

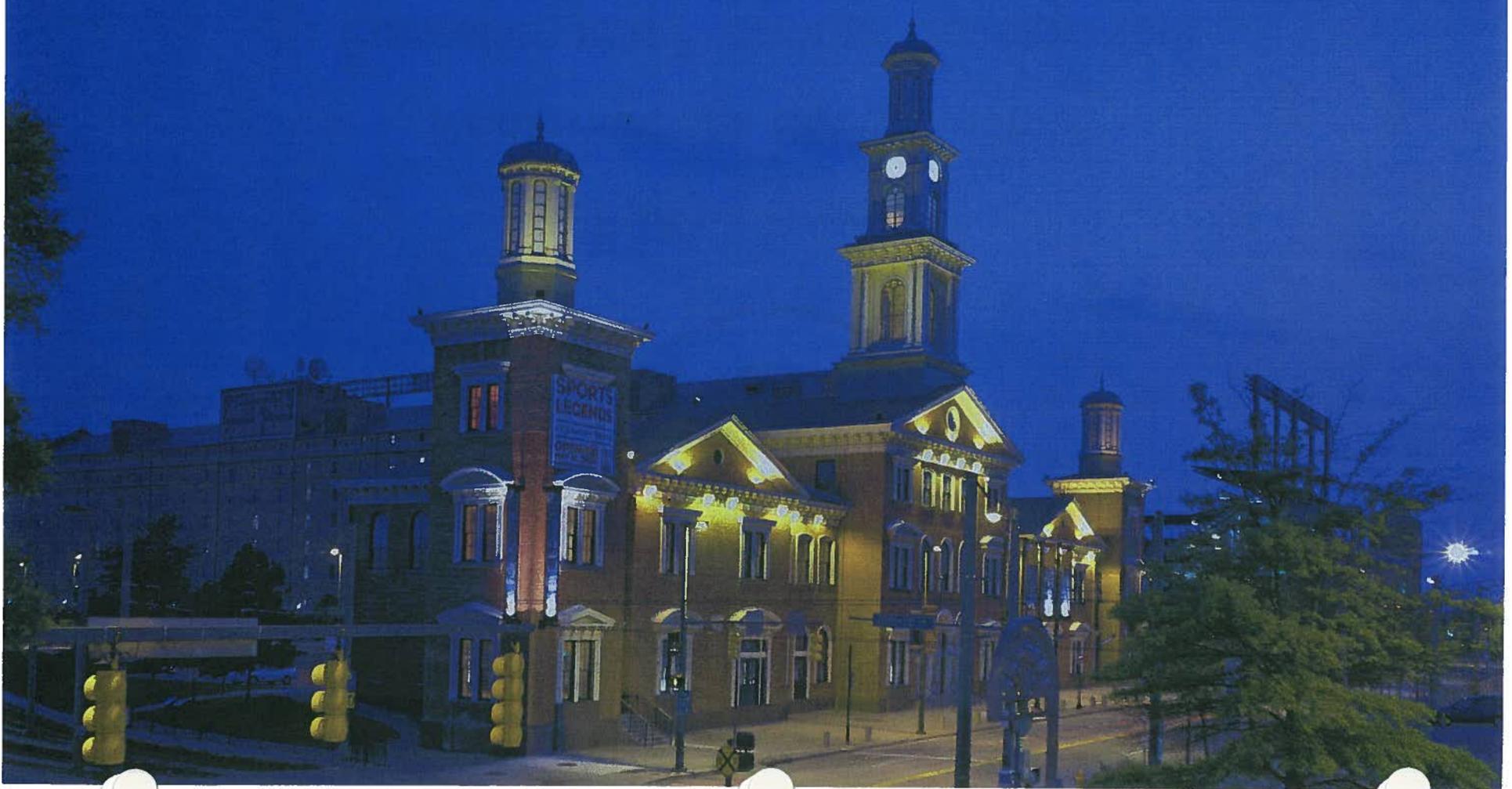


Budget Briefing
Appropriations Subcommittee
Education and Economic Development

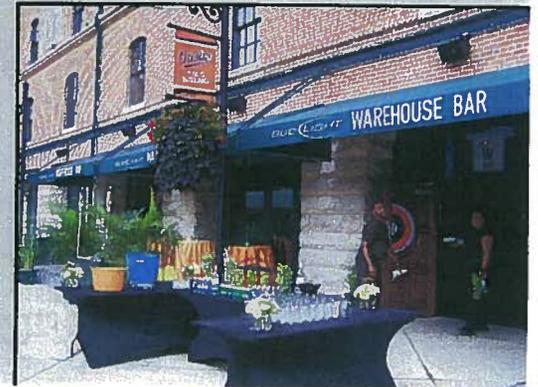
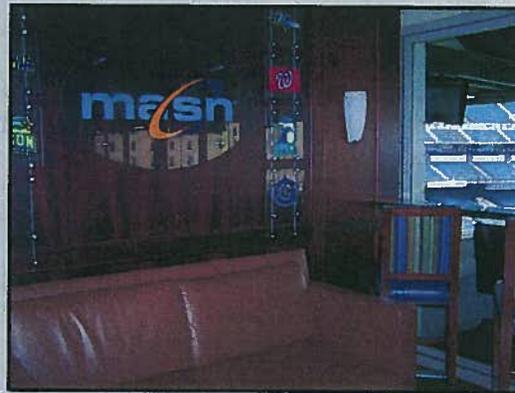
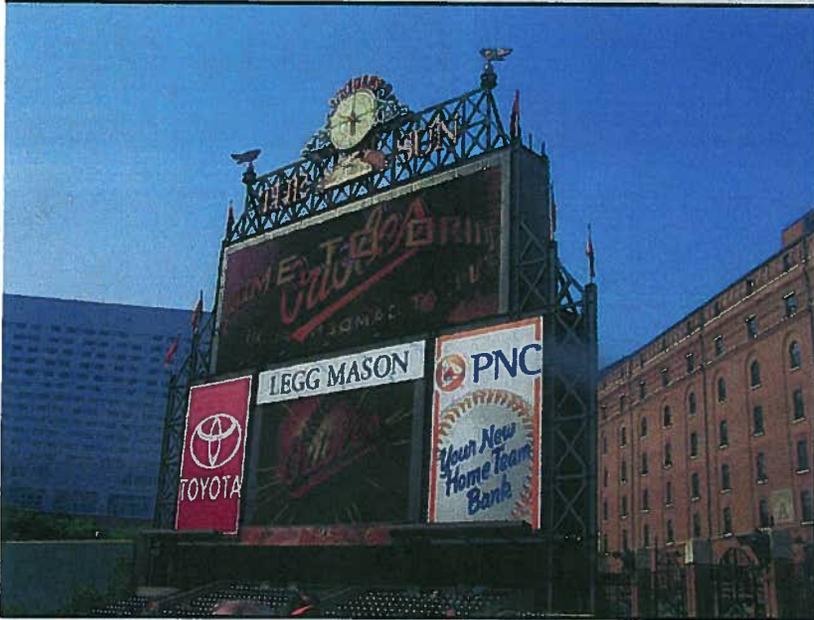
February 11, 2009

Maryland Stadium Authority

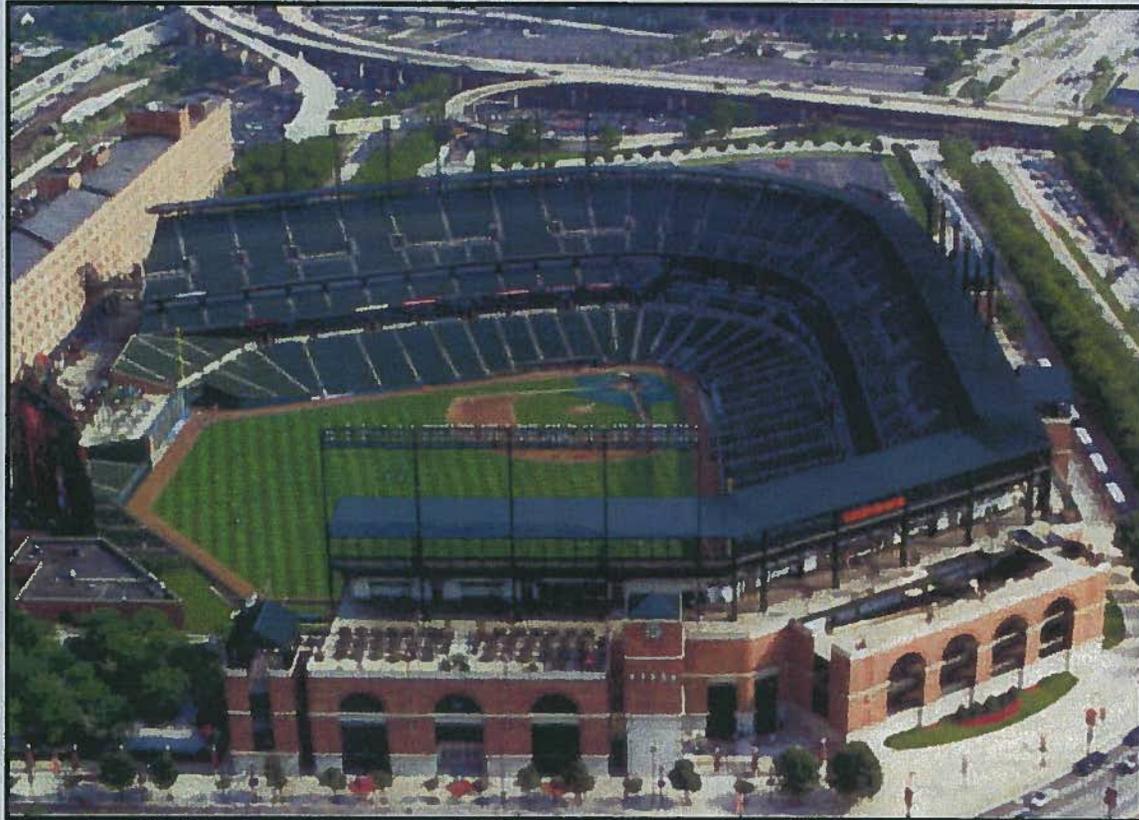
Camden Yards Complex, 2008



Upgrades throughout the complex in 2008



5 Year Capital Improvement Program for Oriole Park



- Concrete repair
- Warehouse roof replacement
- Masonry restoration
- Club Level improvements
- Steel repainting

Still rated one of MLB's top stadiums for ambiance and fan experience, Oriole Park requires repairs to protect the State's investment and continue to generate revenue



Effective, productive property management



Camden Station

Total leasable square footage is 38,606

Camden Station is fully leased with Sports Legends Museum and Geppi Entertainment Museum.

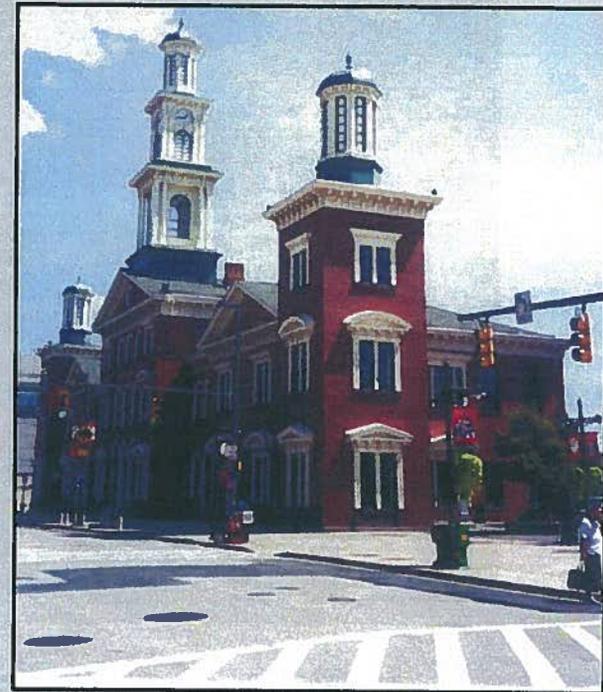
It is regularly used for special events.

The Warehouse

Total leasable square footage available is approximately 163,500

Total leased square footage in the warehouse is approximately 161,000; vacant square footage in the warehouse is 2,500

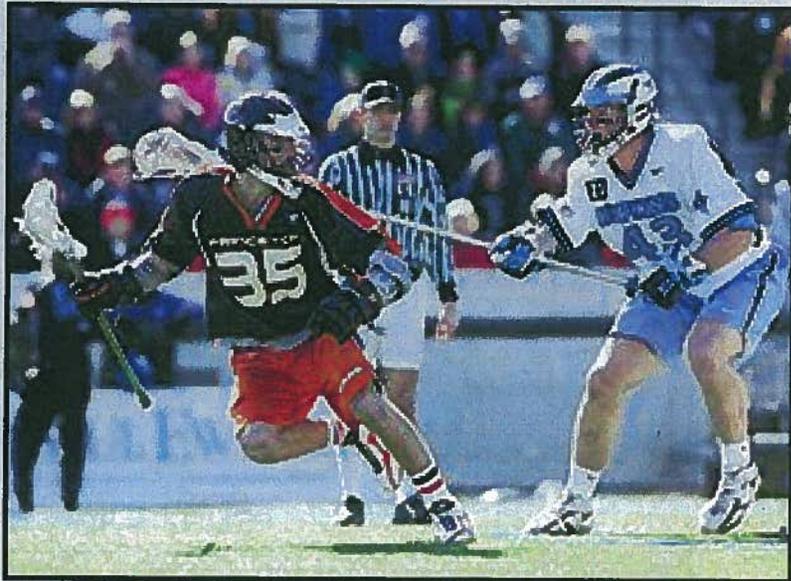
Approximately 1,100 cars pay for monthly on site parking



Camden Yards Sports Complex



In use 365 days a year, the 85 acre park is a community resource, transit center, fitness trail and gathering place. Over the course of the year the facilities will be leased for public and private events both large and small. These include fund raisers for non-profit agencies and corporate functions for thousands of participants. Here are a few held in 2008 with significant economic impact.



This event will return in 2009, and will be joined by a new mid-season tournament. **“Day of Rivals”** in April will match Army vs. Navy and Maryland vs. Johns Hopkins in another doubleheader

March 1, 2008

Konica Minolta Face-off Classic

20,000 fans attend a season opening double header at M&T Bank Stadium, featuring four top-rated NCAA teams.



Kenny Chesney Concert – May 10

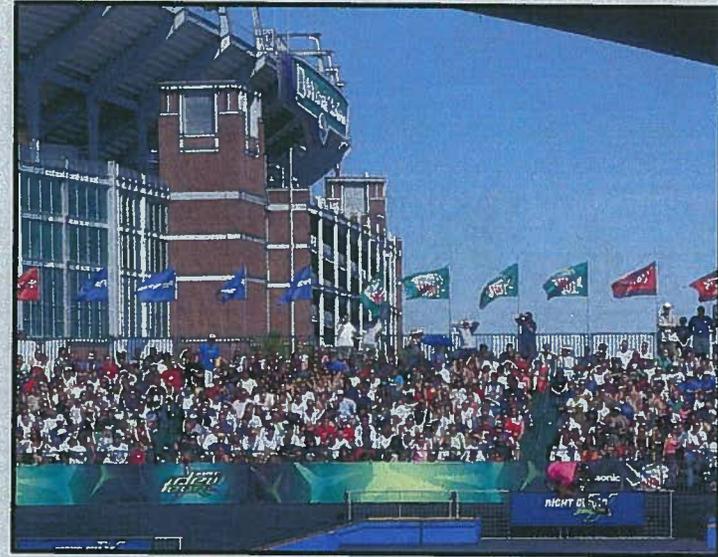
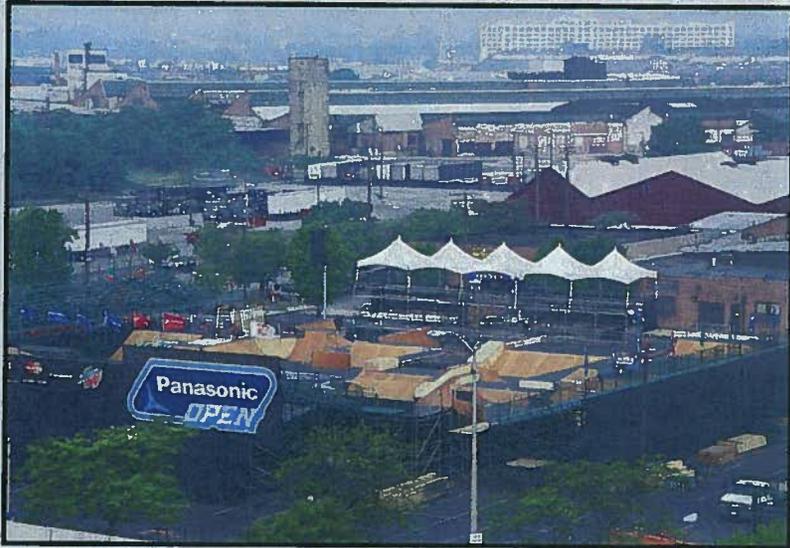


38,000+ fans

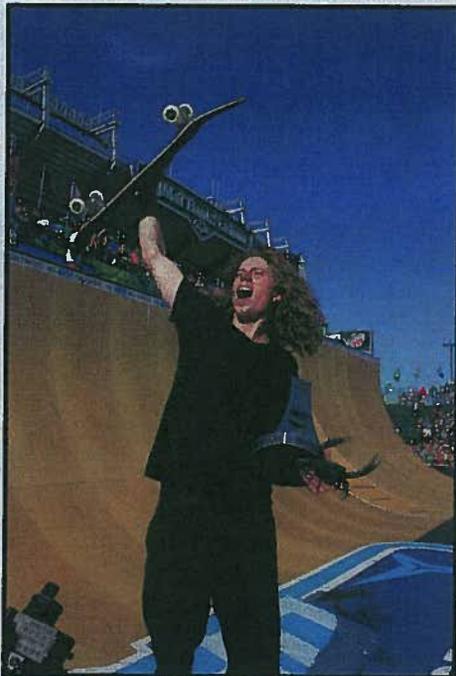


\$14 million economic impact





AST Dew Tour – 52,000 attendance over four days in June



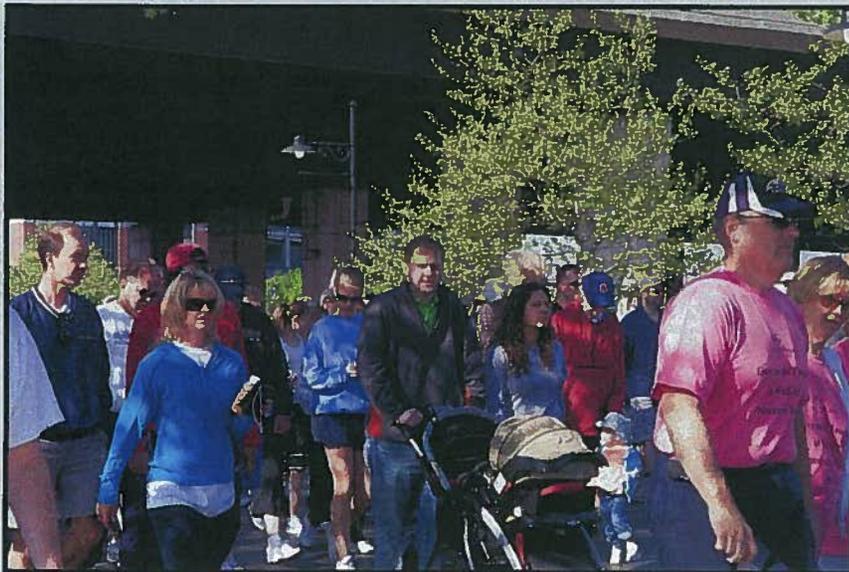
NBC coverage



Dew is expected to return July, 2009



The summer **African American Festival** drew 500,000 visitors from all over the country. It is the largest, most popular cultural heritage event on the East Coast



The annual **March of Dimes Walkathon** was one of thirteen health-related fund raisers held in the spring and fall of 2008 at the Camden Yards complex



Baltimore Marathon, 2008

17,500+ participants

49,000 total visitors

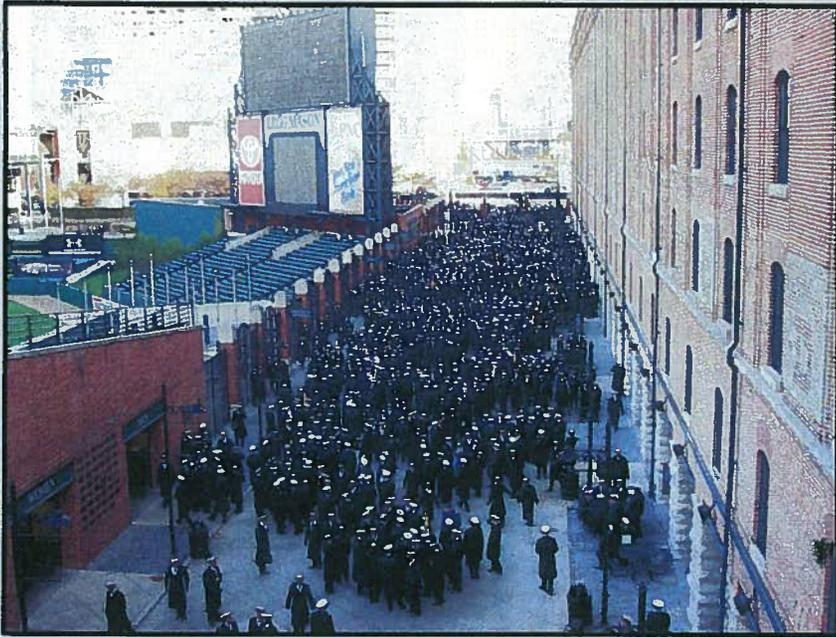
40% out of town visitors

Economic Impact estimated at \$22 million (RESI Research)

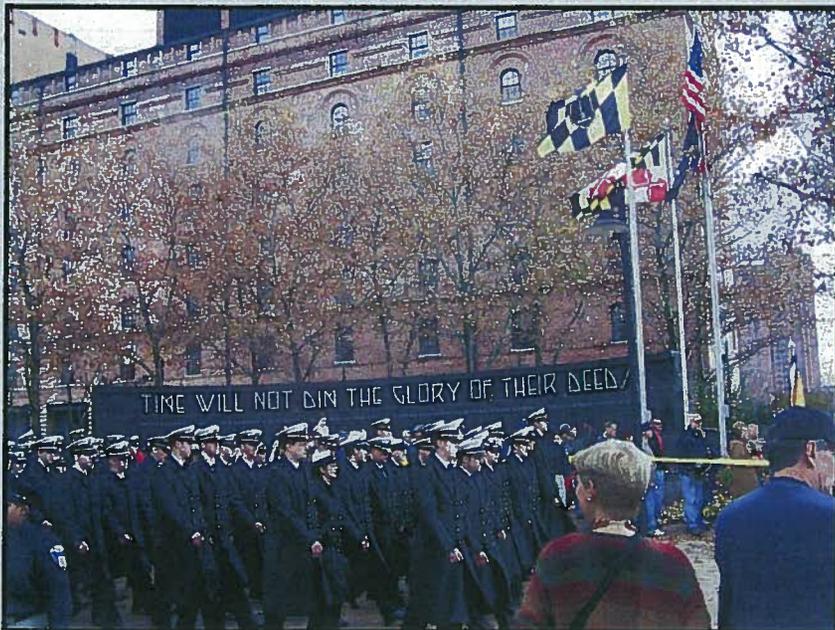


2008 Navy-Notre Dame football

- Sell-out at M&T Bank Stadium
- Private functions throughout complex
- National coverage



Navy returns play Maryland in 2010.
Bid made for future Army game



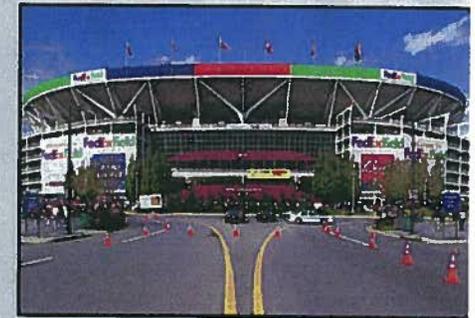
Office of Sports Marketing

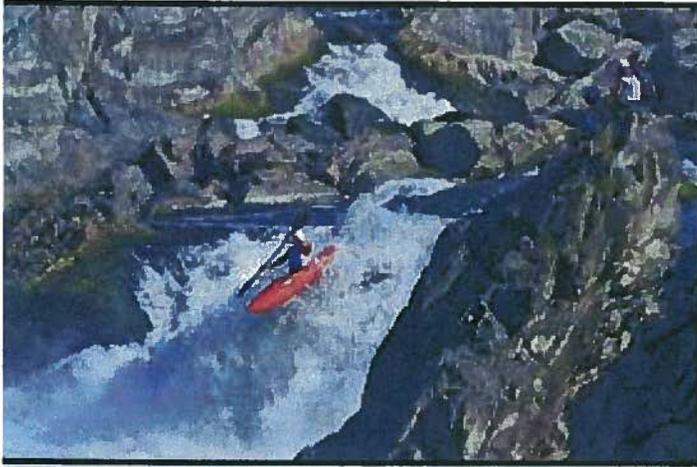
- 2008 budget authorized study for a statewide sports commission and sports marketing office
- MSA working with DBED on project
- Terry Hasseltine hired in July to prepare study and conduct survey and analyze economic impact of all sports facilities and events statewide
- Report submitted early January
- Project funded for three years; next phase will include website and outreach efforts using existing resources and personnel
- Office has already participated in bids for NCAA Lacrosse Final Four and Army-Navy

Survey includes stadiums, arenas, fields, marinas, tracks, parks, and trails. It covers professional, collegiate, recreational and natural resource facilities, both public and privately owned



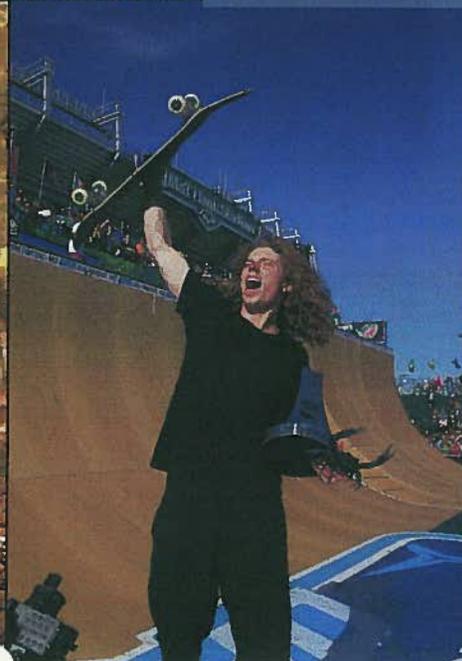
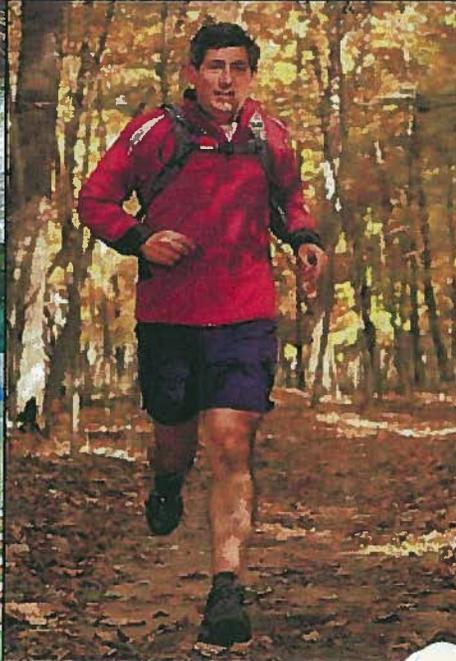
Terry Hasseltine, Director



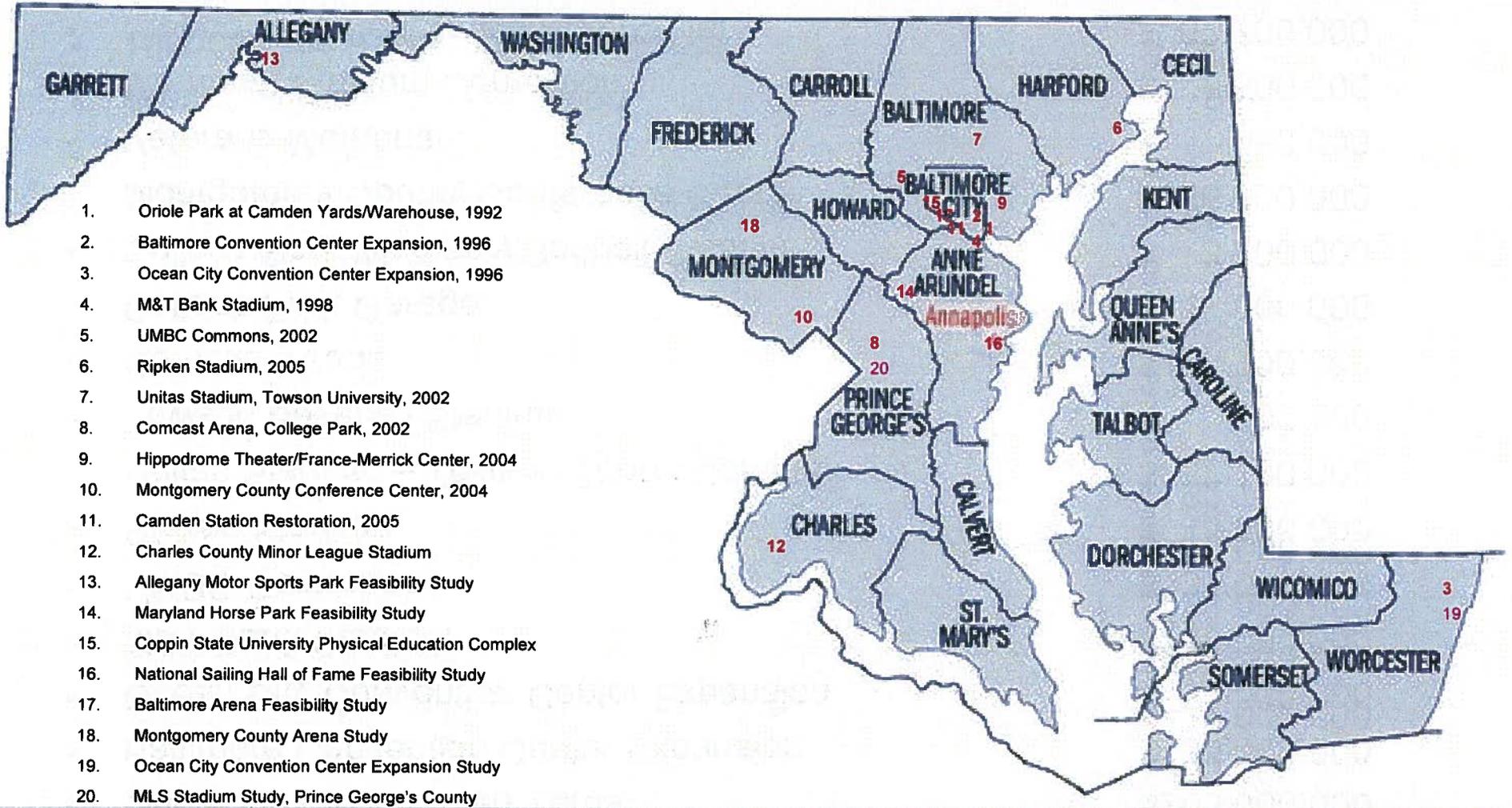


Maryland -

Here to Play



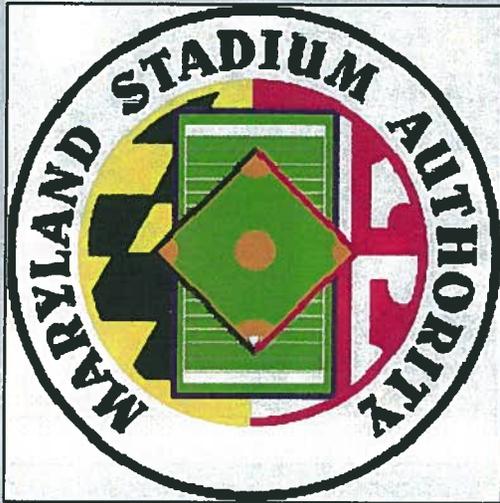
Maryland Stadium Authority Projects – Twenty Years and Beyond



1. Oriole Park at Camden Yards/Warehouse, 1992
2. Baltimore Convention Center Expansion, 1996
3. Ocean City Convention Center Expansion, 1996
4. M&T Bank Stadium, 1998
5. UMBC Commons, 2002
6. Ripken Stadium, 2005
7. Uitas Stadium, Towson University, 2002
8. Comcast Arena, College Park, 2002
9. Hippodrome Theater/France-Merrick Center, 2004
10. Montgomery County Conference Center, 2004
11. Camden Station Restoration, 2005
12. Charles County Minor League Stadium
13. Allegany Motor Sports Park Feasibility Study
14. Maryland Horse Park Feasibility Study
15. Coppin State University Physical Education Complex
16. National Sailing Hall of Fame Feasibility Study
17. Baltimore Arena Feasibility Study
18. Montgomery County Arena Study
19. Ocean City Convention Center Expansion Study
20. MLS Stadium Study, Prince George's County

More Than A Billion Dollars Invested Statewide

• Oriole Park at Camden Yards	\$205,000,000
• Baltimore Convention Center Expansion	\$156,000,000
• Ocean City Convention Center Expansion	\$ 32,000,000
• M&T Bank Stadium	\$229,000,000
• UMBC Commons	\$ 34,000,000
• Ripken Stadium	\$ 18,000,000
• Uitas Stadium – Towson Sports Complex	\$ 32,700,000
• Towson Baseball Stadium	\$ 500,000
• Comcast Arena	\$126,000,000
• College Park Garage	\$ 18,000,000
• College Park Women's Softball Stadium	\$ 3,700,000
• Montgomery County Conference Center	\$ 66,000,000
• Veterans Memorial	\$ 850,000
• Memorial Stadium Demolition	\$ 5,500,000
• Hippodrome Performing Arts Center	\$ 62,700,000
• Camden Station Renovation	\$ 9,500,000
• Southern Maryland Stadium	\$ 25,600,000
• Coppin Physical Education Complex	\$130,000,000
TOTAL DEVELOPMENT	\$ 1,155,050,000



Completed Project and Studies:

Southern Maryland Baseball Stadium

Ocean City Convention Center Expansion

Soccer Stadium, Prince George's County

4,600 seat multi-use stadium



Southern Maryland Regency Furniture Stadium

Charles County

- 40 acre site in Waldorf
- Independent Minor League Baseball team
- 4,600+ seats
- 16 Skyboxes
- Picnic area
- Children's area
- Outfield grass berm
- Multi purpose function room
- Assorted fan amenities
- Innovative bumper boat pond

Cost: \$25.6 million

1/3rd State, 1/3rd Local, 1/3rd Private

Construction began June 2007

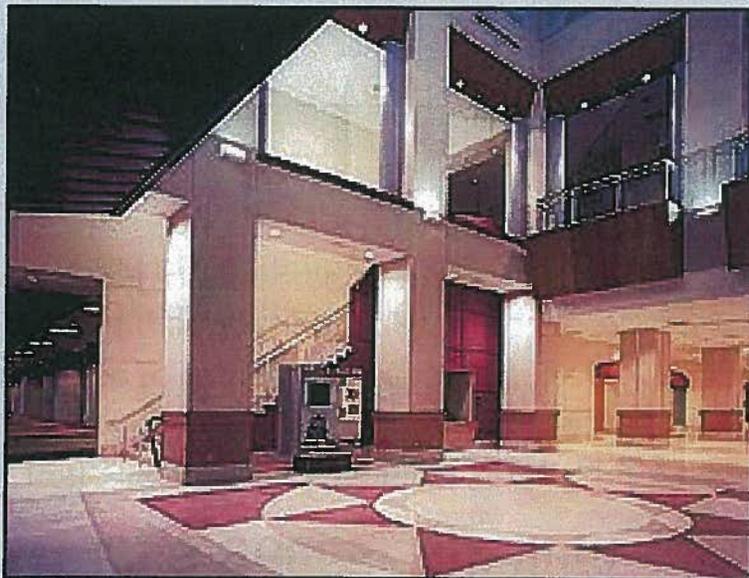
Opened May 2, 2008

25% MBE achievement on construction

Ocean City Convention Center Expansion



- Study released in December, 2008
- Study determined a market for a 50,000 sq. ft. exhibit space expansion and remodeling to modernize audio-visual and technical amenities, provide more function space, increase prime exhibit space, and building a parking garage.
- Study estimates expansion would cost \$60-75 million.
- Study recommends shelving full expansion due to the economy
- Ocean City is exploring the benefits of a smaller expansion project. The results of this study will be available in mid-February



MLS Soccer Stadium

A non-site specific feasibility study for a soccer stadium to accommodate a possible move by the DC United franchise to Prince Georges County.

The study, performed by Crossroads Consulting, was presented in September, 2008.

Study:

- Assessed direct and indirect impact of the stadium
- Determined creation of jobs during construction and operation
- Identified comparable facilities
- Projected number of events and attendance

Economic Study based on:

- Stadium capacity of 24,000 - 27,000
- Up to fifty private suites
- 1,000 club seats with a lounge

Economic Impact estimates:

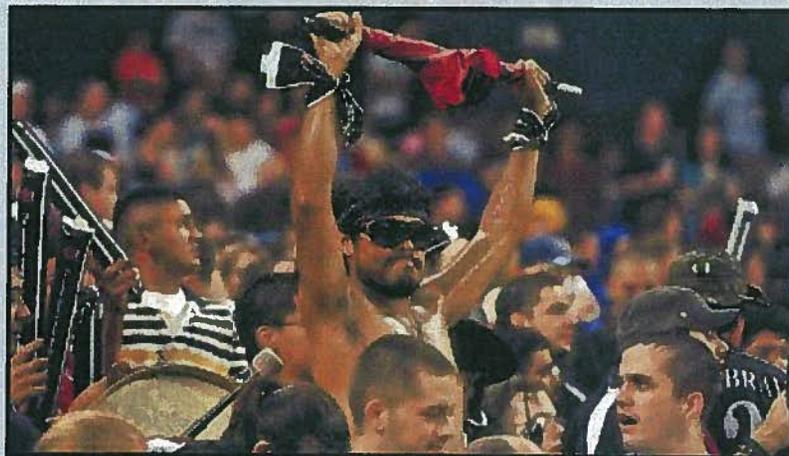
- County tax revenues projected to be \$1.8 – \$2.2 million annually
- State tax revenues projected to be \$3.2 -- \$4 million annually





Current Status:

- MSA's role, as defined by legislature's consent, is complete
- MSA remains open to further assistance on the project if the legislature authorizes it

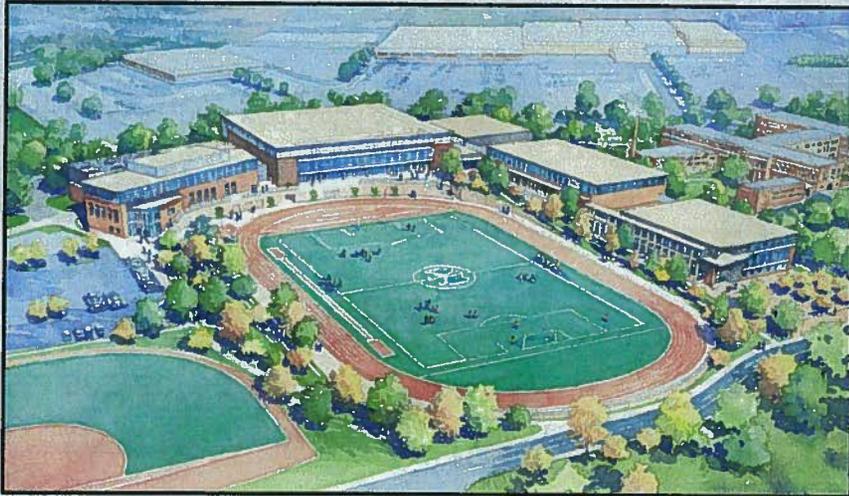




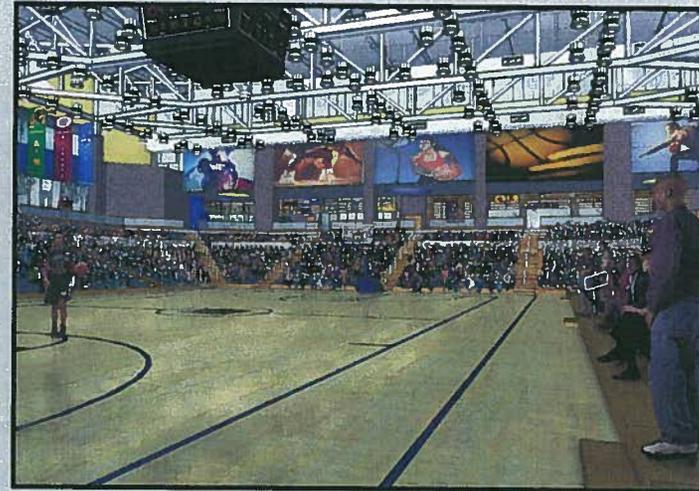
Current Project:

Coppin State University Physical Education Complex

Coppin State University Physical Education Complex



Rendering of the Physical Education Complex



Rendering of the Arena interior



The Complex – February, 2009



The Arena – October, 2007

Program Elements and Highlights

- Physical Education Building
- Facilities Management/
Public Safety Building
- Satellite Central Utility Plant
- Site Program

Project Estimate -- \$130 million

(property acquisition, demo,
design and construction)

- 40% Minority Participation
projected for construction
- Anticipated LEED Silver
Certification

Schedule:

Construction began September
2007

Original phased completion for
November 2009 and January
2010

Construction is tracking ahead of
schedule



The Physical
Education Complex
(highlighted)
increases the Coppin
campus area by 1/3rd

Site of planned
Science and
Technology Center



Current Studies:

Montgomery County Arena

Baltimore City Circuit Courthouse

Montgomery County Arena



- Market/Economic study (Sage Policy) determined a central location would support 8,000 – 10,000 capacity with flexibility for variety of uses.
- Possibilities include basketball, youth hockey, college and high school sports and the operation of a concert venue.
- HOK Sports and Brailsford & Dunlavey completed program development and market refinement.
- County and their private partner are evaluating site locations to be studied for the final report.

Baltimore City Circuit Courthouse

- Baltimore City requested MSA's assistance in determining feasibility of modernizing Circuit Court complex
- Baltimore City is paying for the study, which may include engineering analysis, program requirements, cost estimates, use of tax credits, and site analysis.
- RFP to go out mid-February, 2009



... and then



The Clarence Mitchell Courthouse (above) and old Post Office Building (below) as they look now . . .



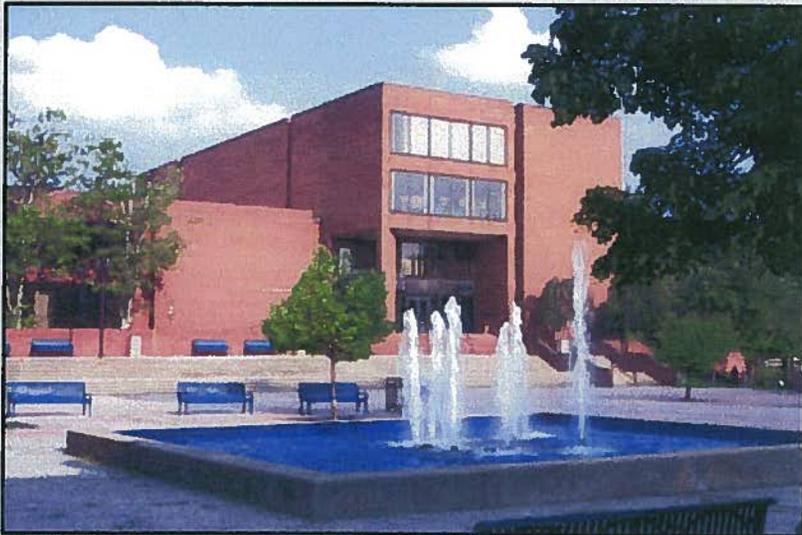
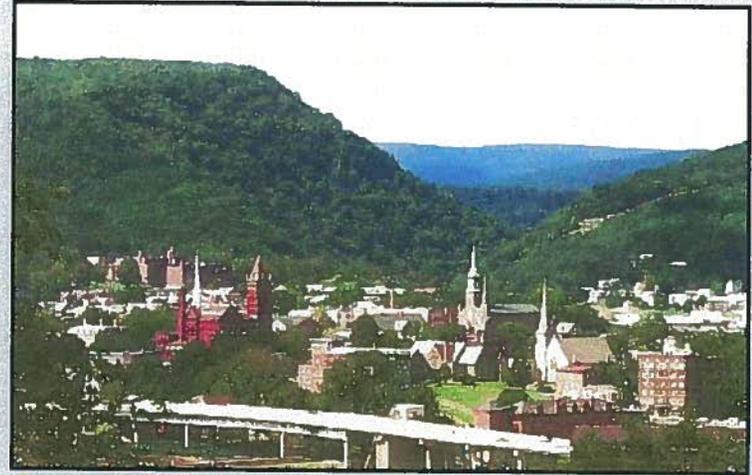
Potential Studies/Projects:



Cumberland Multi-Purpose Stadium and Entertainment Complex
Coppin State Science and Technology Center

Multi-Purpose Stadium and Entertainment Complex, Cumberland

- Study requested in January, 2009. MSA will review request at February 19th board meeting. If approved, request will be forwarded to the Budget committees for their consent.
- Study to be funded by DBED and Appalachian Regional Commission
- Study will consider economic value of locating a minor league baseball facility and entertainment complex in Cumberland.



Science and Technology Center, Coppin

- CSU formally requested MSA in January, 2009, to plan, design and construct project
- Funds have been approved for land acquisition; initial planning fund are requested in FY2010 Capital Funding
- MSA will consider this request at next board meeting. If approved, request will be forwarded to legislature for their consent.

**Maryland Stadium Authority
John Morton, III – Chairman**

**Budget Briefing
Appropriations Subcommittee
Education and Economic Development Subcommittee**

Issues

The Department of Legislative Services (DLS) recommends MSA comment on the viability of the MSAFF, including the outlook for improving operational structural deficits. Furthermore, DLS recommends that MSA comments on the planned five-year capital improvements and the timing of financing those improvements.

The Maryland Stadium Authority (“MSA”) attempts to keep a balance in the MSAFF of approximately \$3.0 million. Based on yearly revenues and expenditures, MSA may use some of the fund balance from time to time. With declining attendance at baseball games and higher costs of maintaining the complex, MSA continues to operate within the revenues generated at the complex. During the past two years, MSA has awarded two major contracts, Janitorial Services and Contracted Security Guards, under the State Living Wage which has resulted in increased operational costs. In the past, when revenues have exceeded expectations, those excess revenues have been earmarked for items on the five-year capital plan.

MSA recommends that it move forward with the financing of the \$34 million balance of items on the capital plan. MSA could look at the possibility of issuing smaller amounts over several years but the risks are higher interest rates and added issuance costs with doing three separate deals.

The economic downturn offers opportunity for building projects. Traditionally, construction costs are lower when slowing in the private sector makes contractor pricing more competitive.

DLS recommends that MSA brief the budget committees on its expanded scope given its original charge and its future direction in light of current economic conditions.

The Maryland Stadium Authority’s (“MSA”) primary responsibility is to preserve and enhance the value of real estate assets in the Camden Yards Sports complex. These include Orioles Park, M&T Stadium, the Warehouse, and Camden Station. Based on our record of success in managing various aspects of real

estate development projects from the preparation of feasibility studies to management of construction projects from start to finish, on-time and within budget, we periodically receive requests to provide assistance on projects or feasibility studies throughout the State of Maryland. We do not solicit any of these requests, and each of these projects must receive the support of the Legislature by either changing MSA's statute or consent by the budget committees. To date, MSA has completed projects in excess of \$1.1 billion, which includes the Camden Yards Complex.

Despite current economic conditions, MSA continues to receive requests for our involvement with projects, based on our experience and successful track record. The studies provide the Legislature and the local governments with an independent analysis that can be used to determine the viability of a project.

Operating Budget Analysis

The Department of Legislative Services (DLS) recommends that MSA comment on the expectation of future catered events and seating bowl events given the current economic climate.

For FY 2009, the Maryland Stadium Authority ("MSA") and the Department of Business and Economic Development ("DBED") has worked together in starting the Maryland Office of Sports Marketing. In August 2008, Terry Hasseltine was hired as the Director of the Maryland Office of Sports Marketing. Since that time, Mr. Hasseltine has been working closely with MSA and the Baltimore Ravens to bring the NCAA Lacrosse finals and the Army/Navy game back to Baltimore. Through this partnership, the NCAA awarded the 2010 and the 2011 NCAA Lacrosse Finals to Baltimore. There is also great hope the Baltimore will be awarded one of the Army/Navy football games.

In addition to the bids for NCAA lacrosse and Army-Navy, the Office of Sports Marketing and its partners actively sought other opportunities to bring marquee events to Camden Yards.

The Chelsea (England) soccer team was interested in playing Milan (Spain) at M&T in summer, 2009. Local Crystal Palace pursued a match against the Red Bulls of New Jersey in March, 2009. In both cases, these exhibitions were not feasible due to scheduling conflicts.

Another potential event, the 2009 ACC baseball tournament, was interested in Oriole Park in 2009, but a prior commitment precluded it this year.

While timing will always be a challenge, the multitude of opportunities and the ongoing efforts of the Sports Marketing office will eventually produce more high-visibility events for the Camden Yards facilities as outlined in the comprehensive strategic plan submitted in January.

In addition to the two stadiums, the 85 acre campus presents numerous other opportunities for revenue producing activities. For two years, the Dew Action Sports Tour has used the parking lots between the stadiums to stage their nationally televised competitions. Other uses include staging space and parking for events held nearby, such as the upcoming Cirque du Soleil, large fund raisers held in plaza around Camden Station, and trade shows held at the Convention Center. There are also community related fund raising events, such as walkathons, large cultural events like the African American Heritage Festival, and the ever expanding Baltimore Running Festival, which used M&T Bank Stadium this year.

With the current economic conditions, MSA anticipates a decline in the scale of catered events at Camden Yards. While the opening of the new Hilton Hotel could become a competing entity, it also presents the opportunity for greater collaboration with our facilities for large or overflow events. This occurred when the Sports Legends' Jim McKay tribute was held there November 1st. The hotel is poised to enhance the activity at the adjacent Convention Center, which also generates parking activity at Camden Yards. So while the economy is having an effect overall on the hospitality industry, the convenience and amenities at Camden Yards still make it an attractive destination for special events.

Given the pressure of the current economic climate on conference and entertainment venues, DLS recommends that the Authority comment on the outlook for the general funds obligations to the convention centers and the Hippodrome.

With the recent down turn in the economy, we expect an increase in General Fund requests. The Hippodrome Theater will probably experience a greater negative impact than will the convention centers. This is because ticket buying represents family and corporate discretionary spending with a short lead time. The convention centers may not be as affected by the current economic conditions since conventions are usually booked several years in advance. The convention centers may see a decline in local meetings since those are booked with a shorter lead time. However, the opening of the new hotel and the aggressive efforts of BACVA to attract medical and pharmaceutical meetings and retreats may mitigate some of this downturn.