



Market & Economic Study for Two Proposed New Soccer Stadiums in Downtown Baltimore, Maryland

**Final Report
December 2010**



December 10, 2010

Mr. Gary McGuigan
Project Executive
Maryland Stadium Authority
333 W. Camden Street, Suite 500
Baltimore, Maryland 21201

Dear Mr. McGuigan:

In accordance with our agreement dated December 9, 2009, Crossroads Consulting Services LLC has completed its market and economic analysis related to two proposed new soccer stadiums in downtown Baltimore. The report presented herein includes the summary of findings and principal conclusions from our research.

This analysis was prepared for the Maryland Stadium Authority, City of Baltimore and Baltimore Development Corporation for their consideration of plans for two proposed new soccer stadiums in downtown Baltimore. The findings and assumptions contained in the report reflect analysis of primary and secondary sources. We have utilized sources that are deemed to be reliable but cannot guarantee their accuracy. Moreover, estimates and analysis regarding the proposed new soccer stadiums are based on trends and assumptions and, therefore, there will usually be differences between the projected and actual results because events and circumstances frequently do not occur as expected, and those differences may be material. We have no obligation, unless subsequently engaged, to update this report or revise this analysis as presented due to events or conditions occurring after the date of this report. In accordance with the terms of our engagement letter, the accompanying report is restricted to internal use by the Maryland Stadium Authority and the Baltimore Development Corporation and may not be relied upon by any third party for any purpose including financing. Notwithstanding these limitations, it is understood that this document may be subject to public information laws and as such can be made available to the public upon request.

This analysis was prepared under the Consulting Standards issued by the American Institute of Certified Public Accountants (AICPA) and does not constitute an examination, compilation or agreed upon procedures in accordance with the standards established by the AICPA. As such, we do not express an opinion or any other form of assurance on whether the prospective financial statements are presented in conformity with AICPA presentation guidelines or on whether the underlying assumptions provide a reasonable basis for the presentation.

Although you have authorized reports to be sent electronically for your convenience, only the final hard copy report should be viewed as our work product.

We have enjoyed working on this engagement and our on-going relationship with the Maryland Stadium Authority and the Baltimore Development Corporation and look forward to the opportunity to provide you with continued service. If you have any questions regarding this report, please contact Susan Sieger at 813.281.1222.

Sincerely,

Crossroads Consulting Services LLC

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Introduction

Municipalities and states throughout the U.S. have recognized the economic benefits associated with operating various public assembly facilities. In recent years, several stadiums, arenas, and convention centers have been developed with the use of public funds due, in part, to the ability of these venues to generate economic activity at area businesses and tax revenues for the local and State entities. In order to maximize resources, communities are increasingly seeking projects that better respond to the anticipated long-term needs of area residents and attract out-of-town visitors. As such, some communities choose to pursue public assembly facilities in order to capitalize on existing assets and enhance market opportunities by targeting a diverse set of demand generators.

It is our understanding that the City of Baltimore (City) was approached by private sector parties to evaluate the merits of two proposed soccer stadium concepts which are expected to host a professional soccer club as the primary sports tenant along with a variety of other sports and entertainment activities.

One proposed stadium is anticipated to be approximately 25,000 seats and would host D.C. United, a Major League Soccer (MLS) club, which currently plays at Robert F. Kennedy Memorial Stadium (RFK Stadium) in Washington, D.C. The proposed site is located along the Middle Branch of the Patapsco River within the Westport Waterfront community and would be part of a proposed \$1.1 billion mixed-use development envisioned to include office and retail space, 2,000 residential units, a 500-room hotel and 10,000 parking spaces. The Westport Waterfront development includes 42 acres of waterfront property along the west shore of the Middle Branch from Waterview Avenue to just south of Interstate 95. The Turner Development Group and the Carlyle Group are developing this site. The stadium is anticipated to be an element that could generate a critical mass of attendees to the development in an effort to revitalize the area.

The other proposed stadium is anticipated to be 7,000 to 10,000 seats and would host the Crystal Palace Baltimore soccer club of the United States Soccer Federation (USSF) Division-2 Professional League (D-2 Pro League), which has historically played at the Navy-Marine Corps Memorial Stadium on the campus of the Naval Academy in Annapolis and University of Maryland-Baltimore County (UMBC) Stadium, among others. The site for this proposed stadium is privately owned and located in the Carroll Camden area just southwest of M&T Bank Stadium and Oriole Park which could further enhance the sports district.

The map that follows shows the general site locations for the proposed new soccer stadiums, both of which are near existing Maryland Transit Administration (MTA) light rail stops and proximate to I-95, I-395 and MD 295.

Map of General Site Locations for the Proposed New Soccer Stadiums



Notes: # denotes the proposed D.C. United Stadium site at Westport.

* denotes the proposed Crystal Palace Baltimore Stadium site in the Carroll Camden area.

Given the unique nature of these proposed projects and their potential to generate significant economic activity to local and State jurisdictions, the City asked the Maryland Stadium Authority (MSA) and the Baltimore Development Corporation (BDC) to jointly oversee a study that assesses whether construction of one or both of the proposed new soccer stadiums appears warranted from a market demand perspective; whether the opportunity exists to combine these concepts; as well as what the on-going operations of the proposed stadiums could potentially generate in incremental economic and fiscal impacts.

Established by the State General Assembly in 1986, the MSA’s mission is to plan, finance, build and manage sports and entertainment facilities in Maryland; provide enjoyment, enrichment, education, and business opportunities for citizens; and develop partnerships with local governments, universities, private enterprise, and the community. Its projects promote historic preservation, adaptive reuse, community redevelopment, cultural arts, and civic pride. In planning selected projects, MSA has the latitude to negotiate with other government jurisdictions, and other departments within the State. Its mandate includes creating public-private partnerships for financing and operating facilities.



The BDC is a 501(c)(3) corporation under contract with the City to provide economic development services. The BDC's organizational structure is designed to be flexible and responsive to the changing needs of its customers - the existing business and development community and businesses considering Baltimore as a new location. The BDC's mission is to create a robust and sustainable economy for Baltimore by:

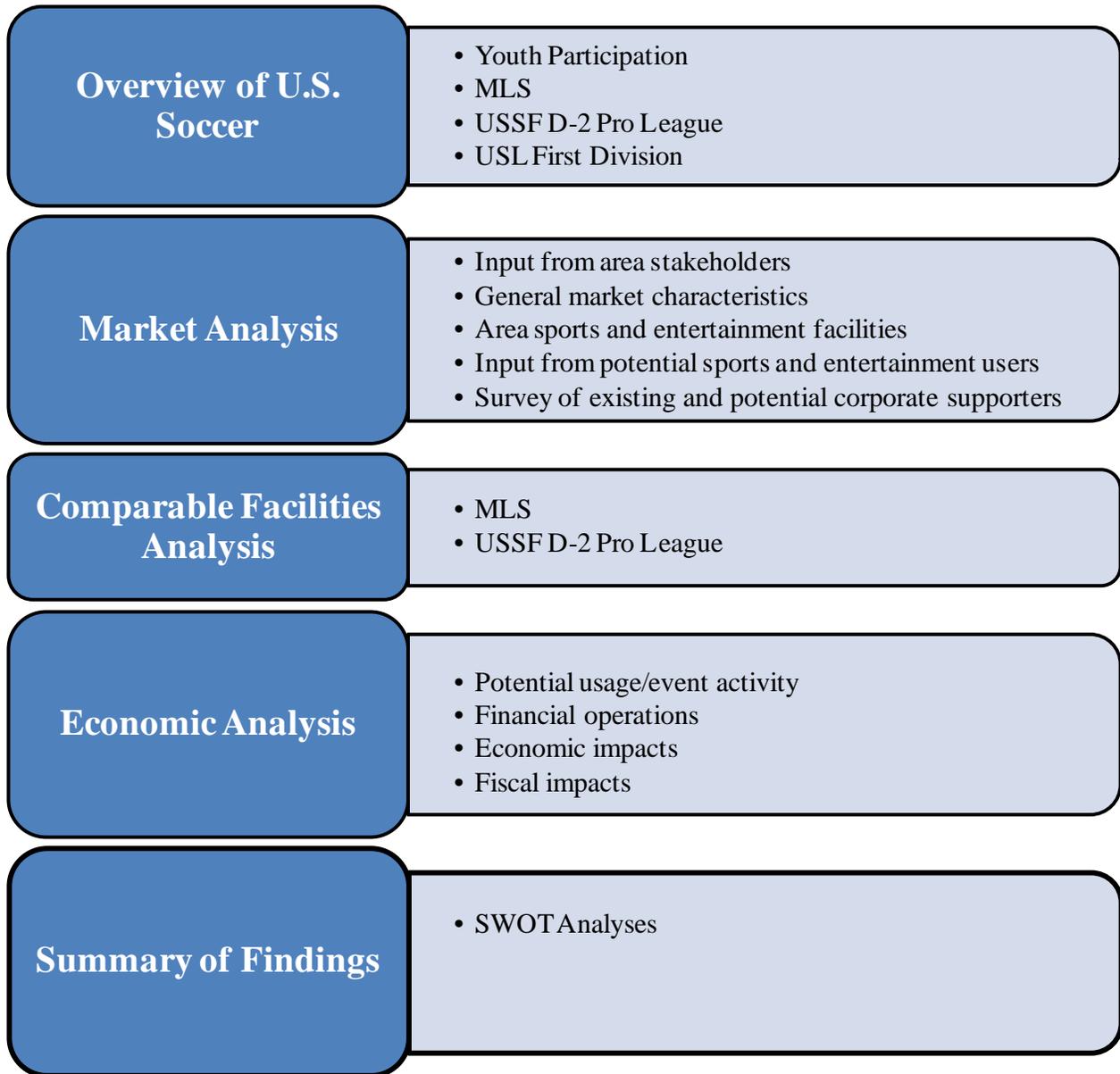
- Retaining and expanding existing businesses
- Expanding the tax base by facilitating new real estate development opportunities
- Promoting thriving business districts
- Attracting new businesses
- Supporting cultural resources

The BDC is guided by its mission and by the core principle that a city must build on its strengths. Its approach to economic development includes market-driven, strength-based initiatives based on an assessment of the City's capacities and assets.

Given this backdrop, Crossroads Consulting was commissioned to assess specific market and economic issues associated with developing and operating two potential new soccer stadiums in downtown Baltimore. Although presented as one study, the merits of each stadium concept were evaluated separately based on the anticipated site location, general seating capacity, primary sports tenant and other potential user groups, and economic considerations.

The following graphically illustrates the general methodology used to develop our findings and conclusions.

Overview of Study Methodology



The remainder of this report outlines the key findings from our research and analysis to assist the City, MSA and BDC in making informed decisions related to the two proposed new soccer stadiums in downtown Baltimore.

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Overview of U.S. Soccer

Understanding the history of U.S. soccer and trends at a national, regional and local level can provide a frame of reference for assessing potential demand for the proposed new soccer stadiums. As such, this section provides an overview of U.S. soccer trends in youth participation, MLS and USSF.

Professional soccer in the U.S. came to national prominence in the 1970s with the start of the North American Soccer League (NASL). As such, the NASL has served a vital role in the introduction and popularity of soccer in the U.S. Youth leagues expanded in size and scope and soccer became a part of a generation's youth. Those children are now adults who are looking for entertainment options for their families and business leaders making business decisions to become involved with soccer at all levels of the game.

Soccer Participation Trends

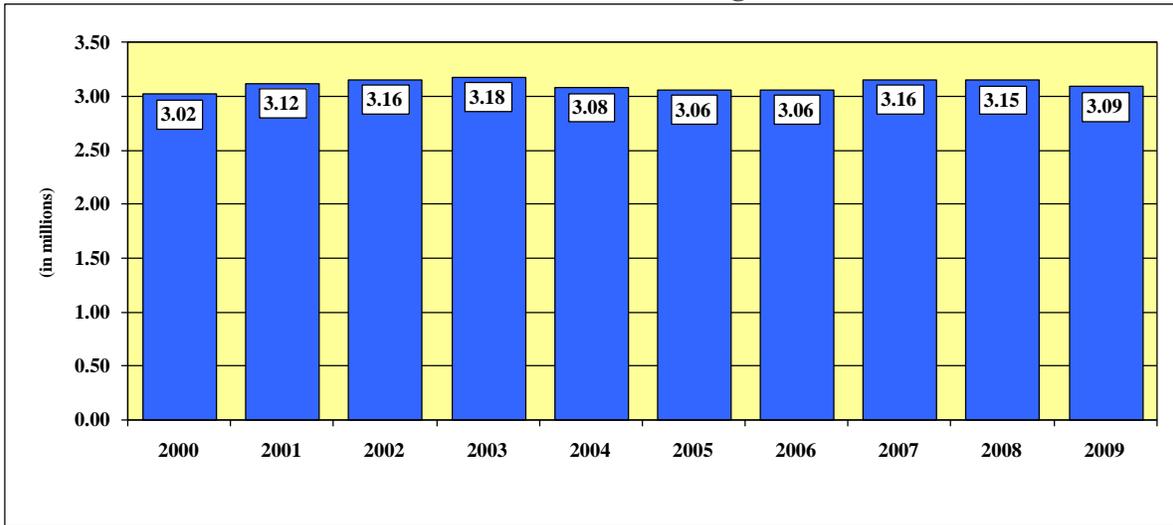
US Youth Soccer, a national association comprised of 55 member State associations, is a recognized leader for youth soccer in the U.S. With more than 3.0 million registered players between the ages of 5 and 19 in 2009, US Youth Soccer is the largest youth sports organization in the U.S. There are 6,000 US Youth Soccer participating clubs; 1,200 to 1,500 sanctioned tournaments per year; 300,000 registered coaches; 95,000 registered referees; and 100,000 Olympic Development Program players.

As a point of reference, the following illustrates the registration levels for other U.S. youth organizations:

- Boy Scouts – 2.8 million
- Girl Scouts – 2.8 million
- Little League Baseball – 2.2 million
- American Youth Soccer Organization (AYSO) – 650,000
- Pop Warner Football – 350,000

Soccer is one of the leading youth participatory sports. The historical level of soccer participation in the U.S. can serve as a barometer for the overall interest and future support of the sport in terms of fan base. The following graph illustrates the number of US Youth Soccer Association registered players between 2000 and 2009. As shown, registration has remained fairly steady over the past 10 years.

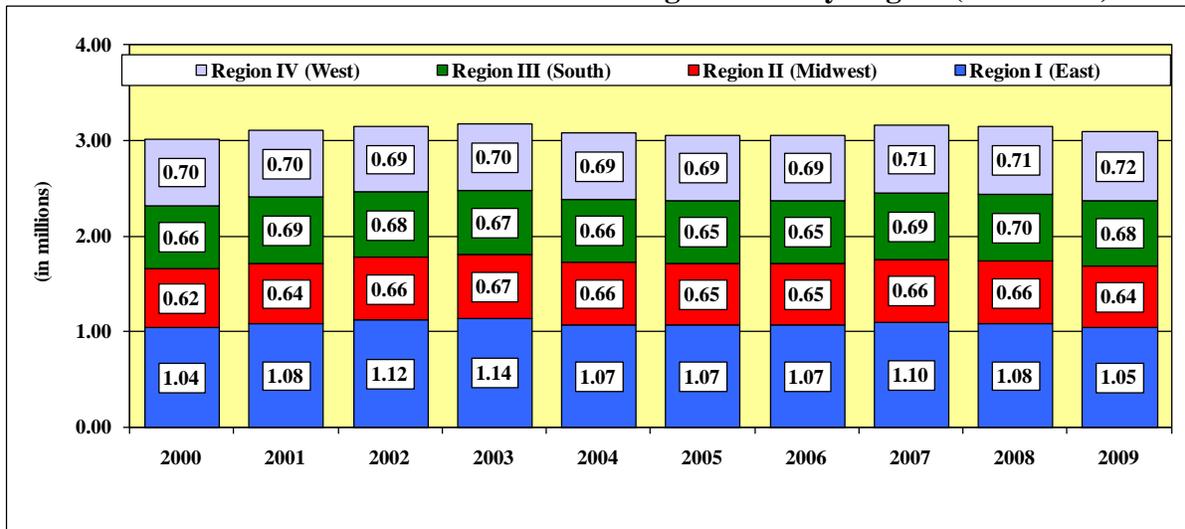
Trends in US Youth Soccer Association Registration (2000-2009)



Source: US Youth Soccer Association.

The popularity of soccer in a particular region can impact the potential support for other soccer events that may be held at the proposed new soccer stadiums in downtown Baltimore. The graph below shows the number of US Youth Soccer Association registered players by region. Maryland is part of Region I along with Connecticut, Delaware, Maine, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island, Vermont, Virginia and West Virginia. On average, Region I has accounted for approximately 35% of total registrants over the last ten years. Although the number of US Youth Soccer Association registered players has fluctuated in all four regions between 2000 and 2009, the change has been relatively minimal.

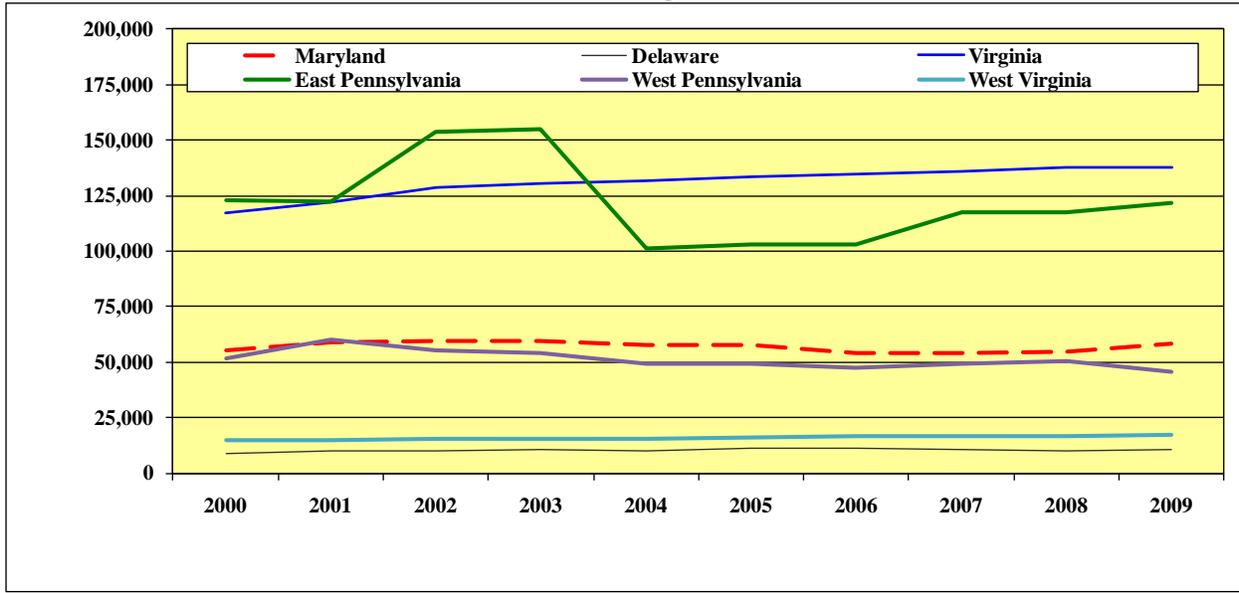
Trends in US Youth Soccer Association Registration By Region (2000-2009)



Source: US Youth Soccer Association.

As shown in the graph below, the number of US Youth Soccer Association registered players has remained relatively consistent in Maryland and surrounding states. East Pennsylvania has experienced the most fluctuation during this period and Virginia’s registrations have been consistently trending upward.

Trends in US Youth Soccer Association Registration for Select States (2000-2009)



Source: US Youth Soccer Association.

The table on the following page illustrates the US Youth Soccer Association registered players in 2009 by state. With more than 58,000 registered participants, Maryland ranks 18th in the U.S. Other surrounding states including Pennsylvania (167,875) New Jersey (156,150), and Virginia (137,739) also have a significant number of participants which is positive for garnering support for various events at the proposed new soccer stadiums.

US Youth Soccer Association Registered Players By State - 2009						
State	Region	Registered Players		State Population		Market
		Number	Rank	Number	Rank	Penetration
California	IV	345,339	1	36,961,664	1	0.93%
Texas	III	235,801	2	24,782,302	2	0.95%
New York	I	188,364	3	19,541,453	3	0.96%
Massachusetts	I	175,051	4	6,593,587	15	2.65%
Pennsylvania	I	167,875	5	12,604,767	6	1.33%
New Jersey	I	156,150	6	8,707,739	11	1.79%
Virginia	I	137,739	7	7,882,590	12	1.75%
Washington	IV	121,978	8	6,664,195	13	1.83%
Ohio	II	119,473	9	11,542,645	7	1.04%
Florida	III	101,062	10	18,537,969	4	0.55%
Michigan	II	85,924	11	9,969,727	8	0.86%
Georgia	III	80,087	12	9,829,211	9	0.81%
Connecticut	I	78,652	13	3,518,288	29	2.24%
Illinois	II	73,178	14	12,910,409	5	0.57%
Minnesota	II	72,461	15	5,266,214	21	1.38%
North Carolina	III	71,271	16	9,380,884	10	0.76%
Colorado	IV	65,008	17	5,024,748	22	1.29%
Maryland	I	58,308	18	5,699,478	19	1.02%
Indiana	II	56,010	19	6,423,113	16	0.87%
Wisconsin	II	51,913	20	5,654,774	20	0.92%
Oregon	IV	50,874	21	3,825,657	27	1.33%
Tennessee	III	40,684	22	6,296,254	17	0.65%
Oklahoma	III	40,268	23	3,687,050	28	1.09%
Kentucky	II	38,257	24	4,314,113	26	0.89%
Utah	IV	36,000	25	2,784,572	34	1.29%
Iowa	II	33,521	26	3,007,856	30	1.11%
Missouri	II	32,806	27	5,987,580	18	0.55%
Louisiana	III	30,483	28	4,492,076	25	0.68%
Kansas	II	30,286	29	2,818,747	33	1.07%
Arizona	IV	28,437	30	6,595,778	14	0.43%
Mississippi	III	23,058	31	2,951,996	31	0.78%
Rhode Island	I	22,543	32	1,053,209	43	2.14%
Nebraska	II	21,479	33	1,796,619	38	1.20%
South Carolina	III	21,089	34	4,561,242	24	0.46%
New Mexico	IV	20,572	35	2,009,671	36	1.02%
Arkansas	III	20,236	36	2,889,450	32	0.70%
New Hampshire	I	19,492	37	1,324,575	40	1.47%
Alabama	III	18,208	38	4,708,708	23	0.39%
West Virginia	I	17,422	39	1,819,777	37	0.96%
South Dakota	II	15,580	40	812,383	46	1.92%
Nevada	IV	13,756	41	2,643,085	35	0.52%
Idaho	IV	11,737	42	1,545,801	39	0.76%
Montana	IV	10,861	43	974,989	44	1.11%
Delaware	I	10,736	44	885,122	45	1.21%
Vermont	I	10,000	45	621,760	49	1.61%
Maine	I	9,000	46	1,318,301	41	0.68%
Alaska	IV	8,266	47	698,473	47	1.18%
North Dakota	II	7,286	48	646,844	48	1.13%
Hawaii	IV	5,446	49	1,295,178	42	0.42%
Wyoming	IV	4,841	50	544,270	50	0.89%

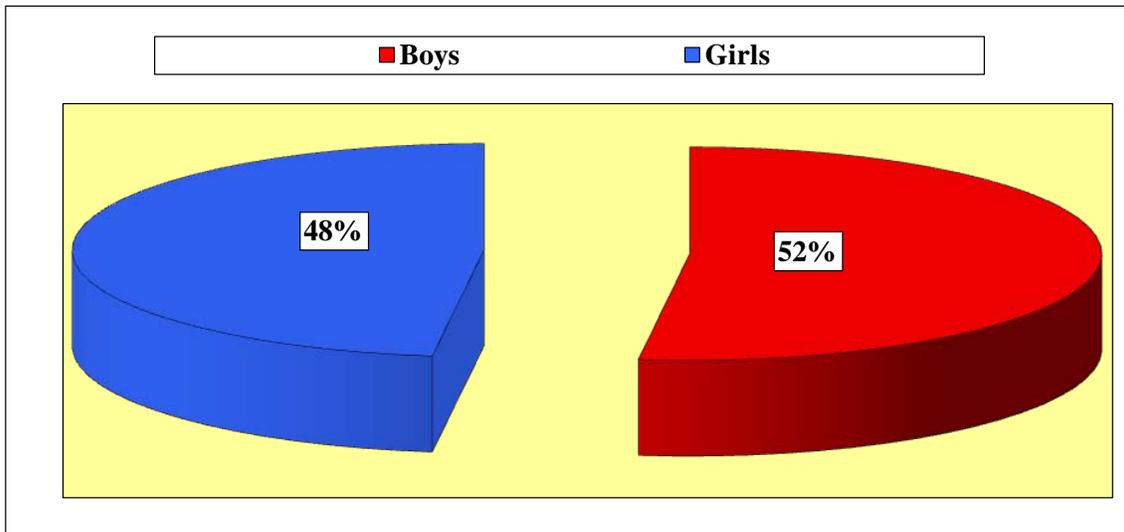
Notes: denotes US Youth Soccer Association Region I States.

Market penetration = number of registered players / State population.

Sources: US Youth Soccer Association; U.S. Census Bureau.

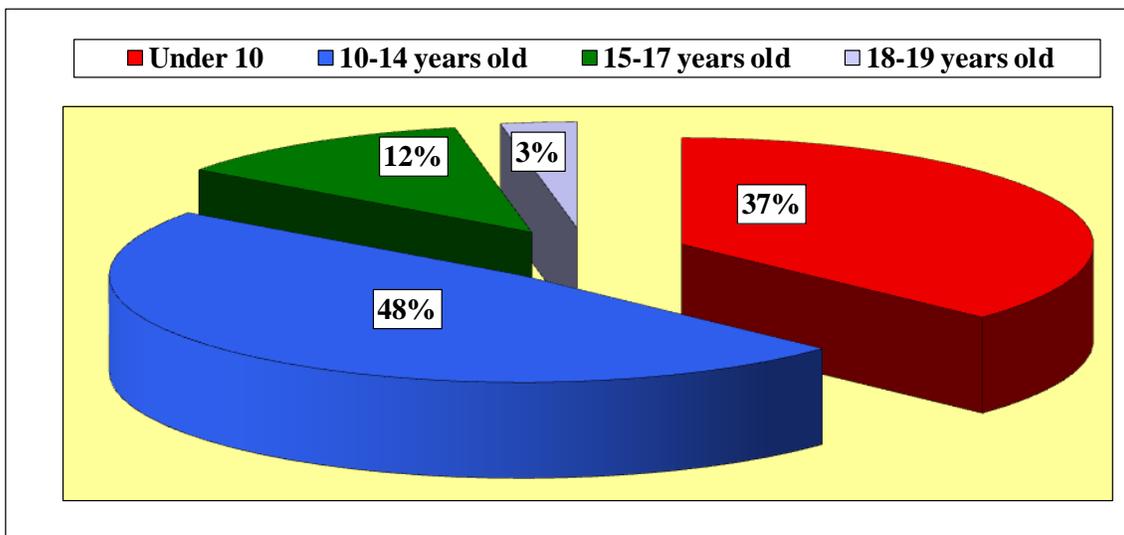
In 2009, approximately 52% of US Youth Soccer Association registrants were boys and 85% of participants were 14 years old or under.

2009 US Youth Soccer Association Registered Players - Gender



Source: US Youth Soccer Association.

2009 US Youth Soccer Association Registered Players – Age Distribution



Source: US Youth Soccer Association.

This section focuses on background and trend information for professional soccer organizations that are most directly related to the potential sports tenants at the proposed new stadiums.

USSF

USSF is the governing body of soccer in all forms in the U.S. Founded in 1913, its mission statement is to make soccer, in all its forms, a preeminent sport in the U.S. and to continue the development of soccer at all recreational and competitive levels.

The USSF oversees and sanctions professional, youth, and adult soccer in the U.S. as well as its members and affiliates. On the professional side, USSF sanctions MLS, the USSF D-2 Pro League, the Women's Professional Soccer (WPS) league and the United Soccer Leagues (USL). On the youth side, USSF has affiliations with USYS, American Youth Soccer Organization (AYSO), Soccer Association for Youth (SAY), and US Club Soccer. The USSF also works with the US Adult Soccer Association (USASA). It has multiple member and affiliate organizations including the Armed Forces Sports Committee and the U.S. Indoor Soccer Association.

The USSF is responsible for the development of the national teams in the U.S. including the Men's National Team that competed in the 2010 World Cup, the Women's National Team, Youth National Teams, and the Development Academy. The USSF stages four types of events in the U.S.: Men's and Women's National Team events; World Cup Qualifiers; friendlies vs. international opponents; and high interest games.

The venue and host city for U.S. Men's and Women's National Team events are based on a variety of factors including the opponent, the timing of the event (i.e., games held in Olympic or World Cup windows typically draw higher crowds), Men's National Team vs. Women's National Team, television broadcast windows, and demographics of the host city. Ultimately, it is the responsibility of USSF to create an environment where the U.S. teams can be successful on the field.

The U.S. Men's National Team had a solid showing in the 2010 World Cup advancing out of the first round but losing to Ghana in the Round of 16. Despite the U.S. team's elimination, TV viewership of the 2010 World Cup was very strong. The World Cup final, which was televised by ABC and Univision, was the most watched soccer match in U.S. television history. A total of 24.3 million viewers (15.5 million on ABC and 8.8 million on Univision) tuned in to watch Spain defeat Holland to capture their first ever World Cup. In fact, the Netherlands vs. Spain match garnered more viewers than the deciding games of both the 2009 World Series between the New York Yankees and the Philadelphia Phillies (22.3 million) and the 2010 Stanley Cup Finals (8.28 million). The numbers were also comparable to the 28.2 million for Game 7 of the 2010 NBA Finals between the Los Angeles Lakers and the Boston Celtics.

Two of the top three most watched soccer matches in U.S. television history (combined English and Spanish language broadcasts) occurred during this year's World Cup indicating the elevated interest in professional soccer in the U.S. over the past 15 years.

- Netherlands vs. Spain, 2010 World Cup Final = 24.3 million viewers
- USA vs. Ghana, 2010 World Cup Round of 16 = 19.4 million viewers
- Brazil vs. Italy, 1994 World Cup Final = 18.1 million viewers

From a local perspective, the Baltimore Designated Market Area (DMA), commonly referred to as the media market, drew an average household rating of 2.61 or 28,000 households for the 64 World Cup matches in 2010 (including the World Cup Final) and a household rating of 8.56 or 94,000 households for the World Cup Final. It is important to recognize that these ratings exclude Univision and TeleFutura ratings which are not available for Baltimore. According to Nielsen Media Research, Baltimore had a household rating of 6.4 for the USA vs. Algeria match, which was the second largest television audience in the country for that match.

MLS Overview

MLS was founded in 1993 as part of the U.S. bid to host the 1994 Federation Internationale de Football Association (FIFA) World Cup. FIFA is the world's governing body for soccer. It was agreed that if the U.S. was awarded the World Cup that a professional soccer league would be created in the U.S. The first MLS season began in 1996 with 10 teams.

The 2010 World Cup presented a strong opportunity for the U.S. Men's National Team to strengthen soccer in the U.S. at all levels. Four players who currently play on MLS teams played on the 2010 U.S. World Cup team. In addition, there were 13 former MLS players on the roster with six of the 23 players having made their debut in MLS before turning 20 years old. For the first time in its history, MLS took a two week break during the opening round of the World Cup which is consistent with most leagues internationally. In addition, many of the MLS teams were actively involved with 2010 World Cup in their marketplaces including player/team executives conducting speaking engagements with the press, viewing parties in stadiums, and blogs from players/team executives from South Africa.

General Demographics of MLS

A growing number of people living in the U.S. were born and raised in countries with deep roots in the soccer culture and represent a target market for the sport.

As a point of reference, the table to the right summarizes general characteristics of MLS TV viewers over the age of 18 years old as well as attendees. The majority of fans (including both TV viewers and attendees) are male and 70% are between the ages of 18 and 49 years old. Approximately 36% of TV viewers and 32% of attendees are Hispanic. Nearly one-half (49%) of attendees have a household income of at least \$75,000. Nearly 60% of MLS fans have some level of college education.

General Demographics of MLS		
Category	TV Viewers	
	18+	Attendees
Gender		
Male	70%	63%
Female	30%	37%
Age		
18-34 Years Old	40%	41%
35-49 Years Old	30%	32%
50+ Years Old	30%	27%
Race		
Hispanic	36%	32%
Non-Hispanic	64%	68%
Children		
2+ Children	26%	35%
1 Child	21%	18%
No Children	53%	46%
Income		
Less than \$30K	28%	15%
\$30K-\$40K	11%	12%
\$40K-\$75K	27%	26%
\$75K +	34%	49%
Education		
College	59%	58%
No College	41%	42%

Source: MLS.

Business Operations

In 2006, MLS Commissioner Don Garber announced that he expected the League's clubs to be profitable by 2010 overall. At that time, the *Washington Times* reported that FC Dallas and the Los Angeles Galaxy were expected to show a profit. MLS officials are focused on creating stability for the League, elevating the level of play, increasing revenues at all levels, expanding the League strategically, playing in soccer specific stadiums, and strengthening the League at the club level.

Strength of Ownership

Strength of ownership and a long term commitment are imperative when considering a potential expansion club. MLS is structured as a single, limited liability company (single entity) where clubs are centrally controlled by the League. In this structure, team operators own a financial stake in MLS, not just in their individual club. In order to keep costs under control, revenues are shared throughout the League, player contracts are negotiated by the League and ultimately players are contracted with the League itself, not individual clubs. Historically, multiple MLS clubs were owned by a single owner. As the League has grown and profitability of clubs has increased, the goal is for each club to have a distinct owner. Therefore, strength of ownership is vital to the success of the league. Team owners tend to be proven, successful business leaders and most have experience owning other professional sports teams including National Football League (NFL) and Major League Baseball (MLB) teams. MLS officials noted that a recent trend that has emerged is that new owners of expansion teams are part of the “soccer generation” or the “original soccer boom”. They played soccer as youths and are now successful business leaders with a focus on promoting the game of soccer.

There has been a positive trend in recent years in increasing the asset value of MLS clubs. It is reported that club ownership in Philadelphia and Seattle each paid \$30 million to join MLS, the ownership groups in Vancouver and Portland each paid \$35 million, and Montreal’s ownership group paid \$40 million.

Collective Bargaining Agreement

In 2010, MLS officials and players finalized the collective bargaining agreement (CBA) that is effective from 2010 through 2014. League officials cited three objectives for the CBA: 1) increase attendance; 2) increase television ratings; and 3) improve the League financially. League officials indicated that these three goals were met with the final agreement and called the agreement “harmonious”. The CBA also allows for guaranteed contracts for the majority of MLS players, annual increases in the clubs’ salary budgets, and expanded health care, insurance, and retirement benefits for players.

Designated Player Rule

MLS recently announced a change to the Designated Player rule which was first introduced in 2007. The Designated Player rule is popularly called the “Beckham Rule”. The rule allows each MLS club to sign two players that would be considered outside of the clubs' salary cap. The Designated Player rule creates a way to recruit recognizable, international star players to come to

the league or international/U.S. players to continue playing for the League and creates more fan interest due to the popularity of these players. Teams are now allowed to sign a third and pay a \$250,000 fee to the League that would be equally distributed across all MLS teams. This is similar to a “luxury tax” in other professional leagues. Examples of Designated Players include Landon Donovan (U.S.-LA Galaxy), David Beckham (England-LA Galaxy), Rafael Marquez (Mexico-New York Red Bulls), Thierry Henry (France-New York Red Bulls) and Juan Pablo Angel (Columbia-New York Red Bulls).

Soccer United Marketing

Founded in 2002, Soccer United Marketing (SUM) holds the commercial rights to MLS, the USSF, promotional and marketing rights to Mexican National Team games played in the U.S., the marketing and promotion of the CONCACAF Gold Cup, and marketing, promotional and broadcast rights to InterLiga. SUM also manages the promotional and marketing rights in the U.S. for Mexico’s Club Deportivo Guadalajara (Chivas). SUM created SuperLiga, the professional tournament between Mexico’s First Division clubs and MLS. In 2009, SUM created SUM Digital Network, a soccer advertising network for online advertising and sponsorship campaigns.

Although MLS and SUM are separately organized business entities, the owners of MLS are also the owners of SUM. MLS has a continued strategy of being involved in all matters related to national or international soccer in the U.S. SUM’s initiatives seek to strengthen soccer in the U.S. SuperLiga and SUM’s involvement with the Mexican National Team are a mechanism to capture and encourage Mexican soccer fans living in the U.S. to become fans of MLS soccer. Don Garber, Commissioner of MLS, also serves as the CEO of SUM.

Broadcast Partners

MLS’s current broadcast partners include ABC, ESPN, ESPN2, Fox Soccer Channel, Fox Sports en Espanol and Univision/Telefutera. Canadian broadcast partners are CBC and GolTV Canada. In 2006, MLS announced an agreement with ABC/ESPN that continues through 2014. This agreement marked the first time that the League received rights fees which reduced its risk and involvement in programming games to be televised. ABC/ESPN is responsible for producing, programming, and promoting the MLS property on television and digital media platform including ESPN.com and Mobile ESPN. League officials have indicated that these broadcast companies are strong promotional partners in promoting the game of soccer within the U.S. through their broadcast and digital media platforms.

Based on information from *Sports Business Journal*, the decision to move away from a strictly Thursday night primetime lineup of games paid dividends for MLS and ESPN2 in 2009. The League’s telecasts were dispersed throughout Wednesday, Thursday, Friday, Saturday and Sunday windows in 2009, averaging 290,000 viewers, which was an increase of 15% from 2008’s 253,000 mark. While the 2009 telecasts on ESPN2 were primarily primetime telecasts, they also included three Saturday afternoon telecasts. However, ESPN2 averaged 249,000 viewers for its 25 MLS game telecasts in 2010, which is down 12.3% from viewership in 2009.

As shown in the table below, MLS regular season viewership on ESPN2 has fluctuated over the last five years.

MLS Regular Season Viewership - ESPN 2			
Season	Telecasts	Viewers	% Change
2006	21	263,000	
2007	25	289,000	10%
2008	25	253,000	-12%
2009	24	284,000	12%
2010	25	249,000	-12%
Average	24	267,600	-5%

Source: *Sports Business Journal*.

Teams have the rights to broadcast games that are not covered by the national MLS agreements. An advantage to the single-entity structure of the MLS is that individual teams retain the majority of revenues generated from local ticket sales, local television/broadcast rights, sponsorship rights, stadium revenues, and team overseas tours.

Corporate Partners

Sponsorship partners are an important factor in the financial viability of the League. The following lists current corporate partners of MLS as well as the year they became a sponsorship partner:

MLS Corporate Partners

- Adidas (1996)
- American Airlines (2008)
- AT&T (2009)
- Aquafina (1996)
- Budweiser (1996)
- Castrol (2009)
- Chase (2006)
- Continental Tire (2010)
- Degree (2009)
- Dick's Sporting Goods (2007)
- Gatorade (2003)
- Glidden (2008)
- Jose Cuervo (2007)
- Makita (2004)
- NAPA (2007)
- Panasonic (2003)
- Pepsi Max (1996 – originally as PepsiCo)
- Red Bull (2006)
- The Home Depot (2007)
- U.S. Soccer Foundation (2000)
- Visa (2007)
- Volkswagen (2008)
- Xbox 360 (2009)

In 2007, MLS teams began selling advertising space on their jersey fronts, a practice that is common internationally in soccer. It is reported that MLS has a minimum of \$500,000 for a jersey front sponsorship with the League receiving a flat fee of \$200,000 per deal. The following table summarizes jersey sponsorships for MLS teams based on available information. As a point of reference, Toronto FC signed a multi-year renewal of its jersey partnership for approximately three times its initial jersey deal of \$1 million to \$1.5 million. Both teams that will begin play in 2011 have secured jersey sponsorship deals: the Vancouver Whitecaps FC with Bell Canada and the Portland Timbers with Alaska Airlines.

Summary of MLS Team Jersey Sponsorship Deals		
Team	Sponsor	Estimated Annual Value
Chicago Fire	Best Buy	\$2.6 million
Chivas USA	Extra	\$2 million-plus
Colorado Rapids	none	
Columbus Crew	Glidden Paint	\$1 million
D.C. United	Volkswagen	\$3.5 to \$4.0 million
FC Dallas	none	
Houston Dynamo	Greenstar Recycling	\$2.5 million
Kansas City Wizards	none	
LA Galaxy	Herbalife	\$4 to \$5 million
New England Revolution	none	
New York Red Bulls	Red Bull	part of \$100 million deal for team and stadium
Philadelphia Union	none	
Real Salt Lake	XanGo	\$1 million
San Jose Earthquakes	Amway Global	\$2 to \$3 million
Seattle Sounders FC	XBox 360 Live (Microsoft)	\$4 million
Toronto FC	Bank of Montreal (BMO)	\$4 million-plus

Sources: Sports Business Journal; other secondary research.

Development of Youth Programs

Youth academies are viewed by MLS as vital to the development of U.S. grown talent. In 2009, MLS announced that each of their teams must create their own youth development academies. This requirement includes fully subsidized under-16 and under-18 developmental academy teams creating a system that feeds young players potentially into MLS. In 2010, MLS announced that roster sizes were being increased from 24 to 26 with the additional slots for ‘home grown’ players that have been identified and developed by the team with a minimum of 12 months of affiliation with the team’s youth program. D.C. United, Chicago, and New York started their programs soon after the League’s inception and have well-established youth academies. D.C. United’s development academy has produced three players in MLS including Andy Najar who advanced from its under-18 development academy.

Current and Planned Teams

In 2010, MLS had 16 teams in two conferences. The following table summarizes general market characteristics of MLS teams that played in 2010. If Baltimore hosted an MLS team it would rank as the 12th largest MSA market. Baltimore's Metropolitan Statistical Area (MSA) population and DMA population are approximately one-half of those for the Washington, D.C. MSA. Baltimore's income characteristics would rank in the middle of the MLS markets and are significantly less than for Washington, D.C.

Select Market Characteristics - 2010 MLS Teams								
Team	Conference	Location	MSA		DMA		Per Capita	
			Population	Rank	Population	Rank	Personal Income	Rank
New York Red Bull	Eastern	Harrison, NJ	19,070,000	1	7,494,000	1	\$54,200	4
LA Galaxy	Western	Los Angeles, CA	12,875,000	2	7,494,000	1	\$42,900	11
Chivas USA	Western	Los Angeles, CA	12,875,000	2	5,659,000	3	\$42,900	11
Chicago Fire	Eastern	Chicago, IL	9,581,000	4	3,501,000	4	\$45,300	10
FC Dallas	Western	Dallas, TX	6,448,000	5	2,544,000	6	\$42,400	13
Philadelphia Union	Eastern	Philadelphia, PA	5,968,000	6	2,995,000	5	\$47,000	9
Houston Dynamo	Western	Houston, TX	5,867,000	7	2,123,000	10	\$48,300	6
Toronto FC	Eastern	Toronto, Ontario	5,624,000	8	n/a		n/a	
<i>D.C. United</i>	<i>Eastern</i>	<i>Washington, D.C.</i>	<i>5,389,000</i>	<i>9</i>	<i>2,335,000</i>	<i>9</i>	<i>\$56,500</i>	<i>2</i>
New England Revolution	Eastern	Boston	4,589,000	10	2,410,000	8	\$55,000	3
Seattle Sounders FC	Western	Seattle	3,408,000	11	1,834,000	11	\$50,500	5
Baltimore		Baltimore	2,684,000	12	1,093,000	13	\$47,300	8
Colorado Rapids	Western	Denver, CO	2,552,000	13	1,539,000	12	\$47,500	7
Kansas City Wizards	Eastern	Kansas City, MO	2,068,000	14	941,000	15	\$40,400	14
San Jose Earthquakes	Western	San Jose, CA	1,840,000	15	2,503,000	7	\$58,800	1
Columbus Crew	Eastern	Columbus, OH	1,802,000	16	904,000	16	\$38,100	15
Real Salt Lake	Western	Salt Lake City, UT	1,130,000	17	944,000	14	\$36,300	16
Average (Excluding Baltimore)			6,318,000		3,015,000		\$47,100	

Notes: Sorted in descending order by MSA market population.

MSA denotes Metropolitan Statistical Area and DMA denotes Designated Market Area which is commonly referred to as the media market.

Kansas City Wizards are based in Missouri even though their new stadium will be located in Kansas.

Sources: U.S. Census Bureau; Statistics Canada; Nielsen Media Research, Inc.

Relative to market factors, MLS officials indicated that they look for markets that have a strong commitment to soccer through demonstrated fan and corporate support. They consider population, transportation, historical support of past soccer events, and television ratings for soccer events. League representatives noted that Baltimore has successfully hosted major league professional sports teams, is located on a transportation corridor, has demonstrated strong support for past soccer events, and was a finalist as a potential World Cup city in the recent U.S. World Cup bid further demonstrating its position as a soccer market.

MLS has embarked on a strategic growth plan and is on track to field 19 teams by 2012. From a scheduling perspective, the League's goal is to eventually field 20 teams by 2013. The Portland Timbers and the Vancouver Whitecaps will begin play in 2011 and the Montreal Impact will begin play in 2012. The League has publicly stated its interest in potentially having a second team based on the New York City marketplace. League officials also see an opportunity for expansion in the Southeast region of the U.S. As mentioned previously, the League is taking a strategic and focused approach to expansion with strong consideration given to the strength of ownership, individual market attributes, and a soccer specific stadium in which to play.

Soccer Specific Stadiums

The League is focused on creating an environment where each team can be successful financially and a key factor is the ability to play in a soccer specific stadium. Currently, three teams are not playing in soccer specific stadiums and do not have definitive plans for new facilities: D.C. United, New England Revolution and Seattle Sounders. Both New England and Seattle are in unique situations as their owners also own the market's NFL team and both the NFL and MLS teams play in the same stadium. However, it has been reported that New England is actively seeking a new soccer specific stadium in the Boston Metro area. Qwest Field, where Seattle plays, was originally designed with soccer features as it was anticipated to host a soccer team as well as an NFL team.

Similar to other professional sports, MLS wants its teams to have a home venue where they can control the important aspects of scheduling, quality of the field, the sidelines, and the atmosphere which is the heart of a fan's experience. As such, soccer specific stadiums are preferable because they provide a strong opportunity for the team to maximize the ancillary revenue streams that lead to better economic viability. In addition, these types of facilities provide a better setting for teams and the League to recruit international players with expectations of a world class venue.

Newer soccer specific stadiums are approved for financing or under construction for teams in Kansas City, Houston, and San Jose, all of which are anticipated to open in 2012. Stadiums in Portland and Vancouver are undergoing multi-million dollar renovations to create a soccer specific environment. In addition, Montreal's current soccer specific stadium will be undergoing multi-million renovations to bring the entire facility to MLS standards.

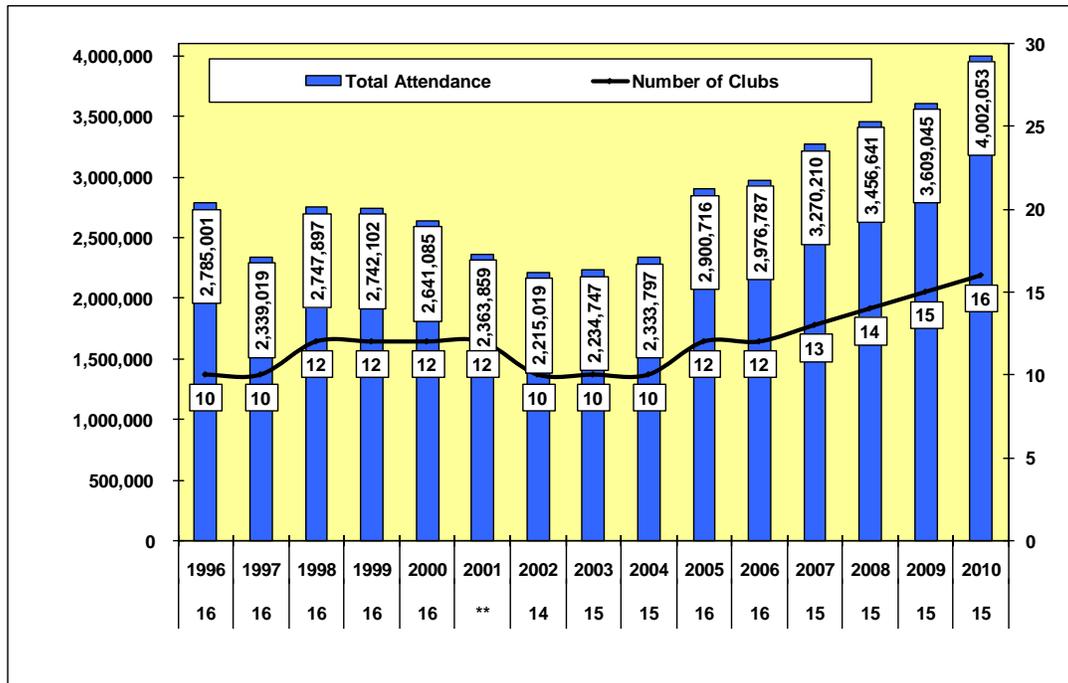
MLS looks for a soccer specific stadium to offer between 20,000 and 30,000 seats. Current trends have been towards locating stadiums in urban settings. Urban locations present a marketing opportunity for teams to attract the young urban professional that lives and works downtown. This is a new marketing niche for many teams which is complementary to the demographic of the core soccer fan and the family-oriented fan. Both the new Red Bull Arena in Harrison, New Jersey and PPL Park in Chester, Pennsylvania are located in urban settings. In addition, the new stadiums in Kansas City, Houston and San Jose as well as the stadiums where the Portland and Vancouver expansion teams will play are all located in urban locations.

Historical Attendance

More than 42 million fans have attended MLS regular season matches since its inception in 1996. During this period, annual total attendance for MLS has ranged from 2.2 million in 2002 and 2003 to over 4.0 million in 2010. MLS officials cited the addition of new stadiums, a strong player pool of designated players and homegrown U.S. players, increased interest in soccer in a World Cup year, and an overall increased interest in the Men's National Team as factors positively influencing attendance in 2010. In addition, Kansas City and San Jose, two teams that have historically had attendance challenges, will be moving into new stadiums and historical data indicates that being in a soccer specific stadium positively impacts attendance.

Total attendance is dependent on a variety of factors including the number of teams in the league, the number of matches played each season, and notable players. Although the same number of MLS teams played in 2000 and 2001, each team played two to four fewer home games in 2001 due to the aftermath of September 11th which negatively impacted overall attendance figures.

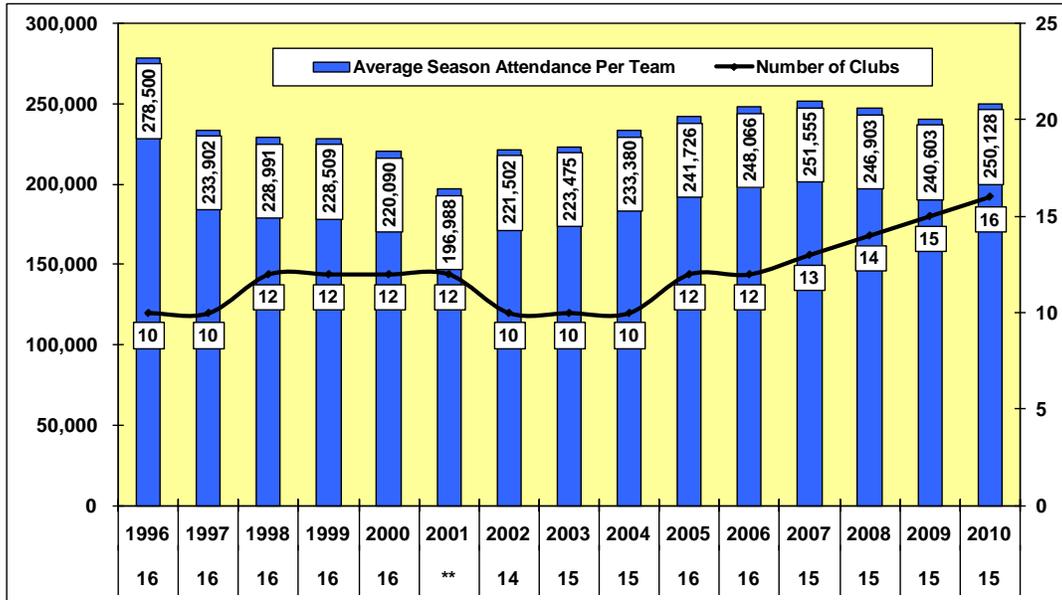
MLS Regular Season Attendance (1996 – 2010)



Notes: The number below the year indicates the number of home matches played by MLS clubs.
 * * In 2001, MLS teams played between 12 and 14 home matches due to the September 11th aftermath.
 Source: MLS.

As shown in the graph that follows, average season attendance per MLS club was the highest in its inaugural year, dropped to its lowest point in 2001 for the reason previously noted and steadily increased each of the next six seasons. In both 2008 and 2009, there was a slight decline in average regular season attendance per club which League officials indicated was partially attributable to the economy. However, average attendance per club increased by nearly 4% between 2009 and 2010.

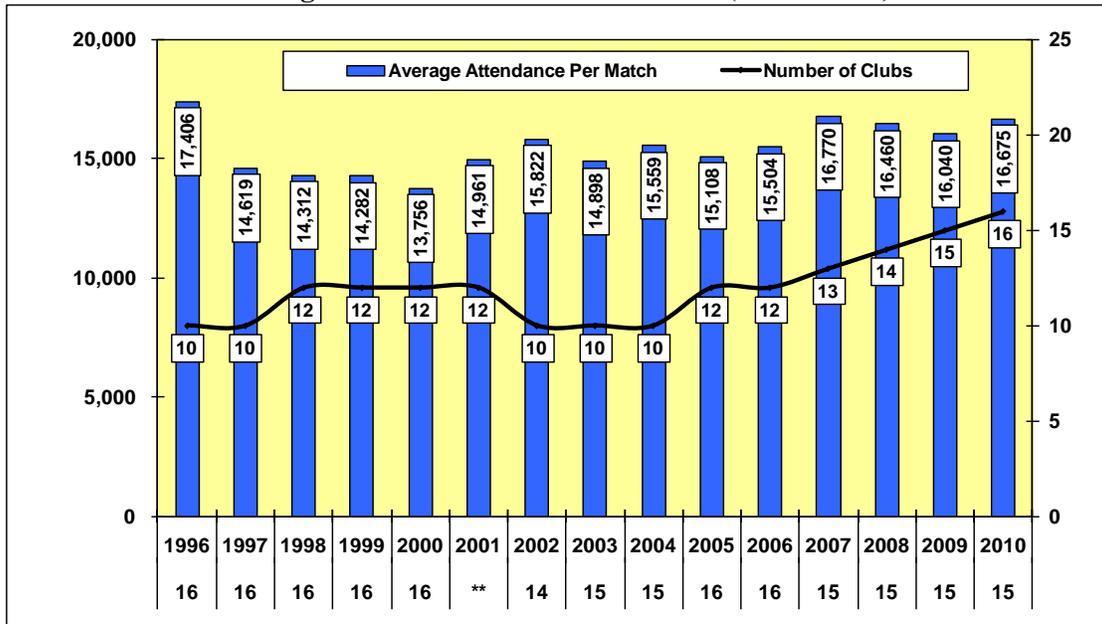
MLS Regular Season Attendance Per Club (1996 – 2010)



Notes: The number below the year indicates the number of home matches played by MLS clubs.
 ** In 2001, MLS teams played between 12 and 14 home matches due to the September 11th aftermath.
 Source: MLS.

In 2010, MLS teams averaged 16,675 fans per match which was an increase from the previous two seasons and consistent with 2007 attendance figures.

Average Attendance Per Match in MLS (1996 – 2010)



Notes: The number below the year indicates the number of home matches played by MLS clubs.
 ** In 2001, MLS teams played between 12 and 14 home matches due to the September 11th aftermath.
 Source: MLS.

As a point of reference, the table below compares the average attendance per team for four professional sports leagues in the U.S. During the most recent season, the average attendance per MLS team was relatively similar to that for the NHL and the NBA.

Comparison of Average Attendance Per Team Among Select Professional Sports Leagues

Professional Sports League	Average Attendance Per Team					Five-Year
	2005/2006	2006/2007	2007/2008	2008/2009	2009/2010	
MLS	15,500	16,800	16,500	16,000	16,700	16,300
NHL	17,000	17,000	17,300	17,500	16,700	17,100
NBA	17,600	17,800	17,400	17,500	17,100	17,500
MLB	31,400	32,800	32,500	30,300	30,100	31,400

Note: Sorted in ascending order by 2008/2009 attendance.

Sources: MLS; ESPN.

These statistics suggest that MLS has established itself as a viable professional sports league in the U.S. Although any organization is susceptible to economic failure, MLS' structure, business model and strategic planning appear sound.

USSF D-2 Pro League

The USSF D-2 Pro League is the second tier of professional soccer in the U.S. behind MLS. In late 2009, nine former USL First Division teams broke away to form a new league called the NASL. However, the USSF did not approve sanctioning for the NASL or USL First Division in 2010. As an interim solution, the USSF formed an agreement between the NASL and USL First Division under which the USSF would operate the league in the 2010 season and work alongside the USL and NASL on day-to-day activities. As currently structured, the USSF D-2 Pro League consists of two conferences, each with six teams. Each of the 12 clubs plays 30 regular season matches between mid-April and early October.

Current Teams

The following table profiles select market characteristics of teams that played in the USSF D-2 Pro League in 2010. Baltimore ranks 7th of 12 markets in MSA population and 7th in DMA population. Its income characteristics rank second among current USSF D-2 Pro League markets.

Select Market Characteristics - USSF D-2 Pro League - 2010								
Team	Conference	Location	MSA Population		DMA Population		Per Capita Personal Income	
			Number	Rank	Number	Rank	Number	Rank
Miami FC	NASL	Miami, Florida	5,547,000	1	1,538,000	3	\$43,700	3
Montreal Impact	NASL	Montreal, Quebec	3,815,000	2	n/a		n/a	
NSC Minnesota Stars	USL	Blaine, Minnesota	3,270,000	3	1,732,000	2	\$47,900	1
AC St. Louis	NASL	St. Louis, Missouri	2,829,000	4	1,249,000	4	\$41,300	4
FC Tampa Bay Rowdies	USL	Tampa, Florida	2,747,000	5	1,806,000	1	\$36,900	9
Puerto Rico Islanders	USL	Bayamon, Puerto Rico	2,732,000	6	n/a		n/a	
Crystal Palace Baltimore	NASL	Baltimore, Maryland	2,691,000	7	1,093,000	7	\$47,300	2
Vancouver Whitecaps FC	NASL	Vancouver, British Columbia	2,328,000	8	n/a		n/a	
Portland Timbers	USL	Portland, Oregon	2,242,000	9	1,189,000	5	\$39,400	5
Austin Aztex	USL	Austin, Texas	1,705,000	10	679,000	8	\$37,800	8
Carolina RailHawks	NASL	Cary, North Carolina	1,126,000	11	1,108,000	6	\$39,200	6
Rochester Rhinos	USL	Rochester, New York	1,036,000	12	392,000	9	\$38,200	7
Average (Excluding Baltimore)			2,671,000		1,212,000		\$40,600	

Notes: Sorted in descending order by MSA population

Population numbers are rounded to the nearest thousand.

DMA population was not available for Canadian markets or Puerto Rico.

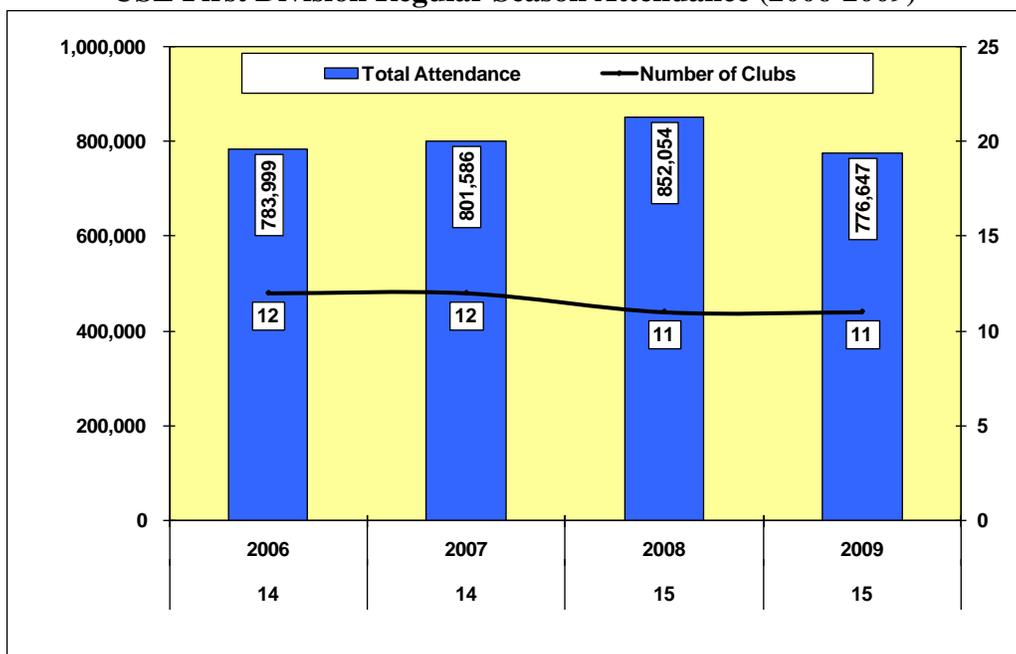
Sources: U.S. Census Bureau; Nielsen Media Research, Inc.

As mentioned previously, the Portland Timbers and the Vancouver Whitecaps will move to MLS in 2011 and the Montreal Impact will begin play in 2012.

Historical Attendance

Because the USSF D-2 Pro League is new, no historical attendance is available. However, this section profiles the historical attendance for the USL First Division which provides a good frame of reference since nine of the 12 teams currently playing in the USSF D-2 Pro League transferred from the USL First Division. Between 2006 and 2009, USL First Division averaged approximately 804,000 in total attendance.

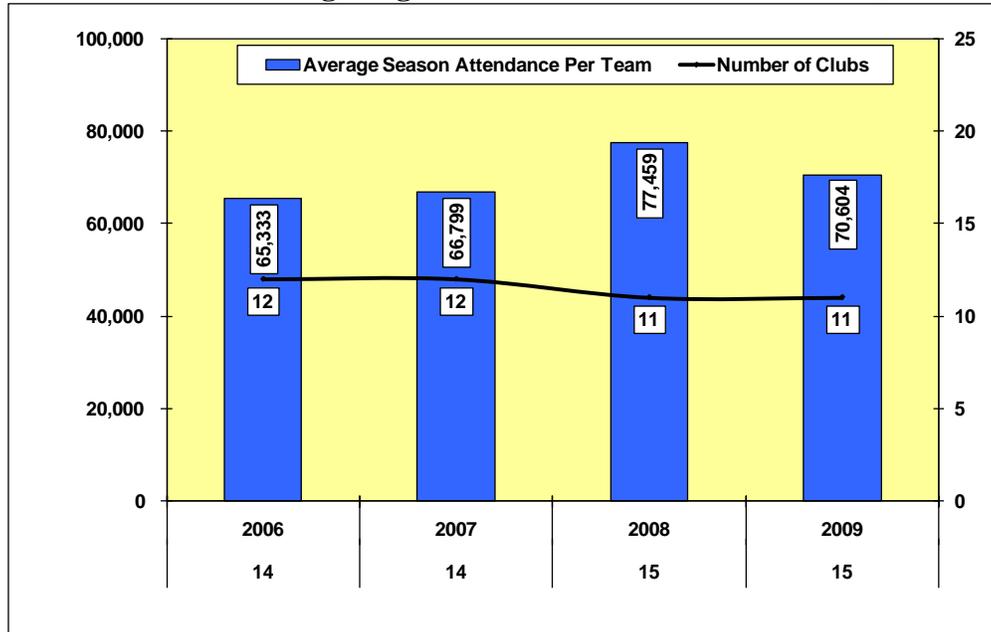
USL First Division Regular Season Attendance (2006-2009)



Note: The number below the year indicates the number of home matches played by USL First Division clubs.
Sources: NASL; secondary research.

Average regular season attendance per club in the USL First Division increased by 16% between 2007 and 2008 before decreasing by 9% in 2009.

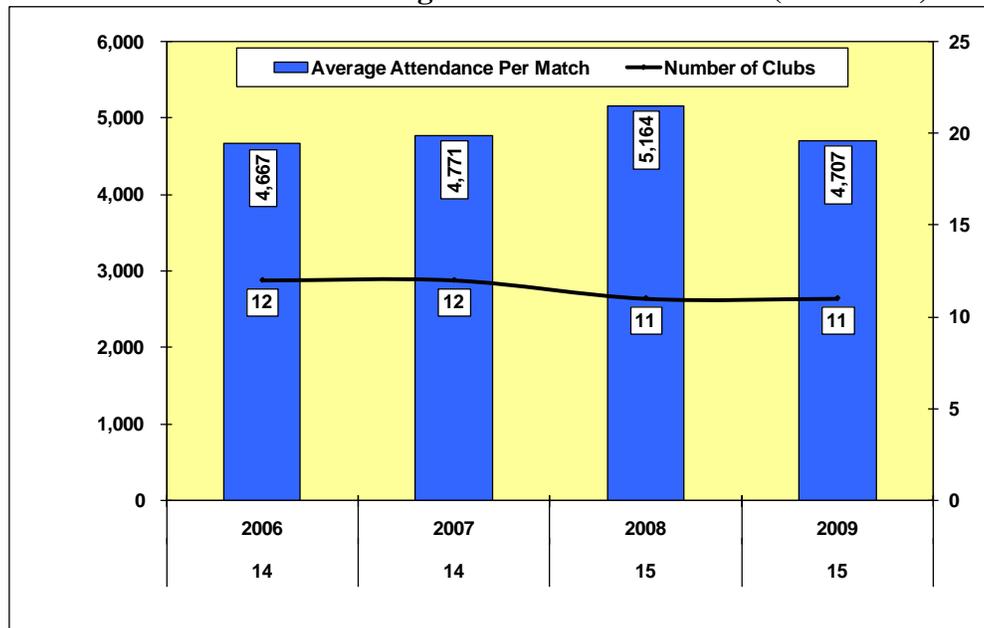
USL First Division Average Regular Season Attendance Per Club (2006-2009)



Note: The number below the year indicates the number of home matches played by USL First Division clubs.
Sources: NASL; secondary research.

Average attendance per match was approximately 4,700 people three of the last four years. USL First Division clubs averaged the highest number of fans per match (nearly 5,200) in 2008.

USL First Division Average Attendance Per Match (2006-2009)



Note: The number below the year indicates the number of home matches played by USL First Division clubs.
Sources: NASL; secondary research.

The table below shows the total and average regular season attendance for USSF D-2 in 2010. As shown, Crystal Palace Baltimore ranked last in both categories, drawing 16,725 in total attendance that averaged 1,115 fans per match.

USSF D-2 Pro League Regular Season Attendance - 2010			
Team	Matches	Attendance	
		Total	Average
Montreal Impact	15	189,120	12,608
Portland Timbers	15	160,905	10,727
Rochester Rhinos	15	96,990	6,466
Vancouver Whitecaps	15	77,100	5,140
Tampa Bay Rowdies	15	57,990	3,866
Austin Aztex	15	55,965	3,731
AC St. Louis	15	39,645	2,643
Puerto Rico Islanders	15	35,100	2,340
Carolina RailHawks	15	33,615	2,241
NCS Minnesota Stars	15	20,595	1,373
Miami FC	15	18,810	1,254
Crystal Palace Baltimore	15	16,725	1,115
Total	180	802,560	
Average	15	66,880	4,459

Source: Sports Business Daily.

The long-term stability of the USL First Division and USSF D-2 Pro League has not been proven which presents a significant risk relative to the proposed new stadium in downtown Baltimore. At this juncture, it is uncertain whether formation of the USSF D-2 Pro League was just a one year solution and whether USSF will sanction the NASL, or some similar league, going forward.

Market & Economic Study for Two Proposed New Soccer Stadiums in Downtown Baltimore, Maryland

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Market Analysis

Approximately 90% of Maryland's 5.6 million residents live in the densely populated corridor between Baltimore and Washington D.C. Greater Baltimore is a region comprised of Baltimore City and six surrounding counties (Anne Arundel, Baltimore, Carroll, Harford, Howard and Queen Anne's) that encompasses more than 3,100 square miles of land. Nearly 2.7 million people reside in the region, making the area the 20th largest metro area in the U.S. The region is a key economic center for the State and home to several Fortune 1000 companies, as well as numerous prominent small and medium-sized businesses. Residents enjoy a relatively high per capita income and employers find a highly-educated workforce. From 2000 to 2008, Greater Baltimore's per capita income grew by 42.2% which was the highest growth amongst the 25 largest US metro areas. According to the Bureau of Labor Statistics, Greater Baltimore had the fifth lowest unemployment rate among the top 25 largest metro areas in the U.S. as of November 2009. Greater Baltimore still provides a relatively low cost of living, compared to other major metro areas and is well-connected to urban regions along the Northeast Corridor.

Overview of General Market Characteristics

It is important to understand the market in which the proposed new soccer stadiums would operate. As such, this section of the report profiles select market characteristics including demographic/ economic data, area employment base, accessibility, hotel supply, area attractions and tourism statistics.

Demographic/Economic Data

Demographic and economic indicators are pertinent to estimating demand for spectator-oriented activities for several reasons. As previously mentioned, D.C. United or Crystal Palace Baltimore is anticipated to be the primary sports tenant at each respective stadium concept under consideration. Potential event activity at the proposed new stadiums includes various other levels of professional, amateur and youth soccer events/tournaments as well as other sports and entertainment events such as lacrosse, rugby, football, concerts and festivals. Depending on the scope and type of event, stadiums typically draw both area residents and out-of-town attendees.

MLS and D.C. United have conducted significant market research on the demographic composition of their fan base. As such, it is helpful to understand how the market area relates to these specific characteristics. The specific research referenced in this section relates to people who are 18 years and older and a fan is defined as anyone who has attended, watched or listened to a match in the last 12 months. In addition, event promoters/producers for other sports and entertainment events consider a variety of factors such as population, ethnicity, age distribution and income characteristics when selecting markets to host their events. Market dynamics will also impact the amount and type of ancillary development that may occur near the proposed new soccer stadiums.

Population

Population serves as a base from which events at the proposed new soccer stadiums will draw attendance and other forms of support. While many local, civic based events tend to attract attendees from a relatively close proximity, larger sports and entertainment events typically draw attendance from a broader market area. In addition, certain events that may be regional, national and international in scope can draw participants and spectators from an even larger market area.

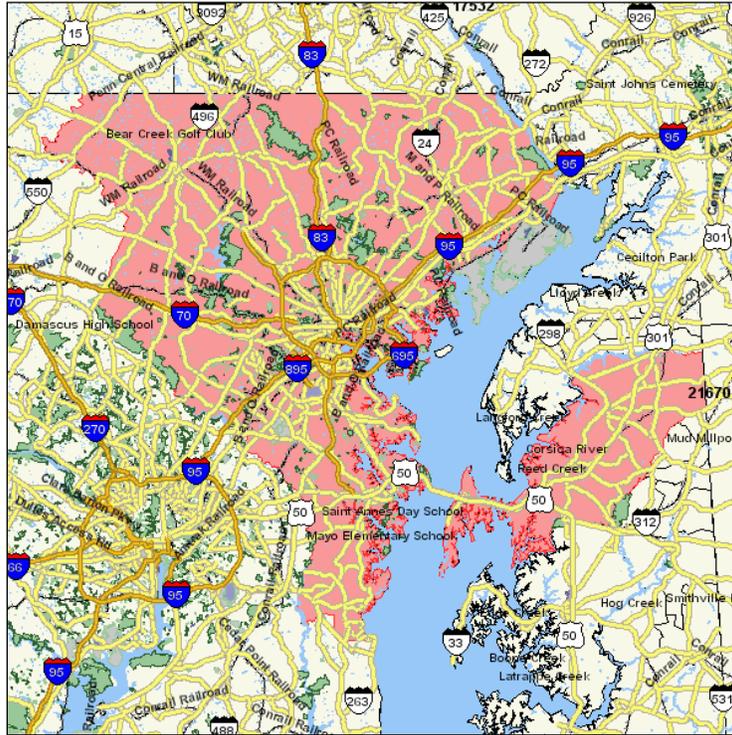
The Office of Management and Budget (OMB) defines a Core Based Statistical Area (CBSA) as a geographic region that is defined by a significant population center plus its surrounding communities that exhibits a high degree of social and economic assimilation with that center. Metropolitan CBSAs have an urban core of at least 50,000.

The primary market is defined as the Baltimore-Towson CBSA (Baltimore Metro Area) which consists of Baltimore City and the six surrounding counties. The secondary market is defined as the Washington-Arlington-Alexandria, DC-VA-MD-WV CBSA (Washington Metro area) and includes the District of Columbia; Calvert, Charles, Frederick, Montgomery, and Prince George's counties in Maryland; Jefferson County, West Virginia; as well as Arlington, Clarke, Fairfax, Fauquier, Loudoun, Prince William, Spotsylvania, Stafford and Warren counties and Alexandria City, Fairfax City, Falls Church City, Fredericksburg City, Manassas City, Manassas Park City in Virginia.

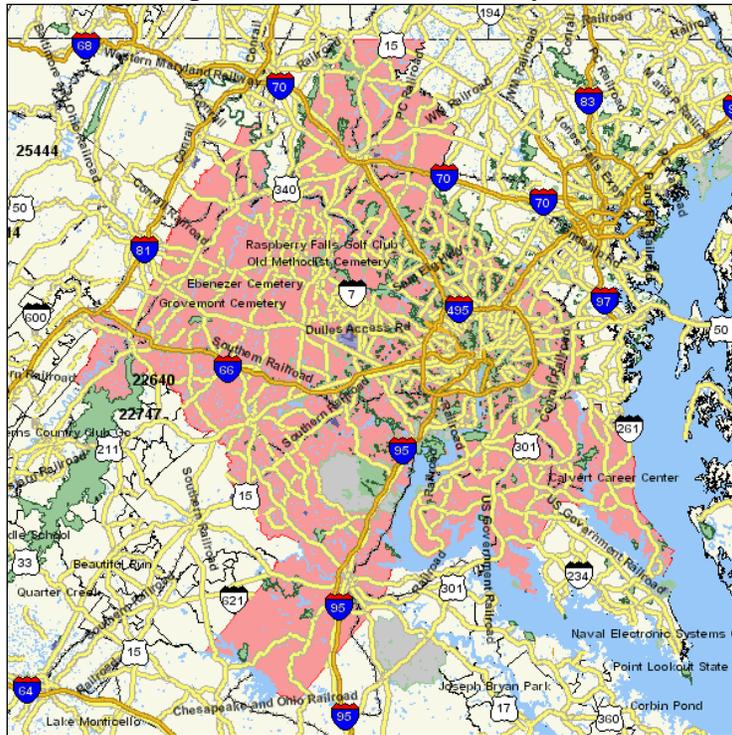
As a point of reference and based on information from a relatively recent survey conducted for D.C. United, the majority of D.C. United ticket buyers reside in Virginia (48%), followed by Maryland (31%) and Washington, D.C. (17%).

The maps that follow graphically depict the Baltimore Metro area and the Washington Metro area.

Baltimore Metro Area (Primary Market)



Washington Metro Area (Secondary Market)



The following table shows the historical and projected trend in population for the Baltimore Metro area, the Washington Metro area and the U.S. As shown, the population in the Washington Metro area has and is projected to continue to increase at a higher growth rate than that for both Baltimore and the U.S.

Trends in Population			
Data	Baltimore Metro Area	Washington D.C. Metro Area	U.S.
2000 Census	2,552,994	4,796,183	281,421,906
2009 Estimate	2,684,167	5,389,073	306,624,699
2014 Projection	2,757,661	5,715,550	322,320,436
Growth 2000-2009	5.1%	12.4%	9.0%
Growth 2009-2014	2.7%	6.1%	5.1%

Source: Claritas

The population by gender for 2009 was estimated to be nearly equal between males and females among all three profiled geographic regions. Data provided by MLS indicates that 70% of MLS viewers and 63% of MLS attendees are male.

2009 Estimated Population by Gender						
Category	Baltimore Metro Area		Washington D.C. Metro Area		U.S.	
	Number	%	Number	%	Number	%
Male	1,294,089	48.2%	2,630,046	48.8%	151,148,984	49.3%
Female	1,390,078	51.8%	2,759,027	51.2%	155,475,715	50.7%

Source: Claritas

Ethnicity

As shown in the table that follows, approximately 62% of the population in the Baltimore Metro area and 51% of the population in the Washington Metro area is White and approximately 29% and 25%, respectively, is Black/African American. The remaining population is distributed among other classifications such as Asian, Hispanic/Latino, American Indian or Alaska Native, Native Hawaiian or Other Pacific Islander, or multiple races.

MLS data indicates that 36% of MLS viewers and 32% of MLS attendees are Hispanic. In addition, recent research indicates that approximately 25% of D.C. United fans are Hispanic, approximately 37% of which were born in the U.S. Of those Hispanic fans born outside of the U.S., approximately 68% have lived here at least 10 years.

As shown in the table that follows, the Hispanic/Latino ethnic group represents approximately 3% of the population in the Baltimore Metro area and 12% of the Washington Metro area. The Hispanic/Latino population in the Baltimore Metro area increased by 72% between 2000 and 2009 and is projected to increase by 25% over the next five years.

2009 Estimated Population by Single Race Classification						
Category	Baltimore Metro Area		Washington D.C. Metro Area		U.S.	
	Number	%	Number	%	Number	%
White	1,667,622	62.1%	2,735,017	50.8%	199,449,089	65.0%
Black/African American	766,792	28.6%	1,365,676	25.3%	37,260,801	12.2%
Asian	102,965	3.8%	456,003	8.5%	13,324,146	4.3%
Hispanic or Latino	88,493	3.3%	666,183	12.4%	47,540,993	15.5%
Multiple Races	45,934	1.7%	136,316	2.5%	5,839,076	1.9%
American Indian and Alaska Native	7,133	0.3%	13,457	0.2%	2,307,572	0.8%
Other Race	4,042	0.2%	12,746	0.2%	485,539	0.2%
Native Hawaiian and Other Pacific Islander	1,186	0.0%	3,675	0.1%	417,483	0.1%
Total	2,684,167	100.0%	5,389,073	100.0%	306,624,699	100.0%

Age Distribution

Analysis by age group is helpful since certain spectator events at stadiums, such as sporting events and concerts, are targeted toward consumers who fall within specific age categories. As shown in the table below, although the age distribution for the estimated 2009 population figures is relatively consistent among the three profiled geographic areas, the population base in the Baltimore Metro area is slightly older. Approximately 24% of the population in each of three profiled areas is under the age of 18 years old and 45% of the population in both the Baltimore and the Washington Metro areas is between the ages of 18 and 49 years old which is a target market for many sports and entertainment events.

2009 Estimated Population by Age						
Age Category	Baltimore Metro Area		Washington D.C. Metro Area		U.S.	
	Number	%	Number	%	Number	%
Under 18 Years Old	640,405	23.9%	1,319,734	24.5%	74,649,006	24.3%
18 - 34 Years Old	596,493	22.2%	1,224,620	22.7%	70,846,842	23.1%
35 - 49 Years Old	595,930	22.2%	1,263,667	23.4%	65,384,270	21.3%
50+ Years Old	851,339	31.7%	1,581,052	29.3%	95,744,581	31.2%
2009 Estimated Median Age	37.8		36.8		36.8	

Source: Claritas

MLS indicates that approximately 70% of MLS viewers and 73% MLS attendees are between the ages of 18 and 49 years old.

Income

Income offers a broad measurement of spending potential for a specific population because it indicates the general ability of individuals or households to purchase a variety of goods and services including admission to sports, cultural, and entertainment events.

As shown in the table that follows, the 2009 median household income in the Baltimore Metro area is estimated to be approximately \$64,800 which is lower than in the Washington Metro area (\$83,400) but significantly higher than in the U.S. (\$51,400). As a point of reference, approximately 42% of the households in the Baltimore Metro area and 55% of the households in the Washington Metro area have annual household income levels of \$75,000 or more which is significantly higher than for the U.S. (32%). Approximately 34% of MLS viewers, 49% of MLS attendees and 68% of existing D.C. United fans have income levels of \$75,000 or more.

2009 Estimated Households by Household Income						
Income Category	Baltimore Metro Area		Washington D.C. Metro Area		U.S.	
	Number	%	Number	%	Number	%
Less than \$15,000	100,196	9.7%	122,885	6.1%	14,339,913	12.4%
\$15,000 to \$24,999	78,443	7.6%	93,471	4.6%	12,021,053	10.4%
\$25,000 to \$34,999	86,941	8.4%	118,767	5.9%	12,450,998	10.8%
\$35,000 to \$49,999	133,316	13.0%	214,977	10.6%	17,547,277	15.2%
\$50,000 to \$74,999	195,134	19.0%	356,037	17.6%	22,566,013	19.6%
\$75,000 to \$99,999	150,578	14.6%	315,228	15.6%	14,135,376	12.3%
\$100,000 to \$149,999	167,193	16.2%	411,434	20.3%	13,627,188	11.8%
\$150,000 to \$249,999	86,286	8.4%	281,824	13.9%	6,028,264	5.2%
\$250,000 to \$499,999	22,915	2.2%	78,532	3.9%	1,782,577	1.5%
\$500,000 or more	8,369	0.8%	31,643	1.6%	807,444	0.7%
2009 Estimated Median Household Income	\$64,835		\$83,427		\$51,433	
2009 Estimated Average Household Income	\$83,160		\$106,466		\$69,376	
2009 Estimated Per Capita Income	\$32,240		\$40,290		\$26,410	

Source: Claritas

Area Employment

The employment base of an area also provides a potential target market for events and financial support for the proposed new soccer stadiums. Area employers may utilize the facility for various events such as meetings, product launches, banquets/receptions and other types of activity. Premium seating sales, advertising/sponsorship opportunities and ticket sales are typically dependent on the size and composition of the area employment base. The distribution and diversity of the workforce are two additional factors that can potentially influence success of public assembly facilities. Broad workforce distribution helps lessen dependency on support from any single industry segment. Industry diversification also helps a local economy withstand economic downturns due to dependency upon one industry; should an industry fail there are others upon which the local economy can rely.

According to the Economic Alliance of Greater Baltimore, the region added approximately 64,600 jobs since 2000. As shown in the table that follows, the Baltimore Metro area has a diverse industry base including education and health services; trade, transportation and utilities; government; professional/business services; and leisure/hospitality. As of June 2010, the Bureau of Labor Statistics estimated the unemployment rate in the Baltimore Metro area to be 7.3% which was higher than the Washington Metro area (6.3%) but significantly lower than that for the U.S. (9.5%).

Non-Farm Employment by Industry for the Baltimore Metro Area - Jan. 2010		
Industry	Total Jobs	% of Total
Education & Health Services	235,900	19.2%
Trade, Transportation, and Utilities	224,800	18.3%
Government	218,800	17.8%
Professional & Business Services	176,900	14.4%
Leisure & Hospitality	108,900	8.9%
Financial Activities	69,800	5.7%
Manufacturing	61,200	5.0%
Mining, Logging, and Construction	59,300	4.8%
Other Services	53,900	4.4%
Information	21,000	1.7%
Total	1,230,500	100%

Notes: Sorted in descending order by total jobs.

Total jobs are not seasonally adjusted.

Source: U.S. Bureau of Labor Statistics.

As shown in the table below, major employers include John Hopkins University, National Security Agency, and John Hopkins Hospital and Health System.

Major Employers in the Baltimore Region - 2007	
Company Name	Employees
Johns Hopkins University	24,761
National Security Agency	16,000
Johns Hopkins Hospital and Health System	15,804
Ft. George G. Meade	14,150
US Army Aberdeen Proving Ground	12,486
University of Maryland Medical System	10,737
U.S. Social Security Administration	9,800
Northrop Grumman	9,195
Verizon	6,045
T. Rowe Price	4,169
Constellation Energy Group/BGE	3,946
Johns Hopkins University Applied Physics Laboratory	3,800
Greater Baltimore Medical Center	3,311
Lifebridge Health - Sinai	3,242
St. Agnes Healthcare	3,100
Centers for Medicare and Medicaid Services - CMS	2,968
Erickson Retirement Communities	2,833
Franklin Square Hospital	2,800
Mercy Health Services	2,605
Lockheed Martin	2,575
Southwest Airlines	2,572
Mittal Steel-Sparrows Point	2,530
W.L. Gore & Associates	2,506
Bank of America	2,504
CareFirst BlueCross BlueShield of Maryland	2,498
Total	166,937

Notes: This table represents all employees at a company regardless of residence.

As such, these numbers do not directly correspond with the previous table.

Source: Economic Alliance of Greater Baltimore.

This local business environment is further augmented by the presence of major employers throughout the Washington Metro area. Although the broader region represents additional businesses that could potentially purchase ticket sales, luxury seating leases, advertising and/or sponsorships at the proposed new stadiums in downtown Baltimore, research suggests relatively limited interest by this market segment.

The Baltimore Metro area and its surrounding counties are home to several colleges and universities that are significant economic generators in the community. As shown below, these institutions have a combined enrollment of more than 129,000 students. These students, in addition to faculty, staff and visitors represent a target market for attendees at the proposed new stadiums.

Baltimore Area Higher Education Institutions	
Institution	2009 Enrollment
Community College of Baltimore County	23,584
Towson University	21,177
Johns Hopkins University	20,382
University of Maryland, Baltimore County	12,870
Morgan State University	7,226
Baltimore City Community College	6,942
University of Maryland, Baltimore	6,382
University of Baltimore	6,265
Loyola University Maryland	6,067
Coppin State University	3,801
McDaniel College	3,623
Stevenson University	3,462
College of Notre Dame of Maryland	2,971
Goucher College	2,279
Maryland Institute College of Art	2,116
Total	129,147

Note: Sorted in descending order by enrollment.

Source: Maryland Higher Education Commission.

Accessibility

Accessibility, particularly via mass transit, is typically an important factor to the overall success of multi-purpose stadiums, particularly in urban settings. Surveys conducted for this project indicated the importance of highway access. In addition, the location and accessibility of a facility relative to the population base can impact its marketability for certain types of events.

Mass Transit

Mass transit access to the Baltimore Metro Area is provided by The MARC (Maryland Area Regional Commuter) Train Service, a commuter rail system whose service areas include Harford County; Baltimore City; Washington D.C.; Brunswick; Frederick and Martinsburg, West Virginia. The MARC has three lines.

- The Camden Line operates out of Camden Yards in Downtown Baltimore City and travels to Union Station in Washington D.C. Stops include Dorsey, Laurel, and College Park.

- The Penn Line of the MARC Train Service operates primarily between Baltimore’s Penn Station, through the BWI Train Station, and Union Station in Washington, D. C. Stops include Baltimore City, Odenton, and Bowie State University. In addition, there are four stops north of Penn Station (Martins Airport, Edgewood, Aberdeen, and Perryville) located in Harford County.
- The Brunswick Line operates between Brunswick, Maryland and Washington Union Station. This line also includes an extension to Frederick, Maryland and Martinsburg, West Virginia. Stops along the Brunswick Line include areas surrounding Washington D.C. such as Gaithersburg, Rockville, and Silver Spring, Maryland.

The MARC is operated by the MTA and intersects with MTA’s Light Rail and Metro Subway stations throughout the Baltimore metro area. The Light Rail operates at street level with 33 station stops. The Metro Subway is a 15.5-mile, 14 station system that operates from the Owings Mills corporate and shopping complex in Baltimore County, through the heart of Downtown Baltimore’s business, shopping and sightseeing districts to world-renowned Johns Hopkins Hospital.

The map below illustrates the MARC Train Service stations as well as the Light Rail and Metro Subway stops.



Highway

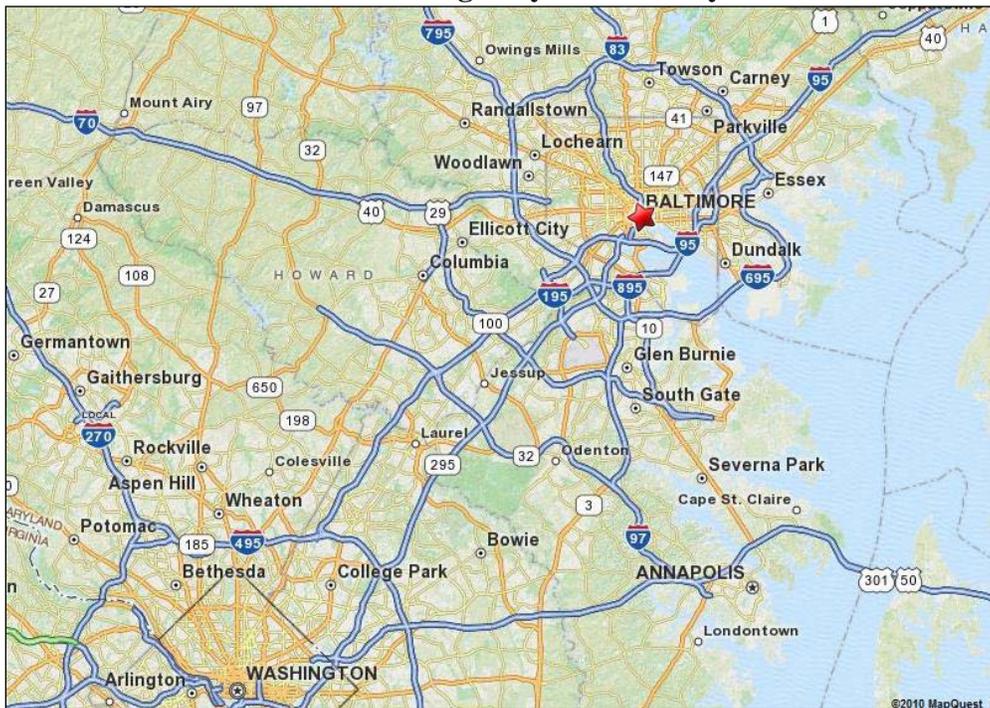
The method that event promoters/producers use to select venues to play is partially based on ease of access to a market as well as where the market fits in the context of the overall routing of the act. Major roadways that service Baltimore include:

- Interstate 95 (JFK Memorial Highway)
- Interstate 70 (Baltimore National Pike)
- Interstate 83 (Jones Falls Expressway)
- Route 295 (Baltimore/Washington Parkway)
- US Route 1 (Belair Rd/Washington Boulevard)
- US 40 (Pulaski Highway)

As such, Baltimore has excellent accessibility to other State and regional locations which can be a positive factor in attracting regional events such as concerts/festivals and sports tournaments.

The map that follows illustrates the City's proximity and accessibility to the broader market including Washington D.C. and northern Virginia.

Baltimore Highway Accessibility



Air

Air access can be a factor in attracting certain regional, national and international events such as sporting tournaments. Three national and international airports are within 60 miles. In addition, there are several regional/commuter airports nearby.

Ronald Reagan Washington National Airport (Reagan National Airport) and Baltimore-Washington International Airport (BWI) were voted the 4th and 5th favorite airports, respectively, in a 2008 reader's choice poll conducted by *Smarter Travel* magazine. BWI was also picked as the second healthiest airport in America in 2008.

The Federal Aviation Administration (FAA) defines enplanements as domestic, territorial and international passengers who board an aircraft in scheduled and non-scheduled service of aircraft. As shown in the following table, BWI has accommodated more than 10.2 million enplanements annually over the past four years. BWI experienced a 5% increase in the number of enplanements between 2005 and 2009 while Reagan National Airport and Washington Dulles International Airport decreased during the same period.

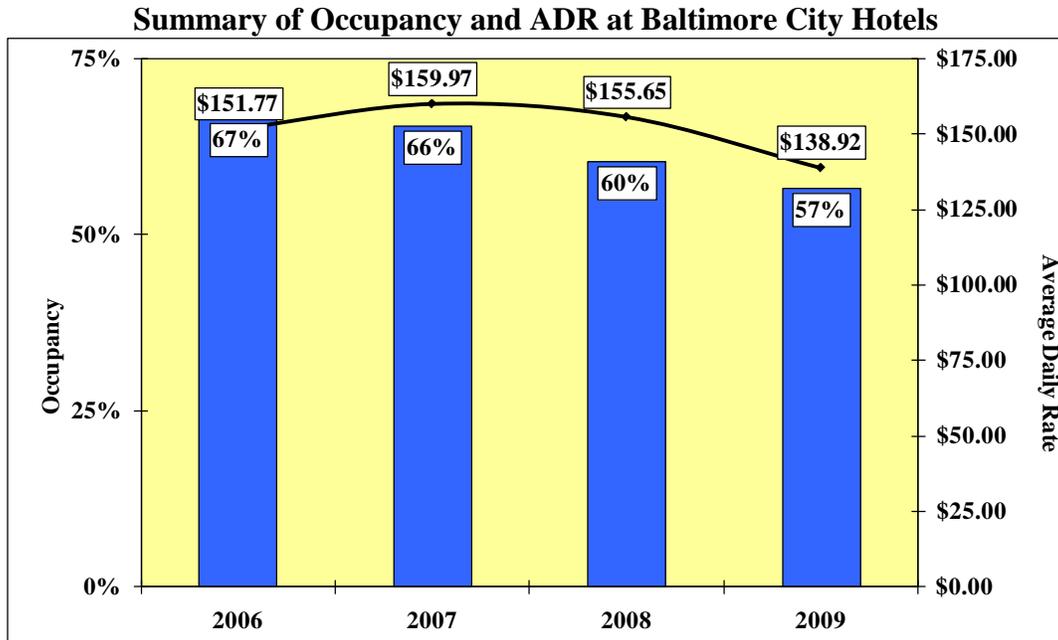
Passenger Enplanements						
Year	BWI		Reagan National Airport		Dulles International Airport	
	Number	% Change	Number	% Change	Number	% Change
2005	9,829,432		8,623,907		13,032,502	
2006	10,297,607	4.8%	8,973,410	4.1%	11,045,217	-15.2%
2007	10,487,789	1.8%	9,038,174	0.7%	11,789,441	6.7%
2008	10,215,225	-2.6%	8,704,466	-3.7%	11,348,775	-3.7%
2009	10,338,950	1.2%	8,490,288	-2.5%	11,131,406	-1.9%
Average	10,234,000		8,766,000		11,669,000	
5-Year Change	5%		-2%		-15%	

Source: FAA.

Hotel Supply

The diversity and supply of hotel rooms proximate to the proposed new soccer stadiums is an important factor in attracting events, accommodating spectators/participants and generating room nights. The City offers more than 9,000 hotel rooms of which approximately 7,500 are in the downtown area. Included in these hotels are the recently renovated 706-room Sheraton City Center and the 757-room downtown Hilton that is connected to the convention center and lies within the Inner Harbor district. In addition, there are approximately 32,000 rooms available within the combined Baltimore Metro area. The availability of hotel rooms for major sporting events will be important for event producers as well as attendees.

As shown in the graph below, both occupancy and ADR at hotels in Baltimore City has decreased over the past two years. This trend is common given the current economic climate and the new supply of hotel inventory in the market.



Source: Smith Travel Research.

Baltimore area hotels experience their peak season during the late spring and summer. However, based on historical occupancy rates provided by Visit Baltimore, hotels in the area have available inventory throughout the year and should be able to accommodate activity generated from various youth, scholastic, collegiate, amateur, and professional sporting events/tournaments, particularly those that occur during the off-season. The addition of other planned hotels in Baltimore will further increase supply and diversity of properties.

Area Tourism

Tourism can represent a significant economic generator for an economy. Attracting spending on items such as lodging, retail, eating/drinking and entertainment/recreational establishments from visitors can supplement local resident spending at area businesses and increase tax revenues for both local and State governments generated by out-of-town visitors. Development of the proposed new soccer stadiums could serve to enhance economic impact to the City and State by attracting new visitor streams and capturing additional spending from existing visitors.

When attendees are not at event-related functions, the available cultural and entertainment options are another factor event producers consider when selecting a destination for their event. In addition, event attendees consider attractions when deciding whether to bring the family and/or friends along to their event as well as in determining their length of stay. Baltimore offers a variety of leisure-time options for both participants and spectators including, but not limited to, the following:

- Baltimore’s Inner Harbor
- Maryland Science Center
- National Aquarium
- Lewis Museum of African American History
- Fort McHenry National Monument
- Baltimore Museum of Art
- Baltimore Maritime Museum
- Maryland Zoo
- Lexington Market
- Pride of Baltimore II
- Port Discovery

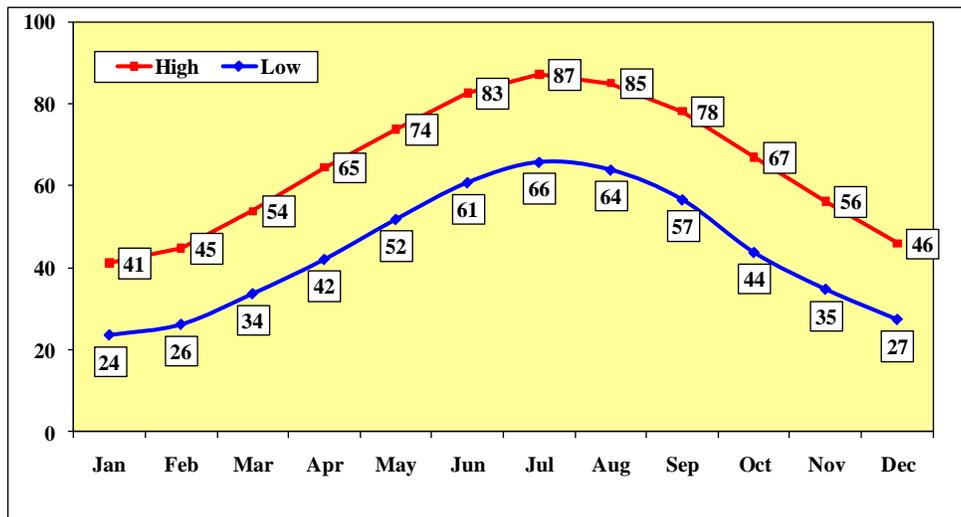
In addition to these, Baltimore offers a variety of ways to experience the natural environment by attracting residents and visitors to a selection of parks such as Oregon Ridge Park, Marshy Point Nature Center, Benjamin Banneker Historical Park and Museum, Cromwell Valley Park, Towson Courthouse Garden, Rocky Point Beach and Park, and the Lillian Holt Park and Center for the Arts.

According to information supplied by the Maryland Office of Tourism Development, there were approximately 13.9 million overnight trips and 14.2 million day trips totaling more than 28 million person-trips to the State in 2008. Baltimore was the top tourist destination, attracting approximately 9.9 million visitors, followed by Ocean City which drew more than 2.7 million tourists. The average travel party size of visitors to the State was 2.2 with length of stay averaging 1.8 nights. Approximately 75% of visitors to the State traveled for pleasure compared to 25% for business. In aggregate, visitors were estimated to have spent \$14.5 billion in Maryland in 2008 that generated approximately \$1.8 billion in state and local taxes and supported 146,000 jobs to Maryland residents.

Climate

Climate can play a factor in the marketability of outdoor venues. As shown in the following graph, weather in Baltimore is relatively moderate approximately nine months of the year which makes it attractive for outdoor events.

Baltimore Average Monthly Temperature



Source: rssWeather.com.

Area Outdoor Sports Facilities

The extent to which existing facilities adequately meet the needs of the market is an important aspect when evaluating new facilities. The outdoor facilities listed in the table below are within close proximity to Baltimore and have a capacity of at least 5,000. Facility size, location, configuration, market focus and date availability are factors that impact how competitive area facilities may be to the proposed new soccer stadiums.

Area Outdoor Sports Facilities		
Facility	Location	Total Capacity
FedEx Field	Landover, MD	91,000
M&T Bank Stadium	Baltimore, MD	72,000
Capital One Field at Byrd Stadium	College Park, MD	51,500
Oriole Park at Camden Yards	Baltimore, MD	49,000
RFK Stadium	Washington, D.C.	47,000
Nationals Park	Washington, D.C.	42,000
Johnny Unitas Stadium	Towson, MD	11,000
Prince George's Stadium	Bowie, MD	10,000
Homewood Field	Baltimore, MD	8,500
Regency Furniture Stadium	Waldorf, MD	8,000
Ridley Athletic Complex	Baltimore, MD	6,000
Average		36,000

Note: Sorted in descending order by total capacity, not the number of seats.

Sources: Management at individual facilities; other secondary research.

The following provides a brief summary of these facilities.

FedEx Field in Landover

Home to the NFL Washington Redskins, FedEx Field is located in Prince George's County. Opened in 1997, the stadium has a total capacity of approximately 91,000 seats and offers 244 suites and 15,000 club seats. The stadium has undergone several renovation/improvement projects since its opening. The stadium has a grass field and is privately owned and operated by the team.

M&T Bank Stadium

Located in downtown Baltimore adjacent to Oriole Park at Camden Yards, M&T Bank Stadium is home to the NFL Baltimore Ravens. Opened in 1998, the State of Maryland owns and operates the stadium through the MSA. M&T Bank Stadium has a seating capacity of approximately 72,000 and contains 108 suites and approximately 8,000 club seats. Approximately 4,800 on-site parking spaces are shared between the two stadiums.

Capital One Field at Byrd Stadium in College Park

Opened in 1950, Chevy Chase Bank Field at Byrd Stadium is home of the University of Maryland NCAA football team as well as men's/women's lacrosse. The facility is located on the College Park campus in Prince George's County. Since its opening the facility has undergone a number of changes including increasing its seating capacity to 51,500 in 1995. Following the 2007 season, an extensive expansion project began at the stadium. The \$50.8 million expansion was completed in 2009 and includes new restrooms, bleachers and the stadium's first formal entranceway off of Field House Drive.

Oriole Park at Camden Yards

Built in 1992, Oriole Park at Camden Yards is home to the MLB Baltimore Orioles. Located in downtown Baltimore adjacent to M&T Bank Stadium and proximate to the Inner Harbor, the facility has a seating capacity of approximately 49,000. It offers 75 suites and 4,000 club seats. The State of Maryland owns and operates the facility through the MSA.

RFK Stadium in Washington, D.C.

Located in Washington, D.C. and built in 1961, RFK Stadium is the current home of D.C. United and hosted the NFL Washington Redskins prior to their move to FedEx Field. One of the oldest MLS stadiums, the facility has a total seating capacity of 47,000 people, which is typically scaled back to 23,865 for soccer matches, but lacks many of the amenities of more modern sports facilities. The facility is owned and operated by the District of Columbia through the Washington Convention and Sports Authority.

Nationals Park in Washington, D.C.

Nationals Park is located in Southeast Washington, south of the Capitol, along the Capitol Riverfront adjacent to the Navy Yard. The new park not only strives to redefine modern sports facility architecture but also has as its goal to serve as a catalyst and cornerstone of a new mixed-use development project in the nation's capital. Opened in 2008, Nationals Park is home to the MLB Washington Nationals. The stadium has a total seating capacity of approximately 42,000, 2,750 club seats, 78 suites including 10 party suites as well as the 500 Lexus Presidents Club Seats and the Stars and Stripes Club, both of which offer indoor dining along with excellent views of the field. The stadium is owned by the Washington Convention and Sports Authority and operated by the Washington Nationals.

Johnny Unitas Stadium at Towson University

Located in Towson, Johnny Unitas Stadium is a multi-purpose, football and lacrosse stadium at Towson University. The stadium was completely renovated in 2002 to accommodate a Division I team, and now seats 11,000. It is the home field for the football, field hockey, men's and women's lacrosse, and men's & women's track and field athletic teams. In 2008, the stadium was further enhanced with two high-definition LED scoreboards.

Prince George's Stadium in Bowie

Built in 1994 and home of the minor league baseball Class AA Bowie Baysox, Prince George's Stadium seats 10,000 through a combination of 8,000 box and general admission seats, club seats, nine skyboxes and a grass berm for 2,000 spectators. The facility is owned by the M-NCPPC and management is shared by the M-NCPPC and the team.

Homewood Field

Located in Baltimore, Homewood Field is the athletics stadium of Johns Hopkins University. Built in 1908, with an expansion in 1997, the stadium now offers a seating capacity of 8,500. The stadium currently features a state-of-the-art scoreboard and message center and Sportex Momentum Turf playing surface, installed in 2005. The facility was updated in 2007 to include lighting which allows for night games throughout the year. The stadium hosts football, men's and women's lacrosse, men's and women's soccer, and field hockey.

Regency Furniture Stadium in Waldorf

Opened in 2008, the Regency Furniture Stadium hosts the Independent Southern Maryland Blue Crabs minor league baseball team. Built in Waldorf, the multi-purpose stadium offers 4,200 reserved seats and has a total capacity of approximately 8,000 including the outfield grass berm. The stadium has 16 skyboxes as well as various family friendly features such as a picnic area and an amusement area for children.

Ridley Athletic Complex

Located in Baltimore and home to the Loyola University Maryland's soccer and lacrosse teams, the Ridley Athletic Complex recently opened in March 2010. The new stadium offers 6,000 seats and houses three corporate suites. The venue boasts a 15' x 30' Daktronics scoreboard featuring a video screen, allowing the university to sell custom sponsorships for the first time. The University is preparing new deals for businesses to spend \$25,000 to \$30,000. Financing for the complex was obtained from fundraising efforts and a bond from the Maryland Health and Higher Education Facilities Authority.

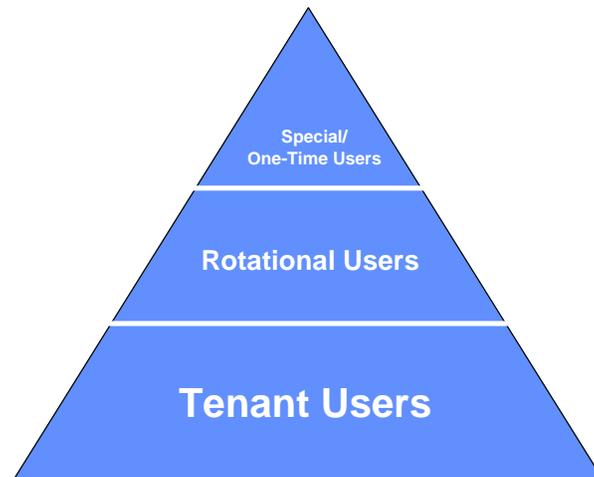
Other Public Assembly Facilities

The greater Baltimore/Washington area is also home to several smaller stadiums that host collegiate and minor league sports teams as well as various indoor arenas such as 1st Mariner Arena, Comcast Center, Verizon Center and Patriot Center that host diverse sports and entertainment activity. There are several large outdoor amphitheaters in the market including the Merriweather Post Pavilion in Columbia and the Jiffy Lube Live (formerly known as the Nissan Pavilion) in Bristow, Virginia which have a total capacity of approximately 25,000 and 19,000, respectively, through a combination of fixed seats and lawn areas. In addition, there are smaller theaters in the market.

Given their size, configuration and event base, the smaller stadiums and theaters do not represent direct competition to the proposed new soccer stadiums. However, the indoor venues and outdoor amphitheaters which are similarly sized to the proposed new soccer stadiums do pose significant competition in terms of attracting concert business which is discussed in more detail in the next section of the report. In addition, several of area sports and entertainment facilities offer premium seating and sell sponsorship/advertising packages which is important consideration when estimating the amount, type, and potential revenue streams at the proposed new soccer stadiums in downtown Baltimore.

Input from Potential Users

In order to assist MSA and BDC in estimating potential uses for the proposed new soccer stadium concepts, it is helpful to understand the various levels of users. The diagram that follows illustrates the typical structure of users in a sports/entertainment venue. Tenant users represent a solid base for the facility that can provide steady and contractually obligated income. Tenant users are generally sports teams. As mentioned previously, D.C. United is anticipated to be the primary sports tenant in the proposed new 25,000-seat stadium at the Westport Waterfront site while Crystal Palace Baltimore is envisioned to be the primary sports tenant at the proposed new soccer stadium at the Carroll Camden site. Rotational users are annual sporting events and training camps. Special/one-time users are irregular or spot users such as certain sporting events and tournaments (e.g. international soccer events, World Cup events, NCAA), concerts, family shows, etc. Although these events can be significant revenue generators, they are not guaranteed and the number of these events will vary from year to year. Special/one-time users are important to the success of a venue, but are the least predictable and can sometimes be labor/marketing intensive.



An important aspect of the market analysis is to assess the type and amount of event activity that the proposed new soccer stadiums may potentially generate. In the Baltimore and Washington metro areas there are a number of professional and collegiate outdoor stadiums, indoor arenas, amphitheaters, and performing arts venues that host a variety of sports and entertainment events making it a competitive market.

As such, interviews were conducted with potential users including representatives of D.C. United and MLS, Crystal Palace Baltimore and NASL, the USSF, scholastic and collegiate institutions, sports and athletic associations and concert promoters to gauge their interest in hosting events at the proposed new soccer stadiums and to understand how the proposed new facility concepts and the Baltimore market meet their needs for hosting events. If it was ascertained that there was a level of interest in utilizing the proposed new soccer stadiums, an effort was made to understand what the potential attendance may be for each event type.

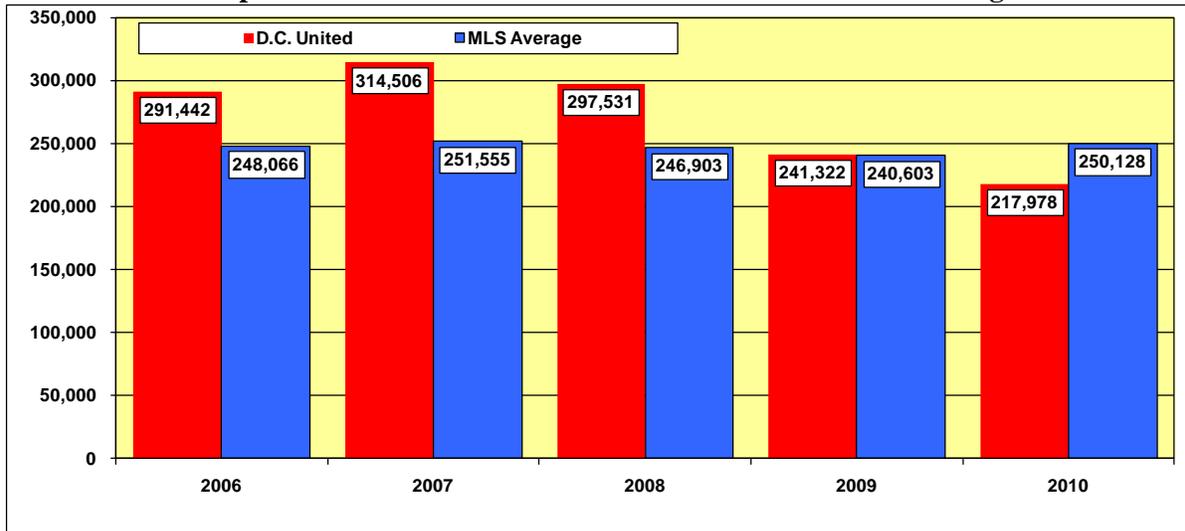
D.C. United

With one of the most recognizable names and successful teams in MLS, the team's mission statement is "D.C. United will win championships, and serve the community." The team is owned by William H.C. Chang who purchased full ownership interest from Victor MacFarlane in May 2009 and serves as Executive Chairman. In 2007, MacFarlane-Chang DC Soccer LLC purchased the operating rights to D.C. United from Anschutz Entertainment Group (AEG). In addition to ownership of D.C. United, Chang is on the Executive Committee of the ownership group that owns the MLB San Francisco Giants and AT&T Park. Chang also serves as the Chairman of Westlake International Group, a privately held diversified investment company, and owns Edge Venture Capital Fund.

D.C. United is one of the original MLS teams beginning play in 1996. The team has won many championships during its history including the MLS Cup in 1996, 1997, 1999 and 2004; the 1998 InterAmerican Cup; the 1998 CONCACAF Champions Cup; and the Lamar Hunt U.S. Open Cup in 1996 and 2008. D.C. United won the MLS Supporters' Shield in 1997, 1999, 2006, and 2007, which is awarded to the regular season points winner each year. In addition to its 15 regular season home matches, D.C. United also competes in international friendlies, the Lamar Hunt U.S. Open Cup and actively promotes other soccer events.

As shown in the graph that follows, D.C. United's average season attendance decreased by 10% between 2009 and 2010. Team officials commented that attendance at the League level was likely impacted by general economic conditions and the effect of designated players. The economy has been a challenge over the last few seasons. Fans were hesitant to commit to full season ticket packages based on the uncertainty of the economy and, instead, chose to purchase individual tickets on a match-by-match basis. The exceptions were primarily either new teams or teams with new stadiums that were able to capitalize on the new stadium experience. In addition, there was a diminishing effect of David Beckham and his ability to draw fans the last few years. Initially, Beckham created a spike in ticket sales wherever the LA Galaxy played but after he had played a market a couple of times the effect began to diminish. The fact that he was injured for much of the past two seasons has also been a factor. However, with the new league rule of being able to have three designated players and the signing of internationally recognized players such as Thierry Henry (France), Geovanni (Brazil), and others, D.C. United officials expect that the designated players will spike attendance at certain matches again beginning in 2011.

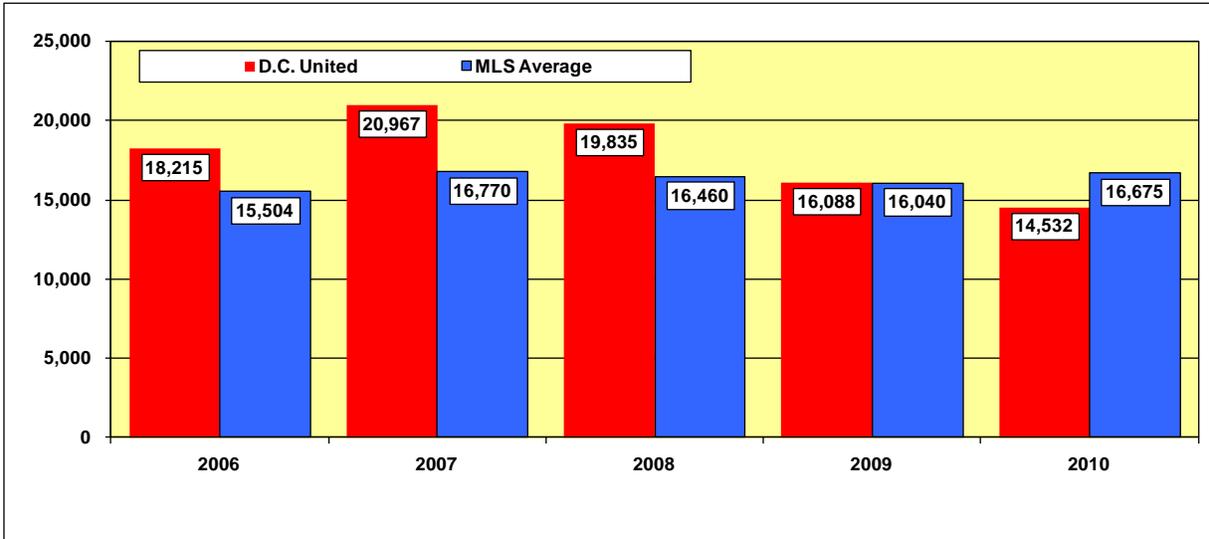
Comparison of Season Attendance - D.C. United and MLS Average



Source: MLS.

Average attendance at D.C. United home matches has been above that for MLS for four of the last five years. D.C. United has averaged more than 17,900 people per match over the last five seasons.

Comparison of Average Attendance Per Home Match – D.C. United and MLS Average



Source: MLS.

As shown in the table that follows, despite playing in one of the oldest MLS stadiums which lacks many of the amenities offered at more modern sports facilities, D.C. United ranks 5th among MLS clubs in its five-year average for both total and average attendance. The Seattle Sounders FC have led MLS in attendance in both 2009 and 2010. The LA Galaxy led in attendance in the three prior seasons. The Kansas City Wizards, which are building a new stadium, have ranked last in total attendance four of the past five seasons.

Summary of MLS Regular Season Attendance (2006 - 2010)																	
Team	2006			2007			2008			2009			2010			Five Year Average	
	Total	Average	Rank	Total	Average												
Seattle Sounders FC																	
LA Galaxy	333,016	20,814	1	363,782	24,252	1	390,132	26,009	1	306,240	20,416	2	321,552	21,437	2	342,944	22,585
Toronto FC				301,947	20,130	3	301,793	20,120	2	305,167	20,344	3	306,795	20,453	3	303,926	20,262
Philadelphia Union													288,810	19,254	4	288,810	19,254
D.C. United	291,442	18,215	4	314,506	20,967	2	297,531	19,835	3	241,322	16,088	6	217,978	14,532	11	272,556	17,928
Houston Dynamo*	302,957	18,935	3	238,240	15,883	8	254,083	16,939	6	255,712	17,047	4	259,645	17,310	6	262,127	17,223
Real Salt Lake	261,855	16,366	5	239,395	15,960	7	242,690	16,179	7	245,628	16,375	5	256,427	17,095	7	249,199	16,395
Chivas USA	317,432	19,840	2	214,578	14,305	12	226,717	15,114	9	226,375	15,092	7	218,634	14,576	10	240,747	15,785
Chicago Fire	225,775	14,111	8	247,356	16,490	6	255,511	17,034	5	220,331	14,689	8	237,216	15,814	8	237,238	15,628
New York Red Bulls*	233,112	14,570	7	247,948	16,530	5	238,925	15,928	8	187,359	12,491	12	276,616	18,441	5	236,792	15,592
New England Revolution	188,569	11,786	11	251,812	16,787	4	263,706	17,580	4	205,977	13,732	11	194,802	12,987	13	220,973	14,574
Columbus Crew	212,699	13,294	9	228,451	15,230	9	219,332	14,622	10	216,699	14,447	9	219,628	14,642	9	219,362	14,447
FC Dallas*	239,714	14,982	6	227,182	15,145	10	195,356	13,024	13	186,612	12,441	13	162,229	10,815	14	202,219	13,281
Colorado Rapids	192,894	12,056	10	221,229	14,749	11	204,884	13,659	12	184,963	12,331	14	199,929	13,329	12	200,780	13,225
San Jose Earthquakes							205,695	13,713	11	211,717	14,114	10	144,886	9,659	16	187,433	12,496
Kansas City Wizards	177,322	11,083	12	173,784	11,586	13	160,286	10,686	14	150,802	10,053	15	154,306	10,287	15	163,300	10,739
MLS	248,066	15,504		251,555	16,770		246,903	16,460		240,603	16,040		250,128	16,675		247,451	16,290
Total Matches	16			15			15			15			15				

Notes: Sorted in descending order by five year average total attendance.

*The Metrostars relocated to become the NY Red Bulls beginning in 2006; the Dallas Burn became FC Dallas in 2005; the San Jose Earthquakes relocated to become the Houston Dynamo in 2006. An expansion team, the San Jose Earthquakes, began play in 2008 under new ownership.

Teams have played in different stadiums during this five-year period.

Source: MLS.

As a point of reference, total average attendance MLS is approximately 4% higher than last year. Given the planned seating capacity, location, and amenities as well as the experience of other MLS teams in newer venues, it appears reasonable that D.C. United could increase its attendance over historical figures and continue to draw more fans than the MLS league average at the proposed new soccer stadium at the Westport Waterfront site in downtown Baltimore. However, the team will need to continue to operate in a first-class manner and aggressively market its product given the number and diversity of professional and collegiate sports programs in the Baltimore and Washington Metro areas combined with current economic conditions.

In 2010, D.C. United averaged 14,532 fans per match which was 13% less than the MLS average of 16,675 fans per match. Although D.C. United started the 2010 season off well from an attendance perspective, the club did not have a strong year on the field with a record of 6-20-4. Ultimately, fans want to see a competitive product and the 2010 team did not meet expectations on the field. The club has not qualified for the playoffs for the last three years which also negatively impacts attendance as on field performance typically has a strong correlation to ticket sales. It is also important to recognize that most professional sports teams experience cyclic trends in attendance over time.

In summary, D.C. United officials believe the weak economy and team performance have affected ticket sales but see positive trends with their youth soccer nights, aggressive grassroots marketing and paid advertising campaigns, payment plan options for season ticket holders, and continuing to provide an engaging overall game experience team. They also see the designated player rule being a positive in 2011 and hope to see those internationally recognized players spike attendance going forward.

If a new stadium was built in downtown Baltimore, D.C. United fully anticipates implementing a full marketing blitz to support the move. The team would dedicate significant resources into advertising for season ticket holders, suites and club seats. Team officials further indicated that Baltimore, Delaware and Philadelphia would be areas that would be strong for attendance. With the addition of the InterCounty Connector (ICC), the team believes Montgomery County fans would have ease of access to a new soccer stadium in Baltimore and, as such, team officials would expect to maintain these fans. The team expects to pick up fan support in Northern and Western Baltimore and Delaware to make up for and exceed any expected fan base loss from the Hispanic population in the D.C. area, Loudoun County, Virginia and some Northern Virginia fans.

The ability to sell club seats and suites in a new stadium in Baltimore would immediately have a positive impact on overall ticket revenue and average ticket prices. As RFK Stadium does not have club seats or suites, D.C. United cannot capitalize on these opportunities. Club officials view an urban location as a tremendous asset in their ability to sell tickets and the waterfront location creates an even greater opportunity from their perspective.

Crystal Palace Baltimore

Crystal Palace Baltimore would serve as the primary tenant at the proposed new 7,000 to 10,000-seat stadium in the Carroll Camden area. Founded in 2006, the team was the sister company of the Premier League's Crystal Palace Football Club in the United Kingdom (Crystal Palace UK) and the first professional soccer team in the U.S. with a direct link to a professional English football team. Crystal Palace UK has had financial difficulties including filing for the U.S. equivalent of bankruptcy and a recent *Washington Post* article indicted that the Crystal Palace Baltimore has parted ways with its London-based namesake.

Crystal Palace Baltimore is owned by Randall Medd, Pete Medd, and Jim Cherneski. Randall Medd, who serves as Chairman of Crystal Palace Baltimore, owns a thoroughbred racehorse farm in Maryland and is a real estate investor and options trader. Pete Medd is a former professional soccer player who played his college soccer at NCAA Division I Towson State University, served on the USL Executive Committee, and coached at the youth, collegiate and professional levels for 15 years.

Crystal Palace Baltimore is Baltimore's sole professional outdoor soccer team. Originally named Crystal Palace FC USA, the team began play in 2007 and changed its name in early 2010 to Crystal Palace Baltimore.

From 2007 through 2009 the team competed in the USL's Second Division (USL-2), the third tier of US professional soccer. As mentioned previously, Crystal Palace Baltimore anticipated playing the 2010 season in the newly formed NASL prior to it not receiving sanctioning by USSF.

As such, Crystal Palace Baltimore played in the USSF D-2 Pro League in 2010 where it averaged approximately 1,100 fans per match.

Average attendance in the USSF D-2 Pro League was approximately 4,500 people in 2010 which was positively impacted by strong attendance numbers by the Portland Timbers and the Montreal Impact, both of which will be moving to MLS in 2011 and 2012, respectively.

Crystal Palace Baltimore - 2010 Attendance Per Match		
Date	Opponent	Attendance
4/16/10	FC Tampa Bay	1,029
4/24/10	Puerto Rico	1,071
5/22/10	Portland	1,106
5/29/10	Austin	1,231
6/26/10	NSC Minnesota	2,348
7/14/10	Rochester	757
7/24/10	AC St. Louis	701
7/31/10	Montreal	703
8/4/10	Miami	501
8/14/10	Carolina	1,238
8/18/10	Rochester	850
8/21/10	Montreal	948
9/11/10	Vancouver	1,150
9/18/10	Carolina	925
9/25/10	Portland	1,532
Total - Crystal Palace Baltimore		16,090
Average - Crystal Palace Baltimore		1,073
Average - USSF D-2		4,459

Note: Attendance figures differ slightly from those presented previously given different sources of information.

Source: NASL.

Since its inception, Crystal Palace Baltimore has played its matches at several stadiums including the 34,000-seat Navy-Marine Corps Memorial Stadium on the campus of the Naval Academy in Annapolis. In 2010, Crystal Palace Baltimore played four matches at UMBC Stadium, four matches at the Maryland Soccerplex in Germantown, one match at Lumsden-Scott Stadium at Baltimore Polytechnic Institute, one match at the Ridley Athletic Complex at Loyola University, and the remaining matches at Paul Angelo Russo Stadium at Calvert Hall in Towson. Paul Angelo Russo Stadium has seating for 3,000 and standing room for 5,000 spectators as well as concessions and a Kid Zone with other family-friendly attractions. The team played a match at this facility on June 26th and drew more than 2,300 fans, its highest attendance for the season.

Crystal Palace Baltimore announced on December 3rd of this year that they will not be fielding a team in the NASL during the 2011 season in order to restructure with an intended re-launch for the 2012 NASL season. Crystal Palace Baltimore representatives indicated that the re-launch will include a complete re-branding of the club.

Crystal Palace Baltimore also representatives commented that they would expect to draw significantly higher attendance at the proposed new soccer stadium in the Carroll Camden area. The team indicated that having a consistent home field in downtown Baltimore proximate to its fan base that offers the amenities that both teams and fans expect should allow the team to increase its overall marketability therefore resulting in increased attendance.

USSF

As previously mentioned, USSF is the governing body of soccer in the U.S. USSF representatives indicated that Baltimore is a strong market for U.S. soccer but that there has not been an ideal soccer specific stadium for the organization to utilize. While M&T Bank Stadium has successfully hosted soccer events, the Men's National Team requires natural grass. Although the Women's National Team prefers grass, they can play on either grass or an artificial surface as long as non-soccer lines (i.e., football) are not sewn into the surface.

Hotel choices and amenities are factors when USSF determines a host city for their events. The Men's National Team spends less time in a community, generally a two-night stay, so amenities are not as important. For a Women's National Team event, the team can stay in a city for five to six days and amenities such as shopping and restaurants are important factors. It was felt that Baltimore has the hotels, restaurants, and amenities needed to host National Team events.

USSF also cited that the Baltimore region has a strong tradition of being an ethnically diverse soccer community and that lends itself well to hosting their events. USSF youth tournaments and events require multiple fields but the National Teams require only a single field.

According to USSF representatives, the Men's National Team and World Cup Qualifiers will only play in venues that offer at least 20,000 seats and offer a natural grass field. There is an opportunity to host events at a 20,000 to 25,000-seat venue. Although some higher profile USSF events may still choose larger stadiums such as M&T Bank Stadium in downtown Baltimore.

Relative to the proposed soccer stadium at Carroll Camden, USSF officials cited that the Women's National Team may be a good fit for a 7,000 to 10,000-seat venue in the Baltimore region.

WPS Washington Freedom

The WPS is the highest level women's professional soccer league in North America. The league began operations in 2009. Teams in Atlanta, Boston, Chicago, San Francisco Bay Area, Philadelphia, New York/New Jersey, and Washington, D.C. played in 2010. Teams are owned and operated by a group of investors in each market with two-time NBA MVP Steve Nash and former Yahoo! President and COO Jeff Mallett being investors and part owners in the league. WPS and Fox Soccer Channel have a multi-year partnership to televise a live national Sunday night WPS match of the week. The league and teams also have broadcast agreements with Fox Sports Net, Comcast Sports Net Washington, Comcast New England, Comcast Sports Net Philadelphia, and The Comcast Network.

WPS has grassroots partnerships with American Youth Soccer Organization (AYSO), National Soccer Coaches Association of America (NSCAA), United States Adult Soccer Association (USASA), US Club Soccer, and US Youth Soccer in order to create mutually beneficial opportunities for promotion and brand presence through a variety of platforms.

The Washington Freedom was one of the founding teams in the WPS. The team is owned by John Hendricks, Founder and Chairman of Discovery Communications, and is operated by his wife, Maureen, the Chairwoman of the team. The Freedom's history in women's professional soccer includes being a charter member of the Women's United Soccer Association (WUSA) in 2001 and winning the Founder's Cup (the league's championship) in 2003. The WUSA suspended operations after the 2003 season and the Freedom continued to field a team that competed in exhibition matches in 2004 and 2005. In 2006, the team played as an "associate" member of the USL W-League before becoming a full member of the W-League and competing in 2007 and 2008. The Freedom won the W-League title in 2007.

Opened in 2000, the Maryland SoccerPlex was the home field for the Freedom in 2010. The SoccerPlex has 19 natural grass fields, three artificial surface fields, and eight indoor surfaces. The Championship Stadium has a seating capacity of approximately 6,200. Team representatives indicated that the Freedom has generally averaged between 4,500 and 5,500 people per match.

Although the Washington Freedom actively sought prospective investors and strategic partners as part of a plan to align the team's cost with its revenues, published reports state that the team has folded and will not participate in the 2011 WPS season.

Freedom representatives indicated that they would look at both stadium scenarios based on their growth projections. While a smaller stadium would create a more intimate environment, they are comfortable playing in larger venues. The team prefers to play on grass but will play on artificial turf. The Freedom forecast their annual schedule to include 12 regular season matches, two exhibition matches, two international matches, and two playoff matches.

The SoccerPlex attracts over 600,000 people per year onto the grounds creating a captive audience since the team training facilities and offices are on-site. One challenge to their current stadium is that it is not located along a public transportation route. The Freedom has not played an exhibition match in Baltimore so they do not have a gauge as to their ability to draw fans in the marketplace.

US Lacrosse

Headquartered in Baltimore, Maryland, US Lacrosse is the national governing body of men's and women's lacrosse. US Lacrosse was founded to create a unifying national structure to more effectively support the growth and development of lacrosse. The 501(c)3 organization has over 300,000 members with its youth membership experiencing the greatest growth and comprising almost 75% of its membership base. US Lacrosse's headquarters are located on the campus of Johns Hopkins University and includes a three-story administrative center as well as the Lacrosse Museum and National Hall of Fame.

US Lacrosse has been actively pursuing the construction of a new national headquarters facility that would house their staff and The Lacrosse Museum and National Hall of Fame. Plans envision a 4,000 to 5,000-seat venue adjacent to its headquarters with the capability of hosting US Lacrosse events as well as serving the Baltimore City lacrosse middle school and high school community. US Lacrosse is looking at the Inner Harbor / Harbor Point for the location of this campus. The proposed stadium would have an artificial grass surface which for lacrosse allows for greater usage of the field and venue.

Officials with US Lacrosse indicated that a new stadium in the Baltimore market would need to have multiple fields to best accommodate lacrosse tournaments. An example would be the 2014 World Lacrosse Championships which US Lacrosse is hosting at Dick's Sporting Goods Park in Commerce City, Colorado. The tournament requires multiple fields and plays simultaneous matches. While some matches will be played in the natural grass main stadium, the sod will need to be replaced throughout the tournament which is a significant cost.

According to US Lacrosse representatives, a new stadium with an artificial surface offering between 7,000 and 10,000 seats could possibly host tournaments or triple header matches for local high school, regional tournaments and the occasional national event.

Major League Lacrosse (MLL)

The Chesapeake Bayhawks are a member of MLL, the professional outdoor lacrosse league in North America. MLL began play in 2001 and currently has six teams. The Boston Cannons, Long Island Lizards and the Chesapeake Bayhawks are original members of the MLL. In 2009, the Toronto Nationals began play and are MLL's first international team. Rounding out the league are the Chicago Machine and the Denver Outlaws.

The Bayhawks were originally named the Baltimore Bayhawks and played in the Baltimore area from 2001 through 2006. The team played at Homewood Field at Johns Hopkins University in 2001 and 2003, at M&T Bank Stadium in 2002, and at Johnny Unitas Stadium at Towson University in 2004 through 2006. In 2007, the team moved to Washington and were renamed the Washington Bayhawks. The Washington Bayhawks played their games at George Mason Stadium in Fairfax, Virginia and at Georgetown University's Multi-Sport Field until negotiating an agreement with Navy-Marine Corps Memorial Stadium.

In 2010, the team changed ownership and was renamed the Chesapeake Bayhawks. The team has a three-year deal with Navy-Marine Corps Memorial Stadium through 2012. The team is currently averaging 4,800 attendees and team representatives indicated that they expect to average 15,000 within the next three to four years. Team officials have indicated that they are doing well in the Annapolis marketplace and like the "stadium neutrality" of the location. They are an hour away from northern Virginia, Baltimore, and Washington, D.C. and draw well from all three locations.

Bayhawks' ownership is exploring the possibility of building a 20,000-seat stadium with eight ancillary fields. The proposed new stadium would offer suites and club seating. The grassroots and youth lacrosse field demand issues would be addressed with the ancillary fields. Team ownership indicated it has had discussions with the Baltimore Ravens and they would look at any new or existing stadiums in the Baltimore market including M&T Bank Stadium. However, the team indicated that it has strong support in the Annapolis area and likes the location as it relates to drawing fans from northern Virginia, Washington, D.C., and Baltimore.

Collegiate and Scholastic Athletics

As mentioned previously, the Baltimore Metro area and its surrounding counties are home to several colleges and universities that are significant economic generators in the community. In addition to these locally based institutions, the State of Maryland offers a variety of college and universities including 11 campuses of the University System of Maryland, U.S. Naval Academy, St. Mary's College of Maryland. There are several other higher educational institutions in Maryland that offer men's and women's intercollegiate athletic programs in soccer, field hockey, lacrosse and/or football. While these collegiate institutions offer their own sports facilities for home team use, their involvement in intercollegiate level play represents potential for State, regional, and/or national tournament demand at the proposed new stadiums. Area education institutions may also have a variety of needs that could be accommodated by the proposed new stadiums including exhibition games, summer camps or training events, graduations, rallies as well as other unique general assembly events.

National Collegiate Athletic Association

The National Collegiate Athletic Association (NCAA) is the primary association for collegiate athletics in the U.S. Based in Indianapolis, Indiana, the NCAA is responsible for planning, organizing, and managing the championships of Division I, II, and III sports including men's and women's lacrosse and soccer.

NCAA representatives indicated that they look for stadiums with a seating capacity ranging from 8,000 to 10,000 for both their men's and women's soccer championships with a 10,000-seat venue being ideal. Ticket sales are currently averaging between 7,000 and 8,000 for each tournament but they are hoping to grow the championships to 10,000 in the future. There is a possibility that the NCAA will move towards combining their men's and women's soccer championships beginning in 2011 or 2012. NCAA soccer championships can be played on natural grass or artificial surfaces. The preferred surface is natural grass but it is not a requirement to hosting the championships.

The NCAA Women's Lacrosse Championship averages between 7,000 and 9,000 in ticket sales. It was noted that Baltimore is a strong market for college lacrosse events. Towson University has hosted the NCAA Division I Women's Lacrosse Championships at its Johnny Unitas Stadium for the last three years. The 2009 Championship drew 6,515 fans for the final game. According to NCAA representatives, a 7,000 to 10,000-seat venue may be suitable for the Women's Lacrosse Championship. Additional NCAA events that could play in a 7,000 to 10,000 seat venue include the quarterfinal games of men's lacrosse which currently draw between 6,000 and 8,000 fans. The quarterfinals were recently held at the Naval Academy in Annapolis but the 34,000-seat stadium was viewed as too large for the event.

It was also suggested that a 7,000 to 10,000-seat stadium concept might be successful with creating new collegiate men's and women's lacrosse and men's and women's soccer tournaments (e.g., an ACC vs. Big East Challenge).

Weather in the Baltimore region was cited as a concern by NCAA event organizers. If the seating areas were covered with a roof structure that might impact their championship venue choice decisions but weather will always be a factor in a northern city. It was noted that 25,000 seats is too large for men's and women's soccer and women's lacrosse championships.

The Men's Lacrosse Championship has a large draw and therefore plays larger stadiums including M&T Bank Stadium in 2010 and 2011. In 2010, M&T Bank Stadium drew attendance of more than 37,000 for the NCAA Division I Championship game. The NCAA Championship is a combined championship for Division I, II, and III which drew combined attendance of more than 116,000 in 2010.

In addition to field and seating capacity requirements, the NCAA also requires other minimum amenities relating to the number, size and design of locker rooms for both players and officials that would need to be incorporated into any stadium design.

University of Maryland, Baltimore County

UMBC's men's soccer program is a NCAA Division I program in the America East Conference. UMBC men's soccer plays its games at the 2,000-seat UMBC soccer field. With portable seating the UMBC soccer field can increase its seating capacity to 4,000 or 5,000 people. The UMBC soccer team averages 1,200 per game and expects that number to increase if lights are added and night games are played allowing more community fans and university students to attend games.

According to UMBC officials, potential soccer events that could be played at either proposed soccer stadium in downtown Baltimore include national youth tournaments, Region I events, US Soccer Academy, and Junior College events. A “Battle of Baltimore” collegiate soccer tournament could be created that might include local collegiate soccer programs. Currently, a venue does not exist to host this type of event and there is not an entity to market a tournament of this nature.

Towson University – Towson, Maryland

Towson University men’s soccer is part of the NCAA Division I Colonial Athletic Conference. The team plays its games at the Towson Center Soccer Complex which has a capacity of 500, a natural grass playing surface, and is home for both the men’s and women’s soccer teams. A press box was added in 2002. There are plans for a future soccer venue that would seat 750 to 1,000 and incorporate a press box, concessions, and parking.

Towson representatives indicated that both stadium concepts have merit but that a 7,000 to 10,000 seat venue has the possibility of hosting conference tournaments and local college soccer games and/or tournaments. Any new stadium would need to have the locker rooms to accommodate tournament play and the ability to play soccer late into the fall season and weather conditions would have to be considered when determining the playing surface.

Loyola University – Baltimore, Maryland

Loyola University’s athletic program competes at the NCAA Division I level and in the Metro Atlantic Athletic Conference (MAAC). The men’s lacrosse program competes in the Eastern College Athletic Conference (ECAC) and the women’s lacrosse program is an associate member in the Big East Conference. As mentioned previously, the \$62 million Ridley Athletic Complex opened March of 2010 and hosts the men’s and women’s soccer and lacrosse teams as well as the rugby program.

Loyola athletic department representatives do not see a new soccer specific stadium having a major impact on Loyola University and its overall initiatives. They do see a possible effect on sponsorship dollars but the amount would not be significant. Loyola officials are currently hosting local high school events in their venue and are hosting the 2010 MAAC Men’s and Women’s Soccer Championships and may consider the possibility of hosting future NCAA women’s lacrosse events. Having multiple fields allows the University complex to host smaller sized soccer and lacrosse tournaments. With their recent investment in their athletic complex Loyola officials indicated that they are currently satisfied with their outdoor stadium needs.

Community College of Baltimore County

The Community College of Baltimore County (CCBC) has campuses in Catonsville, Dundalk and Essex. Essex and Catonsville both field men’s and women’s soccer and lacrosse programs. CCBC is a member of the Maryland Junior College Conference and the National Junior College Athletic Association.

Dundalk and Essex play soccer and lacrosse on artificial turf fields with Dundalk having a capacity of 750 to 1,000 and Essex being able to accommodate 1,500 spectators. Catonsville has a natural grass surface with a capacity of 1,500. Catonsville's field will be converted to artificial turf in the near future. All three fields are lighted. In addition, CCBC has a partnership with Baltimore County to utilize their artificial surface fields. Both the school system and parks and recreation have a priority booking agreement.

CCBC officials indicated an interest in using the proposed 7,000 to 10,000-seat soccer stadium. However, a strong determinant in using this potential facility would be the rental costs and associated expenses. If affordable, the proposed new stadium could possibly host CCBC soccer teams that may play between five and ten games annually. An artificial turf field would be important due to heavy potential usage and weather conditions. CCBC officials see opportunity for their soccer programs but also for local recreation and club sport programs.

CCBC officials noted that they receive numerous requests from club soccer programs to use their venues for practices. The Catonsville venue is not able to accommodate any requests as it is currently natural grass and cannot handle multiple practices. Due to the relationship with Baltimore County schools and parks and recreation, the facility does not allow time for the club programs to practice on their fields. These club programs are looking for quality fields at affordable prices. They also get requests for lacrosse, cheerleading, and football practices. Spring is a particularly high request season.

University of Maryland – College Park (UMD)

The University of Maryland's main campus is home to the school's athletic programs including men's and women's soccer, football, lacrosse and field hockey. In 2000, the University retained consultants to develop an overall master plan for the campus which has been adopted and facilities development is already taking aspects of the plan into account in the siting of planned buildings and parking facilities. Full implementation may take years but enhancing green space, establishing a shuttle loop and improving pedestrian movement are more short-term goals.

Currently, the University has more than 700 student-athletes competing in Division I-A sports. Athletes compete in 27 varsity sports boasting 39 team national championships. Athletics at UMD are highly visible and are competitive in the Atlantic Coast Conference (ACC) of the National Collegiate Athletic Association (NCAA). As part of the school's overall master plan, the UMD has a \$133 million campaign to raise funds for various athletic endeavors including enhancing practice and training facilities, scholarships, endowing student scholarships and coaching to ensure its status among top tier Division I-A programs.

Opened in 1995, Ludwig Field hosts the men's and women's soccer teams as well as numerous other local soccer events. The 4,500-seat facility is lighted with an all-weather track and grass playing field. In 2004, a new state-of-the-art scoreboard with in-game statistics and graphics was installed. The permanent lights allow for commonly scheduled night games. The lights also allow UMD the ability to host NCAA and ACC tournaments as well as nationally televised games. Since its opening, Ludwig Field has played host to 21 NCAA Tournament games, including 11 Maryland wins in the tournament in the last three years.

UMD officials expressed their general support of the proposed new soccer stadiums, particularly given the historical popularity of the sport throughout the Mid-Atlantic region at all levels. Based on our discussions, it is likely that the UMD would be able to utilize the proposed new stadiums for select games against major competitors. In addition, the proposed new stadiums would provide the opportunity to host more collegiate level tournaments.

Overall comments were supportive and input suggested that the proposed stadium concepts could provide a neutral location capable of accommodating a variety of demand generators including soccer and lacrosse events/tournaments at multiple levels. Based on discussions with UMD representatives, collegiate soccer events that could potentially be hosted at the proposed new stadium include, but are not limited to, the following:

- NCAA Division I Men's College Cup
- The ACC Men's Tournament
- The ACC Women's Tournament
- Pre-Season Women's Tournament hosted by the UMD
- NCAA Division II and Division III Soccer National Championships

These events may represent rotational or special/one-time uses at the proposed new stadium and attendance can range from 7,000 to 15,000 people. UMD representatives thought that offering at least one practice field with 3,000 to 5,000 seats in addition to the proposed new stadium complex would provide optimum flexibility for hosting NCAA Division II and III play and/or State high school championships. These games are not currently played at the UMD facility due to wear and tear on the field.

Scholastic Athletics

Maryland Public Secondary School Athletic Association

The Maryland Public Secondary School Athletic Association (MPSSAA) is responsible for the promotion, direction, and regulation of interscholastic athletics of the public high schools as well as ensuring a safe and educationally balanced program. The MPSSAA was founded in 1946 and is comprised of 192 public high schools with over 112,000 student-athletes that participate in 24 sports.

The MPSSAA hosts its state championships at a variety of venues including M&T Bank Stadium; Cole Field House; Comcast Center; UMBC RAC Arena and Stadium; Washington College; UMCP's Ritchie Coliseum, Golf Course, Natatorium, and Softball Stadium; Hughes Stadium at Morgan State; Ripken Stadium; and PG Sports & Learning Complex.

MPSSAA representatives indicated that they strive to provide the best facilities in the state for their championships. Important factors in their booking decisions include accessible parking, sufficient locker rooms for teams and officials, training rooms for student-athletes, concessions for their spectators, central location within the State, and the highest quality venue available. The MPSSAA is not actively looking to move any of their championships at this time but would

explore a new venue for its appropriateness to host events. Championships that might potentially be able to use the smaller proposed soccer stadium in downtown Baltimore include boys and girls soccer, boys and girls lacrosse, football, and field hockey.

Maryland Interscholastic Athletic Association and Interscholastic Athletic Association of Maryland

The Maryland Interscholastic Athletic Association (MIAA) and the Interscholastic Athletic Association of Maryland (IAAM) are independent organizations that govern athletics at private and parochial schools. The MIAA is comprised of 28 private high schools with a combined enrollment of over 17,000. The IAAM consists of 30 private and parochial schools.

The MIAA and IAAM have been concerned with finding quality fields on a consistent basis for their championship games and their high profile regular season games including football, field hockey, girls and boys soccer, and girls and boys lacrosse. The MIAA and IAAM have been in negotiations with Baltimore County regarding the construction of a stadium complex that would include a 6,000-seat stadium, a track, office space, and parking. The complex would encompass 42 acres and allow the MIAA and IAAM to have a guaranteed location for their championship events and high profile regular season games. According to MIAA/IAAM representatives, the anticipated cost of the stadium construction as provided by Whiting-Turner is estimated to be \$13.2 million which includes site improvements. The MIAA and IAAM are privately funded and do not have State funding. At this time of this report, this project is on hold due to financial concerns.

Currently, the MIAA and IAAM play their championships at a variety of venues throughout the Baltimore Metro region including those at Johns Hopkins, Towson University, UMBC, Goucher College, Mount St. Joseph High School, and Gerstell Academy.

Officials indicated that a 7,000 to 10,000-seat venue would potentially work for their needs if they are able to book and guarantee dates for their events for multiple years. The cost of rental would be an important concern but both conferences are accustomed to paying rent to local universities and colleges for the use of their venues. Other potential events that could be held at the proposed 7,000 to 10,000-seat stadium include championship football, field hockey, boys and girls soccer as well as approximately 14 high profile regular season games in various sports.

Baltimore City Public Schools

Baltimore City Public Schools play their athletics under the umbrella organization MPSSAA. Athletics Office representatives indicated that the recent renovations of fields at Baltimore Polytechnic Institute and Mergenthaler Vocational Technical meet their athletic field needs.

Youth and Amateur Associations

In addition to collegiate and scholastic institutions, representatives of competitive youth and adult amateur soccer events/tournaments were interviewed to gain an understanding of their presence in the State of Maryland/Baltimore Metro area as well as potential to utilize the proposed new stadiums in Baltimore.

US Club Soccer

US Club Soccer is a non-profit organization that supports the development of competitive soccer clubs and is a National Affiliate with the USSF. Founded in 2000, it has over 2,300 members in 49 states. US Club Soccer has a partnership with MLS to develop youth players and competitions. In 2004, it partnered with Disney's Wide World of Sports Complex to launch the Champions Cup.

US Club Soccer has a program called id2 which is US Club Soccer's national identification and development program that provides an opportunity for the country's top youth talent to be identified and developed for possible inclusion in the U.S. Soccer's National Team programs.

US Club Soccer officials indicated that they rarely play in larger venues and are looking for multiple fields in one location for their events. As such, they do not anticipate any uses at either proposed soccer stadium.

US Youth Soccer

As mentioned earlier, US Youth has more than 3.0 million registered players between the ages of 5 and 19 in 2009. US Youth Soccer has multiple entities including US Youth Soccer Presidents Cup; Soccer Across America; TOPSoccer; Kohl's US Youth Soccer American Cup; Youth Soccer Month; US Youth Soccer Olympic Development Program; US Youth Soccer National League; and US Youth Soccer National Championship Series.

US Youth Soccer officials indicated that they look for multi-field complexes to host their events. They do not hold any one-off, single game events nor do they play in larger sized venues. As such, they indicated that they would probably not host any of their events at either proposed soccer stadium in Baltimore.

Maryland State Youth Soccer Association

With 58,000 members, the Maryland State Youth Soccer Association (MSYSA) is the largest association for youth soccer in the State of Maryland. Membership has been growing with an increase of 4,000 members in the past two years. Membership is open for children as young as seven years old and to a maximum of 19.

MSYSA hosts many large scale tournaments including the Maryland State Cup, the Region I Championship, and the President's Cup. In affiliation with US Youth Soccer, MSYSA also runs the Olympic Development Program (ODP) which is a national identification and development program for high-level players. In the State of Maryland, there are 300 players that are accepted into the ODP.

MSYSA hosts many of its tournaments and practices at the SoccerPlex in Germantown and Cedar Lane Regional Park in Bel Air. Both of these complexes have multiple fields, some of which offer lights. Negotiations have been ongoing in Anne Arundel County and Howard County for a partnership to build new fields. These negotiations have not been successful as MSYSA is looking for guaranteed dates and times for their practices and events.

With such a large youth soccer movement in the State of Maryland, there is a significant need for more quality fields that are affordable. One of the challenges in Maryland for soccer is the new competition for field space with lacrosse teams, especially in the spring. Having an artificial turf playing surface and lights is critical for MSYSA.

MSYSA officials indicated that Baltimore has a strong draw for tournaments due to its amenities. Baltimore has the hotels, restaurants, and entertainment options that are appealing to parents of youth players. Additionally, Baltimore has highway and airport options for getting into the market. However, a new single field stadium would not be able to accommodate the tournament needs of MSYSA which typically requires a multi-field complex offering between four and 24 fields.

Maryland State Soccer Association

The Maryland State Soccer Association (MSSA) was created in 1927 as the governing body of amateur soccer in the State of Maryland. It is a volunteer organization whose mission it is to promote and foster soccer in the state. The MSSA, its leagues, clubs and teams are members of the USSF and the United States Adult Soccer Association. There are 1,400 registered players in the MSSA and five leagues with 70 teams.

MSSA sponsors its own state competitions in addition to participating in national competitions. State competitions include: the Rowland Cup (men's open championship); the Steward Cup (men's amateur championship); and the Hagan Cup (women's championship). They also host the Champion's Cup, which assembles the champions of the various league competitions for a special tournament. Tournaments are held at multi-field complexes including Cedar Lane Regional Park, Western Regional Park in Woodbine and Catonsville.

MSSA plays some of its schedule during the winter months due to competition for fields in the spring with youth soccer and youth lacrosse. Additionally, during this traditional "off season" it is easier to book referees for games. Artificial turf fields are a key to hosting MSSA games and tournaments as they play a bulk of their schedule during winter months.

MSSA officials indicated that a stadium field would probably not be an ideal fit for their needs. Their events simply do not draw enough attendance to justify the expected costs. They suggested that perhaps they could play a doubleheader type of situation with the tenant team but otherwise it would not be an affordable option.

Elite Tournaments

Elite Tournaments is a Maryland based organizer and manager of sporting events with an emphasis on soccer tournaments. The company was founded in 2000 and has organized over 80 youth soccer tournaments for eight different clubs, colleges, international and professional organizations.

Elite Tournaments runs the Columbia Invitational youth tournament that began with 50 teams. This tournament now draws 550 teams and 1,400 games are played over the course of a weekend. Some of the fields used are in Ellicott City, Olney, Columbia, and Bel Air. Twenty-five percent (25%) of the Columbia Invitational's participants are from outside the state of Maryland. Their March tournament has 80% of the participants coming from outside the state of Maryland while their Memorial Day tournament has 65% and Labor Day tournament has 40%, respectively. Elite Tournaments conducts events 18 weekends per year and books over 20,000 room nights in area hotels.

Elite Tournament representatives would have some interest in a stadium field that could be used as a championship field for one of their tournaments. On a regular basis, a complex with four or more fields would best suit their tournament needs.

AAU

The Amateur Athletic Union (AAU) is one of the largest, non-profit, volunteer, sports organizations in the U.S. A multi-sport organization, the focus of the AAU is on the promotion and development of amateur sports and physical fitness programs. The AAU has a regional office in Maryland that is active with many sports including baseball, basketball, cheerleading, cross country, flag football, tackle football, golf, etc. However, the Maryland AAU does not have a soccer program. In addition, AAU representatives indicated that their other sports programs would not be large enough to support playing in a stadium environment.

Baltimore County Parks and Recreation

Baltimore County Parks and Recreation has 45 recreation councils. Each council is independent and runs its own programs with Baltimore County providing leadership and facilities. There is a wide range of sports programs offered including adult and youth lacrosse, soccer, flag football, tackle football, and field hockey.

The Parks and Recreation Department has a joint usage agreement with Baltimore County schools to also utilize their facilities. Additionally, they have five regional parks with multiple fields some of which have lights. Representatives indicated that there may be interest in a stadium field but cost and demand would drive that decision.

City of Baltimore Parks and Recreation

The Parks and Recreation Department runs the recreation athletic programs within the City of Baltimore including baseball, boxing, disc golf, fishing, softball, youth tackle football, and co-ed outdoor soccer. The outdoor soccer program uses Herring Run Park for its fields. Representatives indicated that while Baltimore has always been a hotbed for soccer, cost of field rental and corresponding budgets would probably not allow them to utilize either stadium concept.

Concert Promoters

Representatives with four concert promotion companies were interviewed for this study. These companies are involved with a range of events including rock and roll, comedy, middle-of-the-road, urban, and country. Two are industry leading, international promoters, one is a regional promoter, and one is a local promoter. The promoter company representatives had varying reactions to the market demand for these venues.

Some promoters indicated that there was a niche in the Baltimore market that could be filled by a 7,000 to 10,000-seat stadium if it was designed to accommodate concerts, family shows, and other events. However, the admissions and amusement tax, union costs, stadium design and affordability were all issues that need to be taken into consideration relative to potential demand. By contrast, other promoters noted that this seating capacity would be difficult to support economically relative to hosting concerts.

One promoter indicated that there is a niche in the Baltimore market that could be served by a 25,000-seat stadium. This promoter cited that Baltimore has become its own concert market which is capable of hosting and supporting shows that may also play Washington, D.C. In addition, other promoters indicated that from an economic perspective, only a 25,000-seat stadium would be viable. However, there is not a lot of touring product that plays stadiums in any given year. As with the smaller stadium concept, the cost to utilize the facility and potential profitability to the concert promoter will be important factors relative to potential demand. Some promoters indicated that acts may still choose to play facilities like 1st Mariner Arena, Merriweather Post Pavilion or other venues that are specifically designed to accommodate a touring concert.

One promoter indicated that neither stadium scenario under consideration would likely be successful from a concert programming perspective. The primary reason is that Merriweather Post Pavilion, which is located within a one hour drive of Baltimore, is an established and successful outdoor concert facility which would represent strong competition. Statistics provided by the promoter indicate that 35% of attendees at Merriweather Post Pavilion are from Baltimore City and surrounding suburbs, 25% are from the Washington, D.C. area and 16% are from Virginia.

Because several facilities in the market are designed specifically for concerts, these facilities would be less expensive to utilize than a proposed new soccer stadium in Baltimore and offer higher profitability to the artist. As such, either proposed new soccer stadium in Baltimore would be a greater financial risk.

Recurring themes with promoters included, but are not limited to, the following:

- Any stadium must be designed so that it can efficiently and economically accommodate concerts and other non-soccer events .
- A 25,000-seat stadium would need to be designed to scale down and still have a viable concert setting.

- Taxes in the Baltimore area need to be closely looked at to attract major concert business as this is currently viewed as a disadvantage in hosting events.
- Costs would need to be controlled in a stadium model, particularly with local unions.
- SMG will protect their booking opportunities at 1st Mariner Arena which is a proven and user friendly venue for promoters.
- M&T Bank Stadium will continue to host an occasional concert annually and promoters cited the Baltimore Ravens are a user friendly organization with which to work.
- Oriole Park provides a good opportunity to host amphitheater type events.
- There are not enough outdoor touring shows to sustain a soccer stadium.
- If a concert is capable of selling in the range of 10,000 tickets they may simply go to 1st Mariner Arena as they have the infrastructure to accommodate the show in a turnkey fashion, sell additional tickets creating an economic incentive, and not have a weather factor.
- None of the promoters felt that the market could support two new soccer stadiums.

Other Uses

In addition to tenant, rotational, and occasional users such as sporting and entertainment events, the proposed new soccer stadiums will be able to accommodate a variety of other activity. Potential booking opportunities include activities such as marching band and drum line events (e.g., Drum Corps International), sporting events such as rugby and frisbee as well as ethnic and food/beverage festivals, graduations and assemblies. Parking lots provide opportunities for events such as car shows, motorcycle shows and carnivals. Some stadiums have hosted movie nights for the community in their parking lots. Inside the stadium, premium spaces such as a club lounge may be utilized for corporate functions and may attract smaller events such as family reunions, product launch events, holiday parties, etc. Many stadiums across the country are being utilized for community events such as the start and finish point for charity walk-a-thons or races or the field is being used for charity events such as Special Olympics. For either stadium concept there is also an opportunity to create specialty games and/or tournaments. Local stakeholders also indicated that quality field space for club sport practice is at a premium and may represent a small but vital marketing and rental opportunity for the venue.

Both stadium concepts are anticipated to be designed to accommodate diverse activity and be operated in a first-class manner. The ability to have a dedicated staff that is able to coordinate and market the logistical details of these types of events will be crucial to the success of each venue concept. Both stadium concepts would need to be equipped to handle any specialized food and beverage/catering needs of an event, as many event producers are looking for highly specialized catering opportunities in unique environments.

The following factors will influence either facility's ability to host these types of events:

- Size and accessibility of parking lots
- Ancillary rooms/space within the stadium design
- Accessibility to the market
- Costs associated with facility utilization
- Facility management's experience and relationships with event promoters/producers
- Strength and experience of the marketing and event coordinating staff
- Strong working relationship with area and State marketing agencies including the Maryland Office of Sports Marketing, Visit Baltimore, Downtown Baltimore, Baltimore Development Corporation, Greater Baltimore Committee, Baltimore Office of Promotion & The Arts, etc to increase revenue and booking opportunities
- Mission and operating objectives of the proposed stadium

Summary of Input from Potential Users

Multiple sports organizations/entities indicated varying levels of interest and/or compatibility in hosting events at the proposed soccer stadiums in downtown Baltimore which is summarized in the following table.

Summary of Input from Potential Users of the Proposed New Soccer Stadiums		
Potential User Category	Proposed D.C. United Stadium	Proposed Crystal Palace Baltimore Stadium
	Westport Waterfront Site	Carroll Camden Site
Tenant Team	High	High
USSF-Men's	Moderate	Low
USSF-Women's	Low	Moderate
WPS (or another similar league)	High	High
US Lacrosse	Low	Low
Major League Lacrosse	Low	Low
Collegiate Sports	Moderate	High
Scholastic Sports	Low	Moderate
Youth & Amateur Sports	Low	Low
Concerts	Low	Low

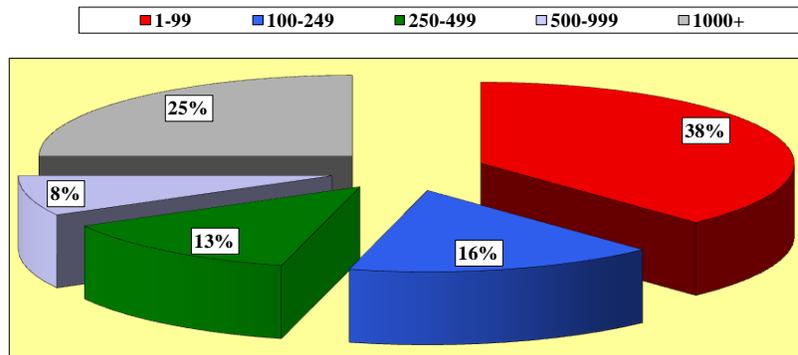
Note: Neither Crystal Palace Baltimore nor the WPS Washington Freedom will field a team in 2011.

Corporate Surveys

As part of the market research, separate survey initiatives were conducted with area businesses, existing D.C. United sponsors, and existing Crystal Palace Baltimore sponsors via the Internet. The primary objective of these surveys was to obtain input regarding general interest in the projects, site locations, potential support for the projects in terms of ticket sales and advertising/sponsorship opportunities, desired stadium amenities, and estimated spending patterns at events both inside and outside of the facility. The pages that follow summarize the results from these three survey efforts.

Baltimore Area Businesses

A total of 179 completed surveys were received. The majority of the respondents indicated that their businesses were located in Baltimore City (65%) or Baltimore County (20%). As shown below, although most survey respondents (38%) have less than 100 employees, approximately 33% of businesses responding to the survey employed at least 500 people and 25% reported greater than 1,000.



Most survey respondents had not heard or read anything about a potential new soccer stadium in Baltimore. Only 39% of the respondents have heard or read at least ‘Some’ about a new stadium in downtown Baltimore to host D.C. United and 26% had heard or read at least ‘Some’ about a new stadium for Crystal Palace Baltimore.

Support of the Proposed New Stadiums

Support for the potential construction of the new stadiums in downtown was relatively high. Approximately 73% of survey respondents expressed support for the construction of a new downtown stadium for D.C. United and 65% for a new stadium for Crystal Palace Baltimore. Approximately 41% of survey respondents indicated ‘Strong Support’ for the D.C. United stadium project compared to 28% for the Crystal Palace Baltimore stadium concept.

Reasons given for supporting the construction of a new downtown stadium include:

- Potential for more sports/entertainment events
- Positive for economic development
- Economic/fiscal benefits to the City/State

Relative to site location, accessibility, location and increased economic development were noted as the primary advantages of both sites. Financial burden was considered a primary disadvantage of both sites along with low demand and poor location at the Carroll Camden site for the Crystal Palace Baltimore stadium.

When asked about the factors that would affect their decision to attend events at a new stadium in downtown Baltimore, respondents ranked overall affordability, proximate parking and ticket/admission prices as most important. Site location relative to existing light rail was ranked as least important.

Specific design elements or features survey respondents wanted in any new soccer stadium, included a ‘green’ facility, modern and high tech amenities, architecture that blended in with Oriole Park at Camden Yards and M&T Bank Stadium and comfortable seating with good site lines.

When asked what type of events they would most likely attend at a new stadium in downtown Baltimore, respondents ranked international soccer events/tournaments and concerts with the highest interest. High school sporting events generated the least interest.

Support - Advertising/Sponsorship Opportunities

The majority of survey participants did not anticipate that their business would explore advertising/sponsorship opportunities at either stadium. In fact, 58% of survey respondents expressed ‘Not at all Likely’ to explore advertising/sponsorship opportunities at the proposed D.C. United Stadium and 62% for the stadium for Crystal Palace Baltimore. The reasons cited were cost, business does not/cannot advertise, or doing so does not fit into the current marketing plan or target audience. Those businesses expressing some level of interested in exploring advertising/sponsorship opportunities have previous experience doing so with other sporting events or teams.

Purchasing Behavior

The survey also asked existing sponsors about their support for other sports teams in the Baltimore/Washington area other than D.C. United in terms of ticket sales, luxury suites, club seats and advertising/sponsorship opportunities. The following table summarizes these results:

Purchasing Behavior Relative to Area Sports Teams				
Team	Tickets	Suites	Club Seats	Advertising/Sponsorship
Baltimore Orioles	91%	43%	59%	62%
Baltimore Ravens	81%	81%	77%	59%
Washington Redskins	19%	13%	12%	15%
Washington Capitals	18%	17%	8%	
University of Maryland	18%	9%	6%	15%
Washington Nationals	17%	11%	18%	10%
Washington Wizards	16%	9%		8%
Baltimore Blast	13%			15%
D.C. United	12%		4%	
Baltimore Mariners	3%			10%
Crystal Palace Baltimore	3%			
Other	3%	4%	4%	3%

Note: Number of responses (N) = 179.

More than three-quarters (78%) of survey respondents have purchased tickets to sports teams in the Baltimore/Washington Metro area within the last five years. Of those, 45% are full season ticket holders that mostly purchase tickets for the Baltimore Orioles and Baltimore Ravens.

Less than one third of respondents (30%) have leased luxury suites at stadiums and/or arenas in the Baltimore/Washington Metro area within the last five years. Those businesses that have leased luxury suites primarily did so for Baltimore Ravens' games (81%).

Approximately 28% of respondents have leased club seats at stadiums and/or arenas in the Baltimore/Washington Metro area within the last five years. As with luxury suites, club seats are primarily leased for Baltimore Ravens' games.

Less than one quarter of survey respondents (22%) have purchased an advertising/sponsorship package associated with a sports team or its home venue in the Baltimore/Washington Metro area within the last five years.

Future Purchases

Respondents were asked how likely their company would be to purchase a luxury suite or club seats at a new stadium in downtown Baltimore. The vast majority of respondents indicated that they were 'Not at All Likely' to purchase a luxury suite or club seats at either proposed soccer stadium. The following table summarizes the results of the survey:

Future Purchases - Premium Seating				
Response	Suites		Club Seats	
	D.C. United	Crystal Palace Baltimore	D.C. United	Crystal Palace Baltimore
	(N=168)	(N=166)	(N=162)	(N=157)
Definitely Likely	2%	1%	3%	2%
Very Likely	11%	4%	23%	13%
Not Very Likely	25%	25%	20%	19%
Not at All Likely	63%	71%	54%	66%

Respondents were asked how likely their company would be to purchase season tickets or individual game tickets at a new stadium in downtown Baltimore. As shown below, although more than one quarter of survey participants (27%) would be at least 'Very Likely' to purchase season tickets for games at the proposed downtown stadium for D.C. United approximately 48% of the respondents were 'Not at All Likely' to purchase season tickets. Only 17% indicated that they were at least 'Very Likely' to purchase season tickets to Crystal Palace Baltimore games at a new stadium in downtown Baltimore compared to 56% who were 'Not at All Likely'. Respondents interested in purchasing season tickets would be likely to purchase four tickets at either stadium.

Future Purchases - Tickets				
Response	Season Tickets		Individual Game Tickets	
	D.C. United	Crystal Palace Baltimore	D.C. United	Crystal Palace Baltimore
	(N=158)	(N=153)	(N=154)	(N=152)
Definitely Likely	3%	1%	14%	11%
Very Likely	24%	16%	40%	30%
Not Very Likely	25%	28%	20%	25%
Not at All Likely	48%	56%	26%	34%

By contrast, more than half (54%) of the respondents stated they would be at least ‘Very Likely’ to purchase individual tickets to games held at a stadium for D.C. United, and 41% of respondents said they would do so for games held at a stadium for Crystal Palace Baltimore.

The majority of respondents are ‘Not at All Likely’ to reduce their spending in tickets, luxury seating or advertising/sponsorships with other area teams/venues should either of the proposed new soccer stadiums be developed. The few that would reduce their spending would do so on the Baltimore Orioles (62%) and the Baltimore Ravens (31%).

Existing D.C. United Sponsors

As part of the research, surveys were sent to 18 existing D.C. United sponsors to obtain their input regarding the proposed new stadium project at the Westport Waterfront site location. A total of eight (8) completed surveys were received for a response rate of 44%. As a point of reference, 14 of 15 (93%) of D.C. United sponsors completed surveys as part of the research conducted for the study conducted in 2008 for a proposed new soccer stadium in Prince George’s County.

Respondents indicated that their businesses were located in Washington, D.C. (2), Howard County (1), Montgomery County (1), Prince George’s County (1), Northern Virginia (1), Chicago (1), and “All” (1). Approximately 63% of respondents employ 1,000 or more people.

Relative to awareness, the majority (63%) of current D.C. United sponsors have heard or read at least ‘Some’ about D.C. United potentially relocating to a proposed new soccer stadium in downtown Baltimore.

General Support of the Proposed New Stadium

Overall, D.C. United sponsors are not in favor of the proposed site location, with approximately 38% saying they ‘Somewhat Oppose’ construction of the new stadium in downtown Baltimore and 38% responding they ‘Strongly Oppose’ it.

D.C. United Existing Sponsors General Support for Proposed New Stadium		
Response	Responses	
	Number	%
Strongly Support	1	13%
Somewhat Support	1	13%
Somewhat Oppose	3	38%
Strongly Oppose	3	38%
Total Responses	8	100%

The primary reasons for not supporting the potential construction of a new stadium in downtown Baltimore were ‘distance from our customer base’ and ‘not enough demand’. By contrast, reasons given for supporting the new stadium included ‘bringing more tourism’ and ‘bringing more sports/entertainment events’.

Support - Advertising/Sponsorship Opportunities

The majority (75%) of survey respondents were not favorable toward continuing their advertising/sponsorship package at a new stadium in downtown Baltimore. The primary reason given for not continuing their advertising/sponsorship package was generally the distance from customer base.

D.C. United Existing Sponsors Support for Advertising/Sponsorship Opportunities		
Response	Responses	
	Number	%
Definitely Likely	0	0%
Very Likely	1	25%
Not Very Likely	2	50%
Not at All Likely	1	25%
Total Responses	4	100%

The factors that most affect respondents' decisions to purchase an advertising/sponsorship package at a new stadium in downtown Baltimore included overall sponsorship package value, overall affordability and attendance at the stadium.

Support - Attendance at Events/Ticket Purchases

When asked about the factors that would affect their decision to attend events at a new stadium in downtown Baltimore, existing D.C. United sponsors ranked overall affordability as most important followed by proximate parking, proximity to other ancillary development, easy accessibility from interstate, and ticket/admission prices. Location on an existing light rail ranked least important.

Survey respondents indicated that they would be most likely to attend international soccer events/tournaments, family shows, concerts, and festivals, respectively, at the proposed new stadium. The least attractive event types to existing D.C. United sponsors were high school soccer and high school lacrosse.

However, the majority of respondents (71%) stated it was 'Not Very Likely' they would purchase tickets to D.C. United soccer games at a new stadium in downtown Baltimore. In addition, survey respondents were either 'Not Very Likely' (33%) or 'Not at All Likely' (67%) to purchase a luxury suite outside of their sponsorship package.

As a point of reference, approximately 38% of survey respondents indicated that they currently purchase additional season tickets outside of those included with their sponsorship package. Two-thirds (66%) of survey respondents currently purchase individual tickets to D.C. United games in addition to the season tickets included in their sponsorship package which was evenly split between general and premium club seats.

Purchasing Behavior

The survey also asked existing sponsors about their support for other sports teams in the Baltimore/Washington area other than D.C. United in terms of ticket sales, luxury suites, club seats and advertising/ sponsorship opportunities.

The majority of survey participants (88%) had purchased tickets to sports teams other than D.C. United in the Baltimore/Washington Metro area within the last five years. Of those, the majority (63%) are full season ticket holders and primarily purchase tickets to area sports teams including the Washington Capitals, Washington Wizards, Washington Nationals, and Washington Redskins.

Sports Entity	Tickets
Washington Capitals	86%
Washington Wizards	86%
Washington Nationals	71%
Washington Redskins	71%
Baltimore Orioles	57%
Baltimore Ravens	43%
University of Maryland	43%

Note: N=7.

Two (25%) of the survey respondents have leased luxury suites and four (50%) had leased club seats at stadiums/arenas in the Baltimore/Maryland Metro area within the last five years, one-half of which still do in both premium seating categories.

The majority of survey respondents (88%) had purchased an advertising/sponsorship package associated with a sports team or its home venue in the Baltimore/Washington Metro area (other than D.C. United) within the last five years and 75% of them currently still do so. As shown in the table to the right, most survey respondents have or currently purchase an advertising/sponsorship with the Washington Wizards (71%).

Sports Entity	Advertising/ Sponsorship Package
Washington Wizards	71%
Washington Capitals	57%
Washington Redskins	57%
Baltimore Orioles	43%
Washington Nationals	43%
Other	43%
Baltimore Ravens	29%
University of Maryland	29%

Note: N=7.

Current D.C. United sponsors who responded to the survey indicated that they are 'Not Very Likely' (50%) or 'Not at All Likely' (50%) to reduce their spending with other area teams/venues if the proposed new soccer stadium were developed in downtown Baltimore.

D.C. United Existing Sponsors Likelihood to Reduce Spending with Other Teams/Venues		
Response	Responses	
	Number	%
Not Very Likely	3	50%
Not at All Likely	3	50%
Total Responses	6	100%

Existing Crystal Palace Baltimore Sponsors

Fourteen (14) existing Crystal Palace Baltimore sponsors were also surveyed to gauge their input regarding the proposed new stadium project at the Carroll Camden site location. A total of eight (8) completed surveys were received for a response rate of 57%. The majority of businesses are located in Baltimore City (25%) followed by Baltimore County (50%). Approximately 88% of survey respondents employ 1 to 99 people. Approximately 75% of current Crystal Palace

Baltimore sponsors have heard or read at least ‘Some’ about potentially relocating to a proposed new soccer stadium in downtown Baltimore.

Support of the Proposed New Stadium

Overall, Crystal Palace Baltimore sponsors were very favorable toward the potential construction of a new stadium in downtown Baltimore.

Crystal Palace Baltimore General Support for Proposed New Stadium		
Response	Responses	
	Number	%
Strongly Support	6	75%
Somewhat Support	2	25%
Total Responses	8	100%

The primary reasons given for supporting the potential construction of a new stadium in downtown Baltimore were:

- Will bring more sports/entertainment events
- Will be positive for economic development
- Will bring more tourism
- Will attract more business to the City
- Will generate economic/fiscal benefits to the City/State

Survey respondents mentioned soccer’s rising popularity, the opportunity for more economic development, the opportunity for more sports entertainment, as well as the location as advantages to the proposed site location. Potential challenges noted by survey respondents included availability of parking, small seating capacity, and uncertainty regarding sufficient demand to fill the stadium.

Support - Advertising/Sponsorship Opportunities

All survey respondents were favorable toward continuing their advertising/sponsorship package at a new stadium in downtown Baltimore. Approximately 63% of respondents anticipated that their company’s sponsorship package would stay the same and the rest were unsure.

Crystal Palace Baltimore Support for Advertising/Sponsorship Opportunities		
Response	Responses	
	Number	%
Definitely Likely	4	50%
Very Likely	4	50%
Total Responses	8	100%

Factors affecting respondents’ decisions to purchase an advertising/sponsorship package at a new stadium in downtown Baltimore included overall sponsorship package value, won/loss record, attendance at the stadium, proximate parking, overall affordability, and easy accessibility from the interstate.

Support - Attendance at Events/Ticket Purchases

When asked about the factors that would affect their decision to attend events at a new stadium in downtown Baltimore, existing Crystal Palace Baltimore sponsors ranked proximate parking as most important following by ticket/admission prices, overall affordability and amenities.

The majority of respondents (83%) stated they would be ‘Very Likely’ to purchase tickets to Crystal Palace Baltimore soccer games at a new stadium in downtown Baltimore, although they did not know what type of seating their company would purchase. None of the survey respondents currently purchase additional individual tickets outside of those included with their sponsorship package. By contrast, survey respondents were either ‘Not Very Likely’ (67%) or ‘Not at All Likely’ (33%) to purchase a luxury suite outside of their sponsorship package.

Survey respondents indicated that they would be most likely to attend concerts, international soccer events/tournaments, and collegiate soccer, respectively, at the proposed new stadium. Similar to D.C. United corporate sponsors, high school soccer and high school lacrosse were the least attractive event types to existing Crystal Palace Baltimore sponsors.

Purchasing Behavior

The survey also asked existing sponsors about their support for other sports teams in the Baltimore/Washington area other than Crystal Palace Baltimore in terms of ticket sales, luxury suites, club seats and advertising/sponsorship opportunities.

The majority of survey participants (63%) have purchased tickets to other sports teams in the Baltimore/Washington Metro area within the last five years - approximately 25% are full season tickets, 25% are individual tickets and 13% are partial season tickets. All of these companies purchase ticket to the Baltimore Orioles. By contrast, none of the Crystal Palace Baltimore sponsors surveyed have leased either luxury suites or club seats at stadiums/arenas in the Baltimore/Maryland Metro area within the last five years. While one survey respondent indicated that their company has purchased an advertising/sponsorship package associated with the Baltimore Blast within the last five years, they do not currently do so.

One current Crystal Palace Baltimore sponsor indicated that their company would be ‘Very Likely’ to reduce their spending with the Baltimore Orioles if the proposed new soccer stadium were developed in downtown Baltimore. Three other sponsors indicated that it would be unlikely that they would reduce their spending with other area teams/venues.

Crystal Palace Baltimore		
Likelihood to Reduce Spending with Other Teams/Venues		
Response	Responses	
	Number	%
Definitely Likely	0	0%
Very Likely	1	25%
Not Very Likely	1	25%
Not at All Likely	2	50%
Total Responses	4	100%

The next section of the report focuses on data from comparable facilities to the two proposed soccer stadiums in downtown Baltimore.

Market & Economic Study for Two Proposed New Soccer Stadiums in Downtown Baltimore, Maryland

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Comparable Facilities Analysis

A typical step in evaluating proposed public assembly projects is analyzing attributes in similar facilities in other markets. Analyzing comparable facilities can offer a frame of reference as to what the proposed new soccer stadiums in Baltimore may be able to attract in terms of number of events and attendance. Baltimore is a relatively unique market given its market size and proximity to so many professional sports franchises in the Baltimore/Washington D.C. Metro area.

As part of our research, we analyzed data from existing and planned MLS stadiums and USSF D-2 Pro League stadiums, including, but not limited to, ownership, management, physical characteristics, event activity and financial operations. It should be noted that not all facilities are directly comparable to either the proposed stadium for D.C. United at Westport Waterfront or the proposed stadium for Crystal Palace Baltimore at Carroll Camden but can still offer a frame of reference in some areas. In addition, operating data was not available from all venues due to private management or lack of event information tracking.

The following pages summarize the building program elements, primary uses and general operating characteristics for these profiled stadiums based on data obtained from direct interviews with management as well as secondary sources. This information was used in developing assumptions for the estimates of utilization and financial operations for the proposed new soccer stadiums in downtown Baltimore.

MLS Venues

Overview of MLS Stadiums

The following table profiles the owners and operators for the stadiums that currently host MLS teams. While nine of the 16 MLS stadiums (56%) are publicly owned, only three (19%) are publicly managed including RFK Stadium. This approach is consistent with MLS' preference for teams to have an active role in operations of their stadiums to place them in a better position to maximize revenues.

Owner/Operator of MLS Stadiums			
Team	Stadium	Owner	Operator
Chicago Fire	Toyota Park	Village of Bridgeview	Team
Chivas USA	Home Depot Center	Anschutz Entertainment Group (AEG)	AEG/Team
Colorado Rapids	Dick's Sporting Goods Park	City of Commerce City	Team
Columbus Crew	Crew Stadium	Hunt Sports Group/Local Investors	Team
D.C. United	RFK Stadium	Washington Convention and Sports Authority	Washington Convention and Sports Authority
FC Dallas	Pizza Hut Park	Frisco Independent School District, City of Frisco, Collin County	Team
Houston Dynamo	Robertson Stadium	University of Houston	University of Houston
Kansas City Wizards	CommunityAmerica Ballpark	Private	Private
LA Galaxy	Home Depot Center	AEG	AEG/Team
New England Revolution	Gillette Stadium	Robert Kraft	Team
New York Red Bulls	Red Bull Arena	Red Bull GmbH	Team
Philadelphia Union	PPL Park	Delaware County	Global Spectrum
Real Salt Lake	Rio Tinto Stadium	Real Salt Lake	Team
San Jose Earthquakes	Buck Shaw Stadium	Santa Clara University	Santa Clara University
Seattle Sounders FC	Qwest Field	WA State Public Stadium Authority	Team
Toronto FC	BMO Field	City of Toronto	Maple Leaf Sports and Entertainment/Team
Average			

Note: Sorted alphabetically.

Sources: MLS; individual teams; other secondary research.

Since 2005, seven new MLS soccer stadiums have been built. Crew Stadium underwent major renovations in 2004 and 2007. The Houston Dynamo, Kansas City Wizards and San Jose Earthquakes are in the planning stages for new facilities anticipated to be in operation by 2012. All three of the expansion teams that will begin play in 2011 or 2012 are undergoing multi-million dollar renovations.

MLS Stadium Seating Data					
Team	Stadium	Year Opened	Soccer Seating Capacity	Luxury Suites	Club Seats
New York Red Bulls	Red Bull Arena	2010	25,189	30	1,116
Philadelphia Union	PPL Park	2010	18,500	30	2,000
Real Salt Lake	Rio Tinto Stadium	2008	20,000	30	1,000
Colorado Rapids	Dick's Sporting Goods Park	2007	18,000	20	200
Toronto FC	BMO Field	2007	20,000	30	500
Chicago Fire	Toyota Park	2006	20,000	48	1,100
FC Dallas	Pizza Hut Park	2005	20,500	24	1,500
Chivas USA/LA Galaxy	Home Depot Center	2003	27,000	48	1,500
Kansas City Wizards	CommunityAmerica Ballpark	2003	10,385	20	-
New England Revolution	Gillette Stadium	2002	68,000	80	6,000
Seattle Sounders FC	Qwest Field	2002	72,000	82	7,000
Columbus Crew	Crew Stadium	1999	22,555	28	1,157
San Jose Earthquakes	Buck Shaw Stadium	1962	11,500	32	-
D.C. United	RFK Stadium	1961	23,865	-	2,500
Houston Dynamo	Robertson Stadium	1941	32,000	20	2,900
Average of stadiums built since 2005			20,300	30	1,100
Average of all stadiums			27,300	35	1,900

Note: Sorted by year built.

Sources: MLS; individual teams; other secondary research.

The majority of MLS teams play in newer soccer specific stadiums. The average capacity of stadiums built since 2005 is 20,300 with 30 suites and 1,100 club seats. Both the New England Revolution and Seattle Sounders are in a unique situation as their team owners also own the NFL franchise in the market and have operational control of their respective stadiums. Design elements in both stadiums are in place to accommodate MLS soccer. However, the New England Revolution and its ownership group continue to explore the possibility of a soccer specific stadium in the Boston Metro area.

Profile of Newer MLS Stadiums

This section provides case studies for newer MLS soccer stadiums that are comparable to the proposed new D.C. United stadium at the Westport Waterfront site.

Red Bull Arena – Harrison, New Jersey

Red Bull Arena, home of the New York Red Bulls, opened in March of 2010. The new stadium is located in Harrison, New Jersey and is the centerpiece of a 250-acre waterfront redevelopment area known as the Riverbend District. Harrison is located approximately 10 miles from New York City and 1.5 miles from Newark, NJ. The New York Red Bulls and Red Bull Arena are owned by Austria based Red Bull GmbH which also has interests in NASCAR, Red Bulls Salzburg, Ghana, and Brazil, and Formula One Auto Racing.

The \$165 million stadium has a seating capacity of 25,000. It sits on a 12-acre site that is owned by the Town of Harrison. The stadium was 100% privately financed by Red Bull. The stadium was designed to have a “European style” soccer feel to it and features a translucent polycarbonate and aluminum roof structure that covers all seating. The venue does not have a permanent stage as its focus is on premier soccer and sporting events.

The stadium has 30 skyboxes (suites) that are priced at \$65,000 (17 seats), \$70,000 (19 seats), and \$75,000 (22 seats). Skyboxes were sold on three, five, and seven year agreements. Amenities for skybox owners include access to the private Skybox Lounge, all-inclusive food and beverage, Skybox attendant, access to the skybox on non-game days for meetings and private events, and first option for tickets to non-Red Bull events. There are 1,000 club seats that are priced at \$3,000 per season. Club seats are sold on two, three, and five year agreements. Amenities include first option for tickets to non-Red Bull events, all-inclusive food and beverage service, access to Club Seats Lounge, private restrooms. Club seats are located on the 100 level directly adjacent to the team benches. There are also two party decks.

In addition to the New York Red Bulls, the stadium is anticipated to host international soccer games, rugby matches, football games, and motor cross events. To date in 2010, the venue has hosted three Open Cup qualifying matches; a Turkey vs. Czech Republic international soccer match which drew attendance of 16,320; three international friendlies that drew attendance ranging from 7,700 to 18,700; and an international rugby match that drew attendance 8,000. The facility also hosted the Barclay’s New York Challenge that featured the New York Red Bulls, Manchester United, Tottenham, and Sporting which drew between 17,000 and 23,000 people for each match. Red Bull Arena is scheduled to host the Red Bull Air Race World Championship and the Big East Men’s Soccer Championships.

Parking is limited on site due to its location but is accessible by public transit. The PATH trains run from New York, Newark, and Hoboken and all stop at the Harrison PATH station located four blocks from the stadium. The stadium is also serviced by multiple New Jersey Transit bus stops that are within a half mile of the stadium.

PPL Park – Chester, Pennsylvania

The Philadelphia Union is an expansion team of MLS that started play in 2010. The Union’s home field is the new 18,500 seat capacity PPL Park, located in Chester, Pennsylvania, which officially opened on June 27, 2010. The team played its first home games at the 67,000 seat Lincoln Financial Field in Philadelphia while waiting for the completion of their soccer specific stadium. The team is owned by Keystone Sports and Entertainment, LLC. Development rights outside of the stadium are owned by Buccini / Pollin, an investor in Keystone Sports and Entertainment.

PPL Park is the catalyst for a \$500 million waterfront revitalization project that will include the stadium, housing, an exposition center, retail, office buildings, garage parking, a riverwalk, and boat slips. The stadium portion was estimated to cost \$120 million. In a public-private partnership, the Commonwealth of Pennsylvania contributed \$35 million, Delaware County and

the City of Chester contributed \$30 million, the Delaware River Port Authority pledged \$10 million, and \$45 million was from Keystone and private investors. Delaware County owns the stadium

There are 30 suites priced between \$40,000 to \$50,000 per year and a supporting 11,000 square foot club restaurant. Approximately 20 of the 30 suites are sold and all of the club seats are sold. There are 24 team seats at field level next to the benches. There is a 2,000 person supporter's club section. A design element will be a roof on both sidelines to protect fans from the elements. The stadium features a large exterior grass and promenades for tailgating, music, and game day activities. The stadium is located five miles south of the Philadelphia International Airport and is serviced by four major highways and Amtrak, Conrail, and SEPTA rail lines. The nearest train station is two miles away and is serviced by shuttles to the stadium as 10% of their crowds are expected via train.

The venue is expected to host 40 to 50 events per year including two to three concerts per year. The stadium does not have a concert grid, stage, or field cover so it will be costly to attract concerts, according to stadium representatives. The Union has sold out their season ticket allotment of 12,000 in advance of their first game in their new stadium in June. There are 4,500 parking spaces within walking distance, 2,000 off site that are serviced by shuttle buses, and 500 off site for staff with shuttle buses. There is an outdoor plaza that can accommodate up to 7,000 for concerts and will be used on game days for food vendors and pre / post game bands.

PPL EnergyPlus reportedly purchased the naming rights for \$20 million for a 10-year term. The Union will purchase and retire renewable energy credits equal to 100% of the park's electricity use from renewable energy projects in Pennsylvania owned or contracted by PPL EnergyPlus making PPL Park the only MLS stadium powered completely by sustainable hydro- and wind-powered energy.

Keystone Sports and Entertainment entered a partnership with the Philadelphia based sports and entertainment company Comcast-Spectacor. Comcast-Spectacor subsidiaries, Global Spectrum, Ovation Food Services and New Era Tickets, manage the stadium, provide food and beverage concessions and catering, and handle Union ticket sales.

Rio Tinto Stadium – Sandy, Utah

Rio Tinto Stadium opened in October 2008 and is home to Real Salt Lake of MLS. The team is owned by SCP Worldwide, a sports, entertainment, and media enterprise that also owns the NHL's St. Louis Blues, Scottrade Center, Kiel Opera House, the AHL's Peoria Rivermen and KALL700 Sports Radio in Salt Lake City. A related entity of SCP Worldwide, Utah Soccer Stadium Owner, LLC, is the owner and operator of Rio Tinto Stadium. Prior to the construction of Rio Tinto Stadium the team played at the University of Utah's football stadium, the 54,000 seat Rick-Eccles Stadium.

Rio Tinto Stadium is part of a larger development on a 23-acre site that is developing into an urban hub for Sandy, Utah. Dubbed as Central Plaza, the stadium has a design element in which the northwest staircase of the stadium leads into Central Plaza. It is envisioned to eventually be home to housing, retail, and office space. A 15 theater movie theater complex recently opened as well as multiple restaurants.

The project was financed with \$72.5 million of private funds invested by the team with \$7.5 million earmarked towards youth soccer fields in Salt Lake City. The cost of the stadium itself was \$110 million. Public funding was derived from two sources: the Utah Legislature and the Sandy Redevelopment Authority.

The Utah Legislature approved HB38, a bill that invested \$35 million in public funds to assist with land, infrastructure, parking and other needs related to the project. The funds were allocated from portions of an extension of the Transient Room Tax (TRT) that were set to expire in 2011 and 2015 but now are dedicated to the project for 20 years. The TRT is a 1.25% tax on guests staying in Salt Lake County hotel rooms, with 15% going to the State and then transferred to the Sandy Redevelopment Agency to make bond payments on the \$35 million.

The Sandy Redevelopment Agency contributed \$10 million by the creation of a “Community Development Area” (CDA) around the stadium project. The CDA allows Sandy to re-invest new property taxes generated in the area, outside of previously existing property taxes, to help with project costs.

The stadium has 20,000 seats for soccer events and 27,000 seats for concerts. There is an iconic roof structure that provides shade and wind protection for approximately a third of the seating. There is a 60’ x 80’ stage designed into the stadium and has a stage roof. The stage serves as a party deck during soccer games. Rio Tinto, a leader in mining and exploration, reportedly bought the naming rights for \$26,250,000 on a 15 year term. There are 1,900 parking spaces on site and the stadium has a lite rail stop 1.5 blocks away.

There are 32 suites with all 32 suites being sold. Tickets to a 20-game package and parking passes are included with the suites and owners have first right of refusal on all other event tickets. Suite pricing ranges from \$25,000 to \$60,000 based on number of seats.

There are 904 premium seats and 96 Strong 100 Lions Club field seats. The premium seats are located near the team tunnel, have access to the Budweiser Club Real, and are inclusive of food and non-alcoholic beverages. Food items include hot dogs, soda, ice cream, and candy. The Budweiser Club Real has a capacity of 275 in 2,000 square feet. Members of the Strong Lions Club go to their seats via the team tunnel from the exclusive Strong 100 Lions Club, their seats are at field level, food and beverage is included, and post-game they dine with the players.

The team’s training facilities are currently located 30 minutes away and are not adequate for long term use. The team is in the design phase of a new training facility for Real Salt Lake and their soccer academies. They are looking at a site for their training facility that is within a 15 to 20 minute walk of Rio Tinto Stadium. Rio Tinto Stadium would continue to host the team’s locker rooms. This site would have two fields and be solely for the use of the team. They are also

looking to build a location for their soccer academies that would have 10 to 15 fields. These two projects are anticipated to be ready in 2011.

Dick's Sporting Goods Park – Commerce City, Colorado

Located nine miles from downtown Denver, Dick's Sporting Goods Park (DSG Park) opened in 2007 and is home to the MLS Colorado Rapids. DSG Park is a multi-field sports complex that includes a soccer specific stadium and 24 full-size, lit sports fields. Kroenke Sports Enterprises owns the Colorado Rapids soccer team as well as the NHL Avalanche, NBA Nuggets, and the NLL Colorado Mammoth. The land and the stadium are owned by Commerce City with Kroenke Sports Enterprises having a Stadium Management Agreement to operate the entire complex and a Master Development Agreement.

DSG Park is located in a suburban location with accessibility to a major highway system. DSG Park anchors the 917-acre Prairie Gateway site that is a public-private partnership between Kroenke Sports Enterprises and Commerce City. The new Commerce City Hall is located on site.

Kroenke Sports Enterprises has the first right to develop ancillary businesses. Recently, Kroenke Sports Enterprises engaged with a real estate broker to begin evaluating the site for further potential real estate development. Development had been slowed due to the economic downturn but had originally been anticipated to include a hotel, big box retail, and additional restaurants that would join the existing current restaurant on site.

The total project cost for DSG Park was \$131 million including construction of the stadium (\$71 million), the 24 surrounding playing fields (\$17 million), and infrastructure improvements leading to the complex which included expanding the highway access to the site from two lanes to six lanes. Kroenke Sports Enterprises and Commerce City split the cost of the project evenly, approximately \$65 million each. Team officials indicated that \$80 million was funded through tax increment financing (TIF). The City also issued bonds and utilized various other funding sources to cover its share of the costs. No tax revenue is dedicated to on-going operations of the facility which is the responsibility of Kroenke Sports Enterprises. In 30 years, Kroenke Sports Enterprises can purchase the physical structure of the stadium for \$1.00 from Commerce City. Dick's Sports Goods reportedly purchased the naming rights for \$40 million for a 20-year term.

The stadium has a capacity of 18,000 for soccer games and 25,000 for end stage concerts. There are 21 luxury suites and two party suites that hold up to 60 people. Suite prices range from \$35,000 to \$45,000 annually. There are 200 field level seats and 200 club seats. Sales of premium seating has been challenging for both the field level and club seats due to the economy and team performance. The site also includes 4,960 paved parking spaces plus another 200 street spaces.

DSG Park hosted 19 major events in 2007, 21 events in 2008, and 28 events in 2009. The stadium is host to the very successful two day annual Mile High Music Festival that in 2010 will include Dave Matthews and Jack Johnson. The stadium also hosts CHSAA High School Soccer Championships and utilizes various parts of the stadium for smaller events including charity

walks/runs, wine tasting events, etc. Stadium operators have indicated that they are challenged by not owning their own stage and their own floor covering. It costs approximately \$100,000 to rent and install each product and puts them at a competitive disadvantage for concerts and special events.

Kroenke Sports Enterprises owns a regional sports television network to capitalize on its holdings and also makes a major investment in local youth soccer programs.

BMO Field – Toronto, Canada

BMO Field opened in 2007 and is home to Toronto FC. Toronto FC was the 13th team in MLS when it joined the league in 2007 as an expansion team. BMO Field, originally constructed with 20,000 seats and an artificial turf field, is located in an urban location in downtown Toronto.

Toronto FC is owned by Maple Leaf Sports & Entertainment who are also the owners and operators of the NHL Toronto Maple Leafs, the NBA Toronto Raptors, the AHL Toronto Marlies, Leafs TV and Raptors NBA TV as well as Air Canada Centre. Maple Leaf Sports & Entertainment also manages and operates BMO Field, Ricoh Coliseum, and Oshawa's General Motors Centre.

Maple Leaf Sports & Entertainment, the City of Toronto, the Province of Ontario, and the Federal Government created a public-private partnership to build BMO Field. The stadium is owned by the City of Toronto and was constructed for a total project cost of \$63 million (in Canadian \$). Maple Leaf Sports & Entertainment provided \$8 million, the City of Toronto provided \$10 million plus the land, the Province of Ontario provided \$8 million, and the Federal Government supplied \$27 million. Maple Leaf Sports & Entertainment pre-paid \$10 million for the "titling" rights for the stadium and bought a 20-year management contract for the venue. In this agreement, the City of Toronto pays Maple Leaf Sports & Entertainment \$200,000 annually to manage the venue. If there are operating losses, Maple Leaf Sports & Entertainment absorbs the first \$250,000 and additional losses are split equally with the City of Toronto. The Bank of Montreal reportedly purchased the naming rights for the 10-year term for \$27 million.

Toronto FC has a tremendous following in the Toronto marketplace. The team has sold out every home game that it has hosted and currently boasts a 16,000 name waiting list for season tickets. Prior to the 2010 season, Maple Leaf Sports & Entertainment added 1,500 permanent seats to the stadium thus bringing the total capacity to 21,500. The stadium is designed to expand by another 8,000 seats; however, Maple Leaf Sports & Entertainment has chosen not to pursue additional seating beyond the 21,500 at this time. Their focus is delivering a winning team on the field and sustaining a winning product before committing to the expense of more expansion.

Another major change to the stadium prior to the 2010 season was the removal of the artificial turf surface replacing it with a natural grass pitch. It was important to the success of the team and players to make the transition to natural grass. The team had lost potentially valuable free agents as they did not want to play on an artificial surface. Maple Leaf Sports & Entertainment's focus is on supporting its players while showing a commitment to soccer fans and the sport with adding the natural grass surface.

It was vital to the Federal Government and the Province that 50% of average use of the stadium be used for community use. Prior to 2010, each winter, a bubble structure was erected over the artificial playing surface to allow for use of the field throughout the winter months. The stadium was being used approximately 14 hours per day on weekends and 5 hours per day during the week during the winter months. Approximately 90,000 people were using BMO Field during these months. The average life of an artificial surface is eight years and with so much play on BMO Field's surface the life has lessened to three years. As natural grass cannot accommodate that much activity and to satisfy the Federal Government and the Province, Maple Leaf Sports & Entertainment, at their own cost, paid \$1.6 million to relocate the bubble to another field, \$3.5 million to install natural grass at BMO Field, and donated an artificial field in an underprivileged area.

The stadium has 30 luxury suites and 500 club seats all of which are 100% are sold. Suite prices range from \$25,000 to \$40,000. Suites were sold on 3 and 5 year terms. Twenty suites were up for renewal this past year and only two companies did not renew and those two suites were immediately sold to new clients. There is a 500 seat club with food, beverage, and bars located underneath the seating that accommodates suite holders and club members. Tickets for suites include a 20 game package which includes Toronto FC, Canadian Soccer Association, and "friendlies" games.

Located in a congested, urban location, Toronto FC sees 30-35% of their fans taking public transportation to BMO Field. Light rail, buses, and street cars service the stadium. There are 6,000 parking spaces located in an adjacent Trade Center complex.

In 2007, BMO Field hosted 32 events including its one and only concert with Genesis. The City of Toronto has multiple concert venues that can accommodate all sizes and types of concert activity. The concert business was never programmed into the usage of BMO Field.

In 2008, the venue hosted 26 events while in 2009 they hosted 30 events. In 2009, BMO Field was home field to six games of the Toronto Nationals of Major League Lacrosse. The team stayed for only its inaugural season in 2009 before moving to a smaller stadium in the area for the 2010 season. Other events in 2009 included a Bill Clinton speaking tour, a Canadian National Team Women's Soccer game vs. USA, and an international soccer match with Benfica and Celtic. Past events at BMO Field have included an exhibition game by the CFL's Toronto Argonauts, rugby events, and cricket events.

Toyota Park – Village of Bridgeview, Illinois

Toyota Park is home to the Chicago Fire of MLS. The stadium is located north of Chicago in the adjacent Village of Bridgeview. The Chicago Fire are one of the first expansion teams for MLS and began play in 1998 at the NFL stadium Soldier Field. During renovations to Soldier Field, the Fire played at North Central College's Cardinal Stadium for the 2002 season and most of the 2003 season. The team then went back to play at the renovated Soldier Field. In 2006, Toyota Park opened and became home for the Fire. The team is owned by Andell Holdings and its Chairman and CEO Andrew Hauptman who purchased the team and stadium interests in 2007 from AEG.

The stadium was constructed for \$70 million with the Village of Bridgeview providing approximately \$70 million towards the construction cost of the stadium and retains ownership of the stadium and the land. The stadium is part of a larger development initiative in the area that also includes hotels, a water park, a cinema complex, and retail. The team pays the Village \$300,000 annually for the use of the stadium and shares revenues generated from tickets, concessions, parking and premium seating with the Village. The management rights of the stadium are held by Andell Holdings. Toyota reportedly paid \$7.5 million for the naming rights to the stadium on a 10-year term.

The stadium has a capacity of 20,000 for soccer and 30,000 for concerts. The stadium has 48 suites with 42 executive suites along the sidelines and six event suites located in the end zone. The six end zone suites are located in the stage area of the stadium. Suite capacities range from 16 to 36 seats and pricing ranges from \$25,000 to \$60,000 on three to seven year terms. Suite amenities include access to the private Stadium Club, VIP parking, a private entrance, full catering services, and first option to purchase tickets to concerts and special events. There are 1,100 club seats that are priced at \$1,200 and include access to the Stadium Club, parking, in seat dining services, and first option to purchase tickets to concerts and special events. The stage is built in to accommodate concert events. There is a roof deck area that seats approximately 100 and tickets include food and beverage.

Toyota Park is also home to the Chicago Red Stars of Women's Professional Soccer. The Red Stars began play in 2009 and hosted 10 games at Toyota Stadium. The team will play 12 games at the stadium in 2010. The stadium has hosted international soccer tournaments including the Sister Cities Championship in 2010, a professional lacrosse team called the Chicago Machine, college lacrosse games, and the Barclays Churchill Cup the largest international rugby tournament in North America. The venue is also home to concerts which have included Jimmy Buffett, Eric Clapton Crossroads Guitar Festival, Phish, and radio station concerts.

Pizza Hut Park – Frisco, Texas

Pizza Hut Park is home to FC Dallas of MLS and is part of a 111-acre sports park complex. Opened in 2005, the facility is located 30 miles north of downtown Dallas in Frisco, Texas. In 2000, Frisco had approximately 40,000 residents and currently, in 2010, its population has grown to over 100,000. The stadium has seating for 20,500 and can reach a maximum capacity of 23,000 with standing room and temporary bleachers for soccer. The capacity is 32,500 for concerts. There are 17 fields on the site and the complex hosts 300+ event days per year and over 1.4 million spectators and participants utilize the complex annually. FC Dallas is owned by the Hunt Sports Group.

The area surrounding Pizza Hut Park was envisioned to become the “urban town center” of Frisco and that has come to fruition. The Dallas North Tollway has become a six lane tollway that has offramps into the Frisco urban core near the stadium. The City Hall is complete and fully operational. There is a major medical building, multiple retail and restaurant locations, a Cinemark movie complex, and housing all located within a short distance of Pizza Hut Park.

Pizza Hut Park was funded through a public-private partnership for approximately \$80 million: \$15 million from the Frisco Independent School District; \$20 million from Collin County; \$20 million from the City of Frisco; and \$45 million from the Hunt Sports Group which owns FC Dallas. The naming rights to the complex were reportedly sold to Pizza Hut on a 20- year term with a total investment of \$25 million which the team retains. The team pays \$100,000 per year in annual rent, is responsible for all operating expenses, and manages the complex.

The stadium has 24 suites with 18 being enclosed and 6 being open air. Suite prices range from \$35,000 to \$40,000 per year. There are 1,500 Center Circle seats which include food credit, stadium club access, and parking. Suite sales have been stable with only two open suites. There are four “Party Plazas” in the corners of the stadium and are sold on a game-by-game basis. Two of the Plazas seat 110 people and two seat 250 people. If the Plazas are not sold to a group they can be opened up for individual ticket sales. The team has a new sales and marketing team in 2010 and has been focused on outreach to the 18 to 34 year old crowd.

There are 5,000 paved parking spaces on site as well as another 2,000 spaces in an adjacent complex located across the street. A five story structured parking garage near City Hall is almost complete and will be available in the near future to support stadium parking. Tailgating is allowed on site and is a key to the venues ability to host concerts such as Jimmy Buffett and is a strong revenue source for the team.

Originally, Pizza Hut Park had an exclusive agreement with AEG Live to produce concerts. That agreement recently ended and Pizza Hut Park is able to work with any promoter as well as buy their own talent and produce their own concerts. The team forecasts to host four to six concerts per year. Area competition includes a Live Nation owned amphitheater, American Airlines Center, and the new Dallas Cowboys Stadium.

High school football and college football are strong non-soccer events for the stadium. The stadium hosts approximately 20 regular season games, playoff games as well as pre-season games. The stadium was recently awarded the NCAA Division I Football Championship Subdivision for 2010-2012. In 2008, the stadium hosted 596,829 people at 83 events and in 2009 it hosted 352,708 people at 69 events.

While the stadium has not seen any major changes recently the management team chose to shut down 14 of the 17 fields in the complex for the 2008/2009 season for repair work. The 14 fields are natural grass and were not playable any longer due to constant use. According to management, a grass field has the ability to support 600 hours of use and each field was programmed for approximately 1,800 hours. The management team worked with local leagues during this shut down period to restructure future use of the natural grass fields.

The Home Depot Center – Carson, California

The Home Depot Center is a 125-acre, \$150 million multi-facility complex that includes a soccer stadium, tennis stadium, track & field facility, and indoor velodrome. The Home Depot Center opened in 2003 and is owned and operated by AEG. Club Deportivo Chivas USA and the LA Galaxy of MLS both play at The Home Depot Center soccer stadium.

Club Deportivo Chivas USA (Chivas USA) is an expansion team of MLS and began play in 2005. The team is owned by Mexican investors Jorge Vergara Madrigal, owner of Club Deportivo Guadalajara, and Antonio Cue Sanchez-Navarro, and is a subsidiary of Chivas USA Enterprises LLC. Club Deportivo Guadalajara is in the Mexican First League, the top soccer league in Mexico. The LA Galaxy is one of the ten charter members of MLS beginning play in 1996. The team is owned by AEG which also has business interests in the Houston Dynamo of MLS, the STAPLES Center, the NBA Los Angeles Lakers, and the NHL Los Angeles Kings.

Located on the campus of California State University, Dominguez Hills, the soccer stadium has a capacity of 27,000 seats. There are 42 luxury suites, six event suites, and 1,500 club seats. Suite prices range from \$28,000 to \$70,000 and are sold on multi-year agreements ranging from three to ten years. Club seats are priced at \$3,750. Amenities for premium programs include: access to the American Express Stadium Club; VIP parking; tickets to soccer games and other sporting events held at the stadium; first option on tickets to non-sporting events; VIP entrance; VIP will call; and presale ticket purchase priority to select STAPLES Center and AEG events. Home Depot reportedly paid \$70 million for the naming rights in a ten year agreement.

The stadium part of the Center also has eight natural grass training fields and two artificial surface training fields. The soccer stadium has hosted the 2003 MLS All-Star game, the 2003 and 2004 MLS Cup games, the 2003 FIFA Women's World Cup championship game, numerous international friendlies, and the International Rugby Board USA Sevens Tournament. Concerts that have been hosted include the Dave Matthews Band, Carlos Santana, and Kenny Chesney.

The Home Depot Center also has an 8,000 seat tennis stadium, 10,000 seat track & field facility, and a 2,450 seat indoor velodrome. The Center is the site of the U.S. Soccer Federation's national team training headquarters and the location of the United States Tennis Association's (USTA) High Performance National Training Center. It is designated as an official training site for USA Cycling and USA Track & Field. There are facilities on site to accommodate lacrosse, rugby, volleyball, baseball, softball, and basketball also.

Crew Stadium – Columbus, Ohio

The team is owned by Hunt Sports Group and was one of the original 10 members of the inaugural MLS that began play in 1996. Crew Stadium was the first soccer specific stadium constructed for a MLS team in the United States. The stadium opened in May of 1999. Home to the Columbus Crew, the stadium is located on State fairgrounds property that is owned by the Ohio Expositions Commission.

The stadium has a capacity of 22,555 for soccer games and 30,000 for concert events. Hunt Sports Group privately financed the stadium for \$31 million and owns the management rights. The team pays \$50,000 in land rent and \$120,000 in parking a year. The team retains 100% of parking, concessions, signage, and suites.

During the 2007-08 off season the stadium underwent a major renovation with a permanent stage, stage roof structure, show power, green rooms, production rooms, and loading docks being added. The stage is 60' x 120', the new roof structure can hold 100,000 pounds, 3,200 amps of show power was added and the new docks can accommodate 11 trucks. This investment was made to support the recruitment of concert programming. The total cost of the improvements was \$4 million and was funded privately by Hunt Sports Group.

Originally, Crew Stadium did not have suites. Twenty (20) open air loges were converted to 26 state-of-the-art suites in 2004. There are also two double "party" suites with a capacity of 30 persons that are sold on an event-by-event basis. The other 26 suites are sold and range in pricing from \$28,000 to \$32,000. Suites include tickets to all events held in the stadium including non-soccer events. There are 1,171 club seats and they are approximately 50% sold. In 2004, a Huntington Club was constructed to accommodate approximately 100 people and has a 5,000 square foot banquet area. This was not being sold on a regular basis so it is now open to the public. During the 2009-2010 off-season from soccer, the 28 stadium suites (including two party suites) were all upgraded. New carpet was installed, furniture was replaced and flat screen televisions were installed.

There are 800 paved parking spaces with another 12,000 grass spaces available. The State has appropriated \$5 million in improvements and another 2,100 spaces should be paved by the end of 2010.

The team currently has a training facility with two fields in the City of Obetz, Ohio. The team has outgrown its space and also need space and facilities for their youth development academies. They are exploring their options at this time.

In addition to Crew regular season soccer matches, Crew Stadium hosted 12 events in 2007, 19 in 2008, and 16 in 2009. Concert activity had previously ranged from two to three per year but with the new improvements the stadium is currently hosting four to six concerts per year. Stadium officials hope to see that number increase to five to eight concerts per year in the future.

Past events held at Crew Stadium include: FIFA Women's World Cup Soccer; Nike U.S. Open Women's Cup; MLS Cup; MLS All-Star Game; International matches: NCAA Men's College Cup; OHSAA State Soccer Championships; Cincinnati Bengals Pro-Football Fan Fest; The Ohio State University Spring Football Game; OHSAA State Football Playoffs; Capital Regiment Drum & Bugle Corps; Rock On the Range Festival; Rascal Flatts; and Kenny Chesney.

The table below summarizes a summary of the construction cost as well as the allocation between public and private sector funding sources.

Summary of Funding for Select MLS Stadiums								
Team	Stadium	Year Opened	Seating Capacity	Construction Cost (\$M)	Public		Private	
					\$	%	\$	%
New York Red Bulls	Red Bull Arena	2010	25,189	\$165.0	\$0.0	0%	\$165.0	100%
Philadelphia Union	PPL Park	2010	18,500	\$120.0	\$75.0	63%	\$45.0	38%
Real Salt Lake*	Rio Tinto Stadium	2008	20,000	\$110.0	\$45.0	41%	\$65.0	59%
Colorado Rapids**	Dick's Sporting Goods Park	2007	18,000	\$131.0	\$66.0	50%	\$65.0	50%
Toronto FC***	BMO Field	2007	20,000	\$63.0	\$45.0	71%	\$18.0	29%
Chicago Fire	Toyota Park	2006	20,000	\$70.0	\$0.0	0%	\$70.0	100%
FC Dallas	Pizza Hut Park	2005	21,000	\$80.0	\$55.0	69%	\$25.0	31%
Chivas USA/LA Galaxy	Home Depot Center	2003	27,000	\$95.0	\$0.0	0%	\$95.0	100%
Columbus Crew	Crew Stadium	1999	22,555	\$31.0	\$0.0	0%	\$31.0	100%
Average of all stadiums				\$96.1	\$31.8	33%	\$64.3	67%

Note:

Sorted by year built.

Construction cost is for the stadium only unless otherwise noted.

* Construction cost for the stadium excludes costs for youth fields.

**Construction cost includes the stadium (\$71 million), 24 fields (\$17 million), and infrastructure improvements.

***Construction cost is in Canadian \$.

Sources:

MLS; individual teams; other secondary research.

Profile of Planned MLS Stadiums for Existing Teams

This section profiles the new stadium plans for current MLS teams.

Houston Dynamo – Houston, Texas

The Houston Dynamo currently plays in the 32,000 seat Robertson Stadium on the campus of University of Houston. Robertson Stadium was originally constructed in 1941 and is home to the University of Houston football and soccer teams. The Dynamo are owned by Anschutz Entertainment Group (AEG), Oscar De La Hoya of Golden Boy Promotions, and Gabriel Brener and the Brener International Group. In 2010, team officials, the Harris County-Houston Sports Authority, the City of Houston, and Harris County came to an agreement on the construction of a new stadium.

The stadium project is anticipated to be \$95 million with the stadium construction costs being \$80 million and land costs being \$15 million. AEG will fund \$50 million of the project, the City will finance \$10 million through a TIF, the County will finance \$10 million through a TIF, and a federal credit will finance the remainder. The land is owned by the City and County with the team having a master lease to the stadium for 40 years.

Construction is expected to begin by December 2010/January 2011 with completion expected by April 2012. Capacity will range from approximately 20,000 to 21,000 for soccer and 24,000 to 25,000 for concerts. The stadium program is still being developed but currently discussions call for 32 suites, 750 club seats, and a supporter's area. A pub type of restaurant is envisioned within the stadium. A canopy to provide shade may be a design feature. Approximately 4,000 parking spaces will be available within four to five blocks of the stadium with extremely limited spaces on site. There is a Metro rail stop within 50 yards of the stadium site.

The team will manage the venue and is forecasting a total of 45 to 50 events. The stadium will be home to Texas Southern University's home football games. Twenty-five (25) events would be Houston Dynamo related events, three to six international matches, seven college football games, two to four high school football playoff games, and three to five concerts.

Separately from the stadium project the team is developing a 95-acre training site in the City of Houston. The complex will include 18 fields that the team will manage and program. The site is located nine miles from the new stadium site.

Kansas City Wizards – Kansas City, Kansas

Owned by OnGoal LLC, the Kansas City Wizards currently play their games at CommunityAmerica Ballpark in Kansas City, Kansas. The team recently completed a financing package for a new stadium in the same city that is expected to be completed by June 2012.



CommunityAmerica Ballpark is home to the Kansas City T-Bones minor league baseball team. The Ballpark has a capacity of 10,385 for soccer games, and has been the home of the Kansas City Wizards for the past three seasons. The Wizards played their first 12 seasons at the 77,000-seat Arrowhead Stadium.

A development agreement was reached in early 2010 between the Unified Board of Commissioners of Wyandotte County / Kansas City, Kansas and Kansas Unified Development, LLC, a partnership created by OnGoal LLC and Lane4 Property Group, Inc. The agreement calls for development of the \$165 million stadium project, a \$150 million office campus for Cerner Corporation in the Village West retail district of Kansas City, Kansas, a \$35 million 24 field soccer complex in Wyandotte County, and three recreational soccer fields at locations to be determined in the County. Two of the five principals of OnGoal are Cerner Corporation founders.

The stadium is estimated to be a \$165 million project with \$147 million being funded through state sales revenue bonds (STAR) bonds and \$18 million in land costs being covered by the developer. The STAR bonds financing will be repaid with sales tax and transient guest tax revenue from a Village West STAR bond district through 2021.

The location of the stadium will be in Village West near the Nebraska Furniture Mart and the Kansas Speedway and is one third of a mile from CommunityAmerica Ballpark. The Speedway is planning a casino and 900-room hotel. There is a large water park within a short distance as well as a large mall. There are many hotel properties and restaurants to support the existing tourism in the area.

The stadium will have 18,000 permanent seats for soccer and a total capacity of 25,000 for concerts. The stadium is being designed to expand to 25,000 permanent seats if warranted in the future. The concert stage will be built in and production rooms, green rooms, and show power will be installed. A unique feature will be that the stage will be hidden by retractable seats for soccer games. One of the defining features will be a roofline that will provide coverage to 100% of the seats. There will be a 60,000 square foot plaza in front of the stadium that is expected to be active every weekend. Anticipated events include farmers markets, local festivals, and ice skating. The stadium is forecasted to host 20 soccer games plus another 25 events including four concerts, high school and college sports, marching band competitions, etc.

There will be 33 suites with 18 CEO suites on one level and traditional suites on another level. CEO suites will have a capacity of 30 and range in price from \$90,000 to \$100,000 per year. The traditional suites will have a capacity of 16 seats and are anticipated to be priced at \$65,000 per year. A 20 game ticket package will be included in their suites with first right of refusal for other events.

The main club program will have a capacity of 1,000 with the ability to expand to 1,700 as warranted. This program will be an all-inclusive program with an event ticket and food and beverage. Parking in stadium adjacent lots is an option. These are expected to be priced at \$1,000-1,200 for a 20 game package.

There will be a 388-seat field level program where the seats are located at mid-field. Food and beverage will be included. Members will have a dedicated lounge that is located behind the benches, near the locker rooms. The lounge will have the press conference area built into it with members having direct access to view press conferences and interact with players. Members will access the lounge through the player's tunnel area. Currently, the team has a similar program at CommunityAmerica Ballpark with 380 seats sold. This program is expected to be priced at \$4,000 per seat.

There will be a Supporters Club pub style restaurant that will be exclusive to Supporters Club members. The pub will be Kansas City's first soccer specific pub, will be open year round and will be price sensitive. It will have an English pub type of feel and create an environment that Supporters can "tailgate" in and interact with members of the Kansas City soccer community. Currently there are 600 Supporters Club members with 2,000 anticipated for the new stadium.

Terrace tables are being designed into the stadium. Half round tables that can seat four people will be available for purchase and will include food and beverage. Pricing will be at \$3,200 for the season for a table of four. A total of 32 tables will be available.

There are 6,000 parking spaces available to the stadium on event days via adjacent retail locations. Parking fees will be added into the ticket. The stadium will utilize additional parking spaces during concerts at the nearby Kansas Speedway which has over 40,000 parking spaces available.

The team currently has a training facility at Swope Park in Kansas City, Missouri. The training facility was built in 2007 by OnGoal for \$3 million and includes three soccer fields, locker rooms, training and treatment rooms, and a players' lounge. As part of the stadium development agreement, OnGoal is constructing a \$35 million, 24 field complex that is one mile away from the stadium site that the team will operate and program. The team is unsure of its future training center location.

San Jose Earthquakes – San Jose, California

The San Jose Earthquakes (known as the San Jose Clash for the first four seasons) were a charter member of MLS. The team originally played most games at Spartan Stadium on the campus of San Jose State University and a few games at Stanford University due to field conditions at Spartan Stadium. In 2005, the team moved to Houston and became the Houston Dynamo.

In 2006, Lew Wolff, principal owner of the Oakland A's baseball team of MLB, became the owner of the San Jose Earthquakes of MLS along with John Fisher. The new San Jose Earthquakes team began play in 2008 in Buck Shaw Stadium with occasional games at McAfee Coliseum.

Opened in 1962, Buck Shaw Stadium is owned and operated by the University of Santa Clara. Buck Shaw seats 11,500 for soccer and has no suites or club seating. The team created 200 on-field premium seating opportunities and has sold approximately 150 of these seating packages. It has 500 parking spaces on site which are controlled by the team on game days but abundant free parking is situated in adjacent lots. The team has operational control of the stadium on game days.

The San Jose City Council cleared the path for a new soccer stadium for the San Jose Earthquakes near Mineta San Jose International Airport. The stadium, upon final approval by the team owners to move forward, would be privately financed, owned and operated by the team. Current plans call for the new stadium to offer 18,000 seats and cost approximately \$60 million to construct. The stadium would be located on 14 acres of a 72-acre site acquired by Lew Wolff's development entity for a total cost of \$89 million. The development arm would retain development rights. The additional site will be developed to include 1.5 million square feet of office space, 75,000 square feet of retail space, and 300 hotel rooms and parking.

The site has multiple freeways access points due to the proximity to the airport and is easily accessible via car. Additionally, the site is serviced by public transportation and the airport. 6,000 parking spaces would be programmed onto the site.

The stadium will have an iconic type of roof structure incorporated into its design. With the stadium being built adjacent to an airport it provides sponsorship opportunities beyond those attending events in the stadium. Those flying over will see the venue from the air and a roof structure provides signage opportunities as well as branding / imaging opportunities for those driving on adjacent freeways. The roof structure will also provide a "European" style feel to the stadium with the lighting incorporated under the roof and will provide shade coverage to approximately 60 to 70% of the fans.

No suites are being programmed into the stadium design. It would be anticipated to see 2,000 field level premium seats that are in three rows around the stadium. Team officials cite the possible move of the NFL's San Francisco 49'ers and the Oakland A's to the San Jose marketplace, a tight college sports venue market, and other area teams including the NHL's San Jose Sharks and their impact on the suite market as well as the desire of their fans to have a unique field level seating experience as reasons to focus on the field level premium product.

A berm is planned at one end zone creating a park like feel with a picnic area behind it. A stage would be constructed into this area when there is a concert booked. It is expected that the team will purchase a floor covering for concerts and special events and possibly a stage to have available in-house.

Programming for the stadium has not been confirmed at this early stage, but it is possible that the stadium could host MLS games, five international soccer matches, six concerts, possibly a women's soccer team match, and 12 other events such as MLS specialty events, high school championships, NCAA events, etc, for a total of approximately 45 to 50 events per year.

The team opened the Nutrilite Training Facility in April of 2010 adjacent to the proposed new stadium site. The team owners invested \$1.2 million into the practice field. Facilities for the San Jose Earthquakes and their soccer academies would be incorporated into the new stadium.

Profile of MLS Stadiums for Expansion Teams

This section profiles the stadiums that are home to the three future MLS expansion teams in Portland, Oregon, Vancouver, British Columbia, and Montreal, Quebec. All three of these stadiums are undergoing major renovations to meet MLS standards.

PGE Park - Portland, Oregon

The Portland Timbers are scheduled to join MLS in 2011. The team will play its games at PGE Park. The team is owned by Shortstop, LLC, which also owns the AAA baseball Portland Beavers.

The Timbers have a long history in the Portland marketplace. They were an expansion team in the NASL and played in the league from 1975 to 1982. A new Portland Timbers team was created in 2001 as a member of the USL First Division. This year the Timbers are playing in the USSF Div-2 Pro League until its inaugural season in MLS in 2011.

PGE Park was originally constructed in 1926. It underwent an extensive renovation in 2001 with \$38.5 million in upgrades. As part of the transition to MLS, the stadium required additional renovations to meet MLS standards. In early 2010, the Portland City Council and Shortstop, LLC have agreed to a renovation and financing plan. The team will contribute \$19.1 million and pay seven percent (7%) of the revenue generated by the stadium to the City. The team will be responsible for cost overruns and the stadium's operations and maintenance. The City will pay \$11.9 million with money from bond sales and its Spectator Facilities Fund which collects ticket taxes, parking revenues, and other income from the operations of the Rose Garden and PGE Park.

Renovations being conducted prior to the 2011 launch of the Timbers' inaugural MLS season include:

- Complete reconfiguration of the stadium to better accommodate soccer
- Increasing the seating capacity to 20,000 by the addition of 2,456 new standard seats and 1,144 new premium club seats
- Creation of a new 5,200 square foot Club Restaurant
- Creation of three new open viewing decks
- Addition of a new seating / staging platform to create a group picnic area and a permanent stage
- Addition of a roof structure to cover the majority of the seating areas
- Widening of the main access road to better accommodate ingress/egress
- A new sports rehabilitation clinic
- New video scoreboards and broadcast facilities
- Upgrades to the press box, locker rooms, and training areas

PGE Park is currently home to the Portland Timbers, the Portland Beavers, Portland State University football, and occasional Portland State University Women's soccer games. The stadium is also home to concerts and special events. With the renovation to become a soccer and football stadium the Beavers baseball team will need to find a new home park. The newly renovated Park is expected to host 250 events annually.

B.C. Stadium – Vancouver, British Columbia

The Vancouver Whitecaps of Vancouver, British Columbia will begin play in MLS in 2011. The team is owned by Steve Luczo, an owner in the Boston Celtics ownership group and president and CEO of Seagate Technology, Jeff Mallet, an owner of MLB's San Francisco Giants, and former president and COO of Yahoo! Inc, and Steve Nash, player in the NBA.

The Vancouver Whitecaps have a long history in the Vancouver market with a team in the NASL from 1974 through the last year of the original NASL in 1984. Vancouver had a team named the 86'ers in the Canadian Soccer League (CSL) from 1987 to 1992. The 86'ers then joined the APSL in 1993. The APSL was renamed the A-League and then was renamed the United Soccer Leagues First Division. In October of 2000, the team was renamed the Vancouver Whitecaps. In March of 2009, MLS announced that Vancouver was chosen as an expansion team that would begin play in 2011. In November of 2009, the team announced that it would join the new NASL until it became a MLS team.

The team will play its games at the newly renovated BC Place Stadium. BC Place first opened in 1983 and has been host to the BC Lions of the Canadian Football League, concerts, special events, and most recently the Vancouver 2010 Olympic Winter Games and 2010 Paralympic Winter Games. The stadium underwent a \$55 million renovation during Phase One in preparation for the 2010 and Olympic Games. The \$458 million Phase Two will be completed for 2011 and will see the construction of the largest cable supported, fully-retractable, fabric roof system in the world and electronic scoreboard installation. BC Place will be home of the CFL's BC Lions and the Vancouver Whitecaps beginning in 2011, as well as the Vancouver Whitecaps women's soccer team, concerts, other sporting events, and special events. The seating capacity for Whitecaps games will be 20,000.

The stadium is owned and operated by BC Pavilion Corporation (PavCo). PavCo is a Provincial Crown Corporation of the Ministry of Tourism, Culture, and the Arts. PavCo operates two of BC's public assembly facilities – BC Place and the Vancouver Convention Centre.

The Vancouver Whitecaps are continuing to pursue the construction of a proposed soccer specific Whitecaps Waterfront Stadium on downtown Vancouver's central waterfront and rail lands. The Whitecaps have been working with the City of Vancouver and the Port Metro Vancouver for the past six years on this potential project.

Saputo Stadium – Montreal, Quebec

Saputo Stadium is home to the Montreal Impact. MLS recently announced that Montreal has been awarded the 19th team in MLS and will begin play in 2012. The team was originally founded by the Saputo, Inc. Company, a publicly traded international dairy company, and began play in 1993. The team changed hands throughout the years and in 2001 the Saputo Company along with the Government of Quebec and Hydro-Quebec created a non-profit organization that currently owns the Montreal Impact.

The team originally played its games at the Claude-Robillard Sports Complex before moving to the new Saputo Stadium in May of 2008. Claude-Robillard was built for the 1976 Olympics and seats 9,500 and with standing room can accommodate 13,000 people. The new Saputo Stadium is owned by the non-profit organization but was financed by the Saputo family and additional private financing. The stadium is built on the property of Olympic Park which is owned by RIO (La Regie des installations olympiques). The total cost was \$15 million (Canadian \$) with the Saputo family donating approximately 50% to the project. At the end of a 40 year emphyteutic lease the facilities will become the property of the RIO. The stadium is operated by the team.

Saputo Stadium has 13,000 seats and can increase capacity to 17,000 seats, if warranted. It has a natural grass field and is located in the Complexe Place du Public which has three soccer fields. The stadium offers 16 corporate loges, corporate pitch seats, club seats, corporate marquees, and an executive lounge.

The loges are private luxury areas that include a ticket package of 15 regular season games, one international game and two playoff games (excluding a championship game) and two Nutrilite Canadian Championship games and benefits include 12 tickets per loge, three parking passes, and a game day hostess. The loges are priced at \$27,000 (Canadian \$) or are available for game day rental for \$1,525 (Canadian \$). The corporate marquees are a field level version of a corporate loge and are 15 feet from the field. Marquees include the same ticket package as the loges, 10 tickets per marquee, three parking passes, and a game day hostess for \$20,970 (Canadian \$) or \$1,175 (Canadian \$) for a game day rental. Club seats are field level and are sold by the table. An \$8,400 (Canadian \$) club seat includes one table with four seats, field level seating at center field, a 20 game ticket package, two parking passes, first option on tickets outside of the included ticket package, game day hostess, and all-inclusive food and non-alcoholic beverages. Corporate pitch seats are located at field level and are priced at \$1,350 Canadian. Corporate pitch seat benefits include access to a private marquee pre-game and at half-time, include a 20 game ticket package, pre-game buffet, first option on tickets outside of the included ticket package, and one parking pass. The executive lounge can accommodate 30 to 60 people with access through a private entrance, has a private viewing terrace, full catering available, a game day hostess, and parking. Tickets are priced at \$75 per ticket, per game (Canadian \$).

The Montreal Impact will play their home MLS games at Saputo Stadium after additional MLS recommended improvements are complete. One of the major enhancements is expanding the stadium capacity from 7,000 seats to 20,000 seats.

Summary

General observations related to newer existing and planned facilities are summarized below:

- There is a primary focus on the fan, corporate, media and team experience in the design elements of the stadium
- Maximization of revenue stream opportunities in all areas including corporate signage, food and beverage, premium seating options, and booking opportunities
- New stadiums constructed or planned since 2008 have seen a trend toward urban site locations
- Recently built stadiums and planned stadiums are private-public partnerships that typically have some level of investment by the team ownership and area governmental entities; many of these stadiums are serving as catalysts for economic development
- Teams or third party management companies are operating the stadiums
- Accessibility via highways and public transportation is a key consideration with public transit being of particular importance in the urban located stadiums
- Careful attention is paid when designing ingress/egress at the stadium for both vehicular and pedestrian traffic
- Roof structures for protection of seating areas from the elements is a newer trend and common in European soccer venues
- Consideration for press accommodations and interview rooms
- First class locker rooms and back-of-house space for teams, team personnel, athletic training rooms, and officials
- First class training complex specific for the MLS team in close proximity to the stadium
- Infrastructure in place for concerts – field cover, staging, show power, green room, production rooms, etc, so as to minimize the expense to promoters to conduct concerts, maximize concert bookings, and minimize the impact on the playing field
- The overall stadium project has a field complex or multiple fields for their development academies as well as community use
- Catering, restaurant, and concession options are carefully designed to enhance the soccer entertainment experience, i.e. a soccer pub type of restaurant option, extensive catering opportunities for the luxury oriented corporate client, and family friendly concession options
- There are multiple seating options for individual and corporate fans including the newest trend of field level seating, club seating, table seating, and luxury suites. The majority of the seating is affordable for family friendly budgets while also maximizing revenue with the premium and corporate client
- Specially designed seating sections for Supporters Club – the core soccer fan of that team

Overview of USSF D-2 Pro League Venues

USSF D-2 Pro League teams play in a wide variety of venues. Some teams play at high school stadiums with limited amenities while other teams play in smaller, soccer specific stadiums. Although only two of these stadiums have been built since 2006, several other stadiums have undergone recent renovations to better accommodate soccer play. The capacity for stadiums that hosted USSF D-2 Pro League teams in 2010 ranges from 5,288 to 20,450. The stadiums that host the Portland Timbers, Vancouver Whitecaps, and Montreal Impact were profiled under MLS expansion teams.

Summary of Select Stadium Characteristics - USSF D-2 Pro League - 2010				
Team	Location	Stadium	Year Built	Capacity
Crystal Palace Baltimore	Baltimore, Maryland	multiple stadiums		
Montreal Impact	Montreal, Quebec	Saputo Stadium	2008	13,034
Rochester Rhinos	Rochester, New York	Marina Auto Stadium	2006	13,768
Carolina RailHawks	Cary, North Carolina	WakeMed Park	2002	7,000
FC Tampa Bay Rowdies	Tampa, Florida	George M. Steinbrenner Field	1996	10,000
NSC Minnesota Stars	Blaine, Minnesota	National Sports Center Stadium	1990	8,500
AC St. Louis	St. Louis, Missouri	Anheuser-Busch Soccer Park	1982	6,200
Puerto Rico Islanders	Bayamon, Puerto Rico	Estadio Juan Roman Loubriel Stadium	1974	12,500
Vancouver Whitecaps FC	Vancouver, British Columbia	Swangard Stadium	1969	5,288
Miami FC	Miami, Florida	Lockhart Stadium	1959	20,450
Austin Aztex	Austin, Texas	House Park	1939	6,500
Portland Timbers	Portland, Oregon	PGE Park	1926	19,566
Average				11,200

Note: Sorted in descending order by year built.
Crystal Palace has played in multiple stadiums this season.
Sources: Individual teams; other secondary research.

Profile of Comparable USSF D-2 Pro League Stadiums

This section provides case studies for those stadiums that hosted USSF D-2 Pro League teams in 2010 that are deemed relatively comparable to the proposed new Crystal Palace Baltimore stadium at Carroll Camden. As such, some stadiums, such as George M. Steinbrenner Field and Lockhart Stadium, are not profiled.

Marina Auto Stadium – Rochester, New York

Originally named the Rochester Raging Rhinos, the team began operations in 1996. The Rochester Rhinos, the team's current name, was purchased in 2008 by Adirondack Sports Group LLC and its President, Rob Clark. Clark is a former senior vice president of Adirondack Bancorp Inc which is family owned. The Clark Family had previously owned a team in the North American Hockey League in the 1970's.

From 1996 to 2005, the Rhinos played at Frontier Field which is a 10,868-seat stadium that is home to the Triple-A International League Rochester Red Wings baseball team. The Rhinos currently play at Marina Auto Stadium which opened in June of 2006. This facility is a 13,768-seat soccer specific stadium with an artificial turf surface. It was to be constructed for \$23 million with the State of New York paying \$15 million and the Rhinos ownership group paying \$8 million. The team ownership struggled financially and the stadium opened without the

originally designed luxury suites and other finishing details. It was originally named PAETEC Park with the naming rights purchased on a long term agreement by PAETEC Holding Company. After the team was bought in 2006, PAETEC opted out of the long-term agreement but stayed on through 2008. In 2009, team ownership worked with the City of Rochester to secure \$4 million in State funds and construction began on 17 luxury suites, locker room renovations, and team equipment.

The stadium is also home to the Rochester Ravens FC of the USL-W League, the second highest level of professional women's soccer in the U.S. The facility also hosts various college soccer games, field hockey, concerts, as well as drum and bugle corps competitions.

Estadio Juan Roman Loubriel Stadium – Bayamon, Puerto Rico

Estadio Juan Roman Loubriel is the home stadium for the Puerto Rico Islanders. The Islanders began play in 2004 as part of the USL A-League which became the USL First Division. The team is owned by Andy Guillemard-Noble, a Puerto Rican attorney.

Built in 1974, Estadio Juan Roman Loubriel Stadium is located in Bayamon, approximately ten miles from San Juan. Originally constructed for baseball, the stadium served as the home of the Bayamon Cowboys baseball team of the Puerto Rican League through its final season in 2003. The stadium is owned by the Municipality of Bayamon and has 12,500 seats. The field is natural grass. The stadium underwent renovations in 2003 to better accommodate soccer play.

This facility is also home to the Bayamon FC of the Puerto Rican Soccer League which began play in 2009. The stadium has hosted Caribbean Football Union Championships, the Puerto Rico MLS-USL Challenge, and two 2010 World Cup qualifying matches against the Dominican Republic and Honduras.

NSC Stadium – Blaine, Minnesota

Opened in 1990 and located approximately 18 miles north of Minneapolis, NCS Stadium is situated within the 600-acre National Sports Center (NSC). The NSC is owned and operated by a non-profit corporation, the National Sports Center Foundation (NSCF), which also owns the NSC Minnesota Stars. In addition to the stadium, the NSC has a velodrome, residence hall, sports hall, an eight-sheet ice arena, and a golf course which, in aggregate, attract over four million visitors per year. The NSC has 52 soccer fields and 3,944 parking spaces. The State of Minnesota provided the original funding of \$14.7 million and to date the State has invested \$20 million into the NSC campus. Since 2000, the NSC Foundation has financed the majority of construction through private investment.

Minnesota has been home to professional soccer over the past few decades with the Minnesota Kicks, Strikers, and Thunder. Founded in 1990, the Minnesota Thunder was and played in the USISL, the USL A-League, and the USL First Division. The Thunder played at NSC Stadium from 1990 to 2003 and 2008 to 2009. From 2004 to 2007, the team played at the 4,367-seat James Griffin Stadium in St. Paul, Minnesota.

NSC Stadium was converted to a soccer specific stadium in 2008 by removing the surrounding track and field and moving the field 80 feet closer to the grandstand seating. The facility has

8,500 seats in conjunction with a main concrete grandstand, press box, bermed seating with bleachers, a tiered beer garden, and three glass enclosed suites as well as a terrace that are part of the adjacent Schwan Center conference and meeting facility.

The stadium has hosted the Schwan's USA Cup, the Minnesota State High School Track and Field Championships, marching band festivals, the US vs. Australian Women's Olympic Teams game, lacrosse, rugby and music concerts, and a Minnesota Vikings passing scrimmage.

Wake Med Park – Cary, North Carolina

The Carolina RailHawks began play as an expansion team in the USL in 2007. The team was originally founded in 2006 by Chris Economides, Steve Donner, and Frank DuRoss, who were also founders of the USL's Rochester Rhinos in New York in 1996. The current owners of the RailHawks are Selby and Brian Wellman, Bob Young, and Paul Singh. Bob Young is the owner of the Hamilton Tiger-Cats of the Canadian Football League.

The RailHawks play their home games at WakeMed Park in Cary, North Carolina. The 150-acre Park opened in May 2002 with the original name of State Capital Soccer Park. The Park then became SAS Soccer Park from 2004 through 2007. On January 1, 2008, WakeMed signed a three year agreement with the Town of Cary for naming rights. SAS was reportedly paying the Town of Cary \$150,000 per year. WakeMed reportedly paid \$300,000 per year for their sponsorship that lasts through year end of 2010.

WakeMed Park was constructed for \$14.5 million. The State of North Carolina owns the land which it leases to Wake County. WakeMed Park was funded with a County-wide hotel room and prepared food and beverage tax. The Town of Cary operates the facility. In 2006, the Town of Cary amended its lease to sublet the property to Triangle Professional Soccer through 2011.

The Park has a soccer specific main stadium, two lighted practice fields, and four additional fields. The stadium seats 7,000 and is expandable to 10,000 with temporary seating. One of the other fields has permanent seating for 1,000. Three of the fields are FIFA international regulation size. There are 2,600 parking spaces on site. WakeMed Park also has a world-class cross country course that encircles the park.

WakeMed Park has hosted many top sporting events since opening including: select NC State Men's and Women's soccer games, NCAA Men's and Women's College Cups, ACC Men's and Women's Soccer Championships, former home to WUSA's Carolina Courage, WUSA All-Star Game, U.S. Men's National Team World Cup Training Site, NCHSAA Soccer State Championships, U.S. Club Soccer National Cup Finals, NCAA Division II Cross Country Regionals, NC Senior Games, Nike Cross Nationals, and youth lacrosse games.

Anheuser Busch Soccer Park – St. Louis, Missouri

St. Louis has a long history of professional soccer having been home to the St. Louis Stars, a charter member of the NASL in the 1970's, and to the St. Louis Steamers of the Major Indoor Soccer League in the 1970's and 1980's. In 2009, the WPS League team, St. Louis Athletica, began play. Both St. Louis Athletica and AC St. Louis were owned by St. Louis Soccer United

(SLSU) and Jeff Cooper, who currently serves as the interim Commissioner of the NASL. In May 2010, St. Louis Athletica ceased operations due to funding issues while AC St. Louis continues operation.

AC St. Louis plays at the Anheuser-Busch Conference and Sports Center. Located in Fenton, Missouri, approximately 20 minutes from downtown St. Louis, the Center is commonly referred to as the Soccer Park or AB Soccer Park. The St. Louis Soccer Park was built in 1982, with support from the St. Louis Youth Soccer Association, Anheuser-Busch and other St. Louis area businesses, to provide the St. Louis area youth a place to play and learn soccer. In 1985, Anheuser-Busch purchased the facility and improved the park. In 1996, the name was officially changed to the Anheuser-Busch Conference and Sports Center. Between 1994 and 1996, the park underwent significant improvements. In 2009, St. Louis Soccer United announced that Anheuser-Busch Companies, Inc had entered into a letter of intent to transfer ownership of the Anheuser-Busch Center to SLSU in order to enhance SLSU's bid to receive a MLS expansion team.

The Soccer Park has four natural grass playing fields, three of which are lighted. There are also two artificial turf fields that can be played on year round which are lighted. The stadium field that St. Louis Athletic and AC St. Louis use is natural grass and has 6,200 seats. The Soccer Park has hosted U.S. Women's National Team and U.S. Men's National Team international soccer matches, collegiate games, the Missouri States High School Soccer Championships and numerous club soccer programs. The other fields in the complex host various lacrosse, field hockey, and soccer games.

Summary

As discussed, USSF D-2 Pro League teams play in a diverse set of stadiums. Several teams play in soccer specific stadiums, two teams play in baseball stadiums that have been converted to better accommodate soccer and two teams play in high school stadiums. Stadiums in Portland, Montreal and Vancouver are currently undergoing significant renovations as their teams move up to the MLS in the next two years. Stadiums that hosted USSF D-2 Pro League teams in 2010 range in capacity from 3,000 to 20,000 seats and offer differing levels of amenities. Most are located in suburban settings and/or are part of a larger sports complex. Youth and amateur sports tournaments and soccer clubs are a strong demand generator for these types of stadiums. However, these types of events require multiple fields which is not the current building concept under consideration for the proposed new Crystal Palace Baltimore stadium.

Because neither the USL nor the NASL received sanctioning from the USSF last year, the USSF D-2 Pro League was formed as an interim solution to preserve a second division soccer league in 2010. As such, it is unclear of the definitive strategy of this level of soccer moving forward. At the time of this report, there is not a standard business model that outlines minimum requirements or expectations for stadiums hosting this level of play in the future. In addition and as previously stated, Crystal Palace Baltimore recently announced that they will not be fielding a team in the NASL during the 2011 season in order to restructure with an intended re-launch for the 2012 NASL season.

Market & Economic Study for Two Proposed New Soccer Stadiums in Downtown Baltimore, Maryland

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Economic Analysis

Similar projects have created a sense of community spirit and/or brought regional attention to a particular area enhancing its overall attractiveness to both residents and visitors. This type of facility can also serve as a catalyst for more sports and entertainment initiatives which contribute to the quality of life and livability of an area. One of the primary objectives of this study is to estimate the incremental new economic and fiscal impacts associated with on-going operations of the proposed new soccer stadiums to the local and State economies.

The City and the State would benefit from having either of the proposed new soccer stadiums in a number of ways, including such tangible and intangible benefits as:

- Enhancing the area's image as a sports and business community
- Receiving increased regional, national and international exposure through media coverage
- Providing a first-class entertainment venue for area residents
- Increasing the overall quality of life in the area
- Enhancing the area's appeal as a sports, tourist and entertainment destination
- Capitalizing on existing and planned State tourism efforts
- Providing a potential catalyst for further development initiatives including private sector investment
- Generating additional economic activity in the area
- Generating additional fiscal revenues for local and State governments
- Fostering relationships with area educational institutions and providing venues for the expansion of existing educational/sports programs and/or the development of new programs

Each of these benefits is important in assessing the impact that the proposed new stadiums may have on the area. While the value of most of these benefits is difficult to measure, the estimated economic activity generated in the region can be quantified. This analysis quantifies the direct, induced and indirect benefits associated with the on-going operations of the proposed new stadiums including the associated tax revenues. Although some events that could potentially be held at the proposed new stadiums are currently held at other facilities in the State, many events, including all D.C. United matches, represent incremental new activity that would generate a significant number of attendees and related spending.

General Methodology Overview

An assessment of the economic benefits that could occur in Baltimore and the State of Maryland as a result of a stadium's operations can be approached in several ways. The approach used in this analysis considers estimated operating revenues generated from items such as ticket sales/facility rental, food/beverage, merchandise sales, parking, premium seating and advertising as well as estimated spending by attendees outside of the facility on items such as lodging,

restaurants, retail, entertainment and transportation as an initial measure of economic activity in the marketplace. Once the amount for direct spending is quantified, a calculated multiplier is applied to generate the indirect and induced effects. The sum of direct, indirect and induced effects equals total economic impact which is expressed in terms of spending (output), employment (jobs), and personal earnings.

This analysis also estimates the fiscal impacts generated from stadium operations. The governmental entities considered in this fiscal analysis are the City of Baltimore and the State of Maryland. Revenues generated from admissions and amusements tax, corporate income tax, hotel/motel tax, parking tax, personal income tax, sales and use tax were estimated.



Estimate the Economic and Fiscal Impacts Associated with the Proposed New Soccer Stadiums in Downtown Baltimore

<p><u><i>Spending (Output)</i></u> Total direct, indirect, induced spending effects generated by the facility</p> 	<p><u><i>Employment (Jobs)</i></u> Number of full and part-time jobs supported by the facility</p> 	<p><u><i>Personal Earnings</i></u> Wages and salaries earned by employees of businesses associated with or impacted by the facility</p> 	<p><u><i>Tax Revenues (Fiscal)</i></u> Admissions and amusements tax Corporate income tax Hotel/motel tax Parking tax Personal income tax Sales and use tax</p> 
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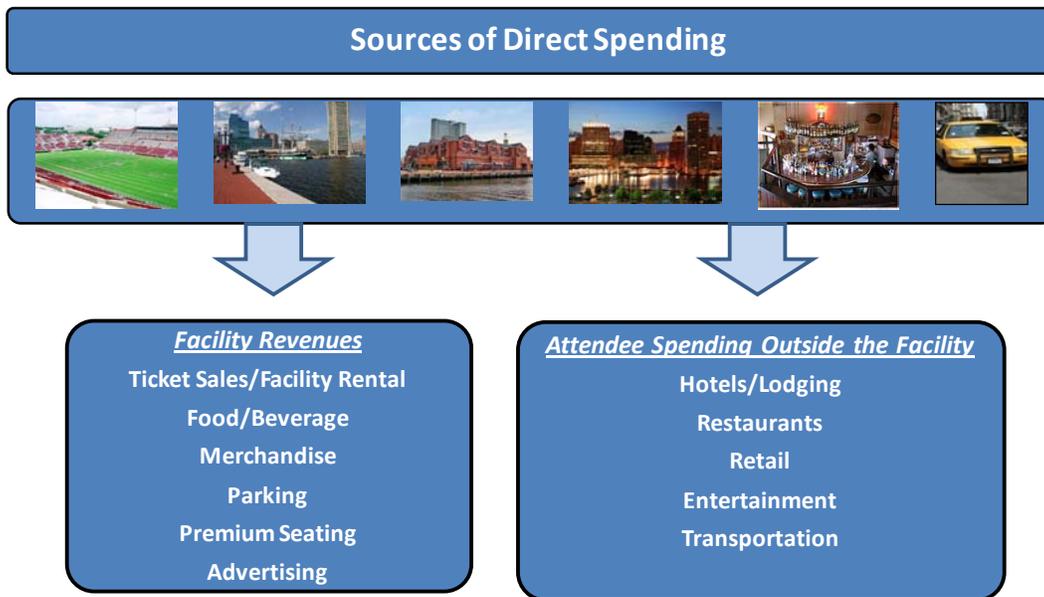
All amounts depicted in this report reflect a stabilized year of operations and are presented in 2010 dollars.

Methodology – Economic Impact Analysis

Regional input-output models are typically used by economists as a tool to understand the flow of goods and services among regions and measure the complex interactions among them given an initial spending estimate.

Direct Spending

Estimating direct spending is the first step in calculating economic impact. Direct spending represents the initial change in spending that occurs as a direct result of operations of the proposed new stadiums. As graphically depicted below, direct spending occurs both inside and outside of the facility.



Because all of this spending does not occur in the local area, adjustments are made to account for leakage (spending which occurs outside of the local and State economies) and displacement (spending which would have occurred elsewhere in the local and State economies without the presence of the proposed new soccer stadiums) in order to reflect net new spending.

Indirect/Induced Impacts

The economic activity generated by operations of the proposed new soccer stadiums affects more than just the facilities. In preparation for new spending in the economy, several other economic sectors are impacted and jobs are created. Indirect effects reflect the re-spending of the initial or direct expenditures or the business-to-business transactions required to satisfy the direct effect. Induced effects reflect changes in local spending on goods and services that result from income changes in the directly and indirectly affected industry sectors. The model generates estimates of these impacts through a series of relationships using local-level average wages, prices and transportation data, taking into account commute patterns and the relative interdependence of the economy on outside regions for goods and services.

Multiplier Effect

In an effort to quantify the inputs needed to produce the total output, economists have developed multiplier models. The estimation of multipliers relies on input-output models, a technique for quantifying interactions between firms, industries and social institutions within a local economy. This analysis uses IMPLAN software and databases which are developed under exclusive rights by the Minnesota IMPLAN Group, Inc. IMPLAN, which stands for *Impact Analysis for Planning*, is a computer software package that consists of procedures for estimating local input-output models and associated databases. The IMPLAN software package allows the estimation of the multiplier effects of changes in final demand for one industry on all other industries within a defined economic area. Its proprietary methodology includes a matrix of production and distribution data among all counties in the U.S. As such, the advantages of this model are that it is sensitive to both location and type of spending and has the ability to provide indirect/induced spending, employment and earnings information by specific industry category while taking into account the leakages associated with the purchase of certain goods and services outside the economy under consideration.

Once the direct spending amounts are assigned to a logical category, the IMPLAN model estimates the economic multiplier effects for each type of direct new spending attracted to or retained in the local area and the State resulting from operations of the proposed new soccer stadiums.

For purposes of this analysis, the following industry multipliers were used:

Summary of Multipliers			
Category	Spending	Employment*	Earnings
Hotels	1.5654	11.9	0.5728
Entertainment	1.7656	26.1	0.6513
Eating & Drinking Places	1.5443	18.1	0.5590
Retail Trade	1.5424	17.8	0.6144
Transportation	1.5015	11.4	0.6013
Business Services	1.6400	10.4	0.6640

Note: *Indicates the number of jobs per \$1 million in spending.

Source: IMPLAN.

Total Economic Impact

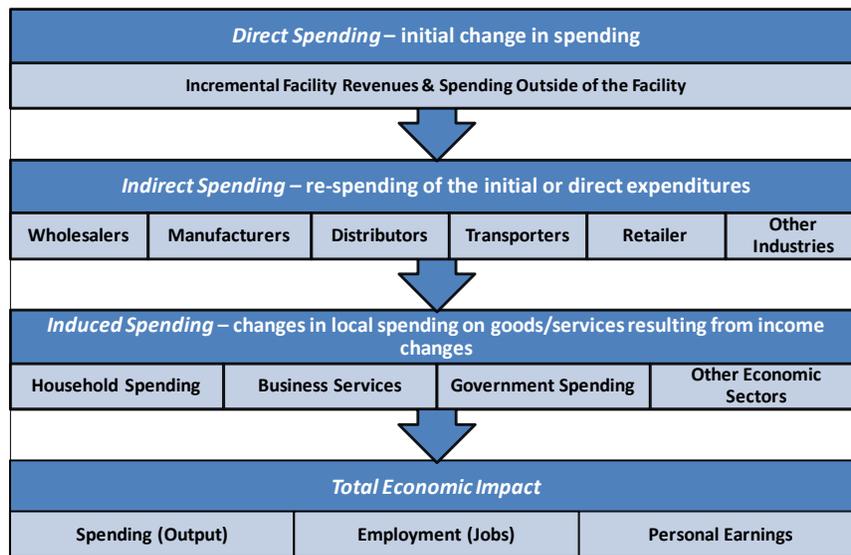
The calculated multiplier effect is then added to the direct impact to quantify the total economic impact in terms of spending, employment and earnings which are defined below:

- **Spending (output)** represents the total direct and indirect/induced spending effects generated by the proposed facility. This calculation measures the total dollar change in spending (output) that occurs in the local economy for each dollar of output delivered to final demand.
- **Employment (jobs)** represents the number of full and part-time jobs supported by the proposed facility. The employment multiplier measures the total change in the number of

jobs supported in the local economy for each additional \$1.0 million of output delivered to final demand.

- **Personal Earnings** represent the wages and salaries earned by employees of businesses associated with or impacted by the proposed facility. In other words, the multiplier measures the total dollar change in earnings of households employed by the affected industries for each additional dollar of output delivered to final demand.

The following graphic illustrates the multiplier effects for calculating total economic impact.



Methodology - Fiscal Impact Analysis

The estimated spending generated from operations of the proposed new soccer stadiums also creates tax revenues for the City and the State. Experience in other markets suggests that while a significant portion of the direct spending likely occurs near the stadium, additional spending occurs in other surrounding economies. Major tax sources impacted by the proposed new facilities were identified and taxable amounts to apply to each respective tax rate were estimated. Although other taxes may also be positively impacted by the proposed stadiums, this analysis estimated the revenues generated from the following taxes based on the direct and indirect/induced spending amounts previously defined:

City of Baltimore

- Admissions and amusements tax
- Hotel/motel tax
- Local personal income tax
- Parking tax

State of Maryland

- Admissions and amusement tax
- Corporate income tax
- Personal income tax
- Sales and use tax

The remainder of this section outlines the assumptions used in this analysis.

Summary of Estimated Annual Incremental Economic Benefits

The estimated economic benefits as measured by spending, jobs and earnings are summarized in the following table. The total incremental spending (direct/indirect/induced) to the State related to operations of the proposed new D.C. United stadium at the Westport Waterfront site is estimated to range from approximately \$65.7 million to \$78.5 million annually. The proposed Crystal Palace Baltimore stadium at Carroll Camden is estimated to generate total incremental spending ranging from \$6.3 million to \$9.0 million annually.

Estimated Range of Annual Incremental Economic Benefits From Stadium Operations					
Category	Proposed D.C. United Stadium		Proposed Crystal Palace Baltimore Stadium		
	Westport Waterfront Site		Carroll Camden Site		
Spending					
Direct Spending	\$40,379,000	- \$48,155,000	\$3,898,000	-	\$5,524,000
Indirect/Induced Spending	25,358,000	- 30,321,000	2,442,000	-	3,464,000
Total Spending	<u>\$65,737,000</u>	<u>- \$78,476,000</u>	<u>\$6,340,000</u>	-	<u>\$8,988,000</u>
Total Jobs	780	- 940	80	-	110
Total Earnings	\$24,778,000	- \$29,561,000	\$2,395,000	-	\$3,391,000

The following section provides a detailed description of the assumptions used in this analysis.

General Assumptions

Based on input from the client group, several assumptions were used to develop estimates of event activity, financial operations and economic/fiscal impacts for the proposed new stadiums. It should be noted that these assumptions are preliminary and will be further refined as decisions related to the building programs and other operating characteristics continue to evolve.

The analysis performed was limited in nature and, as such, Crossroads Consulting does not express an opinion or any other form of assurance on the information presented in this report. As with all estimates of this type, we cannot guarantee the results nor is any warranty intended that they can be achieved. The estimates are based on the anticipated size, quality and efficiency of the proposed new stadiums. Since these estimates and assumptions are based on circumstances that have not yet transpired, they are subject to variation. Further, there will usually be differences between estimated and actual results because events and circumstances frequently do not occur as expected, and those differences may be material.

General assumptions for both proposed stadium projects include:

- Only one of the proposed new stadiums is built in downtown Baltimore.
- The preliminary building program outlined in this report for each prospective stadium concept under consideration is built as is the required infrastructure to support the facility.

- The proposed new stadiums are owned by the City or State and operated by the teams or another third party with experience in managing similar facilities.
- Due to the competitive environment in which the proposed stadiums will operate, it is assumed that the facility management team will have established contacts and strong relationships with event promoters/producers, particularly within the concert industry.
- The proposed new stadiums are aggressively marketed by established tourism agencies in the City and State in addition to facility/team marketing efforts.
- Quality customer service is provided.
- The sites are adequate in terms of visibility, ingress and egress, mass transit, parking, safety and other similar issues.
- Sufficient supporting infrastructure is located nearby to support stadium activities (i.e., hotel rooms, restaurants, retail, entertainment, etc.)
- No other similar competitive/comparable facilities are built in the region including the proposed stadium to host MIAA and IAAM events.
- Amounts are presented in 2010 dollars and reflect a stabilized year of operations.
- Tax rates continue at their current levels.

Attendance Assumptions

The economic and fiscal impacts analysis is based on several factors including a hypothetical estimate of utilization that was developed from the research summarized in the market analysis including trends in soccer, historical attendance for D.C. United, Crystal Palace Baltimore and other soccer teams, input from potential demand generators, the proposed building programs, information on comparable facilities, input from the client group and other research.

The development of any proposed new soccer stadium will likely take two to three years to complete. In addition, event activity at new facilities typically experiences a “ramp up” period to a stabilized level of activity which occurs for several reasons. For instance, some organizations that book their event years in advance may not want to risk that a facility’s construction is delayed and not completed in time for their event. In addition, some groups may choose to let management “fine tune” its operations before hosting an event at the facility. The length of time for new venues to reach stabilized operations varies. Overall utilization at any facility is typically dependent on a number of factors (e.g., market size; accessibility; nearby amenities; size, configuration and quality of the facilities offered; effectiveness of the management team in booking the facility; date availability; cost, etc.) and is rarely consistent. As such, the estimated range of utilization represents a stabilized year of operations.

The table below shows the estimated event activity at the proposed new soccer stadiums which ranges from 49 to 54 events and 584,750 to 695,100 in total attendance at the proposed D.C. United stadium and 57 to 65 events and 208,200 to 257,500 in total attendance at the proposed Crystal Palace Baltimore stadium.

Estimated Range of Total Utilization at the Proposed New Soccer Stadiums						
Event Type	Number of Events					
	Proposed D.C. United Stadium Westport Waterfront Site			Proposed Crystal Palace Baltimore Stadium Carroll Camden Site		
	Tenant Sports Team (Regular Season)	17	-	17	15	-
WPS (Regular Season)	9	-	9	9	-	9
National/International Soccer	7	-	8	1	-	2
Collegiate Soccer	4	-	5	6	-	8
Other Sporting Events	6	-	7	16	-	18
Concerts/Festivals	1	-	2	2	-	3
Other Community Events	5	-	6	8	-	10
Total	49	-	54	57	-	65
Event Type	Average Attendance					
	Proposed D.C. United Stadium Westport Waterfront Site			Proposed Crystal Palace Baltimore Stadium Carroll Camden Site		
	Tenant Sports Team (Regular Season)	18,500	-	20,000	3,100	-
WPS (Regular Season)	4,000	-	4,400	4,000	-	4,400
National/International Soccer	18,750	-	20,000	6,500	-	7,000
Collegiate Soccer	7,000	-	8,000	4,800	-	4,800
Other Sporting Events	5,000	-	5,500	3,000	-	3,300
Concerts/Festivals	22,500	-	23,500	7,200	-	7,200
Other Community Events	4,500	-	5,000	3,500	-	3,500
Event Type	Total Attendance					
	Proposed D.C. United Stadium Westport Waterfront Site			Proposed Crystal Palace Baltimore Stadium Carroll Camden Site		
	Tenant Sports Team (Regular Season)	314,500	-	340,000	46,500	-
WPS (Regular Season)	36,000	-	39,600	36,000	-	39,600
National/International Soccer	131,250	-	160,000	6,500	-	14,000
Collegiate Soccer	28,000	-	40,000	28,800	-	38,400
Other Sporting Events	30,000	-	38,500	48,000	-	59,400
Concerts/Festivals	22,500	-	47,000	14,400	-	21,600
Other Community Events	22,500	-	30,000	28,000	-	35,000
Total	584,750	-	695,100	208,200	-	257,500

Notes: WPS denotes Women's Professional Soccer. It is assumed that a WPS team would play at either stadium. This analysis does not assume playoff activity for any of the sports teams, only regular season matches.

Event types used in the analysis are defined as follows:

- Tenant sports teams include D.C. United at the Westport Waterfront site and Crystal Palace Baltimore at the Carroll Camden site. The WPS Freedom (or a similar level women's professional soccer team) is also assumed to be a tenant at a stadium at either location. Only regular season events and attendance are included in the previous estimate, no playoff activity.

- National/international events include non-regular season soccer competitions and friendlies, international competitions and friendlies, competitions featuring the U.S. Men's and Women's National teams, All-Star games, and the Championship games. Given D.C. United's name recognition and on-field success, it is one of the most sought after teams for participating in national/international events. In addition, Baltimore has recently been successful in attracting this level of soccer and type of activity to the market.
- Collegiate soccer events primarily include high profile regular season games for area colleges and universities as well as tournament activity at the conference, regional or national level (e.g. NCAA, NJCAA).
- Other sporting events may include youth/scholastic soccer and football, collegiate lacrosse and rugby.
- Concerts/festivals include traditional touring acts as well as ethnic/music/food festivals, some may be multi-day in nature, which are common in outdoor stadiums.
- Other community events include activities such as graduations, band competitions, car/motorcycle/recreational vehicle shows, family reunions and fundraising events such as a charity walk. In addition, although it is anticipated that the proposed stadiums will host a variety of other events throughout the year such as meetings, seminars, banquets, receptions, weddings and holiday parties that may utilize space within the venue such as conference rooms and club/lounge areas, this activity is not reflected in the estimated utilization.

The estimated utilization for a stabilized year reflects various nuances among event types. For instance, sports teams generally draw higher attendance at weekend games versus weekday games. In addition, soccer matches that involve high profile players such as LA Galaxy's Landon Donovan draw significantly higher attendance than other regular season games. The type of national/international events held at the proposed stadiums in any given year can vary based on proximity to a World Cup or Olympic year. Attendance at national/international events can vary based on the event type (e.g., Women's National Team matches typically average between 10,000 and 15,000 people compared to an average of 25,000 to 30,000 at men's national matches), the reputation, popularity and success of the teams playing in the matches, the number of marquee players, etc. A minimum capacity is needed to host certain activity such as FIFA events which require 35,000 seats. As such, average attendance reflects the diverse set of events that can be held at the proposed new soccer stadiums in any given year including the fact some events will likely draw at stadium capacity while others will not.

Direct Spending

As mentioned previously, the first step in calculating economic impact is estimating the direct spending generated in the area. Direct spending relates to gross revenues generated from stadium operations as well as attendee spending outside of the stadium. Adjustments were made for each stadium concept under consideration in order to account for leakage and displacement and reflect net new spending.

As such and for purposes of this analysis, all direct spending associated with D.C. United regular season matches, national/international soccer events, and concerts/festivals as well as 50% of direct spending associated with collegiate soccer events is estimated to represent incremental new spending in the State. Although Crystal Palace Baltimore currently plays in the State, this analysis assumes that 35% of the team's activity will be incremental new given the proposed new stadium project. Because WPS Washington Freedom currently plays its games at other locations in Maryland, this event activity is not assumed to represent incremental new spending to the State. In addition, no spending associated with other sporting events or other community events is included as incremental new spending to the State under either potential scenario.

Gross Incremental Stadium Revenues

An assessment of the economic benefits that is accrued to the area as a result of the proposed new soccer stadiums can be approached in several ways. One approach, which is frequently used in the industry, considers the revenue side of a facility for documentation of the initial direct impacts to a community. In this approach, incremental revenues estimated to be generated at the stadium by attendees from ticket sales/facility rental, food/beverage sales, merchandise sales, parking, premium seating and advertising are used as an initial measure of economic activity within the marketplace. In order to provide a more conservative analysis, incremental revenues directly related to team operations (e.g., team sponsorship, media revenues, etc.) are not included in this analysis.

Based on assumptions for each soccer stadium concept including the proposed building program, estimated utilization, information on comparable facilities as well as input from the client group and other stakeholders, annual incremental gross stadium revenues are estimated to range from \$22.9 million to \$27.6 million at the proposed D.C. United stadium and from \$2.0 million to \$2.8 million at the proposed Crystal Palace Baltimore stadium.

Because MLS receives 33.3% of local ticket revenue, only 67% of D.C. United's estimated ticket sales are assumed to represent incremental new direct spending to the State. The D.C. United stadium analysis also assumes that 24 suites are sold at an average price of \$25,000 to \$30,000 (excluding tickets) and 1,000 club seats are sold at an average price ranging from \$1,000 to \$1,200 (excluding tickets) based on input from the client group, surveys with area businesses and existing corporate sponsors, data on comparable facilities as well as other primary and secondary research.

The Crystal Palace Baltimore stadium analysis assumes that seven to eight suites are sold at an average price of \$15,000 (excluding tickets) and 350 to 400 club seats are sold at an average price ranging from \$250 to \$300 (excluding tickets) based on input from the client group, surveys with area businesses and existing corporate sponsors, data on comparable facilities as well as other primary and secondary research.

Although the suite price marketed to patrons may include the price of tickets to the tenant sports teams and/or all events held at the stadium, the above amounts only reflects the premium. Suite tickets for other events such as concerts, family shows and other sporting events are assumed to be purchased separately. The actual price and absorption of suites is highly dependent upon the number and quality of the sports tenant teams, corporate support, strength of the economy and other events offered with the package (i.e., tickets to events held at the facility). As such, pre-development marketing and leasing efforts by the team/stadium operator can further refine these estimates.

Attendee Spending Outside of the Stadium

This category attempts to reflect the spending patterns of attendees outside the stadiums before and after events. Based on the estimated mix of event activity, attendees are categorized as either high impact, defined as those generating hotel room nights, or low impact and are assigned different spending amounts. This per capita amount is then allocated among various categories of spending including hotel, restaurant, entertainment, retail and transportation. For purposes of this analysis, an average spending amount outside the stadium of \$92 for high impact attendees and \$36 for low impact attendees is utilized based on primary and secondary market research including area tourism statistics provided by Visit Baltimore and the Maryland Office of Tourism Development. It should be noted that this spending would occur at restaurants, retail and various other business establishments around the stadiums and elsewhere in the community. Again, in order to reflect incremental benefits, attendance at WPS games, other sporting events and community events is excluded from this analysis because it is assumed that these events would occur elsewhere in Maryland without the proposed new stadiums. In addition, it is assumed that only 90% of attendee spending outside the proposed new soccer stadiums occurs in the area economies.

Based on these assumptions, incremental direct event attendee spending outside the proposed new D.C. United stadium at the Westport Waterfront site is estimated to range from approximately \$17.4 million to \$20.5 million annually in a stabilized year of operations. Incremental direct event attendee spending outside the proposed Crystal Palace Baltimore stadium at the Carroll Camden site is estimated to generate \$1.9 million to \$2.7 million annually in a stabilized year of operations.

Summary of Direct Spending

Based on this information, the direct spending in the area related to the on-going operations and attendee spending outside of the proposed D.C. United stadium at the Westport Waterfront site and Crystal Palace Baltimore stadium at the Carroll Camden site is estimated to range from approximately \$40.4 million to \$48.2 million and \$3.9 million to \$5.5 million, respectively.

Estimated Range of Annual Incremental Direct Spending at the Proposed New Soccer Stadiums					
Category	Proposed D.C. United Stadium		Proposed Crystal Palace Baltimore Stadium		
	Westport Waterfront Site		Carroll Camden Site		
Facility Revenues	\$22,947,000	- \$27,618,000	\$1,971,000	-	\$2,832,000
Attendee Spending Outside the Facility	17,432,000	- 20,537,000	1,927,000	-	2,692,000
Total	\$40,379,000	- \$48,155,000	\$3,898,000	-	\$5,524,000

These incremental spending estimates are considered direct output and, therefore, serve as the basis for the multiplier analysis. Direct spending amounts were assigned logical industry categories and relevant multipliers were applied to these amounts in order to calculate estimates for total spending, jobs and earnings.

Indirect and Induced Impacts

The IMPLAN model is used to generate the indirect and induced impacts spawned from the estimated economic activities within the City. The indirect impacts represent inter-industry trade from business to business. Likewise, the induced impacts represent the economic activity spurred by the household trade that occurs when employees make consumer purchases with their incomes. According to the IMPLAN model, direct spending spurred by the proposed D.C. United stadium is estimated to generate between \$25.4 million and \$30.3 million in indirect/induced spending compared to a range of \$2.4 million to \$3.5 million at the proposed Crystal Palace Baltimore stadium.

Total Spending

Outputs from the IMPLAN model indicate that total (direct, indirect and induced) incremental annual spending from activity at the proposed D.C. United stadium is estimated to range from \$65.7 million to \$78.5 million compared to \$6.3 million to \$9.0 million at the proposed Crystal Palace Baltimore stadium. Dividing the total impacts by the direct impacts yields an economic multiplier of approximately 1.63. Thus, every dollar of direct spending generated \$1.63 in total economic activity.

Total Jobs

Based on the IMPLAN model, which calculates the number of jobs per \$1.0 million in direct spending, the economic activity associated with the proposed D.C. United stadium is estimated to generate approximately 780 to 940 total jobs. The proposed Crystal Palace Baltimore stadium is estimated to generate between 80 and 110 total jobs. These jobs are created in many sectors of the economy, which both directly and indirectly support the increased level of business activity in the area on an annual basis.

Total Earnings

Outputs from the IMPLAN model indicate that total annual earnings are estimated to range from \$24.8 million to \$29.6 million from activity generated from the proposed D.C. United stadium and between \$2.4 million and \$3.4 million for Crystal Palace Baltimore stadium at the Carroll Camden site.

Summary of Estimated Annual Incremental Fiscal Benefits (Tax Revenues)

The total spending generated by operations of the proposed new soccer stadiums creates tax revenues for the City and the State. Although experience in other markets with newer stadiums indicates that a significant portion of the direct spending would occur near the facility, spending also occurs in other areas within the State, particularly such spending as business services and the everyday expenditures of residents.

Each major tax source impacted by stadium operations was analyzed in order to estimate the taxable amount of direct indirect/induced spending to apply the respective tax rate. As appropriate, estimates were used to calculate tax benefits associated with a stabilized year of operations.

As shown in the table that follows, the incremental annual tax revenues related to on-going operations of the proposed D.C. United stadium are estimated to range from \$5.4 million to \$6.4 million and \$486,000 to \$691,000 at the proposed Crystal Palace Baltimore stadium.

Estimated Range of Annual Incremental Tax Revenues at the Proposed New Soccer Stadiums						
Municipality/Tax	Proposed D.C. United Stadium			Proposed Crystal Palace Baltimore Stadium		
	Westport Waterfront Site			Carroll Camden Site		
State of Maryland						
Sales and Use Tax	\$1,957,000	-	\$2,319,000	\$196,000	-	\$272,000
Personal Income Tax	875,000	-	1,044,000	85,000	-	120,000
Corporate Income Tax	172,000	-	205,000	17,000	-	23,000
Total	\$3,004,000	-	\$3,568,000	\$298,000	-	\$415,000
City of Baltimore						
Admissions and Amusement Tax	\$1,452,000	-	\$1,741,000	\$101,000	-	\$151,000
Parking Tax	469,000	-	550,000	38,000	-	55,000
Local Personal Income Tax	261,000	-	312,000	25,000	-	36,000
Hotel/Motel Tax	172,000	-	206,000	24,000	-	34,000
Total	\$2,354,000	-	\$2,809,000	\$188,000	-	\$276,000
GRAND TOTAL	\$5,358,000	-	\$6,377,000	\$486,000	-	\$691,000

Given the tax structure and the nature of this project, the fiscal impacts associated with on-going operations of the proposed new soccer stadiums are estimated to be higher for the State of Maryland. Other taxes at the local and State level may also be impacted by stadium operations that are not included in this fiscal analysis.

The assumptions utilized in this analysis are described on the pages that follow.

State of Maryland Taxes

Combined, the sales and use tax, personal income tax, corporate income tax as well as the admissions and amusement tax generate approximately 90% of the State's tax proceeds from all sources. While other taxes may be positively impacted by stadium operations, they are not quantified in this analysis.

In general terms, all State tax proceeds are collected in the State's General Fund and then allocated to variety of program areas, such as education, transportation, public safety, and others. As such, individual revenue sources, such as the sales and use tax, are not designated to fund specific programs. As a result of this process, municipalities and counties may benefit from a variety of State and locally administered programs. For purposes of this analysis, only collections have been quantified, without regard as to how these funds are ultimately spent through the individual State departments/funds.

The following describes the primary State-level taxes quantified in this analysis based on information obtained from the State of Maryland Comptroller for the most recent year that data was available.

Sales and Use Tax – The State of Maryland collects a sales and use tax from sales and leases of tangible personal property and services throughout the State. Sales and use tax is uniform throughout the State at 6.0%. This tax source is the State's second largest source of general fund revenue. For purposes of this analysis, the tax rate was applied to total taxable direct spending as well as a percentage of indirect/induced spending generated from each proposed stadium. Ticket sales are excluded as they are reflected in the admissions and amusement tax.

Personal Income Tax – The State of Maryland imposes a personal income tax assessed against personal income earned in the State. The State income tax is a graduated rate ranging from 2.0% to 6.25% of taxable income. Non-residents are subject to a special nonresident tax rate of 1.25% in addition to the State income tax rate. This tax source is the State's largest single source of general fund revenue. For purposes of this analysis and based on information provided by the Comptroller of Maryland, an effective tax rate of 3.53% was calculated based on the federal adjusted gross income and the total personal income tax paid to the State in 2008. This effective tax rate was applied to total earnings estimated to be generated by each proposed stadium.

Corporate Income Tax – A corporate income tax of 8.25% of corporate federal taxable income adjusted by State modifications is also levied by the State of Maryland on corporations. For purposes of this analysis and based on information provided by the Comptroller of Maryland, an effective tax rate of 0.26% was calculated based on the Gross State Product and the total corporate income tax paid to the State in 2009. This effective tax rate was applied to total spending estimated to be generated by each proposed stadium.

City of Baltimore Taxes

Admissions and Amusement Tax - The admissions and amusement tax is a local tax collected by the State Comptroller's Office for local municipalities. The entire amount of the tax collected, less administrative expenses, is returned to the municipalities and counties imposing the local tax. The tax is generally levied on the admission or amusement cost for activities such as movies, amusements, athletic events, concerts, golf and the sale of refreshments at a nightclub or other similar entertainment venue. The tax on admissions differs among local municipalities in Maryland. The City of Baltimore applies a 5% tax on movies on the historic register and single-screen movie theatres and a 10% tax on the admission or amusement cost for all other activities such as movies, athletic events, concerts and golf. If the gross receipts from the activity is also subject to the sales and use tax, the admissions and amusement tax is limited to 5%. For purposes of this analysis, the 10% tax is applied to gross ticket sales generated by each stadium. Historically, as the MSA has pursued capital projects, they have received a portion of the admissions and amusement tax collected within the relevant jurisdiction. For instance, the MSA receives eight points of the admissions tax generated at both Oriole Park and M&T Bank Stadium. For purposes of this analysis, all revenues generated by the admissions and amusement tax are shown to be retained by the City of Baltimore.

Parking Tax – The parking tax is a local tax collected by the State Comptroller's Office for local municipalities based on the gross amount paid for occupying a parking space. The parking tax rate was increased to 20% in the City of Baltimore effecting July 1, 2010. This tax rate was applied to all parking revenue generated at each proposed soccer stadium as well as approximately 10% of direct transportation spending estimated to be spend outside each stadium. On average, it is assumed that 75% of attendees will drive averaging 3.0 people per car. The parking charge per car varies based on the event type.

Local Personal Income Tax – The City of Baltimore imposes a local personal income tax of 3.05% which is calculated as a percentage of taxable income. For purposes of this analysis and based on information provided by the Comptroller of Maryland, an effective tax rate of 2.11% was calculated based on the federal adjusted gross income and the total personal income tax paid to the City in 2008. This effective tax rate was applied to total earnings estimated to be generated by each proposed stadium project. Because local income tax is based on where you live, not where you work, this analysis assumed that approximately 50% of personal income taxes generated by each proposed stadium occur in Baltimore City.

Hotel/Motel Tax – The City of Baltimore taxes the furnishings of lodging within the City. The hotel/motel tax does not include State sales tax. The hotel/motel tax rate was recently increased to 9.5% effective July 1, 2010. This rate was applied to 100% of the estimated direct hotel spending.

Market & Economic Study for Two Proposed New Soccer Stadiums in Downtown Baltimore, Maryland

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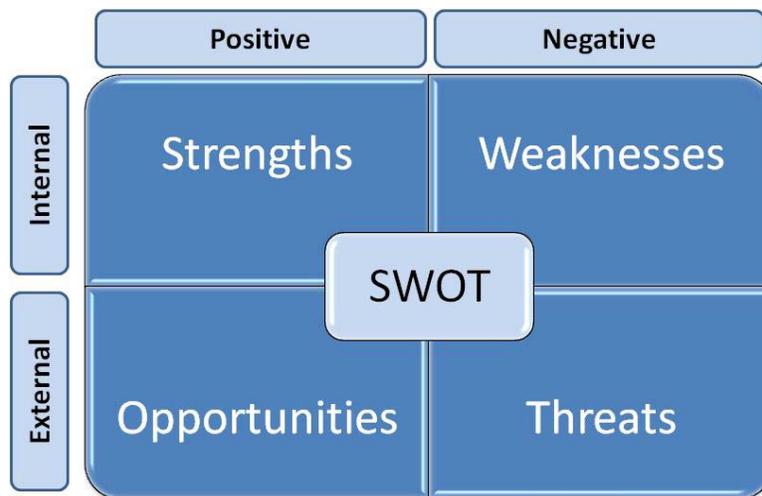
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Summary of Findings

Unlike other professional sports in the U.S. such as football, baseball, basketball and hockey, soccer remains an evolving sport. The market research presented previously outlines various supply and demand factors that may influence the type and amount of event activity at a new soccer stadium in downtown Baltimore including U.S. soccer trends, select demographic and economic characteristics, accessibility, hotel supply, the competitive supply of facilities, input from potential users as well as data on comparable facilities. The economic analysis estimates the direct, induced and indirect benefits associated with the on-going operations of the proposed new stadiums as well as the associated tax revenues.

SWOT Analyses

A SWOT analysis outlines the key internal and external factors, both positive and negative, impacting a project or concept.



This section of the report includes three separate SWOT analyses: one that is common to either proposed soccer stadium; one for the proposed new stadium for D.C. United at the Westport Waterfront site; and one for the proposed new stadium for Crystal Palace Baltimore at the Carroll Camden site.

SWOT Analysis Common to Either Proposed Soccer Stadium Concept

Strengths

- Growing Hispanic population which is a target market for MLS and D.C. United as well as Crystal Palace Baltimore
- Age and income characteristics relative to other MLS and USSF Div-2 Pro League teams
- Accessibility via light rail, highway and air
- Relatively low unemployment in both the Baltimore and Washington, D.C. Metro areas
- Central location that is proximate to other major cities in the Northeast may be a benefit for certain events
- Diversity, supply and availability of hotel inventory
- Supply of higher education institutions in region promoting collegiate level sports and attracting student body fan base
- Strong downtown core including shopping, entertainment and other supporting amenities for participants/spectators
- Strong attendance at international soccer game held at M&T Bank Stadium in 2009
- Longevity and success of existing professional sports teams in Baltimore including the Orioles, Ravens and Blast
- Survey respondents generally indicated they would not reduce their spending at other venues/teams if new stadium was built
- Both stadium development concepts are consistent with industry trends relative to newer soccer facilities

Weaknesses

- Historical and projected population growth rates have been minimal
- Relatively small corporate base
- Area businesses that responded to the survey did not express strong interest purchasing premium seating or advertising/ sponsorship packages at either proposed new stadium
- Relatively cold climate during soccer championship season
- Costs associated with utilizing facilities in Maryland (e.g., admissions and amusement tax)
- Many sporting events that could be hosted in either proposed stadium are already occurring in the State of Maryland therefore reducing the potential incremental new economic and fiscal impacts

SWOT Analysis Common to Either Proposed Soccer Stadium Concept (cont'd)

Opportunities

- Growing trends in soccer participation and fan base
- Established youth, collegiate and club soccer presence at the local, State and regional levels
- Strong youth, scholastic and collegiate lacrosse programs and US Lacrosse is headquartered in Baltimore
- Lack of guaranteed field space for growing sports programs in the region including soccer and lacrosse
- Diversify sports and entertainment options for growing ethnic population segments
- Area businesses responding to the survey generally supported the construction of a new stadium downtown
- Ability to foster relationships with area educational institutions and provide a venue to enhance area athletic programs
- Ability to generate economic and fiscal benefits in terms of spending, jobs, earnings and tax revenues
- Could serve as a training facility for international teams and World Cup related activity if the U.S. is awarded the tournament

Threats

- Significant competition from existing sports and entertainment venues in the Baltimore Metro area for event activity, attendance, and corporate support
- Potential new sports and entertainment venues in the Baltimore Metro area would further saturate the market
- Soccer season overlaps with the MLB season as well as part of the NFL season
- Limited outdoor touring concert/entertainment acts for either stadium
- In aggregate, there are approximately 250 suites and 12,000 club seats in the Baltimore Metro area and 425 suites and 20,000 club seats in the Washington Metro area - additional luxury suites and club seats at the proposed stadium would further saturate the market particularly relative to the population and corporate base
- Market's long-term ability to support an outdoor professional soccer team
- May be difficult to maximize revenue streams at the proposed stadiums as affordability is key issue for many user groups
- Business model does not generate sufficient financial return on investment for the tenant sports team

SWOT Analysis - Proposed New D.C. United Stadium at Westport Waterfront Site

Strengths

- Relative stability of MLS with increasing attendance, national media coverage and a systematic approach to expansion
- Consistent success/popularity of D.C. United
- Highly recognizable brand identity both nationally and internationally
- Proven, successful team ownership that has contacts to attract national and international events
- Approximately 38% of current D.C. United fans live in Maryland
- Location along light rail system
- Proximity to mixed-use project which could serve as an anchor for economic development
- Planned number of available on-site parking spaces

Weaknesses

- Relatively limited interest expressed by existing corporate sponsors relative to purchasing tickets, premium seating or advertising/sponsorship packages at the proposed new site given the distance from their customer base
- Location on the other side of the interstate and distance from downtown amenities and attractions may be negatively perceived by attendees and could result in less patron spending before and after events
- Proposed seating capacity too large for many youth, amateur, scholastic and collegiate level sporting events
- Proposed grass surface may limit non-D.C United event activity potential due to possible wear and tear
- Distance from existing team fan base in Virginia (50%) and Washington, D.C. (12%)
- Team name is directly associated with another market; a potential name change could hinder existing brand recognition

SWOT Analysis - Proposed New D.C. United Stadium at Westport Waterfront Site (cont'd)

Opportunities

- Capitalize on D.C. United brand and MLS popularity to bring increased regional and national exposure to City and State
- Ability to attract incremental new sporting events to the City and State by offering a niche seating capacity for an outdoor venue
- Ability to host more national/international level soccer matches in the City and State
- D.C. United's commitment to supporting youth soccer programs in the City and State
- Strong potential to increase economic/fiscal impacts to the City and State and serve as a catalyst for other development

Threats

- Potential competition with M&T Bank Stadium for event activity given anticipated stadium size and geographic proximity
- Stadium is anticipated to be part of a mixed-use development project with appropriate surrounding infrastructure – potential risk to team, City and State if the site is not fully developed as planned
- Inability to attract new fans to help offset anticipated decrease from current fan base and corporate supporters, particularly in Virginia and Washington, D.C.
- Team ultimately decides not to move to this site location for business and financial reasons

SWOT Analysis - Proposed New Crystal Palace Baltimore Stadium at Carroll Camden Site

Strengths

- Existing fan base in the Baltimore Metro area
- Ability to market local Baltimore and Maryland soccer players
- Local team ownership that has connections/relationships at all levels of soccer
- Despite newly formed USSF D-2 Pro League, several markets have a history of hosting soccer teams at various levels of play
- Generally, existing corporate sponsors were supportive of new stadium construction and indicated an interest in keeping their current advertising/sponsorship package and purchasing tickets to games outside the package
- Relatively low stadium construction cost

Weaknesses

- Instability of league with no long-term commitment or business plan/operating structure at the time of this report
- Team has played in multiple stadiums over the last several years making it difficult to create a consistent fan base
- Team does not have a long-term track record, has not historically drawn high attendance, and will not play next season
- Given the anticipated event activity, many market opportunities (e.g., scholastic events) are not incremental to the City/State
- Lack of on-site parking controlled by the team at the proposed site location which corporate sponsors deemed important
- Relatively limited interest expressed by existing corporate sponsors relative to purchasing premium seating
- Lack of multiple fields limits ability to host certain events/tournaments
- Market demand suggests the lower end of the seating capacity range - somewhere between 7,000 and 8,000 seats rather than 10,000 seats

SWOT Analysis - Proposed New Crystal Palace Baltimore Stadium at Carroll Camden Site (cont'd)

Opportunities

- Proposed turf field allows for year-round play even during inclement weather conditions
- Offers unique outdoor venue in terms of seating capacity with potential to develop a niche and attract a variety of event activity including youth, amateur, collegiate and professional sports events such as soccer and lacrosse
- Potential to increase economic/fiscal impacts to the City and State even though a relatively large portion of event activity is not deemed to be incremental new to the State

Threats

- Urban setting may dictate higher prices for certain items (e.g., parking) that may impact overall affordability of the sport
- Team's long-term capability to secure and maintain necessary funding
- Management team's long-term ability to maximize market opportunities
- Relatively limited financial support from existing corporate sponsors
- Strong competition from existing venues for sports and entertainment events
- Smaller seating capacity limits potential for touring concert/entertainment acts due to financial implications
- Team and/or league cease operations – relatively limited re-use options for a downtown stadium

Summary of Conclusions

Baltimore's success as a professional sports market, its accessibility and downtown infrastructure are all factors that contributed to the City's desire to explore the economic merits of a soccer specific stadium in Baltimore. Two venues with different levels of potential professional soccer tenants were evaluated. As such, a natural question is whether they could play in the same stadium? Although potentially a cost effective alternative, the ideal capacity requirements and the financial objectives of each team preclude them from sharing a stadium. Another question posed was whether D.C. United could share M&T Bank Stadium with the NFL Baltimore Ravens. Similarly, these two teams have differing ideal seating capacities and preferred playing surfaces - artificial turf for the Baltimore Ravens and natural grass for D.C. United. In addition, the preferred business model for many NFL and MLS teams is to operate the venues in which they play and retain the majority of revenue streams which could not be met by this scenario.

As such, Crossroads Consulting evaluated each proposed stadium concept individually from a variety of perspectives including market demand, programmatic, site location and economic. While each proposed soccer stadium may have merits, evaluating them in a macro sense from these perspectives provides the City and its advisors with a broader understanding of each concept and how it may fit with the City's objectives to meet the needs of residents and attract incremental new spending to the area.

Results of the market and economic analysis suggest that while the smaller soccer stadium proposed for Crystal Palace Baltimore provides less potential to generate incremental new activity to the State, its more intimate size is marketable to a variety of event types. That said, the current proposal to build a stand-alone stadium in the Carroll Camden area of downtown Baltimore may be less economical for the market niches indicating interest. For instance, providing a soccer complex that offers multiple fields and on-site parking along with a more modest sized stadium would make it more marketable to many user groups and particularly for tournament activity which tends to draw participants and spectators from a relatively large geographic area for multiple days. Thus, the stadium would be less dependent on the long-term success of its tenant team.

However, a development of this type may not be as well-suited to the Carroll Camden site given its downtown location, premium land values and lack of free on-site parking. Instead, a more economical alternative may be to develop such a complex in a more suburban setting within the Baltimore Metro Area to draw incremental new spending to the area and State and complement the existing Maryland Soccerplex and other youth/amateur venues striving to meet the growing needs of Maryland residents. The multi-field complex concept is supported by input from users at a variety of levels including youth, collegiate, amateur and professional which suggests less reliance on one primary user, greater revenue potential and mitigating the risk associated with long-term stability of the USSF Div-2 Pro League or Crystal Palace Baltimore.

The proposed D.C. United stadium has the potential to generate more incremental economic and fiscal benefits given its larger seating capacity and the fact that the majority of the team's activities would be new to the City and State. However, the market and economic analysis suggests that the D.C. United stadium concept may be somewhat challenging to market from a corporate perspective in Baltimore based on the relatively limited interest expressed by area businesses and existing corporate sponsors to purchase premium seating or advertising/ sponsorship packages. That said, MLS's structure, business model and strategic planning appear to be sound. This coupled with the positive impacts that a new, soccer specific stadium would have on attendance and revenue opportunities (e.g., premium seating) could mitigate the impacts of limited corporate interest. Baltimore's accessibility relative to other State and regional locations and the proposed Westport site, in particular, present unique opportunities to increase attendance thereby benefiting the City, State and team. In addition, this stadium concept is anticipated to be part of a mixed use development project that offers a critical mass of people and activity as well as surrounding infrastructure in terms of a 500-room hotel and 10,000 parking spaces. This analysis assumes that the planned mixed-use development occurs simultaneous to construction of the proposed new soccer stadium. If not, the economic and fiscal benefits associated with this stadium concept at this site location will be less than those shown in this report.

If the City, BDC and MSA choose to further explore either of these two potential soccer stadium concepts, typical next steps in the evaluation process would include the following:

- Develop a detailed building program including preliminary design concepts
- Conduct a site analysis to better frame development costs
- Develop preliminary construction and project cost estimates
- Prepare a cost/benefit analysis including refinements to estimated benefits based on changes to building program, infrastructure, site location, etc.
- Identify potential funding sources and funding partners