



NATIONAL SPORTS & EVENTS CENTER

THE NATIONAL SPORTS & EVENTS CENTER

HOME OF THE NATIONAL VELODROME

COATESVILLE RDA PRESENTATION APRIL 16, 2020



OPPORTUNITY ZONE





NATIONAL SPORTS
& EVENTS CENTER

IN THIS PRESENTATION.

1. FACILITY OVERVIEW
2. PROJECT TEAM EXPERIENCE
3. BUSINESS STRUCTURE
AND CAPITAL FUNDING
4. JOB CREATION AND FISCAL
IMPACT ANALYSIS
5. PROJECT TIMELINE
6. DEVELOPMENT TEAM
7. THE FORMULA FOR SUCCESS



THE NATIONAL SPORTS & EVENTS CENTER

PROJECT OVERVIEW

OUR SUSTAINABLE MODEL:

- MULTI-FUNCTIONAL COMMUNITY FACILITY
- TICKETED EVENTS (SPORTS, CONCERTS, SHOWS)
- FLEXIBLE ALL-SPORTS PRACTICE AND TOURNAMENT SPACE
- SCHOOL AND PUBLIC FITNESS/RECREATION PROGRAMS
- YOUTH AND FAMILY ENTERTAINMENT AREAS
- SERVICES: PUB/RESTAURANT, CONCESSIONS, MEETING SPACE, RETAIL
- PUBLIC/PRIVATE PARTNERSHIP



NATIONAL SPORTS & EVENTS CENTER

OUR UNIQUE FEATURES:

- 2500 SEAT MULTI-USE ARENA
- STATE-OF-THE-ART SOUND, LIGHTING, VIDEO, WI-FI FOR ALL EVENTS
- WORLD CLASS INDOOR VELODROME, 1ST IN THE EAST
- ADAPTABLE 20,000 SQ FT INFIELD FOR CONCERTS, PUBLIC EVENTS, NATIONAL TOURNAMENTS AND LEAGUE PRACTICE
- ANCHOR TENANT: GLOBAL HQ FOR WORLD CYCLING LEAGUE
- YOUTH, OLYMPIC, PARALYMPIC DEVELOPMENT VENUE

PROVEN **DEVELOPMENT AND** MANAGEMENT TEAM



SFM NETWORK





SPORTS FACILITIES ADVISORY
WAS FOUNDED IN 2003



..... OUR MISSION
**IMPROVE THE
HEALTH & ECONOMIC
VITALITY OF THE
COMMUNITIES**
.....
WE SERVE

\$10 Billion
IN PLANNED & FUNDED FACILITIES

2000 COMMUNITIES
SERVED

25 Million
VISITS AT SFM FACILITIES LAST YEAR

- Institutional Grade Financial Forecasting
- Economic Impact Projections
- Strategic Program Planning
- Project Finance Support Services
- Outsourced Management
- National Network of Venues
- Operational Efficiency and Effectiveness

ICMA
INTERNATIONAL CITY/COUNTY
MANAGEMENT ASSOCIATION

THE ASPEN INSTITUTE
PROJECT PLAY
— 2020 —

FRPA
FLORIDA RECREATION
& PARK ASSOCIATION

SFM NETWORK

THE SINGLE LARGEST SPORTS TOURISM NETWORK

WWW.SFMNETWORK.COM

THE NATIONAL SPORTS & EVENTS CENTER
PROJECT OVERVIEW



SPORTS TOURISM VENUES

SFM NETWORK

VISIT WWW.SFMNETWORK.COM



“THE LARGEST SINGLE NETWORK OF SPORTS TOURISM VENUES IN THE COUNTRY & AN UNPARALLELED NETWORK OF EVENTS, VENDORS, TALENT, AND ANALYTICS.”

SFM NETWORK

— JASON CLEMENT, CEO
SPORTS FACILITIES MANAGEMENT

SFM Network Map

SFM Network | Premier Youth Sports Tourism Destinations

SFM NETWORK

SFM NETWORK OVERVIEW

25 MILLION
GUEST VISITS ANNUALLY

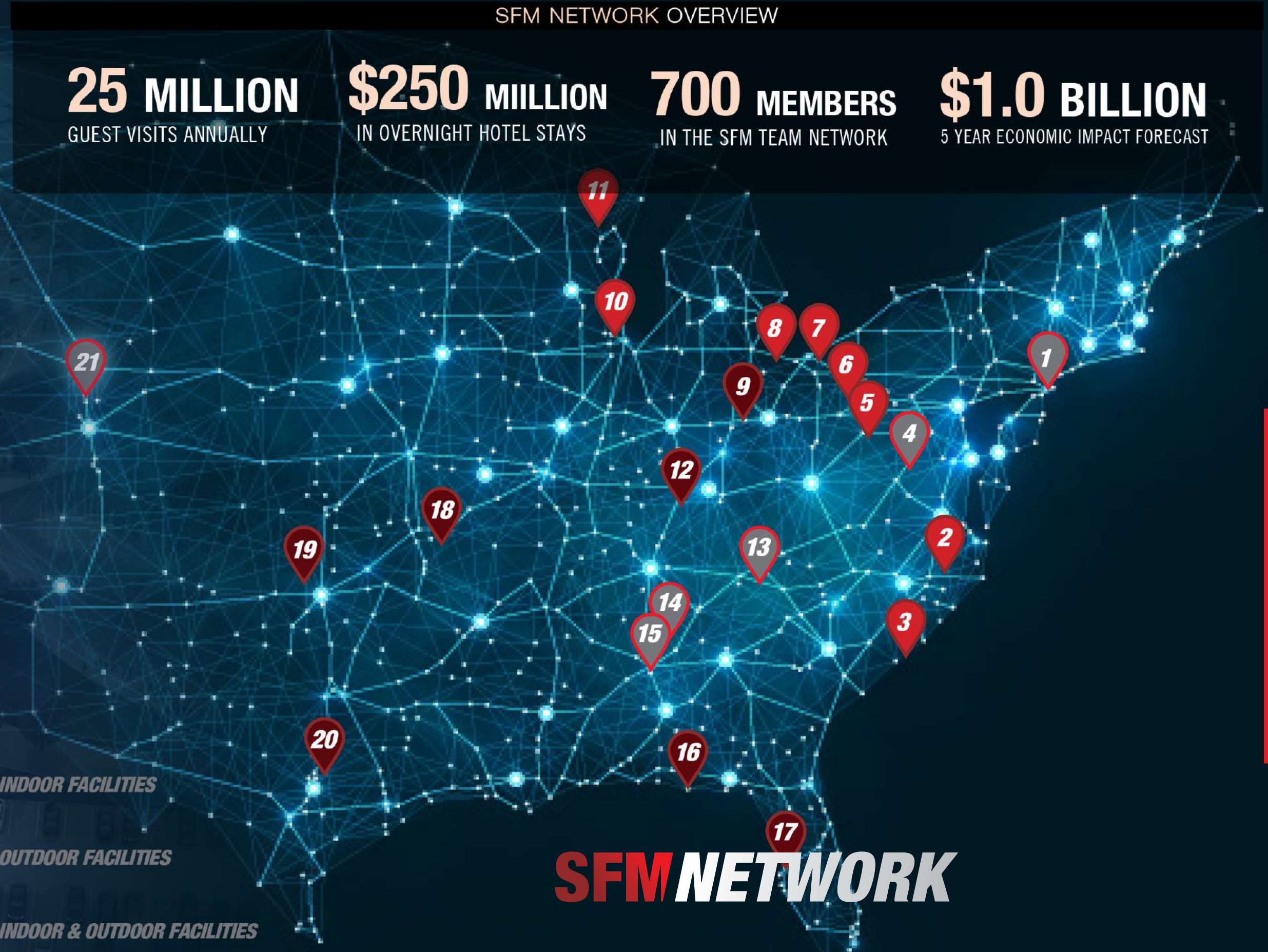
\$250 MILLION
IN OVERNIGHT HOTEL STAYS

700 MEMBERS
IN THE SFM TEAM NETWORK

\$1.0 BILLION
5 YEAR ECONOMIC IMPACT FORECAST

- | | | |
|-----------|------------------------------|--|
| 1 | HILLSBOROUGH, NJ | <i>Apex Sports & Events</i> |
| 2 | ROCKY MOUNT, NC | <i>Rocky Mount Event Center</i> |
| 3 | MYRTLE BEACH, SC | <i>Myrtle Beach Sports Center</i> |
| 4 | HARRISONBURG, VA | <i>Horizons Edge Sports Campus</i> |
| 5 | BRIDGEPORT, WV | <i>The Bridge</i> |
| 6 | WHEELING, WV | <i>The Highlands Sports Complex</i> |
| 7 | CLEVELAND, OH | <i>Bo Jackson's Elite Sports</i> |
| 8 | SANDUSKY, OH | <i>Cedar Point Sports Center</i> |
| 9 | XENIA, OH | <i>Athletes in Action</i> |
| 10 | BEDFORD PARK, IL | <i>Midway Central Station</i> |
| 11 | GRAND CHUTE, WI | <i>Community First Champions Center</i> |
| 12 | ELIZABETHTOWN, KY | <i>Elizabethtown Sports Park</i> |
| 13 | GATLINBURG, TN | <i>RockyTop Sports World</i> |
| 14 | HOOVER, AL | <i>Hoover Met Complex</i> |
| 15 | ALBERTVILLE, AL | <i>Sand Mountain Park & Amphitheater</i> |
| 16 | PANAMA CITY BEACH, FL | <i>Panama City Beach Sports Complex</i> |
| 17 | OLDSMAR, FL | <i>Empower Adventures</i> |
| 18 | BRANSON, MO | <i>Ballparks of America</i> |
| 19 | EDMOND, OK | <i>Pelican Bay Aquatics</i> |
| 20 | HUTTO, TX | <i>Perfect Game (Coming Soon)</i> |
| 21 | WINDSOR, CO | <i>Future Legends</i> |

-  **INDOOR FACILITIES**
-  **OUTDOOR FACILITIES**
-  **INDOOR & OUTDOOR FACILITIES**



SFM NETWORK

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Performance Report: Myrtle Beach

- **Year Opened:** 2015
 - **Ownership:** City of Myrtle Beach
 - **Facility Type:** Indoor Courts/Events
 - **Development Cost:** \$12.5 million
 - **Publicly Funded***
 - **Total Economic Impact:** \$119.8 million
 - **Economic Impact (2018):** \$20.6 million+
 - **Room Nights (2018):** 43,841
 - **Hotels:** Located at the Myrtle Beach Convention Center and Sheraton Hotel site. Purpose was to fill existing hotels.
- * Includes both development costs and operational subsidy



Performance Report: **Rocky Top**

- **Year Opened:** 2014
- **Ownership:** City of Gatlinburg/Sevier County
- **Development Cost:** \$30 million
- **Facility Type:** Indoor Courts/Events and Outdoor Fields
- **Publicly Funded***
- **Total Economic Impact:** \$126.1 million
- **Economic Impact (2018):** \$45.7 million+
- **Room Nights (2018):** 63,348
- **Hotels:** Goal was to fill existing hotel rooms. Additionally, two new limited service hotels have been developed and opened since facility opened its doors.

* Includes both development costs and operational subsidy



Performance Report: Hoover

- **Year Opened:** 2017
- **Ownership:** City of Hoover, Alabama
- **Development Cost:** \$80 million
- **Facility Type:** Indoor Courts/Events
Outdoor Stadium & Fields
- **Publicly Funded***
- **Total Economic Impact:** \$45.8 million
- **Economic Impact (2018):** \$31 million+
- **Room Nights (2018):** 49,630
- **Hotels:** This venue produces overnight hotel bookings throughout the Hoover/Birmingham marketplace.

* Includes both development costs and operational subsidy



Performance Report: **Rocky Mount**

- **Year Opened:** 2018
- **Ownership:** City of Rocky Mount
- **Development Cost:** \$40 million
- **Facility Type:** Indoor Courts/Events
- **Publicly Funded***
- **Total Economic Impact:** \$5.7 million*
- **Economic Impact (2018):** \$5.7 million+*
- **Room Nights (2018):** 14,150*
- **Hotels:** New downtown hotels now underway

* Includes both development costs and operational subsidy



ROCKY MOUNT
EVENT CENTER

S P O R T S T O U R I S M V E N U E S C A S E H I S T O R I E S

Performance Report: Cedar Point

- Year Opened: 2020
- Ownership: Cedar Fair
- Development Cost: \$42 million
- Facility Type: Indoor Courts/Events
- Publicly Funded*
- Projected Economic Impact: \$20 million
- Economic Impact (2020): N/A*
- Projected Room Nights (2018): 25,000
- Hotels: This venue produces overnight hotel bookings throughout the Sandusky Regional marketplace.

* Includes both development costs and operational subsidy

* Facility Opens January 11th, 2020



real-world SFM
results
 for optimization &
 management
 services

SFM Optimization Example		Year Prior SFM	5 Years Later w/ SFM	\$ Change
Facility 1	Income	\$1,681,000	\$2,950,000	\$1,269,000
	COGS	\$1,078,000	\$1,200,000	\$122,000
	Gross Profit	\$603,000	\$1,750,000	\$1,147,000
	Operating Exp	\$1,725,000	\$1,245,000	(\$480,000)
	NOI	(\$1,122,000)	\$505,000	\$1,627,000
SFM Optimization Example		Year Prior SFM	1 Year Later w/ SFM	\$ Change
Facility 2	Income	\$4,754,000	\$5,421,000	\$667,000
	COGS	\$2,928,000	\$2,977,000	\$49,000
	Gross Profit	\$1,826,000	\$2,444,000	\$618,000
	Operating Exp	\$2,066,000	\$1,733,000	(\$333,000)
	NOI	(\$240,000)	\$711,000	\$951,000
SFM Optimization Example		Year Prior SFM	2 Years Later SFM	\$ Change
Facility 3	Income	\$1,549,000	\$1,717,000	\$168,000
	COGS	\$458,000	\$466,000	\$8,000
	Gross Profit	\$1,091,000	\$1,251,000	\$160,000
	Operating Exp	\$1,837,000	\$1,322,000	(\$515,000)
	NOI	(\$746,000)	(\$71,000)	\$675,000

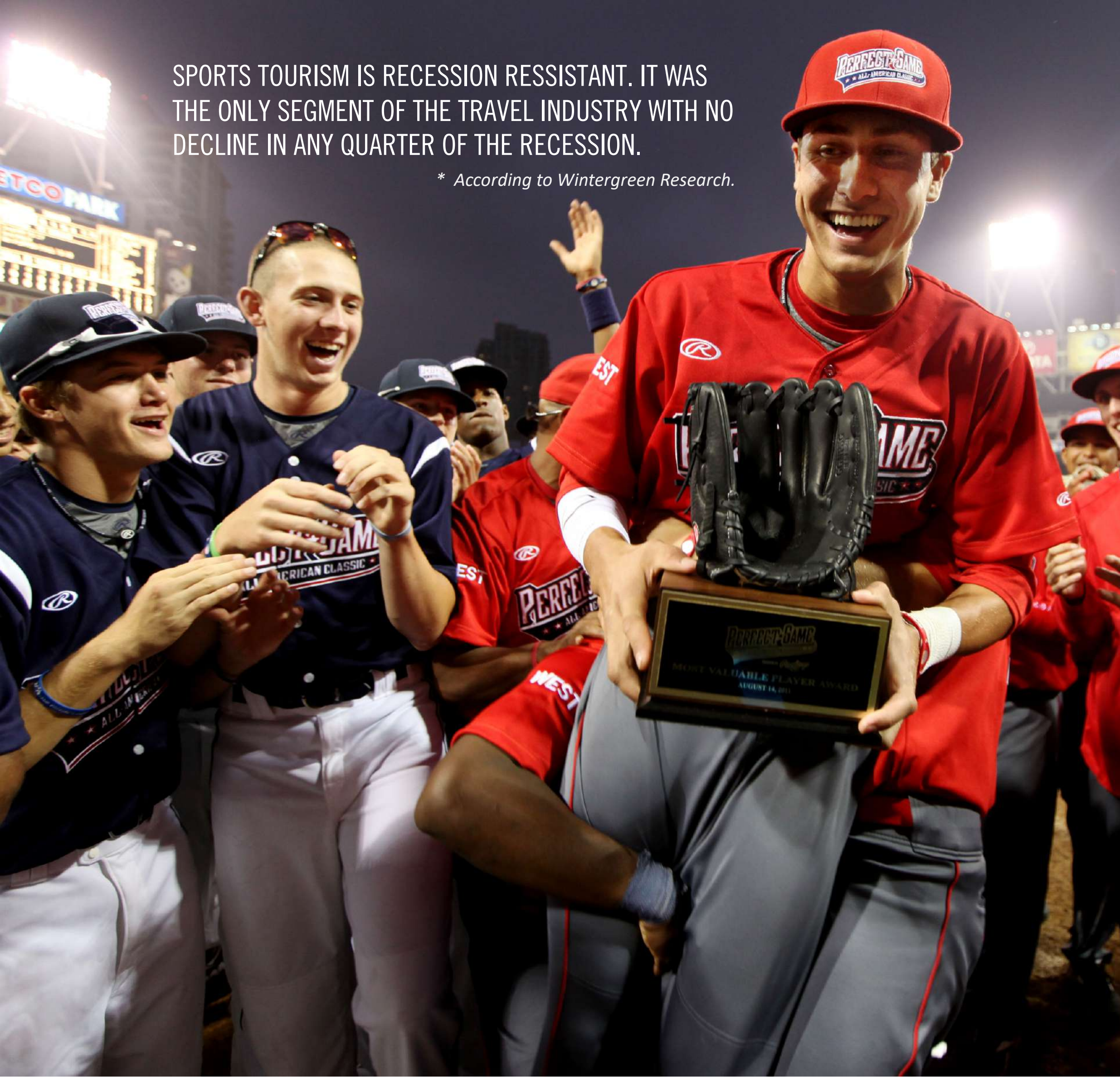
real-world SFM
results
for optimization &
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services

SFM Optimization Example		Year Prior SFM	2 Years Later w/ SFM	\$ Change
Facility 4	Income	\$1,156,000	\$1,316,000	\$160,000
	COGS	\$354,000	\$422,000	\$68,000
	Gross Profit	\$802,000	\$894,000	\$92,000
	Operating Exp	\$739,000	\$661,000	(\$78,000)
	NOI	\$63,000	\$233,000	\$170,000

SFM Optimization Example		Year Prior SFM	5 Years Later w/ SFM	\$ Change
Facility 5	Income	\$7,087,000	\$9,217,000	\$2,130,000
	COGS	\$3,511,000	\$4,104,000	\$593,000
	Gross Profit	\$3,576,000	\$5,113,000	\$1,537,000
	Operating Exp	\$5,450,000	\$4,641,000	(\$809,000)
	NOI	(\$1,874,000)	\$472,000	\$2,346,000

SPORTS TOURISM IS RECESSION RESSISTANT. IT WAS THE ONLY SEGMENT OF THE TRAVEL INDUSTRY WITH NO DECLINE IN ANY QUARTER OF THE RECESSION.

** According to Wintergreen Research.*



INDUSTRY OVERVIEW



TRACKING THE EXPLOSIVE GROWTH IN YOUTH SPORTS

\$18
BILLION
YOUTH SPORTS
INDUSTRY

* THE INDUSTRY IS EXPECTED TO GROW BY **20%**

ANNUALLY OVER THE NEXT 5-7 YEARS

** According to Wintergreen Research/Time Magazine*

In 2018, youth sports was estimated to be a *\$15 Billion Industry. Based on recent estimates the industry could be closing in on \$18 Billion, which means that communities have already missed out on 20% growth

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SFM NETWORK

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GREG LEMOND, FIRST AMERICAN TO WIN THE TOUR DE FRANCE IS HELPING US CHANGE THE COURSE OF CYCLING. AGAIN.

“I AM VERY EXCITED TO PLAY AN ACTIVE ROLE IN THIS PROJECT. I’VE ALWAYS UNDERSTOOD HOW IMPORTANT TRACK RACING AND INDOOR VELODROMES ARE TO THE FUTURE OF THE SPORT.”

Greg LeMond



OUR MISSION:

Bringing the best elements of successful modern sports and business to cycling and the communities we serve

70 Events

MAJOR MARKET EVENTS

290MM Annual

MEDIA IMPRESSIONS (PHILADELPHIA)

\$50 Million

IN CYCLING EVENT SPONSORSHIP

ABOUT WORLD CYCLING LEAGUE:

- Innovative programming and content development
- Corporate sponsorship and media partnerships
- Event video coverage and global livestream distribution
- Community youth development from beginners to Olympians
- Local, regional, national and international sport relationships
- Network of sports, media, entertainment partners and associates



OUR MISSION:

Support NSEC project development for the benefit of youth, amateur cyclists, disabled athletes, local students and the greater Coatesville community.

CORE VALUES:

- Introduce the benefits of health, fitness, and competition through cycling
- Partner with local and national organizations to offer programs that serve youth, the disability community, colleges and elite athletes
- Support regional economic development by providing a unique, sustainable multi-purpose sports, special events & entertainment venue

THE NATIONAL SPORTS & EVENTS CENTER

PROJECT OVERVIEW

WORLD CYCLING LEAGUE PRESENTS

TeamTrak

INTERNATIONAL
**WORLD
CYCLING
COMPETITION
PLATFORM**

1.1 Billion
GLOBAL TARGET AUDIENCE

61.6 Million
US CASUAL AUDIENCE

42 Million
US ENTHUSIAST AUDIENCE

ABOUT TEAMTRAK CYCLING:

- Sustainable league of elite track cycling competition
- 6 to 12, 3 day Tournaments livestreamed per year
- Six co-ed city teams compete in each Tournament
- NVSEC is TeamTrak global headquarters
- 48+ international cyclists based in the area, coach youth programs

FULL LAUNCH OF LEAGUE SCHEDULED FOR 2021/2022



322,000 K



155,000 K



25,000 K

**253,400
Thousand+**

TOTAL LIVE MINUTES WATCHED
VIA LIVESTREAM VOD

WCL
World Cycling League





**NATIONAL SPORTS
& EVENTS CENTER**

BUSINESS STRUCTURE AND CAPITAL FUNDING.

Private Equity
Public Financing
Bank Financing

Philanthropic
Investment 501(c)(3)
Grants

Revenue Drivers

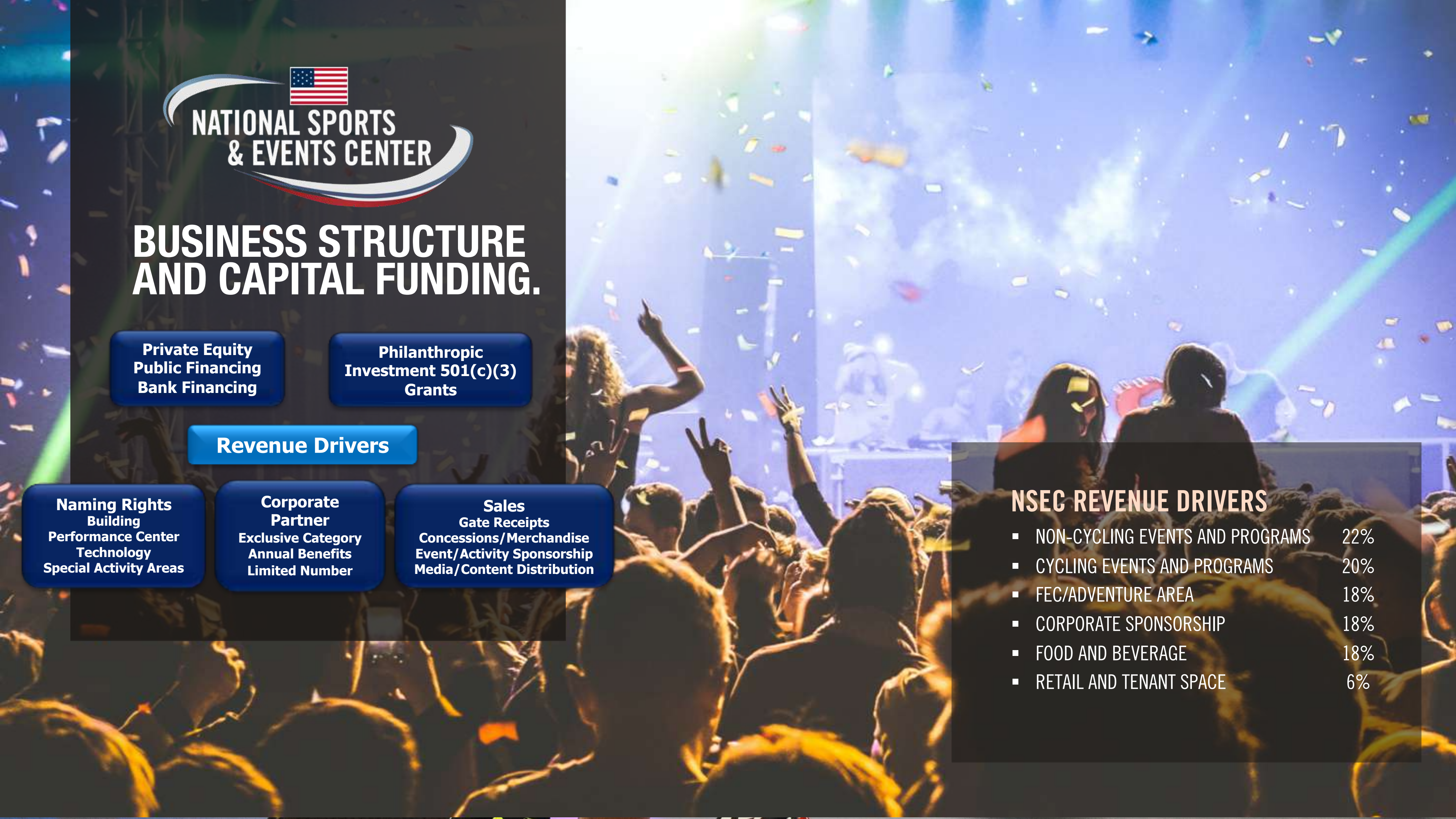
Naming Rights
Building
Performance Center
Technology
Special Activity Areas

**Corporate
Partner**
Exclusive Category
Annual Benefits
Limited Number

Sales
Gate Receipts
Concessions/Merchandise
Event/Activity Sponsorship
Media/Content Distribution

NSEC REVENUE DRIVERS

NON-CYCLING EVENTS AND PROGRAMS	22%
CYCLING EVENTS AND PROGRAMS	20%
FEC/ADVENTURE AREA	18%
CORPORATE SPONSORSHIP	18%
FOOD AND BEVERAGE	18%
RETAIL AND TENANT SPACE	6%





PROJECT OVERVIEW.

\$40-50 Million
IN CONSTRUCTION COSTS*

*based on final building design/size to accommodate community specific revenue-driving programming space

14.4 ACRES

480 Thousand
PROJECTED ANNUAL VISITS

NATIONAL SPORTS AND EVENTS CENTER

HOME OF THE NATIONAL VELODROME

PROJECTED ECONOMIC IMPACT:



10-YEAR CUMULATIVE NEW DIRECT SPENDING



15-YEAR CUMULATIVE NEW DIRECT SPENDING



20-YEAR CUMULATIVE NEW DIRECT SPENDING

DESIGN DRIVEN BY FUNCTION AND COMMUNITY NEEDS

ARENA:

- 200M VELODROME
- 20K FLEXIBLE FLOOR SPACE
- 2500 SEATS (4000 CAPACITY)
- MOVEABLE CONCERT STAGE
- 4 BASKETBALL COURTS
- 8 VOLLEYBALL COURTS
- 1 FITNESS CENTER

POSSIBLE ADDITIONAL ACTIVITY SPACE:

- 1 LASER TAG ARCADE
- 1 VIDEO ARCADE CENTER
- 1 CLIMBING STRUCTURE
- 1 SOFT PLAY AREA
- 1 VR REALITY SYSTEM

LEASED SPACE:

- PERFORMANCE TRAINING AREA
- RETAIL AREA
- RESTAURANT/ PUB
- SPORTS MEDICINE/PT
- CONFERENCE SPACE
- COMMUNITY CENTER

\$18.6 Million+

IN DIRECT SPENDING ANNUALLY FOR PHILADELPHIA, PA

127,500

NON-LOCAL DAYS IN MARKET

39,000

ANNUAL ROOM NIGHTS



THIS PROJECTED HAS BEEN FULLY VETTED AND RESEARCHED BY SFA



OVERALL FOCUS: COMMUNITY ENGAGEMENT

- FAMILY ENTERTAINMENT
- YOUTH AND PUBLIC FITNESS PROGRAMS
- SPORTS: LOCAL LEAGUES TO INTERNATIONAL MEETS
- NEW EXPERIENCES





SOCIAL IMPACT: TIMELINE

Currently underway

Planned: 12-24 months




• St Stans Project:

- Under re-development with a Boutique Hotel, Performing Arts Academy and Arts Theater / Event Center
- Opening Dates:
 - Performing Arts Academy, June 1st 2020
 - Performing Arts Theater / Event Center, October 1st, 2020
 - Hotel, December 2020
- **Investing in local businesses:**
 - Already invested in a veteran-owned Coatesville start up business

- Create a formal “rent to own” housing campaign for current Coatesville residents to enroll in the program and benefit from the Flats development – not be displaced by it.
- Developing a Conscious Entrepreneurship/Mentorship Program
 - Attract mentors from Silicon Valley and New York City
 - Host Coatesville young adults to visit One World Trade Center
- Drive economic activity (Foot and car traffic) before grand opening
 - Hosting drive in movie nights
- Bringing sense of pride to residents
- Helping kids get Active (Youth sports programs)

OZ Score™ Reporting Scorecard Quarterly:

Focused themes -

- Job creation & economic development
 - Mental Health
 - Financial literacy & education
- 



TOTAL JOB CREATION & FISCAL IMPACT ANALYSIS

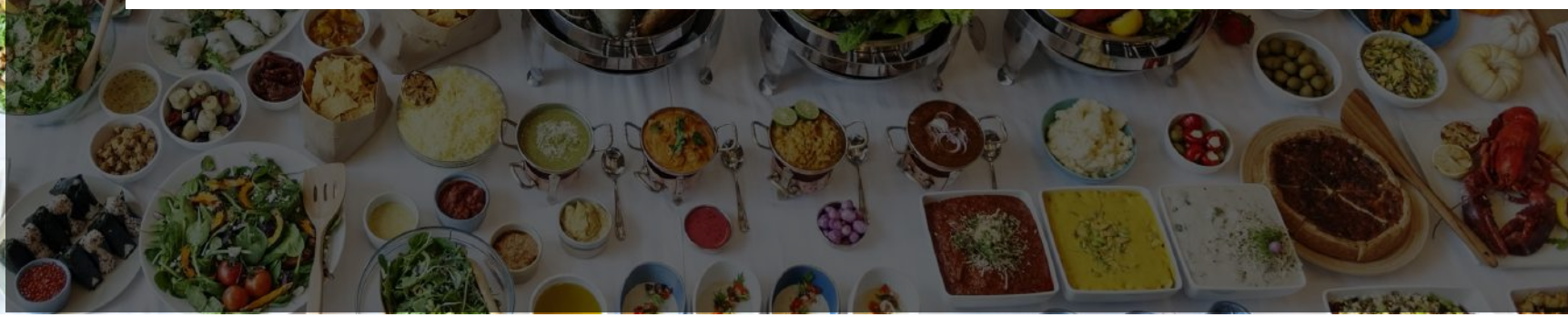
	Year 1	Year 2	Year 3	Year 4	Year 5
Staff Salaries	\$1,080,203	\$1,310,361	\$1,522,468	\$1,719,451	\$1,776,353
Hours Worked	108,020	131,036	152,247	171,945	177,635
Full-Time Equivalence	51.9	63.0	73.2	82.7	85.4
Full-Time Employees	23.0	23.0	23.0	23.0	23.0
Total Job Creation	74.9	86.0	96.2	105.7	108.4

**Hours worked assumes an average hourly rate of \$10*

***Full-Time Equivalence assumes 40 hours per week for 52 weeks per year*

PLUS:

- INTANGIBLE & TANGIBLE HEALTH AND SOCIAL BENEFITS
- EDUCATION PLATFORM THROUGH INTERNSHIPS & VOLUNTEERISM
- PART TIME JOB CREATION: USHERS, GREETERS, WAITERS, SECURITY



THE NATIONAL SPORTS & EVENTS CENTER

PROJECT MILESTONES

PRE-DEVELOPMENT

Stakeholder input
Master Plan
Site and Facility Renderings
Pre-Dev Financing
1-3 MONTHS

DESIGN /DEVELOP

Capital Stack
Site Development
Funding Sources and Uses
Funding Applications
3-6 MONTHS

PRE-CONSTRUCTION

Site Plan Confirmed
Construction Detail and
Timeline
Partnership Agreements
Funding Commitments
6-14 MONTHS

THIS PROJECTED HAS BEEN FULLY VETTED AND RESEARCHED BY SFA





NATIONAL SPORTS
& EVENTS CENTER

THE FORMULA FOR SUCCESS.

- A UNIQUE GAME CHANGING REDEVELOPMENT PROJECT
- AN UNDERSERVED COMMUNITY
- A MUCH NEEDED MULTI-PURPOSE EVENTS CENTER
- A NEW BUSINESS CATALYST AND JOB CREATOR
- AN EXPERIENCED, COMMITTED TEAM
- A SOLID PUBLIC/PRIVATE DEVELOPMENT PARTNERSHIP



SFM NETWORK





NATIONAL SPORTS & EVENTS CENTER

THE DEVELOPMENT TEAM

Sports Facilities Advisory

Eric Sullivan, Partner

Daniel Morton, Strategic Advisor

Velodrome Development Partners

David Chauner, CEO, World Cycling League

Rick Mayer, CFO, World Cycling League

COATESVILLE OPPORTUNITY ZONE FUND

Crosby Wood, Principal, New Heritage Properties

Josh Burrell, Managing Partner, Activated Capital

Parveen Panwar, Managing Partner, Activated Capital

CONFIRMED ASSOCIATES

Civil Engineer: D.L. Howell & Associates, Inc.

Legal Counsel: Buckley Brion LLP

Non-Profit Programming Initiatives: Velodrome Development Foundation

National Spokesperson: Greg LeMond, 3x Tour de France winner