



MARATHON COUNTY EXTENSION, EDUCATION & ECONOMIC DEVELOPMENT COMMITTEE

AGENDA

Date & Time of Meeting: **Tuesday, August 20, 2019, at 4:00 p.m.**

Meeting Location: **Marathon County Historical Society, 410 McIndoe Street, Wausau, WI 54403**

Committee Members: Sara Guild, Chair; Romey Wagner, Vice-Chair; Gary Beaström; Alyson Leahy, Ka Lo, Rick Seefeldt, Loren White

Marathon County Mission Statement: *Marathon County Government serves people by leading, coordinating, and providing county, regional, and statewide initiatives. It directly or in cooperation with other public and private partners provides services and creates opportunities that make Marathon County and the surrounding area a preferred place to live, work, visit, and do business. (Last updated: 12-20-05)*

Committee Mission Statement: *Provide the leadership for implementation of the Strategic Plan, monitoring outcomes, reviewing and recommending to the County Board all policies related to educational and economic development initiatives of Marathon County.*

1. Call to Order
2. Public Comment Period (15 minute limit)
3. Approval of the Minutes of the July 16, 2019, Extension, Education & Economic Development Committee Meeting
4. Policy Issues Discussion and Potential Committee Determination:
5. Operational Functions required by Statute, Ordinance, or Resolution:
6. Educational Presentations and Committee Discussion
 - A. Regional Sports and Events Facilities Feasibility Studies Update
 - B. UW-Madison Division of Extension
 1. Update on efforts of local educators
 - C. Marathon County Historical Society presentation, including discussion of upcoming events
7. Announcements, Next Meeting Date and Time:
 - A. Future committee calendar
 1. **September 10, 2019**
 - B. MCDEVCO article request
8. Adjourn

AT THE CONCLUSION OF THE COMMITTEE MEETING, COMMITTEE MEMBERS WILL TAKE PART IN A TOUR OF THE HISTORICAL SOCIETY, INCLUDING THE WOODSON HISTORY CENTER AND THE YAWKEY HOUSE MUSEUM FROM HISTORICAL SOCIETY STAFF. NO FORMAL COMMITTEE DISCUSSION OR BUSINESS WILL BE DISCUSSED AND NO FORMAL ACTION WILL BE TAKEN.

Any person planning to attend this meeting who needs some type of special accommodation in order to participate should call the County Clerk's Office at 715-261-1500 or e-mail infomarathon@mail.marathon.co.wi.us one business day before the meeting.

SIGNED /s/ Sara Guild
Presiding Officer or Designee

FAXED TO: Wausau Daily Herald, City Pages,
FAXED TO: and Other Media Groups
FAXED BY: _____
FAXED DATE: _____
FAXED TIME: _____

NOTICE POSTED AT COURTHOUSE
BY: _____
DATE: _____
TIME: _____



MARATHON COUNTY EXTENSION, EDUCATION & ECONOMIC DEVELOPMENT COMMITTEE

MINUTES

Tuesday, July 16, 2019 – 4:00 p.m.

COURTHOUSE Assembly Room (B-105), 500 Forest St, Wausau WI

Attendance:	Present	Absent
Sara Guild, Chair	X	
Romey Wagner, Vice Chair	X	
Gary Beastro	X	
Alyson Leahy	X	
Rick Seefeldt	X	
Ka Lo	X	
Loren White		X

Others Present: Brad Karger, Lee Webster, Brian Kowalski, Melinda Osterberg, Jason Hausler, Ann Herda Rapp, Connie Heidemann, Johanna Nelson

1. Call Meeting to Order

The Extension, Education & Economic Development Committee meeting was called to order at 4 p.m. by Chair Guild.

2. Public Comment: None

Lee Webster was introduced as a liaison to the committee from the Wausau School District. Mr. Webster said that this initiative is an effort of the school district to be more connected to the community.

3. Approval of the Minutes of the May 21, 2019 and June 18, 2019, Extension, Education & Economic Development Committee Meetings.

Discussion: Chair Guild asked that the minutes be added to clarify that the Pride Month vote was a split vote, 5-2.

Action:

MOTION BY LEAHY, SECOND BY SEEFELDT TO APPROVE THE MINUTES OF THE MAY 21, 2019 MEETING WITH THE ADDITION SUGGESTED BY THE CHAIR and THE JUNE 18, 2019 MINUTES. MOTION CARRIED.

4. Policy Issues Discussion and Potential Committee Determination: None

5. Operational Functions required by Statute, Ordinance or Resolution:

A. Consideration whether to approve the forwarding the Capital Improvement Project requests from UW Stevens Point – Wausau Campus to the Capital Improvement Project Committee for ranking.

1. Feasibility Study – Auditorium, Kitchen, Student Union

2. Flooring Replacement

3. Roof Replacements with Estimates

Discussion:

Ann Herda Rapp reviewed each of the capital improvement requests and described the needs that each were targeted to correct.

Action:

MOTION BY WAGNER, SECOND BY LEAHY TO APPROVE ALL OF THE CAPITAL IMPROVEMENT REQUESTS SUBMITTED BY UWSP-WAUSAU AND FORWARD THEM TO THE CIP COMMITTEE FOR FURTHER EVALUATION AND RANKING. MOTION CARRIED.

Follow through:

Brad Karger was asked to notify the people who support the CIP Committee of committee action.

6. Educational Presentations and Committee Discussion

A. UW-Madison Division of Extension

1. Update on efforts of local educators, including broadband feasibility study

Discussion:

Jason Hausler briefed the committee on a number of projects recently completed or currently underway including:

- Food Wise nutrition educational series
- “Share the Harvest” initiative with the Farmer’s Market
- Annual Farm Tour
- 4-H fair activities
- Horticulture series for people at Corner Clubhouse
- Beginning of a process to fill the soon to be vacant Horticulture position
- Community meetings to better understand broadband needs

Action:

None requested or taken.

Follow through:

None requested

B. Discussion of costs/benefits of the recent consolidation of the EEED Committee for provision to Rules Review Committee

Discussion:

Chair Guild asked if there were any concerns about the committee’s functioning. Gary Beastro said he had a concern that Extension should involve an independent functioning committee. But as time developed Gary is satisfied with the amount of attention that Extension has been given.

Action:

None requested

Follow through:

Sarah Guild said she would share the committee discussion with the Chair of the Rules Review Committee.

C. Request of McLit for committee support of County funding to support literacy education in Marathon County

Discussion:

Connie Heineman, Executive Director of McLit made a power point presentation about McLit: <https://mclitofwausau.org/>

- 501(c)(3) Non-Profit
- All services are free of charge
- 8,000 Marathon County residents are estimated to be illiterate

- 40% of people with low literacy live in poverty
- More than just reading literacy. Math, Financial, Computer, ESL
- If the County would fund \$45,000 that same amount will be matched by a private foundation

Action:

MOTION BY LEAHY, SECOND BY SEEFELDT TO ASK THE LIBRARY BOARD TO WEIGH IN ON THE REQUEST OF MCLIT FOR \$45,000 IN COUNTY FUNDS IN THE 2020 BUDGET AND REPORT BACK THEIR RECOMMENDATION IN AUGUST. MOTION CARRIED.

Follow Through:

Connie Heineman said she would contact Ralph Illick to get on a Library Board Meeting Agenda.

7. Announcements, Next Meeting Date and Time:

- A. Future committee calendar
1. August 20, 2019

8. Adjourn

MOTION BY LEAHY, SECOND BY SEEFELDT, TO ADJOURN THE MEETING. Meeting adjourned at 5:14 p.m. MOTION CARRIED.

Minutes prepared
by Brad Karger on July 22, 2019.

MEMORANDUM

From: Keith Donner, P.E., Administrator
Shawn Osterbrink, Director of Parks, Recreation, and Forestry
Date: April 30, 2019
Re: Victus Advisors, Feasibility Study for a New Regional Outdoor Sports Complex in Marathon /County, Wisconsin, Draft V3

In October 2018, the Village of Weston engaged Victus Advisors of Park City, Utah, to conduct a feasibility study for an outdoor sports complex in the Wausau area. Concurrently, MCDEVCO had also engaged Victus for a feasibility study of an indoor sports training facility and event center.

In December 2018 the feasibility study effort was announced to a larger potential stakeholder group including local municipal officials and business leaders. After this kick-off meeting, Victus conducted interviews with different stakeholder groups which may have a need and/or market for such facilities.

Victus has provided the Village of Weston with their recommendations for the outdoor sports complex in the attached report. Please be aware that the goals for the report were the following:

1. Identification of potential users of the facility and interviews.
2. Analyze demographic and socioeconomic factors.
3. Conduct a local sports facility inventory (**not all facilities in the area were included, only facilities that were identified in the stakeholder interviews were included**).
4. Conduct a competitive and comparable facility analysis (**again not all facilities were included, only facilities that were identified in the stakeholder interviews were included**).
5. Evaluate regional and national event opportunities through interviews.
6. Assessment of demand for sports venue and support amenities.
7. Prepare a preliminary site analysis, design concept and budget (**site included in the report was used for concept design and budget because the Village of Weston already owns this site. Facility location will be identified if this project moves forward and a comprehensive site analysis is completed**).
8. Analysis of attendance projections and financial operation
9. Management options analysis.



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The feasibility study results lead into many more questions, e.g., how would the facility be funded? how will it be managed? etc. The Village of Weston will be discussing the results of this study at a meeting of the Board of Trustees on May 6, 2019.

Work on the MCDEVCO feasibility study for an indoor training facility and event center is still in progress. Once this study is complete Victus will present the results of both studies to local stakeholder groups, likely in late May or early June.

While these two studies have been viewed as being independent, there may be some potential synergies that could be explored. Since there has been much interest surrounding the Village's feasibility study and this project is one that needs overall support from the larger Wausau urbanized area, the Village of Weston is releasing the study to the public for review prior to the formal presentation by Victus Advisors.



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DRAFT

Subject to Change

FEASIBILITY STUDY FOR A NEW REGIONAL OUTDOOR
SPORTS COMPLEX IN MARATHON COUNTY, WISCONSIN

Draft v3 // April 8, 2019





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EXECUTIVE SUMMARY



INTRODUCTION & MARKET ANALYSIS



Project Background - Victus Advisors was engaged by the Village of Weston in October 2018 to provide an outdoor sports complex feasibility study.

Project Goals - Our primary project goals for this study include:

- Estimate market demand for a new outdoor sports complex in Marathon County.
- Based on demand, determine what programs, features, and amenities could be supported by the market.
- Project both the sustainable daily usage and the number of special or recurring events and attendance.
- Evaluate management options for the on-going operations of the complex.
- Conduct preliminary site analysis and provide conceptual drawings and preliminary construction cost estimates.
- Estimate the potential impacts of construction and operations of new outdoor sports complex in Marathon County.

Demographic & Socioeconomic Analysis - The Village of Weston is located in Marathon County, which is also designated by the U.S. Office of Management & Budget as the Wausau, WI Metropolitan Statistical Area (MSA). The Village of Weston has an estimated population of 15,704. Marathon County has an estimated population of 137,125.

Weston's population is projected to grow at a lower rate than the U.S. as a whole. The Wausau CSA and Marathon County are projected to grow at an even lower rate than the Village. In terms of median age, Weston has a slightly lower median age than the U.S. average. A lower median age tends to represent a larger presence of working-age populations and young families. Furthermore a lower median age indicates positive potential for sports and event activity.

When adjusted for cost of living, the median household income in Weston, Marathon County and the Wausau CSA are higher than the U.S. median. Higher household income levels can often indicate an ability for a household to spend disposable income on sports and other entertainment events.

There are three large markets (with a population of more than 200,000 people each) within a 2.5-hour drive of Weston. An additional 10 large markets are within a 5-hour drive (overnight trip), with a total population within a 5-hour drive of Weston of over 20.3 million people



LOCAL & REGIONAL FACILITY ANALYSIS



Local Facility Analysis - Based upon our community feedback process, which is described in detail later in this report, Victus Advisors interviewed local sports user groups who identified the primary competitive sports and events facilities that they currently utilize in the Marathon County area.

Local Sports Facility Notes -

- All local facilities (aside from Premier Sports Academy) are publicly-owned facilities, which tend to be either utilized by a specific user group (i.e. a school) or rented to the general public at affordable rates to maximize public benefit.
- There are 20 existing competitive softball fields in the County, but only 6 competitive baseball fields. Sunnyvale Softball Complex is the primary softball facility for tournament competition, however no tournament-caliber, multi-field baseball facility exists in the County.
- According to feedback from local user groups, Eastbay Sports Complex meets the primary need in the County for practices, leagues, and tournament play for soccer as well as other field sports.
- Compared to other regional and national markets, rental rates for ice, courts, and fields in the Marathon County area are relatively low, as these facilities are generally operated by a public entity that operate with a model of partial cost recovery in order to ensure affordable public access.

Comparative Sports Tourism Markets - Victus Advisors compared the Marathon County MSA's demographic and socioeconomic characteristics to the competitive set of sports tourism markets shown below (listed in alphabetical order below):

- Appleton, WI
- Eau Claire, WI
- Green Bay, WI
- Mauston/Juneau County, WI
- Madison, WI
- Milwaukee, WI
- Minneapolis, MN
- Muscatine, IA
- Rockford, IL
- Stevens Point, WI
- Waupaca County, WI

Marathon County lacks a sports tourism-caliber baseball complex. Markets such as Watertown, Rockford, Appleton, Seymour, Plover, and Mauston all have multi-field baseball complexes (with 4 to 8 total baseball fields) that are currently attracting teams from the Marathon County area.



INTERVIEW SUMMARIES



One-On-One Interviews - In December 2018, MCDEVCO and the Village of Weston identified participants and scheduled a series of one-on-one interviews for Victus Advisors. The goals of these interviews were to gather feedback from key stakeholders and community leaders to discuss sports facility development in Marathon County. The set of topics and questions included perceptions of Marathon County and its current event venue offerings, possible comparable and competitive venues and markets, and other feedback concerning the potential new sports facilities in the County. Victus Advisors conducted 24 in-person interviews.

One-On-One Interviews - In addition, between December 2018 and January 2019, Victus Advisors held telephone interviews with operators, promoters, and influencers of sports and entertainment events both regionally and nationally. The topics included ideal amenities and potential events that could be held at potential new sports facilities in Marathon County. In all, Victus Advisors conducted 38 phone interviews with individuals from local, regional, and national organizations.

Key Interview Takeaways -

- **Rates** - For local use practices/games, Marathon County user groups are accustomed to paying very affordable rates relative to other markets in Wisconsin. The going rates in the marketplace could make it very difficult for a private operator to turn a profit on operations of outdoor field space.
- **Baseball** - Several interviewees mentioned that there is not a multi-field venue for baseball in the County. A centrally-located facility with multiple fields would alleviate travel concerns for parents with children practicing across multiple venues as well as provide a baseball facility that can host various tournaments.
- **Softball** - There was no significant demand for more dedicated softball fields. It should be noted however, that new Little League Baseball fields could also likely be used in conjunction with Sunnyvale to attract larger softball tournaments.
- **Soccer** - Eastbay Sports Complex generally meets the needs for soccer groups in Marathon County.

Venue Recommendation - Victus Advisors identified demand for development of a new multi-field, tournament-caliber baseball complex in Marathon County. Based upon the results of our market and facility analysis, Victus Advisors recommends that a new multi-field baseball complex capable of attracting significant tournament activity should have:

- 1 Little League-sized 4-plex with lighted fields
- 1 older youth/teen-sized 4-plex with lighted fields
- Support areas and amenities, including concessions, picnic tables, offices, and storage, etc. These areas and amenities should be easily accessible for both field complexes.

Site Analysis - For purposes of this analysis, the Village of Weston asked us to analyze a Village-owned site that could be suitable for sports complex development. The proposed site is on the north side of Weston Avenue on both sides of Zinser Street, with the parcel on the east side being larger. The land on the site is owned by the Village, thus eliminating costly land acquisition. Additionally, there is plenty of land to build a complex and have ample parking. Lastly, there could be sufficient space to have other amenities such as a concessions pavilion, playground, etc. The site is near Exit 177 of Highway 29 which would make the complex accessible for both local use and sports tourism. Numerous food, shopping, and lodging options are found within a 10-minute drive-time of the proposed site. It should be noted that while the facility could be located in Weston, other communities in the region would greatly benefit from incremental visitor spending, including Schofield, Rothschild, Wausau, etc.

DRAFT - Subject to Change

Design Concept -



Preliminary Cost Estimate - ICG estimates that a multi-field baseball complex in Weston could cost approximately \$15.9 million to build. However, a competitive bidding process (more than eight bidders) could potentially reduce the construction cost from \$15.9 million to approximately \$13.3 million.



EVENT/ATTENDANCE PROJECTIONS & FINANCIAL OPERATING ANALYSIS



Estimated Annual Utilization (By Sport) - It is estimated that baseball events would account for the majority of facility utilization at approximately 79% of the total annual usage hours.

Estimated Annual Utilization (By Event) - It is estimated that the multi-field baseball complex could host approximately 28 annual tournaments of varying sizes (14 per 4-plex), primarily weekend events during the summer, accounting for over 62% of the facility's usage. It should be noted that practices/leagues would primarily be local residents (Monday-Thursday), while tournaments would draw athletes and spectators from outside the County (Friday-Sunday).

Financial Projections - In a stabilized year of operations, it is estimated that the operations of the new multi-field baseball complex could operate at an estimated annual cost recovery of approximately 67%. (See full report for notes on financials)

Long-Term Capital Needs - Current industry best practices for long-term capital needs is to annually contribute an amount equal to at least 0.50% of hard construction costs. ICG currently estimates approximately \$14.8 million in hard construction costs for a new multi-field baseball complex, therefore it is recommended that the owners of the complex set aside approximately \$74,000 per year in a capital reserve fund, increasing that amount annually to account for inflation. This capital reserve fund can be drawn upon to pay for necessary capital maintenance as the facility ages.

Risk Assessment - Usage hours (both local and sports tourism hours) are the key driving factor in a facility's cost recovery. If usage hours were to increase or decrease by 20% from projections, it is estimated that cost recovery could vary between 54% to 79%.

	Stabilized Year
Operating Revenues:	
Rental Income	\$198,000
Concessions (Net of COGS)	\$87,000
Advertising & Sponsorship	\$12,000
Total Revenues:	\$298,000
Operating Expenses:	
Salaries & Wages	\$197,000
Utilities	\$80,000
Maintenance/Repair	\$53,000
Materials/Supplies	\$53,000
General & Administrative	\$35,000
Insurance	\$28,000
Total Expenses:	\$446,000
Net Loss From Operations:	(\$148,000)
Cost Recovery:	67%



MANAGEMENT OPTIONS ANALYSIS



The purpose of this section is to present an overview of various options regarding the management and operations of the potential baseball complex in the Village of Weston.

Each management structure for the proposed baseball complex has its own unique advantages and disadvantages, which should be considered when making decisions regarding the management of the complex. The following section provides an overview of each potential facility management structure.

- Public
- Joint Powers (Public)
- Private
- Other (Tourism Promotion Agency, Non-Profit)

Public - Public management of youth and amateur sports facilities is commonplace within the industry. Facility operational control within a government is typically accomplished either by creating a separate department that is responsible for facility management or by designating responsibility to a department that already exists within the government (often Parks & Recreation).

Private - In some cases, the management of a publicly-owned sports complex could be outsourced to a third-party operator. The majority of sports facilities within the region are operated by public entities, and fields are typically rented to the general public at very affordable rates, therefore it would likely be difficult for a third-party operator to generate a profit by renting the fields at a new baseball complex in Weston.

DRAFT - Subject to Change

Joint Powers - Some public venues within a region may be jointly operated by two or more public entities via a joint powers authority (JPA). This type of ownership and management option allows for multiple public entities to combine resources to both fund facility construction and maintain/operate them over the long-term.

Other - In some cases, a public owner will lease the operations of the facility to a third-party such as a tourism promotion agency or a non-profit sports organization.

Recommendation - Victus Advisors recommends that a new multi-field baseball complex in Marathon County should be publicly-operated. Given the potential regional benefit associated with a tournament-caliber, 8-field complex, it is also recommended that a cooperative, joint powers model may also be considered, in order to maintain the facility at a high level for tournament activity and sustain the regional financial benefits it could generate for the long-term. An experienced facility manager should also be hired with existing relationships within the baseball industry in Wisconsin and experience attracting, booking, and managing tournaments.

Private management is not a likely option for a new multi-field baseball complex in Marathon County. Third-party management firms typically either require: a) opportunity to operate the facility at a profit, and/or b) an annual management fee to operate a facility that may not be a profit opportunity. In this case, the proposed regional baseball complex is not likely to provide a profit opportunity for a third-party operator, and paying a third-party operator a management fee would only add additional cost to the annual operations of the facility.



ECONOMIC & FISCAL IMPACT ANALYSIS



Construction Impacts - Based upon the estimated construction cost for the baseball complex, Victus Advisors estimates that approximately \$6.5 million of direct construction expenditures will occur within Marathon County. Victus Advisors also estimates that direct one-time construction expenditures within Marathon County could generate over \$9.4 million in total economic output, more than 74 short-term jobs, and over \$4.1 million in wages. Lastly, it is estimated that indirect/induced spending related to construction spending could generate over \$5,000 in sales tax revenues.

Annual Impacts - After adjusting estimates of gross direct spending for displacement, it is estimated that approximately 77% of all spending associated with the annual operations of the proposed multi-field baseball complex would have a net impact on Marathon County.

Net Annual Economic Impacts By Industry - It is estimated that the Food & Beverage industry in Marathon County would benefit the most from a new multi-field baseball complex (approximately 50% of incremental output).

Fiscal Impacts - It is estimated that a new multi-field baseball complex in Weston could generate over \$91,000 annually in incremental County sales taxes, and more than \$417,000 in incremental annual hotel taxes within Marathon County.

Hotel/Motel Impacts - Victus Advisors estimates that sports tourism associated with a new multi-field baseball tournament complex could generate nearly 57,000 incremental annual hotel nights in Marathon County, as shown below.

Estimated Incremental Annual Hotel Impacts - Marathon County	
Total Visitors Staying in Hotel/Motel:	113,856
Estimated People Per Room	3.0
Total Rooms Utilized	37,952
Average Nights per Room:	1.5
Total - Incremental Annual Room Nights	56,928
Average Daily Room Rate (ADR):	\$94.00
Total - Incremental Hotel Room Spending:	\$5,351,232

Net Impacts - Over a 30 year period, a new multi-field baseball complex is estimated to have a total net impact of more than \$1.1 billion in cumulative net economic output, over \$19.8 million in room taxes, and over \$4.3 million in County sales taxes.



1. INTRODUCTION



PROJECT BACKGROUND



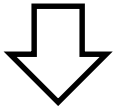
Victus Advisors was engaged by the **Village of Weston** in October 2018 to provide an outdoor sports complex feasibility study.

Victus Advisors' primary project goals for this study include:

- Estimate market demand for a new outdoor sports complex in Marathon County.
- Based on demand, determine what programs, features, and amenities could be supported by the market.
- Project both the sustainable daily usage and the number of special or recurring events and attendance.
- Evaluate management options for the on-going operations of the complex.
- Conduct preliminary site analysis and provide conceptual drawings and preliminary construction cost estimates.
- Estimate the potential impacts of construction and operations of new outdoor sports complex in Marathon County.

PHASES:

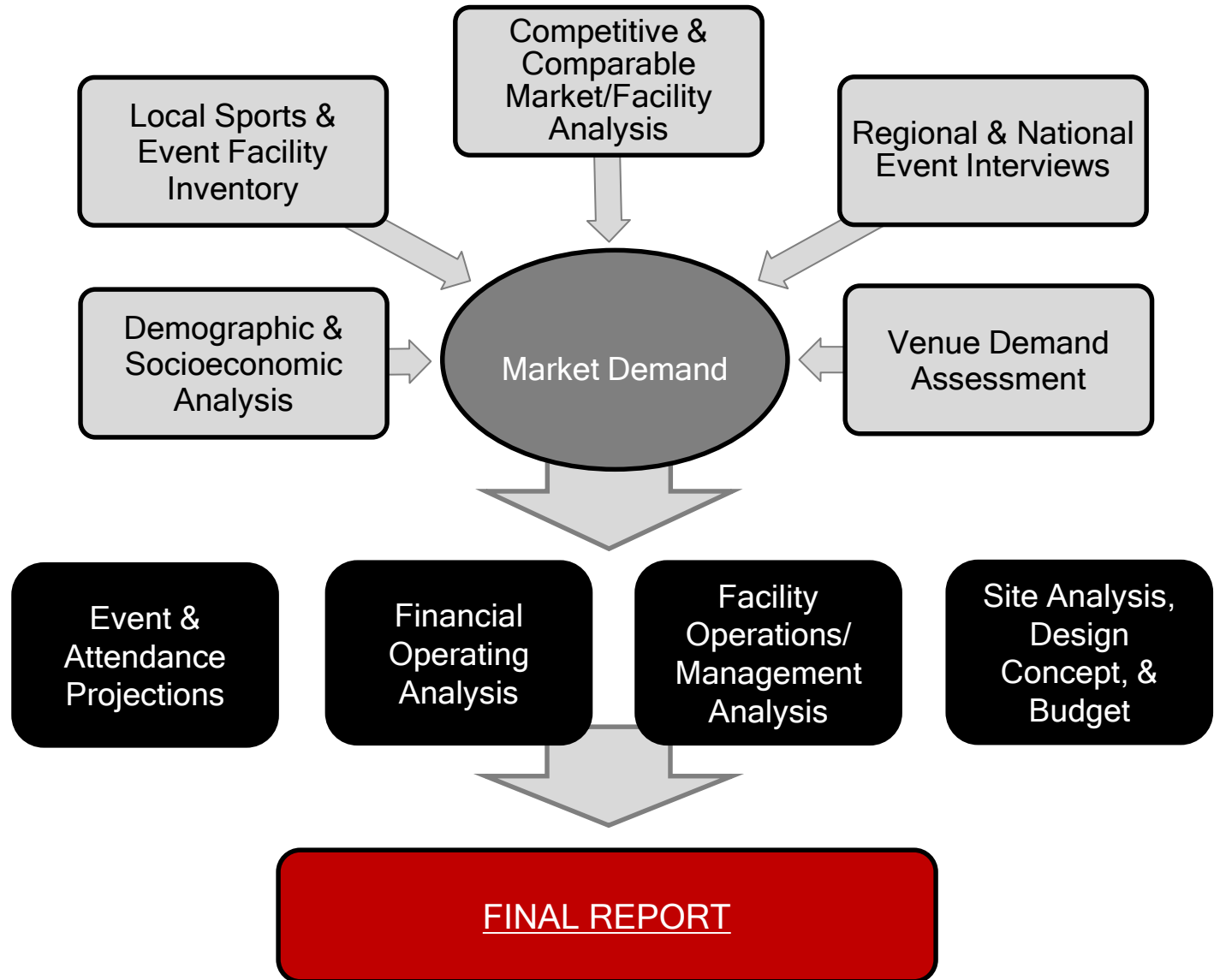
1. MARKET DEMAND ANALYSIS



2. FINANCIAL & OPERATIONS ANALYSIS

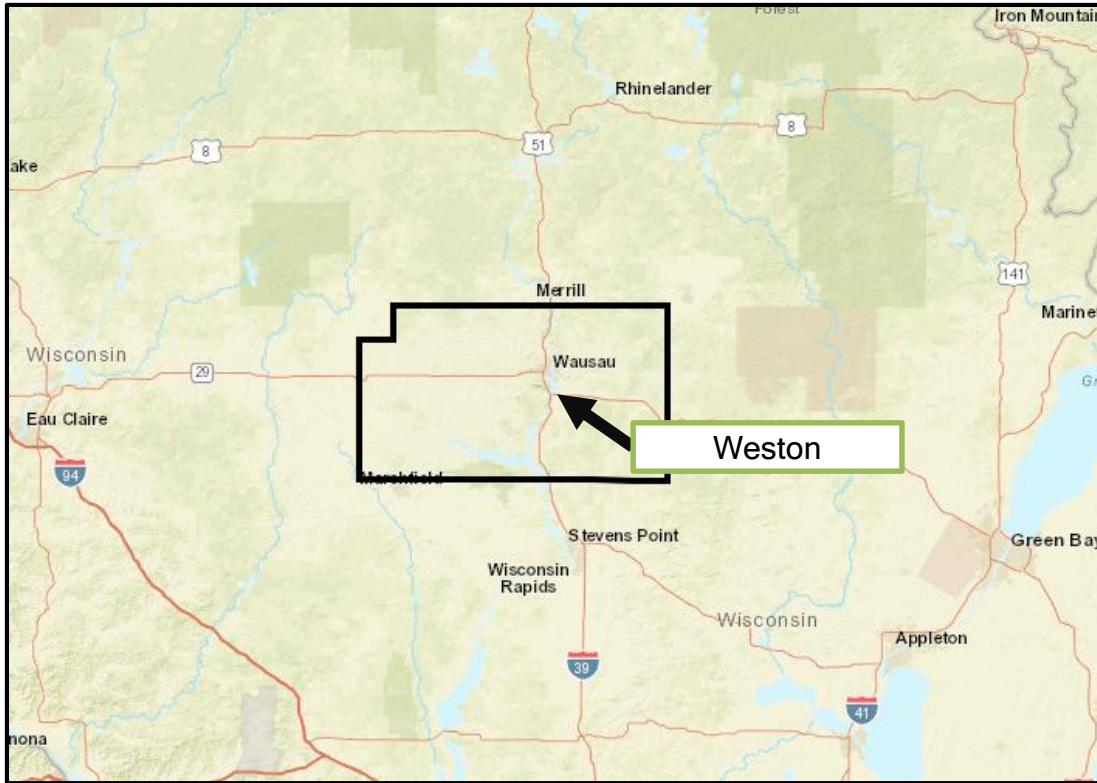


3. FINAL DELIVERABLES



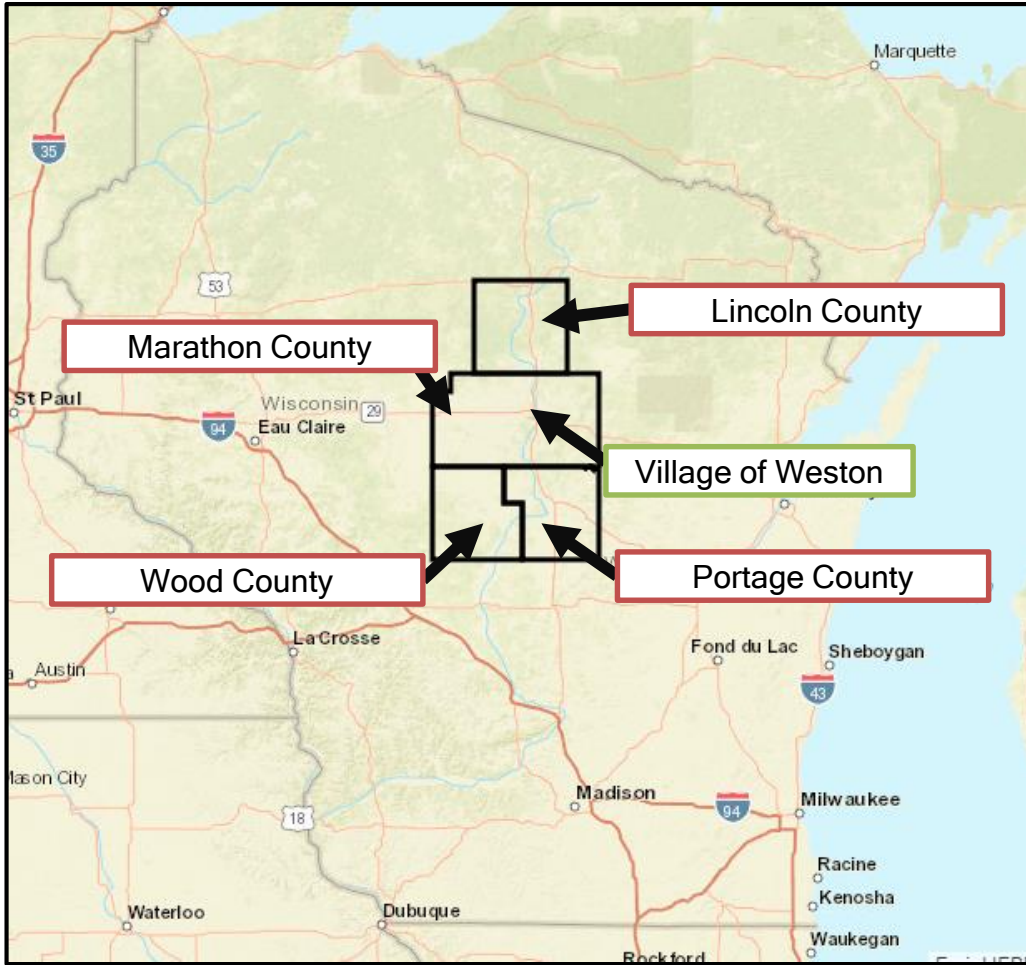


2. DEMOGRAPHIC & SOCIOECONOMIC ANALYSIS



Source: Esri

The Village of Weston is located in Marathon County, which is also designated by the U.S. Office of Management & Budget as the Wausau, WI Metropolitan Statistical Area (MSA). The Village of Weston has an estimated population of 15,704. Marathon County has an estimated population of 137,125. The City of Wausau is just to the north of Weston, and is the largest city in and county seat of Marathon County. Marathon County and the Village of Weston are shown in the map on the left.



Source: Esri

Marathon County is also part of the Wausau-Merrill, WI Combined Statistical Area (CSA), as designated by the United States Office of Management and Budget. The CSA is comprised of Marathon County as well as Lincoln, Portage, and Wood Counties, and it has an estimated population of over 450,000. The CSA is shown in the map on the left. Throughout the remainder of the report, this area will be known as the Wausau CSA.



POPULATION DATA



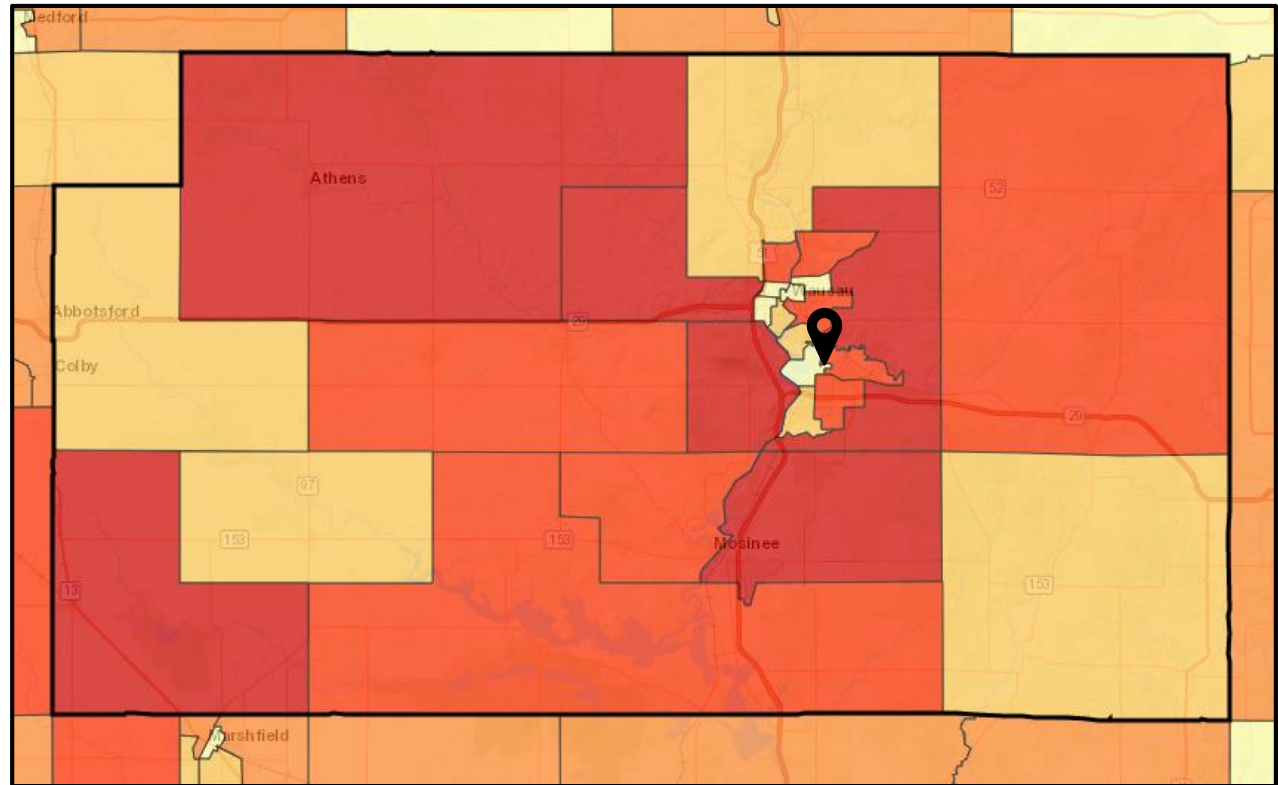
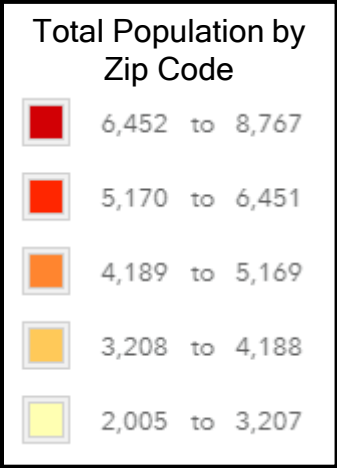
	Village of Weston	Marathon County	Wausau CSA	United States
Population	15,704	137,125	312,228	330,088,686
Population Under 18	3,782	30,542	65,158	73,155,846
Percentage of Population Under 18	24.1%	22.3%	20.9%	22.3%
Population Growth:				
Annual Pop. Growth (2000 to 2018)	1.4%	0.5%	0.3%	0.9%
Annual Pop. Growth (5-year Projection)	0.6%	0.3%	0.2%	0.8%
Projected Population (2023)	16,219	139,494	315,667	341,323,594
Median Age	37.4	40.9	41.3	38.2

Source: Esri

Weston’s population is projected to grow at a lower rate than the U.S. as a whole. The Wausau CSA and Marathon County are projected to grow at an even lower rate than the Village.

In terms of median age, Weston has a slightly lower median age than the U.S. average. A lower median age tends to represent a larger presence of working-age populations and young families. Furthermore a lower median age indicates positive potential for sports and event activity.

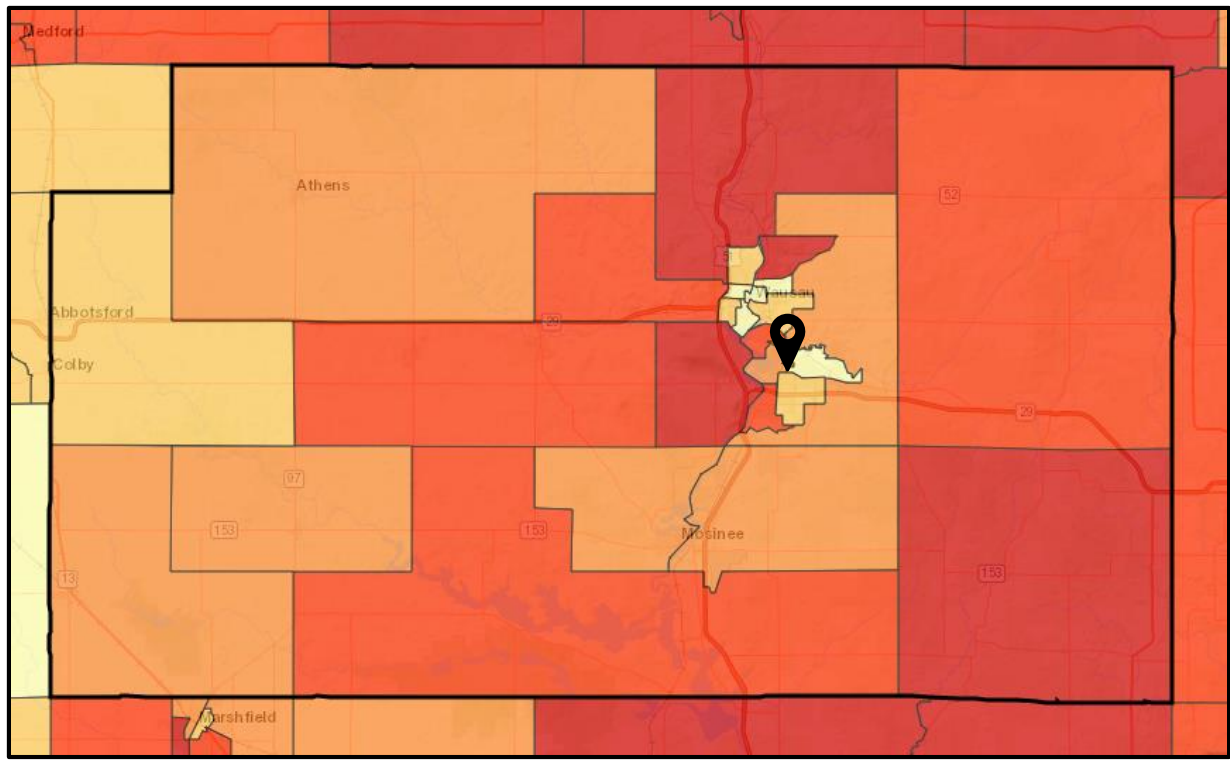
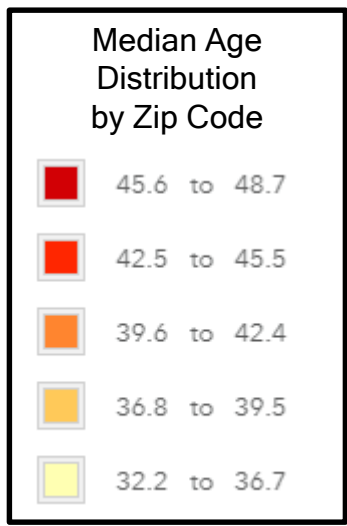
POPULATION DISTRIBUTION



Source: Esri

Most of the population density in Marathon County is located near Wausau. Much of the County is rural land with low population centers.

AGE DISTRIBUTION



Source: Esri

Younger median ages tend to be clustered around the City of Wausau and Village of Weston.



HOUSEHOLD DATA



	Village of Weston	Marathon County	Wausau CSA	United States
Total Households	6,160	54,819	127,426	123,158,887
Households With Children Under 18	4,068	37,023	83,144	81,106,685
Percentage of Households With Children	66.0%	67.5%	65.2%	65.9%

Source: Esri

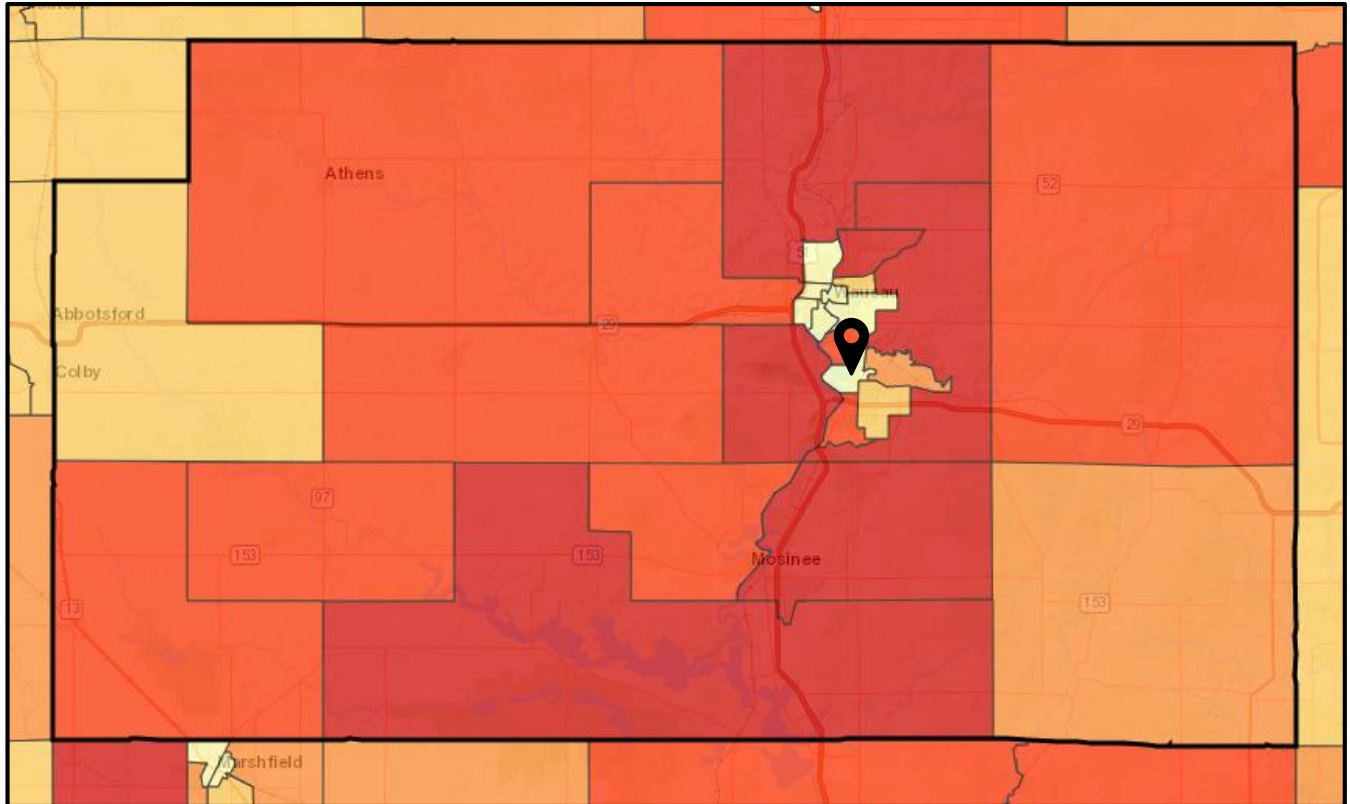
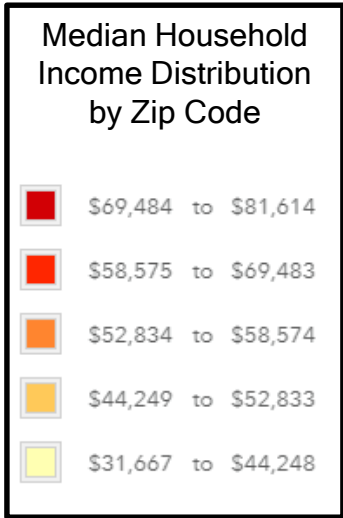
	Village of Weston	Marathon County	Wausau CSA	United States
Median Household Income	\$57,277	\$58,331	\$55,313	\$56,124
Adjusted Median Household Income (1)	\$62,461	\$63,680	\$64,657	\$56,124

Sources: Esri, city-data.com

Note: (1) Adjusted for cost of living according to city-data.com

Marathon County has about the same percentage of households with children compared to the U.S. average. A high percentage of households with children is a positive indicator for youth sports and entertainment demand in the region.

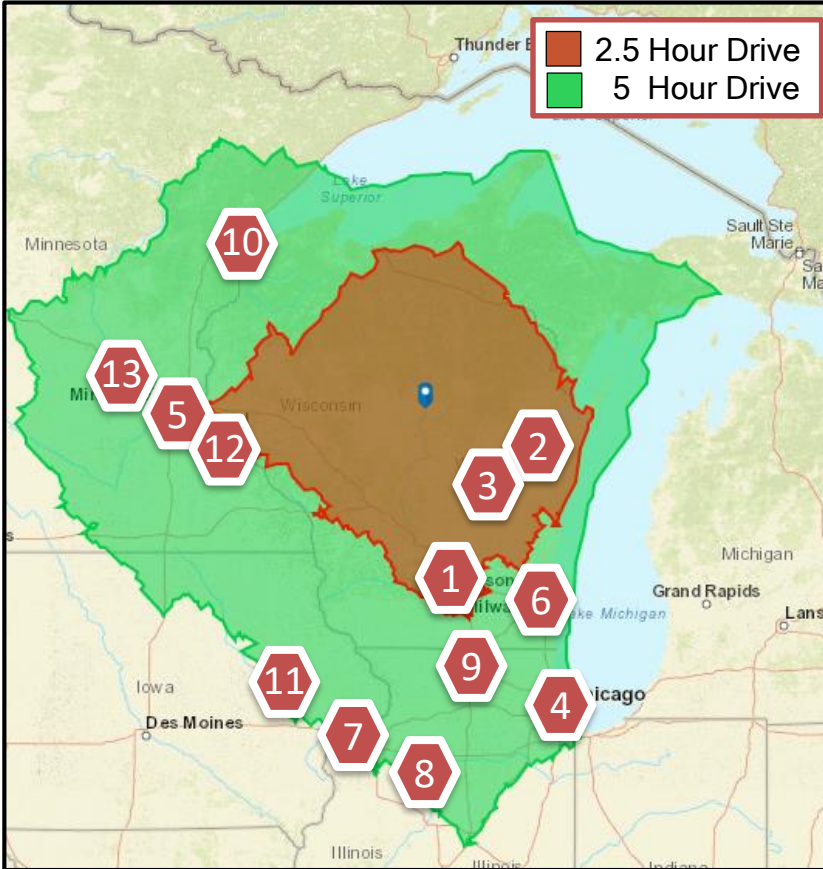
When adjusted for cost of living, the median household income in Weston, Marathon County and the Wausau CSA are higher than the U.S. median. Higher household income levels can often indicate an ability for a household to spend disposable income on sports and other entertainment events.



Source: Esri

Median Household Income levels tend to be lowest within the City of Wausau, however the higher Median Household Income levels are found immediately north and south of the City of Wausau.

TOURISM DRIVE TIME ZONES



Source: Esri

*** METROPOLITAN STATISTICAL AREA (MSA)**

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

There are three large markets (with a population of more than 200,000 people each) within a 2.5-hour drive of Marathon County. An additional 10 large markets are within a 5-hour drive (overnight trip), with a total population within a 5-hour drive of over 20.3 million people. It is noted that other smaller cities (such as Racine) are also located within these drive-time windows.

MSA's* with 200,000+ Population Within a 2.5-hour Drive

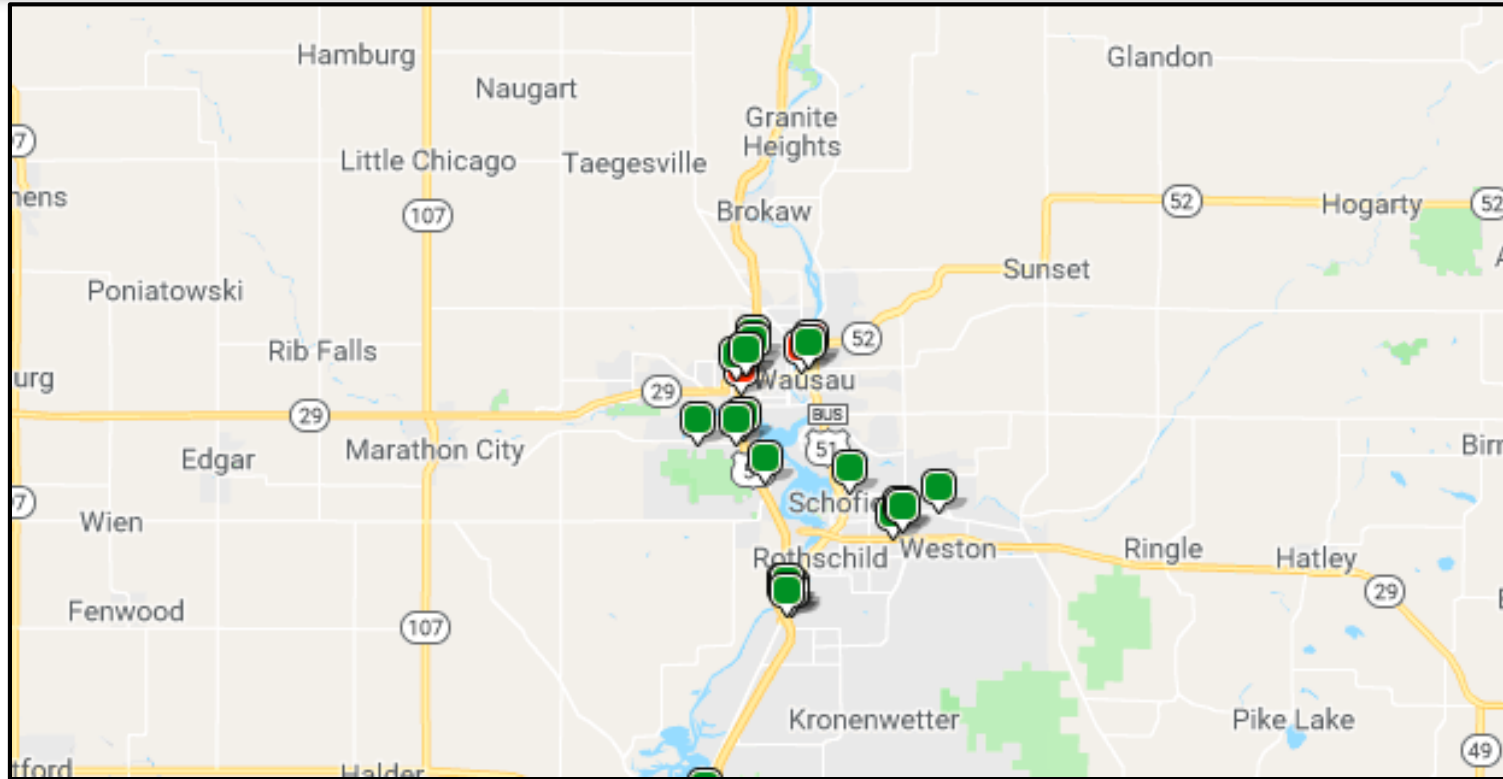
- 1 Madison MSA
662,724
- 2 Green Bay MSA
323,603
- 3 Appleton MSA
240,427

MSA's* with 200,000+ Population Within a 5-hour Drive

- 4 Chicago MSA
9,643,624
- 5 Minneapolis-St. Paul MSA
3,628,856
- 6 Milwaukee MSA
1,575,004

MSA's* with 200,000+ Population Within a 5-hour Drive (cont.)

- 7 Davenport MSA
386,682
- 8 Peoria MSA
378,478
- 9 Rockford MSA
344,099
- 10 Duluth MSA
284,882
- 11 Cedar Rapids MSA
276,375
- 12 Rochester MSA
224,555
- 13 St. Cloud MSA
202,894



Source: Hotels.com, Google Maps
 Note: Minimum 2-star hotel class

Convenient, affordable, family-friendly lodging (preferably within a 5 to 10 minute drive from an event venue, if not located on-site) is an important component of attracting and hosting multi-day tournament, tourism and event activity.

Victus found that lodging (minimum 2-star hotel class) in Marathon County is primarily concentrated in Wausau and Weston. The majority of hotels lie on State Route 51 and I-39. Please note: in Section 8 of this report, we explore the Weston hotel inventory/locations in more detail.

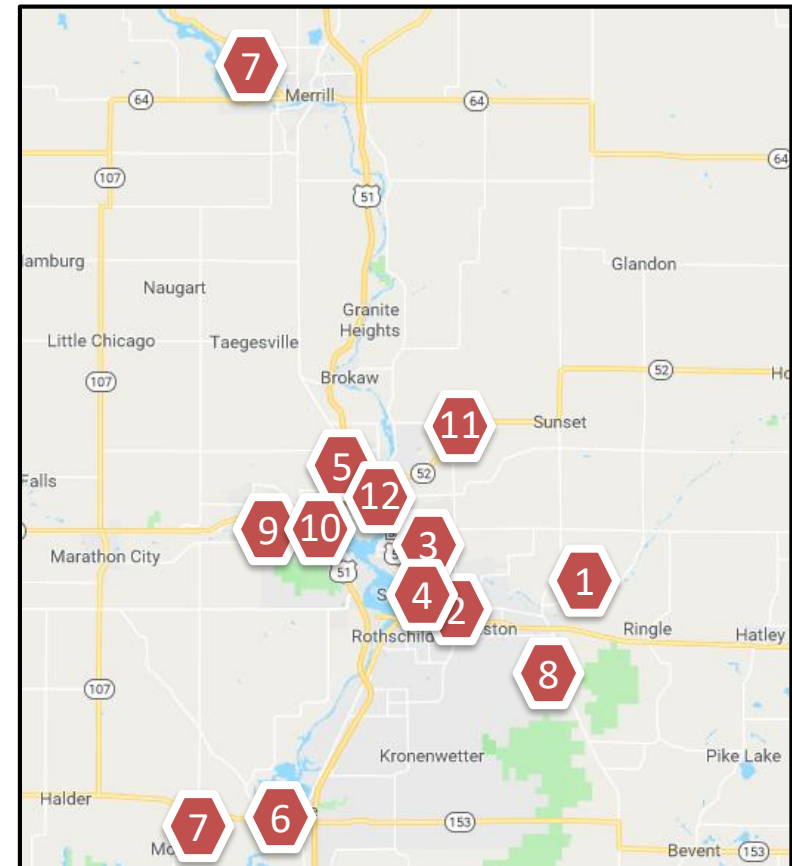


3. LOCAL SPORTS FACILITY INVENTORY

During our community feedback process, which is described in detail later in this report, Victus Advisors interviewed local sports user groups and asked them to identify the primary competitive sports facilities that they currently utilize in the Marathon County area. These facilities are profiled in the following pages (and listed in alphabetical order below):

1. D.C. Everest Middle School
2. D.C. Everest High School
3. Eastbay Sports Complex
4. Greenheck Field House
5. Marathon Park
6. Mosinee Recreation Center
7. Mosinee Youth Baseball Fields
8. Premier Sports Academy
9. Smith Multi-Purpose Center
10. Sunnyvale Softball Complex
11. Three "M" Park
12. Wausau East High School
13. Wausau West High School

Please note, this list only includes the indoor and outdoor sports venues identified by local user groups as the primary competitive sports facilities for their practices and games. Facilities deemed to be primarily recreational in nature were not included.



Source: Google Maps

- Location: Weston, WI
- Owner/Operator: D.C. Everest Area School District
- Features:
 - 2 softball fields
- Sample Events:
 - High school softball and recreation games and tournaments



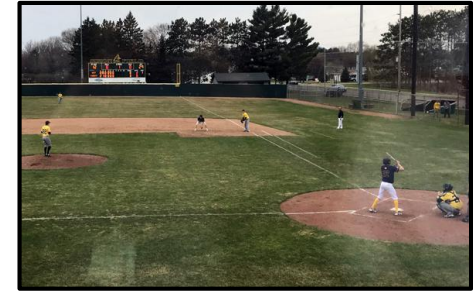
Layout



D.C. Everest Middle School has two softball fields on its campus.

The fields are used by high school and rec teams. Tournament games are also held there.

- Location: Weston, WI
- Owner/Operator: D.C. Everest Area School District
- Features:
 - 1 baseball field, 2 softball fields
- Sample Events:
 - High school baseball and softball games



Layout



D.C. Everest High School has one baseball and two softball fields on its campus. The Greenheck Field House is also located on the school's campus and is discussed later in the report. The football team plays at the football stadium located at the junior high school.

According to representatives from the school, the softball and baseball fields are primarily for school use and generally not rented out to other users.

- Location: Wausau, WI
- Owner/Operator: Marathon County
- Footprint: 57 acres
- Features:
 - 1 lit championship field, 7 full-sized and 7 smaller outdoor fields
- Sample Events:
 - Soccer tournaments (Mountain Bay Cup), soccer leagues, lacrosse tournaments, Wausau Hmong Festival

Eastbay SPORTS COMPLEX



The Eastbay Sports Complex is home to Marathon County United Soccer Club (MC United). The Complex has parking for 430 vehicles and overflow for an additional 176. All of the fields at the complex are natural grass.

Users like that the fields can be converted to different sizes depending on the age group using them. Tournament organizers also like that field space is maximized on the site. The Complex seems to meet the outdoor field needs of MC United and the Mountain Bay Cup.

- Location: Weston, WI
- Owner/Operator: D.C. Everest Area School District
- Footprint: 90,000 sq. ft.
- Features:
 - 3 basketball courts, ice arena, fitness facility
- Sample Events:
 - D.C. Everest HS sports, youth and adult fitness classes/activities,

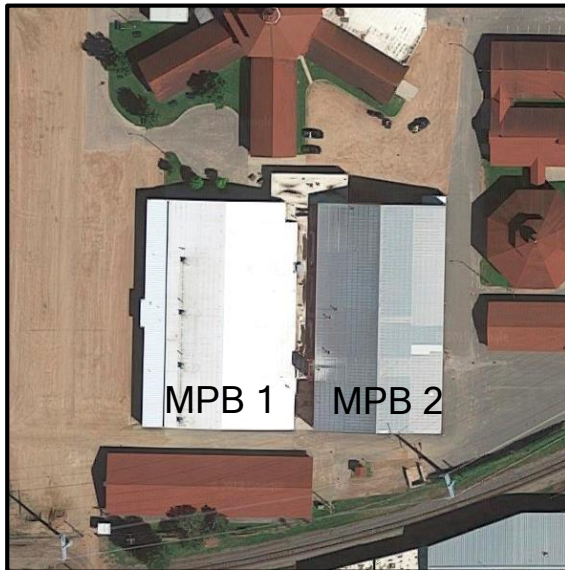


The Greenheck Field House is a shared community facility. It serves as a community fitness center and home to D.C. Everest school sports. The Field House has the only Olympic-sized ice rink in the area. Several groups mentioned it is difficult to plan ahead to schedule time at the facility, because the facility does not have any more time for ice or court rentals. Some groups say that the facility meets their current local use needs. Ice rental rates are between \$120-\$140 per hour while court rentals are about \$14 per hour per court.

- Location: Wausau, WI
- Owner/Operator: Marathon County
- Features:
 - 2 indoor ice rinks
- Sample Events:
 - Marathon County Youth Hockey, Wausau East & West HS hockey, Wausau RiverWolves



Layout



Marathon Park is home to the Marathon County Youth Hockey League as well as the Wausau RiverWolves of the NA3HL. Ice rinks are maintained in Multi-purpose Buildings (MPB) 1 & 2 from mid-September to the beginning of March annually. The buildings are used for the Wisconsin Valley Fair, circus, and other events when there is no ice. Ice rental rates for MPB 1 are approximately \$163 for prime hours and \$113 for non-prime hours and all hours at MPB 2.

- Location: Mosinee, WI
- Owner: City of Mosinee
- Operator: Mosinee Hockey Association
- Features:
 - 1 ice rink, 2 softball fields
- Sample Events:
 - Youth hockey/skating groups, Mosinee Papermakers, Mosinee HS



Layout



The facility is also home to the Mosinee Papermakers, members of the Great Lakes Hockey League (GLHL), an elite amateur senior men's ice hockey league. Unlike other facilities profiled that are publicly-operated, the Mosinee Hockey Association (non-profit group) operates the rink at the Center.

The majority of ice time at the Center is used by Mosinee Hockey Association's groups, including their figure skating group.

- Location: Mosinee, WI
- Owner: Mosinee School District
- Operator: Mosinee Youth Baseball
- Features:
 - 3 baseball fields (only 2 are used by Mosinee Youth Baseball)
- Sample Events:
 - Mosinee Youth Baseball practices, games, and tournaments



Layout

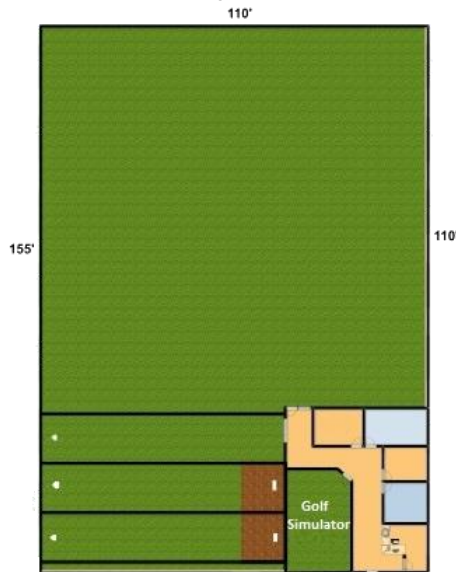


Although there are three fields, Mosinee Youth Baseball typically only uses two fields for its practices, games, and tournaments.

- Location: Weston, WI
- Owner/Operator: Private
- Opened: 2015
- Features:
 - Golf simulator, indoor turf, 5 batting cages
- Sample Events:
 - Gymnastics/tumbling, baseball/softball practices, training



Layout



The facility has batting cages and pitching tunnels for baseball and softball as well as a turf field area for a variety of sports training.

The Academy has recently partnered with Northern Extreme Athletics to provide gymnastics and tumbling to the facility.

The facility is primarily focused on training for individuals and smaller groups.

- Location: Merrill, WI
- Owner/Operator: City of Merrill
- Footprint: 17,000 sq. ft. (rentable floor space)
- Features:
 - The Center has 1 ice sheet, convertible to flat-floor/event space
 - Adjacent Merrill Area Recreation Complex (MARC) also has 4 youth softball fields, adult recreation softball fields, 4 soccer fields
- Sample Events:
 - Weddings, craft shows, Merrill High School hockey teams, youth hockey/skating, Merrill Park and Recreation programs



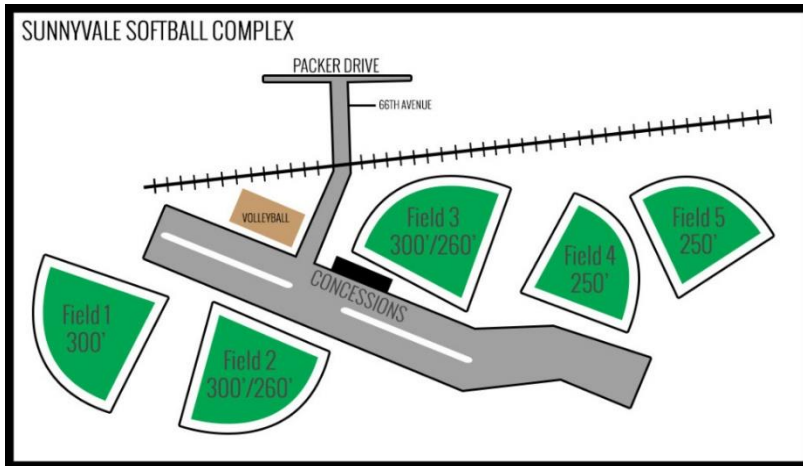
The Smith Center opened in 1995. The facility has ice from the end of October through the end of March. The Center hosts weddings, trade shows, and other events during the spring and summer months.

Sports fields at the adjacent MARC facility are primarily used by Merrill Parks & Rec Department for youth and adult programming.

- Location: Wausau, WI
- Owner: Marathon County
- Operator: Wausau Area Softball Association (WASA)
- Features:
 - 5 softball fields
- Sample Events:
 - Softball tournaments/leagues



Layout



Field 1 has a 300' fence, Fields 2 and 3 are convertible from 260' to 300' fences. All three can be set up for a variety of different softball formats. Fields 4 and 5 have 250' fences. The facility's events include ASA, Badger State Games, and USA Softball tournaments.

Based on feedback from event organizers, additional fields at another location, if combined with the existing fields at Sunnyvale, could potentially bring in larger softball tournaments.

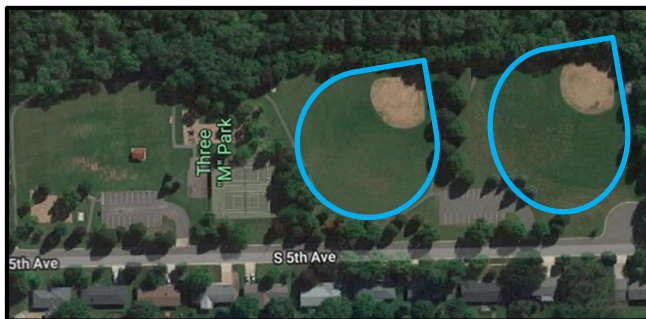
- Location: Wausau, WI
- Owner/Operator: City of Wausau
- Footprint: 16 acres
- Features:
 - 2 softball fields, 1 soccer field
- Sample Events:
 - Softball and youth baseball practices/leagues



Wausau & Marathon County
**Parks, Recreation
& Forestry**



Layout



The park hosts youth baseball and softball games. The soccer field is utilized for some practices and games.

The fields are primarily used for Wausau Area Little League games and practices as well as other local users.

- Location: Wausau, WI
- Owner/Operator: Wausau School District
- Features:
 - Basketball gymnasium, football stadium, 3 softball fields, 1 baseball field
- Sample Events:
 - High school games/practices, some basketball tournament activity



Layout



In addition to hosting its own athletic events, Wausau East hosts some volleyball and basketball tournaments. These tournaments are typically held across multiple high schools in the area.

Softball fields are available to be rented by outside groups. These rentals are typically by local groups for practices.

- Location: Wausau, WI
- Owner/Operator: Wausau School District
- Features:
 - Basketball gymnasium, football stadium, 2 softball fields, 1 baseball field
- Sample Events:
 - High school games/practices, some basketball tournament activity



Layout



In addition to hosting its own athletics, Wausau West hosts some volleyball and basketball tournaments. These tournaments are typically held across multiple high schools in the area.

Softball fields are available to be rented by outside groups. These rentals are typically by local groups for practices.



SUMMARY OF LOCAL SPORTS FACILITIES



Local Facilities:	Location:	Owner	Operator	Competitive Sports Inventory					
				Basketball & Volleyball	Indoor Fields	Ice Sheets	Rectangular Fields	Baseball Fields	Softball Fields
D.C. Everest Middle School	Weston, WI	D.C. Everest Area School District	D.C. Everest Area School District	-	-	-	-	-	2
D.C. Everest High School	Weston, WI	D.C. Everest Area School District	D.C. Everest Area School District	-	-	-	-	1	2
Eastbay Sports Complex	Wausau, WI	Marathon County	Marathon County	-	-	-	8	-	-
Greenheck Field House	Weston, WI	D.C. Everest Area School District	D.C. Everest Area School District	3	-	1	-	-	-
Marathon Park	Wausau, WI	Marathon County	Marathon County	-	-	2	-	-	-
Mosinee Recreation Center	Mosinee, WI	City of Mosinee	Mosinee Hockey Association	-	-	1	-	-	1
Mosinee Youth Baseball Fields	Mosinee, WI	Mosinee School District	Mosinee Youth Baseball	-	-	-	-	3	-
Premier Sports Academy	Weston, WI	Private	Private	-	1	-	-	-	-
Smith Multi-Purpose Center / MARC	Merrill, WI	City of Merrill	City of Merrill	-	-	1	4	-	4
Sunnyvale Softball Complex	Wausau, WI	Marathon County	WASA	-	-	-	-	-	5
Three "M" Park	Wausau, WI	City of Wausau	City of Wausau	-	-	-	1	-	1
Wausau East High School	Wausau, WI	Wausau School District	Wausau School District	1	-	-	2	1	3
Wausau West High School	Wausau, WI	Wausau School District	Wausau School District	1	-	-	2	1	2
TOTALS				5	1	5	17	6	20

Source: Victus research

Note: Sorted by Local Facilities in alphabetical order

LOCAL COMPETITIVE SPORTS FACILITY NOTES

Ownership/Operations - All local facilities (aside from Premier Sports Academy) are publicly-owned facilities, which tend to be either utilized by a specific user group (i.e. a school) or rented to the general public at affordable rates to maximize public benefit. Due to the preponderance of affordable/accessible public facility options in the County, there appears to be minimal opportunity for a private operator to generate a profit by renting field or court space in the County for local use.

Softball & Baseball - There are 20 existing competitive-caliber softball fields for youth softball in the County, but only 6 such baseball fields. Sunnyvale Softball Complex is the primary softball facility for tournament competition, however no tournament-caliber baseball facility (with a pod of at least 4 fields) exists in the County.

Soccer - Eastbay Sports Complex is the primary multi-use, rectangular field complex in the County, with 8 full-sized fields (and flexibility to accommodate a larger number of smaller fields). According to feedback from local user groups, Eastbay Sports Complex meets the primary need in the County for practices, leagues, and tournament play for soccer as well as other field sports.



SUMMARY OF RENTAL RATES



Local Ice Facilities:	Hourly Rate Per Ice Rink	Local Indoor Facilities:	Hourly Rate Per Court	Local Softball Facilities:	Hourly Rate Per Field
Greenheck Field House	\$120-\$140	Greenheck Field House	\$14	Sunnyvale Softball Complex	\$23-\$32
Marathon Park	\$120-\$163	Wausau East High School	\$15-\$30	Three "M" Park	\$30
Smith Multi-Purpose Center	\$74-\$96	Wausau West High School	\$15-\$30	Wausau East High School	\$10
				Wausau West High School	\$10

Source: Victus research

Note: Sorted by Facilities in alphabetical order

RENTAL RATE NOTES

Compared to other regional and national markets, rental rates for ice, courts, and fields in the Marathon County area are relatively low, as these facilities are generally operated by a public entity that operate with a model of partial cost recovery in order to ensure affordable public access.

Softball field rates at Sunnyvale range from \$23 to \$32 per field depending on the user group.

D.C. Everest does not rent out its softball fields.

According to the Wausau Parks Department, fields at Three "M" Park are free to rent if no set up, lining, or field grooming is required, otherwise the rental rate is \$30.



4. COMPETITIVE & COMPARABLE SPORTS TOURISM MARKETS



COMPARATIVE SPORTS TOURISM MARKETS



Based upon our community feedback process, which is described in detail later in this report, Victus Advisors identified sports facilities in the following markets as the primary locations where Marathon County sports teams are traveling to partake in tournament (or “sports tourism”) activity. Victus Advisors compared the Marathon County MSA’s demographic and socioeconomic characteristics to the competitive set of sports tourism markets shown below (listed in alphabetical order below):

- Appleton, WI
- Eau Claire, WI
- Green Bay, WI
- Mauston/Juneau County, WI
- Madison, WI
- Milwaukee, WI
- Minneapolis, MN
- Muscatine, IA
- Rockford, IL
- Stevens Point, WI
- Waupaca County, WI

In most cases, we compared these markets by MSA, however Juneau County, Muscatine, Stevens Point, and Waupaca County are not part of an MSA, therefore we relied on County-level data (Juneau, Waupaca) and Micropolitan Statistical Area* data (Muscatine).

**Micropolitan Statistical Areas (μSA) are defined by U.S. Office of Management & Budget as one or more adjacent counties or county equivalents that have at least one urban core area of at least 10,000 population but less than 50,000, plus adjacent territory that has a high degree of social and economic integration.*



COMPARATIVE MARKETS - POPULATION



Market	Total Population
Minneapolis, MN	3,628,856
Milwaukee, WI	1,575,004
Madison, WI	662,724
Rockford, IL	344,099
Green Bay, WI	323,603
Appleton, WI	240,427
Eau Claire, WI	169,567
Marathon County, WI	137,125
Stevens Point, WI	71,429
Waupaca County, WI	52,069
Muscatine, IA	43,640
Juneau County, WI	27,007
Average	606,296
Median	204,997

Source: Esri

Note: Sorted by Total Population in descending order

The Marathon County market’s population of 137,125 ranks in the bottom half of the 12 markets selected for comparative analysis. Given the smaller market size, it is important that seating capacities and size of any new sports facility be appropriately sized for the population base.



COMPARATIVE MARKETS - POP. GROWTH



Market	Annualized Pop. Growth (2000-2018)	Proj. Annual Pop. Growth (2018-2023)
Madison, WI	1.2%	1.2%
Minneapolis, MN	1.0%	1.0%
Appleton, WI	1.0%	0.8%
Green Bay, WI	0.8%	0.7%
Eau Claire, WI	0.7%	0.6%
Marathon County, WI	0.5%	0.3%
Juneau County, WI	0.5%	0.3%
Stevens Point, WI	0.3%	0.2%
Muscatine, IA	0.3%	0.2%
Milwaukee, WI	0.3%	0.2%
Waupaca County, WI	0.0%	-0.2%
Rockford, IL	0.4%	-0.3%
Average		0.4%
Median		0.3%

Source: Esri

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

The projected population growth rate of the Marathon County market ranks sixth among the 12 comparative markets.



COMPARATIVE MARKETS - MEDIAN AGE



Market	Median Age
Madison, WI	37.0
Stevens Point, WI	37.2
Minneapolis, MN	37.5
Eau Claire, WI	37.5
Milwaukee, WI	38.3
Green Bay, WI	38.8
Appleton, WI	38.8
Muscatine, IA	38.9
Rockford, IL	39.4
Marathon County, WI	40.9
Juneau County, WI	45.0
Waupaca County, WI	45.4
Average	39.6
Median	38.8

Source: Esri

Note: Sorted by Median Age in ascending order

The Marathon County market's median age of 40.9 is 10th highest among comparative markets.



COMPARATIVE MARKETS - YOUTH



<u>Market</u>	<u>Total Households</u>	<u>Households w/ Children Under 18</u>	<u>% of Households w/ Children</u>
Muscatine, IA	16,651	11,492	69.0%
Appleton, WI	94,194	64,156	68.1%
Marathon County, WI	54,819	37,023	67.5%
Rockford, IL	133,418	89,518	67.1%
Waupaca County, WI	21,497	14,179	66.0%
Green Bay, WI	129,439	83,969	64.9%
Minneapolis, MN	1,400,508	895,118	63.9%
Juneau County, WI	10,652	6,804	63.9%
Milwaukee, WI	630,836	392,632	62.2%
Eau Claire, WI	67,374	41,838	62.1%
Stevens Point, WI	28,545	17,484	61.3%
Madison, WI	276,583	161,326	58.3%
Average	238,710	151,295	64.5%
Median	80,784	52,997	64.4%

Source: Esri

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

Nearly 68% of households in the Marathon County market have children, which ranks third amongst comparative markets.

A large population of households with children can be a positive indicator for youth/amateur sports participation.



COMPARATIVE MARKETS - HOUSEHOLD INC.



<u>Market</u>	<u>Median Household Income</u>	<u>Adj. Median Household Income</u>
Appleton, WI	\$57,894	\$69,577
Muscatine, IA	\$53,398	\$69,317
Madison, WI	\$64,776	\$69,064
Stevens Point, WI	\$54,081	\$67,771
Minneapolis, MN	\$67,821	\$65,928
Marathon County, WI	\$59,407	\$63,680
Green Bay, WI	\$55,731	\$62,521
Waupaca County, WI	\$50,644	\$61,648
Rockford, IL	\$75,487	\$61,598
Milwaukee, WI	\$58,331	\$59,886
Eau Claire, WI	\$54,127	\$57,853
Juneau County, WI	\$52,235	\$57,813
Average		\$63,888
Median		\$63,100

Sources: Esri, city-data.com

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

The Marathon County market ranks sixth among comparative markets in terms of cost-of-living-adjusted median household income, which can be a potential indicator of household budgets available for spending on sports, entertainment, recreation, and leisure.



COMPARATIVE MARKETS - CORPORATE BASE



<u>Market</u>	Total Businesses
Minneapolis, MN	121,870
Milwaukee, WI	53,889
Madison, WI	27,178
Green Bay, WI	11,750
Rockford, IL	11,154
Appleton, WI	8,740
Eau Claire, WI	6,943
Marathon County, WI	5,475
Stevens Point, WI	2,941
Waupaca County, WI	2,191
Muscatine, IA	1,530
Juneau County, WI	1,058
Average	21,227
Median	7,842

Source: Esri

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

Among comparative markets, Marathon County ranks eighth in terms of business inventory, which can be an indicator for potential corporate sponsorship and naming rights support for new event facilities.



COMPARATIVE MARKETS - SUMMARY



Key Takeaways - Sports Tourism Market Comparison

Marathon County ranks less favorably in total businesses, median age, and total population when benchmarked against other comparative markets. However, the County has other positive factors that bode well for sports, entertainment, and meeting events, such as:

- Marathon County's central location in the state and region provides access to a population of over 20 million people within a five hour drive-time radius.
- The County also has a relatively high percentage of households with children compared to other markets, a positive factor for attracting youth sports and entertainment events.
- Marathon County market ranks fifth among comparative markets in terms of cost-of-living-adjusted median household income, which can be a potential indicator of household budgets available for spending on sports, entertainment, recreation, and leisure.



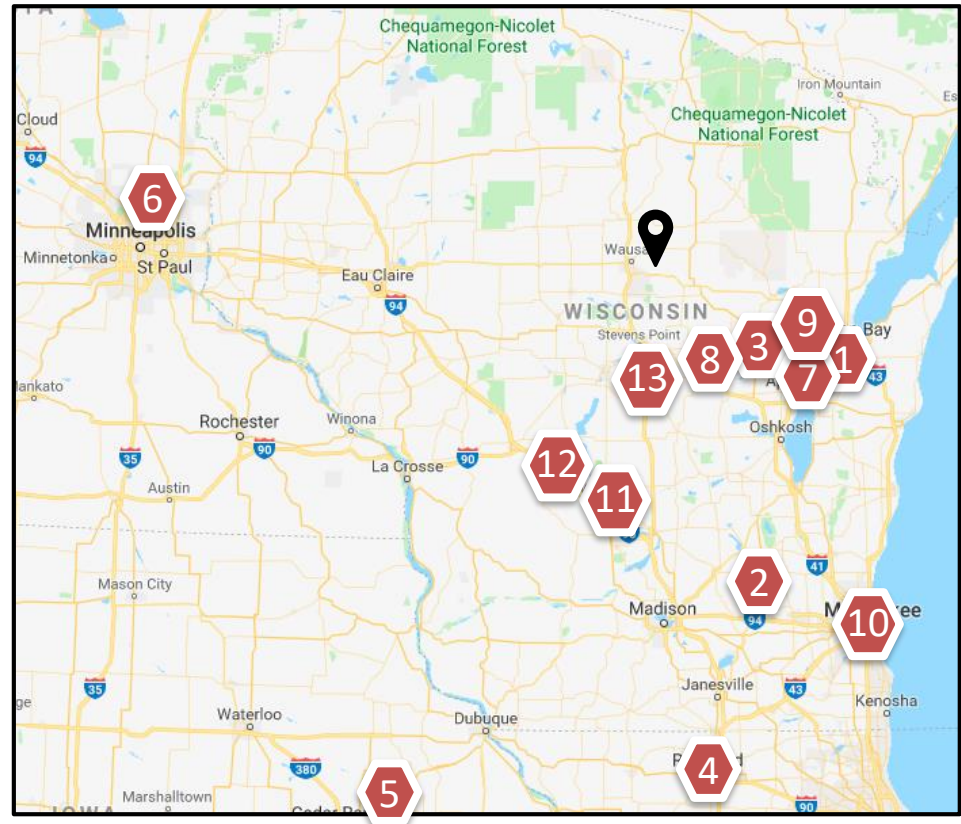
5. COMPARABLE OUTDOOR SPORTS COMPLEXES

Victus Advisors analyzed facilities within regional sports tourism markets that could potentially be comparable or competitive to a new outdoor sports complex in Marathon County. The following facilities were identified by stakeholders and local/regional users during interviews conducted by Victus Advisors.

Outdoor Sports Facilities

1. Ashwaubenon Sports Complex - Ashwaubenon, WI
2. Brandt-Quirk Park - Watertown, WI
3. Bucholtz Park - Clintonville, WI
4. Mercyhealth Sportscore One - Rockford, IL
5. Muscatine Soccer Complex - Muscatine, IA
6. National Sports Center - Blaine, MN
7. Scheels USA Youth Sports Complex - Appleton, WI
8. Swan Park - Waupaca, WI
9. Town of Seymour Softball Fields - Seymour, WI
10. Uihlein Soccer Park - Milwaukee, WI
11. Woodside Dells Sports Complex - Wisconsin Dells, WI
12. Woodside Mauston Sports Complex - Mauston, WI
13. Woyak Sports / Easlan-Weslan Parks - Plover, WI

Note: Facilities are listed in alphabetical order.



Source: Google Maps

ASHWAUBENON SPORTS COMPLEX

- Location: De Pere, WI
- Owner/Operator: City of Ashwaubenon
- Footprint: 42 acres
- Features:
 - 2 soccer fields, 4 softball fields
- Sample Events:
 - Softball tournaments and practices, soccer tournaments and practices



Layout



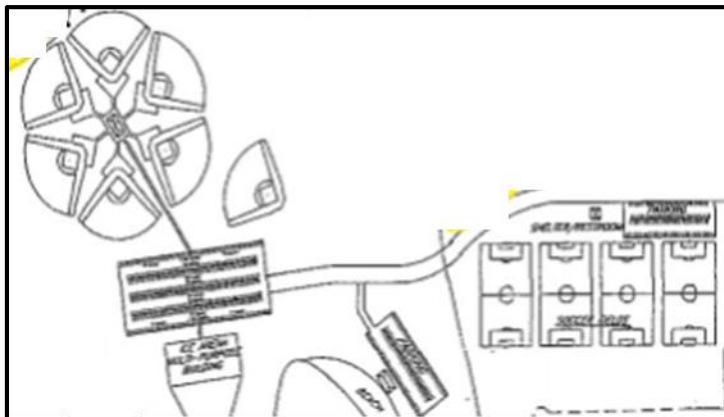
The Ashwaubenon Sports Complex is a 42 acre park that is located near the Green Bay area. Development of the facility began in 1999 with amenities and improvements being added throughout the Complex's history. The Complex is host to sports tourism events including softball tournaments.

The site is also the location of the non-profit Cornerstone Community Ice Center.

- Location: Watertown, WI
- Owner/Operator: City of Watertown
- Features:
 - 7 baseball/softball fields, 4 rectangular fields
- Sample Events:
 - Baseball and softball tournaments/leagues, soccer leagues



Layout



The local park in Watertown hosts softball and youth baseball tournaments at Brandt-Quirk Park. Users from Marathon County described it as a “nice” facility. The Park is also used by Watertown Fastpitch Softball and Watertown Baseball for local practices and games.

- Location: Clintonville, WI
- Owner/Operator: City of Clintonville
- Features:
 - 3 softball/youth baseball fields, 1 full-sized soccer field
- Sample Events:
 - Baseball and softball tournaments/leagues



Layout



The park is located in Clintonville, approximately 60 miles away from Wausau. The park has the ability to host softball and youth baseball games, practices, and tournaments. Marathon County teams have traveled to Clintonville for youth baseball tournaments at Bucholtz Park.

- Location: Rockford, IL
- Owner/Operator: Rockford Park District
- Footprint: 147 acres
- Features:
 - 18 outdoor fields, 8 baseball/softball fields, indoor soccer center
- Sample Events:
 - Soccer leagues and tournaments, softball leagues and tournaments

Mercyhealth
Sportscore
ONE



Layout



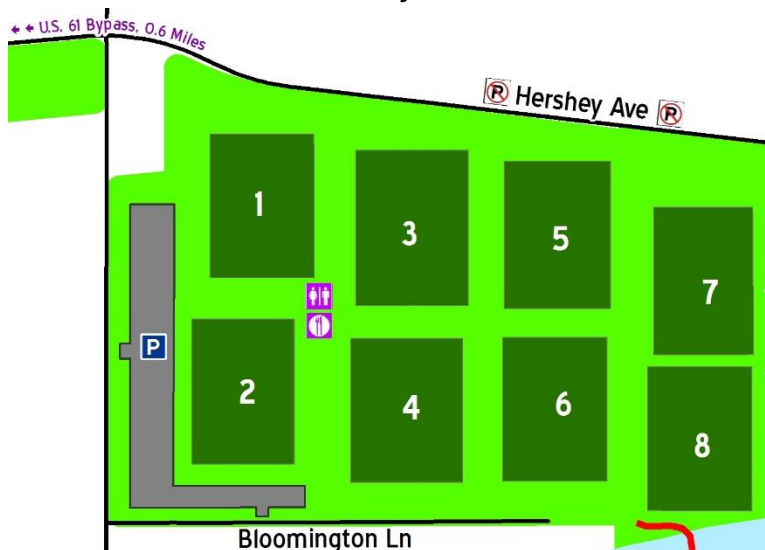
Mercyhealth Sportscore One is owned and operated by the City of Rockford's parks department. The facility is located approximately eight miles from Mercyhealth Sportscore Two. The facility hosts several soccer, softball, and baseball tournaments and is a sports tourism driver in Rockford.

MUSCATINE SOCCER COMPLEX

- Location: Muscatine, IA
- Owner/Operator: City of Muscatine
- Footprint: 41 acres
- Features:
 - 8 outdoor fields
- Sample Events:
 - Muscatine Soccer Club, soccer tournaments and leagues, College Search Kickoff



Layout



The Complex cost \$3.8 million to construct in 1993. It hosts the annual College Search Kickoff, a premier college recruiting tournament for high school boys and girls.

The National Sports Turf Managers Association recognized the Complex as the Soccer Fields of the Year in the U.S. in 1995 and 2002. Marathon County soccer groups have traveled to this facility in the past.

- Location: Blaine, MN
- Owner: State of Minnesota
- Operator: National Sports Center Foundation
- Footprint: 600 acres
- Features:
 - 52 soccer fields, 8 ice rinks, 2 indoor basketball courts, 2 indoor fields
- Sample Events:
 - Regional and national youth sports tournaments,



Layout



National Sports Center is the largest amateur sports center in the world. Its wide variety and high number of courts, fields, and rinks allow it the capability to host a multitude of sporting events. Soccer and ice hockey groups from Marathon County traveled to attend tournaments at the Center.

- Location: Appleton, WI
- Owner: City of Appleton
- Operator: USA Youth
- Footprint: 80 acres
- Features:
 - 15 soccer fields, 2 youth baseball fields, 2 full baseball fields
- Sample Events:
 - Appleton Little League, Appleton Soccer, baseball/softball tournaments, ultimate frisbee, soccer tournaments



Layout



The Sports Complex is operated by USA Youth, a non-profit organization run by representatives from the North East Wisconsin United Soccer Club and Appleton Little League. The group leases the 80 acres from the City. Soccer and baseball groups from Marathon County have traveled to the Complex for events and have commented on the quality of fields and other entertainment options.

- Location: Waupaca, WI
- Owner/Operator: City of Waupaca
- Features:
 - 4 softball/youth baseball fields
- Sample Events:
 - Baseball and softball tournaments/leagues



Layout



Swan Park is a local facility that hosts youth baseball and softball tournaments.

Waupaca is roughly 60 miles from Marathon County. The park in Waupaca was mentioned by youth baseball groups as a venue used for tournaments. In addition to tournaments, the park also hosts local groups' games and practices.

- Location: Seymour, WI
- Owner: Town of Seymour
- Operator: Seymour Ball Club
- Features:
 - 6 softball/youth baseball fields
- Sample Events:
 - Youth baseball and softball tournaments/leagues



Layout

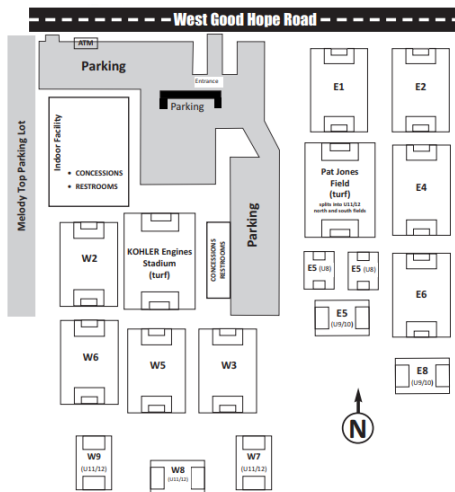


The Seymour Softball Fields host youth baseball and softball tournaments. Seymour is approximately 95 miles east of Marathon County. The park is operated by the local softball organization, Seymour Ball Club. Softball groups from Marathon County mentioned the facility as one that they have gone to for tournaments.

- Location: Milwaukee, WI
- Owner: City of Milwaukee
- Operator: Milwaukee Kickers Soccer Club
- Footprint: 86 acres
- Features:
 - 3 indoor turf fields, 15 outdoor fields
- Sample Events:
 - Milwaukee Kickers Soccer Club (MKSC) leagues/games, soccer tournaments, lacrosse tournaments



Layout



The Park has hosted the WIAA soccer state championships for both boys and girls since 2003. The facility has two lighted turf stadiums. The indoor fields host camps, clinics, leagues, practices, and open play. Indoor field rentals rang from \$100-\$140 per hour.

- Location: Wisconsin Dells, WI
- Owner/Operator: Woodside Sports
- Footprint: 48 acres
- Features:
 - 6 multipurpose fields, 2 baseball fields, 2 softball fields
- Sample Events:
 - Baseball/softball tournaments and practices, soccer tournaments, lacrosse tournaments



Layout



All of the fields are entirely artificial turf. The Sports Complex is near the Woodside Dells Dome. The facility also has six batting cages, a full concession stand and retail area, two separate meeting rooms and a VIP viewing area. Baseball groups commented that they liked the synthetic turf on the baseball fields.

- Location: Mauston, WI
- Owner/Operator: Woodside Sports
- Footprint: 245 acres (including hotel and retail space)
- Features:
 - 4 baseball fields, 4 softball fields
- Sample Events:
 - Baseball/softball tournaments

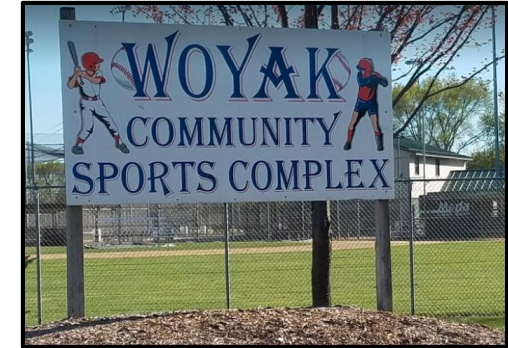


Layout



The Complex opened in 2013. All of the fields are entirely artificial turf. The Sports Complex is adjacent to the Old Towne Hotel (also owned by Woodside). Rental rates for the fields is \$425 for two hours (with lights). Woodside also owns and operates a sports complex and indoor dome in Wisconsin Dells.

- Location: Plover, WI
- Owner/Operator: Village of Plover
- Footprint: Over 34 acres
- Features:
 - 6 baseball/softball fields (Woyak)
 - 2 Little League Baseball fields (Easlan-Weslan)
- Sample Events:
 - Plover-Whiting Youth Athletics practices, games, and tournaments.



Layout



The Woyak Sports Complex and adjacent Easlan-Weslan Park have 8 baseball and softball fields in varying sizes.

The Plover-Whiting Youth Athletics organization hosts various tournaments for baseball and softball teams.



SUMMARY OF OUTDOOR SPORTS FACILITIES



Outdoor Facilities:	Location:	Owner	Operator	Competitive Field Inventory		
				Rectangular Fields	Baseball Fields	Softball Fields
Ashwaubenon Sports Complex	Ashwaubenon, WI	City of Ashwaubenon	City of Ashwaubenon	2	-	4
Brandt-Quirk Park	Watertown, WI	City of Watertown	City of Watertown	-	5	-
Bucholtz Park	Clintonville, WI	City of Clintonville	City of Clintonville	-	3	-
Mercyhealth Sportscore One	Rockford, IL	Rockford Park District	Rockford Park District	18	8	-
Muscatine Soccer Complex	Muscatine, IA	City of Muscatine	City of Muscatine	8	-	-
National Sports Center	Blaine, MN	State of Minnesota	National Sports Center Foundation	52	-	-
Scheel's USA Youth Sports Complex	Appleton, WI	City of Appleton	USA Youth	15	4	-
Swan Park	Waupaca, WI	City of Waupaca	City of Waupaca	-	3	-
Town of Seymour Softball Fields	Seymour, WI	Town of Seymour	Seymour Ball Club	-	6	-
Jihlein Soccer Park	Milwaukee, WI	City of Milwaukee	Milwaukee Kickers Soccer Club	15	-	-
Woodside Dells Sports Complex	Wisconsin Dells, WI	Woodside Sports	Woodside Sports	6	2	2
Woodside Mauston Sports Complex	Mauston, WI	Woodside Sports	Woodside Sports	-	4	4
Woyak Sports / Easlan-Weslan Park	Plover, WI	Village of Plover	Village of Plover	-	4	4
AVERAGE				17	4	4
MEDIAN				15	4	4

Source: Victus research

Note: Sorted by Outdoor Facilities in alphabetical order

COMPARATIVE SPORTS FACILITY NOTES

As shown above, the outdoor facilities most capable of hosting regional, multi-day tournament activity typically have at least four (4) baseball or softball fields, or at least six (6) outdoor multi-use fields.

Softball - The existing Sunnyvale Softball Complex in Wausau has five (5) fields, which is comparable with sports tourism-driving softball complexes in Ashwaubenon and Mauston (4 softball fields each).

Baseball - Marathon County lacks a sports tourism-caliber baseball complex. Markets such as Watertown, Rockford, Appleton, Seymour, Mauston, and Plover all have multi-field baseball complexes (with 4 to 8 total baseball fields) that are currently attracting teams from the Marathon County area.

Ownership/Operations - With the exception of the Woodside Sports Complexes in Wisconsin Dells and Mauston, all of the facilities shown above are publicly-owned.



6. INTERVIEW SUMMARIES



ONE-ON-ONE INTERVIEWS



In December 2018, MCDEVCO and the Village of Weston identified participants and scheduled a series of one-on-one interviews for Victus Advisors. The goals of these interviews were to gather feedback from key stakeholders and community leaders to discuss sports facility development in Marathon County. The set of topics and questions included perceptions of Marathon County and its current event venue offerings, possible comparable and competitive venues and markets, and other feedback concerning the potential new sports facilities in the County.

ONE-ON-ONE INTERVIEWS - Victus Advisors conducted 24 in-person interviews with representatives from the following groups:

- Badger State Games
- Central Wisconsin Speedskating
- DC Everest Youth Baseball
- DNR Archery
- DR Pool Promotions
- Everest Fast Pitch
- Everest Youth Basketball
- Everest Youth Hockey
- Ghidorzi Company
- Granite Peak Ski Team
- Greenheck Field House
- Gym Sport
- MC United Soccer
- Newman Catholic Basketball
- Wausau Area Rugby
- Wausau/Central Wisconsin Convention & Visitors Bureau
- Wausau Curling Club
- Wausau & Marathon County Parks, Recreation, & Forestry Department
- Wausau School District Baseball
- Wausau Table Tennis Club
- Wisconsin Woodchucks
- USA Softball of Wisconsin



TELEPHONE INTERVIEWS



In addition, between December 2018 and January 2019, Victus Advisors held telephone interviews with operators, promoters, and influencers of sports and entertainment events both regionally and nationally. The topics included ideal amenities and potential events that could be held at potential new sports facilities in Marathon County. In all, Victus Advisors conducted 38 phone interviews with individuals from local, regional, and national organizations, including:

- Badger Volleyball
- Central Wisconsin Sports Shows (Expo)
- College Conference of Illinois and Wisconsin
- DC Everest High School
- DC Everest High School Baseball
- DC Everest High School Softball
- Evercon
- Figure Skating Council of Wisconsin
- Friends of Everest Baseball
- Great Northern Basketball League
- Greater Wausau Area Pickleball
- Madison Mallards
- Marathon County Youth Hockey
- Midwest Conference
- Minnesota Intercollegiate Athletic Conference
- Mountain Bay Conference Center
- Mountain Bay Cup Soccer
- NCAA
- Pepper Entertainment
- PMI Entertainment Group
- Premier Sports Academy
- Redtail Entertainment
- SMG Entertainment
- US Lacrosse
- US Ski & Snowboard
- USA Curling
- Wausau Hmong Festival
- Western Collegiate Hockey Association
- Wisconsin Amateur Hockey Association
- Wisconsin Ice Volleyball
- Wisconsin Interscholastic Athletic Association
- Wisconsin Youth Soccer Association

On the following pages, we present a summary of key highlights from these one-on-one and telephone interviews that are specifically relevant to a potential new outdoor sports complex in Weston.



INTERVIEW SUMMARIES



PERCEPTIONS OF CURRENT OUTDOOR SPORTS FACILITIES IN MARATHON COUNTY

- **BASEBALL/SOFTBALL** - Most interviewees felt that softball needs are currently met by the multitude of softball fields in the County, and Sunnyvale Softball Complex serves as the primary tournament venue. However, there is no centralized complex for baseball. The baseball fields in the County are spread out making it difficult to host tournaments.
- **SOCCKER FIELDS** - While Eastbay Sports Complex generally meets the needs for soccer groups in the county, they also mentioned that the area has a great need for indoor soccer facilities. There is no indoor soccer facility within 90 miles. Currently, groups use basketball courts at schools and churches. Schools can be very expensive to rent on the weekends for these groups. The individual said that they currently use the indoor space for local use such as practices and open gym sessions.



INTERVIEW SUMMARIES (CONT.)



COMPARATIVE VENUES & MARKETS

- **BASEBALL/SOFTBALL-** Groups continued to mention the Woodside Complexes in both Wisconsin Dells and Mauston as facilities that have been previously used or visited. The Woodside complex has all-synthetic turf baseball/softball fields that can be used in inclement weather. Facilities in Clintonville, Eau Claire, Plover, and Waupaca were also identified by softball and baseball users as comparative venues.
- **SOCCKER -** The Muscatine Soccer Complex in Muscatine, Iowa and the National Sports Center in Blaine, Minnesota were cited by local soccer groups as the soccer complexes most frequently visited for tournaments.



INTERVIEW SUMMARIES (CONT.)



DEMAND FOR NEW FACILITIES

- **BASEBALL** - A youth baseball group indicated that they would absolutely want to be involved in weekly programming at a new multi-field facility and would use it for practices, games and tournaments. Other baseball groups said that having a multi-field complex would make hosting tournaments in the area easier.
- **SOFTBALL** - Feedback showed that there was no significant demand for more dedicated softball fields. It should be noted however, that new Little League Baseball fields could also likely be used in conjunction with Sunnyvale to attract larger softball tournaments.
- **SOCCER & OTHER MULTI-USE FIELD SPORTS** - Various sports groups indicated that there was no significant demand for additional rectangular fields, stating that Eastbay Sports Complex and other local parks with fields was sufficient.



INTERVIEW SUMMARIES (CONT.)



ADDITIONAL NOTES REGARDING BASEBALL DEMAND

- **LOCATION** - Several interviewees mentioned that there is not a central location for baseball. A centrally-located facility with multiple baseball fields would alleviate travel concerns for parents with children practicing across multiple venues.
- **QUALITY OF FIELDS** - One individual mentioned that some of the current fields in the area are not well taken care of, and that a new larger facility should be well-funded and have a good maintenance program to keep the diamonds in good condition.
- **LOCAL VS. REGIONAL USE** - If scheduling were not an issue, a youth baseball group would be able to run practices and games on multiple days during the week. A complex with multiple fields could hold a big weekend tournament and bring in many teams across different age levels. A youth baseball tournament organizer believes that they could run up to two tournaments per month during the summer. The same organizer said that tournaments could also be done through the fall, but less frequently than the summer.
- **HIGH SCHOOL USE** - High school programs commented that they would probably still play games and practice at their school fields. Their interest in a new facility would be to possibly host a Saturday tournament during the season.



KEY INTERVIEW TAKEAWAYS



KEY TAKEAWAYS

- **RATES** - For local use practices/games, Marathon County user groups are accustomed to paying very affordable rates relative to other markets in Wisconsin. The going rates in the marketplace could make it very difficult for a private operator to turn a profit on operations of outdoor field space.
- **BASEBALL** - Several interviewees mentioned that there is not a multi-field venue for baseball in the County. A centrally-located facility with multiple fields would alleviate travel concerns for parents with children practicing across multiple venues as well as provide a baseball facility that can host various tournaments. Several groups indicated that they would be able to host multiple tournaments during the year with the following complex features:
 - Multiple fields (4-8), with some as artificial fields
 - Central location
 - Convertible field distances
- **SOFTBALL** - There was no significant demand for more dedicated softball fields. It should be noted however, that new Little League Baseball fields could also likely be used in conjunction with Sunnyvale to attract larger softball tournaments.
- **SOCCER** - Eastbay Sports Complex generally meets the needs for soccer groups in Marathon County.



7. VENUE DEMAND ASSESSMENT



OVERVIEW



Our facility recommendation is based primarily upon the following primary and secondary research conducted by Victus Advisors over the course of this study:

- Analysis of Marathon County and Weston's unique market characteristics.
- Review of comparative markets.
- Community feedback via in-person and telephone interviews.
- Interviews conducted with event organizers and tournament operators

Based on customized research and our extensive industry experience, we have identified that community demand exists for a new outdoor baseball complex.

RECOMMENDATION: Victus Advisors identified demand for development of a new multi-field, tournament-caliber baseball complex in Marathon County. Based upon the results of our market and facility analysis, Victus Advisors recommends that a new multi-field baseball complex capable of hosting significant regional tournament activity should have:

- ❑ 1 Little League-sized 4-plex with lighted fields
 - At least one field should be artificial which could be used as “championship field” and help limit tournament rain-outs.
 - Little League fields are typically adaptable for softball, and could potentially be combined with Sunnyvale Sports Complex to attract larger, regional tournaments.
- ❑ 1 older youth/teen-sized 4-plex with lighted fields
 - At least one field should be artificial to which could be used as a “championship field” and also help limit tournament rain-outs.
 - Fences, base paths, and mounds should be flexible to adjust for various age groups.
- ❑ Support areas and amenities, including concessions, picnic tables, offices, and storage, etc. These areas and amenities should be easily accessible for both field complexes.
- ❑ Note: Regional tournament operators indicated a minimum of four (4) fields of each type would maximize the ability of each 4-field pod to generate regional tournament activity.

OTHER NOTES: A) Most local softball users indicated that there is no immediate need for more softball fields, however convertible Little League baseball fields could help the County attract larger softball tournaments in conjunction with Sunnyvale Softball Complex. B) The majority of feedback from community stakeholders indicated minimal need for additional outdoor rectangular fields, however many of those groups did indicate a need for indoor field space for practices in the late fall and early spring.

RATIONALE:

- ❑ Victus found that baseball field inventory is both small and fragmented across the County, requiring tournament operators to piece together fields.
- ❑ One baseball stakeholder felt that a new multi-field baseball complex could be an economic catalyst for the Village.
- ❑ Lighted fields will help maximize usage and rental revenue.
- ❑ The inclusions of an artificial field within each 4-plex can help maximize usage in the event of rainy conditions. Additionally, according to feedback, artificial fields could make fields and base paths easier to adjust. Artificial fields can provide early spring practice and game venues for high school teams once snow is removed from the playing surface.
- ❑ Potential local user groups:
 - DC Everest Youth Baseball
 - Everest Fast Pitch
 - Wausau Softball
 - Wausau Youth Baseball
 - Everest High School Baseball & Softball
 - Other local user groups beyond those interviewed by Victus Advisors
- ❑ Potential regional tournament activity:
 - High School baseball region and state championships
 - Little League baseball tournaments
 - USA Softball regional and national tournaments (in conjunction with Sunnyvale Softball Complex)



8. PRELIMINARY SITE ANALYSIS, DESIGN CONCEPT & BUDGET

SITE ANALYSIS OVERVIEW

Victus Advisors was tasked with conducting a site test fit on the site in Weston shown below. This site has been discussed by the Village of Weston as a potential location for a new regional sports complex, because it is already owned by the Village and is large enough to accommodate multiple sports fields. However, it should be noted that other sites may exist (outside of the scope of this study) that could potentially be viable for an outdoor sports complex and also provide regional benefit. The proposed site is on the north side of Weston Avenue on both the west and east side of Zinser Street, with the site on the east side being larger, as seen below:



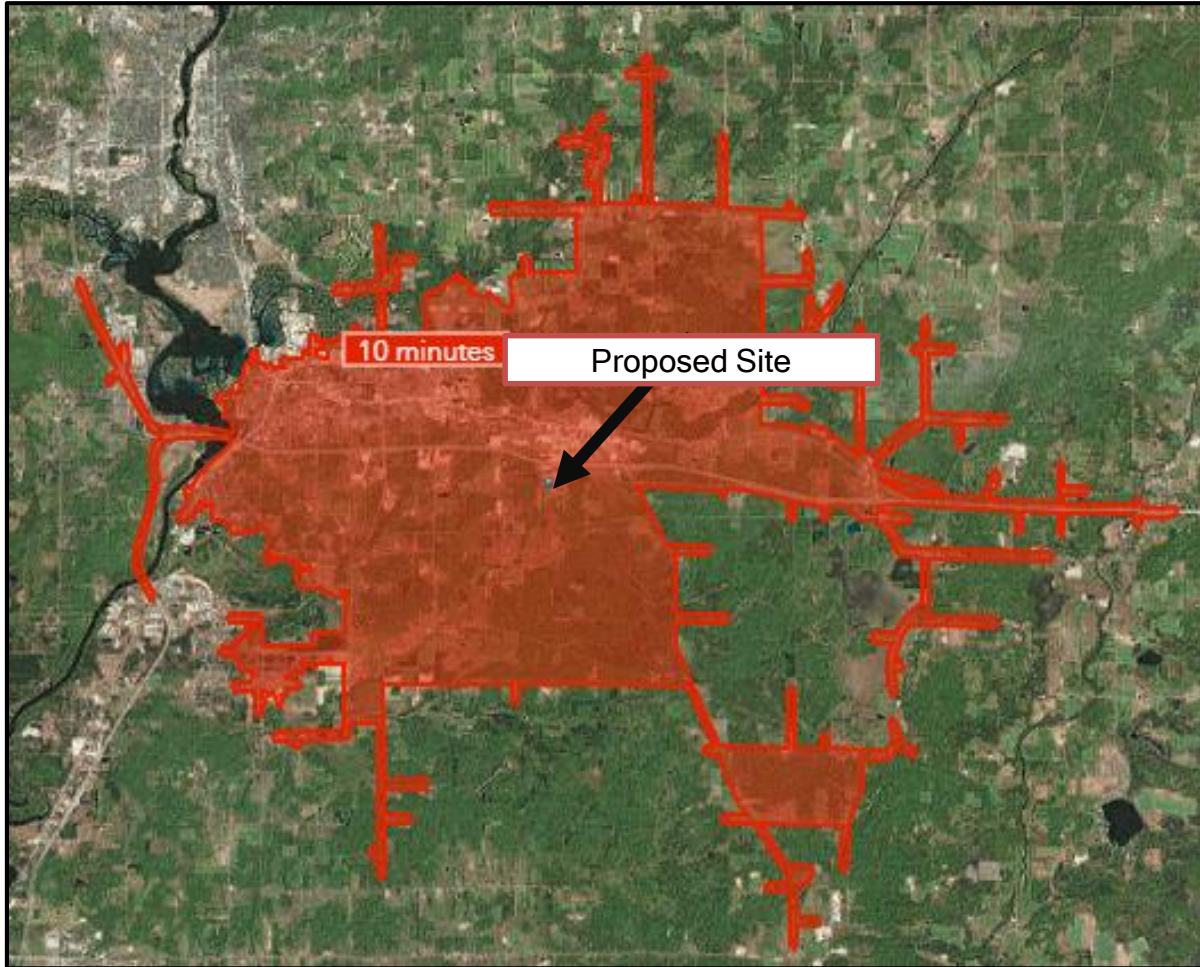
Source: Google Maps



Source: Google Maps

POSITIVES: The land on the site is owned by the Village, thus eliminating costly land acquisition. There is plenty of land to build a complex and have ample parking. Additionally, there could be sufficient space to have other amenities such as a concessions pavilion, playground, etc. The site is near Exit 177 of Highway 29 which would make the complex accessible for both local use and sports tourism.

NEGATIVES: The site appears to be relatively far from the Village core, and ancillary development on-site/adjacent to the complex could be a vital component for both overall sustainability and capturing economic impact within the Village.



Source: Esri

RETAIL: There are several retail stores or shopping centers just within the 10-minute drive-time radius of the proposed site. Most are located off Schofield Avenue near Camp Phillips Road (as shown on the next page).

DINING: There are several dining options within the 10-minute drive-time radius of the proposed site, particularly off Camp Phillips Road (as shown on the next page).

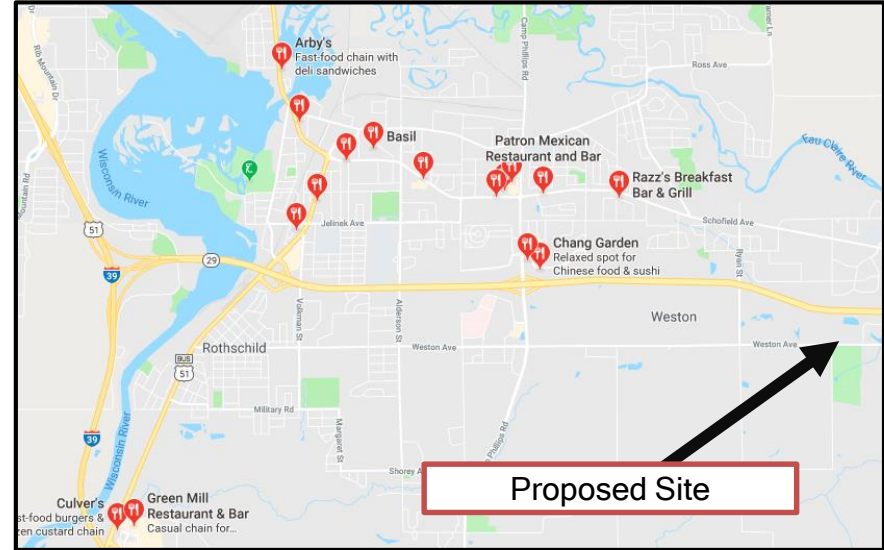
LODGING: There are 15 hotels within a 10-minute drive-time radius of the proposed site. Three are off Camp Phillips Road and one is off Schofield Avenue. Additionally six hotels are located in Rothschild (as shown in two pages).

RETAIL SHOPPING MAP



Source: Google Maps

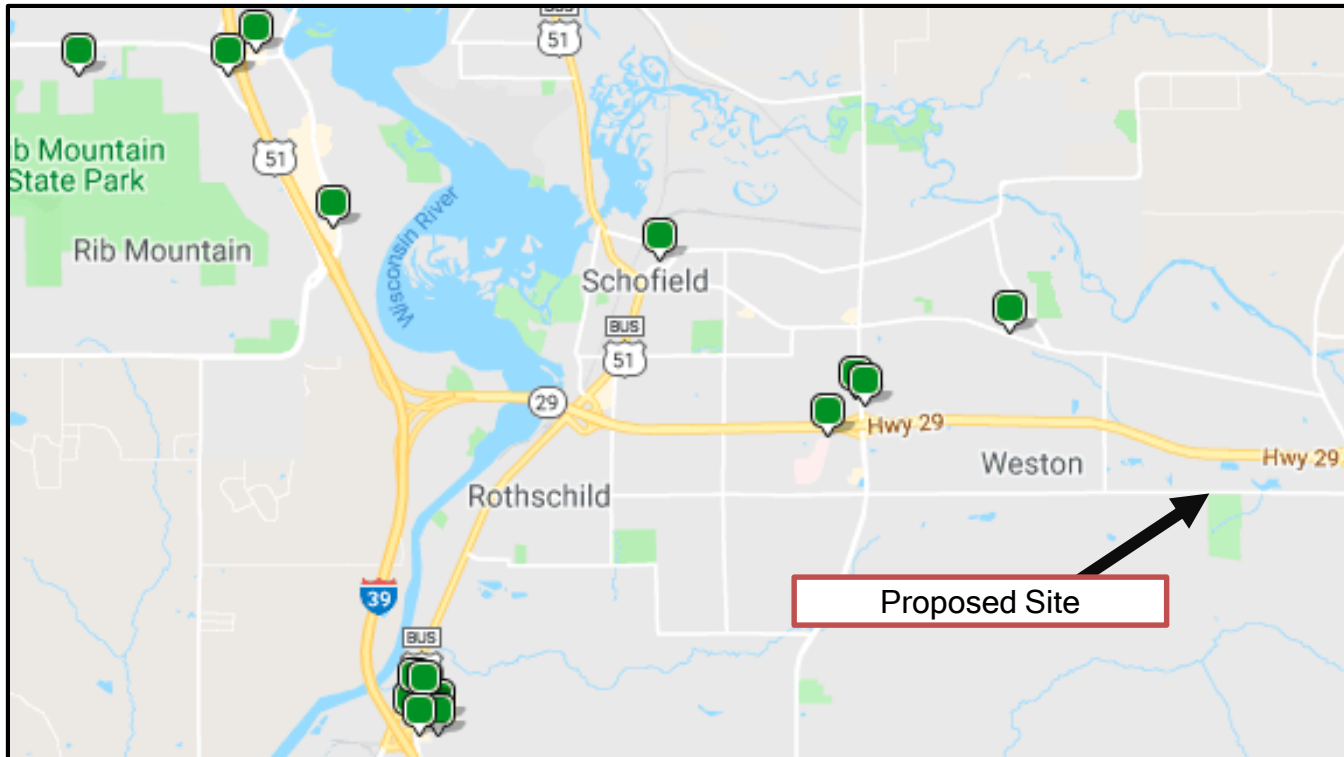
RESTAURANT MAP



Source: Google Maps

Convenient access to food and retail outlets is an important component of hosting sports tournament activity. Numerous food and shopping options are found within a 10-minute drive-time of the proposed site. It should be noted that while the facility could be located in Weston, other communities in the region would greatly benefit from incremental visitor spending, including Schofield, Wausau, etc.

HOTEL INVENTORY



Source: Hotels.com, Google Maps

Note: Minimum 2-star hotel class

Convenient, affordable, family-friendly lodging (preferably no more than a 10-minute drive from a sports facility) is an important component of attracting and hosting multi-day tournament activity.

Victus Advisors found that lodging (minimum 2-star hotel class) is spread throughout the region. It is worth noting that there are four primary hotels in Weston with under 450 rooms, therefore larger tournaments would need to rely on additional regional hotel inventory in Rothschild, Schofield, and Wausau.



DESIGN CONCEPT OVERVIEW

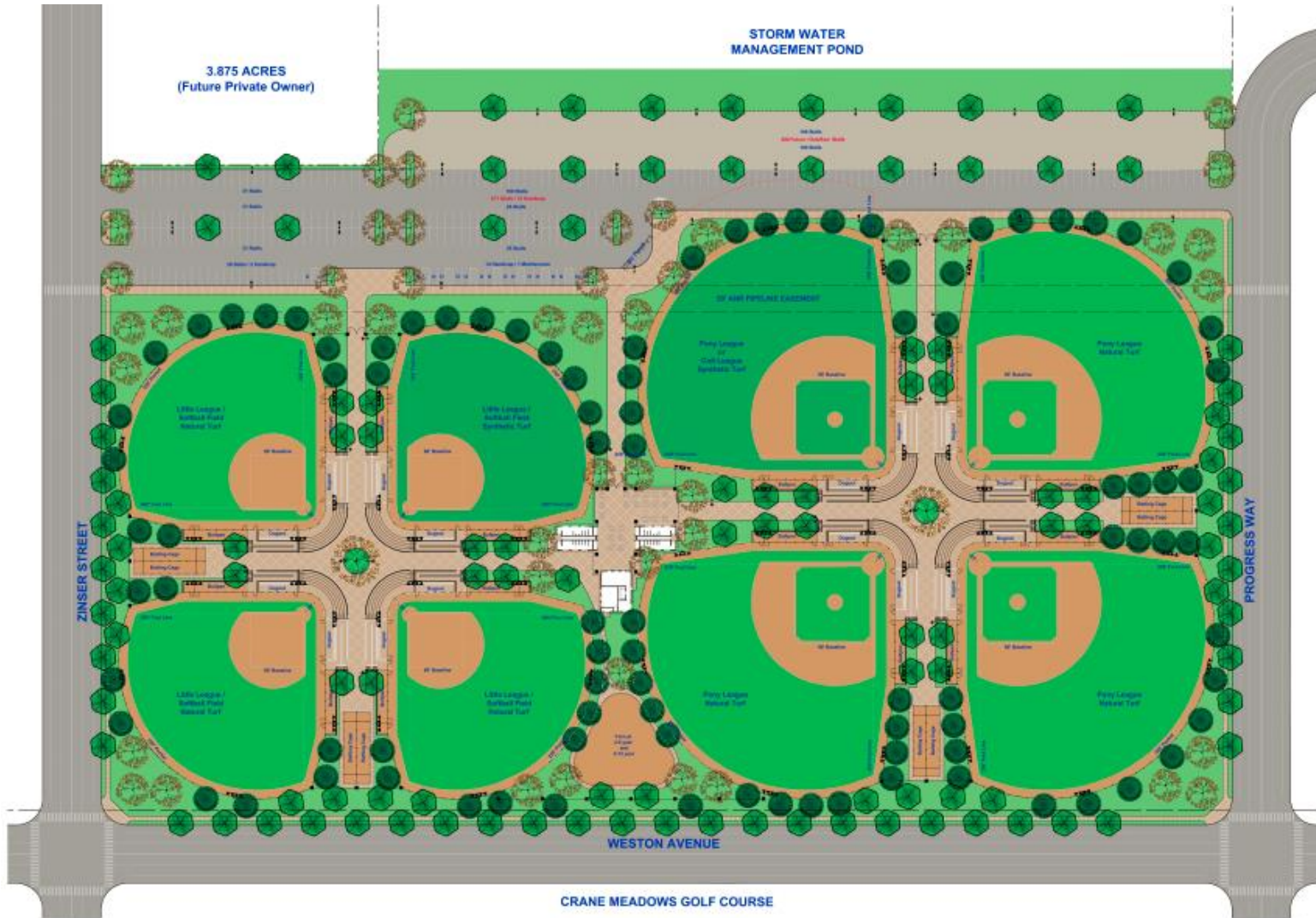


Based upon the preliminary site analysis and market demand results, and Victus Advisors' recommended facility program, ICG developed concept drawings for the proposed Marathon County baseball complex if it were located on the proposed Weston site.

ICG's site concept is located on the larger parcel on the east side of Zinser Street, for two primary reasons:

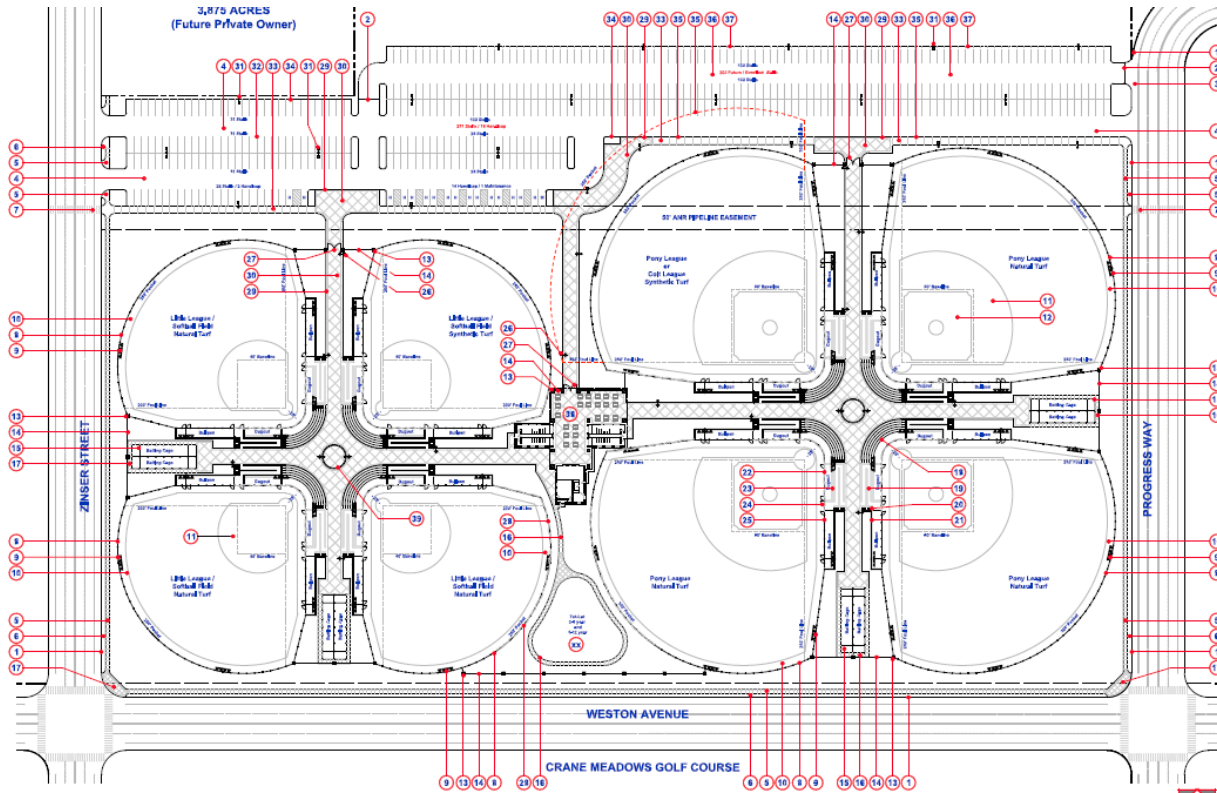
- 1) The larger parcel was the only one of the two parcels capable of fitting eight (8) fields, support amenities, and parking on one parcel.
- 2) Locating the entire complex on one parcel prevents the need for athletes and attendees to have to cross Zinser street, which can add significant risk and logistical complications to tournaments.

ICG's concept drawings are presented on the following pages, including a master plan, site plan, concessions/maintenance building, and preliminary cost estimate.



Illustrative Site Plan - Option "A"





Site Plan - Option "A"

Softball/Baseball Layout Chart:

Youth Tournament:



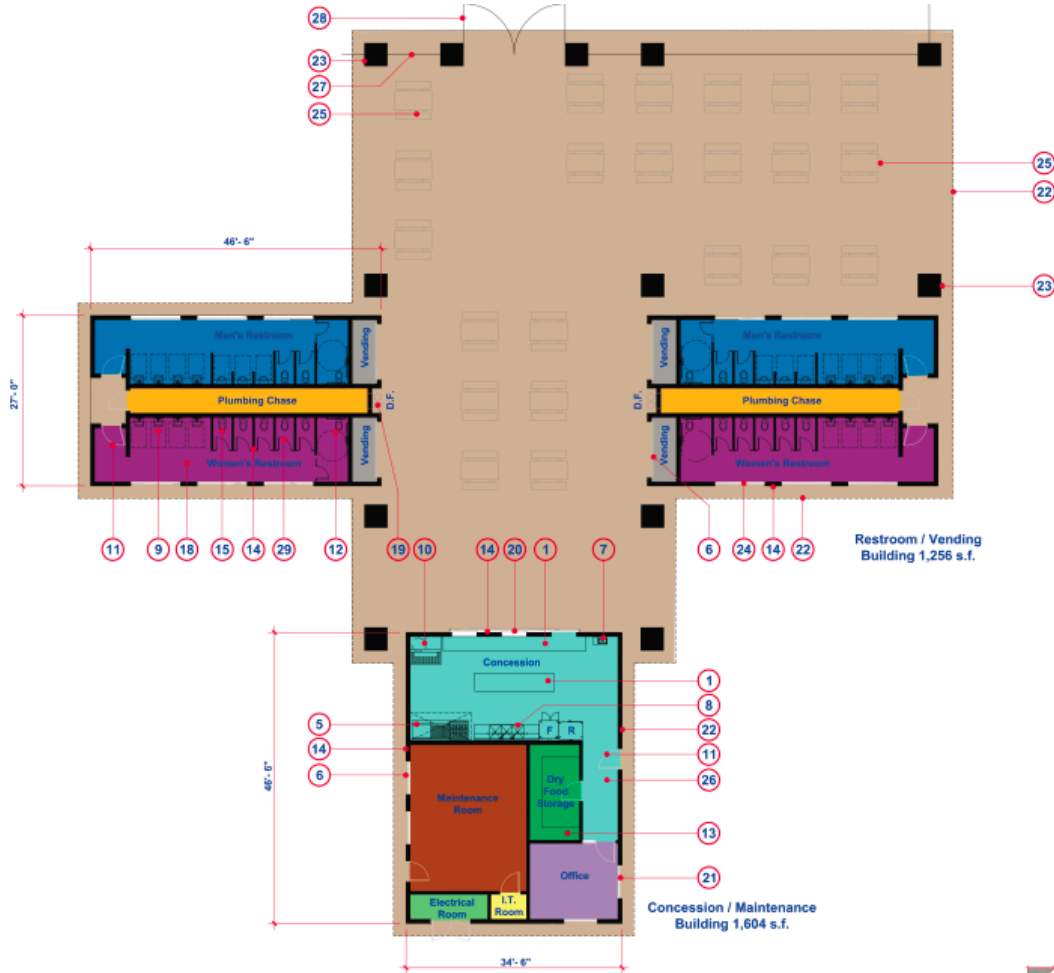
FEATURE LEGEND: (X)

1. 6" Street Concrete Curb and Gutter
2. 0" Concrete Curb at Asphalt Pavement and Crushed Miscellaneous Base (C.M.B.)
3. Asphalt Street Pavement
4. Asphalt Parking Lot Pavement
5. 5' Wide Concrete Walkway
6. 5' Wide Landscape Parkway
7. Crosswalk
8. 8' High Chain Link Outfield Fence
9. Sports Field Light Standard (Musco)
10. 10' Wide Infield Mix Warning Track
11. Infield Mix
12. Turf Infield
13. 30" Square x 8' High Brick Veneer Pillaster w/ Concrete Cap
14. 8' High Aluminum Fencing
15. Batting Cage
16. 5' Wide Concrete Walkway
17. Handicap Access Ramp
18. Concrete Stadium Style Seating
19. Concrete Handicap Access Ramp to Field
20. Concrete Stairs
21. CMU Retaining Wall
22. 10' High Chain Link Fence w/ 30' High Netting at Back Stop
23. Aluminum Players Bench
24. 8' High Chain Link Gate
25. 10' High Chain Link Fence Foul Line
26. Pedestrian Walkway Light Standard
27. 8' High Aluminum Gate
28. 10' High Chain Link Fence w/ 20' High Netting
29. 2' Wide Concrete Banding
30. Concrete Paving or Pavers
31. Parking Lot Light Standard
32. Parking Lot Striping
33. 10' Wide Concrete Walk
34. 6" Parking Lot Curb and Gutter
35. Optional 350' Baseball Field Layout
36. C,M,B. Overflow / Future Parking Lot
37. Red Wood Header at C,M,B.
38. Refer to Architectural Floor Plan
39. 24" High Brick Veneer Seat Wall w/ Concrete Cap

Softball/Baseball Layout Chart:

	Softball			Baseball					NCAA
	* 16" Slow Pitch	12" Fast Pitch	12" Slow Pitch	* Little League	Bronco League	* Pony League	Babe Ruth League	Colt League	
Pitching Distance	38	46	46 (40)	46	48	54	60.5	60.5	60.5
Home Plate to Backstop	Min. 25	25-30	25-30	25	20	40	60	60	60
Baseline	55 (50)	60	60	60	70	80	90	90	90
Radius of Skinned Area	70	60	60	50	65	80	95	95	95
Foul Line	250 (200)	Min. 275	Min. 225	200	175	250	350	300	330
Home Plate to Pocket	250	275 (250)	225	200 (250)	225	300	400	350	400
Di. - Pitchers Mound	16	8	8	10	12	15	18	18	10
Size of Pitchers Box	3 x 15	3 x 15	3 x 15	4 x 8	6 x 12	8 x 16	10 x 20	10 x 20	5 x 20
Di. - Bases	30	30	30	18	22	24	26	26	26

CONCESSIONS/MAINTENANCE AREAS



FEATURE LEGEND: (X)

1. Stainless Steel Counter Top
2. Water Heater Above
3. (F) Freezer
4. (R) Refrigerator
5. Cooktop / Range Hood
6. Steel Roll-up Service Door
7. Hand Sink
8. 3 Compartment Sink
9. Stainless Steel Sink
10. Ice Machine
11. Hollow Metal Door and Frame
12. Stainless Steel ADA Toilet Fixture
13. Stainless Steel Storage Shelves
14. CMU Building Structure
15. Stainless Steel Toilet Accessories
16. Ceramic Tile Finish
17. Stainless Steel Toilet Fixtures
18. Epoxy Flooring
19. Hi-Lo Drinking Fountain
20. Aluminum Service Window
21. Aluminum Sliding Window
22. Standing Seam Metal Roof
23. Brick Veneer Pilaster
24. Metal Ventilation Louvers
25. Picnic Table
26. Ceramic Tile Flooring
27. 8' High Aluminum Fencing
28. 8' High Aluminum Gates
29. Stainless Steel Toilet Closet Doors

Floor Plan - Option "A"

Village of Weston - Park Master Plan

Weston, Wisconsin





PRELIMINARY COST ESTIMATE



Overview			
	Description	PERCENT	EXTENSION TOTALS
	Construction Costs		
	Mobilization/Overhead & Profit	5%	\$650,000.00
	Demolition	0%	\$50,750.00
	Earthwork	4%	\$500,000.00
	Site Work	15%	\$2,081,544.00
	Utilities	2%	\$232,600.00
	Architectural	8%	\$1,136,040.00
	Synthetic Turf Construction	18%	\$2,453,559.84
	Site Furnishings	4%	\$602,310.00
	Fencing	8%	\$1,127,325.00
	Landscape	19%	\$2,531,235.00
	Irrigation System	3%	\$442,062.25
	Site Lighting	12%	\$1,648,200.00
	Construction Cost Sub Total	100%	\$13,455,626.09
	10% Contingency		\$1,345,562.61
	Construction Total		\$14,801,188.70
	Consulting Fees	8.00%	\$1,076,450.09
	Construction Management Fees	3.00%	\$403,668.78
	Grand Total		\$15,877,638.79

ICG estimates that a multi-field baseball complex in Weston could cost approximately \$15.9 million to build. However, as shown on the following page, the overall cost could potentially be reduced via a competitive bidding process.



POTENTIAL COMPETITIVE BID REDUCTION



It should also be noted that ICG estimates that a competitive bidding process (more than eight bidders) could potentially reduce the construction cost from \$15.9 million to approximately \$13.3 million, as shown below.

Competitive Bid Reduction (more than 8 bidders)	
Construction Total	\$14,801,188.70
20% Competitive Bid Reduction	\$2,960,237.74
Probable Construction Cost	\$11,840,950.96
Consulting Fees	\$1,076,450.09
Construction Management Fees	\$403,668.78
Grand Total	\$13,321,069.83



9. EVENT/ATTENDANCE PROJECTIONS & FINANCIAL OPERATING ANALYSIS

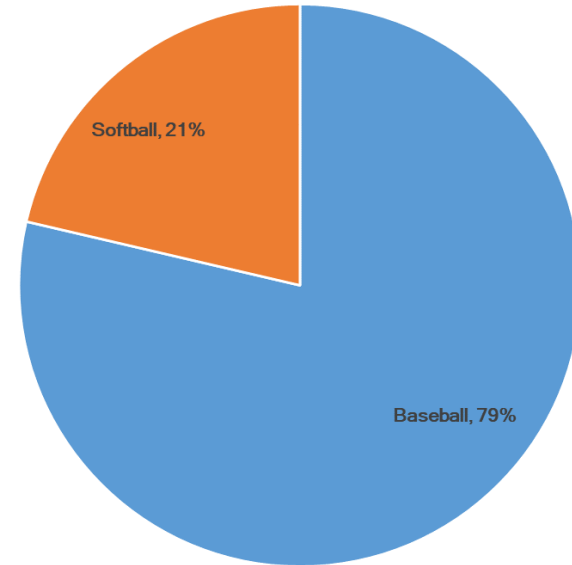
The following key assumptions were utilized by Victus Advisors in order to develop operating and financial projections for a new eight-field baseball complex in Marathon County:

- Financial projections have been developed for a new eight (8) field baseball complex are based on estimated programming, practice, league, and tournament usage developed via the market research previously presented in this report.
- The property will be publicly owned and thus exempt from property taxes.
- The complex will be operated by a public entity.
- No assumptions have been made yet for debt service or long-term capital improvement funds.
- The complex will offer affordable rental rates and market to local teams and regional/national tournaments. The state-of-the-art facility will be designed to compete against other regional sports complexes in attracting tournaments and sports tourism.
- These projections are based on current market circumstances, and thus assume that there will be no other major changes to the available baseball or softball facility inventory within Marathon County.
- The financial projections displayed on the following pages utilize a variety of additional assumptions, including data gathered from 3rd-party sources, information provided by the Village of Weston, and Victus Advisors' industry experience. There will be differences between these projections and actual events, and these differences may be material.

It is estimated that baseball events would account for the majority of facility utilization at approximately 79% of the total annual usage hours.

<u>Sport</u>	<u>Facility Hours</u>
Baseball	6,024
Softball	1,636
TOTAL	7,660

Note: Sorted by Facility Hours in descending order



Total Estimated Annual Visits: 263,320*

**Notes:*

- (1) Includes estimated athletes, officials, coaches, parents/family, spectators, etc.
- (2) Represents unique daily visits. For example, if an athlete participated in practices on a Tuesday and a Thursday one week, that would count as two (2) unique visits that week.



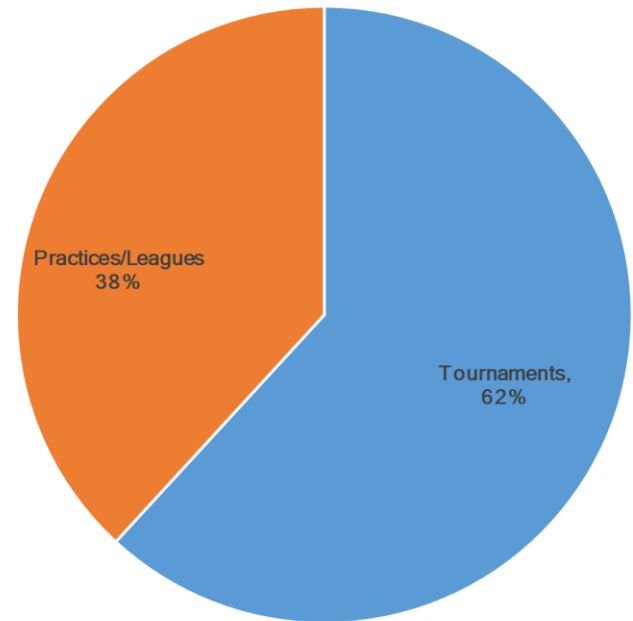
ESTIMATED ANNUAL UTILIZATION - BY EVENT



It is estimated that the multi-field baseball complex could host approximately 28 annual tournaments of varying sizes, primarily weekend events during the summer, accounting for over 62% of the facility's usage. It should be noted that practices/leagues would primarily be local residents (Monday-Thursday), while tournaments would draw athletes and spectators from outside the County (Friday-Sunday).

<u>Event</u>	<u>Facility Hours</u>
Tournaments	4,744
Practices/Leagues	2,916
TOTAL	7,660

Note: Sorted by Facility Hours in descending order



Estimated Annual Tournaments/Competitions: 28*

**Note: We have assumed 14 annual tournaments per 4-plex*



FINANCIAL PROJECTIONS



In a stabilized year of operations, it is estimated that the operations of the new multi-field baseball complex could operate at an estimated annual cost recovery of approximately 67%.

	Stabilized Year
Operating Revenues:	
Rental Income	\$198,000
Concessions (Net of COGS)	\$87,000
Advertising & Sponsorship	\$12,000
Total Revenues:	\$298,000
Operating Expenses:	
Salaries & Wages	\$197,000
Utilities	\$80,000
Maintenance/Repair	\$53,000
Materials/Supplies	\$53,000
General & Administrative	\$35,000
Insurance	\$28,000
Total Expenses:	\$446,000
Net Loss From Operations:	(\$148,000)
Cost Recovery:	67%

Notes:

(1) Presented in 2019 dollars. Stabilized year of operations typically occurs by Year 3.

(2) Net Income from Operations does not include Interest, Depreciation, and Amortization

(3) Does not include variable accounting charges and capital expenses (such as allocation expense and capital and building expense)



LONG-TERM CAPITAL NEEDS



Capital Reserve Funding: 0.50%

<i>Operating Year:</i>	1	2	3	4	5	10	15	20	25	30
Cumulative Capital Reserve Contributions	\$74,006	\$150,232	\$228,745	\$309,613	\$392,908	\$848,395	\$1,376,430	\$1,988,567	\$2,698,202	\$3,520,864

Notes:

- (1) 0.50% reserve funding scenario represents 0.50% of estimated facility construction costs, plus 3% annual inflation, contributed annually to a capital reserve fund.
- (2) Cumulative Capital Reserve is a conservative calculation of potential available funds, as no assumptions have been made for potential returns from holding Reserve Funds in an investment account or interest-bearing account.

Current industry best practices for long-term capital needs is to annually contribute an amount equal to at least 0.50% of hard construction costs. ICG currently estimates approximately \$14.8 million* in hard construction costs for a new multi-field baseball complex , therefore it is recommended that the owner(s) of the complex set aside approximately \$74,006 per year in a capital reserve fund, increasing that amount annually to account for inflation. This capital reserve fund can be drawn upon to pay for necessary capital maintenance as the facility ages.

*Represents preliminary construction cost estimate prior to any competitive bid reduction



OPERATING REVENUES



Revenue generated by a new multi-field baseball complex is expected to consist primarily of rental income, concessions, and advertising/sponsorship. A brief description of each potential revenue source is provided below.

Rental Income

Facility rent typically accounts for the largest revenue source for a facility. Rentals typically occur for practices and league play (primarily local-use within Marathon County) and tournaments (regional/national usage). We have conservatively assumed, based on competitive rental rates within the County, that average rental rates for baseball fields would be approximately \$30 per hour at a new facility. It is expected that “rack” rates could be higher, however average rental rates are often lower than rack rates due to discounts associated with long-term usage agreements with user groups.

Concessions

Concessions and merchandise revenue consists of sales of various food and beverage items at the complex. Revenue assumptions are based on estimated usage and attendance, and comparable per capita spending from facilities across the country (approximately \$1 to \$3 per visitor per day, depending on user type).

Advertising & Sponsorship

Advertising and sponsorship revenues are assumed to be derived from the sale of wall banners (\$500 per banner) and scoreboard signage (\$1,500 per scoreboard). Given the relatively small corporate base in the Weston/Wausau area, we have conservatively assumed there would be limited advertising sales of approximately \$12,000 per year.



OPERATING EXPENSES



Operating expenses expected to be generated by the new multi-field baseball complex include salaries, wages, and benefits, utilities, and other expenses. A brief description of each potential major source of expense is provided below.

Salaries, Wages & Benefits

In addition to existing Village parks and recreation staff, we have assumed that the Village of Weston would require additional labor equal to three (3) full-time-equivalent employees, including a Field Coordinator and additional operations, maintenance, and custodial needs. Lastly, we have assumed approximately \$60,000 per year in additional part-time and seasonal labor, primarily associated with tournament weekends.

Utilities

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

Other Expenses

Other expenses expected to be incurred by the new multi-field baseball complex include general and administrative expenses, repairs and maintenance, materials and supplies, marketing/advertising costs, insurance, and other such expenses, as described on the next page.



EXPENSES (CONT.)



- Maintenance and repairs for structures, equipment, grounds, etc.
- Materials and supplies for administration and operations of the facility
- General liability insurance to cover the sports fields, grounds, restrooms, and other such areas
- Office and administrative expenses, including but not limited to marketing and advertising, telecommunications, travel costs, permits, service fees, and other such operating expenses

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



RISK ASSESSMENT



	Base Model	Usage Hours +20%	Usage Hours +10%	Usage Hours -10%	Usage Hours -20%
Baseball Complex					
Operating Revenues:	Total	Total	Total	Total	Total
Rental Income	\$198,000	\$238,000	\$218,000	\$179,000	\$159,000
Concessions (Net of COGS)	\$87,000	\$104,523	\$95,813	\$78,392	\$69,682
Advertising & Sponsorship	\$12,000	\$12,000	\$12,000	\$12,000	\$12,000
Total Revenues:	\$298,000	\$354,523	\$325,813	\$269,392	\$240,682
Operating Expenses:					
Salaries & Wages	\$197,000	\$197,000	\$197,000	\$197,000	\$197,000
Utilities	\$80,000	\$80,000	\$80,000	\$80,000	\$80,000
Maintenance/Repair	\$53,000	\$53,000	\$53,000	\$53,000	\$53,000
Materials/Supplies	\$53,000	\$53,000	\$53,000	\$53,000	\$53,000
General & Administrative	\$35,000	\$35,000	\$35,000	\$35,000	\$35,000
Insurance	\$28,000	\$28,000	\$28,000	\$28,000	\$28,000
Total Expenses:	\$446,000	\$446,000	\$446,000	\$446,000	\$446,000
Net Loss From Operations:	(\$148,000)	(\$91,477)	(\$120,187)	(\$176,608)	(\$205,318)
Cost Recovery:	67%	79%	73%	60%	54%

Notes:

- (1) Presented in 2019 dollars. Stabilized year of operations typically occurs by Year 3.
- (2) Net Income from Operations does not include Interest, Depreciation, and Amortization
- (3) Does not include variable accounting charges and capital expenses (such as allocation expense and capital and building expense)

Usage hours (both local and sports tourism hours) are the key driving factor in a facility's cost recovery. As shown above, we adjusted the estimated usage hours in our Base Model by +/- 20% in order to ascertain the extent to which changes in usage could affect cost recovery. If usage hours were to increase or decrease by 20% from projections, it is estimated that cost recovery could vary between 54% to 79%.



10. MANAGEMENT OPTIONS ANALYSIS



OVERVIEW



The purpose of this section is to present an overview of various options regarding the management and operations of the potential baseball complex in the Village of Weston.

Each management structure for the proposed baseball complex has its own unique advantages and disadvantages, which should be considered when making decisions regarding the management of the complex. The following section provides an overview of each potential facility management structure.

- **Facility Management Options:**
 - Public
 - Public - Joint Powers
 - Private
 - Other (Tourism Promotion Agency, Non-Profit)

- **Regional Baseball Complex Management Recommendation**

PUBLICLY-OPERATED

Public management of youth and amateur sports facilities is commonplace within the industry. Facility operational control within a government is typically accomplished either by creating a separate department that is responsible for facility management or by designating responsibility to a department that already exists within the government (often Parks & Recreation).

- **ADVANTAGES:** The advantages of public management include owner control, financial support via public funding sources, potential sharing of public sector staff and support functions (security, waste management, grounds keeping, maintenance, etc.), and governmental purchase power can help reduce the costs of goods and services.
- **DISADVANTAGES:** Some disadvantages of public management could include a lack of private sector financial support, decision-making and contracting constraints due to public sector processes, or a lack of expertise and relationships in the sports industry among public staff.



PUBLIC MANAGEMENT - JOINT POWERS



PUBLICLY-OPERATED

Some public venues within a region may be jointly operated by two or more public entities via a joint powers authority (JPA). Typically, a regional JPA board will be formed, with representation and funding support from each of the participating public entities. Examples include capital improvement boards, public facilities districts, sports authorities, or some other type of JPA. JPA's are typically capable of issuing and servicing construction debt, as well as operating and maintaining the facilities. This type of ownership and management option allows for multiple public entities to combine resources to both fund facility construction and maintain/operate the facility over the long-term at a high level.

- **ADVANTAGES:** The advantages of a joint powers model include greater capital project funding resources, greater resources for staffing and maintenance of facilities, and aligned vision between multiple municipalities to generate regional benefits.
- **DISADVANTAGES:** A disadvantage of a joint powers model could include the need for significant negotiation and long-term legal agreements between the municipalities involved, which can prove difficult in communities where municipalities aren't accustomed to such cooperation.

PRIVATELY-OPERATED

In some cases, the management of a publicly-owned sports complex could be outsourced to a third-party operator. However, our analysis found that only one of the regional competitive venues we reviewed was operated by a private operator, and that facility was a small, indoor facility that focused on private training and conditioning. All of the other sports facilities within the region are operated by public entities, and fields are typically rented to the general public at very affordable rates, therefore it would likely be difficult for a third-party operator to generate a profit by renting the fields at a new baseball complex in Weston.

- **ADVANTAGES:** The public owner retains rights and privileges of ownership while the management firm performs assigned functions. The private firm is motivated by profit incentives to maximize tournament usage (and other profitable uses) of the facility. They usually bring a network of relationships to leverage for event booking, and they often have greater staffing resources and flexibility in negotiations with events.
- **DISADVANTAGES:** Some disadvantages of private management could include lack of owner control over events held or rates set at the facility, less access to public use, and costs of paying facility management fees.



OTHER MANAGEMENT OPTIONS



In some cases, a public owner will lease the operations of the facility to a third-party such as a tourism promotion agency or a non-profit sports organization.

SPORTS COMMISSION OR VISITORS BUREAU

Sports commissions or other tourism promotion agencies are created to attract local, regional, and international sports events to capture tourism revenue. The commission's priorities typically include, but are not limited to (in order): visitor spending, marketing the region, representing the sports industry in the community, supporting the local sports franchises and venues, and sports advocacy. Sports commissions or other tourism promotion agencies will typically operate sports venues only if the primary goal of the facility is to generate incremental hotel nights and tourism impact, however many tourism promotion agencies are hesitant to add the new operational staff necessary to do so.

NON-PROFIT (PRIVATE)

Under this form of management, the organization is typically run under the guidance and supervision of a Board of Directors, typically representing the sports user groups that will be the primary users of the facility. However, a lack of diversity on the Board in terms of sporting interests can lean programming to heavily favor certain sports or user groups that could alienate other community interests. This structure requires active and continued support both in labor and funding from the community. The organization would need to depend on donations and grants (in most cases donations would be tax deductible) from individuals, companies, and government entities in addition to volunteer labor hours to be sustainable in the short and long-term.



MANAGEMENT SUMMARY



RECOMMENDATION

Victus Advisors recommends that a new multi-field baseball complex in Marathon County should be publicly-operated. Given the potential regional benefit associated with a tournament-caliber, 8-field complex, it is also recommended that a cooperative, joint powers model may also be considered, in order to maintain the facility at a high level for tournament activity and sustain the regional financial benefits it could generate for the long-term. An experienced facility manager should also be hired with existing relationships within the baseball industry in Wisconsin and experience attracting, booking, and managing tournaments.

Private management is not a likely option for a new multi-field baseball complex in Marathon County. Third-party management firms typically either require: a) opportunity to operate the facility at a profit, and/or b) an annual management fee to operate a facility that may not be a profit opportunity. In this case, the proposed regional baseball complex is not likely to provide a profit opportunity for a third-party operator, and paying a third-party operator a management fee would only add additional cost to the annual operations of the facility.



11. ECONOMIC & FISCAL IMPACT ANALYSIS



1. ESTIMATE GROSS DIRECT SPENDING



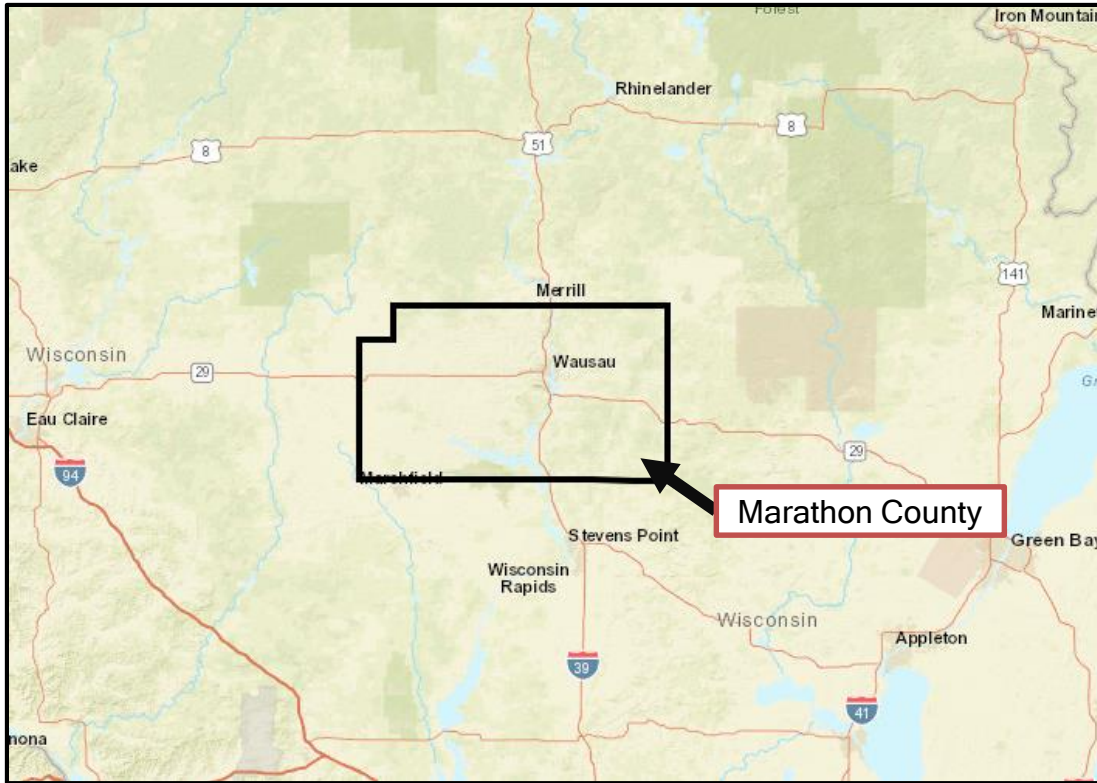
The first step in projecting the potential economic and fiscal impacts of new sports facility development is estimating the Gross Direct Spending activity that could occur due to both the one-time construction and ongoing operations of the facility.

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

Primary Sources of Direct Spending from A New Multi-Field Baseball Complex

One-Time Construction Expenditures	Ongoing Facility Operations	
Supplies & Materials Labor Costs Service Fees	<i>In-Facility Revenues:</i> Rental Fees Event Revenues (Tournaments, etc.) Concessions/Merchandise Sponsorships/Advertising	<i>Visitor Spending:</i> Lodging Restaurants Entertainment Retail Transportation

2. IDENTIFY “LOCAL” ECONOMY



Source: Esri

For purposes of this study, Victus Advisors has been tasked with identifying the potential economic and fiscal impacts on Marathon County. Therefore, the local economy studied in this analysis is the physical area solely within Marathon County (as highlighted at left).

As described on the next page, “Net” Direct Spending only occurs when the spending source originates outside of the County and occurs within the County’s limits, which most often occurs during events.

3. IDENTIFY GROSS VS. NET IMPACTS

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

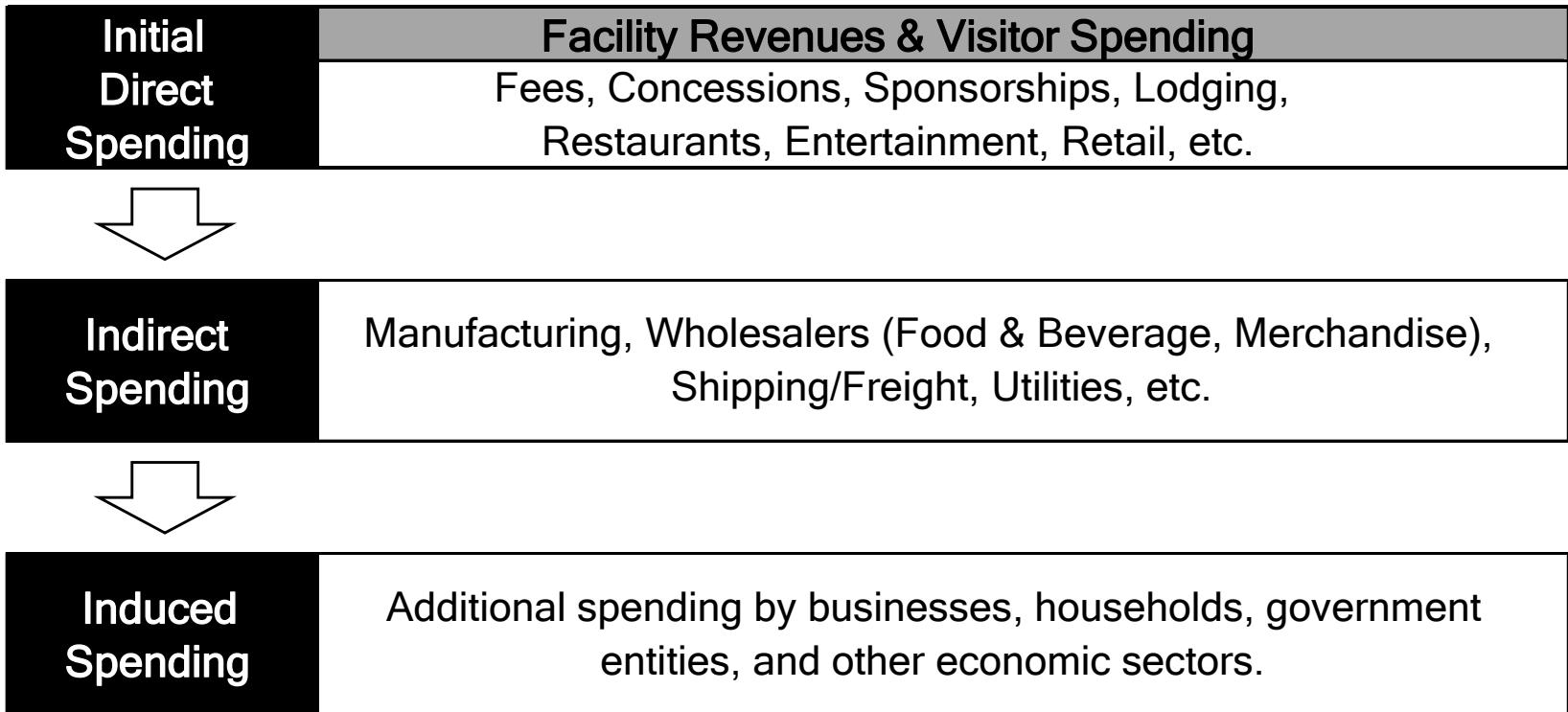
DISPLACEMENT is the economic principle that assumes a household (or business) entertainment and recreation budget would be spent within the local economy with or without development of a new event and entertainment venue.

For purposes of this study, we have assumed that local event spending would be displaced (i.e. spent elsewhere within the Marathon County economy) without the presence of a new event and entertainment facility. Therefore...

NET IMPACTS will only include the estimated dollars spent within County limits by non-resident visitors & businesses who come for regional event activity.

4. THE MULTIPLIER EFFECT

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



4. THE MULTIPLIER EFFECT (CONT.)

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

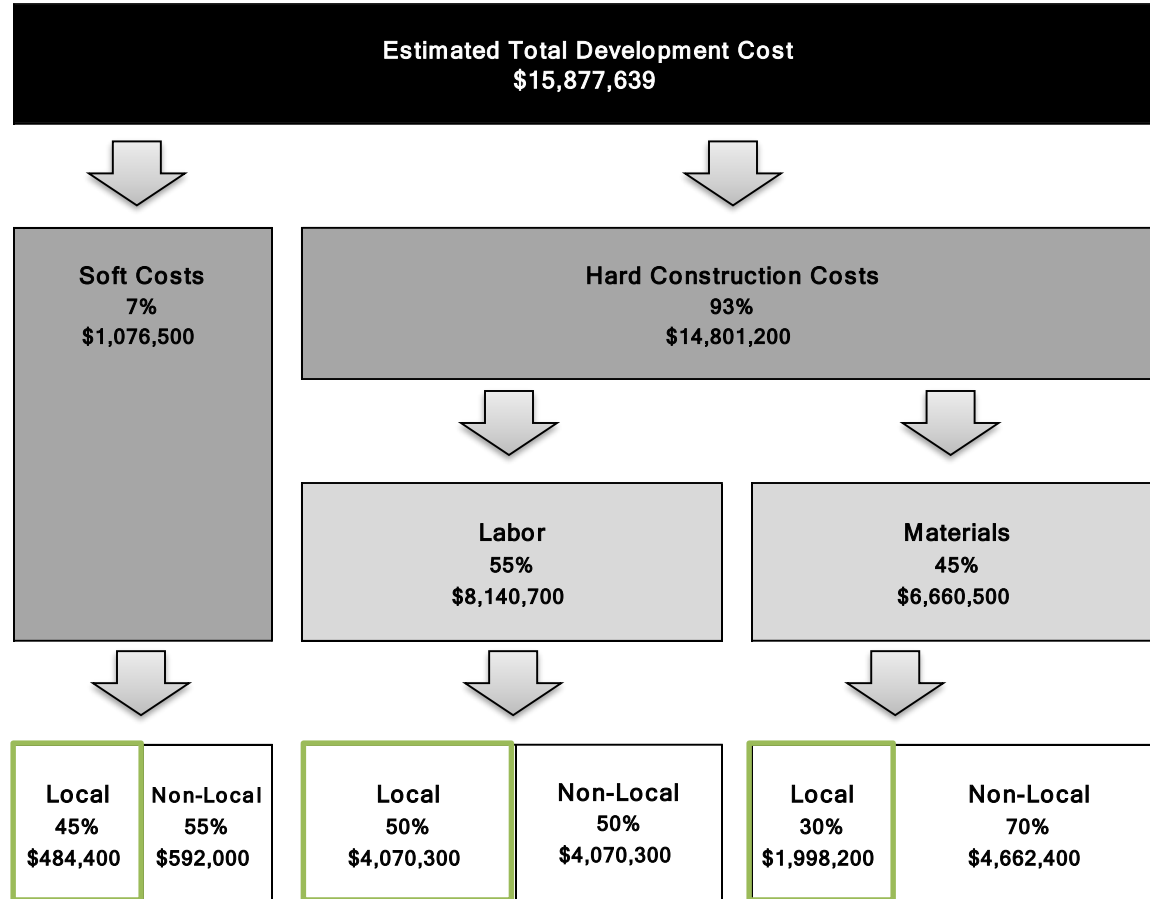
- **TOTAL OUTPUT** (direct, indirect & induced spending in Marathon County)
- **EMPLOYMENT** (full-time & part-time jobs in Marathon County)
- **LABOR INCOME** (salaries & wages associated with Marathon County jobs)

IMPLAN MULTIPLIERS - MARATHON COUNTY

Industry	Total Output Multiplier	Employment Multiplier	Labor Income Multiplier
Construction - Non Residential	1.52442	1.1563 x 10 ⁻⁵	0.59576
Retail Stores	1.59978	2.8594 x 10 ⁻⁵	0.75265
Transit & Ground Passenger Transportation	1.38191	1.8094 x 10 ⁻⁵	0.38246
Fitness & Recreational Sports Centers	1.52249	2.8207 x 10 ⁻⁵	0.45750
Amusement & Recreation Industries	1.49320	1.9568 x 10 ⁻⁵	0.49170
Hotels & Motels, Including Casino Hotels	1.49086	1.7472 x 10 ⁻⁵	0.39934
Food Service & Drinking Places	1.53581	2.0075 x 10 ⁻⁵	0.63951

CONSTRUCTION IMPACTS

Based upon the estimated construction cost for the baseball complex, Victus Advisors estimates that approximately \$6.5 million of direct construction expenditures will occur within Marathon County.



Note: "Local" refers to Marathon County



CONSTRUCTION IMPACTS (CONT.)



ONE TIME CONSTRUCTION IMPACTS: ECONOMIC IMPACT

ESTIMATED CONSTRUCTION SPENDING IN MARATHON COUNTY
\$6,552,890



TOTAL ECONOMIC OUTPUT
\$9,416,984

EMPLOYMENT
74

WAGES
\$4,144,833

ONE TIME CONSTRUCTION IMPACTS: FISCAL IMPACT

<u>Tax Type</u>	<u>Assessor</u>	<u>Tax Rate</u>	<u>Est. Tax Revenue*</u>
Sales Tax	Marathon County	0.50%	\$5,012
Total City Tax Revenue:			\$5,012

Note: Sales tax revenue above is only based on indirect/induced spending, as direct construction spending would not be taxable for a publicly-owned venue.

Victus Advisors estimates that direct one-time construction expenditures within Marathon County could generate over \$9.4 million in total economic output, more than 74 short-term jobs, and over \$4.1 million in wages.

In addition, it is estimated that indirect/induced spending related to construction spending could generate over \$5,000 in sales tax revenues.

Note: Represents one-time impacts of construction expenditures. Presented in 2019 dollars.



ANNUAL IMPACTS



ONGOING IMPACTS OF OPERATIONS - ANNUAL IMPACTS:

After adjusting estimates of gross direct spending for displacement, it is estimated that approximately 77% of all spending associated with the annual operations of the proposed multi-field baseball complex would have a net impact on Marathon County.

ESTIMATED GROSS DIRECT SPENDING ASSOCIATED WITH BASEBALL COMPLEX

\$16,180,080

DISPLACEMENT
ADJUSTMENT

NET DIRECT SPENDING IMPACTING MARATHON COUNTY

Estimated In-Facility Direct Spending (Net)	\$390,810
Estimated Out-of-Facility Direct Spending (Net)	\$12,101,000
Total Estimated Direct Spending - Net:	\$12,491,810
Net Spending as % of Gross:	77%

Note: "Net" Direct Spending only accounts for spending occurring in Marathon County by outside visitors to the County.



ESTIMATED ANNUAL ECONOMIC IMPACTS



It is estimated that Net Direct Spending resulting from a new multi-field baseball complex could generate over \$19 million in net annual economic output and create an estimated 263 new jobs.

GROSS ANNUAL IMPACTS

GROSS DIRECT SPENDING ASSOCIATED WITH BASEBALL COMPLEX

\$16,180,080

MULTIPLIER EFFECT

TOTAL ECONOMIC OUTPUT

\$24,646,600

EMPLOYMENT

342

WAGES

\$9,523,000

NET ANNUAL IMPACTS

NET DIRECT SPENDING IN MARATHON COUNTY

\$12,491,810

MULTIPLIER EFFECT

TOTAL ECONOMIC OUTPUT

\$19,016,000

EMPLOYMENT

263

WAGES

\$7,285,000



NET ANNUAL ECONOMIC IMPACTS BY INDUSTRY



It is estimated that the Food & Beverage industry in Marathon County would benefit the most from a new multi-field baseball complex (approximately 50% of incremental output).

NET ANNUAL IMPACTS

TOTAL OUTPUT:

Sports	\$595,000	3%
Lodging	\$2,127,000	11%
Food & Beverage	\$9,563,000	50%
Shopping	\$2,846,000	15%
Entertainment	\$2,656,000	14%
Transportation	\$1,229,000	6%
TOTAL:	\$19,016,000	100%

EMPLOYMENT:

Sports	11	4%
Lodging	25	9%
Food & Beverage	125	48%
Shopping	51	19%
Entertainment	35	13%
Transportation	16	6%
TOTAL:	263	100%

LABOR INCOME:

Sports	\$179,000	2%
Lodging	\$570,000	8%
Food & Beverage	\$3,982,000	55%
Shopping	\$1,339,000	18%
Entertainment	\$875,000	12%
Transportation	\$340,000	5%
TOTAL:	\$7,285,000	100%



FISCAL IMPACTS



It is estimated that a new multi-field baseball complex in Weston could generate over \$91,000 annually in incremental County sales taxes, and more than \$417,000 in incremental annual hotel taxes within Marathon County.

FISCAL IMPACTS OF OPERATIONS:
NET ANNUAL TAX REVENUE

<u>Tax Type</u>	<u>Assessor</u>	<u>Tax Rate</u>	<u>Est. Tax Revenue</u>
Sales Tax	Marathon County	0.50%	\$91,635
Hotel Tax	Multiple Municipalities	7% - 8%	\$417,396
Total Tax Revenue:			\$509,031

Note: Represents net annual tax revenues occurring within Marathon County. Please note that the Village of Weston collects a 7% hotel tax, while the rest of the municipalities in the County collect a 8% hotel tax. Sales tax estimate is based on direct, indirect & induced spending.



HOTEL/MOTEL IMPACTS



Victus Advisors estimates that sports tourism associated with a new multi-field baseball tournament complex could generate nearly 57,000 incremental annual hotel nights in Marathon County, as shown below.

Estimated Incremental Annual Hotel Impacts - Marathon County	
Total Visitors Staying in Hotel/Motel:	113,856
Estimated People Per Room	3.0
Total Rooms Utilized	37,952
Average Nights per Room:	1.5
Total - Incremental Annual Room Nights	56,928
Average Daily Room Rate (ADR):	\$94.00
Total - Incremental Hotel Room Spending:	\$5,351,232

Notes:

- (1) Overnight Visitors estimate developed by Victus Advisors as part of our Utilization & Attendance Estimates*
- (2) ADR represents median monthly ADR for Marathon County according to the United States Office of Personnel Management*
- (3) Total Hotel Room Spending represents direct hotel room spending only in 2019 dollars, and does not include indirect or induced impacts*



LONG-TERM IMPACTS IN MARATHON COUNTY



<u>Year</u>	<u>Direct Spending</u>	<u>Total Output</u>	<u>Employment</u>	<u>Wages</u>	<u>Room Nights</u>	<u>Room Tax</u>	<u>Sales Tax</u>
0	\$6,552,890	\$9,416,984	74	\$4,144,833	0	\$0	\$5,012
1	16,416,040	24,867,000	331	8,852,000	56,928	417,396	91,635
2	16,908,521	25,613,010	331	9,117,560	56,928	429,918	94,384
3	17,415,777	26,381,400	331	9,391,087	56,928	442,816	97,215
4	17,938,250	27,172,842	331	9,672,819	56,928	456,100	100,132
5	18,476,398	27,988,028	331	9,963,004	56,928	469,783	103,136
6	19,030,690	28,827,668	331	10,261,894	56,928	483,876	106,230
7	19,601,610	29,692,498	331	10,569,751	56,928	498,393	109,417
8	20,189,659	30,583,273	331	10,886,843	56,928	513,345	112,699
9	20,795,348	31,500,772	331	11,213,449	56,928	528,745	116,080
10	21,419,209	32,445,795	331	11,549,852	56,928	544,607	119,563
11	22,061,785	33,419,169	331	11,896,348	56,928	560,945	123,150
12	22,723,639	34,421,744	331	12,253,238	56,928	577,774	126,844
13	23,405,348	35,454,396	331	12,620,835	56,928	595,107	130,649
14	24,107,508	36,518,028	331	12,999,460	56,928	612,960	134,569
15	24,830,733	37,613,569	331	13,389,444	56,928	631,349	138,606
16	25,575,655	38,741,976	331	13,791,128	56,928	650,290	142,764
17	26,342,925	39,904,235	331	14,204,861	56,928	669,798	147,047
18	27,133,213	41,101,362	331	14,631,007	56,928	689,892	151,458
19	27,947,209	42,334,403	331	15,069,937	56,928	710,589	156,002
20	28,785,626	43,604,435	331	15,522,036	56,928	731,907	160,682
21	29,649,194	44,912,568	331	15,987,697	56,928	753,864	165,503
22	30,538,670	46,259,945	331	16,467,328	56,928	776,480	170,468
23	31,454,830	47,647,743	331	16,961,347	56,928	799,774	175,582
24	32,398,475	49,077,176	331	17,470,188	56,928	823,767	180,849
25	33,370,429	50,549,491	331	17,994,293	56,928	848,480	186,275
26	34,371,542	52,065,976	331	18,534,122	56,928	873,935	191,863
27	35,402,689	53,627,955	331	19,090,146	56,928	900,153	197,619
28	36,464,769	55,236,794	331	19,662,850	56,928	927,157	203,547
29	37,558,712	56,893,898	331	20,252,736	56,928	954,972	209,654
30	38,685,474	58,600,714	331	20,860,318	56,928	983,621	215,944
Cumulative Total:	\$787,553,000	\$1,192,475,000	331	\$425,282,000	1,707,840	\$19,858,000	\$4,365,000
Net Present Value:	\$419,629,000	\$635,144,000	N/A	\$226,887,000	N/A	\$10,503,000	\$2,311,000

Notes: (1) Assumes 3% annual inflation. NPV was calculated based upon a 4% discount rate. (2) Year "0" denotes construction year of facility.

TOTAL LONG-TERM IMPACTS (NET)

Over a 30 year period, a new multi-field baseball complex is estimated to have a total net impact of more than \$1.1 billion in cumulative net economic output, over \$19.8 million in room taxes, and over \$4.3 million in County sales taxes.



CONTACT INFORMATION



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**Preliminary Opinion of Construction Costs
For
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Park Master Plan**

3/4/2019

	BASE BID ITEMS	QTY	UNIT	UNIT COST	SUB TOTAL BASE COST	EXTENSION OF BASE COST	EXTENSION TOTALS
Construction Costs							
Mobilization/Overhead & Profit							
1	Mobilization/Overhead & Profit	1	Allow	\$650,000.00	\$650,000.00		
	Sub-Total					\$650,000.00	
Demolition							
2	Miscellaneous Debris (23.30 Acres)	1	Allow	\$50,750.00	\$50,750.00		
	Sub-Total					\$50,750.00	
Earthwork / Drainage							
3	Cut and Fill / Over Excavation	1	Allow	\$250,000.00	\$250,000.00		
4	Site and Parking Lot Drainage	1	Allow	\$250,000.00	\$250,000.00		
	Sub-Total					\$500,000.00	
Site Work							
5	5' Wide Concrete Paving	19,715	SF	\$6.00	\$118,290.00		
6	10' Wide Concrete Paving	9,755	SF	\$6.00	\$58,530.00		
7	2' Wide Concrete Banding	5,560	LF	\$12.00	\$66,720.00		
8	Enhanced Paving / Pavers	55,910	SF	\$9.00	\$503,190.00		
9	6" Crushed Miscellaneous Base (C.M.B.)	61,315	SF	\$2.50	\$153,287.50		
10	Asphalt Paving with Base at Parking Lot	106,083	LF	\$3.50	\$371,290.50		
11	6" Parking Lot Curb & Gutter	2,988	LF	\$27.00	\$80,676.00		
12	Trash Enclosure W/ Steel Gates	1	Allow	\$25,000.00	\$25,000.00		
13	Concrete Stadium Style Seating	8	Allow	\$15,000.00	\$120,000.00		
14	Concrete Dugout	13,240	SF	\$6.00	\$79,440.00		
15	Handicap Access Ramp to Fields	10,640	SF	\$8.00	\$85,120.00		
16	Steps to Ball Field	800	LF	\$15.00	\$12,000.00		
17	Retaining Walls at Ball Fields	4,800	LF	\$85.00	\$408,000.00		
	Sub-Total					\$2,081,544.00	

**Preliminary Opinion of Construction Costs
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Utilities							
18	6" Sewer Line	600	LF	\$50.00	\$30,000.00		
19	Sewer Cleanouts	8	EA	\$600.00	\$4,800.00		
20	Sewer Manhole	1	EA	\$2,500.00	\$2,500.00		
21	6" Domestic Water Line	600	LF	\$95.00	\$57,000.00		
22	6" Domestic Water Backflow Preventer	1	EA	\$12,000.00	\$12,000.00		
23	6" Domestic Water Gate Valve	2	EA	\$400.00	\$800.00		
24	6" Irrigation Backflow Preventer	1	EA	\$12,000.00	\$12,000.00		
25	12" Fire Water Line	600	LF	\$110.00	\$66,000.00		
26	Fire Hydrant	1	EA	\$2,500.00	\$2,500.00		
27	4" Gas Line	600	LF	\$75.00	\$45,000.00		
	Sub-Total						\$232,600.00
Architectural							
28	Vending / Restrooms East Side	1,256	SF	\$120.00	\$150,720.00		
29	Vending / Restrooms West Side	1,256	SF	\$120.00	\$150,720.00		
30	Concession / Storage / Office	1,604	SF	\$150.00	\$240,600.00		
31	Entry Breezeway / Shelter	6,600	SF	\$90.00	\$594,000.00		
	Sub-Total						\$1,136,040.00
Synthetic Turf Construction - Little League Field (West Side)							
32	Drainage	49,178	SF	\$1.51	\$74,258.78		
33	Cooling System	49,178	SF	\$0.90	\$44,260.20		
34	Base Material	49,178	SF	\$2.02	\$99,339.56		
35	2" Synthetic Turf	49,178	SF	\$15.25	\$749,964.50		
36	Striping	1	Allow	\$5,000.00	\$5,000.00		
	Sub-Total						\$972,823.04
Synthetic Turf Construction - Pony Field (East Side)							
37	Drainage	74,885	SF	\$1.51	\$113,076.35		
38	Cooling System	74,885	SF	\$0.90	\$67,396.50		
39	Base Material	74,885	SF	\$2.02	\$151,267.70		
40	2" Synthetic Turf	74,885	SF	\$15.25	\$1,141,996.25		
41	Striping	1	Allow	\$7,000.00	\$7,000.00		
	Sub-Total						\$1,480,736.80

**Preliminary Opinion of Construction Costs
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Site Furnishings						
42	Site Entry Signage	2	EA	\$15,000.00	\$30,000.00	
43	Kiosk	1	EA	\$5,000.00	\$5,000.00	
44	Park Tables	22	EA	\$1,800.00	\$39,600.00	
45	Shade Sails @ Tot-Lot	1	Allow	\$45,000.00	\$45,000.00	
46	2-5 and 5-12 Tot-Lot PLAY Equipment	1	Allow	\$150,000.00	\$150,000.00	
47	Tot-Lot Rubberized Surfacing	8,270	SF	\$13.00	\$107,510.00	
48	Trash Receptacles	20	EA	\$1,500.00	\$30,000.00	
49	21' Long Players Bench	16	EA	\$1,200.00	\$19,200.00	
50	Shade Sails at Stadium Bleachers	8	EA	\$17,000.00	\$136,000.00	
51	Score Board	8	EA	\$5,000.00	\$40,000.00	
	Sub-Total					\$602,310.00
Fencing						
52	8' High Aluminum Fence at Perimeter	1,115	LF	\$35.00	\$39,025.00	
53	8' x 30" Sq. Pilasters	33	EA	\$4,500.00	\$148,500.00	
54	8' High Aluminum Pedestrian Gates	6	EA	\$1,500.00	\$9,000.00	
55	10' High C.L.F.	5,280	LF	\$35.00	\$184,800.00	
56	8' High C.L.F.	4,800	LF	\$25.00	\$120,000.00	
57	8' High x 5' Wide C.L.Gate	96	EA	\$500.00	\$48,000.00	
58	30' High Netting at Back Stop	1,360	LF	\$300.00	\$408,000.00	
59	20' High Netting at Out Filed (adjacent restroom / concession & tot-lot)	850	LF	\$200.00	\$170,000.00	
	Sub-Total					\$1,127,325.00
Landscape						
60	Fine Grading	419,550	SF	\$0.15	\$62,932.50	
61	Soil Amendments	419,550	SF	\$0.59	\$247,534.50	
62	Sod at 250' Fields (3)	98,540	SF	\$2.00	\$197,080.00	
63	Sod at 300' Fields (3)	157,640		\$2.00	\$315,280.00	
64	Infield Mix at 250' Fields (3)	43,810	SF	\$4.00	\$175,240.00	
65	Infield Mix at 300' Fields (3)	20,600	SF	\$4.00	\$82,400.00	
66	Drainage at 250' Fields (3)	142,350	SF	\$0.50	\$71,175.00	
67	Drainage at 300' Fields (3)	219,460		\$0.50	\$109,730.00	
68	Landscaping (shrubs & groundcover)	163,365	SF	\$6.00	\$980,190.00	
69	24" Box Trees	116	EA	\$600.00	\$69,600.00	
70	30" Box Trees	94	EA	\$1,100.00	\$103,400.00	
71	36" Box Trees	48	EA	\$1,650.00	\$79,200.00	
72	48" Box Trees	2	EA	\$2,400.00	\$4,800.00	
73	2" Mulch at Planting areas	163,365	SF	\$0.20	\$32,673.00	
	Sub-Total					\$2,531,235.00

**Preliminary Opinion of Construction Costs
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Irrigation System						
74	Irrigation System at 250' Turf Fields (3)	142,350	SF	\$0.85	\$120,997.50	
75	Irrigation System at 300' Turf Fields (3)	219,460	SF	\$0.85	\$186,541.00	
76	Irrigation System at (shrubs & groundcover)	163,365	SF	\$0.75	\$122,523.75	
77	Irrigation Controller & Enclosure	2	EA	\$6,000.00	\$12,000.00	
	Sub-Total					\$442,062.25
Site Lighting						
78	Parking Lot Light Standards	29	EA	\$5,800.00	\$168,200.00	
79	Walkway Lights	18	EA	\$2,500.00	\$45,000.00	
80	Musco Sports Field Lights Single	56	EA	\$25,000.00	\$1,400,000.00	
81	Electrical Gear	1	Allow	\$35,000.00	\$35,000.00	
	Sub-Total					\$1,648,200.00
	Sub Total					\$13,455,626.09
	10% Contingency					\$1,345,562.61
	Construction Total					\$14,801,188.70
	Consulting Fees					1,076,450.09
	Grand Total					15,877,638.79

**Preliminary Opinion of Construction Costs
For
Village of Weston
Park Master Plan**

3/4/2019

Overview			
	Description	PERCENT	EXTENSION TOTALS
	Construction Costs		
	Mobilization/Overhead & Profit	5%	\$650,000.00
	Demolition	0%	\$50,750.00
	Earthwork	4%	\$500,000.00
	Site Work	15%	\$2,081,544.00
	Utilities	2%	\$232,600.00
	Architectural	8%	\$1,136,040.00
	Synthetic Turf Construction	18%	\$2,453,559.84
	Site Furnishings	4%	\$602,310.00
	Fencing	8%	\$1,127,325.00
	Landscape	19%	\$2,531,235.00
	Irrigation System	3%	\$442,062.25
	Site Lighting	12%	\$1,648,200.00
	Construction Cost Sub Total	100%	\$13,455,626.09
	10% Contingency		\$1,345,562.61
	Construction Total		\$14,801,188.70
	Consulting Fees	8.00%	\$1,076,450.09
	Construction Management Fees	3.00%	\$403,668.78
	Grand Total		\$15,877,638.79

For additional information refer to itemized breakdown

**Preliminary Opinion of Construction Costs
For
Village of Weston
Park Master Plan**

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Average Cost Per Acre	
Development Acreage	23.3
Estimated Development Cost	\$15,877,638.79
Cost Per Acre	\$681,443.72

The statement reflects probable construction costs obtainable in the current competitive and aggressive bidding market. This estimate is based on a minimum of six to seven competitive bids from general contractors, bidding to a minimum of six subcontractors per trade. This statement is a determination of current market values for the construction project, not a prediction of low bid. Experience indicates that a fewer number of bidders may result in a higher bid amount, and more bidders may result in lower bid amount.

1 Bidder add	24% to 40%
2 to 3 Bids add	15% to 20%
4 to 5 Bids add	4% to 10%
6 to 7 Bids add	0% to 2%
More than	
8 Bids deduct	5% to 25%

Competitive Bid Reduction (more than 8 bidders)	
Construction Total	\$14,801,188.70
20% Competitive Bid Reduction	\$2,960,237.74
Probable Construction Cost	\$11,840,950.96
Consulting Fees	\$1,076,450.09
Construction Management Fees	\$403,668.78
Grand Total	\$13,321,069.83

Average Cost Per Acre	
Development Acreage	23.3
Estimated Development Cost	\$13,321,069.83
Cost Per Acre	\$571,719.74



DRAFT

Subject to Change

MARKET & FINANCIAL FEASIBILITY STUDY FOR A
NEW MULTI-PURPOSE SPORTS & ENTERTAINMENT
EVENTS CENTER IN MARATHON COUNTY

Draft v3 // March 29, 2019

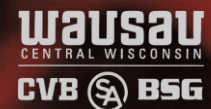




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EXECUTIVE SUMMARY

INTRODUCTION & MARKET ANALYSIS

Project Background - Victus Advisors was engaged by MCDEVCO, Inc, with project funding support from Marathon County and the Wausau/Central Wisconsin CVB, in October 2018 to conduct a Market & Financial Feasibility Study for a new multi-purpose sports and entertainment events center in the City of Wausau, Marathon County, Wisconsin. MCDEVCO, Inc. has been engaged in preliminary conversations with a non-profit sports group, US Sports Development Group (“USSDG”), about USSDG’s interest in developing a new multi-purpose sports and events center in Marathon County via a public-private partnership. The proposed center is envisioned to accommodate athletic events, banquets, community events, consumer shows, performances, and meetings, among other events.

Project Goals - Our primary project goals for this study included:

- Estimate market demand for a new multi-purpose sports and entertainment events center.
- Based on demand, determine what programs, features, and amenities could be supported by the market.
- Project both the sustainable daily usage and the number of special or recurring events and attendance at the multi-purpose sports and entertainment events center.
- Develop a custom long-term financial model to project the financial operations of the proposed facility.
- Evaluate management options for the on-going operations of the proposed multi-purpose sports and entertainment events center.
- Estimate economic and fiscal impact of a new multi-purpose sports and entertainment events center in Marathon County.

DRAFT - Subject to Change

Demographic & Socioeconomic Analysis - Marathon County, also designated by the U.S. Office of Management & Budget as the Wausau, WI Metropolitan Statistical Area (MSA), has an estimated population of 137,125. Wausau is the largest city in and county seat of Marathon County.

Marathon County’s population is projected to grow at a lower rate than the U.S. as a whole. The Wausau CSA is projected to grow at a lower rate than the County. In terms of median age, Marathon County and the CSA both have a slightly higher median age than the U.S. average. A lower median age tends to represent a larger presence of working-age populations and young families. Furthermore a lower median age indicates positive potential for sports and event activity.

When adjusted for cost of living, the median household income in Marathon County and the Wausau CSA are higher than the U.S. median. Higher household income levels can often indicate an ability for a household to spend disposable income on sports and other entertainment events.

There are three large markets (with a population of more than 200,000 people each) within a 2.5-hour drive of Wausau. An additional 10 large markets are within a 5-hour drive (overnight trip), with a total population within a 5-hour drive of Wausau of over 20.3 million people.

Victus found that lodging (minimum 2-star hotel class) in Marathon County is primarily concentrated in Wausau and Weston. The majority of hotels are along State Route 51 and I-39.

Local Facility Analysis - Based upon our community feedback process, which is described in detail later in this report, Victus Advisors identified local sports and events facilities that are currently utilized in the Marathon County area.

Local Sports & Event Facility Notes -

- Premier Sports Academy is the only local facility with any indoor turf space, and no local facilities have any full-sized indoor fields. Many outdoor sports groups noted that there would be significant demand for access to indoor fields at the end of the fall season (October) and beginning of the spring season (February/March).
- There are currently five ice sheets in the County, and most are rented at relatively affordable rates by public or non-profit facility operators. These sheets generally meet the demand for local ice usage in the winter months, and in the summer several of the sheets are converted to indoor event space.
- Greenheck is the only facility in the County with multiple basketball courts. The available courts are rented to outside users at very affordable rates, and do a good job accommodating local usage. However, a basketball tournament organizer said that for tournaments they have to utilize multiple different venues to have enough courts for the event.

- Marathon County has a limited number of event facilities. Most expo and trade shows in the County take place at the Central Wisconsin Convention & Expo Center, however based upon user feedback some aspects of the Center are not favorable for some events.
- The Grand Theater is the one of the County's only music and performing arts venues. Only a few of the regional/national promoters we interviewed felt that a larger concert venue could be sustainable in the marketplace.

Comparative Sports Tourism Markets - Victus Advisors compared the Marathon County MSA's demographic and socioeconomic characteristics to the competitive set of sports tourism markets shown below (listed in alphabetical order below):

- Appleton, WI
- Eau Claire, WI
- Green Bay, WI
- Juneau County, WI
- Madison, WI
- Milwaukee, WI
- Minneapolis, MN
- Muscatine, IA
- Rockford, IL
- Waupaca County, WI

These markets regularly attract outbound sports tourism from Marathon County sports teams, and enhanced indoor facilities were often cited as a desired amenity in Marathon County.

INTERVIEW SUMMARIES

One-On-One Interviews - In December 2018, MCDEVCO, Inc. and the Village of Weston identified participants and scheduled a series of one-on-one interviews for Victus Advisors. The goals of these interviews were to gather feedback from key stakeholders and community leaders to discuss sports and event facility development in Marathon County. The set of topics and questions included perceptions of Marathon County and its current event venue offerings, possible comparable and competitive venues and markets, and other feedback concerning the potential new sports facilities in the County. Victus Advisors conducted 24 in-person interviews.

One-On-One Interviews - In addition, between December 2018 and January 2019, Victus Advisors held telephone interviews with operators, promoters, and influencers of sports and entertainment events both regionally and nationally. The topics included ideal amenities and potential events that could be held at potential new sports and event facilities in Marathon County. In all, Victus Advisors conducted 38 phone interviews with individuals from local, regional, and national organizations.

Key Interview Takeaways -

- **Rates** - For local use practices/games, Marathon County user groups are accustomed to paying very affordable rates relatively to other markets in Wisconsin. The going rates in the marketplace could make it very difficult for a private operator to turn a profit on permanent/dedicated ice and/or court space.

- **Indoor Turf** - Local use of a full-sized indoor artificial turf field could be in high demand from local sports groups during the late fall and early spring, when outdoor field sports often need to practice indoors.
- **Indoor Courts** - Multi-court basketball/volleyball space could be desirable for regional tournament activity which cannot currently be easily accommodated in Marathon County.
- **Flat Floor & Meeting Spaces** - With a larger expo/convention space, stakeholders think more and larger events could be brought into the County.
- **Ice** - Many youth groups seem to have their local needs met by current facilities that offer low rental rates. Tournament and event usage is a need for USA Curling and other groups that could bring tournament activity to the area. Interviewees said that a USHL or NAHL team could be a main user of a new ice facility. Several people indicated that a facility should be multi-purpose and would not be viable as a hockey-only or ice-only facility.
- **Concerts** - Based on the feedback received, there does not seem to be a clear consensus about whether a significant opportunity for incremental concert activity exists in Marathon County, making it high risk to design/build a facility focused solely on concert activity

VENUE DEMAND ASSESSMENT

Our facility recommendations for Marathon County are based primarily upon the following primary and secondary research conducted by Victus Advisors over the course of this study:

- Analysis of Marathon County's unique market characteristics
- Review of comparative markets
- Community feedback via interviews, focus groups, and online surveys
- Interviews conducted with event organizers and tournament operators

Recommendation - Marathon County should consider the development of a multi-purpose sports and events center. Based upon the results of our market and facility analysis, Victus Advisors recommends that a new multi-purpose events center in Marathon County should have:

- A multi-purpose, approximately 3,000-seat arena with ice making capabilities
- A column-free, multi-purpose exhibition hall adjacent to the arena (minimum of 40,000 sq. ft.)
- Support areas and amenities, including lobby, concessions, team rooms, offices, mechanical/electrical rooms, storage, circulation, etc. These areas and amenities should be easily accessible for both arena and exhibition hall attendees.

Cost Analysis - Although not part of our original scope, Victus Advisors also reviewed the construction costs of various comparable sports and event venues. We were able to gather construction cost data and square footage information for 10 facilities. Based upon the cost per square foot metrics (\$160 to \$198 per square foot, based on average and median), it estimated that a 100,000 square foot facility could cost approximately \$16.0 to \$19.8 million to build, in Q4 2018 construction dollars.

Seating Capacity Analysis - Based upon NAHL and USHL venues with seating capacities under 5,000 and MSA/ μ SA populations of less than 500,000 people, the average seating capacity is just over 2,600, with a typical population per seat of approximately 50 (median) to 62 (average). With an MSA population of 137,125 in Marathon County, applying the median and average population per seat to Marathon County produces a seating capacity range of approximately 2,200 to 2,750.

Premium Seating Analysis - We estimated the potential premium seat inventory for a multi-purpose events center in Marathon County to be between 55 and 85 seats. Based on Victus research, industry trends are moving towards smaller and more flexible corporate products such as Loge Boxes, which are also more affordable to build than a traditional Private Suite. As a result, we recommend 6 loge boxes (with 4 seats per box) leased on an annual basis, approximately 50 club seats leased on an annual basis, a dedicated club lounge for loge and club seat patrons, and 1 party suite (for up to 30 guests) rented on a per-event basis.

EVENT & ATTENDANCE PROJECTIONS

Several event types have been considered for potential facility usage at the proposed multi-purpose events center. Potential events have been categorized into two types: Tenant Events and Market Driven Events.

Tenant Events - Tenant events at an event center typically consist of basketball, hockey, football, soccer or lacrosse games played by sports teams that are tenants of the facility. Tenant events are usually scheduled well in advance and provide a facility with a predictable level of facility usage. The majority of multi-purpose event centers have at least one sports tenant.

- **Junior League Hockey** - Victus recommends that a NAHL franchise is a likely target for a potential junior league hockey tenant at the proposed multi-purpose events center in Marathon County.

Market-Driven Events - Market-driven events are defined as those events that are affected by local market forces and characteristics, and represent events that are either part of a national tour and/or do not have a permanent home venue.

- **Concerts** - The consensus among the promoters (both regional and national) that we interviewed was that Marathon County is a secondary concert market that lacks the population characteristics to accommodate a large concert venues.

- **Non-Tenant Sports Events** - Other individual sporting events held at the proposed multi-purpose events center in Marathon County could include a variety of events such as the youth and amateur sports events and tournaments, etc.
- **Flat Floor Shows** - Flat floor shows typically include conventions, trade shows, job fairs, and consumer shows that can utilize column-free, concrete floor space.
- **Community Events** - Other events that are often held in multi-purpose event centers include high school and collegiate graduation ceremonies, religious services, corporate meetings, private banquets, and other community or private events.

Event & Attendance Projections - The exhibit below summarizes Victus Advisors' sustainable, estimated annual event activity at a new multi-purpose events center in Marathon County. These estimates are primarily based on local market factors, discussions with stakeholders and event promoters, and our review of historical event activity at comparable facilities operating in similar markets.

	<u>Annual Event Days</u>	<u>Average Daily Attendance</u>	<u>Total Annual Attendance</u>
TENANT EVENTS:			
NAHL Franchise	30	1,500	45,000
MARKET DRIVEN EVENTS:			
Concerts/Entertainment Acts	10	2,250	22,500
Non-Tenant Sports Events	60	1,000	60,000
Flat Floor Events, Trade Shows, Expos, Etc.	30	1,000	30,000
Community & Civic Events (Banquets, Meetings, Graduations, etc.)	25	500	12,500
Indoor Turf Rentals	60	180	10,800
TOTAL - OVERALL:	215	841	180,800

FINANCIAL OPERATING ANALYSIS

Financial Projections - In a stabilized year of operations, it is estimated that operations of the proposed new multi-purpose events center could result in an operating income of approximately \$410,000, prior to any debt service payments or capital reserve funds.

	Stabilized Year
Operating Revenues:	
Ticket Revenue (Net, after promoter split)	\$202,500
Rental Income	\$736,000
Concessions & Merchandise (Net)	\$410,000
Premium Seating	\$70,000
Advertising & Sponsorship	\$150,000
Ticketing Fees (Facility Fee, Rebates, etc.)	\$264,000
Parking Fees (Net)	\$90,000
Other	\$15,000
Total Revenues:	\$1,937,500
Operating Expenses:	
Salaries, Wages, & Benefits	\$717,500
Utilities	\$160,000
General & Administrative	\$170,000
Maintenance/Repair	\$180,000
Materials/Supplies	\$150,000
Management Fee	\$150,000
Total Expenses:	\$1,527,500
Net Income:	\$410,000
Estimated Operating Margin:	21%

Naming Rights Opportunity - The comparable naming rights agreements that we analyzed have an average annual value of approximately \$219,500 per year, for an average term of approximately 10 years. It should be noted, however that the two NAHL venues listed are among the bottom three in terms of average annual cost. Based upon this analysis of comparable agreements, we conservatively estimate that proposed, multi-purpose events center could generate at least \$75,000 per year for corporate naming rights over the course of a five to 10 year term. In addition, it is estimated that another \$75,000 per year could be generated in other facility signage, sponsorship, and advertising.

Capital Reserve Funds - As noted in our Financial Projections, the projected operating revenues and expenses do not include any long-term capital reserve funds. Current industry best practices for long-term capital needs is to annually contribute an amount equal to at least 0.5% of facility construction costs (increased annually for inflation) to a reserve fund. This capital reserve fund can be drawn upon by the owner of the facility (typically a public entity) to pay for necessary capital maintenance and improvements as the facility ages. For example, over a 30 year period, it is estimated that nearly \$5 million in long-term capital maintenance funds could be required if the facility cost \$20 million to initially build.

The purpose of this section is to present an overview of various options regarding the management and operations of the proposed multi-purpose events center in Marathon County.

Each management structure for the potential Marathon County facility has its own unique advantages and disadvantages, which should be considered when making decisions regarding the management of the venue. The following section provides an overview of each potential facility management structure.

- Public
- Private
- Other (Sports Commission, Non-Profit, Agency/Bureau)

Public - Publicly-owned facilities have the option of being operated by the public entity that owns the facility or contracting out operations to a private entity, including non-profit groups. Both options have associated advantages and disadvantages.

Private - Facilities that are publicly- or privately-owned have the option to utilize a private facility operator. Privately-owned facilities will take on operations themselves or contract that work out to a separate private company. Similarly, publicly-owned facilities also have the option to contract the operations of a facility to a private, third-party operator.

Other (Sports Commission, Non-Profit, Agency/Bureau) - In some cases, a public owner will outsource the management of a facility to a third-party via a sports commission, a non-profit organization, or an agency or bureau.

Outsourced Services - Regardless of whether the facility is operated by the public sector or a third-party firm or organization, certain services (concessions, merchandise, etc.) are often outsourced to a third-party specialist. Some management companies provide these services in-house, whereas others go outside.

Recommendation - Victus Advisors recommends that a new multi-purpose sports and events center in Marathon County should either be operated by USSDG (via an in-house management staff assembled by USSDG's executives and board members who have broad experience and contacts within the sports and event facility industry), or USSDG could sub-contract operations to a reputable third-party management firm with regional and national experience operating small-to-mid-size arenas and event centers, such as SMG, Spectra, or VenuWorks. The advantages of private management (either via USSDG or a third-party) include efficiency incentives and network of relationships to leverage event bookings that will be key to ensure the facility is sustainable in the long-term.

ECONOMIC & FISCAL IMPACT ANALYSIS

Annual Impacts - After adjusting estimates of gross direct spending for displacement, it is estimated that approximately 69% of all spending associated with the annual operations of the proposed multi-purpose events center would have a net impact on Marathon County. It is also estimated that Net Direct Spending resulting from a new multi-purpose events center would generate over \$19 million in annual net economic output and 273 new full- and part-time jobs throughout the economy.

Net Annual Economic Impacts By Industry - It is estimated that the Lodging industry in Marathon County would benefit the most from the annual tourism impacts of a new multi-purpose events center (32% of incremental output), followed by Food & Beverage (30%).

Fiscal Impacts - It is estimated that a new multi-purpose events center in Marathon County could generate over \$400,000 annually in incremental local tax revenue.

Tax Type	Assessor	Tax Rate	Est. Tax Revenue
Sales Tax	Marathon County	0.50%	\$72,520
Room Tax	City of Wausau	8.00%	\$330,390
Total - Incremental Tax Revenues:			\$402,910

Hotel/Motel Impacts - Victus Advisors estimates that a multi-purpose events center could generate nearly 44,000 incremental annual hotel nights in Marathon County, as shown below.

Estimated Annual Hotel Impacts - Marathon County	
Visitors Staying in Hotel/Motel:	87,869
Estimated People per Room:	3.0
Total Rooms Utilized:	29,290
Average Nights per Room:	1.5
Total - Annual Room Nights	43,934
Average Daily Room Rate (ADR):	\$94
Total - Hotel Room Spending:	\$4,129,834

Net Impacts - Over a 30 year period, a new multi-purpose events center is estimated to have a total net impact of nearly \$1 billion in cumulative economic output and over \$19 million in cumulative local sales and room tax revenues.



1. INTRODUCTION

PROJECT BACKGROUND

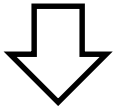
Victus Advisors was engaged by MCDEVCO, Inc., with project funding support from Marathon County and the Wausau/Central Wisconsin CVB, in October 2018 to conduct a Market & Financial Feasibility Study for a new multi-purpose sports and entertainment events center (Center) in the City of Wausau, Marathon County, Wisconsin. MCDEVCO, Inc. has been engaged in preliminary conversations with a non-profit sports group, **US Sports Development Group (“USSDG”)**, about USSDG’s interest in developing a new multi-purpose sports and events center in Marathon County via a public-private partnership. The proposed center is envisioned to accommodate athletic events, banquets, community events, consumer shows, performances, and meetings, among other events. Victus Advisors’ primary project goals for this study include:

- Estimate market demand for a new multi-purpose sports and entertainment events center.
- Based on demand, determine what programs, features, and amenities could be supported by the market.
- Project both the sustainable daily usage and the number of special or recurring events and attendance at the multi-purpose sports and entertainment events center.
- Develop a custom long-term financial model to project the financial operations of the proposed facility.
- Evaluate management options for the on-going operations of the proposed multi-purpose sports and entertainment events center.
- Estimate economic and fiscal impact of a new multi-purpose sports and entertainment events center in Marathon County.

STUDY METHODOLOGY

PHASES:

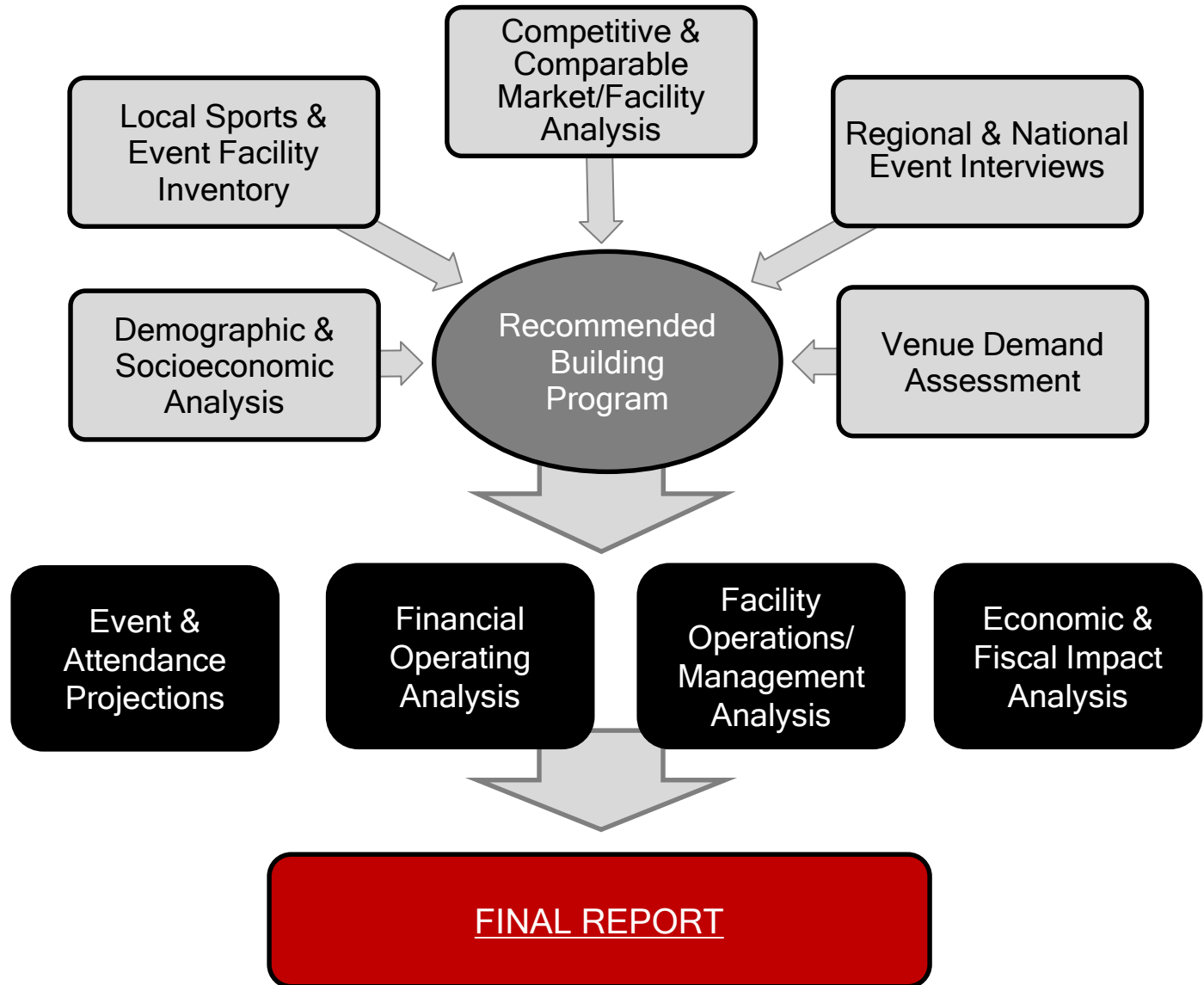
1. MARKET DEMAND ANALYSIS



2. FINANCIAL & OPERATIONS ANALYSIS



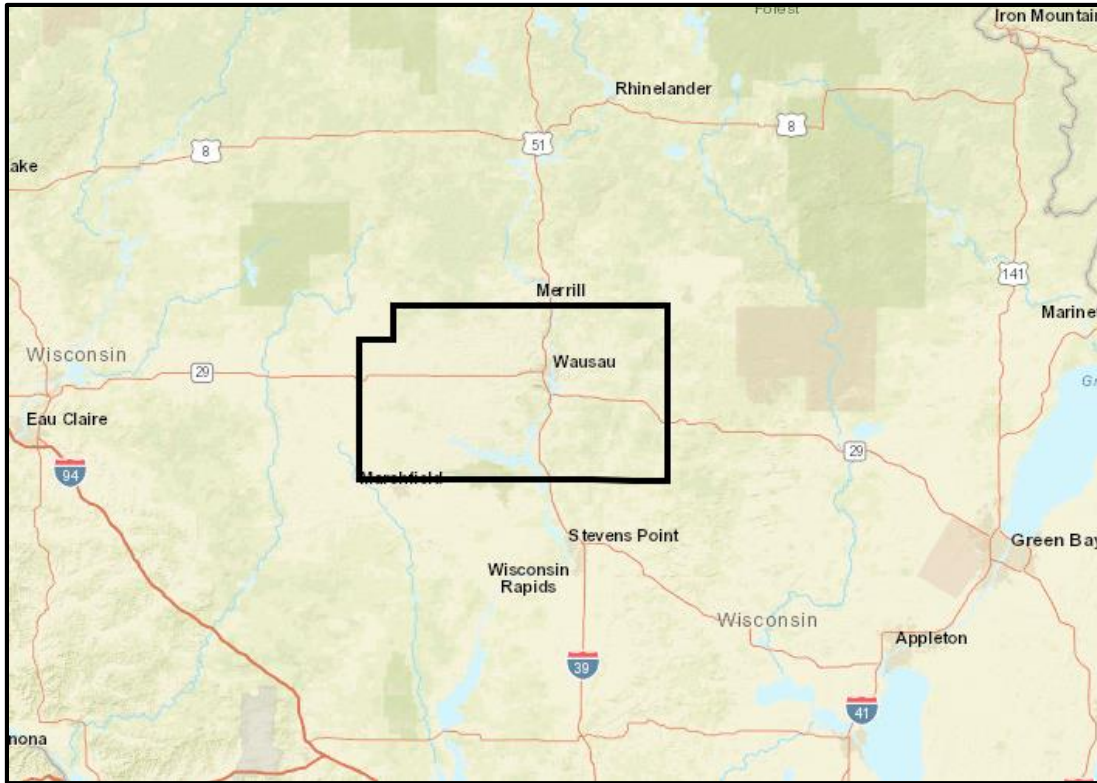
3. FINAL DELIVERABLES





2. DEMOGRAPHIC & SOCIOECONOMIC ANALYSIS

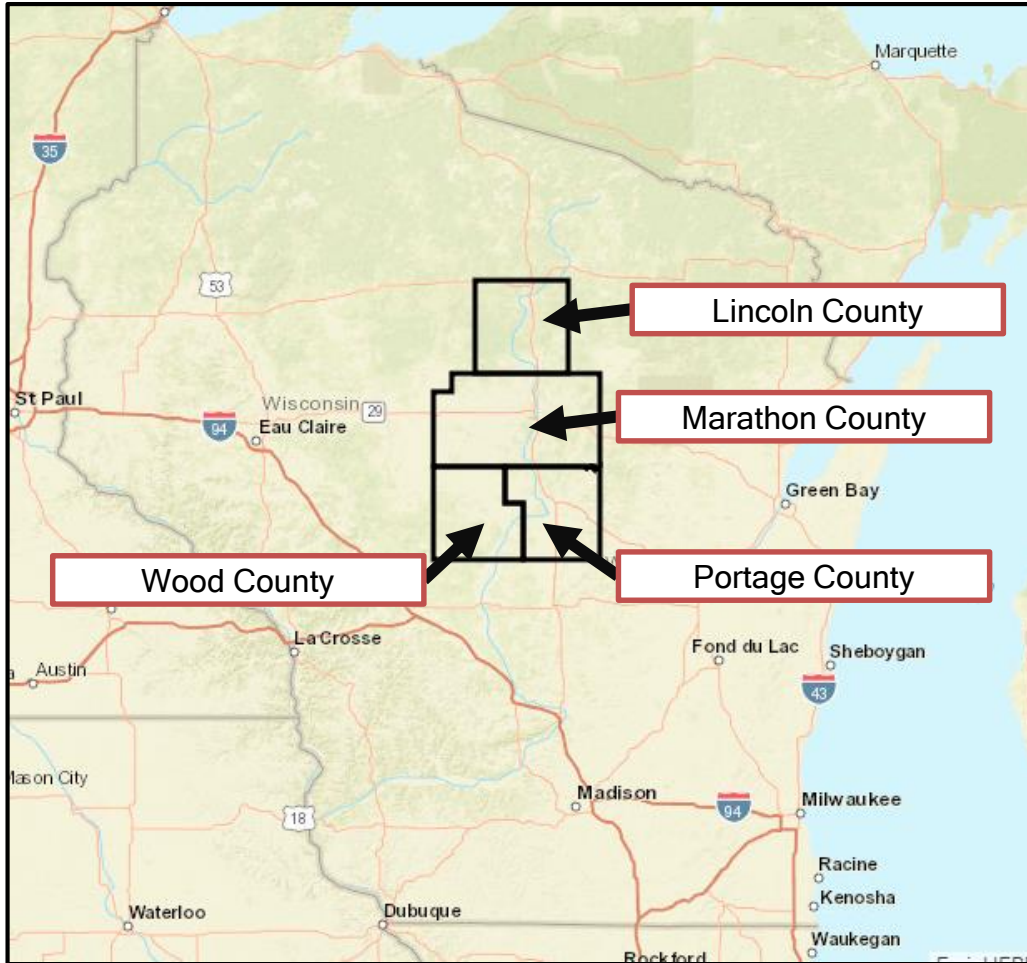
MARATHON COUNTY



Source: Esri

Marathon County, also designated by the U.S. Office of Management & Budget as the Wausau, WI Metropolitan Statistical Area (MSA), has an estimated population of 137,125. Wausau is the largest city in and county seat of Marathon County. Marathon County is shown in the map on the left.

WAUSAU CSA



Marathon County is also part of the Wausau-Merrill, WI Combined Statistical Area (CSA), as designated by the United States Office of Management and Budget. The CSA is comprised of Marathon County as well as Lincoln, Portage, and Wood Counties, and it has an estimated population of over 450,000. The CSA is shown in the map on the left. Throughout the remainder of the report, this area will be known as the Wausau CSA.

Source: Esri

POPULATION DATA

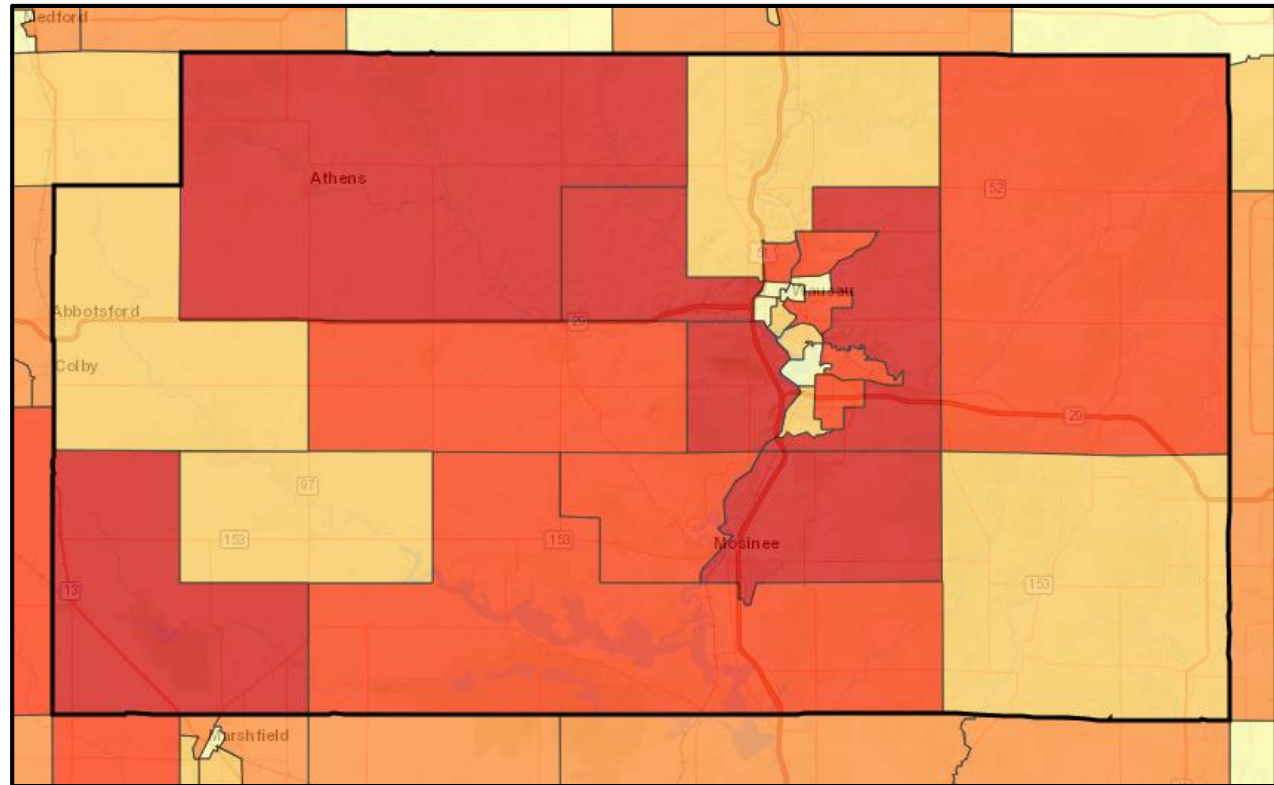
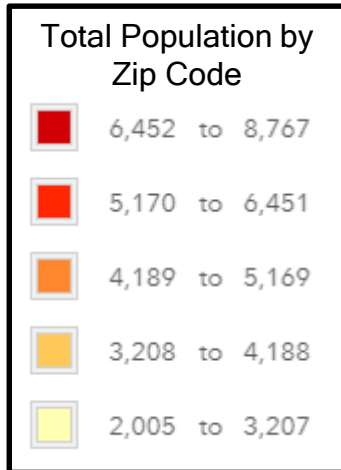
	Marathon County	Wausau CSA	United States
Population	137,125	312,228	330,088,686
Population Under 18	30,542	65,158	73,155,846
Percentage of Population Under 18	22.3%	20.9%	22.3%
Population Growth:			
Annual Pop. Growth (2000 to 2018)	0.5%	0.3%	0.9%
Annual Pop. Growth (5-year Projection)	0.3%	0.2%	0.8%
Projected Population (2023)	139,494	315,667	341,323,594
Median Age	40.9	41.3	38.2

Source: Esri

Marathon County's population is projected to grow at a lower rate than the U.S. as a whole. The Wausau CSA is projected to grow at a lower rate than the County.

In terms of median age, Marathon County and the CSA both have a slightly higher median age than the U.S. average. A lower median age tends to represent a larger presence of working-age populations and young families. Furthermore a lower median age indicates positive potential for sports and event activity.

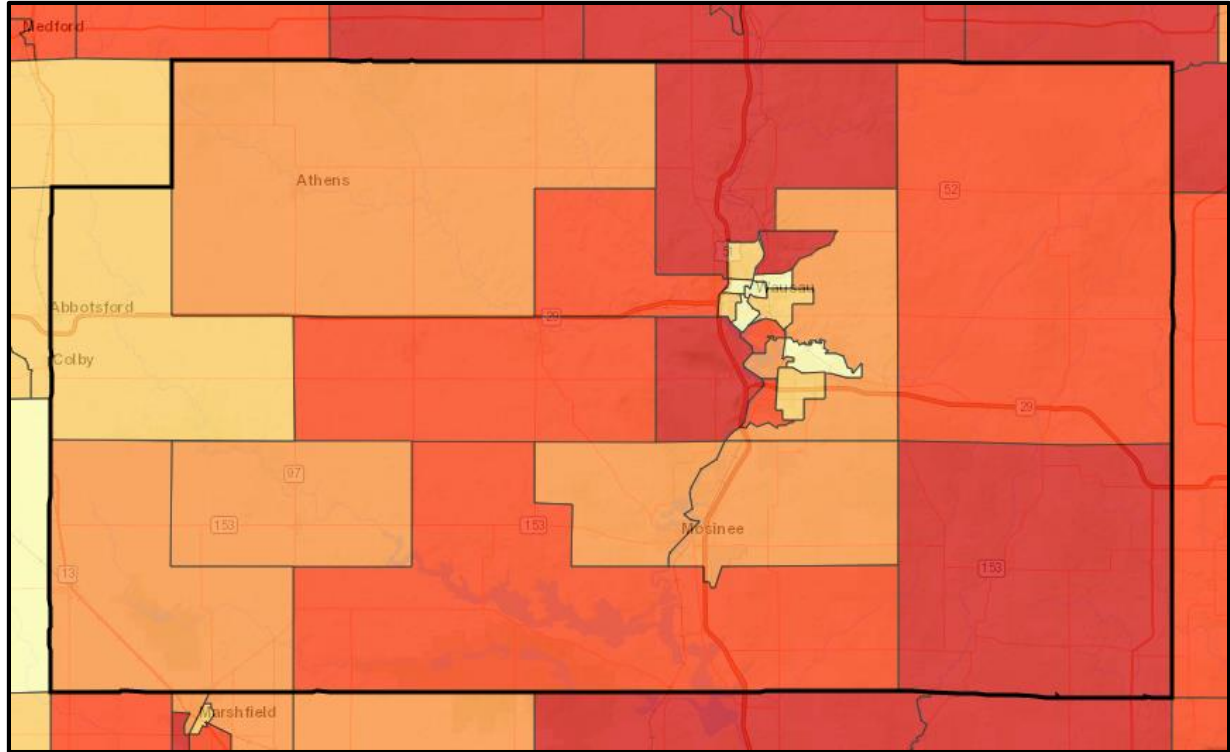
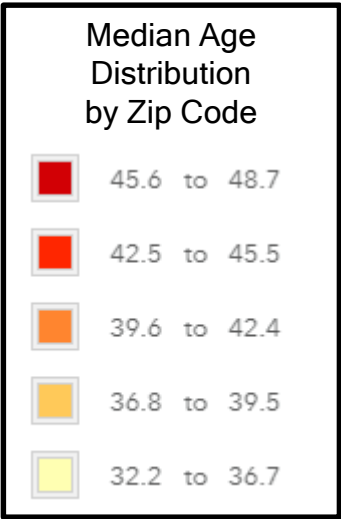
POPULATION DISTRIBUTION



Source: Esri

Most of the population density in Marathon County is located near Wausau. Much of the County is rural land with low population centers.

AGE DISTRIBUTION



Source: Esri

Younger median ages tend to be clustered around the City of Wausau and Village of Weston.

HOUSEHOLD DATA

	Marathon County	Wausau CSA	United States
Total Households	54,819	127,426	123,158,887
Households With Children Under 18	37,023	83,144	81,106,685
Percentage of Households With Children	67.5%	65.2%	65.9%

Source: Esri

	Marathon County	Wausau CSA	United States
Median Household Income	\$58,331	\$55,313	\$56,124
Adjusted Median Household Income (1)	\$63,680	\$64,657	\$56,124

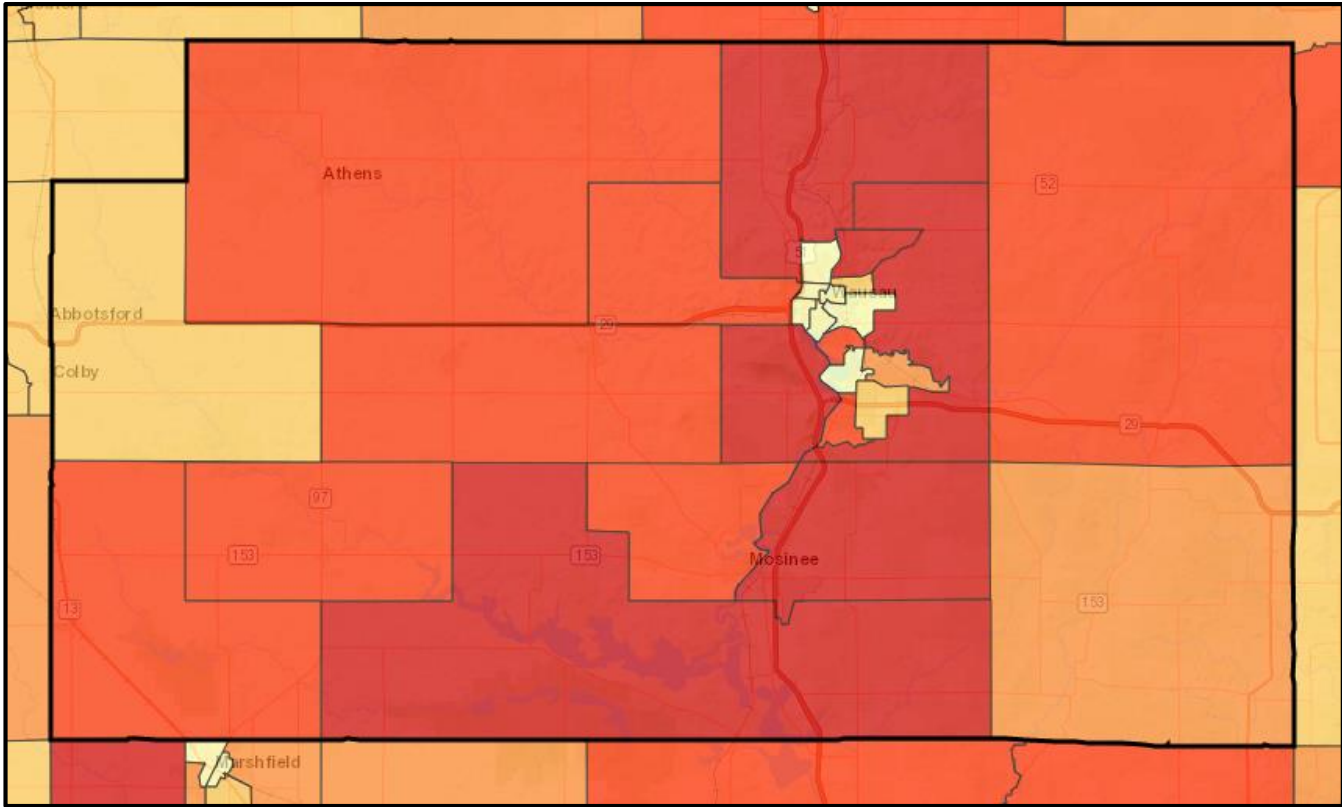
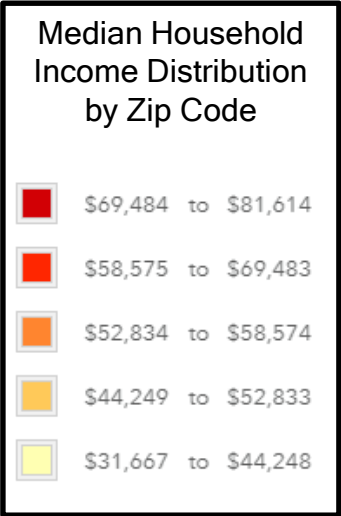
Sources: Esri, city-data.com

Note: (1) Adjusted for cost of living according to city-data.com

Marathon County has a slightly higher percentage of households with children compared to the U.S. average. A high percentage of households with children is a positive indicator for youth sports and entertainment demand in the region.

When adjusted for cost of living, the median household income in Marathon County and the Wausau CSA are higher than the U.S. median. Higher household income levels can often indicate an ability for a household to spend disposable income on sports and other entertainment events.

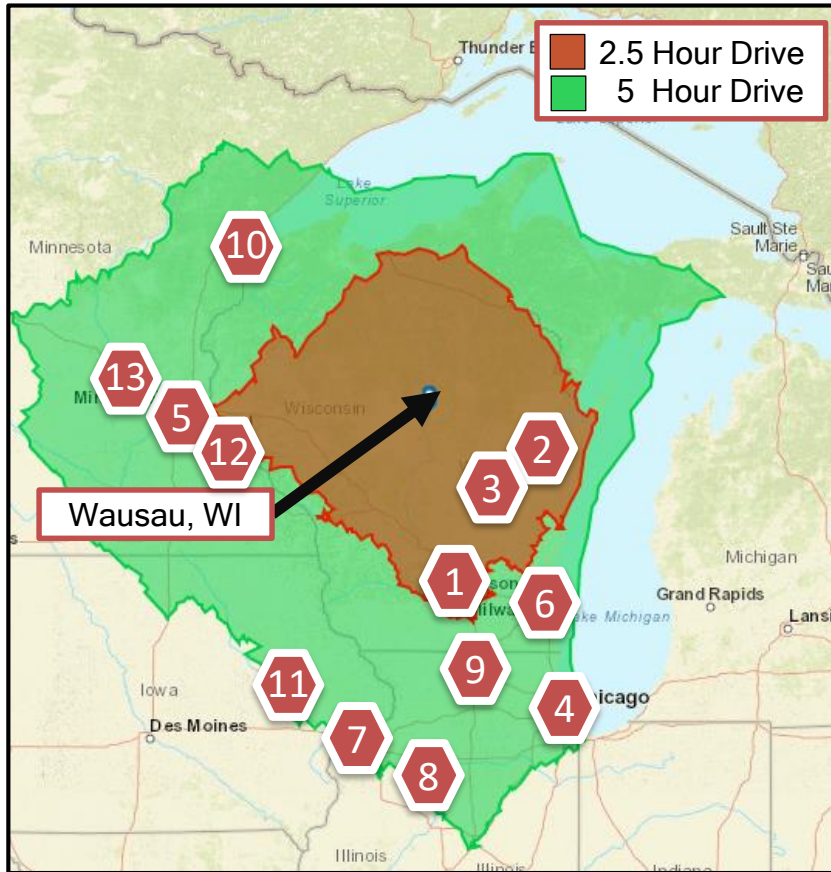
INCOME DISTRIBUTION



Source: Esri

Median Household Income levels tend to be lowest within the City of Wausau, however the higher Median Household Income levels are found immediately north and south of the City of Wausau.

TOURISM DRIVE TIME ZONES



There are three large markets (with a population of more than 200,000 people each) within a 2.5-hour drive of Wausau. An additional 10 large markets are within a 5-hour drive (overnight trip), with a total population within a 5-hour drive of Wausau of over 20.3 million people. It is noted that other smaller cities (such as Racine) are also located within these drive-time windows.

Source: Esri

*** METROPOLITAN STATISTICAL AREA (MSA)**

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

MSA's* with 200,000+ Population Within a 2.5-hour Drive

- 1 Madison MSA
662,724
- 2 Green Bay MSA
323,603
- 3 Appleton MSA
240,427

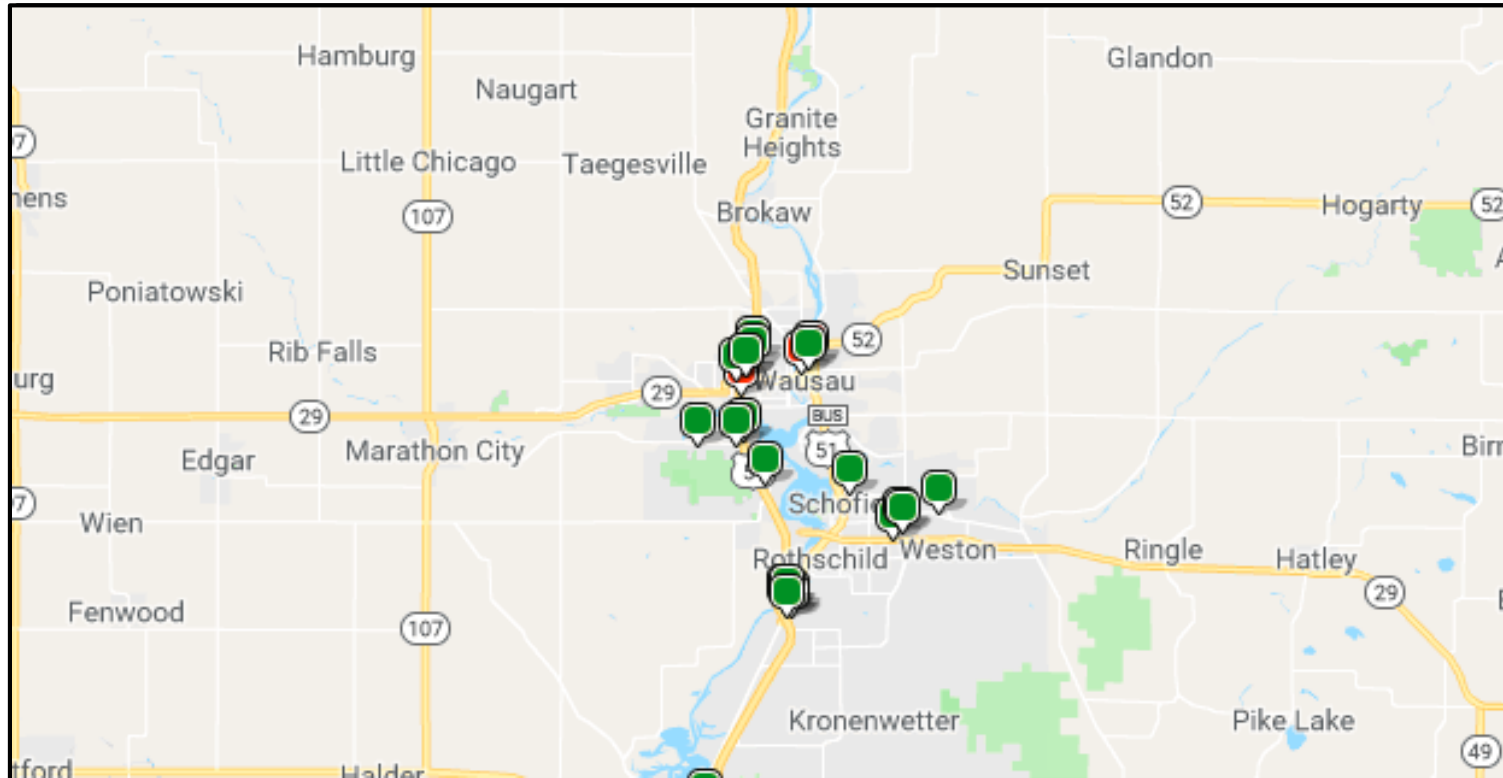
MSA's* with 200,000+ Population Within a 5-hour Drive

- 4 Chicago MSA
9,643,624
- 5 Minneapolis-St. Paul MSA
3,628,856
- 6 Milwaukee MSA
1,575,004

MSA's* with 200,000+ Population Within a 5-hour Drive (cont.)

- 7 Davenport MSA
386,682
- 8 Peoria MSA
378,478
- 9 Rockford MSA
344,099
- 10 Duluth MSA
284,882
- 11 Cedar Rapids MSA
276,375
- 12 Rochester MSA
224,555
- 13 St. Cloud MSA
202,894

HOTEL INVENTORY



Source: Hotels.com, Google Maps
Note: Minimum 2-star hotel class

Convenient, affordable, family-friendly lodging (preferably within a 5 to 10 minute drive from an event venue, if not located on-site) is an important component of attracting and hosting multi-day tournament, tourism and event activity.

Victus found that lodging (minimum 2-star hotel class) in Marathon County is primarily concentrated in Wausau and Weston. The majority of hotels are along State Route 51 and I-39.

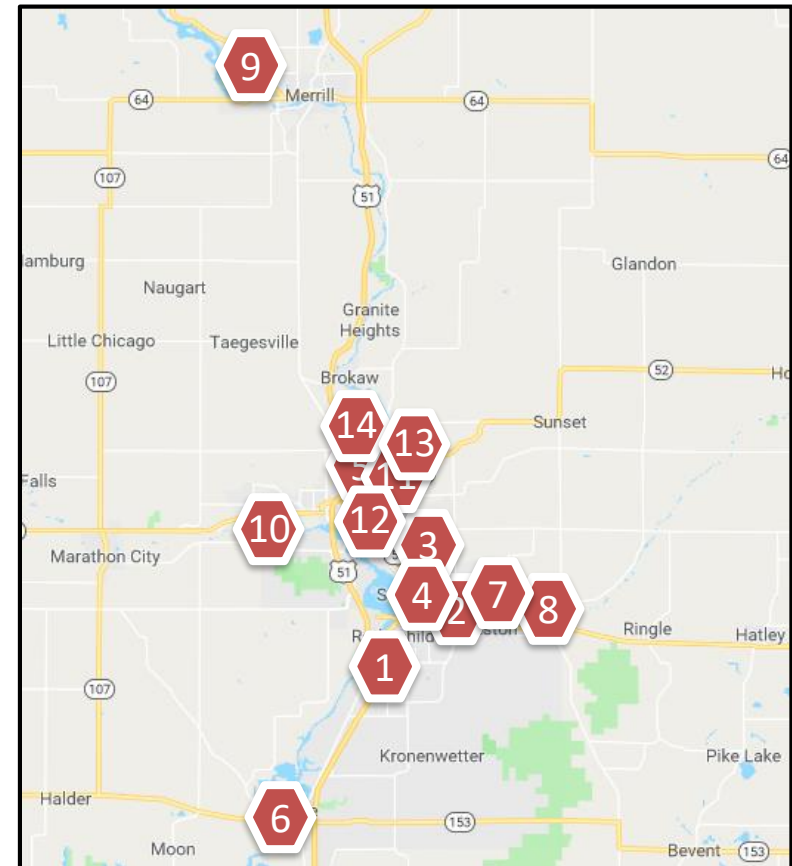


3. LOCAL SPORTS & EVENT FACILITY INVENTORY

LOCAL SPORTS INVENTORY

Based upon our community feedback process, which is described in detail later in this report, Victus Advisors identified local sports and events facilities that are currently utilized in the Marathon County area. These facilities are profiled in the following pages (listed in alphabetical order below):

1. Central Wisconsin Convention & Expo Center
2. D.C. Everest High School
3. Eastbay Sports Complex
4. Greenheck Field House
5. Marathon Park
6. Mosinee Recreation Center
7. Mountain Bay Conference Center
8. Premier Sports Academy
9. Smith Multi-Purpose Center
10. Sunnyvale Softball Complex
11. The Grand Theater
12. Three M Park
13. Wausau East High School
14. Wausau West High School



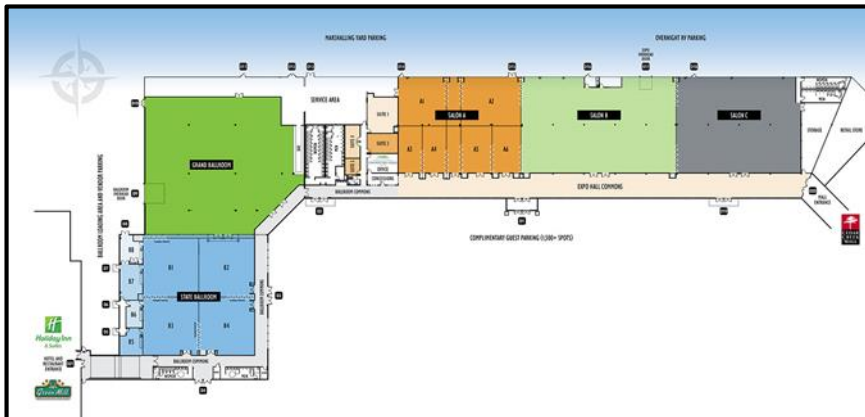
Source: Google Maps

CENTRAL WISCONSIN CONVENTION & EXPO CENTER

- Location: Rothschild, WI
- Owner/Operator: Central Wisconsin Convention & Expo Center
- Features:
 - Total combined space of 61,155 sq. ft., however the largest individual contiguous space is 25,600 sq. ft.
- Sample Events:
 - Conferences, expos, trade shows, RV & boat shows



Layout

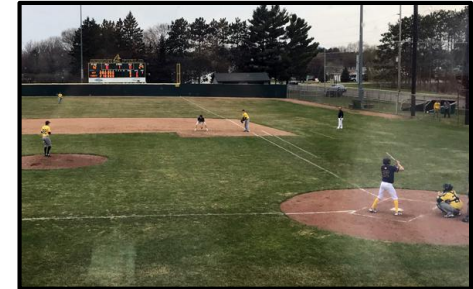


The Convention & Expo Center is located in the Cedar Creek Mall and is adjacent to a 150-room Holiday Inn. The Center hosts a variety of different events including RV and boat shows.

Users of the facility like that it is conveniently located near Interstate 39. However, based on feedback from local user groups, the facility is limited by the fact that it was not originally designed for expos, and no individual space within the venue is larger than 25,600 sq. ft. Users have said they have found ways to make the space work for their larger events.

D.C. EVEREST HIGH SCHOOL

- Location: Schofield, WI
- Owner/Operator: D.C. Everest Area School District
- Features:
 - 1 baseball field, 2 softball fields
- Sample Events:
 - High school baseball and softball games



Layout



D.C. Everest High School has one baseball and two softball fields on its campus. The Greenheck Field House is also located on the school's campus and is discussed later in the report. The football team plays at the football stadium located at the junior high school.

According to representatives from the school, the softball and baseball fields are primarily for school use and generally not rented out to other users.

EASTBAY SPORTS COMPLEX

- Location: Wausau, WI
- Owner/Operator: Marathon County
- Footprint: 57 acres
- Features:
 - 1 lit championship field, 7 full-sized and 7 smaller outdoor fields
- Sample Events:
 - Soccer tournaments (Mountain Bay Cup), soccer leagues, lacrosse tournaments, Wausau Hmong Festival



The Eastbay Sports Complex is home to Marathon County United Soccer Club (MC United). The Complex has parking for 430 vehicles and overflow for an additional 176. All of the fields at the complex are natural grass.

Users like that fields can be converted to different sizes depending on the age group using them. Tournament organizers also like that field space is maximized on the site. The Complex seems to meet the outdoor field needs of MC United and the Mountain Bay Cup.

GREENHECK FIELD HOUSE

- Location: Schofield, WI
- Owner/Operator: D.C. Everest Area School District
- Footprint: 90,000 sq. ft.
- Features:
 - 3 basketball courts, ice arena, fitness facility
- Sample Events:
 - D.C. Everest HS sports, youth and adult fitness classes/activities,



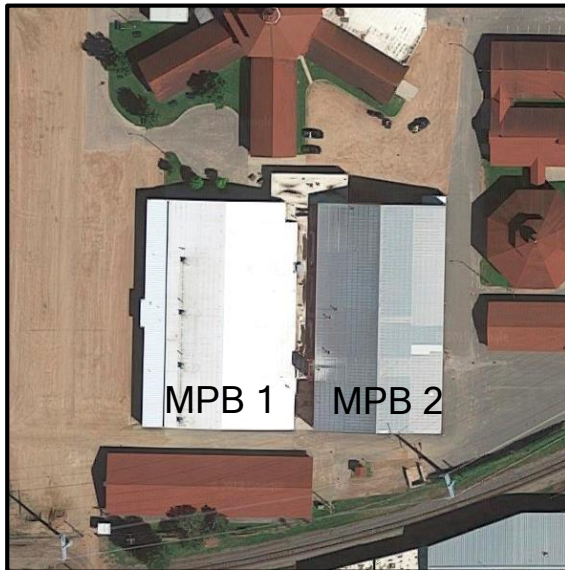
The Greenheck Field House is a shared community facility. It serves as a community fitness center and home to D.C. Everest school sports. The Field House has the only Olympic-sized ice rink in the area. Several groups mentioned it is difficult to plan ahead to schedule time at the facility, because the facility does not have any more time for ice or court rentals. Some groups say that the facility meets their current local use needs. Ice rental rates are between \$120-\$140 per hour while court rentals are about \$14 per hour per court.

MARATHON PARK

- Location: Wausau, WI
- Owner/Operator: Marathon County
- Features:
 - 2 indoor ice rinks
- Sample Events:
 - Marathon County Youth Hockey, Wausau East & West HS hockey, Wausau RiverWolves



Layout



Marathon Park is home to the Marathon County Youth Hockey League as well as the Wausau RiverWolves of the NA3HL. Ice rinks are maintained in Multi-purpose Buildings (MPB) 1 & 2 from mid-September to the beginning of March annually. The buildings are used for the Wisconsin Valley Fair, circus, and other events when there is no ice. Ice rental rates are approximately \$163 for prime hours at MPB 1 and \$113 for non-prime hours at MPB 1 and all hours at MPB 2.

MOSINEE RECREATION CENTER

- Location: Mosinee, WI
- Owner: City of Mosinee
- Operator: Mosinee Hockey Association
- Features:
 - 1 ice rink, 2 softball fields
- Sample Events:
 - Youth hockey/skating groups, Mosinee Papermakers, Mosinee HS



Layout



The facility is also home to the Mosinee Papermakers, members of the Great Lakes Hockey League (GLHL), an elite amateur senior men's ice hockey league. Unlike other facilities profiled that are publicly-operated, the Mosinee Hockey Association (non-profit group) operates the rink at the Center.

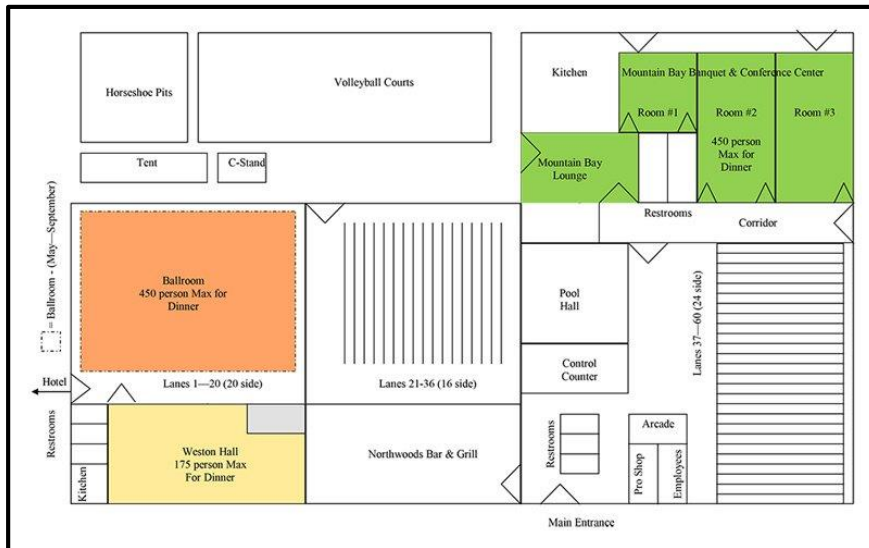
The majority of ice time at the Center is used by Mosinee Hockey Association's groups, including their figure skating group.

MOUNTAIN BAY CONFERENCE CENTER

- Location: Weston, WI
- Owner/Operator: Dale's Weston Lanes
- Features:
 - 2,500 sq. ft. 5,400 sq. ft. 6,500 sq. ft.
- Sample Events:
 - Corporate events, meetings, banquets



Layout



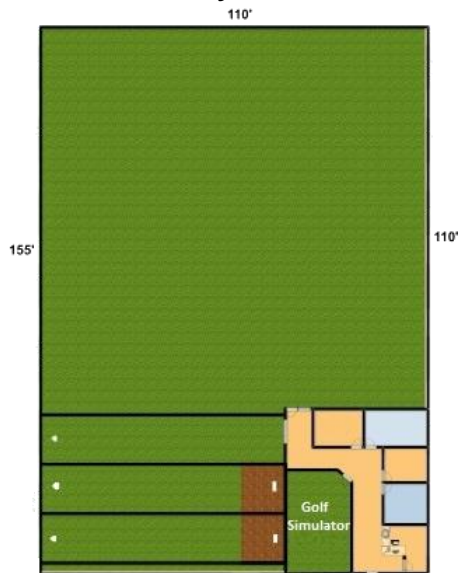
The Mountain Bay Conference Center is part of Dale's Weston Lanes bowling center in Weston. The space features two permanent event and conference spaces of 2,500 and 5,400 sq. ft. respectively. The third space is a 6,500 square feet of flooring over bowling lanes.

Due to the small sizes of the available spaces (maximum of 6,500 square feet) this facility generally caters to weddings, corporate events, birthdays, and bowling tournaments/leagues.

- Location: Weston, WI
- Owner/Operator: Private
- Opened: 2015
- Features:
 - Golf simulator, indoor turf, 5 batting cages
- Sample Events:
 - Gymnastics/tumbling, baseball/softball practices, training



Layout



The facility has batting cages and pitching tunnels for baseball and softball as well as a turf field area for a variety of sports training.

The Academy has recently partnered with Northern Extreme Athletics to provide gymnastics and tumbling to the facility.

The facility is primarily focused on training for individuals and smaller groups.

SMITH MULTI-PURPOSE CENTER

- Location: Merrill, WI
- Owner/Operator: City of Merrill
- Footprint: 17,000 sq. ft. (rentable floor space)
- Features:
 - 1 ice arena
- Sample Events:
 - Weddings, craft shows, Merrill High School hockey teams, youth hockey/skating, Merrill Park and Recreation programs



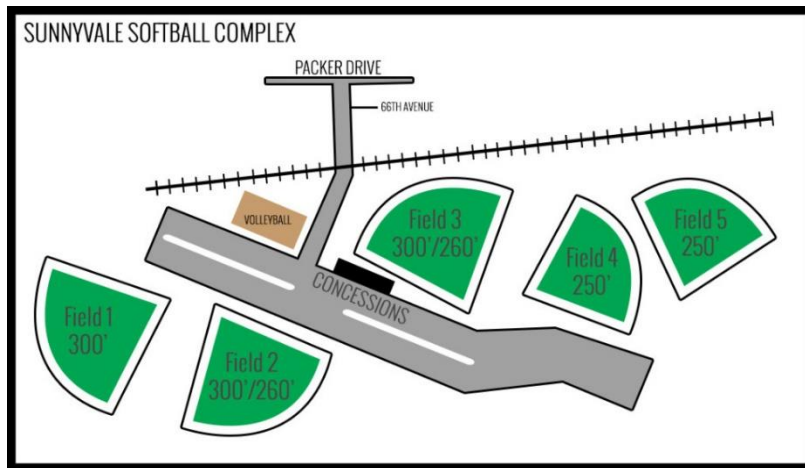
The Smith Center opened in 1995. The facility has ice from the end of October through the end of March. The Center hosts weddings, trade shows, and other events during the spring and summer months.

SUNNYVALE SOFTBALL COMPLEX

- Location: Wausau, WI
- Owner: Marathon County
- Operator: Wausau Area Softball Association (WASA)
- Features:
 - 5 softball fields
- Sample Events:
 - Softball tournaments/leagues



Layout



Field 1 has a 300' fence, Fields 2 and 3 are convertible from 260' to 300' fences. All three can be set up for a variety of different softball formats. Fields 4 and 5 have 250' fences. The facility's events include ASA, Badger State Games, and USA Softball tournaments.

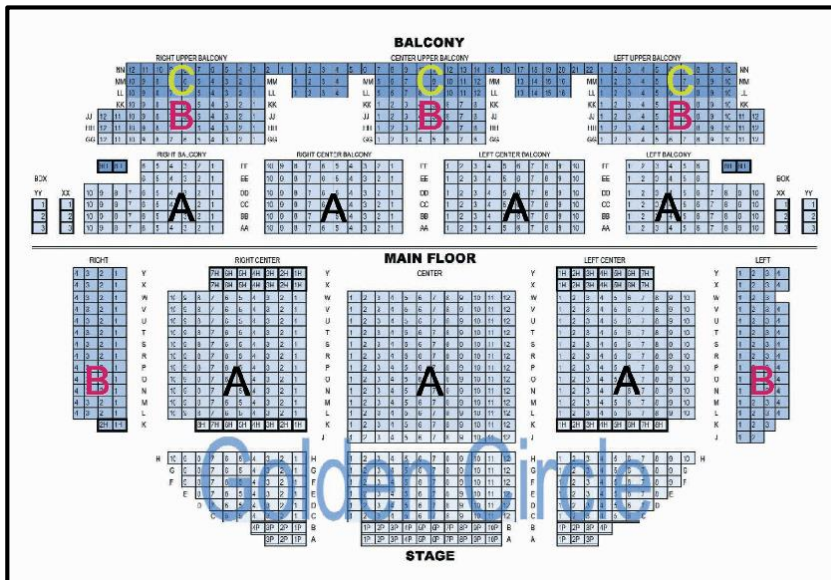
Based on feedback from event organizers, additional fields at another location, if combined with the existing fields at Sunnyvale, could potentially bring in larger softball tournaments.

THE GRAND THEATER

- Location: Wausau, WI
- Owner/Operator: The Performing Arts Foundation
- Features:
 - 1,200 capacity
- Sample Events:
 - Performing arts, comedy shows, musicals



Layout



The Grand has been in operation since 1927. The Theater is located downtown. It hosts around 300 events per year and draws patrons from a 52-county region across Wisconsin, The venue is one of the premier performing arts centers in North Central Wisconsin. It hosts cover/tribute bands, comedians, musicals, and local community theater productions.

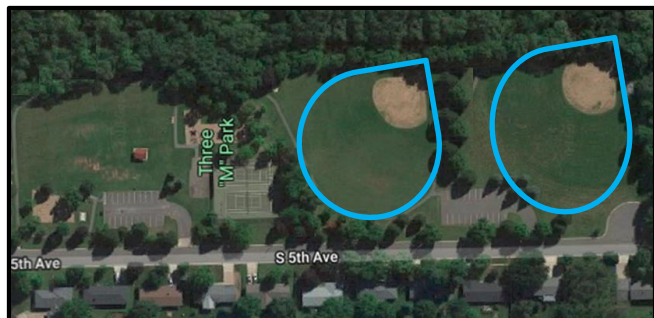
Based on feedback from regional and national promoters the Theater seems to meet demand as the primary concert venue in the market.

THREE "M" PARK

- Location: Wausau, WI
- Owner/Operator: City of Wausau
- Footprint: 16 acres
- Features:
 - 2 softball fields, 1 soccer field
- Sample Events:
 - Softball and youth baseball practices/leagues

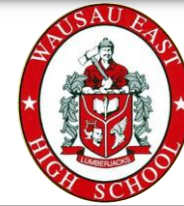


Layout



The park hosts youth baseball and softball games. The soccer field is utilized for some practices and games.

The fields are primarily used for Wausau Area Little League games and practices as well as other local users.



- Location: Wausau, WI
- Owner/Operator: Wausau School District
- Features:
 - Basketball gymnasium, football stadium, 3 softball fields, 1 baseball field
- Sample Events:
 - High school games/practices, some basketball tournament activity



Layout



In addition to hosting its own athletic events, Wausau East hosts some volleyball and basketball tournaments. These tournaments are typically held across multiple high schools in the area.

Softball fields are available to be rented by outside groups. These rentals are typically by local groups for practices.

- Location: Wausau, WI
- Owner/Operator: Wausau School District
- Features:
 - Basketball gymnasium, football stadium, 2 softball fields, 1 baseball field
- Sample Events:
 - High school games/practices, some basketball tournament activity



Layout



In addition to hosting its own athletics, Wausau West hosts some volleyball and basketball tournaments. These tournaments are typically held across multiple high schools in the area.

Softball fields are available to be rented by outside groups. These rentals are typically by local groups for practices.



SUMMARY OF LOCAL SPORTS FACILITIES



Local Facilities:	Location:	Owner	Operator	Court/Field Inventory					
				Basketball & Volleyball	Indoor Fields	Ice Sheets	Rectangular Fields	Baseball Fields	Softball Fields
D.C. Everest High School	Schofield, WI	D.C. Everest Area School District	D.C. Everest Area School District	-	-	-	-	1	2
Eastbay Sports Complex	Wausau, WI	Marathon County	Marathon County	-	-	-	8	-	-
Greenheck Field House	Schofield, WI	D.C. Everest Area School District	D.C. Everest Area School District	3	-	1	-	-	-
Marathon Park	Wausau, WI	Marathon County	Marathon County	-	-	2	-	-	-
Mosinee Recreation Center	Mosinee, WI	City of Mosinee	Mosinee Hockey Association	-	-	1	-	-	1
Premier Sports Academy	Weston, WI	Private	Private	-	1	-	-	-	-
Smith Multi-Purpose Center	Merrill, WI	City of Merrill	City of Merrill	-	-	1	-	-	-
Sunnyvale Softball Complex	Wausau, WI	Marathon County	WASA	-	-	-	-	-	5
Three "M" Park	Wausau, WI	City of Wausau	City of Wausau	-	-	-	1	-	1
Wausau East High School	Wausau, WI	Wausau School District	Wausau School District	1	-	-	2	1	3
Wausau West High School	Wausau, WI	Wausau School District	Wausau School District	1	-	-	2	1	2
TOTALS				5	1	5	13	3	14

Source: Victus research

Note: Sorted by Local Facilities in alphabetical order

LOCAL SPORTS FACILITY NOTES

All local facilities (aside from Premier Sports Academy) are publicly-owned facilities, which tend to be either utilized by a specific user group (i.e. a school) or rented to the general public at affordable rates to maximize public benefit.

Softball & Baseball - There are 14 existing softball fields in the County, but only 3 baseball fields. Sunnyvale Softball Complex is the primary softball facility for tournament competition, however no tournament-caliber, multi-field baseball facility exists in the County.

Indoor Fields - Premier Sports Academy is the only local facility with any indoor turf space, and no local facilities have any full-sized indoor fields. Many outdoor sports groups noted that there would be significant demand for access to indoor fields at the end of the fall season (October) and beginning of the spring season (February/March).

Ice - There are currently five ice sheets in the County, and most are rented at relatively affordable rates by public or non-profit facility operators. These sheets generally meet the demand for local ice usage in the winter months, and in the summer several of the sheets are converted to indoor event space.

Basketball/Volleyball - Greenheck is the only facility in the County with multiple basketball courts. The available courts are rented to outside users at very affordable rates, and do a good job accommodating local usage. However, a basketball tournament organizer said that for tournaments they have to utilize multiple different venues to have enough courts for the event.

SUMMARY OF SPORTS FACILITIES

Local Ice Facilities:	Hourly Rate Per Ice Rink	Local Indoor Facilities:	Hourly Rate Per Court	Local Softball Facilities:	Hourly Rate Per Field
Greenheck Field House	\$120-\$140	Greenheck Field House	\$14	Sunnyvale Softball Complex	\$23-\$32
Marathon Park	\$120-\$163	Wausau East High School	\$15-\$30	Three "M" Park	\$30
Smith Multi-Purpose Center	\$74-\$96	Wausau West High School	\$15-\$30	Wausau East High School	\$10
				Wausau West High School	\$10

Source: Victus research

Note: Sorted by Facilities in alphabetical order

RENTAL RATE NOTES

Compared to other regional and national markets, rental rates for ice, courts, and fields in the Marathon County area are relatively low, as these facilities are mostly operated by public entities that operate with a model of partial cost recovery in order to ensure affordable public access. As a result, it is recommended that any new, privately operated, sports and event facility in the marketplace would likely need to focus on regional event and tournament use, rather than local/recreational use, in order to be operated profitably.

Ice rental rates primarily range from \$120 to \$140 per hour. If a new multi-use sports and events facility included a dedicated ice sheet, it would be difficult for the sheet to be operated profitably by a private entity with these relatively low rental rates in the marketplace.

Local court rentals range from \$14 to \$30 at the Greenheck Field House and Wausau School District gyms for government and non-profit groups. As with ice rental rates, these court rental rates are generally lower than would typically be necessary for dedicated court space to be operated profitably by a private entity.

Softball field rates at Sunnyvale range from \$23 to \$32 per field depending on the user group. D.C. Everest does not rent out its softball fields. According to the Wausau Parks Department, fields at Three "M" Park are free to rent if no set up, lining, or field grooming is required, otherwise the rental rate is \$30.

SUMMARY OF EVENTS FACILITIES

<u>Event Facilities:</u>	<u>Seating Capacity</u>	<u>Largest Contiguous Floor Space (Sq. Ft.)</u>	<u>Other Contiguous Floor Space (Sq. Ft.)</u>
Central Wisconsin Convention & Expo	-	25,600	24,160
Mountain Bay Conference Center	-	6,500	5,400
Smith Multi-Purpose Center	-	17,000	-
The Grand Theater	1,200	-	-
AVERAGE	1,200	16,367	14,780
MEDIAN	1,200	17,000	14,780

Source: Victus research

Note: Sorted by Local Facilities in alphabetical order

LOCAL EVENT FACILITY NOTES

Marathon County has a limited number of event facilities. Most expo and trade shows in the County take place at the Central Wisconsin Convention & Expo Center, however based upon user feedback some aspects of the Center are not favorable for some events. Some of these aspects (large enough contiguous space, ceiling height) stem from the facility not being specifically constructed as an event space.

The Mountain Bay Conference Center hosts mainly corporate meetings and banquets, however does not have a space larger than 6,500 sq. ft.

The Grand Theater is the one of the County's only music and performing arts venues. There are no other venues with the ability to host larger concerts. Only a few of the regional/national promoters we interviewed felt that a larger concert venue could be sustainable in the marketplace, however several felt that a multi-purpose venue might be able to host occasional regional concerts requiring an approximately 3,000-person capacity.



4. COMPETITIVE & COMPARABLE MARKET & FACILITY ANALYSIS

COMPARATIVE MARKETS

Based upon our community feedback process, which is described in detail later in this report, Victus Advisors identified sports and event facilities in the following markets as potentially competitive or comparative with a multi-purpose events center in Marathon County. Victus Advisors compared the Marathon County Metropolitan Statistical Area’s demographic and socioeconomic characteristics to the competitive set of MSAs identified during interviews conducted (listed in alphabetical order below):

- Appleton, WI
- Eau Claire, WI
- Green Bay, WI
- Juneau County, WI
- Madison, WI
- Milwaukee, WI
- Minneapolis, MN
- Muscatine, IA
- Rockford, IL
- Waupaca County, WI

It is noted that Juneau County, Muscatine, and Waupaca County are not part of a MSA. These demographics represent solely the county (Juneau and Waupaca) or Micropolitan Statistical Area* (Muscatine).

**Micropolitan Statistical Areas (μSA) are defined by U.S. Office of Management & Budget as one or more adjacent counties or county equivalents that have at least one urban core area of at least 10,000 population but less than 50,000, plus adjacent territory that has a high degree of social and economic integration.*

COMPARATIVE MARKETS - POPULATION

Market	Total Population
Minneapolis, MN	3,628,856
Milwaukee, WI	1,575,004
Madison, WI	662,724
Rockford, IL	344,099
Green Bay, WI	323,603
Appleton, WI	240,427
Eau Claire, WI	169,567
Marathon County, WI	137,125
Waupaca County, WI	52,069
Muscatine, IA	43,640
Juneau County, WI	27,007
Average	654,920
Median	240,427

Source: Esri

Note: Sorted by Total Population in descending order

The Marathon County market's population of 137,125 ranks in the bottom half of the 11 markets selected for comparative analysis. Given the smaller market size, it is important that seating capacities and size of any new events facility be appropriately sized for the population base.

COMPARATIVE MARKETS - POP. GROWTH

<u>Market</u>	<u>Annualized Pop. Growth (2000-2018)</u>	<u>Proj. Annual Pop. Growth (2018-2023)</u>
Madison, WI	1.2%	1.2%
Minneapolis, MN	1.0%	1.0%
Appleton, WI	1.0%	0.8%
Green Bay, WI	0.8%	0.7%
Eau Claire, WI	0.7%	0.6%
Marathon County, WI	0.5%	0.3%
Juneau County, WI	0.5%	0.3%
Muscatine, IA	0.3%	0.2%
Milwaukee, WI	0.3%	0.2%
Waupaca County, WI	0.0%	-0.2%
Rockford, IL	0.4%	-0.3%
Average		0.5%
Median		0.3%

Source: Esri

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

The projected population growth rate of the Marathon County market ranks sixth among the 11 comparative markets.

COMPARATIVE MARKETS - MEDIAN AGE

Market	Median Age
Madison, WI	37.0
Minneapolis, MN	37.5
Eau Claire, WI	37.5
Milwaukee, WI	38.3
Green Bay, WI	38.8
Appleton, WI	38.8
Muscatine, IA	38.9
Rockford, IL	39.4
Marathon County, WI	40.9
Juneau County, WI	45.0
Waupaca County, WI	45.4
Average	39.8
Median	38.8

Source: Esri

Note: Sorted by Median Age in ascending order

The Marathon County market's median age of 40.9 is 9th highest among comparative markets.

COMPARATIVE MARKETS - YOUTH

<u>Market</u>	<u>Total Households</u>	<u>Households w/ Children Under 18</u>	<u>% of Households w/ Children</u>
Muscatine, IA	16,651	11,492	69.0%
Appleton, WI	94,194	64,156	68.1%
Marathon County, WI	54,819	37,023	67.5%
Rockford, IL	133,418	89,518	67.1%
Waupaca County, WI	21,497	14,179	66.0%
Green Bay, WI	129,439	83,969	64.9%
Minneapolis, MN	1,400,508	895,118	63.9%
Juneau County, WI	10,652	6,804	63.9%
Milwaukee, WI	630,836	392,632	62.2%
Eau Claire, WI	67,374	41,838	62.1%
Madison, WI	276,583	161,326	58.3%
Average	257,816	163,460	64.8%
Median	94,194	64,156	64.9%

Source: Esri

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

Nearly 68% of households in the Marathon County market have children, which ranks third amongst comparative markets.

A large population of households with children can be a positive indicator for youth/amateur sports participation. Even though the Marathon County market has a relatively large youth population, it is important that a new event center be developed with a flexible layout and multiple uses, so as to tap into a an even wider variety of event demand.

COMPARATIVE MARKETS - HOUSEHOLD INC.

Market	Median Household Income	Adj. Median Household Income
Appleton, WI	\$57,894	\$69,577
Muscatine, IA	\$53,398	\$69,317
Madison, WI	\$64,776	\$69,064
Minneapolis, MN	\$67,821	\$65,928
Marathon County, WI	\$59,407	\$63,680
Green Bay, WI	\$55,731	\$62,521
Waupaca County, WI	\$50,644	\$61,648
Rockford, IL	\$75,487	\$61,598
Milwaukee, WI	\$58,331	\$59,886
Eau Claire, WI	\$54,127	\$57,853
Juneau County, WI	\$52,235	\$57,813
Average		\$63,535
Median		\$62,521

Sources: Esri, city-data.com

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

The Marathon County market ranks fifth among comparative markets in terms of cost-of-living-adjusted median household income, which can be a potential indicator of household budgets available for spending on sports, entertainment, recreation, and leisure. It is important that any new events center be developed with a flexible layout and multiple uses, so as to tap into a wide variety of event demand, users, and attendees.

COMPARATIVE MARKETS - CORPORATE BASE

Market	Total Businesses
Minneapolis, MN	121,870
Milwaukee, WI	53,889
Madison, WI	27,178
Green Bay, WI	11,750
Rockford, IL	11,154
Appleton, WI	8,740
Eau Claire, WI	6,943
Marathon County, WI	5,475
Waupaca County, WI	2,191
Muscatine, IA	1,530
Juneau County, WI	1,058
Average	22,889
Median	8,740

Source: Esri

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

Among comparative markets, Marathon County ranks eighth in terms of business inventory, which can be an indicator for potential corporate sponsorship and naming rights support for new event facilities.

Key Takeaways

Marathon County ranks less favorably in total businesses, median age, and total population when benchmarked against other comparative markets. However, the County has other positive factors that bode well for sports, entertainment, and meeting events, such as:

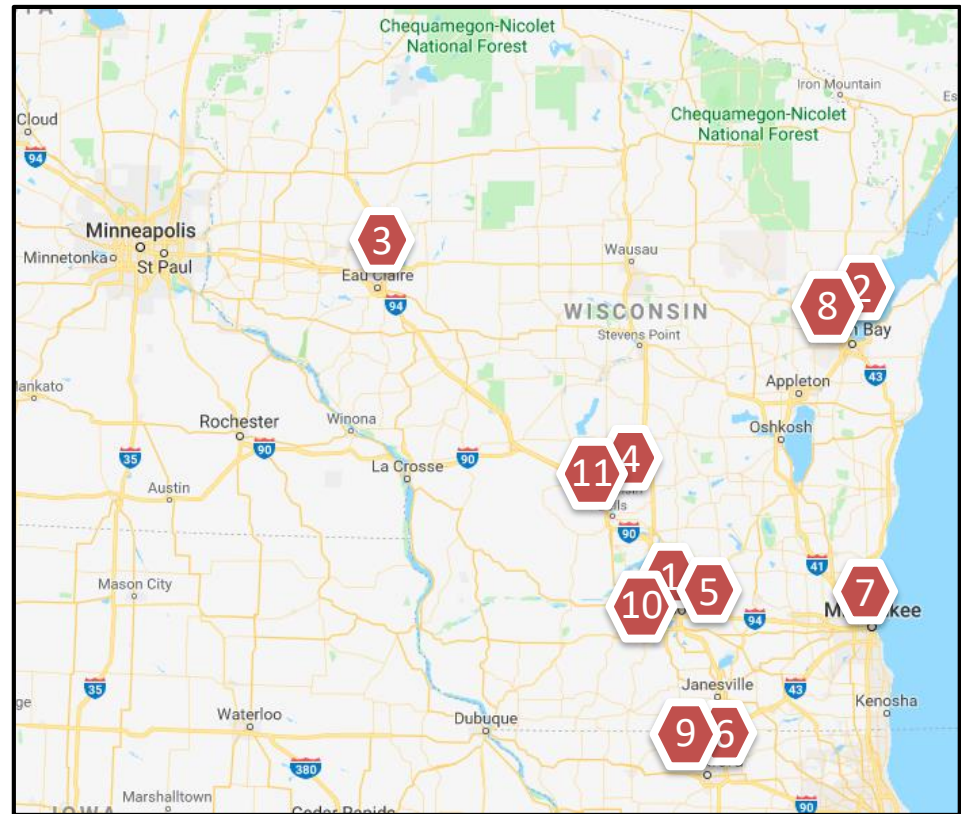
- Marathon County's central location in the state and region provides access to a population of over 20 million people within a five hour drive-time radius.
- The County also has a relatively high percentage of households with children compared to other markets, a positive factor for attracting youth sports and entertainment events.
- Marathon County market ranks fifth among comparative markets in terms of cost-of-living-adjusted median household income, which can be a potential indicator of household budgets available for spending on sports, entertainment, recreation, and leisure.

COMPARATIVE FACILITIES

Victus Advisors analyzed indoor sports and event facilities that could potentially be comparable or competitive to a new event center in Marathon County. Facilities were identified by stakeholders and local/regional users during interviews conducted by Victus Advisors.

Indoor Sports Facilities

1. Break Away Sports Center - Madison, WI
2. Cornerstone Community Center - Ashwaubenon, WI
3. Hobbs Municipal Ice Arena - Eau Claire, WI
4. Just A Game Fieldhouse - Wisconsin Dells, WI
5. Keva Sports Center - Madison, WI
6. Mercyhealth Sportscore Two - Rockford, IL
7. Petit National Ice Center - Milwaukee, WI
8. Sports Emporium - De Pere, WI
9. UW Health Sports Factory - Rockford, IL
10. Verona Ice Arena - Verona, WI
11. Woodside Wisconsin Dells Dome - Wisconsin Dells, WI



Source: Google Maps

BREAK AWAY SPORTS CENTER

- Location: Madison, WI
- Owner/Operator: Break Away Sports Center, Inc
- Features:
 - 2 indoor soccer fields
- Sample Events:
 - Soccer practices, games, and small tournaments



Break Away Sports Center has been in operation in the Madison area for over 20 years. The facility specializes in small-sided and indoor soccer (with boards) and does not have a full-sized soccer field. The size of the turf spaces, and the presence of boards, limits the types of indoor sports that could be hosted in the venue beyond indoor soccer.

CORNERSTONE COMMUNITY CENTER

- Location: De Pere, WI
- Owner/Operator: Cornerstone Community Ice Center
- Features:
 - 3 ice rinks
- Sample Events:
 - Hockey, ice skating, figure skating practices, events, and games



The Community Center was built in 2000 as a new home for the Green Bay Area Youth Hockey, St. Norbert College Hockey, and Cornerstone Skating Club. The Center is privately-owned by the Cornerstone Community Center Inc. (non-profit). The facility offers programs for youth and adults. In 2007, an Olympic-sized ice rink was added. Because of the venue's multiple ice sheets, tournaments and competitions are frequently held here.

HOBBS MUNICIPAL ICE ARENA

- Location: Eau Claire, WI
- Owner/Operator: City of Eau Claire
- Features:
 - 2 full-sized ice rinks, 1 studio ice sheet, 1,100 seating capacity
- Sample Events:
 - Hockey, ice skating, figure skating practices, events, and games



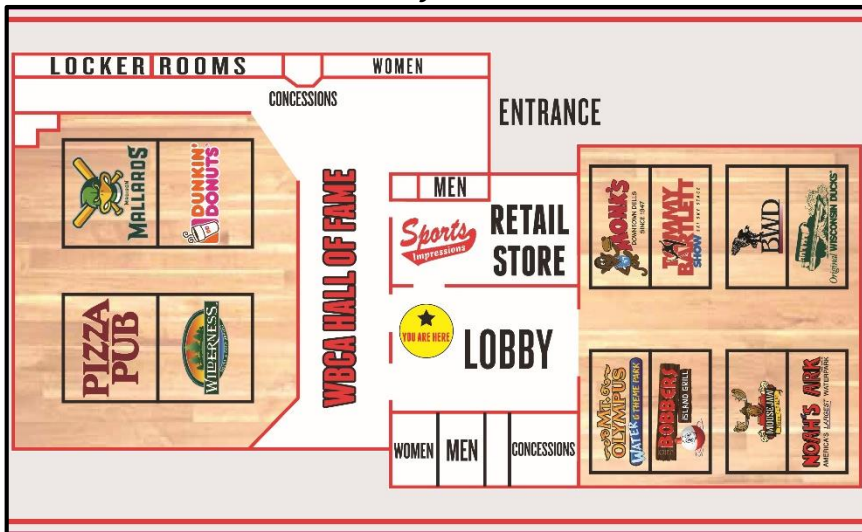
The arena is home to the UW-Eau Claire men's & women's varsity hockey teams and men's club hockey team. It is also home to high school and youth hockey teams. The facility provides three ice rinks, locker rooms, meeting rooms and offices for the Eau Claire Parks, Recreation & Forestry Department. The Arena primarily hosts local user groups. Some tournament and competition activities take place at the arena.

JUST A GAME FIELDHOUSE

- Location: Wisconsin Dells, WI
- Owner/Operator: Private
- Features:
 - 6 basketball courts
- Sample Events:
 - Basketball and volleyball tournaments/leagues



Layout



The venue also includes a championship court with seating for over 1,700 and a balcony for additional seating or VIP area. The Fieldhouse hosts many different basketball and volleyball tournaments including the WBCA State Championships (4th to 8th grade boys and girls). As a private facility, the Fieldhouse runs its own leagues and tournaments as well as sells various sponsorships to drive revenue.

KEVA SPORTS CENTER

- Location: Madison, WI
- Owner/Operator: Private
- Footprint: 100,000 sq. ft.
- Features:
 - 3 basketball courts, 2 indoor fields, 1 outdoor field
- Sample Events:
 - Basketball and volleyball tournaments/leagues, indoor soccer

Kēva
sports center



The Keva Sports Center was built in 1999. The facility hosts basketball and volleyball tournaments as well as indoor soccer leagues. The Sports Center claims to have over 300,000 annual visitors. In addition to the facility’s ability to host sports tournaments (specifically basketball and volleyball) it also provides practice space for local groups with its court and indoor field space.

MERCYHEALTH SPORTSCORE TWO

- Location: Loves Park, IL
- Owner/Operator: Rockford Park District
- Footprint: 60,000 sq. ft.
- Features:
 - 3 indoor fields
- Sample Events:
 - Indoor soccer, lacrosse, other turf sports



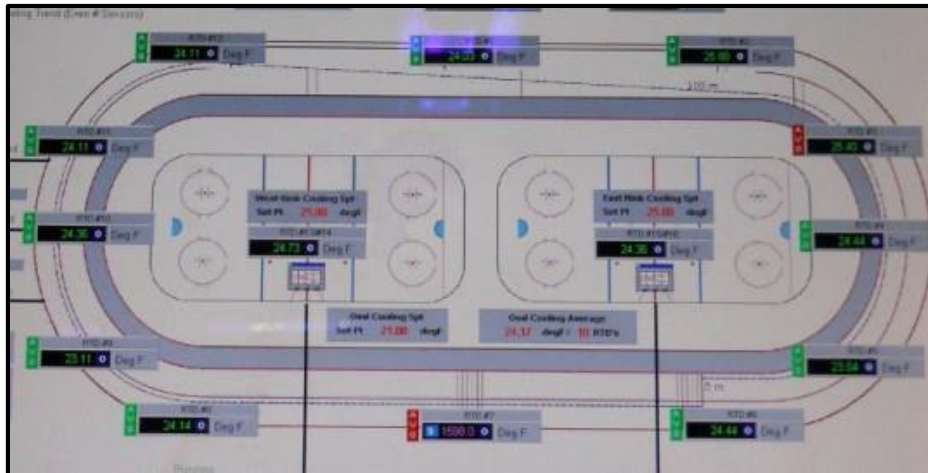
Mercyhealth Sportscore Two features three (3) indoor turf fields. The facility also has over 1,000 parking spots, a restaurant/bar, locker rooms, and an equipment store. The venue can also accommodate a variety of events, including conventions, trade shows, expos, weddings, and receptions. Marathon County users commented that the large, unobstructed indoor field space was a major positive of this facility.

PETTIT NATIONAL ICE CENTER

- Location: Milwaukee, WI
- Owner: Wisconsin State Fair Park
- Operator: Pettit National Ice Center Inc.
- Features:
 - 2 ice rinks
- Sample Events:
 - Hockey, ice skating, figure skating practices, events, and games, speed skating



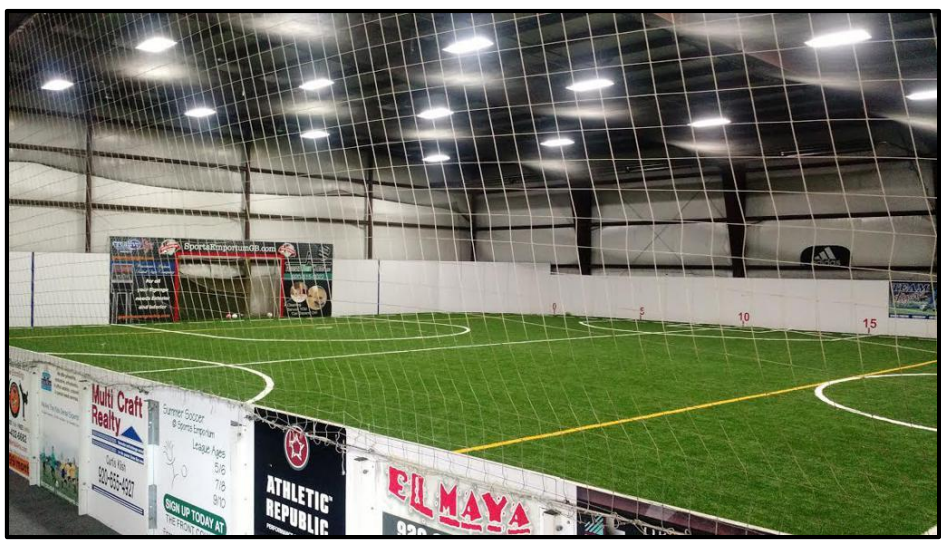
Layout



The facility opened in 1992. The Ice Center has two (2) international-sized rinks. It is one of a few indoor 400-meter speed skating ovals in the world and an official US Olympic Training Site for speed skating. Figure skating groups do not use the facility for competitions as much as other ice groups due to the lack of dividing wall between the two rinks.

SPORTS EMPORIUM

- Location: De Pere, WI
- Owner/Operator: Private
- Features:
 - 2 indoor soccer fields
- Sample Events:
 - Indoor soccer, football and other turf sports



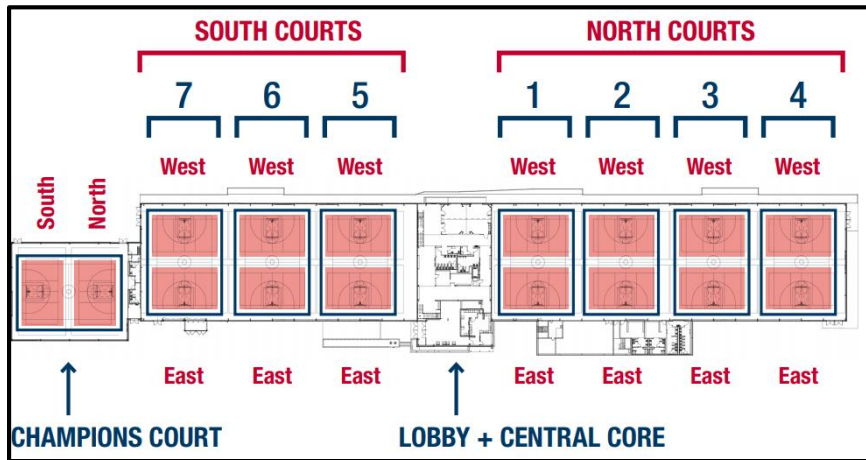
The two fields have dimensions of 45 yards by 25 yards and 60 yards by 30 yards. The complex mainly focuses on indoor soccer leagues and practices. Indoor field rentals range from \$75 to \$100 per hour. The facility is also home to outdoor fields used for soccer and other sports practices, games, and clinics. The smaller-sized, boarded fields limit the usage of the space compared to a full-sized indoor field.

UW HEALTH SPORTS FACTORY

- Location: Rockford, IL
- Owner/Operator: Rockford Park District
- Footprint: 162,000 sq. ft.
- Features:
 - 8 basketball courts
- Sample Events:
 - Basketball and volleyball tournaments/leagues, gymnastics, corporate events, trade/expo shows



Layout



In addition to court space, the facility also has two (2) conference rooms. The Sports Factory hosts events ranging from basketball and volleyball, to trade shows and corporate events. The facility typically hosts practices for various groups during the week and volleyball and basketball tournaments during the weekends.

VERONA ICE ARENA

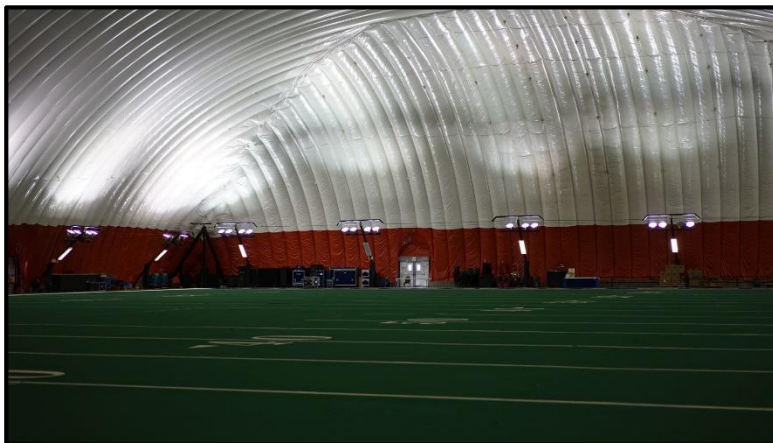
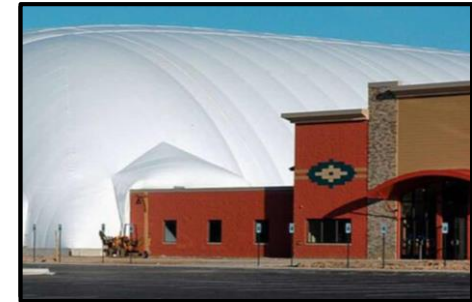
- Location: Verona, WI
- Owner/Operator: ICE, Inc.
- Features:
 - 1 ice rink
- Sample Events:
 - Hockey, ice skating, figure skating practices, events, and games



The facility, located in the Madison area, is home to several hockey leagues and youth hockey groups, including the Madison Mavericks and Verona Wildcats Youth Hockey. The facility is privately owned and operated by a non-profit organization. The facility is opened year-round and primarily hosts its own leagues and teams.

WOODSIDE WISCONSIN DELLS DOME

- Location: Wisconsin Dells, WI
- Owner/Operator: Woodside Sports
- Footprint: 90,000 sq. ft.
- Features:
 - 10 basketball courts, 1 indoor field
- Sample Events:
 - Basketball, wrestling, volleyball, indoor baseball, indoor turf sports



The facility hosts a variety of indoor sports practices and tournaments. The field is available to rent Monday to Thursday for \$175 per hour. The facility can also conveniently host trade shows and conventions with its vehicle accessible loading dock. The Woodside Dome is also home of the Woodside Baseball Academy. Temporary flooring is laid over the turf for hard court sports. The facility caters specifically to sports tourism, as the operators also own an adjacent hotel.

SUMMARY OF INDOOR SPORTS FACILITIES

Indoor Facilities:	Location:	Owner	Operator	Court/Field Inventory		
				Basketball & Volleyball	Indoor Fields	Ice Sheets
Break Away Sports Center	Madison, WI	Break Away Sports Center, Inc	Break Away Sports Center, Inc	-	2	-
Cornerstone Community Center	Ashwaubenon, WI	Cornerstone Community Ice Center	Cornerstone Community Ice Center	-	-	3
Hobbs Municipal Ice Arena	Eau Claire, WI	City of Eau Claire	City of Eau Claire	-	-	3
Just A Game Fieldhouse	Wisconsin Dells, WI	Private	Private	6	-	-
Keva Sports Center	Madison, WI	Private	Private	3	2	-
Mercyhealth Sportscore Two	Loves Park, IL	Rockford Park District	Rockford Park District	-	3	-
Pettit National Ice Center	Milwaukee, WI	Wisconsin State Fair Park	Pettit National Ice Center Inc.	-	-	2
Sports Emporium	De Pere, WI	Private	Private	-	2	-
UW Health Sports Factory	Rockford, IL	Rockford Park District	Rockford Park District	8	-	-
Verona Ice Arena	Verona, WI	Verona Ice Arena	ICE Inc.	-	-	1
Woodside Wisconsin Dells Dome	Wisconsin Dells, WI	Woodside Sports	Woodside Sports	10	1	-
AVERAGE				7	2	2
MEDIAN				7	2	3

Source: Victus research

Note: Sorted by Facilities in alphabetical order

COMPARATIVE SPORTS FACILITY NOTES

As will be shown later in the report in the interviews section, there are no indoor turf facilities in the Marathon County area. All of the indoor facilities mentioned in the interviews were some distance from the County, and were often cited as a desired amenity in Marathon County.

Sports Tourism - Basketball/volleyball facilities generally need at least 6 courts in order to host a larger tournament that can generate a significant economic impact. Most regional/national hockey or skating competitions require at least two sheets of ice for larger competitions/tournaments.

Indoor fields - Indoor turf is not generally a sports tourism generator, but rather tend to cater to local use. Facilities that have indoor fields within the broader region tend to have between one and three fields, however many of those are smaller, boarded fields dedicated to indoor soccer use. Indoor soccer does not have an established regional tournament system, and indoor soccer facilities are generally programmed for local, recreational adult and youth leagues.



5. INTERVIEW SUMMARIES

INTRODUCTION

As a key part of our market research process, Victus Advisors conducted two types of interviews:

- A. One-on-One Interviews in Marathon County with key stakeholders from 22 community groups and organizations.
- B. Telephone Interviews with 35 individuals from potential event center user groups regionally and nationally.

These interview results were used by Victus Advisors to provide input to our market demand study.

Key highlights from each type of interview are presented within this section.



5. INTERVIEW SUMMARIES: A. ONE-ON-ONE INTERVIEWS

ONE-ON-ONE INTERVIEWS

In December 2018, MCDEVCO, Inc. and the Village of Weston identified participants and scheduled a series of one-on-one interviews for Victus Advisors. The goals of these interviews were to gather feedback from key stakeholders and community leaders to discuss sports facility development in Marathon County. The set of topics and questions included perceptions of Marathon County and its current event venue offerings, possible comparable and competitive venues and markets, and other feedback concerning the potential new event center.

ONE-ON-ONE INTERVIEWS - Victus Advisors conducted 24 in-person interviews with representatives from the following groups:

- Badger State Games
- Central Wisconsin Speedskating
- DC Everest Youth Baseball
- DNR Archery
- DR Pool Promotions
- Everest Fast Pitch
- Everest Youth Basketball
- Everest Youth Hockey
- Ghidorzi Company
- Granite Peak Ski Team
- Greenheck Field House
- Gym Sport
- MC United Soccer
- Newman Catholic Basketball
- Wausau Area Rugby
- Wausau/Central Wisconsin Convention & Visitors Bureau
- Wausau Curling Club
- Wausau & Marathon County Parks, Recreation, & Forestry Department
- Wausau School District Baseball
- Wausau Table Tennis Club
- Wisconsin Woodchucks
- USA Softball of Wisconsin

Key highlights of these interviews are summarized by topic in the following pages. The highlights presented tend to focus on the topics and sentiments that were raised by multiples interviewees.

PERCEPTIONS OF CURRENT SPORTS & EVENT FACILITIES IN MARATHON COUNTY

- **ICE** - There are currently five sheets of ice in the County. Some interviewees mentioned that local ice facilities are generally being used from 5:00am to 10:00pm. Many mentioned the affordability of ice time relative to other markets in Wisconsin (\$140 per hour in Marathon County, on average). This is due to the rinks being operated by public or non-profit groups with a focus on affordable, local access.
- **MARATHON PARK** - Stakeholders described Marathon Park as antiquated. It is currently home to the NA3HL Wausau RiverWolves, a Tier III junior ice hockey league. In 2017-18, the RiverWolves finished in the top-10 in the NA3HL in attendance, with an average of 482 attendees per game.
- **GREENHECK FIELD HOUSE** - Several of the stakeholders mentioned the Greenheck Field House as a top-tier facility in the area. Some users commented that the facility does not have any more time for ice or gym space with groups competing over who gets specific times. According to feedback, it is not easy to host a tournament there and there is nothing else immediately around it from a hotel/dining standpoint.
- **GYMNASTICS** - The area has hosted various events for the Badger State Games. An interviewee said that they want to bring more sporting events to the area, including gymnastics, but have been hindered by the lack of indoor space.

PERCEPTIONS OF CURRENT SPORTS & EVENT FACILITIES IN MARATHON COUNTY (CONT.)

- **INDOOR TURF** - Several of the stakeholders commented that there is no indoor turf in Marathon County or in the Northern/Central Wisconsin area. Many believe that local sports groups would be willing to pay good rates for indoor turf in the late fall and early spring. Interviewees felt that soccer, baseball, softball, and other sport groups would definitely use a new indoor turf facility. Many of these field sports groups currently use gymnasiums for their indoor practices, which is not ideal.
- **SOCCKER FIELDS** - While Eastbay Sports Complex generally meets the needs for soccer groups in the County, they also mentioned that the area has a great need for indoor soccer facilities. There is no indoor soccer facility within 90 miles. Currently, groups use basketball courts at schools and churches. Schools can be very expensive to rent on the weekends for these groups. The individual said that they use the indoor space for local use such as practices and open gym sessions.

PERCEPTIONS OF CURRENT SPORTS & EVENT FACILITIES IN MARATHON COUNTY (CONT.)

- **BASKETBALL/VOLLEYBALL** - Interviewees indicated that there is definitely a need for indoor courts in Marathon County and that families are driving all over the State for club volleyball and basketball. Basketball courts are able to be rented out at churches and schools. According to some interviewees the per court costs ranged from \$14-\$30 per hour depending on the facility. A person interviewed said that club volleyball is huge in the area with established club programs, and they felt that club volleyball groups could benefit from additional court space and could be possible principal users of a new facility for tournaments and regional competitions.
- **TOURNAMENT-CALIBER FACILITIES** - Groups in Marathon County have been trying to attract a youth basketball tournament and start an AAU basketball club. The area has been unsuccessful in attracting tournaments because multiple venues across the area would have to be used as opposed to a single venue location. Many kids must drive to other markets to participate in club basketball and tournaments.
- **FLAT FLOOR & MEETING SPACES** - The Central Wisconsin Convention & Expo Center in Rothschild was mentioned as the largest event center in the area. The facility is a converted strip mall with its largest contiguous space measuring approximately 25,000 sq. ft. with low ceiling heights. With more space, stakeholders believe a new meeting/expo space could bring in more and larger events.

COMPARATIVE VENUES & MARKETS

- **BASKETBALL/VOLLEYBALL** - Interviewees mentioned Just A Game Fieldhouse in Wisconsin Dells as a venue that hosts several tournaments. Keva Sports in Madison was another facility mentioned that has been visited by Marathon County groups. Other markets and facilities mentioned included the Woodside Sports Complex in Wisconsin Dells and facilities in Rockford, Illinois (UW Health Sports Factory and Sportscore).
- **INDOOR TURF**- The Dells Dome in Wisconsin Dells was mentioned in interviews as a comparative facility. Interviewees mentioned that the facility also has a hotel and other attractions on-site. The venue sometimes allows groups to use the facility for a discounted rate to entice groups to stay at their hotel.
- **ICE** - Hobbs Arena in Eau Claire and Cornerstone Arena near Green Bay were mentioned as a comparative facilities with multiple sheets of ice that host a variety of ice events (figure skating, ice hockey, etc.).

DEMAND FOR NEW FACILITIES

- **BASKETBALL/VOLLEYBALL** - People interviewed said that it has been difficult to get an AAU Club Basketball team going in the Wausau area. Several basketball organizers have expressed interest in expanding into the Wausau area, but there is a lack of multi-court venues for tournaments and events. Interviewees said that there is a definite need for multi-court space in the County as evidenced by local youth driving to other markets in the state to compete in regional basketball and volleyball tournaments.
- **FLAT FLOOR & MEETING SPACES** - There is no facility in the County with a contiguous event space larger than 25,000 sq. ft. with high ceiling heights. With a larger, column-free space, stakeholders believe a new meeting/expo space could bring in more and larger events.
- **INDOOR TURF** - Outdoor field sports showed interest in using a new indoor turf facility for early season or bad weather practices.
- **ICE** - Most ice groups were interested in having more available ice during the winter months, however they are accustomed to relatively low rent and not interested in paying higher prices.

KEY TAKEAWAYS

- For local use practices/games, Marathon County user groups are accustomed to paying very affordable rates relatively to other markets in Wisconsin. The going rates in the marketplace could make it very difficult for a private operator to turn a profit on permanent/dedicated ice and/or court space.
- That said, local use of a full-sized indoor artificial turf field could be in high demand from local sports groups during the late fall and early spring, when outdoor field sports often need to practice indoors.
- In addition, multi-court basketball/volleyball space could be desirable for regional tournament activity which cannot currently be easily accommodated in Marathon County.
- With a larger expo/convention space, stakeholders think more and larger events could be brought into the County.



5. INTERVIEW SUMMARIES: B. TELEPHONE INTERVIEWS

TELEPHONE INTERVIEWS

Between December 2018 and January 2019, Victus Advisors held telephone interviews with operators, promoters, and influencers of sports and entertainment events both regionally and nationally. The topics included ideal amenities, potential events that could be held at potential new sports and events facilities in Marathon County. In all, Victus Advisors conducted 38 phone interviews with individuals from local, regional, and national organizations.

Victus Advisors conducted telephone interviews with representatives from the following groups:

- Badger Volleyball
- Central Wisconsin Sports Shows (Expo)
- College Conference of Illinois and Wisconsin
- DC Everest High School
- DC Everest High School Baseball
- DC Everest High School Softball
- Evercon
- Figure Skating Council of Wisconsin
- Friends of Everest Baseball
- Great Northern Basketball League
- Greater Wausau Area Pickleball
- Madison Mallards
- Marathon County Youth Hockey
- Midwest Conference
- Minnesota Intercollegiate Athletic Conference
- Mountain Bay Conference Center
- Mountain Bay Cup Soccer
- NCAA
- Pepper Entertainment
- PMI Entertainment Group
- Premier Sports Academy
- Redtail Entertainment
- SMG Entertainment
- US Lacrosse
- US Ski & Snowboard
- USA Curling
- Wausau Hmong Festival
- Western Collegiate Hockey Association
- Wisconsin Amateur Hockey Association
- Wisconsin Ice Volleyball
- Wisconsin Interscholastic Athletic Association
- Wisconsin Youth Soccer Association

ICE

- **QUALITY OF FACILITY** - Users of Marathon Park suggested that an updated ice rink at that site could be better than spending more money to develop a new one. Interviewed groups suggested that any new ice facility should have two rinks and greater than 2,000 seats in order to attract new regional tournament/event activity.
- **LOCAL USE** - Youth hockey groups could possibly use a new rink but cost is a highly important factor to such groups. Groups reiterated the point that ice time is relatively cheap at Greenheck and Marathon Park and that a new facility would have to take current rates into consideration if trying to attract youth hockey groups.
- **SUSTAINABILITY** - Several individuals suggested that the new facility be multi-purpose and that hockey could not generate enough revenue on its own to be viable. Low rental rates charged by other local facilities are one factor that would make it difficult to operate a hockey-specific facility year-round.
- **MULTIPLE ICE RINKS IN ONE LOCATION** - Interviewees noted that in central Wisconsin there is no facility with two sheets of ice outside of Marathon Park. Marathon Park only maintains ice from mid-September to the beginning of March. Youth groups said that they use Greenheck, Mosinee, and Merrill facilities for beginning and end of season ice time as well as spring/summer teams .

ICE (CONT.)

- **JUNIOR LEAGUE HOCKEY** - Several people interviewed said that a Tier I or Tier II junior league hockey team could possibly work in the area. People suggested that a USHL (Tier I) or NAHL (Tier II) team could be a tenant in a new arena. An interviewee familiar with the USHL said that an NAHL team could be a safer a better fit for the Wausau due to its market size. Another individual said that a 3,000-seat ice arena could be a good fit for Marathon County and a potential junior hockey team.
- **COLLEGE HOCKEY** - One collegiate athletic conference said that a new ice arena in the area could host a men's and women's college hockey game as a neutral site. A well-run, self-sufficient arena staff and nearby hotels were some specific things mentioned for a successful event. A game or set of games could draw possibly schools from within Wisconsin as well as Michigan and Minnesota.
- **USA CURLING** - USA Curling is currently headquartered in Stevens Point where they lease office space. USA Curling bids out 13 to 15 national events per year and have been growing. Finding good ice time is important to the group. They are very interested in using a potential new facility in the Wausau area.

CONCERTS

We interviewed five different concert promoters representing a wide range of types of concerts, including regional and national promoters.

- **REGIONAL PROMOTERS** - A regional promoter familiar with the state said that Wisconsin can be a tough concert market. The Resch Center (10,200 seats) in the Green Bay area was mentioned as an example of a facility that has historically done a good job as a concert venue. Green Bay is a larger market than Marathon County and can draw larger attendance and larger, national shows more easily.
- **MARKET DEMAND FOR CONCERT VENUE** - Generally speaking, there was very little consensus regarding a venue that could attract incremental or new concert activity. For example, a concert group expressed some interest in an arena with 5,000 - 7,000 seats for touring concerts and family shows. Other groups said that a smaller venue (1,000 - 4,000 seats) could attract some smaller, regional concert promoters to the area and be a better fit for a relatively small market like Marathon County. This lack of consensus indicates that concert usage at a multi-use sports and event facility would likely be sporadic throughout the year.

CONCERTS (CONT.)

- **NATIONAL PROMOTERS** - Some concert organizers that were interviewed said that the Wausau area was outside of their normal geographic footprint and would not be interested in a potential new venue. Some said that the proximity to larger markets with new facilities (Milwaukee) could hinder the concert market in central Wisconsin.
- **MULTI-PURPOSE VENUE** - Promoters said that a new facility should be multi-purpose, with the flexibility to host concerts to be viable, and that there is currently no large concert venue in the area. An entertainment professional suggested that the venue should be able to operate without concerts and that concerts could bring additional revenue but should not be depended on due to the volatility of the concert/entertainment industry.

Based on the feedback received, there does not seem to be a clear consensus about whether a significant opportunity for incremental concert activity exists in Marathon County, making it high risk to design/build a facility focused solely on concert activity. As mentioned by interviewees, there could be opportunity for a flexible multi-use venue to occasionally accommodate regional concert activity as part of a wider range of events hosted at the facility. Such regional activity tends to be more sporadic and less reliable and consistent than nationally promoted shows.

VOLLEYBALL

- **LOCATION** - A volleyball club could be interested in being a tenant at a new indoor facility, if it was affordable. The groups stated their preferred location would be in the southern Wausau area. Cost is the biggest factor for them, since they are a non-profit and try to keep costs down for players.
- **QUALITY OF FACILITY** - Currently, volleyball users rent from local high schools and churches.
- **LOCAL USE** - Girls volleyball is growing quickly across the state. Clubs also mentioned that growth in volleyball (youth development, coaches education) also tend to follow new facilities.
- **REGIONAL USE** - Volleyball groups said that any facility with less than four (4) courts is not useful when hosting tournaments. With access to four courts, one club would be able to run at least four 16-team tournaments annually.

BASKETBALL

- **LOCATION** - Wausau is an area of growth that the State organizations and other tournaments expressed interest in looking at strategically for expansion. The location of Wausau allows it to easily draw from Appleton and Green Bay and also other northern clubs.
- **LOCAL USE** - A youth basketball tournament said that they currently utilize schools for their games. They work with the schools to run the tournament as a fundraising activity. If they could work with the high schools, the tournament could possibly be moved to a new, multi-court facility. The cost of renting the facility is a major factor due to the schools currently being able to use their own facilities for the tournament at little to no cost.
- **REGIONAL USE** - An area basketball organization said they would use a multiple court facility for games, practices, tournaments, and clinics. The organization would host tournaments for each of its different age/skill levels.
- **IDEAL AMENITIES** - Basketball groups said that up to 12 courts would be ideal for a facility that would host tournaments. Ample seating and space between courts were other amenities mentioned by those interviewed. Some college athletic conferences said that they could require up to 4,000 seats for championship or neutral site games.

OTHER COURT SPORTS

- **PICKLEBALL** - A local pickleball group is interested in more courts to use for its programming. The group currently utilizes three outdoor courts at Marathon Park and space at the YMCA gym. The representative said that their program is growing rapidly and the current outdoor courts at Marathon Park are consistently busy. The group is looking for more outdoor (10-12 courts) and/or indoor (6-8 courts) space for open play, lessons, and tournaments. The group draws from a wide geography including Stevens Point, Wisconsin Rapids, and Rhinelander.

FLAT FLOOR & MEETING SPACES

- **MODERN AMENITIES** - WiFi, P.A. systems, and dividable space were some desired amenities mentioned by groups that were interviewed.
- **SQUARE FOOTAGE** - Organizers suggested that up to 60,000 square feet of open/columnless space would be adequate for the Marathon County area.
- **CONCRETE FLOORS** - An organizer said that it is difficult to do certain shows in sports facilities, since temporary flooring placed over ice or courts can limit the types of flat floor shows that can be hosted at a venue (such as boat or RV shows). The same organizer suggested that a base floor that was a concrete flat floor would be ideal.

FLAT FLOOR & MEETING SPACES (CONT.)

- **CURRENT USAGE** - Those interviewed in the area said they currently use the Greenheck Field House and the Central Wisconsin Convention & Expo Center for their events. A group mentioned that the 150-room Holiday Inn is connected to the Expo Center, which was a favorable factor for the facility. A group said that they have outgrown Greenheck and would be able to grow their event at a new facility. These groups want to stay in the Wausau area and are generally willing to relocate to a newer facility if the cost is reasonable.
- **DEMAND FOR NEW FACILITY** - An operator of event and expo space said that a new facility could have the potential to enhance the current business of the Central Wisconsin Convention & Expo Center. The individual could see a new event facility competing with the current local facilities for conference and expo shows.

INDOOR TURF

- **DEMAND FOR INDOOR TURF** - Another individual said that indoor turf space is a dire need in the area. A new indoor turf space would be rented up quickly by Marathon County United and other soccer groups for practices. A futsal tournament was held in Wausau two years ago, with about 22 teams (high school ages) in addition to a futsal league that ran on the weekends. Local futsal groups could be a possible user of a new indoor sports facility.
- **LOCAL USE** - Soccer groups that were interviewed mentioned that indoor practice space on a weekly basis from about December to April would be used. Some groups travel from Wisconsin out of state (Rockford, IL) to access a full-sized indoor field. In addition to club practices, state and Olympic Development Programs (ODP) could utilize indoor space for coaching instruction and clinics.
- **REGIONAL USE** - One group said that they could look into an indoor tournament to a new facility, but the majority of indoor turf users would bring local, non-tournament activity.

KEY TAKEAWAYS

- **ICE** - Many youth groups seem to have their local needs met by current facilities that offer low rental rates. Tournament and event usage is a need for USA Curling and other groups that could bring tournament activity to the area. Interviewees said that a USHL or NAHL team could be a main user of a new ice facility. Several people indicated that a facility should be multi-purpose and would not be viable as a hockey-only or ice-only facility. Groups requested the following features and amenities:
 - Two sheets
 - Removable boards
 - Adequate locker room space
 - Bleacher seating (2,000 to 4,000 in order to host large events)
 - Two rinks with wall separation (figure skating)
 - Media and TV space and capabilities (ceiling height, lighting, rigging, etc.)
- **CONCERTS** - Based on the feedback received, there does not seem to be a clear consensus about whether a significant opportunity for incremental concert activity exists in Marathon County, making it high risk to design/build a facility focused solely on concert activity. As mentioned by interviewees, there could be opportunity for a flexible multi-use venue to occasionally accommodate regional concert activity as part of a wider range of events hosted at the facility. Such regional activity tends to be more sporadic and less reliable and consistent than nationally promoted shows.

KEY TAKEAWAYS (CONT.)

- **BASKETBALL/VOLLEYBALL** - Individual gym space is meeting most practice and recreation needs, but there is no facility in the market that can host a tournament with more than four (4) courts in one location. Several people who were interviewed indicated that a sports and events center with the ability to install at least 6-8 courts for 4-6 weekends per year could accommodate some regional tournament activity, as long as the facility has the following features:
 - Six to eight multi-purpose courts
 - Bleacher seating
 - Flex areas for teams to meet
 - Locker room space (at least four locker rooms for main court and additional officials locker rooms)
 - Concession area
 - Main/championship court for the potential to host college events and tournament championship (3,000-5,000 seats)

KEY TAKEAWAYS (CONT.)

- **INDOOR TURF** - There is no indoor turf space in Marathon County. Interviewees indicated that soccer, baseball, and soccer groups are some of the potential local users of indoor turf within the County. Demand for indoor turf is primarily from October to February due to the weather and need to access indoor facilities for practices and sometimes games. Indoor turf usage would be primarily focused on local usage and not tournament activity. Potential users cited the following as desired amenities:
 - At least one full-sized artificial turf field
 - Weight rooms, locker rooms, and storage space for teams
 - Ability to run camps, clinics, and indoor tournaments
- **FLAT FLOOR & MEETING SPACES** - The Central Wisconsin Convention & Expo Center is the County's largest meeting facility, but was not specifically built for hosting such events. Based on interviewee feedback, there seems to be demand for new expo/trade show space in Marathon County. Groups that have outgrown current facilities could move their events to a new, larger space if built. Potential users requested the following features to accommodate their events:
 - 30,000 - 65,000 sq. ft. of space, dividable, and concrete floors
 - Adequate ceiling height and garage door access for vehicles
 - WiFi and other technology capabilities



6. VENUE DEMAND ASSESSMENT

OVERVIEW

Our facility recommendations for Marathon County are based primarily upon the following primary and secondary research conducted by Victus Advisors over the course of this study:

- Analysis of Marathon County's unique market characteristics
- Review of comparative markets
- Community feedback via interviews, focus groups, and online surveys
- Interviews conducted with event organizers and tournament operators

Based on customized research and our extensive industry experience, we have identified that significant community demand exists for a new multi-purpose events center.

VENUE RECOMMENDATION

RECOMMENDATION:

Marathon County should consider the development of a multi-purpose sports and events center. Based upon the results of our market and facility analysis, Victus Advisors recommends that a new multi-purpose events center in Marathon County should have:

- ❑ A multi-purpose, approximately 3,000-seat arena with ice making capabilities
 - Could potentially be the home to a USA Junior Hockey League team (most likely NAHL).
 - If possible, the majority of the seating should be retractable to allow additional flat floor space for other events such as basketball, volleyball, or other sports tournaments.
 - Premium seating: 6 loge boxes (with 4 seats per box) leased on an annual basis, approximately 50 club seats leased on an annual basis, a dedicated club lounge for loge and club seat patrons, and 1 party suite (for up to 30 guests) rented on a per-event basis.
- ❑ A column-free, multi-purpose exhibition hall adjacent to the arena (minimum of 40,000 sq. ft.)
 - Capable of holding at least six (6) to eight (8) portable basketball courts, which should be convertible to eight (8) or more volleyball courts.
 - Roll-out turf for indoor soccer and other sports needing turf for practices and training.
 - Ability to create a 2nd sheet of ice for hockey tournaments, figure skating competitions, etc., that require two sheets of ice.
 - Concrete flat floor space could also be utilized to host other multi-use event activity such as wrestling, cheer, dance, expos, trade shows, festivals, etc.
- ❑ Support areas and amenities, including lobby, concessions, team rooms, offices, mechanical/electrical rooms, storage, circulation, etc. These areas and amenities should be easily accessible for both arena and exhibition hall attendees.

VENUE RECOMMENDATION (CONT.)

RATIONALE:

- ❑ Sports:
 - Victus found that large indoor event spaces, multi-court sports spaces, and indoor turf field facilities are lacking in the County.
 - There could be an opportunity to attract a higher-tier USA Junior Hockey League team.
 - There is limited demand for a permanent ice sheet to be used for daily local-use rentals, however a modern ice arena could attract regional ice hockey competitions and other ice sports tournament activity, especially with the ability to create a second sheet as needed.
 - Access to indoor field space would benefit outdoor field groups that could train and practice in the late fall and early spring when weather becomes an issue in Wisconsin.
 - The area has hosted various events for the Badger State Games. The lack of indoor space has hindered more events from being hosted in the County.
- ❑ Expo/Trade Show:
 - The Central Wisconsin Convention & Expo Center does not have a contiguous space larger than 26,000 sq. ft.
- ❑ Concert/Show Activity:
 - National concert organizers said that the Wausau area was outside of their normal geographic footprint, however there may be occasional demand for regional shows.
- ❑ Other Rationale:
 - An indoor multi-purpose events center could provide incremental economic impact to the County year-round.
 - The ability to accommodate a wide variety of different events could keep the venue full throughout the year.

VENUE RECOMMENDATION (CONT.)

OTHER EVENT CENTER COMPONENTS:

- Parking:
 - An event center typically requires at least one available parking spot within walking distance for every three attendees. For example, it is estimated that an event with 3,000 attendees could require at least 1,000 total parking spots. Of those spots, at least 100 premium parking spots should be provided for premium seating customers, customers with disabilities, and key staff.
- Concessions:
 - At least one (1) concessions point of sale for every 250 seats.
- Bathrooms:
 - At least one (1) toilet stall per 50 seats, and one (1) urinal per 100 seats.
- Locker Rooms:
 - At least two (2) full-sized locker rooms for sports use, and at least four (4) additional dressing rooms for use by officials, performers, etc.
- Additional Amenities:
 - Video scoreboard, digital/LED signage, A/V and lighting equipment, storage and marshalling areas, rigging grid and stage capabilities, box office, office space for event center personnel, etc.

COST ANALYSIS

<u>Indoor Facilities:</u>	<u>Location:</u>	<u>Actual Construction Cost</u>	<u>Estimated 2018 Construction Cost</u>	<u>Total Building Square Feet</u>	<u>Cost per Sq. Ft. in 2018 Dollars</u>
Mercyhealth Sportscore Two	Loves Park, IL	\$29,930,000	\$33,440,495	133,000	\$251
Pettit National Ice Center	Milwaukee, WI	\$13,000,000	\$32,064,732	200,000	\$160
Scheels Arena	Fargo, ND	\$25,000,000	\$30,424,009	96,000	\$317
UW Health Sports Factory	Rockford, IL	\$24,400,000	\$27,261,881	105,000	\$260
Viaero Event Center	Kearney, NE	\$10,500,000	\$19,500,000	54,000	\$361
Mystique Ice Center	Dubuque, IA	\$7,100,000	\$9,819,149	66,000	\$149
Hobbs Municipal Ice Arena	Eau Claire, WI	\$5,600,000	\$7,744,681	93,000	\$83
Greenheck Field House	Schofield, WI	\$3,600,000	\$7,245,902	53,720	\$135
Maysa Arena	Minot, ND	\$3,900,000	\$7,242,857	118,131	\$61
AVERAGE		\$13,670,000	\$19,415,967	102,095	\$198
MEDIAN		\$10,500,000	\$19,500,000	96,000	\$160

Source: Victus Research

Notes: (1) Sorted by Estimated 2018 Construction Cost in descending order (2) Estimate developed using the Q4 2018 Turner Building Cost Index

Although not part of our original scope, Victus Advisors also reviewed the construction costs of various comparable sports and event venues. We were able to gather construction cost data and square footage information for 10 facilities.

Based upon the cost per square foot metrics shown above (\$160 to \$198 per square foot, based on average and median), it estimated that a 100,000 square foot facility could cost approximately \$16.0 to \$19.8 million to build, in Q4 2018 construction dollars.

SEATING CAPACITY ANALYSIS

Arena/Event Center	League	MSA/μSA	MSA/μSA Population	Seating Capacity	Population Per Seat
Janesville Ice Arena	NAHL	Janesville, Wisconsin	162,168	1,000	162
Northwoods Credit Union Arena	NAHL	Cloquet, Minnesota	284,882	2,000	142
Chippewa Area Ice Arena	NAHL	Chippewa Falls, Wisconsin	169,567	1,500	113
V.F.W. Sports Center	NAHL	Bismarck, North Dakota	139,307	1,289	108
Nelson Center	NAHL	Springfield, Illinois	212,107	2,100	101
Cedar Rapids Ice Arena	USHL	Cedar Rapids, Iowa	276,375	4,000	69
Scheels Arena	USHL	Fargo, North Dakota	251,294	4,000	63
Amarillo Civic Center	NAHL	Amarillo, Texas	271,627	4,912	55
Northwest Arena	NAHL	Jamestown, New York	130,616	2,500	52
Young Arena	USHL	Waterloo, Iowa	173,336	3,500	50
Big Dipper Ice Arena	NAHL	Fairbanks, Alaska	104,488	2,242	47
Maysa Arena	NAHL	Minot, North Dakota	82,269	1,800	46
1st Summit Arena	NAHL	Johnstown, Pennsylvania	136,092	4,000	34
Mystique Ice Center	USHL	Dubuque, Iowa	99,688	3,079	32
Soldotna Sports Center	NAHL	Soldotna, Alaska	55,970	2,000	28
Odde Ice Center	NAHL	Aberdeen, South Dakota	43,844	1,600	27
Larson Ice Center	NAHL	Brookings, South Dakota	35,655	2,000	18
Riverside Arena	NAHL	Austin, Minnesota	39,376	2,300	17
Viaero Event Center	USHL	Kearney, Nebraska	57,305	4,047	14
Median			136,092	2,242	50
Average			143,472	2,625	62

Based upon NAHL and USHL venues with seating capacities under 5,000 and MSA/μSA populations of less than 500,000 people, the average seating capacity is just over 2,600, with a typical population per seat of approximately 50 (median) to 62 (average).

With an MSA population of 137,125 in Marathon County, applying the median and average population per seat to Marathon County produces a seating capacity range of approximately 2,200 to 2,750.

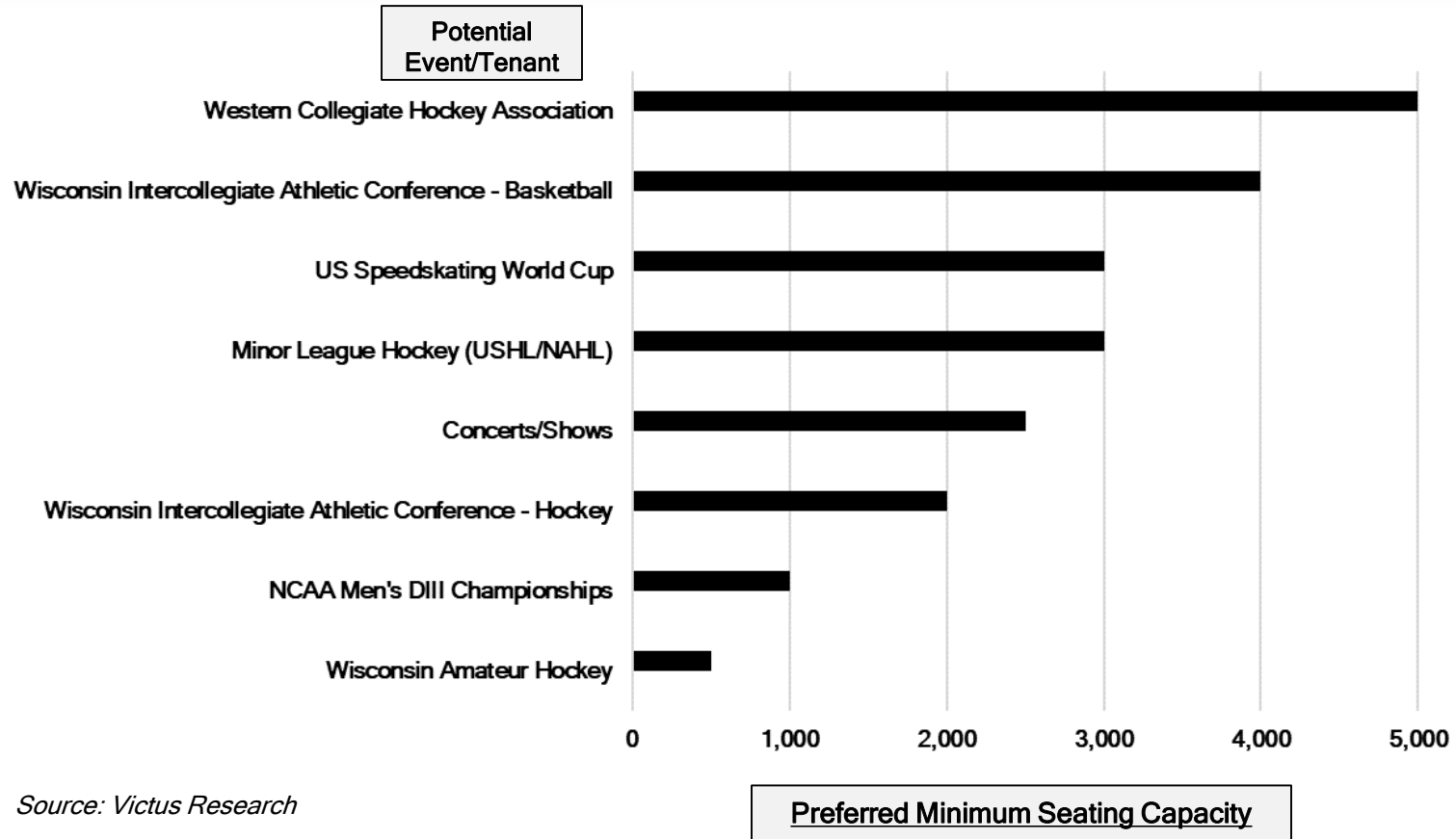
Sources: Esri, Victus Research

Notes: (1) Sorted by Population Per Seat in descending order (2) Metropolitan Statistical Areas (MSA) are defined by U.S. Office of Management & Budget as adjacent counties with high degree of social/economic integration with urban core of 50,000 people or more.

(3) Micropolitan Statistical Areas (μSA) μSA's are defined by U.S. Office of Management & Budget

as one or more adjacent counties or county equivalents that have at least one urban core area of at least 10,000 population but less than 50,000, plus adjacent territory that has a high degree of social and economic integration.

SEATING CAPACITY ANALYSIS (CONT.)



Source: Victus Research

Based upon interviews with potential event organizers and representatives, Victus found that the average preferred seating capacity was just over 2,600. In regards to minor league hockey, it should be noted that seating capacities from the leagues are preferences and not necessarily requirements that would impede from future franchise expansion.

PREMIUM SEATING ANALYSIS

PREMIUM SEATING OVERVIEW

Arena/Event Center	MSA/μSA	MSA/μSA Population	Premium Seat Types			Total Premium Seats	Average Annual Price Per Seat
			Private Suites	Party/Group Suites	Club Seats		
1st Summit Arena	Johnstown, Pennsylvania	136,092	✓			60	\$150
Amarillo Civic Center	Amarillo, Texas	271,627		✓		40	\$530
Big Dipper Ice Arena	Fairbanks, Alaska	104,488	✓			84	\$357
Cedar Rapids Ice Arena	Cedar Rapids, Iowa	276,375	✓	✓		248	\$276
Chippewa Area Ice Arena	Eau Claire, Wisconsin	169,567			✓	50	\$784
Mystique Ice Center	Dubuque, Iowa	99,688	✓			132	\$102
Nelson Center	Springfield, Illinois	212,107			✓	30	\$210
Odde Ice Center	Aberdeen, South Dakota	43,844	✓			96	\$125
Riverside Arena	Austin, Minnesota	39,376			✓	50	\$840
Scheels Arena	Fargo, North Dakota	251,294	✓	✓	✓	528	\$341
Viaero Event Center	Kearney, Nebraska	57,305	✓			240	\$104
Young Arena	Waterloo, Iowa	173,336		✓		20	\$1,050
AVERAGE		152,925				132	\$406
MEDIAN		152,830				72	\$309

Sources: Esri, Victus Research

Note: Sorted by Arena/Event Center in alphabetical order

Upon initial review of the NAHL/USHL venues we selected (based on criteria of seating capacity under 5,000 and MSA/μSA population of less than 500,000 people), Victus found that the average premium seat inventory per facility was 132 (across suites, boxes, and club seats) and the average annual price per seat was \$406. The premium seat analysis per market and facility on the following pages provided a benchmark for recommendations specific to the Marathon County market.

PREMIUM SEATING ANALYSIS (CONT.)

BUSINESSES PER PREMIUM SEAT

Arena/Event Center	SEATING CAPACITY		PREMIUM SEATS		MSA/μSA	Total Businesses	Businesses Per Premium Seat
	Total Inventory	Seat Inventory	Seat Inventory	Avg. Annual Price			
1st Summit Arena	4,000	60	60	\$150	Johnstown, Pennsylvania	5,046	84
Amarillo Civic Center	4,912	40	40	\$530	Amarillo, Texas	4,396	110
Big Dipper Ice Arena	2,242	84	84	\$357	Fairbanks, Alaska	9,979	119
Cedar Rapids Ice Arena	4,000	248	248	\$276	Cedar Rapids, Iowa	4,078	16
Chippewa Area Ice Arena	1,500	50	50	\$784	Eau Claire, Wisconsin	6,943	139
Mystique Ice Center	3,079	132	132	\$102	Dubuque, Iowa	4,078	31
Nelson Center	2,100	30	30	\$210	Springfield, Illinois	8,415	281
Odde Ice Center	1,600	96	96	\$125	Aberdeen, South Dakota	2,213	23
Riverside Arena	2,300	50	50	\$840	Austin, Minnesota	2,213	44
Scheels Arena	4,000	528	528	\$341	Fargo, North Dakota	9,896	19
Viaero Event Center	4,047	240	240	\$104	Kearney, Nebraska	2,640	11
Young Arena	3,500	20	20	\$1,050	Waterloo, Iowa	6,410	321
AVERAGE	3,107	132	132	\$406		5,526	100
MEDIAN	3,290	72	72	\$309		4,721	64

Sources: Esri, Victus Research

Note: Sorted by Arena/Event Center in alphabetical order

Hypothetical Marathon County Businesses Per Premium Seat		
	Total Businesses	Seat Inventory
Average:	5,475	55
Median:	5,475	85

We analyzed premium seat inventories relative to total businesses. Based on this metric, we estimated the potential premium seat inventory for a multi-purpose events center in Marathon County to be between 55 and 85 seats. Based on Victus research, industry trends are moving towards smaller and more flexible corporate products such as Loge Boxes, which are also more affordable to build than a traditional Private Suite.

PREMIUM SEATING ANALYSIS (CONT.)

HOUSEHOLDS WITH INCOME OVER \$150K PER PREMIUM SEAT

Arena/Event Center	SEATING CAPACITY		PREMIUM SEATS		MSA/μSA	HH With Income Over \$150K	HH With Income Over \$150K Per Seat
	Total Inventory		Seat Inventory	Avg. Annual Price			
1st Summit Arena	4,000		60	\$150	Johnstown, Pennsylvania	2706	45
Amarillo Civic Center	4,912		40	\$530	Amarillo, Texas	9177	229
Big Dipper Ice Arena	2,242		84	\$357	Fairbanks, Alaska	5903	70
Cedar Rapids Ice Arena	4,000		248	\$276	Cedar Rapids, Iowa	11298	46
Chippewa Area Ice Arena	1,500		50	\$784	Eau Claire, Wisconsin	4832	97
Mystique Ice Center	3,079		132	\$102	Dubuque, Iowa	3079	23
Nelson Center	2,100		30	\$210	Springfield, Illinois	9,172	306
Odde Ice Center	1,600		96	\$125	Aberdeen, South Dakota	1,082	11
Riverside Arena	2,300		50	\$840	Austin, Minnesota	1,067	21
Scheels Arena	4,000		528	\$341	Fargo, North Dakota	10,323	20
Viaero Event Center	4,047		240	\$104	Kearney, Nebraska	1,705	7
Young Arena	3,500		20	\$1,050	Waterloo, Iowa	5,030	252
AVERAGE	3,107		132	\$406		5,448	94
MEDIAN	3,290		72	\$309		4,931	45

Sources: Esri, Victus Research

Note: Sorted by Businesses Per Suite in descending order

Hypothetical Marathon County HH With Income Over \$150K Per Premium Seat		
	HH With Income Over \$150K	Premium Seat Inventory
Average:	4,578	49
Median:	4,578	101

We also analyzed comparative premium seat inventories based on households with annual income over \$150,000. Based on this metric we estimated the potential premium seat inventory for a multi-purpose events center in Marathon County to be between 49 and 101 seats. As mentioned on the previous page, industry trends are moving away from large Private Suites towards smaller, flexible corporate products such as Loge Boxes.

ADDITIONAL CONSIDERATION: HIGH PERFORMANCE CENTER

Based on interview feedback, we also learned that Marathon County could explore the possibility of the proposed multi-purpose events center applying for status as a High Performance Center for the U.S. Ski and Snowboard Association (USSA). The “off-snow” center would be focused on developing regional and future national team athletes operated under USSA standards by USSA gold and silver clubs.

Victus met with representatives from USSA to discuss the Marathon County market and what the process and requirements would be in order for the proposed multi-purpose events center to be recognized as a High Performance Center. The following information details the minimum requirements for any venue to be recognized as a High Performance Center:

MINIMUM FACILITY REQUIREMENTS (SOURCE: USSA)

1. Access to a facility for strength & conditioning/dry-land training and sport science testing. Regular access to indoor space(s) for movement drills and small-sided games, squat racks and lifting platforms, various free-weights, resistance bands and hurdles/boxes for plyometric exercises.
2. Access to a facility for Physiotherapy/Athletic Training. Regular access for athletes to receive Physiotherapy/Athletic Training support.
3. High Performance Center shall provide complimentary training (dry-land/facility) access for U.S. Ski & Snowboard Team athletes, and for approved athletes and coaches/staff for up to two regional/development camps of up to 10 days total annually, during the term of the agreement.
4. USSA requires an annual fee of \$7,500 for participation in the High Performance Center program.

ADDITIONAL CONSIDERATION: HIGH PERFORMANCE CENTER (CONT.)

In addition, USSA also has requirements that a local club must be the liaison with the national office. The following details a few of these requirements:

ADDITIONAL CLUB REQUIREMENTS (SOURCE: USSA)

1. A U.S. Ski & Snowboard Gold Club in good standing with U.S. Ski & Snowboard. (Granite Peak Ski Team is currently applying for Gold Club status, but the process could take three to five years.)
2. An appropriately qualified* 'High Performance Specialist' assigned by the club to lead the High Performance Center Partnership.
3. An appointed 'Medical Director' or 'Chief Medical Officer' on staff or contract/consultant (paid or voluntary) who is responsible for overseeing the policy of injury identification, management and return to sport.

RECOMMENDATION

While having a High Performance Center in Marathon County could potentially serve as a source of pride for local residents, and attract some regional usage by competitive skiers/snowboarders, Victus does not believe this designation from USSA would result in significant incremental revenue for the proposed multi-purpose events center. Furthermore, USSA's certification requirements require a "Gold" club, and the Granite Peak Ski Team has not yet qualified (nor applied) for that status.



7. EVENT & ATTENDANCE PROJECTIONS

INTRODUCTION

Several event types have been considered for potential facility usage at the proposed multi-purpose events center. Potential events have been categorized into two types: Tenant Events and Market Driven Events.

The following pages describe the various types of events that could potentially be hosted at the proposed multi-purpose events center.

TENANT EVENTS

Tenant events at an event center typically consist of basketball, hockey, football, soccer or lacrosse games played by sports teams that are tenants of the facility. Tenant events are usually scheduled well in advance and provide a facility with a predictable level of facility usage. The majority of multi-purpose event centers have at least one sports tenant.

The potential tenant evaluated as part of this analysis includes a junior league hockey franchise.

JUNIOR LEAGUE HOCKEY

Junior league hockey are amateur hockey leagues sanctioned and overseen by USA Hockey. The junior program provides opportunities for players ages 16-to-20 to increase and enhance their skills and is a part of USA Hockey's player development efforts.

Currently, USA Hockey oversees four junior leagues: United States Hockey League (USHL), North American Hockey League (NAHL), Eastern Hockey League (EHL) and North American 3 Hockey League (NA3HL). Players from junior hockey leagues can go on to play in the NCAA and professional levels.

It is noted that Canada also has junior league hockey. Players in the highest of level of Canadian junior hockey (major junior) are considered professional players due to stipends received and are deemed ineligible to play at NCAA institutions. Some players forego playing at this level of hockey and choose lower Canadian leagues or U.S. leagues to maintain their NCAA eligibility.

CLASSIFICATION & LEAGUES

The four U.S. junior leagues are divided into three tiers; Tier I, Tier II, and Tier III, with Tier I being the highest quality. The USHL is a Tier I junior hockey league, the NAHL is a Tier II junior league, and both the EHL and NA3HL are Tier III junior hockey leagues. It should be noted that Wausau currently has an NA3HL (Tier III) team that plays at Marathon Park and averaged 462 fans per game during the 2017-18 season. For this study, Victus will be analyzing the USHL (Tier I) and NAHL (Tier II), which are the higher-level junior leagues that are typically capable of drawing enough attendees to fill a 3,000 seat facility.

USHL

The USHL currently has 17 total teams in two conferences (Eastern and Western). Teams are located across the Midwest in the states of Illinois, Iowa, Michigan, Nebraska, North Dakota, Ohio, South Dakota, and Wisconsin. The two Wisconsin teams are located in Green Bay and Madison. The league is in its 17th season as the only Tier I junior hockey league in the United States, though it was founded in 1947 and has gone through several name and structural changes since its inception. According to the league, 287 USHL alumni are currently playing in the NHL or are under an NHL contract. USHL teams play 60 regular season games, and 30 home games.

TENANT EVENTS (CONT.)

USHL Footprint



Source: USHL

As shown above, the USHL has 17 total teams located across the Midwest

TENANT EVENTS (CONT.)

USHL Markets

Team	City/County, State	MSA/ μ SA Population
Chicago Steel	Geneva, Illinois	9,643,624
Team USA	Plymouth, Michigan	4,346,486
Omaha Lancers	Ralston, Nebraska	952,190
Des Moines Buccaneers	Urbandale, Iowa	666,292
Madison Capitols	Middleton, Wisconsin	662,724
Youngstown Phantoms	Youngstown, Ohio	544,512
Lincoln Stars	Lincoln, Nebraska	337,054
Green Bay Gamblers	Green Bay, Wisconsin	323,603
Cedar Rapids RoughRiders	Cedar Rapids, Iowa	276,375
Sioux Falls Stampede	Sioux Falls, South Dakota	268,153
Fargo Force	Fargo, North Dakota	251,294
Central Illinois Flying Aces	Bloomington, Illinois	190,550
Muskegon Lumberjacks	Muskegon, Michigan	175,566
Sioux City Musketeers	Sioux City, Iowa	174,546
Waterloo Black Hawks	Waterloo, Iowa	173,336
	Marathon County, Wisconsin	137,125
Dubuque Fighting Saints	Dubuque, Iowa	99,688
Tri-City Storm	Kearney, Nebraska	57,305
High		9,643,624
Low		57,305
Median		272,264
Average		1,071,135

When compared with USHL markets, the Marathon County market ranks as one of the smallest in terms of population. The Marathon County MSA's population of 137,125 is far below the 272,264 median market size for USHL markets.

Source: Esri

Note: Sorted by MSA/ μ SA Population in descending order

TENANT EVENTS (CONT.)

USHL Attendance

Team	City, State	Arena/Event Center	Year Opened Or Renovated	Hockey Capacity	2017-2018 Total Rep. Attendance	2017-2018 Avg. Reported Attendance	% Average Capacity
Sioux Falls Stampede	Sioux Falls, South Dakota	Denny Sanford PREMIER Center	2014	10,678	196,882	6,563	61%
Green Bay Gamblers	Green Bay, Wisconsin	Resch Center	2002	8,709	102,556	3,419	39%
Fargo Force	Fargo, North Dakota	Scheels Arena	2008	4,000	92,694	3,090	77%
Omaha Lancers	Ralston, Nebraska	Ralston Arena	2012	4,000	89,772	2,992	75%
Waterloo Black Hawks	Waterloo, Iowa	Young Arena	2013	3,500	76,534	2,551	73%
Lincoln Stars	Lincoln, Nebraska	Ice Box	1995	5,010	72,220	2,490	50%
Sioux City Musketeers	Sioux City, Iowa	Gateway Arena	2003	9,500	66,804	2,386	25%
Tri-City Storm	Kearney, Nebraska	Viaero Event Center	2000	4,047	68,494	2,283	56%
Muskegon Lumberjacks	Muskegon, Michigan	L. C. Walker Arena	2018	5,100	65,036	2,168	43%
Cedar Rapids RoughRiders	Cedar Rapids, Iowa	Cedar Rapids Ice Arena	2000	4,000	64,557	2,152	54%
Des Moines Buccaneers	Urbandale, Iowa	Buccaneer Arena	2008	3,408	64,549	2,152	63%
Dubuque Fighting Saints	Dubuque, Iowa	Mystique Ice Center	2010	3,079	54,625	2,023	66%
Youngstown Phantoms	Youngstown, Ohio	Covelli Centre	2005	5,717	38,331	1,369	24%
Chicago Steel	Geneva, Illinois	Fox Valley Ice Arena	1996	2,800	31,172	1,039	37%
Team USA	Plymouth, Michigan	USA Hockey Arena	1996	3,504	29,562	985	28%
Central Illinois Flying Aces	Bloomington, Illinois	Grossinger Motors Arena	2006	7,000	28,026	934	13%
Madison Capitols	Middleton, Wisconsin	Bob Suter's Capitol Ice Arena	1999	1,300	24,284	809	62%
High			2018	10,678	196,882	6,563	77%
Low			1995	1,300	24,284	809	13%
Median			2005	4,000	65,036	2,168	54%
Average			2005	5,021	68,594	2,318	50%

Sources: USHL, Victus Research

Notes: (1) Sorted by 2017-2018 Avg. Reported Attendance in descending order (2) Based on Victus' professional experience, reported attendance generally represents "tickets distributed" and can be as much as 30-40% higher

USHL teams have arena capacities ranging from 1,300 to just over 10,500. The average attendance across the league for the 2017-2018 season was 2,318 people. The league average for arena capacity per game was 50% for the same season.

TENANT EVENTS (CONT.)

NAHL

Founded in 1975, the NAHL is a 24-team league with teams located across the U.S. The teams play in four regional divisions (Central, East, Midwest, and South). The NAHL covers a larger geographic area than the USHL with teams in the following 14 states: Alaska, Illinois, Kansas, Louisiana, Maryland, Massachusetts, Minnesota, New York, New Jersey, North Dakota, Pennsylvania, South Dakota, Texas, and Wisconsin. Two current franchises are in Wisconsin located in Chippewa Falls and Janesville. The NAHL is currently in its 44th season. According to the NAHL, 1,345 NAHL players have made NCAA commitments and 21 have been drafted into the NHL over the past five seasons. NAHL teams play 60 regular season games, and 30 home games.

TENANT EVENTS (CONT.)

NAHL Footprint



Source: NAHL

As shown above, the NAHL has 36 teams located across the country.

TENANT EVENTS (CONT.)

NAHL Markets

Team	City/County, State	MSA/ μ SA Population
New Jersey Titans	Middletown, New Jersey	20,477,969
Lone Star Brahmas	North Richland Hills, Texas	7,516,037
Minnesota Magicians	Richfield, Minnesota	3,628,856
Maryland Black Bears	Odenton, Maryland	2,847,927
Northeast Generals	Attleboro, Massachusetts	1,635,626
Wilkes-Barre/Scranton Knights	Wilkes-Barre, Pennsylvania	564,711
Corpus Christi IceRays	Corpus Christi, Texas	472,422
Shreveport Mudbugs	Shreveport, Louisiana	457,504
Minnesota Wilderness	Cloquet, Minnesota	284,882
Amarillo Bulls	Amarillo, Texas	271,627
Topeka Pilots	Topeka, Kansas	236,311
Springfield Jr. Blues	Springfield, Illinois	212,107
Chippewa Steel	Chippewa Falls, Wisconsin	169,567
Odessa Jackalopes	Odessa, Texas	163,331
Janesville Jets	Janesville, Wisconsin	162,168
Bismarck Bobcats	Bismarck, North Dakota	139,307
	Marathon County, Wisconsin	137,125
Johnstown Tomahawks	Johnstown, Pennsylvania	136,092
Jamestown Rebels	Jamestown, New York	130,616
Fairbanks Ice Dogs	Fairbanks, Alaska	104,488
Minot Minotauros	Minot, North Dakota	82,269
Kenai River Brown Bears	Soldotna, Alaska	55,970
Aberdeen Wings	Aberdeen, South Dakota	43,844
Austin Bruins	Austin, Minnesota	39,376
Brookings Blizzard	Brookings, South Dakota	35,655
High		20,477,969
Low		35,655
Median		169,567
Average		1,600,231

When compared with NAHL markets, the Marathon County MSA is comparable in terms of population. The Marathon County MSA population is slightly below the NAHL median market population.

Source: Esri

Notes: (1) Sorted by MSA/ μ SA Population in descending order (2) The Maryland Black Bears' inaugural season was 2018

TENANT EVENTS (CONT.)

NAHL Attendance

Team	City, State	Arena/Event Center	Year Opened	Hockey Capacity	2017-2018 Total Rep. Attendance	2017-2018 Avg. Reported Attendance	% Average Capacity
Corpus Christi IceRays	Corpus Christi, Texas	American Bank Center	2005	10,000	88,495	2,950	30%
Shreveport Mudbugs	Shreveport, Louisiana	Hirsch Memorial Coliseum	2016	8,500	87,742	2,925	34%
Lone Star Brahmas	North Richland Hills, Texas	NYTEX Sports Centre	1999	2,400	78,595	2,456	102%
Fairbanks Ice Dogs	Fairbanks, Alaska	Big Dipper Ice Arena	2014	2,242	68,064	2,269	101%
Johnstown Tomahawks	Johnstown, Pennsylvania	1st Summit Arena	2016	4,000	64,927	2,164	54%
Amarillo Bulls	Amarillo, Texas	Amarillo Civic Center	2006	4,912	62,935	2,098	43%
Odessa Jackalopes	Odessa, Texas	Ector County Coliseum	2008	5,100	57,384	1,913	38%
Minot Minotauros	Minot, North Dakota	Maysa Arena	2016	1,800	42,742	1,425	79%
Aberdeen Wings	Aberdeen, South Dakota	Odde Ice Center	2012	1,600	41,529	1,384	87%
Minnesota Wilderness	Cloquet, Minnesota	Northwoods Credit Union Arena	2001	2,000	37,791	1,260	63%
Bismarck Bobcats	Bismarck, North Dakota	V.F.W. Sports Center	2017	1,289	34,845	1,162	90%
Topeka Pilots	Topeka, Kansas	Landon Arena	1987	7,773	31,879	1,139	15%
Austin Bruins	Austin, Minnesota	Riverside Arena	2015	2,300	33,984	1,133	49%
Kenai River Brown Bears	Soldotna, Alaska	Soldotna Sports Center	2014	2,000	26,272	876	44%
Brookings Blizzard	Brookings, South Dakota	Larson Ice Center	2002	2,000	23,495	783	39%
Janesville Jets	Janesville, Wisconsin	Janesville Ice Arena	2012	1,000	19,831	661	66%
Chippewa Steel	Chippewa Falls, Wisconsin	Chippewa Area Ice Arena	2018	1,500	17,406	580	39%
Springfield Jr. Blues	Springfield, Illinois	Nelson Center	2002	2,100	16,473	549	26%
Minnesota Magicians	Richfield, Minnesota	Richfield Ice Arena	1999	1,800	13,954	465	26%
New Jersey Titans	Middletown, New Jersey	Middletown Ice World Arena	2013	1,500	8,769	292	19%
Jamestown Rebels	Jamestown, New York	Northwest Arena	2002	2,500	7,260	242	10%
Northeast Generals	Attleboro, Massachusetts	New England Sports Village	2016	750	6,491	216	29%
Wilkes-Barre/Scranton Knights	Wilkes-Barre, Pennsylvania	Revolution Ice Center	1997	400	5,805	194	49%
Maryland Black Bears	Odenton, Maryland	Piney Orchard Ice Arena	2017	550	NA	NA	NA
High			2018	10,000	88,495	2,950	102%
Low			1987	400	5,805	194	10%
Median			2012	2,000	33,984	1,139	43%
Average			2009	2,917	38,116	1,267	49%

Sources: NAHL, Victus Research

Notes: (1) Sorted by 2017-2018 Avg. Reported Attendance in descending order (2) Based on Victus' professional experience, reported attendance generally represents "tickets distributed" and can be as much as 30-40% higher (3) Both the Chippewa Steel and Jamestown Rebels' attendance figures reflect the clubs' respective former venues

NAHL teams have arena capacities ranging from 400 to 10,000 with the average arena capacity of 2,000. The average attendance across the league for the 2017-2018 season was 1,267. The league average for arena capacity per game was 49% for the same season.

CONCLUSION

As shown on the previous slides, USHL and NAHL teams on average draw anywhere from 1,300 to 2,300 attendees per game. As a result, most of the facilities that house USHL or NAHL teams must rely on multiple tenants and/or other day-to-day uses (concerts, entertainment, recreation, special events, banquets/meetings, community uses, physical therapy, etc.) to attract a more significant annual attendee load and stable revenue streams.

The following is a summary of USHL/NAHL League trends and future outlook:

- **Markets:** The majority of USHL/NAHL teams are located in markets with less than one million people, illustrating: a) the League's desire to expand in small-to-mid-sized markets that are underserved in terms of professional sports franchises, and b) the increasing willingness of these small-to-mid-sized markets to partner (either publicly or privately) with USHL/NAHL franchises.
- **Attendance:** On average, USHL franchises report attendance of more than 2,300 per game, while NAHL franchises report attendance of nearly 1,300 per game.
- **Facility Operating Agreements:** Victus' research found that most facility operators (public or private) retain all revenues from concessions, rent, advertising, and licensing, while USHL/NAHL tenants will typically only retain revenues from ticket sales, event-day/rotational advertising and sponsorship (in-game signage, etc.).

TENANT EVENTS (CONT.)

- **Purpose-Built Arenas for USHL/NAHL Teams:** Given that the typical USHL or NAHL team currently averages between 1,200 and 2,300 attendees per game, Victus Advisors believes that there will not be great demand in the near future for new facilities to be built with the sole purpose of housing a USHL or NAHL franchise, however the USHL and NAHL are very stable leagues that should continue to be a solid option to enhance the event mix for multi-tenant/multi-use venues in future years.
- **Outlook & Sustainability:** Both the USHL (1947) and NAHL (1975), respectively were founded decades ago and are still stable junior hockey leagues. Furthermore, the majority of the franchises are located in traditionally strong hockey markets located in the Midwest and east coast of the United States.

RECOMMENDATION

Victus recommends that a NAHL franchise is a likely target for a potential junior league hockey tenant at the proposed multi-purpose events center in Marathon County for the following reasons:

- When compared with USHL markets, the Marathon County market ranks as one of the smallest in terms of population. However, when compared with NAHL markets, Marathon County is comparable in terms of population.
- Victus interviewed a USHL team representative who indicated that Marathon County could probably support (attendance-wise) a NAHL franchise better than a USHL because of its smaller market size.

Market-driven events are defined as those events that are affected by local market forces and characteristics, and represent events that are either part of a national tour and/or do not have a permanent home venue. The number of market-driven events in a given community is typically a function of the size of the marketplace, the number of available facilities to host these events, facility availability, and the outcome of a competitive bid process.

The types of market-driven events evaluated in this section include:

- Concerts
- Family Shows
- Other Sports
- Flat Floor Shows
- Miscellaneous Events

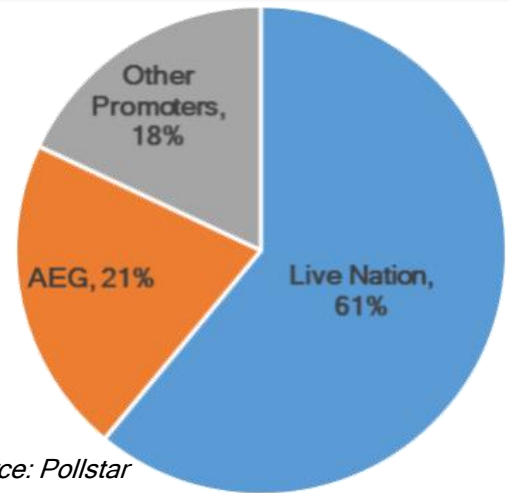
CONCERTS

The consensus among the promoters (both regional and national) that we interviewed was that Marathon County is a secondary concert market that lacks the population characteristics to accommodate a large concert venues. Some said that the proximity to larger markets with new facilities (Milwaukee) could hinder the concert market in central Wisconsin. Other individuals said that a smaller venue (1,000 - 4,000 seats) could attract some smaller, regional concert promoters to the area.

MARKET DRIVEN EVENTS (CONT.)

Furthermore, it is estimated that Live Nation and AEG control approximately 82% of the arena/event center performance market in the United States, giving them significant influence over both talent booking and the selection of concert venues for tours. These two promoters are critical for any concert facility that wants to attract top talent and large shows on a national scale.

Estimated U.S. Concert/Entertainment Market Share by Ticket Sales



Source: Pollstar

FAMILY SHOWS

Family shows are events that cater to spectators of all ages and include a wide variety of events including Sesame Street Live, Barney, and Nickelodeon shows, among others. A new venue's ability to attract events such as family shows will depend somewhat on the physical characteristics of the facility as well as the demographic make-up of the local population.

Based upon our experience in the event center industry, it is believed that most family shows prefer to tour in major markets and rent large arenas (8,000 or more seats) for multiple days in that market, while hosting several daily shows.

NON-TENANT SPORTS EVENTS

Other individual sporting events held at the proposed multi-purpose events center in Marathon County could include a variety of events such as the youth and amateur sports events and tournaments, collegiate tournaments (hockey, basketball, volleyball, and gymnastics), wrestling (both professional and amateur), etc. It is assumed that the exhibition hall would be the primary venue for basketball and volleyball events with the arena hosting the final rounds and championship games. The arena would be the primary venue for ice events such as hockey and figure skating, with the exhibition hall being able to hold a second sheet of ice for warmups (which most tournaments require), etc.

FLAT FLOOR SHOWS

Flat floor shows typically include conventions, trade shows, job fairs, and consumer shows that can utilize column-free, concrete floor space. The most common flat floor shows hosted by event centers include home and garden shows, automobile shows, boat shows, recreational vehicle shows, food festivals, and other similar consumer shows, many of which are held over the course of several days.

COMMUNITY EVENTS

Other events that are often held in multi-purpose event centers include high school and collegiate graduation ceremonies, religious services, corporate meetings, private banquets, and other community or private events. The number of civic-type events held at the proposed multi-purpose events center will depend somewhat on the operating philosophy of facility management. In general, these events do not represent a significant income source to a facility, but rather serve to increase the utilization of the building and meet the needs of the local community.

OTHER LOCAL SPORTS ACTIVITY (HOURLY RENTALS)

From a local-use/hourly rental standpoint, the low rental rates charged within Marathon County for ice time and court time by publicly-operated venues makes it unlikely that a privately operated multi-purpose event center would be able to rent ice and court time on a daily basis at a profitable rate. Local sports groups were not interested in paying more just to use a new facility. That said, many local sports stakeholders commented that there is no indoor turf in Marathon County or in the Northern/Central Wisconsin area. Many believe that because of this that people and groups will be willing to pay good hourly rental rates for indoor turf during certain times of year. Individuals said that outdoor field sports (soccer, baseball, softball, etc.) have a great need for indoor turf in the late Fall and early Spring when inclement weather can be an issue in Wisconsin. Therefore, if the exhibition hall had the ability to roll out artificial turf during those high-demand times of year, it could prove to be a profitable amenity for hourly rentals during those periods.

EVENT & ATTENDANCE PROJECTIONS

	<u>Annual Event Days</u>	<u>Average Daily Attendance</u>	<u>Total Annual Attendance</u>
TENANT EVENTS:			
NAHL Franchise	30	1,500	45,000
MARKET DRIVEN EVENTS:			
Concerts/Entertainment Acts	10	2,250	22,500
Non-Tenant Sports Events	60	1,000	60,000
Flat Floor Events, Trade Shows, Expos, Etc.	30	1,000	30,000
Community & Civic Events (Banquets, Meetings, Graduations, etc.)	25	500	12,500
Indoor Turf Rentals	60	180	10,800
TOTAL - OVERALL:	215	841	180,800

The exhibit above summarizes Victus Advisors' sustainable, estimated annual event activity at a new multi-purpose events center in Marathon County. These estimates are primarily based on local market factors, discussions with stakeholders and event promoters, and our review of historical event activity at comparable facilities operating in similar markets.



8. FINANCIAL OPERATING ANALYSIS

FINANCIAL PROJECTIONS

In addition to the event/attendance assumptions developed earlier in the previous section, the following key assumptions were utilized by Victus Advisors in order to develop financial operating projections for a new multi-purpose events center in Marathon County:

- The event center will be owned by the public sector and exempt from property taxes. We have assumed it will be operated by a qualified and experienced third-party management firm.
- A NAHL franchise will be a tenant and pay annual rent in exchange for game day control (including ownership of their game day revenue streams such as ticket sales, food/beverage, merchandise, in-game sponsorships/signage; as well as responsibility for their game day expenses) for approximately 30 game days per year. As such, the NAHL team's game day revenues and expenses have not been included in the financial projections on the next pages.
- No assumptions have been made yet for debt service or capital improvement funds.
- The facility will offer competitive regional/national event center rental rates and aggressively market to third-party events.
- The event center will have approximately 3,000 fixed seats.
- The event center will have approximately six (6) loge boxes and 50 club seats leased annually, and one (1) party suite (for up to 30 guests) rented on a per-event basis, with approximately 90% of inventory leased.
- These projections are based on current market circumstances, and therefore assume that there will be no major changes to the Marathon County event market or available facilities.
- Our utilization estimates and revenue model estimates are primarily based on metrics related to square footage, seating capacity, annual event activity, and creation of other daily programming
- The financial projections displayed on the following page utilize a variety of additional assumptions, including data gathered from third-party sources, information provided by Marathon County, and Victus Advisors' industry experience. There will be differences between these projections and actual events, and these differences may be material.

FINANCIAL PROJECTIONS

In a stabilized year of operations, it is estimated that operations of the proposed new multi-purpose events center could result in an operating income of approximately \$410,000, prior to any debt service payments or capital reserve funds.

	Stabilized Year
Operating Revenues:	
Ticket Revenue (Net, after promoter split)	\$202,500
Rental Income	\$736,000
Concessions & Merchandise (Net)	\$410,000
Premium Seating	\$70,000
Advertising & Sponsorship	\$150,000
Ticketing Fees (Facility Fee, Rebates, etc.)	\$264,000
Parking Fees (Net)	\$90,000
Other	\$15,000
Total Revenues:	\$1,937,500
Operating Expenses:	
Salaries, Wages, & Benefits	\$717,500
Utilities	\$160,000
General & Administrative	\$170,000
Maintenance/Repair	\$180,000
Materials/Supplies	\$150,000
Management Fee	\$150,000
Total Expenses:	\$1,527,500
Net Income:	\$410,000
Estimated Operating Margin:	21%

Note: Shown in 2019 dollars

REVENUE DESCRIPTIONS (CONT.)

Concessions/Merchandise

Concessions and merchandise revenue consists of sales of various food and beverage items and merchandise (apparel, collectibles, etc.) at various points-of-sale throughout the facility. Revenue assumptions are based on estimated usage and attendance, and comparable per capita spending from facilities across the country (approximately \$5 per visitor per day).

Premium Seating/Advertising & Sponsorship

We have assumed that just over 100 premium seats (across loge boxes, club seats, and a party suite) could be available, with about 90% sold on an annual basis for about \$500 per seat per year (plus tickets). In addition, we have also estimated that over \$150,000 per year in additional corporate support could be generated via advertising, sponsorships, and naming rights (see next page).

Facility Fees, Convenience Charge Rebates, Parking Fees & Other Income

Ticket sales that are handled through the facility's box office will charge additional box office transaction fees (or facility fees) per ticket. We have assumed the average facility fee for the proposed multi-purpose events center would be \$3.00. In addition, event centers often utilize a third-party ticket seller (such as Ticketmaster, etc.) to handle non-box office ticket sales for their events. Ticket sellers generally collect a convenience charge on each ticket sold, a portion of which can be rebated to the event center. We have assumed that convenience charges would be \$3.00 per ticket, with 30% of collections rebated to the facility. We have also assumed that the facility could charge a \$5.00 parking fee for ticketed events. Lastly, other income opportunities would primarily consist of any equipment rental fees or other special services charges. We have conservatively projected up to \$15,000 in other annual revenues for the facility.

NAMING RIGHTS OPPORTUNITY

Facility naming rights is an important source of facility revenue, especially when they are publicly owned. Most multi-use arenas and sports facilities have a single naming rights partner for the overall complex, which is typically the highest-priced sponsorship in the venue, as well as multiple additional sponsors and advertisers who support the venue via interior signage and in-venue activation. The chart below highlights several naming rights deals for USHL and NAHL (with MSA/ μ SA populations below 550,000):

Arena/Event Center	League	City, State	Buyer	Industry	MSA/ μ SA Population	Total Price (million)	Term (years)	Average Annual Cost
Denny Sanford PREMIER Center	USHL	Sioux Falls, South Dakota	Premier Bank & Sanford Health	Healthcare/Banking	268,153	\$20.0	25	\$800,000
Covelli Centre	USHL	Youngstown, Ohio	Covelli Enterprises	Restaurant	544,512	\$0.6	3	\$200,000
Grossinger Motors Arena	USHL	Bloomington, Illinois	Grossinger Auto Group	Auto Dealer	190,550	\$0.9	5	\$175,000
1st Summit Arena	NAHL	Johnstown, Pennsylvania	1st Summit Bank	Bank/Finance	136,092	\$0.7	10	\$72,000
Gateway Arena	USHL	Sioux City, Iowa	Gateway, Inc.	Technology	174,546	\$0.8	15	\$50,000
American Bank Center	NAHL	Corpus Christi, Texas	American Bank	Bank/Finance	472,422	\$0.2	10	\$20,000
Average					297,713	\$3.9	11	\$219,500
Median					229,352	\$0.7	10	\$123,500

Sources: Esri, Victus Research

Note: Sorted by Average Annual Cost in descending order

As shown above, the comparable naming rights agreements that we analyzed have an average annual value of approximately \$219,500 per year, for an average term of approximately 10 years. It should be noted, however that the two NAHL venues listed are among the bottom three in terms of average annual cost. Based upon this analysis of comparable agreements, we conservatively estimate that proposed, multi-purpose events center could generate at least \$75,000 per year for corporate naming rights over the course of a five to 10 year term. In addition, it is estimated that another \$75,000 per year could be generated in other facility signage, sponsorship, and advertising.

EXPENSE DESCRIPTIONS

Operating expenses expected to be generated by the proposed multi-purpose events center include salaries, wages, and benefits, utilities, and other expenses. A brief description of each potential major source of expense is provided below.

Salaries, Wages & Benefits

We have assumed that the facility would hire eight (8) full-time employees, including a General Manager, Event Manager, Accountant, Sales Manager, Marketing Coordinator, Operations Manager, Security Manager, and Maintenance and Custodial staff. Lastly, we have assumed at least \$100,000 per year in additional part-time and seasonal labor.

Utilities

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

Management Fee

Based upon our experience the minimum annual third-party operating fee for a multi-purpose events center is typically in the range of \$150,000 per annum, but can go upwards from there depending on the size/scale of the facility, and/or incentive pay that is typically tied to generating higher levels of positive annual operating income.

EXPENSE DESCRIPTIONS (CONT.)

Other Expenses

Other expenses expected to be incurred by the proposed multi-purpose events center include general and administrative expenses, repairs and maintenance, materials and supplies, marketing/advertising costs, insurance, and other such expenses, as described below:

- Maintenance and repairs for structures, equipment, grounds, etc.
- Materials and supplies for administration and operations of the facility
- General liability insurance to cover the grounds, restrooms, and other such areas
- Office and administrative expenses, including but not limited to marketing and advertising, telecommunications, travel costs, permits, service fees, and other such operating expenses

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

Capital Reserve Funds

As noted in our Financial Projections on page 123, the projected operating revenues and expenses do not include any long-term capital reserve funds. Current industry best practices for long-term capital needs is to annually contribute an amount equal to at least 0.5% of facility construction costs (increased annually for inflation) to a reserve fund. This capital reserve fund can be drawn upon by the owner of the facility (typically a public entity) to pay for necessary capital maintenance and improvements as the facility ages. For example, over a 30 year period, it is estimated that nearly \$5 million in long-term capital maintenance funds could be required if the facility cost \$20 million to initially build.



9. OPERATIONS & MANAGEMENT ASSESSMENT

The purpose of this section is to present an overview of various options regarding the management and operations of the proposed multi-purpose events center in Marathon County.

Each management structure for the potential Marathon County facility has its own unique advantages and disadvantages, which should be considered when making decisions regarding the management of the venue. The following section provides an overview of each potential facility management structure.

- **Facility Management Options:**
 - Public
 - Private
 - Other (Sports Commission, Non-Profit, Agency/Bureau)
- **Outsourced Services**
- **Marathon County Facility Management Summary**

OWNERSHIP & OPERATIONS

		OWNER	
		Public	Private
OPERATOR	Public	✓	✗
	Private	✓	✓

As a first step, it should be noted that the ownership of the proposed facility will determine what operation options are available. The chart at left summarizes the different combinations available for ownership and operation of the proposed multi-purpose events center .

A public facility can either be operated publicly (typically be City or County staff) or by a third-party operator that is contracted by the City or the County that owns the facility. Whereas a private facility will always be operated privately, either by staff that is hired directly by the private owner or by a third-party operator that contracts with the private owner.

The following pages detail these different potential operating models from a management perspective.

PUBLICLY-OPERATED

Publicly-owned facilities have the option of being operated by the public entity that owns the facility or contracting out operations to a private entity, including non-profit groups. Both options have associated advantages and disadvantages.

Public management of sports and entertainment facilities was the typical model prior to the early 1990's. Facility operational control within a government is typically done either by creating a separate department that is responsible for facility management or by designating responsibility to an existing department within the government. In many cases a government will already have other existing public assembly facilities such as arenas, auditoriums or theaters under their control prior to the development of a new venue, and in these cases the governmental departments currently overseeing the other public assembly facilities could control new venues as well.

PUBLIC MANAGEMENT (CONT.)

Advantages of public management include owner control, financial support, and sharing of staff and support functions, among other factors. Within this structure, the management’s primary responsibility is to the city/county/state government and the facility. The ability to combine the purchase of goods and services with other governmental departments provides a distinct advantage in maximizing purchasing power and rate structures. The ability to use governmental employees from other departments can be advantageous. Lastly, assuming day-to-day management of the facility is also handled internally, the need to pay additional fees to a private management contractor is not required.

Disadvantages of public management include lack of private sector support, civic service constraints, and changing political policies. The primary disadvantages relate to the additional burden placed on governmental departments and the additional level of bureaucracy sometimes required to facilitate building operating decisions. The decisions made regarding the operation of a facility may be slowed due to the nature of the particular governmental department in terms of requirements for approvals and other regulations and procedures. When competing with other facilities and markets for potential events, this aspect can sometimes hinder a facility’s ability to effectively compete.

PUBLIC MANAGEMENT (CONT.)

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

ADVANTAGES

- Owner control
- Financial support
- Coordinating/sharing of staff/support functions
- Bulk-price purchasing
- No management fees

DISADVANTAGES

- Lack of outside/private sector financial support
- Civic service constraints
- Contract approval requirements
- Changing political policies
- Lack of incentives
- Limited flexibility
- Lack of expertise and access in sports and entertainment industry

PRIVATELY-OPERATED

Facilities that are publicly- or privately-owned have the option to utilize a private facility operator. Privately-owned facilities will take on operations themselves or contract that work out to a separate private company. Similarly, publicly-owned facilities also have the option to contract the operations of a facility to a private, third-party operator.

Intense and increasing levels of competition among facilities coupled with increased pressure from governmental entities for facilities to break even has forced many governments to consider changes in the fundamental process of managing sports and entertainment venues. As a result, numerous venues across the country have contracted day-to-day operations to a private management company. Currently, private management companies such as Live Nation, SMG, AEG, Spectra (formerly Global Spectrum), and VenuWorks control numerous sports and entertainment venues across the country and worldwide.

PRIVATE MANAGEMENT (CONT.)

Under typical private management, the facility owner retains all of the rights and privileges of ownership while the private management firm performs assigned management functions. The owner sets policies while the private management firm establishes procedures in order to implement the policies. The private management company is typically an agent of the hiring body (either a government department or an authority). The firm is often compensated with a flat annual fee plus incentive payments designed to reward the contractor for producing desired results. Incentives could be based on achieving specific revenue goals, attendance, events, room night generation or other targets. Operating contracts usually stipulate that operating budgets must be submitted by the management company to the governing body of the facility for approval. The governing body is responsible for providing the funds necessary to operate the facility.

Private management firms are typically responsible for various key operational and fiscal factors such as policies and directives, organizational structure, leadership, job classifications, competition, scheduling and booking, finance and accounting, and capital repairs. In addition to the day-to-day operations of the venue, a number of private management firms also offer project services such as pre-opening management services, operational audit services, and marketing support as alternatives to full facility management.

PRIVATE MANAGEMENT (CONT.)

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

ADVANTAGES

- Greatest operating autonomy
- Efficiency incentives
- Network of relationships to leverage event bookings
- Internal network of knowledge/experience
- More independence in negotiations
- Greater staffing resources
- More objective criteria for accountability
- More efficient procurement process
- Design and pre-opening services
- Less financial risk for owner

DISADVANTAGES

- Potential loss of direct control by owner
- Profit motive versus economic impact motive
- Facility management fees
- Management personnel turnover
- Corporate resources spread among several facilities
- Misaligned purpose and goals between owner and management firm
- Less access to public use

OTHER (SPORTS COMMISSION, NON-PROFIT, AGENCY/BUREAU)

In some cases, a public owner will outsource the management of a facility to a third-party via a sports commission, a non-profit organization, or an agency or bureau.

SPORTS COMMISSION (PUBLIC, PRIVATE OR HYBRID)

Sports commissions are created to attract local, regional, and international sports events to capture tourism revenue. The commission's priorities typically include, but are not limited to (in order): visitor spending, marketing the region, representing the sports industry in the community, supporting the local sports franchises and venues, and sports advocacy.

Sports commissions can be public, private or a hybrid. Public sports commissions are usually housed within a convention and visitors bureau (CVB) and receive funding through CVB and city budgets, dedicated hotel tax and/or car rental taxes. Private sports commissions are driven through the private sector and are typically sustained through fundraising events, private donations, membership fees, and sponsorships. Hybrid sports commissions have a mix of public and private funding and representation. Each type of sports commission typically has a board of directors.

OTHER MANAGEMENT (CONT.)

NON-PROFIT (PRIVATE)

Under this form of management, the organization is typically run under the guidance and supervision of a Board of Directors. Members of the board tend to be local community leaders and stakeholders. This can serve as an advantage because they usually have the community and city's best interests in mind. Alternatively, a lack of diversity on the Board, in terms of entertainment and sporting interests, can lean programming to heavily favor certain events and activities that could alienate other community interests.

This structure requires active and continued support both in labor and funding from the community. The organization would need to depend on donations and grants (in most cases donations would be tax deductible) from individuals, companies, and government entities in addition to volunteer labor hours to be sustainable in the short and long-term.

AGENCY OR BUREAU (PUBLIC)

Agencies, bureaus, and authorities are political subdivisions formed by local or state government entities. Relevant examples include special services districts (such as a parks district or an arena district) or a convention and visitors bureau (CVB). Much like a non-profit, agencies or bureaus are typically governed by a Board of Directors with Board members consisting of elected officials and local stakeholders. Although it is independent, an agency or bureau would need a dedicated revenue source. CVBs often rely on tourism taxes, for example.

OTHER MANAGEMENT (CONT.)

A summary of key advantages and disadvantages associated with sports commission, a non-profit organization, or an agency or bureau management is shown below:

ADVANTAGES

- Community's best interest at heart (All)
- Aligned vision with City (public sports commission/agency/bureau)
- Limited use of public funds to maintain operations (non-profit)

DISADVANTAGES

- Risks alienating groups in community (non-profit)
- Lack of diverse interest groups (non-profit)
- Would need dedicated revenue source to sustain operations (sports commission/agency/bureau)

OUTSOURCED SERVICES

Regardless of whether the facility is operated by the public sector or a third-party firm or organization, certain services are often outsourced to a third-party specialist. These services can include:

- Concessions;
- Merchandise;
- Parking;
- Security;
- Naming Rights, Sponsorship & Advertising Sales;
- Ticketing; and,
- Other such services.

Some management companies provide these services in-house, whereas others go outside. In general, companies that provide outsourced services in the sports and entertainment venue industry include, but are not limited to (presented in alphabetical order):

Concessions:

- Aramark
- Centerplate
- Legends Hospitality Management
- Levy Restaurants
- Spectra Food Services
- Savor (A SMG subsidiary)
- Sodexo

Merchandise:

- Gameday Merchandising
- Legends Hospitality Management
- Spectra Merchandise Management

OUTSOURCED SERVICES (CONT.)

Naming Rights, Sponsorship & Advertising Sales:

- Creative Artists Agency (CAA)
- Gemini Sports Group
- Legends Global Sales
- Premier Partnerships
- Superlative Group
- Van Wagner Sports & Entertainment
- Wasserman

Parking:

- Central Parking System
- SP Plus Corporation

Security:

- Andy Frain Services
- Contemporary Services Corporation (CSC)
- Landmark

Ticketing:

- Axs.com
- Contemporary Services Corporation (CSC)
- New Era Tickets
- Ticketmaster
- Tickets.com

In general, contract management companies negotiate a fee agreement with facility ownership in order to determine revenue allocation. Although there is not a standard fee agreement, the majority include one of the following; (1) a percentage of gross revenue is allocated to the facility; (2) the facility retains an agreed-upon split of net revenues; and/or (3) the facility receives an upfront payment that is guaranteed regardless of total revenue.

MANAGEMENT SUMMARY

The management options available to Marathon County for the potential the proposed multi-purpose events center are summarized below, and as stated at the beginning of this section will be somewhat dictated by the ownership of the venue (public or private):

- **Public Management:** Public management of sports and entertainment facilities was the typical model prior to the early 1990's. Advantages of public management include owner control, financial support, and sharing of staff and support functions, among other factors. Disadvantages of public management include lack of private sector support, civic service constraints, and changing political policies.
- **Private Management:** Intense and increasing levels of competition among facilities coupled with increased pressure from governmental entities for facilities to break even has forced many governments to consider changes in the fundamental process of managing sports and entertainment venues. As a result, numerous venues across the country have contracted day-to-day operations to a private management company. Privately-owned facilities will take on operations themselves or contract that work out to a separate private company. Advantages of private management include efficiency incentives and network of relationships to leverage event bookings. Disadvantages of private management include the potential loss of direct control by the owner of the facility, profit motive versus economic impact motive, and facility management fees.

POTENTIAL PRIVATE OPERATORS

Below is a partial list of potential private operators that could be considered, whether the facility is publicly or privately owned.

- AEG
- In-house management staff (i.e. USSDG or an affiliated entity)
- SMG
- Spectra
- VenuWorks
- Other local or regional private sports & entertainment facility operators

RECOMMENDATION

Victus Advisors recommends that a new multi-purpose sports and events center in Marathon County should either be operated by USSDG (via an in-house management staff assembled by USSDG's executives and board members who have broad experience and contacts within the sports and event facility industry), or USSDG could sub-contract operations to a reputable third-party management firm with regional and national experience operating small-to-mid-size arenas and event centers, such as SMG, Spectra, or VenuWorks. The advantages of private management (either via USSDG or a third-party) include efficiency incentives and network of relationships to leverage event bookings that will be key to ensure the facility is sustainable in the long-term.



10. ECONOMIC & FISCAL IMPACT ANALYSIS

1. ESTIMATE GROSS DIRECT SPENDING

The first step in projecting the potential economic and fiscal impacts of a new multi-purpose events center is estimating the Gross Direct Spending activity that could occur due the ongoing operations of the facility.

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

Primary Sources of Direct Spending from a New Multi-Purpose Events Center

Ongoing Facility Operations

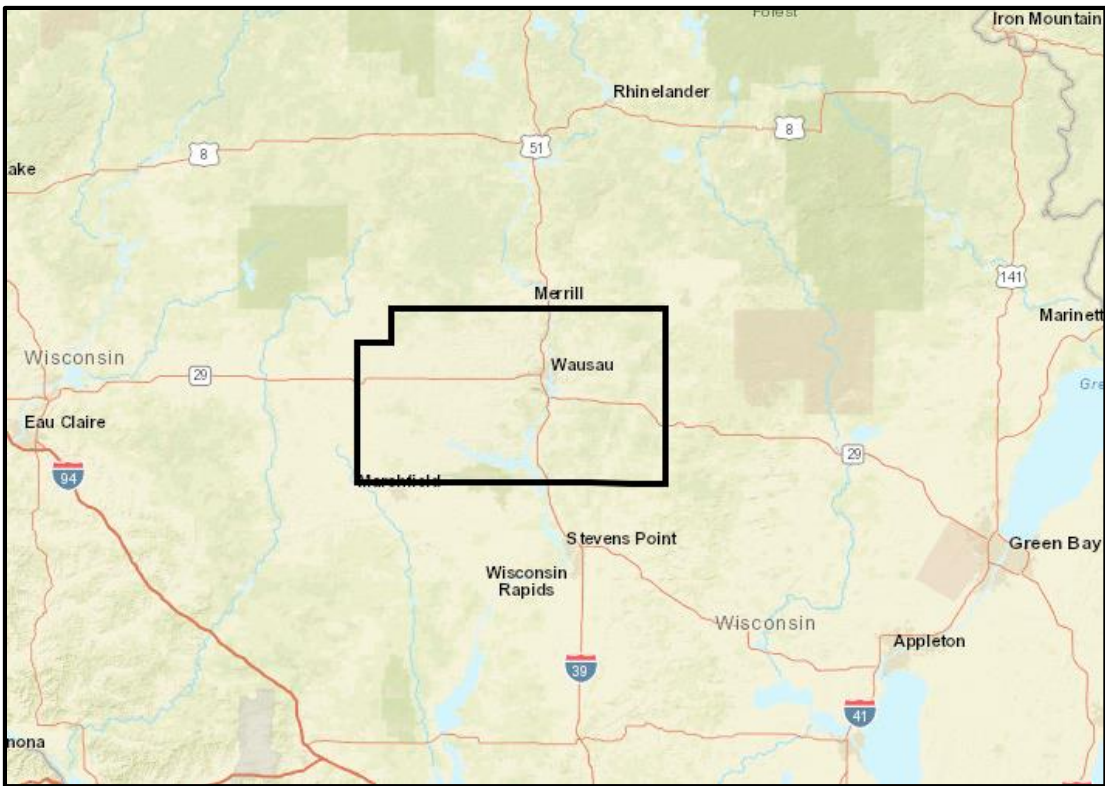
In-Facility Revenues:

- Rent and/or Gate Fees
- Event Revenues
(Concerts, etc.)
- Concessions/Merchandise
- Sponsorships/Advertising

Visitor Spending:

- Lodging
- Restaurants
- Entertainment
- Retail
- Transportation

2. IDENTIFY “LOCAL” ECONOMY



Source: Esri

For purposes of this study, Victus Advisors has been tasked with identifying the potential economic and fiscal impacts on Marathon County. Therefore, the local economy studied in this analysis is the physical area solely within Marathon County (as highlighted at left).

As described on the next page, “Net” Direct Spending only occurs when the spending source originates outside of the County and occurs within the County’s limits, which most often occurs during events.

3. IDENTIFY GROSS VS. NET IMPACTS

After estimating the “Gross” economic activity associated with event and entertainment facility development, Victus Advisors estimated the portion of Gross Direct Spending that could represent incremental (or “Net”) spending within the County’s economy. Net Direct Spending accounts for the phenomenon of “displacement”, as described below.

DISPLACEMENT is the economic principle that assumes a household (or business) entertainment and recreation budget would be spent within the local economy with or without development of a new event and entertainment venue.

For purposes of this study, we have assumed that local event spending would be displaced (i.e. spent elsewhere within the Marathon County economy) without the presence of a new event and entertainment facility. Therefore...

NET IMPACTS will only include the estimated dollars spent within County limits by non-resident visitors & businesses who come for regional event activity.

4. THE MULTIPLIER EFFECT

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



4. THE MULTIPLIER EFFECT (CONT.)

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

- **TOTAL OUTPUT** (direct, indirect & induced spending in Marathon County)
- **EMPLOYMENT** (full-time & part-time jobs in Marathon County)
- **LABOR INCOME** (salaries & wages associated with Marathon County jobs)

IMPLAN MULTIPLIERS - MARATHON COUNTY

Industry	Total Output Multiplier	Employment Multiplier	Labor Income Multiplier
Retail Stores	1.59978	2.8594 x 10 ⁻⁵	0.75265
Transit & Ground Passenger Transportation	1.38191	1.8094 x 10 ⁻⁵	0.38246
Fitness & Recreational Sports Centers	1.52249	2.8207 x 10 ⁻⁵	0.45750
Amusement & Recreation Industries	1.49320	1.9568 x 10 ⁻⁵	0.49170
Hotels & Motels, Including Casino Hotels	1.49086	1.7472 x 10 ⁻⁵	0.39934
Food Service & Drinking Places	1.53581	2.0075 x 10 ⁻⁵	0.63951

ANNUAL IMPACTS

ONGOING IMPACTS OF OPERATIONS - ANNUAL IMPACTS:

After adjusting estimates of gross direct spending for displacement, it is estimated that approximately 69% of all spending associated with the annual operations of the proposed multi-purpose events center would have a net impact on Marathon County.

ESTIMATED GROSS DIRECT SPENDING ASSOCIATED WITH MULTI-PURPOSE EVENTS CENTER

\$18,698,090

DISPLACEMENT
ADJUSTMENT

NET DIRECT SPENDING IMPACTING MARATHON COUNTY

Estimated In-Facility Direct Spending (Net)	\$2,232,160
Estimated Out-of-Facility Direct Spending (Net)	\$10,638,630
Total Estimated Direct Spending - Net:	\$12,870,790
Net Spending as % of Gross:	69%

Note: "Net" Direct Spending only accounts for spending occurring in Marathon County by outside visitors to the County.

** Note: Represents annual spending, presented in 2019 dollars.*

ANNUAL IMPACTS (CONT.)

It is estimated that Net Direct Spending resulting from a new multi-purpose events center would generate over \$19 million in annual net economic output and 273 new full- and part-time jobs throughout the economy.

ANNUAL IMPACTS FROM OPERATIONS – GROSS VS. NET

GROSS DIRECT SPENDING ASSOCIATED WITH MULTI-PURPOSE EVENTS CENTER
\$18,698,090

NET DIRECT SPENDING IN MARATHON COUNTY
\$12,870,790



TOTAL ECONOMIC OUTPUT
\$28,381,002

EMPLOYMENT
408

WAGES
\$9,993,554

TOTAL ECONOMIC OUTPUT
\$19,491,398

EMPLOYMENT
273

WAGES
\$6,655,821

ANNUAL IMPACTS (CONT.)

It is estimated that the Lodging industry in Marathon County would benefit the most from the annual tourism impacts of a new multi-purpose events center (32% of incremental output), followed by Food & Beverage (30%).

TOTAL OUTPUT:

Sports	\$3,398,000	17%
Lodging	\$6,157,000	32%
Food & Beverage	\$5,831,000	30%
Shopping	\$1,735,000	9%
Entertainment	\$1,620,000	8%
Transportation	\$750,000	4%
TOTAL:	\$19,491,000	100%

EMPLOYMENT:

Sports	63	23%
Lodging	72	26%
Food & Beverage	76	28%
Shopping	31	11%
Entertainment	21	8%
Transportation	10	4%
TOTAL:	273	100%

LABOR INCOME:

Sports	\$1,021,000	15%
Lodging	\$1,649,000	25%
Food & Beverage	\$2,428,000	36%
Shopping	\$816,000	12%
Entertainment	\$533,000	8%
Transportation	\$207,000	3%
TOTAL:	\$6,654,000	100%

Note: Represents annual impacts. Presented in 2019 dollars.

FISCAL IMPACTS

It is estimated that a new multi-purpose events center in Marathon County could generate over \$400,000 annually in incremental local tax revenue.

FISCAL IMPACTS OF OPERATIONS: NET ANNUAL TAX REVENUE

<u>Tax Type</u>	<u>Assessor</u>	<u>Tax Rate</u>	<u>Est. Tax Revenue</u>
Sales Tax	Marathon County	0.50%	\$72,520
Room Tax	City of Wausau	8.00%	\$330,390
Total - Incremental Tax Revenues:			\$402,910

Note: Represents net annual tax revenues occurring within Marathon County for sales taxes, and within the City of Wausau for room taxes, presented in 2019 dollars. Sales tax based on direct, indirect & induced spending.

HOTEL/MOTEL IMPACTS

Victus Advisors estimates that a multi-purpose events center could generate nearly 44,000 incremental annual hotel nights in Marathon County, as shown below.

Estimated Annual Hotel Impacts - Marathon County	
Visitors Staying in Hotel/Motel:	87,869
Estimated People per Room:	3.0
Total Rooms Utilized:	29,290
Average Nights per Room:	1.5
Total - Annual Room Nights	43,934
Average Daily Room Rate (ADR):	\$94
Total - Hotel Room Spending:	\$4,129,834

Notes:

- (1) Overnight Visitors estimate developed by Victus Advisors as part of our Utilization & Attendance Estimates
- (2) ADR represents median monthly ADR for Marathon County according to the United States Office of Personnel Management
- (3) Total Hotel Room Spending represents direct hotel room spending only in 2019 dollars, and does not include indirect or induced impacts

NET IMPACTS

<u>Year</u>	<u>Direct Spending</u>	<u>Total Output</u>	<u>Employment</u>	<u>Wages</u>	<u>Room Nights</u>	<u>Room Tax</u>	<u>Sales Tax</u>
1	\$12,870,790	\$19,491,398	273	\$6,654,000	43,934	\$330,000	\$73,000
2	10,957,793	20,076,140	273	6,853,620	43,934	339,900	75,190
3	11,286,526	20,678,424	273	7,059,229	43,934	350,097	77,446
4	11,625,122	21,298,777	273	7,271,005	43,934	360,600	79,769
5	11,973,876	21,937,740	273	7,489,136	43,934	371,418	82,162
6	12,333,092	22,595,872	273	7,713,810	43,934	382,560	84,627
7	12,703,085	23,273,748	273	7,945,224	43,934	394,037	87,166
8	13,084,177	23,971,961	273	8,183,581	43,934	405,858	89,781
9	13,476,703	24,691,120	273	8,429,088	43,934	418,034	92,474
10	13,881,004	25,431,853	273	8,681,961	43,934	430,575	95,248
11	14,297,434	26,194,809	273	8,942,420	43,934	443,492	98,106
12	14,726,357	26,980,653	273	9,210,692	43,934	456,797	101,049
13	15,168,148	27,790,073	273	9,487,013	43,934	470,501	104,081
14	15,623,192	28,623,775	273	9,771,623	43,934	484,616	107,203
15	16,091,888	29,482,488	273	10,064,772	43,934	499,155	110,419
16	16,574,645	30,366,963	273	10,366,715	43,934	514,129	113,732
17	17,071,884	31,277,972	273	10,677,717	43,934	529,553	117,144
18	17,584,040	32,216,311	273	10,998,048	43,934	545,440	120,658
19	18,111,562	33,182,800	273	11,327,990	43,934	561,803	124,278
20	18,654,908	34,178,284	273	11,667,829	43,934	578,657	128,006
21	19,214,556	35,203,633	273	12,017,864	43,934	596,017	131,846
22	19,790,992	36,259,742	273	12,378,400	43,934	613,897	135,802
23	20,384,722	37,347,534	273	12,749,752	43,934	632,314	139,876
24	20,996,264	38,467,960	273	13,132,245	43,934	651,284	144,072
25	21,626,152	39,621,999	273	13,526,212	43,934	670,822	148,394
26	22,274,936	40,810,659	273	13,931,998	43,934	690,947	152,846
27	22,943,184	42,034,979	273	14,349,958	43,934	711,675	157,431
28	23,631,480	43,296,028	273	14,780,457	43,934	733,025	162,154
29	24,340,424	44,594,909	273	15,223,871	43,934	755,016	167,019
30	25,070,637	45,932,756	273	15,680,587	43,934	777,667	172,029
Cumulative Total:	\$508,370,000	\$927,311,000	273	\$316,567,000	1,318,000	\$15,700,000	\$3,473,000
Net Present Value:	\$269,846,000	\$490,461,000	n/a	\$167,434,000	n/a	\$8,304,000	\$1,837,000

Notes: Assumes 3% annual inflation. NPV was calculated based upon a 4% discount rate.

TOTAL IMPACTS (NET)

Over a 30 year period, a new multi-purpose events center is estimated to have a total net impact of nearly \$1 billion in cumulative economic output and over \$19 million in cumulative local sales and room tax revenues.

CONTACT INFORMATION



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MARATHON COUNTY EXTENSION

August 2019 Update

A report generated for the Marathon County Board of Supervisors Extension, Education and Economic Development Committee

Agriculture Extension Educator – Heather Schlessler

- Farm Tour was held on August 7th, we toured Mullins cheese, Lakeview Berry, and Hickory Road Native Nursery.
- The first ever grilled cheese challenge was held this year at the Wisconsin Valley Fair. Thursday August 1st was the Youth Competition, Friday August 2nd was the Adult Competition. Sponsorships helped to cover the cost of this event. I am looking at coordinating this event in future years, but may change the location.
- Met with the Stormwater Coalition group to discuss possible education for FFA groups on Phosphorus run off and the role they can play in helping to keep our water clean. We are looking to do educational presentation at the start of the school year.

COMMUNITY DEVELOPMENT EDUCATOR – MELINDA OSTERBERG

- Continued to manage the Broadband Feasibility Study, including project schedule and stakeholder outreach
- Provided an update on the Broadband Feasibility Study at the joint Marathon County Towns Association Meeting on July 25, 2019
- Met with the UWSP-Wausau Continuing Education Director to discuss collaborating on a Cultural Dinner celebrating the Chinese New Year on January 24, 2020
- Continued to provide support to the Chinese New Year planning group and prepared resolution recognizing Chinese New Year
- Continued stakeholder outreach and met with the City of Wausau Mayor and Community Development Department
- Provided education and support to the Wausau Area MPO on potential development of a “Dig Once” Ordinance

4-H PROGRAM COORDINATOR – KAITLYN BERNARDE

An EEO/AA employer, University of Wisconsin-Madison Division of Extension provides equal opportunities in employment and programming, including Title VI, Title IX and the Americans with Disabilities (ADA) requirements.

- Completed Community Connection Summer School programming with the Wausau School Districts. Myself and my 4 interns together taught 216 hours of summer school time to over 300 Wausau youth. The 2019 lesson plans focused on engineering, food science, agronomy, horticulture and animal science.
- Led a two-night, three-day camp for 40 1st-5th graders. This was led by myself, 3 adult leader volunteers and 14 high school camp counselors. The 2019 theme was “Fishin’ for Fun” with a USWP Land-use Specialist session, fishing lures, canoeing, crafts, team building activities and games.
- Coordinated the 2019 Pre-fair Cake Revue with over 100 decorated cakes and cupcakes by 56 youth on July 24.
- Executed the 2019 Wisconsin Valley Fair Junior Fair program which had over 800 exhibitors between Marathon County 4-H clubs and local FFA chapters. I put in over 90 hours during the Fair organizing superintendents, judges, exhibitors, parents, interns, and the public while coordinating with the Wisconsin Valley Fair Board, UWSPW, and the Marathon County Parks Department. Overall it was a successful 2019 Junior Fair.
- Wrapped up the 12-week internships with the four interns fully funded by the Marathon County 4-H Leaders Federation. These interns helped execute summer school programming, camp prep, Wisconsin Valley Fair duties, and communication. The 2019 interns were Alex Kerntop, Mosinee; Kiersten Rogowski, Mosinee; Madisyn Schuster, Mosinee; and Mae Sann, Wausau.

Horticulture Educator - Vacant

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AREA EXTENSION DIRECTOR – JASON HAUSLER

- Submitted 2019 proposed budget to Finance, with Budget meeting with Administrator Karger scheduled for August 23rd. We attempted to maintain a neutral budget short of increases in salary and benefits
- Engaged in conversations with Monk Gardens, via Executive Director Darcie Howard, on a potential partnership to hire a horticulture educator. I will be attending their Board meeting at the end of the month to see if they are interested in pursuing this further.
- Assisted at the Wisconsin Valley Fair with office staff, along with the Athens Fair to promote Extension programming and resources.