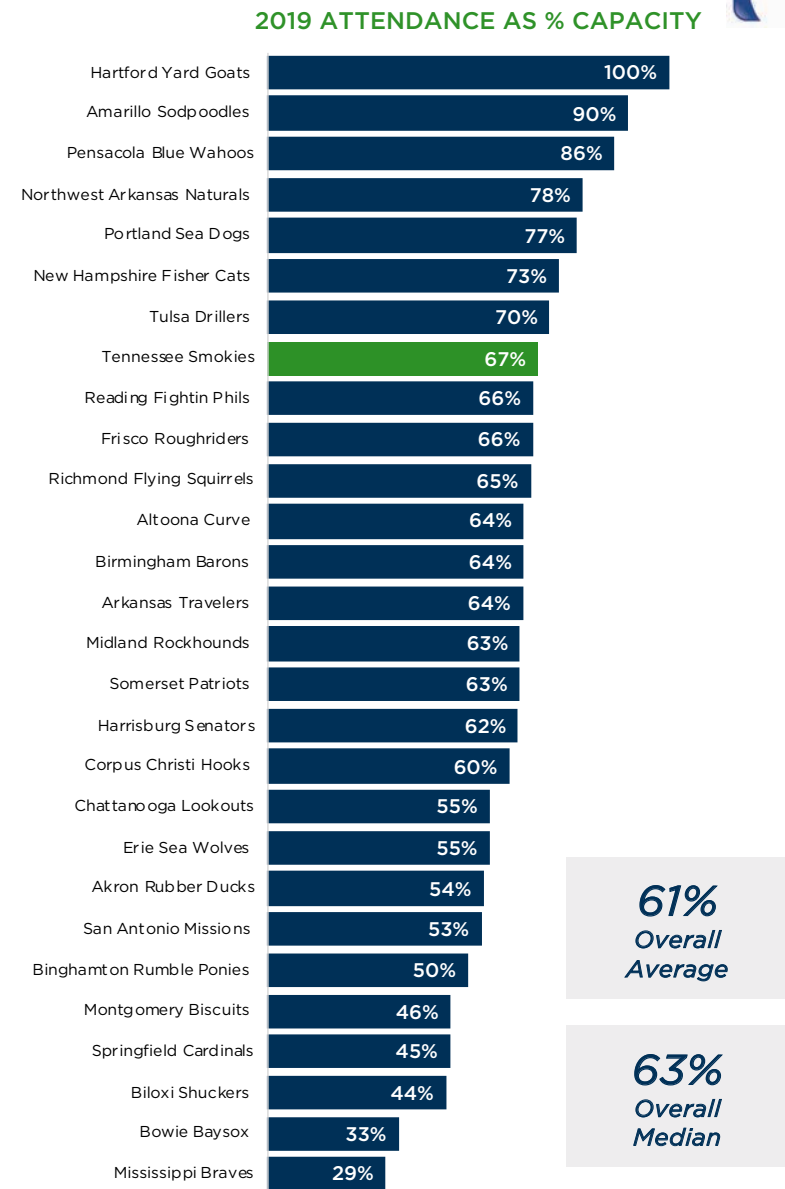
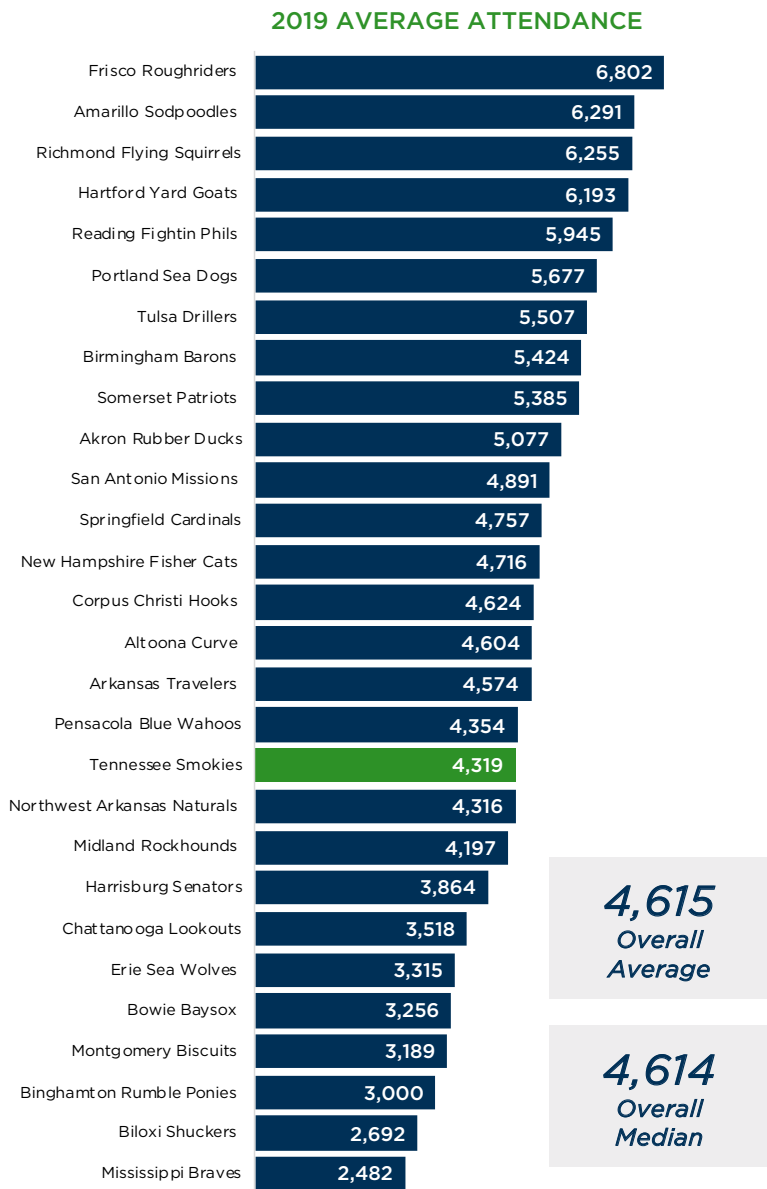


DOUBLE-A STADIUM ATTENDANCE

The charts on the right show the average attendance and attendance as a percentage of stadium capacity among the active Double-A teams that played in 2019. This excludes the Wichita Wind Surge, which relocated to Wichita in 2021, and the Rocket City Trash Pandas, which relocated to Madison, Alabama in 2020.

In 2019, active Double-A home teams averaged a reported attendance of 4,615, ranging from a low of 2,482 for the Mississippi Braves to a high of 6,802 for the Frisco Roughriders.

Also in 2019, Double-A teams utilized approximately 61 percent of available stadium capacity, on average. Attendance as a percentage of capacity ranges from a low of 29 percent for the Mississippi Braves to a high of 100 percent for the Hartford Yard Goats.





DOUBLE-A STADIUM PREMIUM SEATING

Premium seat offerings represent a significant source of revenue for Double-A teams. Suites, club seats, and other such products allow teams to charge a premium above average ticket prices, affording a limited number of fans an upscale environment to enjoy games or conduct business. Premium seating can also serve as a source of contractually-obligated income that can be used for facility funding.

As shown, the average Double-A stadium allocates approximately eight percent of seating capacity, or approximately 667 seats, to premium seating.

STADIUM	TEAM	YEAR OPENED (Renovated)	CAPACITY	TOTAL PREMIUM SEATS	PREMIUM AS % OF CAPACITY
Riders Field	Frisco Roughriders	2003	10,316	1,875	18.2%
Dunkin Donuts Park	Hartford Yard Goats	2017	6,121	757	12.4%
Toyota Field	Rocket City Trash Pandas	2020	7,500	918	12.2%
Trustmark Park	Mississippi Braves	2004	8,450	896	10.6%
Hammons Field	Springfield Cardinals	2004	10,486	1,100	10.5%
Regions Field	Birmingham Barons	2013	8,500	888	10.4%
Montgomery Riverwalk Stadium	Montgomery Biscuits	2004	7,000	720	10.3%
Momentum Bank Ballpark	Midland Rockhounds	2002	6,669	652	9.8%
Arvest Ballpark	Northwest Arkansas Naturals	2008	5,500	500	9.1%
Northeast Delta Dental Stadium	New Hampshire Fisher Cats	2005	6,500	576	8.9%
Oneok Field	Tulsa Drillers	2010	7,833	568	7.3%
TD Bank Ballpark	Somerset Patriots	1999	8,580	550	6.4%
Riverfront Stadium	Wichita Wind Surge	2021	10,000	546	5.5%
Dickey-Stephens Park	Arkansas Travelers	2007	7,200	384	5.3%
MGM Park	Biloxi Shuckers	2015	6,067	320	5.3%
Hadlock Field	Portland Sea Dogs	1994	7,368	352	4.8%
Whataburger Field	Corpus Christi Hooks	2005	7,679	228	3.0%
The Diamond	Richmond Flying Squirrels	1985	9,560	180	1.9%
Overall Average				667	8.4%



DOUBLE-A STADIUM PREMIUM SEATING

The table on the right details current premium seating inventory and pricing at Double-A ballparks. As shown, Double-A ballparks have an average of 21 luxury suites with an average annual price of approximately \$30,000 per suite. Of the six teams offering seasonal club seating for which information was made available, the average inventory is 418 seats priced at approximately \$1,400 annually. In total, premium seating at the average Double-A stadium has the potential to generate approximately \$988,000 annually.

STADIUM	TEAM	LUXURY SUITES		CLUB SEATS		POTENTIAL ANNUAL REVENUE
		Inventory	Price	Inventory	Price	
Riders Field	Frisco Roughriders	27	\$50,000	1,200	\$2,485	\$4,332,000
Regions Field	Birmingham Barons	23	\$35,000	520	\$1,560	\$1,616,200
Hammons Field	Springfield Cardinals	28	\$31,500	400	\$1,610	\$1,526,000
Oneok Field	Tulsa Drillers	23	\$35,000	200	\$1,750	\$1,155,000
Dunkin Donuts Park	Hartford Yard Goats	18	\$45,000	200	\$1,270	\$1,064,000
Montgomery Riverwalk Stadium	Montgomery Biscuits	20	\$30,350	400	\$980	\$999,000
Trustmark Park	Mississippi Braves	22	\$35,000	126	\$900	\$883,400
Arvest Ballpark	Northwest Arkansas Naturals	25	\$35,000	--	--	\$875,000
Momentum Bank Ballpark	Midland Rockhounds	22	\$25,000	300	\$605	\$731,500
Dickey-Stephens Park	Arkansas Travelers	24	\$29,000	--	--	\$696,000
Whataburger Field	Corpus Christi Hooks	19	\$30,000	--	--	\$570,000
Northeast Delta Dental Stadium	New Hampshire Fisher Cats	32	\$17,500	--	--	\$560,000
TD Bank Ballpark	Somerset Patriots	18	\$26,000	--	--	\$468,000
MGM Park	Biloxi Shuckers	12	\$35,000	--	--	\$420,000
The Diamond	Richmond Flying Squirrels	15	\$26,000	--	--	\$390,000
Hadlock Field	Portland Sea Dogs	16	\$20,000	--	--	\$320,000
AT&T Field	Chattanooga Lookouts	14	\$13,000	--	--	\$182,000
Overall Average		21	\$30,491	418	\$1,395	\$987,535



CLUB SEATS



LEDGE TABLES



SUITES



DOUBLE-A STADIUM NAMING RIGHTS

Among the 30 current Double-A ballparks, 17 have sold naming rights. Current agreements for which data is available are summarized in the table on the right.

As shown, the average naming rights fee is approximately \$222,000 per year, ranging from a low of \$50,000 (MGM Park – Biloxi Shuckers) to a high of \$500,000 (Regions Field – Birmingham Barons). The terms of Double-A naming rights deals average 16 years, ranging from 10-year to 20-year agreements.

RANK	TEAM	STADIUM NAME	CATEGORY	TERM (LENGTH)	AVERAGE ANNUAL FEE
1	Birmingham Barons	Regions Field	Banking	20	\$500,000
2	Mississippi Braves	Trustmark Park	Banking	15	\$300,000
3	Hartford Yard Goats	Dunkin Donuts Park	Restaurants	--	\$250,000
4	Tulsa Drillers	Oneok Field	Natural Gas	20	\$250,000
5	Somerset Patriots	TD Bank Ballpark	Banking	15	\$233,333
6	Harrisburg Senators	FNB Field	Banking	10	\$233,333
7	Reading Fightin Phils	FirstEnergy Stadium	Electric Services	15	\$150,000
8	Corpus Christi Hooks	Whataburger Field	Restaurants	15	\$150,000
9	Chattanooga Lookouts	AT&T Field	Telecommunications	10	\$100,000
10	Biloxi Shuckers	MGM Park	Hospitality	20	\$50,000
Overall Average				16	\$221,667

Note: naming rights details for the Rocket City Trash Pandas' Toyota Field are not publicly available.



LEASE TERMS

The chart on the right details lease terms for Double-A teams’ tenancy at home stadiums that have been opened since 2010.

As shown, the average lease term is 25 years and includes options for an additional 10 years. Average base rental fee is approximately \$300,000, with additional rental fees in the form of variable attendance threshold fees and stadium revenue sharing.

Stadiums are typically owned by the public sector, which is often responsible for long-term stadium capital repairs, while the team generally serves as stadium operator and is responsible for day-to-day stadium maintenance.

	Owner	Operator	Year Opened	Term (years)	Extension Options	Annual Rent		Revenue Share w/ Public Sector				Expense Responsibility	
						Fixed	Additional	Naming Rights	Premium Seating	Third-Party Events	Parking	Maintenance	Capital Repairs
Riverfront Stadium	City of Wichita	Wichita Wind Surge	2021	20	2 @ 5 Years	\$350k	No	\$250k	No	No	No	Team	City
Toyota Field	City of Madison	Rocket City Trash Pandas	2020	30	2 @ 5 years	\$250k	\$1 per ticket sold over 250k; City owed min. \$1m from rent, rev share & sales taxes	50%	No	50% net	50% net	Team	City
Hodgetown Stadium	City of Amarillo	Amarillo Sodpoodles	2019	30	3 @ 5 years	\$400k	No	No	No	No	15%	Team	City
Dunkin Donuts Park	City of Hartford	Hartford Yard Goats	2017	25	3 @ 5 years	\$500k	No	\$50k + 50% remaining increment	No	30% net	No	Team	City
MGM Park	City of Biloxi	Biloxi Shuckers	2015	21	2 @ 5 years	\$150k	\$2 per ticket (not to exceed \$500k)	100% to ground lease landowner	No	No	100% to ground lease landowner	Team	\$25k from team
Regions Field	City of Birmingham	Birmingham Barons	2013	30	unknown	\$400k	\$1 per ticket sold over 200k	50%	\$2.5k per suite leased	10% team special event ticket receipts	unknown	Team	unknown
Admiral Fetterman Field	City of Pensacola	Pensacola Blue Wahoos	2012	10	2 @ 5 years	\$175k	Minimum \$125k from variable attendance surcharge	50%	No	No	100%	Team	City
Oneok Field	Tulsa Stadium Trust	Tulsa Drillers	2010	30	2 @ 5 Years	\$150k	\$0.50 per ticket sold over 400k	100%	No	10% sponsorship + \$0.50 ticket surcharge	No	Team	\$50k from team
Average:	Public	Team	2016	25	2 @ 5 Years	\$297k	Yes	Yes	No	No	Yes	Team	Public



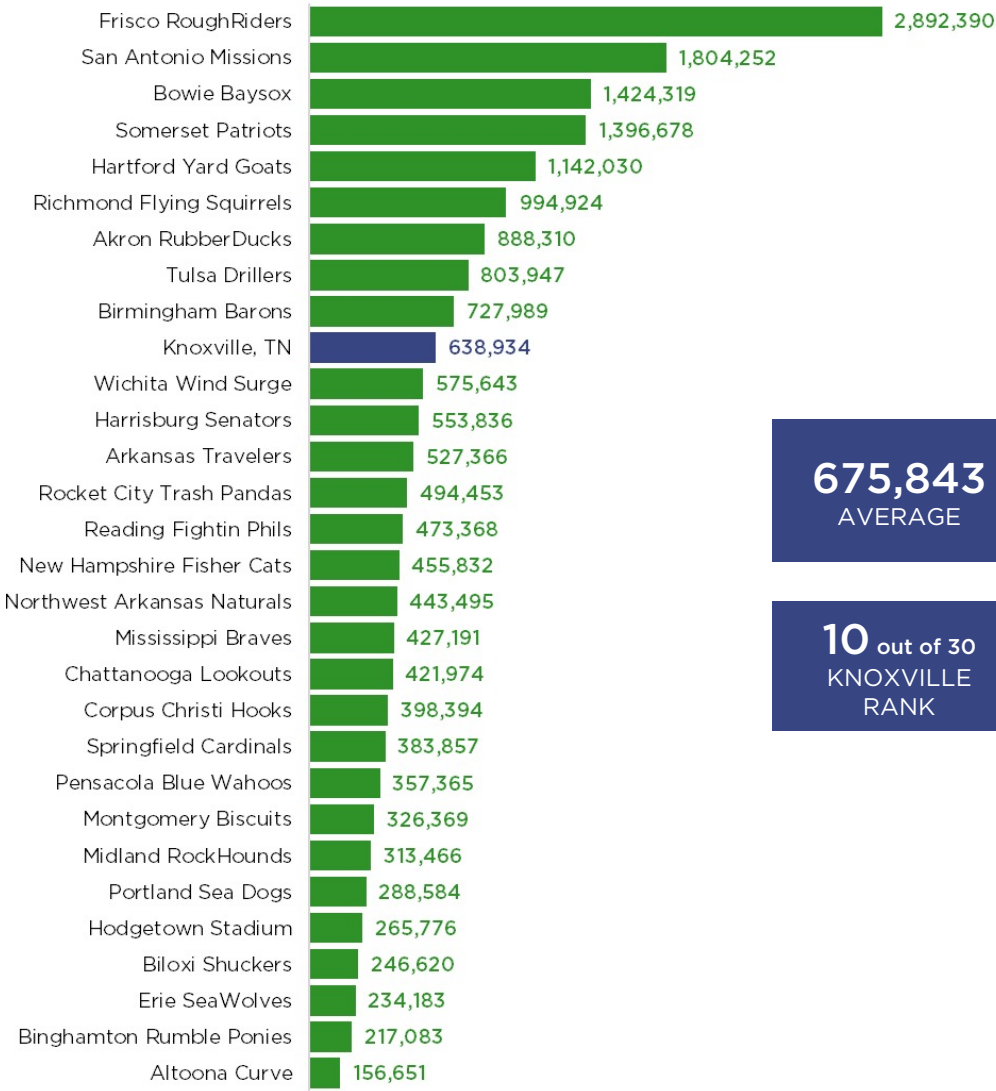
DOUBLE-A MARKET COMPARISON

POPULATION

To gain an understanding of the relative strength of Knoxville’s primary market as reviewed in the preceding section, it is useful to compare the area to various demographic and socioeconomic characteristics among other markets that currently support Double-A franchises.

The level of population from which the Stadium will draw spectators can impact the events and attendance attracted to the facility. The chart on the right shows the total market population (30-minutue drive time) for all Double-A markets.

The Knoxville primary market’s population of approximately 639,000 ranks 10th among Double-A franchises and is approximately six percent below the league average of approximately 676,000. Populations among Class AA markets range from a low of approximately 157,000 in Altoona, Pennsylvania (Altoona Curve) to approximately 2.9 million in Frisco, Texas (Frisco RoughRiders).



675,843
AVERAGE

10 out of 30
KNOXVILLE
RANK

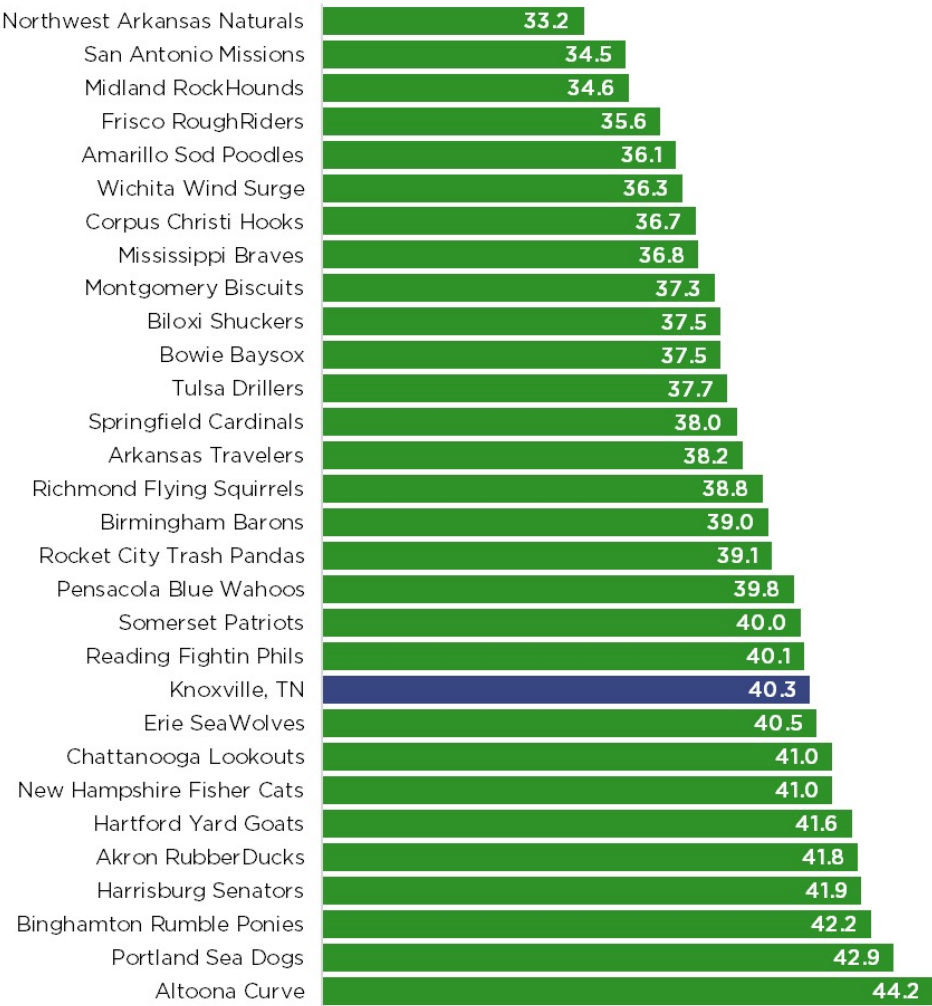


LOCAL MARKET CONDITIONS

MEDIAN AGE

The median age of a population informs the total base from which to draw attendees to the various sports and entertainment events that will be hosted at a new Stadium and can also serve to influence the type of programming offered at the Stadium.

The median age for residents in the Knoxville area is 40.3, ranking 21st youngest among Double-A markets, which have an average age of 38.8 years old. The median age of residents in Double-A markets ranges from a low of 33.2 years in Springdale, Arkansas (Northwest Arkansas Naturals) to a high of 44.2 years old in Altoona, Pennsylvania (Altoona Curve).



38.8
AVERAGE

21 out of 30
KNOXVILLE
RANK



LOCAL MARKET CONDITIONS

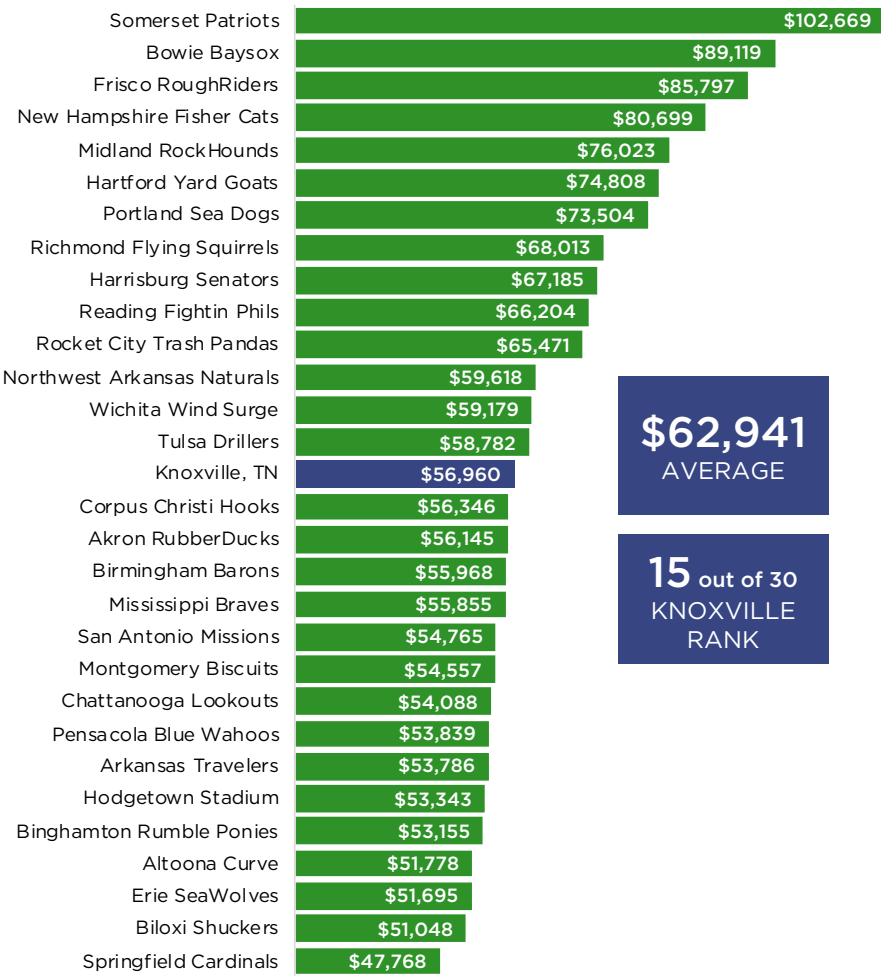
HOUSEHOLD INCOME

A market’s ability to allocate discretionary income to purchase tickets, concessions, merchandise, and other items at a new Stadium is contingent upon the income of its residents. The charts to the right present the median household income and adjusted median income among Double-A markets.

The primary market has the 15th highest median household income (\$56,960) among Double-A markets, which is 10 percent below the league average (\$62,941).

When looking at adjusted income, which is the amount a household has available to spend or save after taxes, and adjusting for cost of living, the primary market ranks 9th (\$68,544), which is eight percent above the league average (\$63,538).

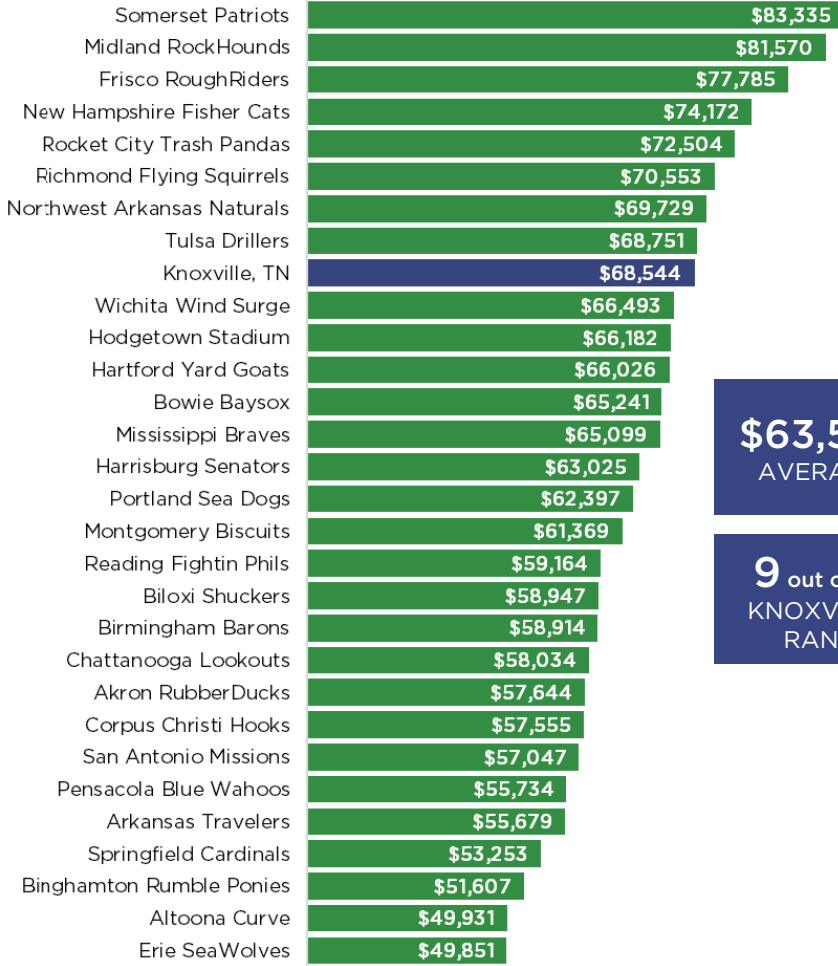
MEDIAN HOUSEHOLD INCOME



\$62,941
AVERAGE

15 out of 30
KNOXVILLE
RANK

ADJUSTED MEDIAN HOUSEHOLD INCOME



\$63,538
AVERAGE

9 out of 30
KNOXVILLE
RANK



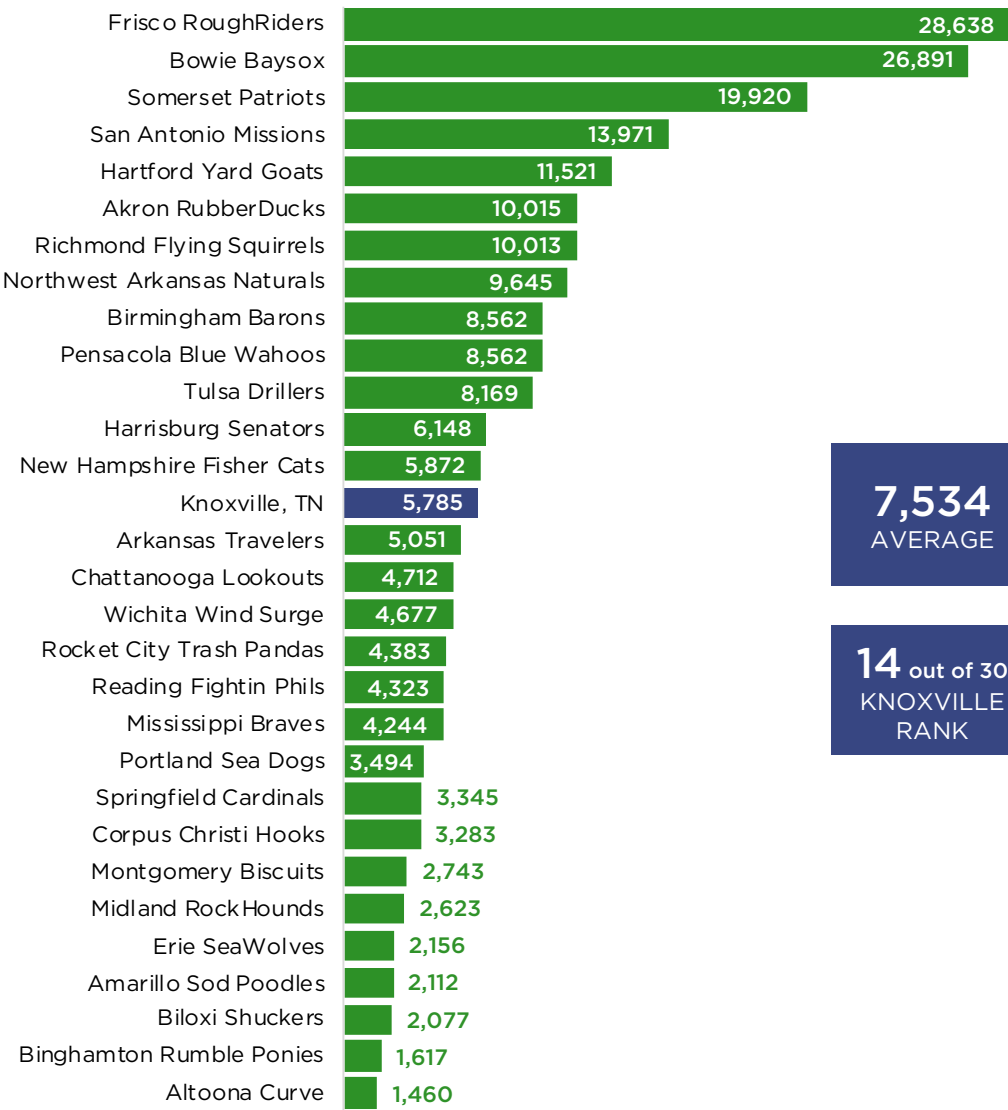
LOCAL MARKET CONDITIONS

CORPORATE BASE

The corporate inventory in a market can serve as an indicator of potential support for a new facility through sponsorship, premium seating, and season ticket sales. The chart on the right summarizes the corporate inventories of Double-A markets.

The primary market in Knoxville has approximately 5,800 corporations with at least 10 employees. The corporations that fit this criteria exclude industries that are unlikely to purchase tickets and premium opportunities, such as education organizations, government entities, and membership, religious, and non-profit organizations.

The primary market’s corporate base ranks 14th among Double-A markets, slightly lower than the league average of 7,534. The corporate bases among Double-A markets range from a low of 1,460 in Altoona, Pennsylvania (Altoona Curve) to a high of 28,638 in Frisco, Texas (Frisco RoughRiders).



7,534
AVERAGE

14 out of 30
KNOXVILLE
RANK



KEY TAKEAWAYS

The following are key takeaways from this review of Double-A baseball:



RECENT STADIUM
CONSTRUCTION
FOCUSED IN
DOWNTOWN CORES

Four of the five new stadiums
opened since 2015 are located
downtown



CONSISTENT
ATTENDANCE LEVELS
LEAGUE-WIDE

Total and average attendance
league-wide has grown 0.17
percent since 2015



STADIUM LEASES
TYPICALLY NAME PUBLIC
ENTITY AS OWNER AND
TEAM AS OPERATOR

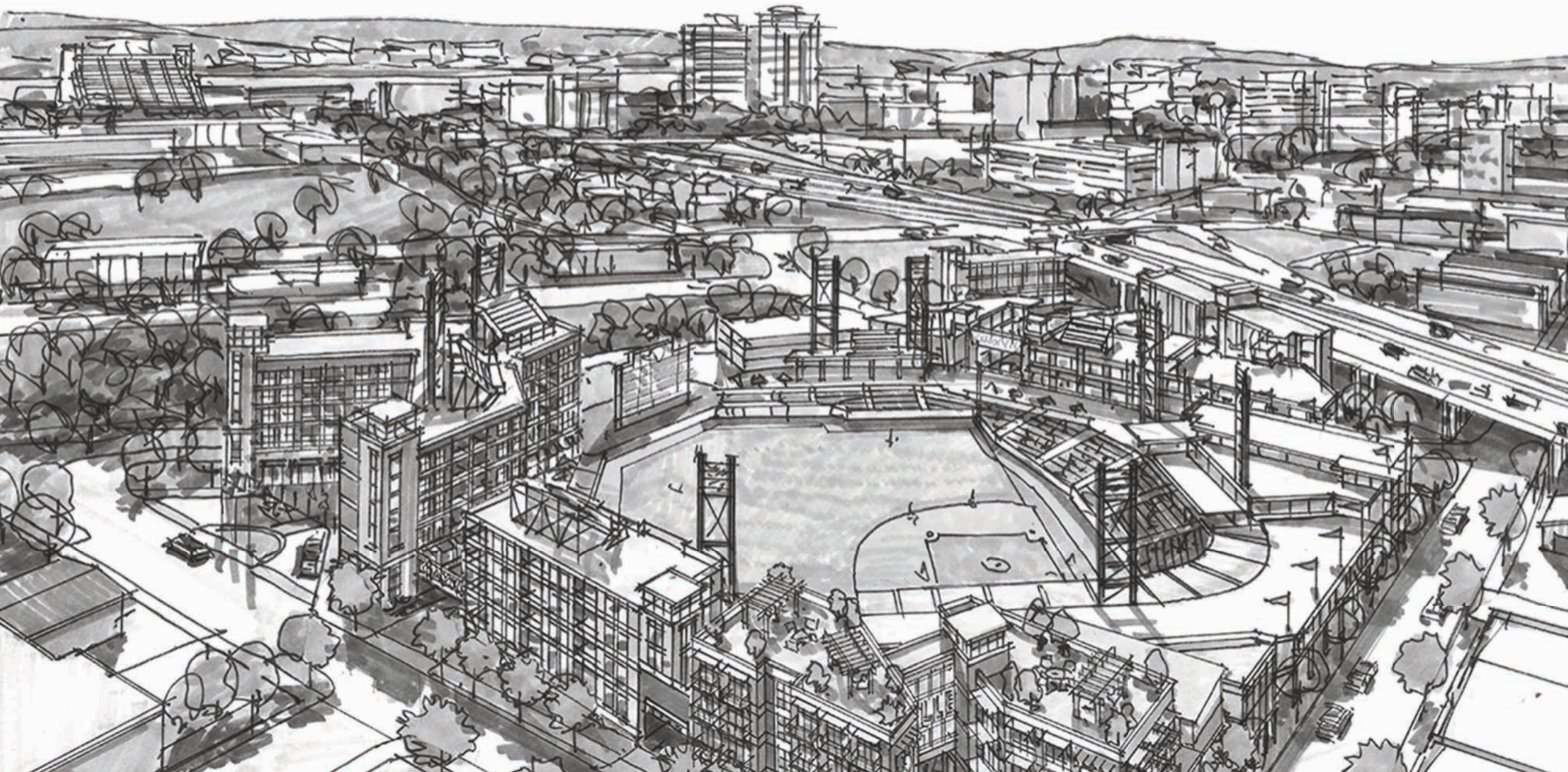
Average base rental fee is \$300,000,
with additional rental fees in the form
of variable attendance fees and
revenue sharing



MARKET RANKS FAVORABLY
WHEN COMPARING KEY
DEMOGRAPHIC VARIABLES
LEAGUE-WIDE

Knoxville ranks 10 of 30 in
population, 21 of 30 in median age, 9
of 30 in adjusted household income
and 14 of 30 in corporate base

4. COMPARABLE STADIUM REVIEW





IDENTIFIED COMPARABLE STADIUMS

Operations of the 30 existing Double-A teams, as reviewed in the preceding section, provide a useful basis from which to evaluate proposed Stadium operations. To provide more granular operational context, however, it is important to assess the operations of the Double-A stadiums most comparable to the proposed Stadium. Identified comparable stadiums, including the Wichita Wind Surge's Riverfront Stadium, the Rocket City Trash Pandas' Toyota Field, the Amarillo Sodpoodles' Hodgetown Stadium, the Birmingham Barons' Regions Field and the Tulsa Drillers' Oneok Field, were identified through the following stadium filtering process:



Team	Market	Stadium	Year Opened	Location	Mixed-Use Development	30-Minute Drive Time Population
Tennessee Smokies	Knoxville, TN	Knox County Multi-Use Stadium	2023	Downtown	Yes	638,934
Wichita Wind Surge	Wichita, KS	Riverfront Stadium	2021	Downtown	Yes	575,643
Rocket City Trash Pandas	Huntsville, AL	Toyota Field	2020	Suburban	Yes	494,453
Amarillo Sodpoodles	Amarillo, TX	Hodgetown Stadium	2019	Downtown	Yes	265,776
Hartford Yard Goats	Hartford, CT	Dunkin Donuts Park	2017	Downtown	No	1,139,007
Biloxi Shuckers	Biloxi, MS	MGM Park	2015	Downtown	No	246,620
Birmingham Barons	Birmingham, AL	Regions Field	2013	Downtown	Yes	727,989
Pensacola Blue Wahoos	Pensacola, FL	Admiral Fetterman Field	2012	Downtown	No	356,906
Tulsa Drillers	Tulsa, OK	Oneok Field	2010	Downtown	Yes	803,947
Northwest Arkansas Naturals	Springdale, AR	Arvest Ballpark	2008			
Arkansas Travelers	Little Rock, AR	Dickey-Stephens Park	2007			
New Hampshire Fisher Cats	Manchester, NH	Northeast Delta Dental Stadium	2005			
Corpus Christi Hooks	Corpus Christi, TX	Whataburger Field	2005			
Mississippi Braves	Jackson, MS	Trustmark Park	2004			
Springfield Cardinals	Springfield, MO	Hammons Field	2004			
Montgomery Biscuits	Montgomery, AL	Montgomery Riverwalk Stadium	2004			
Frisco Roughriders	Frisco, TX	Riders Field	2003			
Midland Rockhounds	Midland, TX	Momentum Bank Ballpark	2002			
Chattanooga Lookouts	Chattanooga, TN	AT&T Field	2000			
Somerset Patriots	Bridgewater, NJ	TD Bank Ballpark	1999			
Altoona Curve	Altoona, PA	People's Natural Gas Field	1999			
Akron Rubber Ducks	Akron, OH	Canal Park	1997			
Erie Sea Wolves	Erie, Pennsylvania	UPMC Park	1995			
San Antonio Missions	San Antonio, Tx	Nelson Wolff Municipal Stadium	1994			
Bowie Baysox	Bowie, MD	Prince George's Stadium	1994			
Portland Sea Dogs	Portland, ME	Hadlock Field	1994			
Binghamton Rumble Ponies	Binghamton, NY	Mirabito Stadium	1992			
Harrisburg Senators	Harrisburg, PA	FNB Field	1987			
Richmond Flying Squirrels	Richmond, VA	The Diamond	1985			
Reading Fightin Phils	Reading, PA	FirstEnergy Stadium	1951			

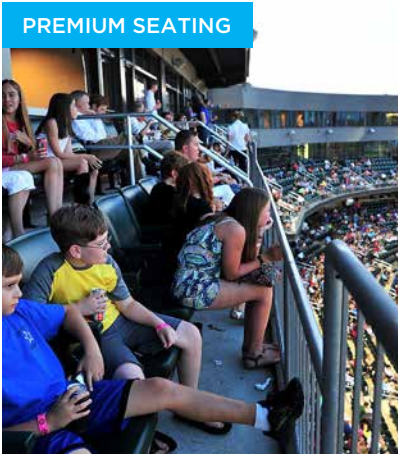
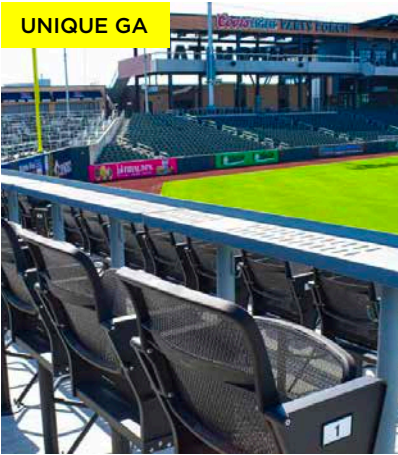
IDENTIFIED COMPARABLES



STADIUM BUILDING PROGRAMS

Comparable stadiums required significant investment relative to the Double-A stadium average (\$54 million compared to \$28 million), providing for the construction of diverse seating products with state-of-the-art amenities. A review of comparable stadium building program elements, including diversity in product offerings, is provided in the table below.




	Stadium Cost (\$M)	Total Capacity	Berm Capacity	Unique GA		Group Areas			Premium Seating		
				Ledge Seats	Picnic Tables	Party Suites	Party Decks	Party Patios	Club Seats	Loge Boxes	Luxury Suites
Riverfront Stadium	\$75	10,000	3,500	Yes	Yes	2	1	2	250	26	12
Toyota Field	\$46	7,500	2,500	Yes	Yes	4	1	2	442	44	15
Hodgetown Stadium	\$46	7,000	2,362	No	Yes	4	1	1	Yes	Yes	Yes
Regions Field	\$64	8,500	2,250	No	Yes	3	2	1	520	--	23
Oneok Field	\$39	7,833	1,500	No	Yes	3	2	4	200	--	23
Average	\$54	8,167	2,422	No	Yes	3	1	2	353	35	18



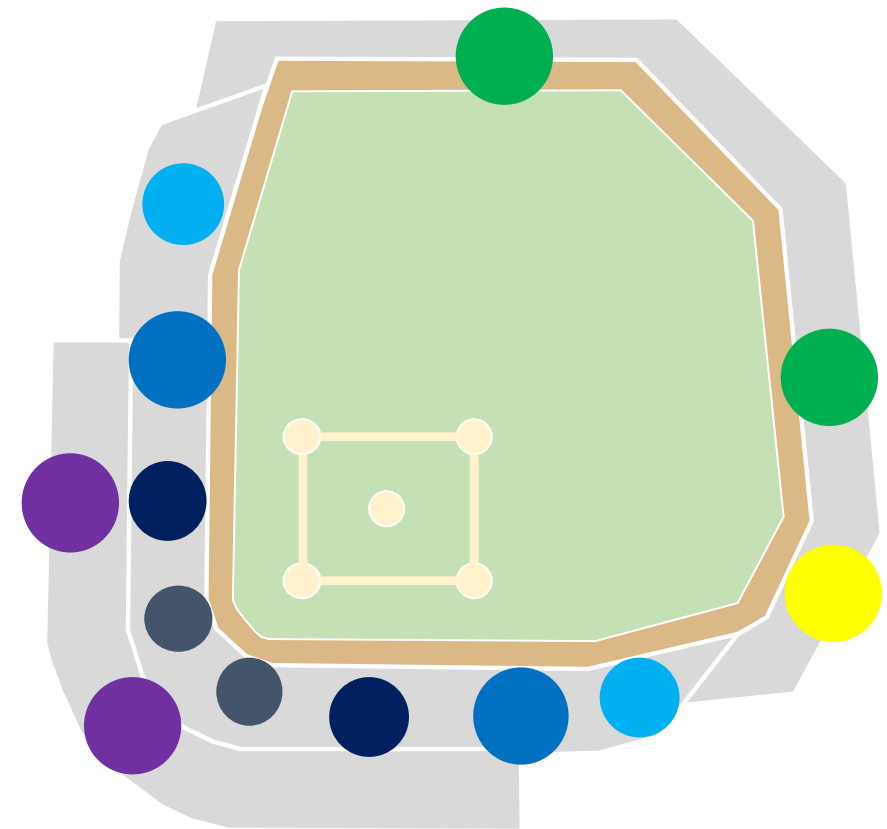


TICKET PRICING

The diversity in comparable stadium product offerings as outlined on the previous page provides for the segmentation of seating price points such that diverse market segments can be accommodated within the venue. The table below details price points for various seating areas within comparable facilities.

General Seating Per Game Prices:		Birmingham Barons	Tulsa Drillers	Wichita Wind Surge	Rocket City Trash Pandas	Amarillo Sod Poodles	Average
	Berm	\$5	\$2	\$11	\$8	\$6	\$6
	Baseline Box	\$7	\$8	\$16	\$12	\$10	\$11
	Field Reserved	\$8	\$8	\$16	\$12	\$12	\$11
	Dugout Premium	\$10	\$10	\$16	\$14	\$14	\$13
	Batters Box	\$13	\$11	\$16	\$14	\$18	\$14
	Premium Rail Seats	--	--	\$23	\$20	--	\$22
Premium Seating Annual Prices:		Barons	Drillers	Wind Surge	Trash Pandas	Sod Poodles	Average
	Club Seats	\$1,560	\$1,750	\$3,000	\$1,900	unknown	\$2,053
	Loge Tables	--	--	\$10,000	\$4,300	unknown	\$7,150
	Luxury Suites	\$35,000	\$35,000	unknown	unknown	unknown	\$35,000

As shown, general seating can range in price from \$6 to \$22 per game. Premium seating, often sold on a seasonal basis, ranges in price from \$2,100 for club seats, to \$7,000 for loge tables (or \$1,750 per seat for a four-person table), to \$35,000 for suites (or \$1,750 per seat for a 20-person suite).





REGULAR SEASON AVERAGE ATTENDANCE

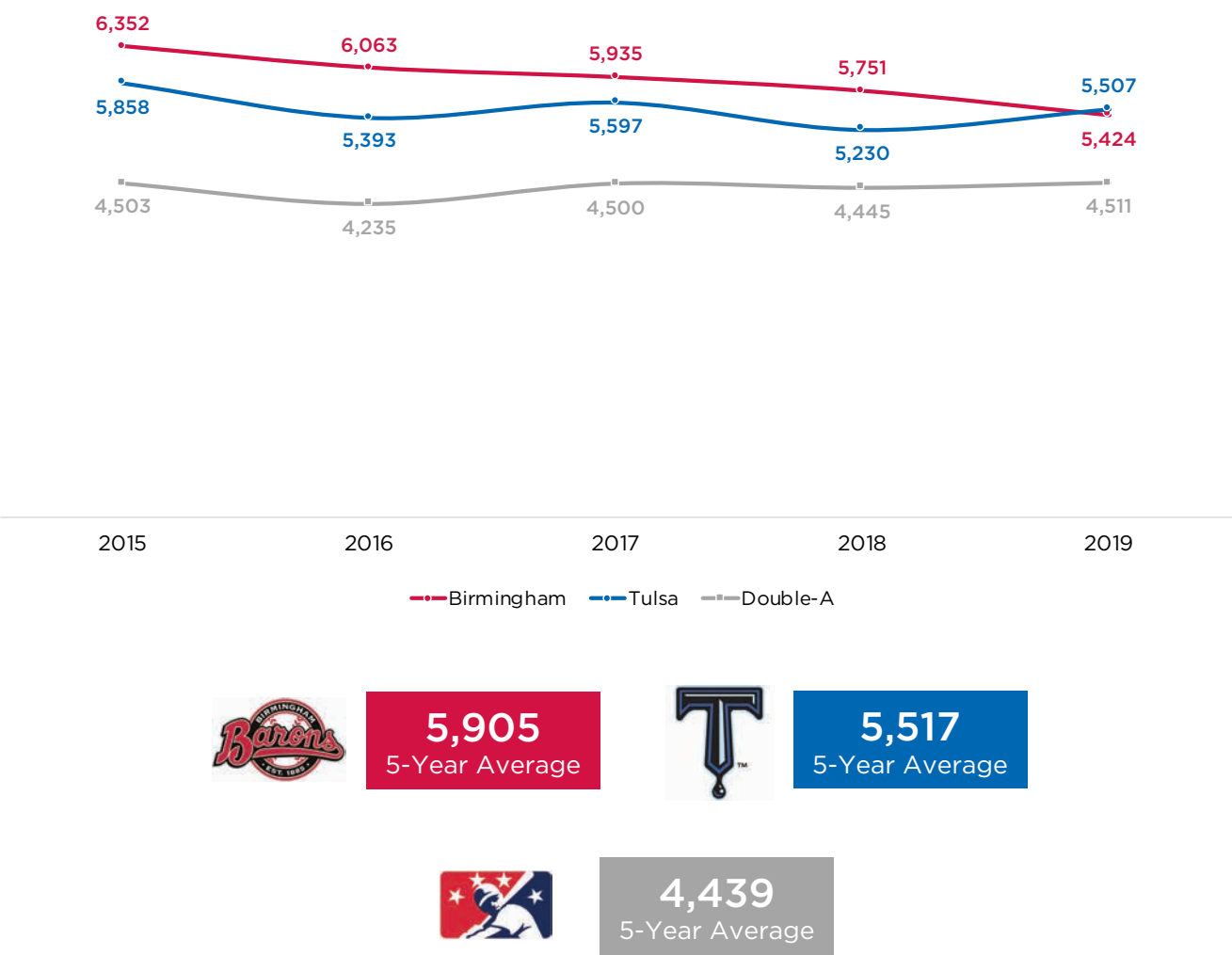
Attendance at comparable stadiums is an important indicator of potential demand for the proposed Stadium. As visualized in the chart on the right, reported average attendance for the Birmingham Barons and Tulsa Drillers over the past five non-COVID-impacted seasons has remained materially above the average for Double-A baseball as a whole.

It should be noted that data for the Wichita Wind Surge is not available as Riverfront Stadium did not open until 2021. Similarly, the Rocket City Trash Pandas did not begin play at Toyota Field until the 2021 season; through 30 games, the team reported average attendance of 6,088. After the Sod Poodles moved to Amarillo in 2019, the team averaged 6,291 reported attendees.

It is also useful to understand the attendance impact teams have seen from moving into new, comparable facilities. The chart below compares average attendance for Drillers and Barons home games for the three seasons preceding and following the teams’ moves into new downtown stadiums:

	Tulsa Drillers	Birmingham Barons
Old Stadium Average Attendance (3 seasons prior to move)	4,525	3,677
New Stadium Average Attendance (3 seasons following move)	5,632	6,091
% Average Attendance Change	24%	66%

As shown, average attendance increased by 24 percent in Tulsa and 66 percent in Birmingham.





STADIUM NAMING RIGHTS

Naming rights fees for comparable stadiums range from \$500,000 (Regions Field – Birmingham Barons) to \$250,000 (Oneok Field – Tulsa Drillers) annually, as detailed in the images on the right. These fees are higher than the Double-A average of approximately \$222,000 per annum, aided in part by the visibility provided by the facilities’ downtown locations and the newness of the stadiums within their respective markets.

It should be noted that, while Wichita’s Riverfront Stadium has yet to secure a naming rights partner, the Wind Surge’s lease agreement with the city requires a flat annual naming rights fee revenue share of \$250,000.

The Rocket City Trash Pandas secured Toyota as their stadium naming rights partner in 2019; details of the agreement were not disclosed.



REGIONS | BANKING | 20 YEARS | \$500,000 | \$10M



ONEOK | NATURAL GAS | 20 YEARS | \$250,000 | \$5M



THIRD-PARTY EVENTS

In addition to approximately 70 regular season Double-A home games per year, comparable stadiums host a variety of third-party events annually. Select events include:



Comparable ballparks can host upwards of 200 events annually, ranging from 20-person birthday parties to major nationally-touring concerts. It is also not uncommon for baseball and soccer to co-exist in Double-A stadiums, with the Tulsa Drillers sharing Oneok Field with the USLC FC Tulsa, among others.



KEY TAKEAWAYS

The following are key takeaways from this review of identified comparable stadiums:



**SIGNIFICANT
INVESTMENT
REQUIRED TO DRIVE
DIVERSE OFFERINGS**

The average construction cost of comparable stadiums was \$54 million (compared to the Double-A average of \$28 million)



**DIVERSE SEATING
OFFERINGS
ATTRACT DIVERSE
MARKET SEGMENTS**

General seat offerings range in price from \$6 to \$22 per game, while premium offerings can range from \$2,100 to \$35,000 annually



**HIGHER
ATTENDANCE
RELATIVE TO
DOUBLE-A AVERAGE**

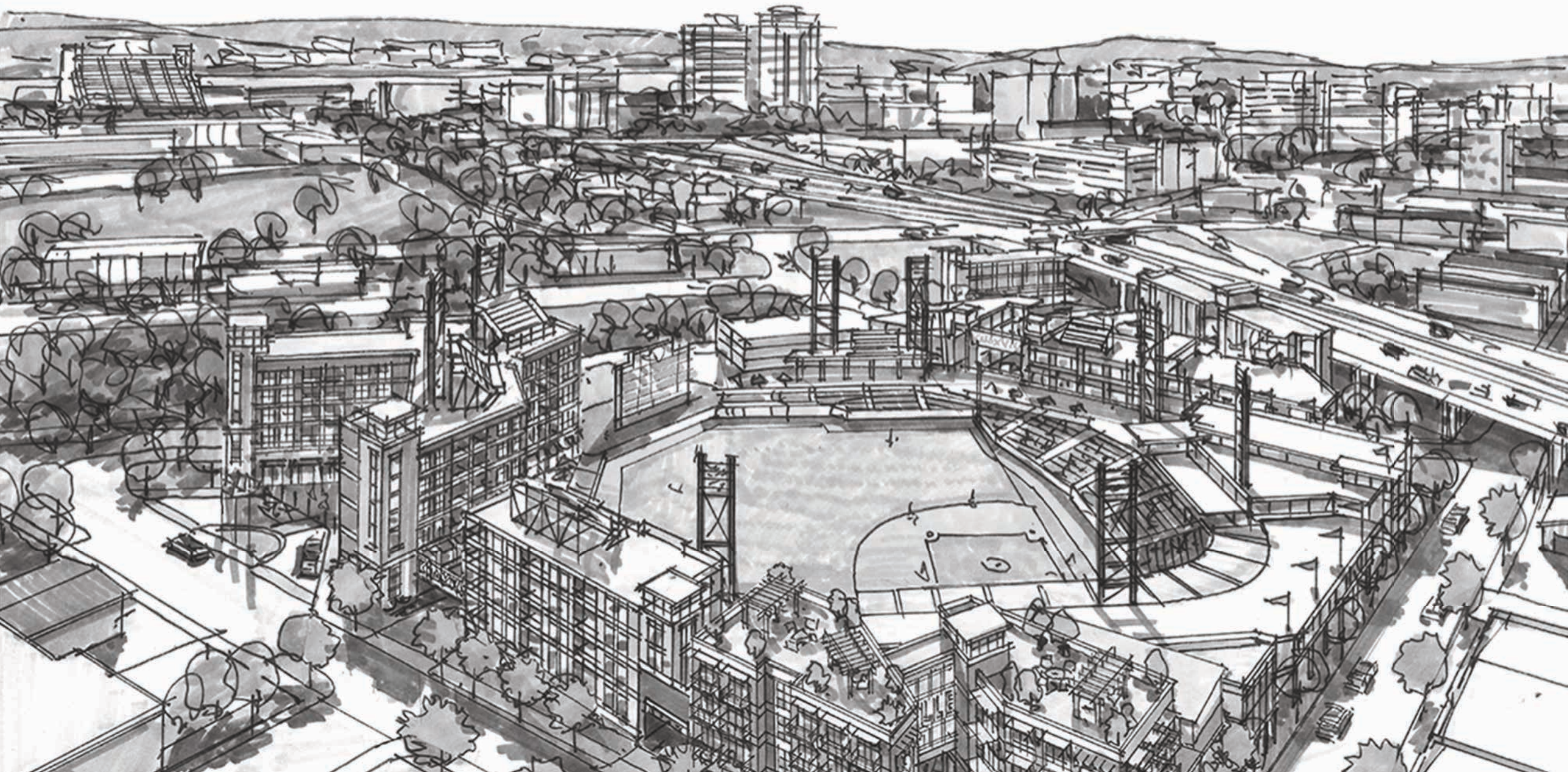
Comparable stadiums averaged 5,500 to 5,900 reported attendees, compared to 4,400 in Double-A from 2015 to 2019



**EVENT POTENTIAL
BEYOND DOUBLE-A
SEASON**

Comparable facilities can host upwards of 200 events annually, ranging from birthday parties to concerts

5. USER INTERVIEWS





KEY FEEDBACK

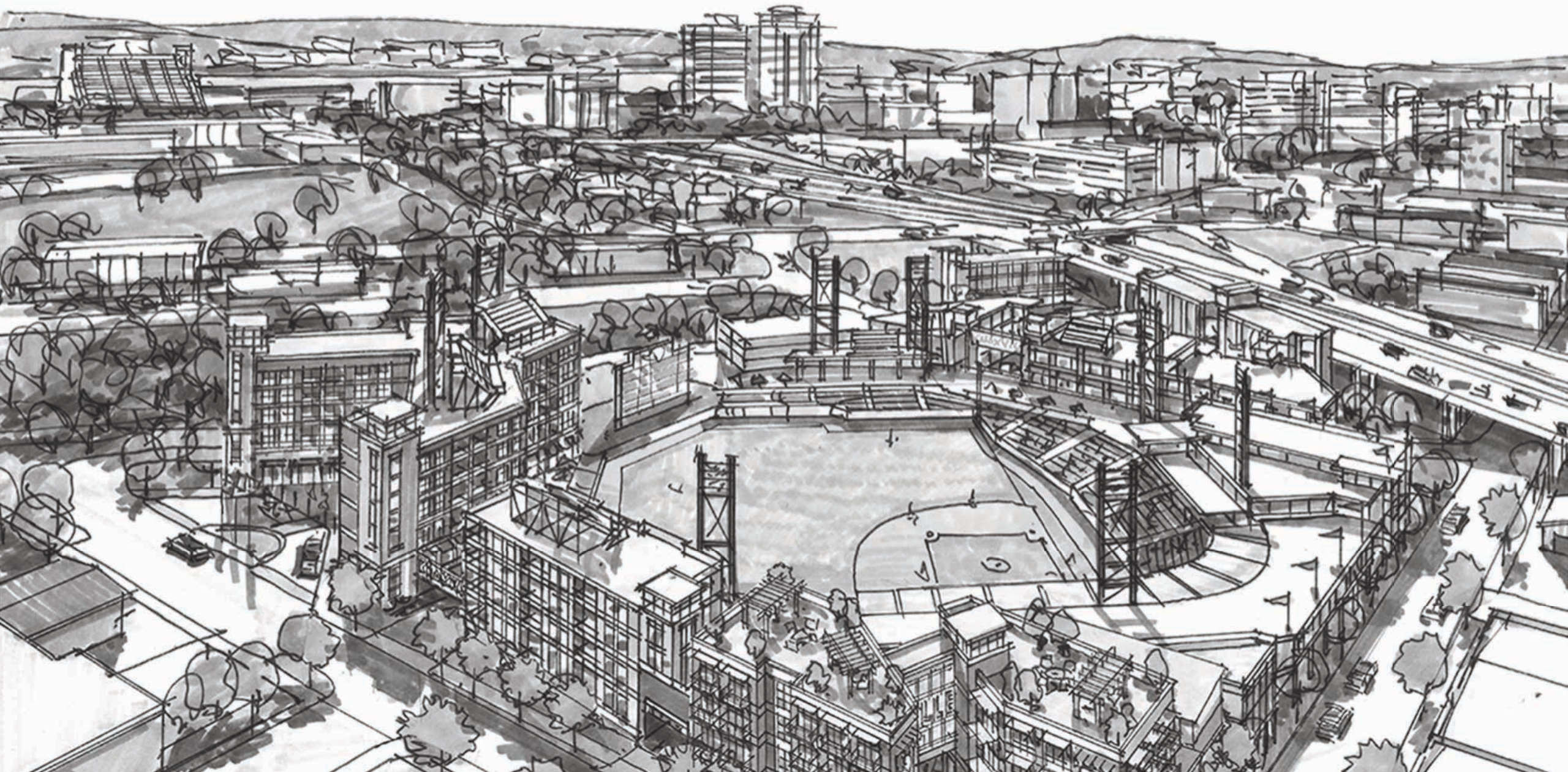
To better understand the event potential for and other information related to the new Stadium, CSL held conversations with four (4) potential Stadium users, as shown in the graphic below.



Key feedback related to the event potential of the Stadium and other key pieces of information related to building program and market demand is shown below.

- The Stadium should be designed to accommodate a wide variety of users, ranging from Smokies baseball and USL soccer to outdoor concerts and indoor, private events.
- One Knoxville SC (USL) has significant interest in utilizing the potential Stadium and envisions using the downtown location to tap into an existing soccer market in the region. Representatives indicated that a stadium that would allow their attendance to reach at least 4,000 average attendees would best serve their needs, especially in a facility that could be multi-purpose in its design to better accommodate soccer utilization. A multi-use design that minimizes field/stand changeover time and costs would make the Stadium feasible for the team in the long-term
- Smokies representatives indicated that the proposed Stadium could host a variety of other non-tenant ticketed events, including a collegiate baseball series, high school championships, and other youth sports tournament events.
- Concert promoters in the region indicated a need in the market for a mid-sized outdoor facility, which represents a market gap among current Knoxville facilities. Promoters indicated that a facility of this size could host three to four concerts each year, with potential for more utilization absent of scheduling issues with tenant teams.
- To host concerts, the ballpark would need to have a variety of modern building program amenities, including comfortable backstage amenities for artists and staff (dressing rooms, catering room, office space, etc.), ample loading space, appropriate sound, audio, and power, and a readily-available stage.
- Multiple organizations indicated that the new Stadium could host a wide variety of private events in Stadium lounges and other spaces, including private indoor events, such as weddings, meetings, and parties, and outdoor, facility-wide events such as corporate outings or community festivals, such as food festivals or 5K walks/runs. Promoters indicated support in the marketplace for approximately 100 to 125 total private events with average attendance between 80 and 100.

6. KEY OPERATING ASSUMPTIONS



CSL | 41

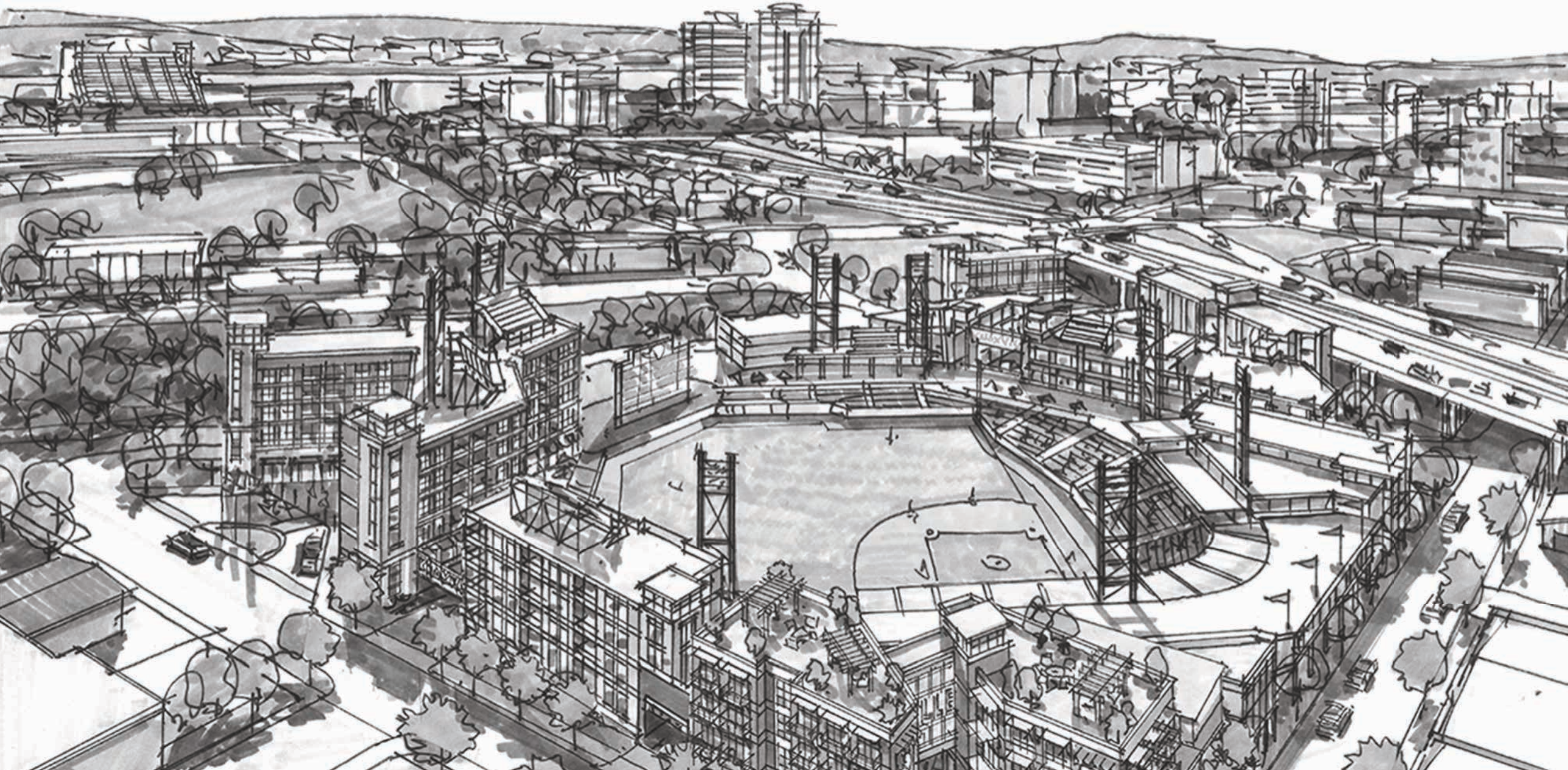
As shown, the 7,246-seat venue is estimated to host 108 ticketed events on an annual basis and attract a total attendance of approximately 428,000 across Smokies, USL1, and other third-party event utilization.

STADIUM EVENTS & ATTENDANCE			
	Annual Events	Average Attendance	Total Attendance
Tennessee Smokies	69	5,000	345,000
USL1	17	2,750	46,750
High School/Youth Sports	5	1,000	5,000
NCAA/Collegiate Sports	2	1,500	3,000
Concerts	3	5,000	15,000
Festivals	2	4,000	8,000
Community Events	10	500	5,000
TOTAL	108	3,961	427,750
AVERAGE TICKET PRICE			
Tennessee Smokies	\$13.76		
USL1	\$23.99		
High School/Youth Sports	\$10.00		
NCAA/Collegiate Sports	\$15.00		
Concerts	\$40.00		
Festivals	\$25.00		
Community Events	\$5.00		

PREMIUM SEATING					
	Inventory	Average MiLB Cost	Average USL1 Cost	Sell-Through	
Luxury Suites	12	\$35,000	\$30,000	100%	
Small Group Seating	58	\$7,800	\$7,000	95%	
Club Seats	258	\$1,650	\$1,250	95%	
CONCESSIONS PER CAP					
General Seating					
Tennessee Smokies	\$10.00				
USL1	\$10.00				
High School/Youth Sports	\$2.50				
Concerts	\$12.50				
Festivals	\$10.00				
Community Events	\$3.00				
Premium Seating					
Club Seats	\$15.00				
Small Group Seating	\$15.00				
Luxury Suites	\$25.00				

STADIUM PRIVATE EVENTS			
	Annual Events	Average Attendance	Total Attendance
Private Events	100	100	10,000
		Average Facility Fee	\$1,000
		Food & Beverage Minimum	\$20
		COGS	75%
MERCHANDISE PER CAP			
Tennessee Smokies	\$2.50		
USL1	\$2.50		
Concerts	\$5.00		
Festivals	\$4.00		
ADVERTISING & SPONSORSHIP			
Stadium			
Naming Rights	\$500,000		
Founding Partnerships	\$400,000		
Smokies			
Team Sponsorships	\$500,000		
USL1			
Shirt Sponsorships	\$225,000		
Team Sponsorships	\$300,000		

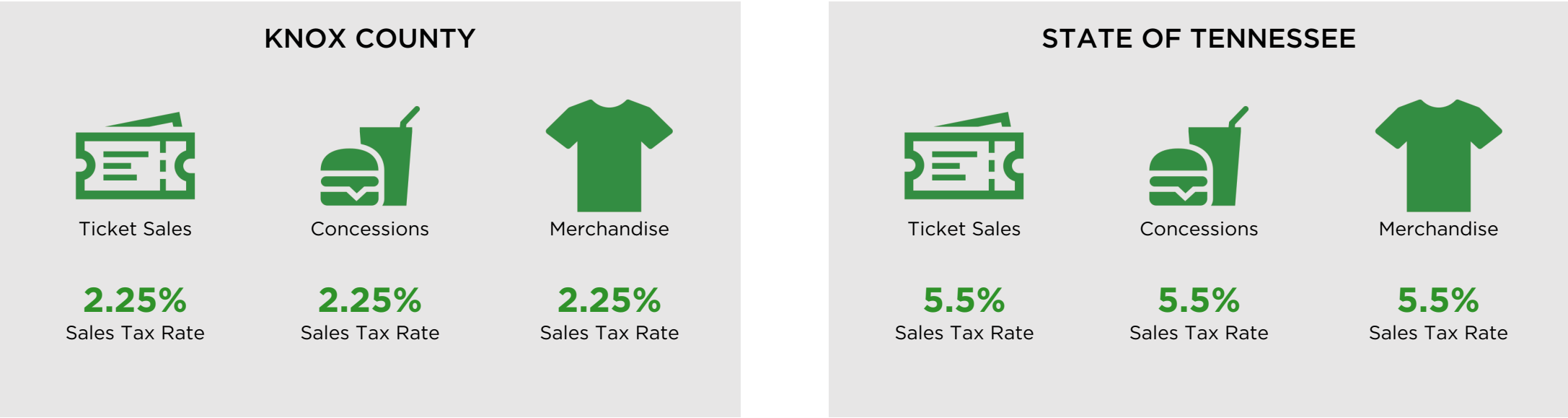
7. TAX REVENUE & ECONOMIC IMPACT ANALYSIS



TAX REVENUE ANALYSIS

SALES TAX ASSUMPTIONS

The purpose of this analysis is to identify the long-term funding potential of sales taxes generated within the proposed Stadium given the key operating assumptions outlined in the preceding section. The graphic below depicts the sales tax rates that could be applied to the three taxable sources of revenue within the proposed Stadium: ticket sales, concessions, and merchandise.



As shown, the full County sales tax rate of 2.25 percent can be applied to all three revenue streams. However, for the State of Tennessee, the full sales tax rate (7.0 percent) less 1.5 percent can be applied per discussions with project stakeholders. The remaining 1.5 percent state sales tax is retained by the State for education and other purposes.



TAX REVENUE ANALYSIS

SALES TAX REVENUE

The chart below depicts total sales tax revenues estimated to be generated from ticket sales, concessions, and merchandise at the proposed Stadium for all events. For example, in year one, there is estimated to be \$12.5 million of taxable sales (i.e., ticket sales, concessions, merchandise), which generates approximately \$282,000 in County sales tax revenues and \$689,000 in State sales tax revenues. Overall, over a 30-year period, between County and State sales tax revenues, it is estimated that \$46.2 million of cumulative sales tax revenues would be generated. On a net present value basis, it is estimated that \$28.3 million in County and State tax revenues can be generated.

SALES TAX REVENUE																							
Year	Taxable Sales				Applicable County Tax Rate			County Tax Revenue				Applicable State Tax Rate			State Tax Revenue				Total (County & State) Tax Revenue				
	Ticket Sales	Concessions	Merchandise	Total	Ticket Sales	Concessions	Merchandise	Ticket Sales	Concessions	Merchandise	Total	Ticket Sales	Concessions	Merchandise	Ticket Sales	Concessions	Merchandise	Total	Ticket Sales	Concessions	Merchandise	Total	
Year 1	\$6,788,000	\$4,441,000	\$1,306,000	\$12,535,000	2.25%	2.25%	2.25%	\$153,000	\$100,000	\$29,000	\$282,000	5.50%	5.50%	5.50%	\$373,000	\$244,000	\$72,000	\$689,000	\$526,000	\$344,000	\$101,000	\$971,000	
Year 2	\$6,991,000	\$4,574,000	\$1,345,000	\$12,910,000	2.25%	2.25%	2.25%	\$157,000	\$103,000	\$30,000	\$290,000	5.50%	5.50%	5.50%	\$385,000	\$252,000	\$74,000	\$711,000	\$542,000	\$355,000	\$104,000	\$1,001,000	
Year 3	\$7,201,000	\$4,711,000	\$1,386,000	\$13,298,000	2.25%	2.25%	2.25%	\$162,000	\$106,000	\$31,000	\$299,000	5.50%	5.50%	5.50%	\$396,000	\$259,000	\$76,000	\$731,000	\$558,000	\$365,000	\$107,000	\$1,030,000	
Year 4	\$7,417,000	\$4,853,000	\$1,427,000	\$13,697,000	2.25%	2.25%	2.25%	\$167,000	\$109,000	\$32,000	\$308,000	5.50%	5.50%	5.50%	\$408,000	\$267,000	\$78,000	\$753,000	\$575,000	\$376,000	\$110,000	\$1,061,000	
Year 5	\$7,640,000	\$4,998,000	\$1,470,000	\$14,108,000	2.25%	2.25%	2.25%	\$172,000	\$112,000	\$33,000	\$317,000	5.50%	5.50%	5.50%	\$420,000	\$275,000	\$81,000	\$776,000	\$592,000	\$387,000	\$114,000	\$1,093,000	
Year 6	\$7,869,000	\$5,148,000	\$1,514,000	\$14,531,000	2.25%	2.25%	2.25%	\$177,000	\$116,000	\$34,000	\$327,000	5.50%	5.50%	5.50%	\$433,000	\$283,000	\$83,000	\$799,000	\$610,000	\$399,000	\$117,000	\$1,126,000	
Year 7	\$8,105,000	\$5,303,000	\$1,559,000	\$14,967,000	2.25%	2.25%	2.25%	\$182,000	\$119,000	\$35,000	\$336,000	5.50%	5.50%	5.50%	\$446,000	\$292,000	\$86,000	\$824,000	\$628,000	\$411,000	\$121,000	\$1,160,000	
Year 8	\$8,348,000	\$5,462,000	\$1,606,000	\$15,416,000	2.25%	2.25%	2.25%	\$188,000	\$123,000	\$36,000	\$347,000	5.50%	5.50%	5.50%	\$459,000	\$300,000	\$88,000	\$847,000	\$647,000	\$423,000	\$124,000	\$1,194,000	
Year 9	\$8,598,000	\$5,626,000	\$1,654,000	\$15,878,000	2.25%	2.25%	2.25%	\$193,000	\$127,000	\$37,000	\$357,000	5.50%	5.50%	5.50%	\$473,000	\$309,000	\$91,000	\$873,000	\$666,000	\$436,000	\$128,000	\$1,230,000	
Year 10	\$8,856,000	\$5,794,000	\$1,704,000	\$16,354,000	2.25%	2.25%	2.25%	\$199,000	\$130,000	\$38,000	\$367,000	5.50%	5.50%	5.50%	\$487,000	\$319,000	\$94,000	\$900,000	\$686,000	\$449,000	\$132,000	\$1,267,000	
Year 11	\$9,122,000	\$5,968,000	\$1,755,000	\$16,845,000	2.25%	2.25%	2.25%	\$205,000	\$134,000	\$39,000	\$378,000	5.50%	5.50%	5.50%	\$502,000	\$328,000	\$97,000	\$927,000	\$707,000	\$462,000	\$136,000	\$1,305,000	
Year 12	\$9,396,000	\$6,147,000	\$1,808,000	\$17,351,000	2.25%	2.25%	2.25%	\$211,000	\$138,000	\$41,000	\$390,000	5.50%	5.50%	5.50%	\$517,000	\$338,000	\$99,000	\$954,000	\$728,000	\$476,000	\$140,000	\$1,344,000	
Year 13	\$9,678,000	\$6,332,000	\$1,862,000	\$17,872,000	2.25%	2.25%	2.25%	\$218,000	\$142,000	\$42,000	\$402,000	5.50%	5.50%	5.50%	\$532,000	\$348,000	\$102,000	\$982,000	\$750,000	\$490,000	\$144,000	\$1,384,000	
Year 14	\$9,968,000	\$6,522,000	\$1,918,000	\$18,408,000	2.25%	2.25%	2.25%	\$224,000	\$147,000	\$43,000	\$414,000	5.50%	5.50%	5.50%	\$548,000	\$359,000	\$105,000	\$1,012,000	\$772,000	\$506,000	\$148,000	\$1,426,000	
Year 15	\$10,267,000	\$6,717,000	\$1,975,000	\$18,959,000	2.25%	2.25%	2.25%	\$231,000	\$151,000	\$44,000	\$426,000	5.50%	5.50%	5.50%	\$565,000	\$369,000	\$109,000	\$1,043,000	\$796,000	\$520,000	\$153,000	\$1,469,000	
Year 16	\$10,575,000	\$6,919,000	\$2,035,000	\$19,529,000	2.25%	2.25%	2.25%	\$238,000	\$156,000	\$46,000	\$440,000	5.50%	5.50%	5.50%	\$582,000	\$381,000	\$112,000	\$1,075,000	\$820,000	\$537,000	\$158,000	\$1,515,000	
Year 17	\$10,892,000	\$7,126,000	\$2,096,000	\$20,114,000	2.25%	2.25%	2.25%	\$245,000	\$160,000	\$47,000	\$452,000	5.50%	5.50%	5.50%	\$599,000	\$392,000	\$115,000	\$1,106,000	\$844,000	\$552,000	\$162,000	\$1,558,000	
Year 18	\$11,219,000	\$7,340,000	\$2,159,000	\$20,718,000	2.25%	2.25%	2.25%	\$252,000	\$165,000	\$49,000	\$466,000	5.50%	5.50%	5.50%	\$617,000	\$404,000	\$119,000	\$1,140,000	\$869,000	\$569,000	\$168,000	\$1,606,000	
Year 19	\$11,556,000	\$7,560,000	\$2,223,000	\$21,339,000	2.25%	2.25%	2.25%	\$260,000	\$170,000	\$50,000	\$480,000	5.50%	5.50%	5.50%	\$636,000	\$416,000	\$122,000	\$1,174,000	\$896,000	\$586,000	\$172,000	\$1,654,000	
Year 20	\$11,902,000	\$7,787,000	\$2,290,000	\$21,979,000	2.25%	2.25%	2.25%	\$268,000	\$175,000	\$52,000	\$495,000	5.50%	5.50%	5.50%	\$655,000	\$428,000	\$126,000	\$1,209,000	\$923,000	\$603,000	\$178,000	\$1,704,000	
Year 21	\$12,259,000	\$8,021,000	\$2,359,000	\$22,639,000	2.25%	2.25%	2.25%	\$276,000	\$180,000	\$53,000	\$509,000	5.50%	5.50%	5.50%	\$674,000	\$441,000	\$130,000	\$1,245,000	\$950,000	\$621,000	\$183,000	\$1,754,000	
Year 22	\$12,627,000	\$8,261,000	\$2,430,000	\$23,318,000	2.25%	2.25%	2.25%	\$284,000	\$186,000	\$55,000	\$525,000	5.50%	5.50%	5.50%	\$694,000	\$454,000	\$134,000	\$1,282,000	\$978,000	\$640,000	\$189,000	\$1,807,000	
Year 23	\$13,006,000	\$8,509,000	\$2,502,000	\$24,017,000	2.25%	2.25%	2.25%	\$293,000	\$191,000	\$56,000	\$540,000	5.50%	5.50%	5.50%	\$715,000	\$468,000	\$138,000	\$1,321,000	\$1,008,000	\$659,000	\$194,000	\$1,861,000	
Year 24	\$13,396,000	\$8,765,000	\$2,577,000	\$24,738,000	2.25%	2.25%	2.25%	\$301,000	\$197,000	\$58,000	\$556,000	5.50%	5.50%	5.50%	\$737,000	\$482,000	\$142,000	\$1,361,000	\$1,038,000	\$679,000	\$200,000	\$1,917,000	
Year 25	\$13,798,000	\$9,027,000	\$2,655,000	\$25,480,000	2.25%	2.25%	2.25%	\$310,000	\$203,000	\$60,000	\$573,000	5.50%	5.50%	5.50%	\$759,000	\$497,000	\$146,000	\$1,402,000	\$1,069,000	\$700,000	\$206,000	\$1,975,000	
Year 26	\$14,212,000	\$9,298,000	\$2,734,000	\$26,244,000	2.25%	2.25%	2.25%	\$320,000	\$209,000	\$62,000	\$591,000	5.50%	5.50%	5.50%	\$782,000	\$511,000	\$150,000	\$1,443,000	\$1,102,000	\$720,000	\$212,000	\$2,034,000	
Year 27	\$14,638,000	\$9,577,000	\$2,816,000	\$27,031,000	2.25%	2.25%	2.25%	\$329,000	\$215,000	\$63,000	\$607,000	5.50%	5.50%	5.50%	\$805,000	\$527,000	\$155,000	\$1,487,000	\$1,134,000	\$742,000	\$218,000	\$2,094,000	
Year 28	\$15,077,000	\$9,865,000	\$2,901,000	\$27,843,000	2.25%	2.25%	2.25%	\$339,000	\$222,000	\$65,000	\$626,000	5.50%	5.50%	5.50%	\$829,000	\$543,000	\$160,000	\$1,532,000	\$1,168,000	\$765,000	\$225,000	\$2,158,000	
Year 29	\$15,530,000	\$10,160,000	\$2,988,000	\$28,678,000	2.25%	2.25%	2.25%	\$349,000	\$229,000	\$67,000	\$645,000	5.50%	5.50%	5.50%	\$854,000	\$559,000	\$164,000	\$1,577,000	\$1,203,000	\$788,000	\$231,000	\$2,222,000	
Year 30	\$15,996,000	\$10,465,000	\$3,078,000	\$29,539,000	2.25%	2.25%	2.25%	\$360,000	\$235,000	\$69,000	\$664,000	5.50%	5.50%	5.50%	\$880,000	\$576,000	\$169,000	\$1,625,000	\$1,240,000	\$811,000	\$238,000	\$2,289,000	
CUMULATIVE	\$322,927,000	\$211,276,000	\$62,132,000	\$596,335,000	--	--	--	\$7,263,000	\$4,750,000	\$1,396,000	\$13,409,000	--	--	--	\$17,762,000	\$11,621,000	\$3,417,000	\$32,800,000	\$25,025,000	\$16,371,000	\$4,813,000	\$46,209,000	
NPV*	\$197,700,000	\$129,346,000	\$38,038,000	\$365,083,000	--	--	--	\$4,447,000	\$2,908,000	\$854,000	\$8,209,000	--	--	--	\$10,874,000	\$7,114,000	\$2,092,000	\$20,080,000	\$15,321,000	\$10,022,000	\$2,946,000	\$28,289,000	

* Net present value assumes a discount rate of 3.0 percent.

ECONOMIC IMPACT ANALYSIS

MEASURES OF ECONOMIC IMPACT

While the preceding estimated fiscal impacts are a quantifiable benefit of the Stadium project, the Stadium and associated Development will also provide broader quantifiable impacts in the form of market-wide economic impacts. To provide a detailed analysis of the estimated benefits associated with the new Stadium and Development, CSL applied relevant assumptions to the study methodology. Typically, and for purposes of this analysis, quantifiable effects are characterized in terms of economic impacts. Economic impacts are conveyed through measures of direct spending, total output, personal earnings and employment, as outlined over the following pages.



DIRECT SPENDING represents the initial primary spending that would occur as a result of the construction and operations of the proposed Stadium and Development as outlined in the graphic to the right, including:

- Construction-related spending on materials, supplies, labor, professional fees and other soft costs for the development of the Stadium and Development;
- In-Stadium spending during annual team and Stadium operations consisting of expenditures on tickets, premium seating, concessions, sponsorships, etc.;
- Out-of-Stadium spending both at the Development and at independent area businesses on hotel rooms, food and beverage, retail, transportation, entertainment, and other such expenditures by event patrons and visiting team and event personnel;
- Development spending by residents, office workers, retail/restaurant and food hall patrons, hotel guests, music theater attendees, and District event patrons not already captured.

DIRECT SPENDING SOURCES



CONSTRUCTION SPENDING

Construction Spending:

- Materials
- Supplies
- Labor
- Professional Fees

OPERATIONS SPENDING

In-Facility Spending:

- Ticket Sales
- Premium Seats
- Concessions
- Merchandise
- Sponsorship
 - Parking
 - Fees
 - Other

Out-of-Facility Spending:

- Lodging
 - Bars
 - Service
 - Retail
- Entertainment
 - Transit
 - Other

Development Spending:

- Restaurants
 - Bars
 - Lodging
 - Retail
- Residential
 - Office
 - Parking
 - Other

ECONOMIC IMPACT ANALYSIS

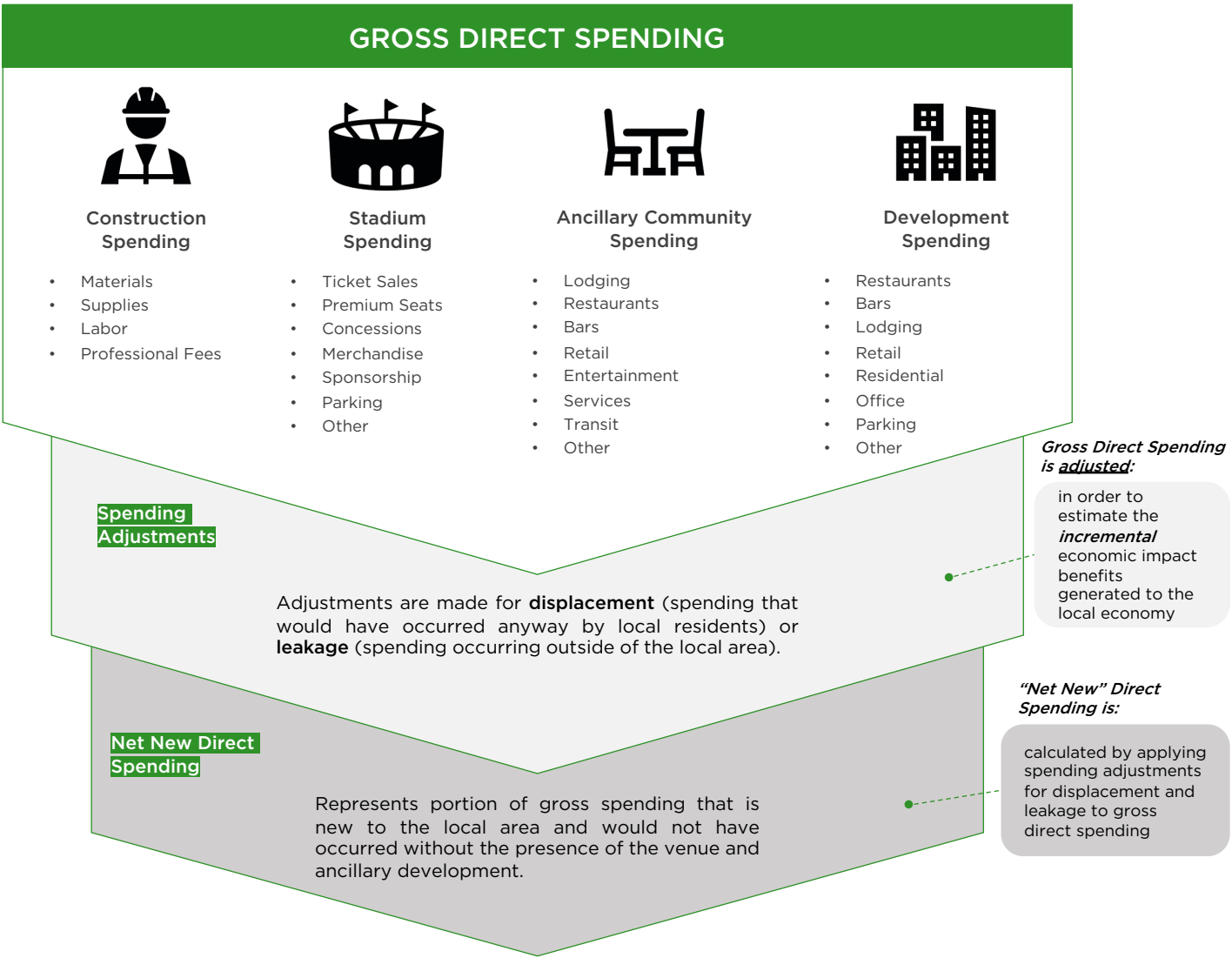
DIRECT SPENDING ADJUSTMENTS

The combined operations of the teams, Stadium, and Development can impact the local economy in a variety of ways. As outlined in the figure to the right, initial direct spending is generated during construction and annual operations at events on tickets, premium seating, concessions, sponsorships, etc. as well as before and after events at local hotels, restaurants, retail, and other such establishments, and throughout the Development’s restaurants, bars, hotels, retail spaces, residences, office buildings, etc.

To estimate the incremental economic impact benefits generated to the local economy from these spending sources, certain adjustments must be made to initial direct spending to reflect the fact that all spending is not likely to impact the local economy. The figure on the right summarizes the adjustments made to initial direct spending in order to determine net new direct spending impacting the local economy.

Adjustments must be made to account for the fact that a certain amount of spending associated with the Team, Stadium, and Development will be made by local residents and, therefore, likely represents money already spent in the economy in another form. This is called displacement and reduces the overall net new impacts. This type of spending is not considered net new to the local economy.

Additionally, not all spending associated with the Team and Stadium takes place in the local economy. A portion of this spending is likely to occur outside the immediate area. This is called leakage and similarly reduces the overall impact. The economic impacts presented herein are derived from the net new direct spending associated with the teams, Stadium, and Development.





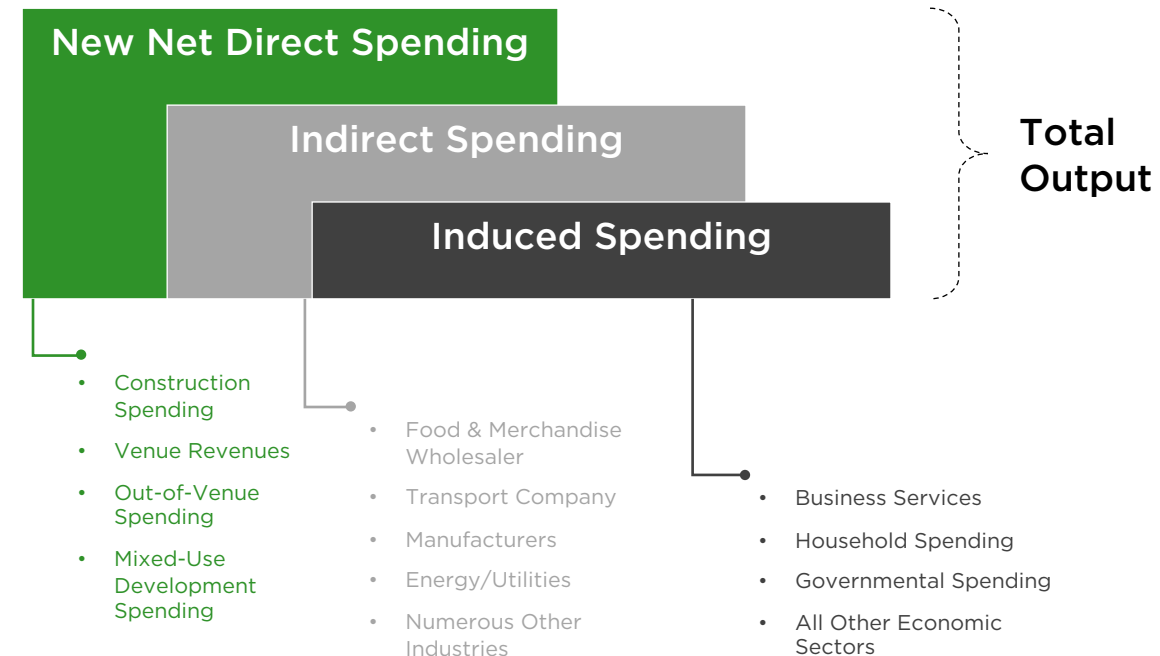
ECONOMIC IMPACT ANALYSIS

MULTIPLIER EFFECTS

Economic impacts are further increased through re-spending of direct spending. The total impact is estimated by applying an economic multiplier to initial direct spending to account for the total economic impact. The total output multiplier is used to estimate the aggregate total spending that takes place beginning with direct spending and continuing through each successive round of re-spending. Successive rounds of re-spending are generally discussed in terms of their indirect and induced effects on the area economy, as follows:

- **Indirect effects** consist of the re-spending of the initial or direct expenditures. These indirect impacts extend further as the dollars constituting the direct expenditures continue to change hands. This process, in principle, could continue indefinitely. However, recipients of these expenditures may spend all or part of it on goods and services outside the market area, put part of these earnings into savings or pay taxes. This spending halts the process of subsequent expenditure flows and does not generate additional spending or impact within the community after a period of time. This progression is termed leakage and reduces the overall economic impact. Indirect impacts occur in a number of industries, including the following:
 - the wholesale industry, as purchases of food and merchandise products are made;
 - the transportation industry, as products are shipped from purchaser to buyer;
 - the manufacturing industry, as products used to service the venue, vendors and others are produced;
 - the utility industry, as the power to produce goods and services is consumed; and,
 - other such industries.
- **Induced effects** consist of the positive changes in spending, employment, earnings and tax collections generated by personal income associated with the operations of the proposed Stadium and Development. Specifically, as the economic impact process continues, wages and salaries are earned, increased employment is generated, and spending occurs in virtually all business, household and governmental sectors. This represents the induced spending impacts generated by direct expenditures.

The graphic to the right illustrates the flow of direct spending through the successive rounds of re-spending, including the indirect and induced effects.




ECONOMIC IMPACT ANALYSIS


MULTIPLIER EFFECTS (CONT'D)


Indirect and induced effects are calculated by applying the appropriate multipliers to the net new direct spending estimates. The appropriate multipliers to be used are dependent upon certain regional characteristics and also the nature of the expenditure. Generally, an area which is capable of producing a wide range of goods and services within its borders will have high multipliers, a positive correlation existing between the self-sufficiency of an area’s economy and the higher probability of re-spending occurring within the region. If a high proportion of the expenditures must be imported from another geographical region, lower multipliers will result.

The multiplier estimates used in this analysis are based on the RIMS II system and are specific to the Knox County area. The specific multipliers used in this analysis are show in the chart to the right.

Multipliers are applied to direct spending to calculate the following measures of economic impact:

- 

Total Output represents the total direct, indirect and induced spending effects generated by the proposed Stadium and Development. Total output is calculated by multiplying the appropriate total output multiplier by the estimated direct spending within each industry.
- 

Employment is expressed in terms of total full-time equivalent (FTE) jobs and includes both full- and part-time jobs. Employment is calculated by dividing the appropriate employment multiplier by one million, and then multiplying by the estimated direct spending within each industry.
- 

Personal Earnings represent the wages and salaries earned by employees of businesses impacted by the proposed Stadium and Development. Personal earnings are calculated by multiplying the appropriate personal earnings multiplier by the estimated direct spending within each industry.

ECONOMIC MULTIPLIERS (KNOX COUNTY)			
	Total Output	Employment (FTE)	Personal Earnings
Commercial Sports	1.83	17.17	0.68
Construction	1.79	11.49	0.57
Entertainment	1.80	22.43	0.47
Food and Beverage	1.82	25.45	0.57
Lodging	1.69	13.87	0.40
Multifamily	0.95	6.79	0.23
Office	1.83	16.87	0.55
Other	1.77	18.44	0.58
Parking	1.68	25.62	0.39
Retail	1.73	18.84	0.47
Transportation	1.68	25.62	0.39

*Note: Total Output and Personal Earnings multipliers are applied one-to-one to dollars, whereas Employment multipliers are applied one-to-one to millions of dollars.
Source: RIMS II.*

ECONOMIC IMPACT ANALYSIS

KEY ASSUMPTIONS

The findings and analysis in this study are derived from a review of the Knoxville marketplace and economic drivers in the region, historical and projected operating data provided by the Smokies, information obtained from other similar studies completed by CSL, the use of RIMS II multipliers, and CSL’s experience in quantifying the economic and fiscal impacts of similar projects. The results presented are for the construction period and cumulative 30-year operations.

The following is a list of key assumptions used in order to estimate the economic and fiscal impacts associate with the construction and on-going operations of the Stadium and Development:



Total project costs are estimated to be approximately \$206 million, including a \$65 million Stadium and \$141 million Development



Event attendance at the Stadium is estimated to total approximately 438,000 annually.



The Stadium construction period will be from 2022 to 2023



Approximately 71 percent of Stadium attendees will be Knox County residents, while 28 percent will be non-County day trippers and one percent will be overnights



The Development, at full build-out, will contain approximately 900,000 square feet of development and will be constructed over a three-year period from December 2022 to March 2025



Spending by Stadium visitors consists of in-facility spending on tickets, concessions, merchandise, and parking, as well as out-of-facility spending on hotels, restaurants, shopping, gas, transit, entertainment, services and other expenditures. Out-of-facility spending by visitors ranges from \$5.00 for County resident to \$125.00 for overnights



The Stadium will host a total of 208 events, including 69 Smokies games, 17 USL1 events, 22 other ticketed events, and 100 private rentals, on an annual basis



ECONOMIC IMPACT ANALYSIS

DEVELOPMENT ASSUMPTIONS

In addition to the direct spending from Stadium operations and ancillary community spending, direct spending will be generating by the operations of the Development. The chart below shows the key assumptions for each component of the Development as provided by project stakeholders as of July 15, 2021.

KEY DEVELOPMENT COMPONENT ASSUMPTIONS														
Operating Year	Residential				Office			Retail / Restaurant				Parking		
	Total Square Footage	Total Units	Occupancy	Average Rent / Sq.Ft.	Total Square Footage	Occupancy	Average Rent / Sq.Ft.	Total Square Footage	Occupancy	Average Rent / Sq.Ft.	Average Sales / Sq.Ft.	Total Spaces	Daily Occupancy	Daily Rate
Year 1	277,340	316	50%	\$20.00	52,800	50%	\$25.00	32,522	50%	\$20.00	\$200.00	376	50%	\$5.00
Year 2	392,380	466	65%	\$20.60	52,800	70%	\$25.75	70,327	60%	\$20.60	\$206.00	958	50%	\$5.15
Year 3	392,380	466	80%	\$21.22	52,800	80%	\$26.52	70,327	70%	\$21.22	\$212.18	958	75%	\$5.30
Year 4	392,380	466	90%	\$21.85	52,800	90%	\$27.32	70,327	80%	\$21.85	\$218.55	958	75%	\$5.46
Year 5	392,380	466	90%	\$22.51	52,800	90%	\$28.14	70,327	90%	\$22.51	\$225.10	958	75%	\$5.63
Year 6	392,380	466	90%	\$23.19	52,800	90%	\$28.98	70,327	90%	\$23.19	\$231.85	958	75%	\$5.80
Year 7	392,380	466	90%	\$23.88	52,800	90%	\$29.85	70,327	90%	\$23.88	\$238.81	958	75%	\$5.97

As shown, at full build-out, the Development is estimated to comprise 466 residences, 52,800 square feet of office space, 70,327 square feet of retail/restaurant, and 958 parking spaces.

ECONOMIC IMPACT ANALYSIS

SUMMARY OF ECONOMIC IMPACTS

The table to the right summarize the net present value (NPV) net new economic impacts of the proposed Stadium and Development to the City of Knoxville, Knox County, and State of Tennessee.

As shown, over a period of construction and 30 years of operations for the proposed Stadium and Development, it is estimated that the City of Knoxville will generate approximately \$281.9 million in net new direct spending that will generate \$477.7 million in total output, 270 total jobs, and \$145.7 million in personal earnings. Approximately 57 percent of the estimated economic impacts are attributable to the proposed Stadium.

Additionally, over a period of construction and 30 years of operations for the proposed Stadium and Development, it is estimated that Knox County will generate approximately \$281.9 million in net new direct spending that will generate \$487.9 million in total output, 405 total jobs, and \$146.5 million in personal earnings. Approximately 54 percent of the estimated economic impacts are attributable to the proposed Stadium.

Moreover, over a period of construction and 30 years of operations for the proposed Stadium and Development, it is estimated that State of Tennessee will generate approximately \$212.7 million in net new direct spending that will generate \$372.4 million in total output, 425 total jobs, and \$109.2 million in personal earnings. Approximately 52 percent of the estimated economic impacts are attributable to the proposed Stadium.

It should be noted that economic impacts for operations of the venue are necessarily higher for smaller measured economies. For example, the City has higher operational economic impacts than the State because some spending can be considered “net new” to the City but not “net new” to the State. For example, if someone, who is looking to spend money on sports / entertainment, living in the State but outside of the City attends a game and spends money on tickets and concessions, that revenue is “net new” to the City but not “net new” to the State. It should also be noted that economic impacts, for this reason, are not additive across catchment areas.

ECONOMIC IMPACT SUMMARY			
Construction + 30-Year Operations Net Present Value			
	City	County	State
Stadium Impacts			
Direct Spending	\$144.8M	\$142.0M	\$104.0M
Total Output	\$272.4M	\$265.8M	\$193.3M
Jobs (FTEs)	140	195	195
Earnings	\$90.7M	\$86.6M	\$61.0M
Mixed-Use District Impacts			
Direct Spending	\$137.2M	\$139.9M	\$108.6M
Total Output	\$205.2M	\$222.2M	\$179.0M
Jobs (FTEs)	130	210	230
Earnings	\$55.0M	\$59.9M	\$48.2M
Total Impacts			
Direct Spending	\$281.9M	\$281.9M	\$212.7M
Total Output	\$477.7M	\$487.9M	\$372.4M
Jobs (FTEs)	270	405	425
Earnings	\$145.7M	\$146.5M	\$109.2M

Note: Economic impacts are not additive across city, county, and state.