



Economics Research Associates

Final Report

**Market, Financial Analysis, and
Economic Impact for Idaho Falls, Idaho
Multipurpose Events Center**

Idaho Falls, Idaho

Prepared for

City of Idaho Falls



Submitted by

Economics Research Associates

Spring 2008

Reprinted January 4, 2010

ERA Project No. 17704

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General Limiting Conditions

Every reasonable effort has been made to ensure that the data contained in this study reflect the most accurate and timely information possible, and they are believed to be reliable.

This study is based on estimates, assumptions and other information reviewed and evaluated by Economics Research Associates from its consultations with the client and the client's representatives and within its general knowledge of the industry. No responsibility is assumed for inaccuracies in reporting by the client, the client's agent and representatives or any other data source used in preparing or presenting this study.

This report is based on information that was current as of Spring 2008 or as noted in the report, and Economics Research Associates has not undertaken any update of its research effort since such date.

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1. Executive Summary

The Greater Idaho Falls Chamber of Commerce has retained Economics Research Associates (ERA) to prepare a 3rd party event center market and financial feasibility, as well as an economic impact analysis for the proposed multipurpose event center (MPEC) to be located in Idaho Falls, Idaho.

Based on our conversations, it is our understanding that at this time no particular sports league has been targeted to be the MPEC's anchor tenant.

Idaho Falls, Idaho General Demographics

Idaho Falls, Idaho located off Interstate 15, is situated in Bonneville County in Eastern Idaho. Idaho Falls is approximately one and a half hours west of the Wyoming border and two hours north of the Utah border. The region's economy relies significantly on the Idaho National Laboratory (INL). In addition to the INL, the Idaho Falls economy is a service economy relying in particular on hotels, restaurants, retail and entertainment. A regional medical center (Eastern Idaho Regional Medical Center) serves as one of the major medical centers in Eastern Idaho.

Idaho Falls is part of the Idaho Falls MSA and is also part of the Idaho Falls-Blackfoot Combined Statistical Area. The area serves as a gateway to some of the most visited outdoor attractions in North America such as Yellowstone Park and the ski slopes of the Rocky Mountains.

The Idaho Falls Chukars (Short Season "A" affiliate of the Kansas City Royals) are one of the leading draws in the region. Melaleuca Field, which replaced McDermott Field, opened in 2007 with 3,400 seats and eight luxury suites. Holt Arena in Pocatello (approximately 50 miles away) is the nearest sports-focused events center in the region. The 8,000-seat multi-purpose arena serves as home to the Idaho State University (ISU) Bengals.

Idaho Falls currently has 19 hotels with approximately 1,800 rooms, with another four hotels due to open soon. Some form of conference facility is currently offered at 12 of the area hotels. Other conference facilities include the Civic Auditorium, the ISU/IU Center for Higher Education, the University Place Auditorium, and the Willard Arts Center and Colonial Theater.

Local Residential Market

ERA used geographic information systems (GIS) software to calculate and project all demographic and socioeconomic data presented herein. The software program, called ESRI Business Information Solutions (BIS), uses US Census Bureau data to project demographics for 2007 and 2012.

According to ESRI BIS data, the United States market within 10 miles of the Idaho Falls site had a resident population of over 100,000 as of 2007. The 20- and 50-mile U.S. markets had resident populations of approximately 125,000 and 190,000, respectively, as of 2007. Projection figures indicate that population growth will remain steady in all three markets. In 2012, population in the 10-mile market is expected to increase to 115,000, at an average annual rate of 2.2 percent. The 20- and 50-mile markets will grow at a similar annual rate of 2.3 percent and 2.1 percent, respectively.

Events Center Size

Based on the market analyses, it is our estimate that the Events Center is to be as follows:

- Approximately 4,500 to 5,500 seats
- Approximately 15 to 25 suites (10 to 15 seats per suite)
- Approximately 300 to 400 club seats
- Events Center club area
- Conference/Meeting Rooms
- Clear exhibition space for trade shows
- Large Production Kitchen
- Team Offices
- Administrative Offices
- Team Store
- Locker Rooms/Auxiliary Dressing Rooms
- Trainers Room

Attendance Results

Table 1-1 presents a summary of the forecasted number and type of events, as well as the estimated paid attendance per event, for year 1. It should be noted that certain events will not be assumed to occur each year. Also, it is assumed in the base case that a minor league hockey franchise is the anchor tenant of the building.

These event and attendance assumptions are based on the Idaho Falls market area as described within this analysis. ERA has estimated that a majority of the attendees would be from the primary and secondary market areas, and a smaller number from the tertiary market.

Table 1-1
Base Case Events and Attendance (Year 1)

Event	Number of Events	Average Paid Attendance - (1)	Total Paid Attendance
Anchor Tenants			
Hockey	36	3,600	129,600
Concerts			
Major	7	4,400	30,800
Minor	5	3,300	16,500
Performing Arts / Theater	0	0	0
Family Shows			
Wrestling	2	3,900	7,800
Circus	4	2,600	10,400
Ice Shows	2	3,600	7,200
Thrill	2	1,600	3,200
Children	4	2,300	9,200
Other Sports			
Major Ice	2	3,700	7,400
Motor Sports	2	2,800	5,600
Boxing	2	3,200	6,400
Rodeo / Equestrian	5	2,800	14,000
Miscellaneous (HS Basketball, HS Hockey)	5	1,000	5,000
Trade Shows / Festivals			
Trade/Exhibits	10	1,000	10,000
Religious/Cultural	2	800	1,600
Averages/Totals	90		264,700

(1) Includes luxury suite and club seat seating.

Note: Some numbers may not add up due to rounding.

Source: Economics Research Associates

Financial Results

Table 1-2 provides cash flow summaries for the proposed Idaho Falls Multipurpose Events Center for the first five years of operation (before debt service).

Table 1-2
Base Case Cash Flow – Proposed Idaho Falls Events Center
(Dollars in 000)

	Year				
	1	2	3	4	5
Number of Events	90	90	92	92	91
Annual Paid Attendance (000)	265	255	259	262	253
Operating Revenues					
Ticket Revenues	\$516	\$479	\$509	\$552	\$533
Other Revenues	3,119	3,035	3,171	3,315	3,297
Total Operating Revenues	\$3,635	\$3,514	\$3,680	\$3,867	\$3,829
Total Operating Expenses	\$2,962	\$3,015	\$3,090	\$3,160	\$3,229
Surplus / Deficit from Operations (before debt service)	\$672	\$499	\$590	\$708	\$601

Note: Some numbers may not add up due to rounding.

Source: Economics Research Associates

Economic Impact

ERA's approach towards economic impact calculation is based on operating expenditures of a facility instead of revenues generated on-site. This approach takes into account the actual dollars spent in the local economy and disregards profits and direct margins that are often invested elsewhere. Though the approach provides conservative results, it is more realistic in terms of 'net' impacts to the local economy. It should be noted that the economic impact takes into account only those activities and expenditures generated by and directly attributable to the MPEC.

All attendance, cost, and revenue assumptions for the Idaho Falls MPEC used in this analysis are derived from our financial cash flow (Stable Year 4). ERA's approach is based on an operating expenditure model. As a result, only the components of the total revenue that go toward facility operations are considered.

- The total annual arena operating costs (including costs of goods sold) are \$4.1 million. Of this slightly more than \$2.0 million are wages and over \$2.0 million are non wage costs.

- As a result, the Events Center generates a total of 105 Full Time Equivalent (FTE) employees. 81 of these FTE's are employed on site, while 24 are on off-site locations. Note that the resulting average annual wage is approximately \$23,000.
- Total impact from on-site arena operations to the County is approximately \$2.6 million. Total impacts from off-site visitor and resident expenditures including initial spending are just under \$2.4 million. The total indirect and induced impact from all activities is \$4.9 million. Of this \$1.2 million is related to earnings in Bonneville County resulting in 64 net new jobs. The total of all annual impacts annually including the initial change spurred by Events Center operations is approximately \$9.0 million with a total of 168 new jobs in Bonneville County.
- The one-time (approximately over two years of construction) induced impact due to construction is \$74.3 million due to a \$45.0 million construction cost (based discussions with the City of Idaho Falls). One-time earnings impact due to construction estimates equal \$20.3 million. The total one-time employment impact due to construction is estimated to be 659 FTE jobs (485 direct, 173 induced) with FTE average income of \$32,000 based on Bureau of Labor Statistics data.

In order to complete the economic impact analysis of the proposed Idaho Falls Events Center, ERA analyzed comparable event centers throughout the United States. The centers, which are discussed in the comparables section of the report, were chosen based on the MPEC's proposed program. As a result of analyzing these factors, ERA was better able to derive the potential economic impact and job generation resulting from the proposed Idaho Falls MPEC.

Finally, it is important to make note of the following with regard to substitution and new and recaptured spending. The development of the Idaho Falls MPEC will cause some substitution within the region. However, the substitution will be more than offset by the new and recaptured spending from regional area residents and the new and induced spending from out of area visitors generated by the new facility.

Social and Qualitative Impacts

In addition to the quantifiable revenue, earnings, and employment generated by the Idaho Falls MPEC, there are a number of additional significant, but less tangible, benefits that will enhance the quality of life in Bonneville County and the surrounding region. Examples of these benefits to the overall quality of life are as follows:

- Raises the national and international profile of the city as a sports, entertainment and business destination;

- Develops a more dynamic and diverse environment through the creation of unique entertainment, recreational, and commercial experiences;
- Provides opportunities for local entertainment/recreation businesses;
- Serves as a catalyst for domestic investment;
- Promotes social and cultural development in local communities;
- Improves the opportunity for education and training of the local labor force;
- Potentially stimulates the government to make investments in transportation and other infrastructure, often bringing state level government dollars into the local community for the construction of the infrastructure;
- Fosters a sense of civic pride and identity.

Appendix: Site Analysis

In the Appendix to the report, ERA provides an overview of the three proposed sites for the multipurpose events center, which are:

- Sunnyside North Property (39 acres)
- Sunnyside South Property (34 acres)
- Snake River Landing (20.5 acres)

Based on the site ranking criteria outlined for the City of Idaho Falls and the project team, ERA analyzed each of the three sites and found all three to be strong candidates. The Snake River Landing site scored the highest primarily as a result of having no land cost (land was donated), its location and integration into the overall mixed-use development of Snake River Landing.

2. Introduction and Scope of Services

The Greater Idaho Falls Chamber of Commerce has retained Economics Research Associates (ERA) to prepare a 3rd party event center market and financial feasibility, as well as an economic impact analysis for the proposed multipurpose event center (MPEC) to be located in Idaho Falls, Idaho.

Based on our conversations, it is our understanding that at this time no particular sports league has been targeted to be the MPEC's anchor tenant.

This report is divided into the following eight sections:

- Executive Summary
- Introduction and Scope of Services
- Idaho Falls, Idaho Overview
- Potential Anchor Tenants / Sports Leagues / Other Sports
- Comparable Events Centers
- Events Center Size
- Financial Analysis
- Economic Impact Analysis
- Appendix: Site Analysis

Scope of Services

Our tasks in this feasibility analysis include:

- Market Analysis
- Financial Analysis
- Economic Impact Analysis

Market Area Analysis

The market feasibility of the proposed Idaho Falls MPEC will be determined by a number of factors, including:

- Idaho Falls Regional Marketplace
- Stakeholder Interviews
- Planned and Proposed Idaho Falls Developments
- Competitive Venues
- Potential Tenants

The Market Analysis section presented in this report is intended to estimate the regional need and opportunity for the proposed MPEC. The major tasks completed in conjunction with this phase included the following:

- Interviewed key personnel in Idaho Falls
- Interviewed various relevant sports leagues
- Interviewed show promoters
- Reviewed key market and demographic information, as well as statistical information regarding team and arena operating characteristics, provided by the following sources:
 - ESRI Business Information Solutions (BIS)
 - Comparable Arena Operating Budgets/Statements
 - Comparable Market Area Chamber of Commerce Publications
 - Association of Luxury Suite Directors
 - AudArena Stadium 2008 International Guide
 - The 2007-2008 National Directory of College Athletics
 - Team Marketing Report
 - The Sports Business Directory
 - Amusement Business
 - Various Sports Franchises
 - Various League Media
 - 2008 SportsBusiness Resource Guide and Fact Book
 - The SportsBusiness Daily
 - Street and Smith's SportsBusiness Journal
 - 2008 Revenues from Sports Venues
 - Idaho Falls Area Chamber of Commerce
 - Various League Data via the Internet

Project Size/Amenity Conclusions

ERA provided general conclusions for the estimated number of events and attendance for years 1 through 5. Based on the information presented in this analysis, we developed a mix of physical parameters and amenities for the proposed MPEC which we believe the Idaho Falls community would be able to support.

Financial Analysis

ERA evaluated the financial feasibility of the proposed Idaho Falls MPEC in the base case and, in addition, prepared high case and low case scenarios. Based on our market analysis, the survey of comparable facilities, interviews with officials and community representatives and our in-house database, we estimated the key

operating variables and assumptions which were incorporated into the cash flow model developed specifically for this project. The cash flow model provides an estimate of the proposed MPEC's operating gross revenues and the surplus/deficit after operating expenses, before debt service. The major tasks associated with this phase include the following:

- Identified comparable events centers/arenas located in the United States based on size, year built, major tenants, operating profile, and/or primary market area population. Interviewed representatives from comparable event centers/arenas to obtain detailed historical operating information
- Reviewed and utilized ERA's internal database of operating revenues and expenses for comparable arenas
- Estimated major direct revenue items for the proposed Idaho Falls MPEC including:
 - Number and type of events
 - Rental terms and policies
 - Average ticket prices
 - Ticket surcharge
 - Facility fee
 - Premium seating (luxury suites and club seating)
 - Naming rights
 - Advertising
 - Concessions/Novelties
 - Parking
 - Ticket Distributor
 - Reimbursable revenues
- Estimated major operating costs for the proposed Idaho Falls MPEC including:
 - Salaries and wages (full- and part-time)
 - Employee benefits
 - Utilities
 - Non-recoverable event expenses
 - Management expenses
 - Capital replacement reserve
 - Other
- Developed a base case operating cash flow for the proposed Idaho Falls MPEC
- Prepared high and low case sensitivities

Economic Impact Analysis

Based on the findings in the market and financial analysis, ERA estimated the potential annual economic impact of the MPEC in the Base Case scenario. It should be noted that this analysis is based on MPEC attendees only and does not take into account any potential new development surrounding or near the proposed arena. ERA analyzed the following impacts:

- Direct Economic Impacts
- Indirect Economic Impacts
- Employment and Payroll Impacts
- Total Annual Impacts

ERA also addressed quality of life impacts as a result of the development of the MPEC.

3. Idaho Falls, Idaho Overview

Idaho Falls, Idaho located off Interstate 15, is situated in Bonneville County in Eastern Idaho. Idaho Falls is approximately one and a half hours west of the Wyoming border and two hours north of the Utah border. Located on the Snake River near the westernmost part of the Rocky Mountains, Idaho Falls was founded in 1864 and incorporated in 1891. Taylor's Crossing, a bridge built across the Snake River, played a key role in the westward migration through the region.

The region's economy relied heavily on agriculture during the early stages of its history. However, that changed in 1949 when the Atomic Energy Commission built the Nuclear Reactor Testing Station (known as "The Site") and became a source a high paying jobs. The Station's name was changed to the Idaho National Laboratory (INL) in 2005.



In addition to the INL, the Idaho Falls economy has diversified and seen strong growth in the service industries, in particular hotels, restaurants, retail and entertainment. A regional medical center (Eastern Idaho Regional Medical Center) serves as one of the major medical centers in Eastern Idaho.

Idaho Falls is part of the Idaho Falls MSA and is also part of the Idaho Falls-Blackfoot Combined Statistical Area. The area serves as a gateway to some of the most visited outdoor attractions in North America such as Yellowstone Park and the ski slopes of the Rocky Mountains. Tourist activities in the area include hiking, fishing, hunting, golf, water sports, and skiing.



Two of the largest new mixed-use projects in the Idaho Falls region include Snake River Landing and Taylor Crossing. Both projects offer a complete mixed-use development with office, retail, residential and entertainment/lifestyle.

The Grand Teton Mall is the largest mall in the area and recently underwent a multi-million dollar renovation. Renovations to the Mall included new seating areas throughout the center, state-of-the-art multi-suite family restrooms. The addition of a 26,500 square foot Barnes & Noble Bookseller was a centerpiece of the renovation. Aeropostale and Wet Seal, and Hollister Co. were among the new retailers added.

The Idaho Falls Chukars are one of the leading draws in the region. Melaleuca Field, which replaced McDermott Field, opened in 2007 with 3,400 seats and eight luxury suites. The stadium is sponsored by the \$780 million Melaleuca, The Wellness Company, which is a health products company. Melaleuca is owned and operated by Frank Van der Sloot in Idaho Falls. The Idaho Falls Mustangs,



which play semi-professional football in the Rocky Mountain Football League (RMFL), play their games at Ravsten Stadium at Idaho Falls High School.

Holt Arena in Pocatello (approximately 50 miles away) is the nearest sports-focused events center in the region. The 8,000-seat multi-purpose arena serves as home to the Idaho State University (ISU) Bengals.

Some of the other area attractions include the Museum of Idaho, the Tautphaus Park Zoo, and the LDS (The Church of Jesus Christ of Latter-day Saints) Temple Visitor's Center. Other recreation venues in the area include local parks for cross country skiing, the Field of Green Batting Cages, the G & H Paintball and Game Field, Wes Deist Aquatic Center, and Noise Park. Idaho Falls also has three bowling alleys and three golf courses.

Idaho Falls currently has 19 hotels with approximately 1,800 rooms, with another four hotels due to open soon. Some form of conference facility is currently offered at 12 of the area hotels. Other conference facilities include the Civic Auditorium, the ISU/IU Center for Higher Education, the University Place Auditorium, and the Willard Arts Center and Colonial Theater.

Regional Arenas and Event Centers

In addition to evaluating the local market area, ERA identified competitive facilities within the region to understand the current and potential competition in attracting events to the proposed MPEC. We identified market areas located within the region that have indoor venues (arenas/amphitheatres) with at least 2,500 seats that accommodate primarily basketball, hockey, indoor football, indoor concerts, performing arts, or other relevant arena events from references including. They include:

Boise, Idaho

- Qwest Arena – 5,000 seats
- Taco Bell Arena at Boise State University – 13,390 seats

Nampa, Idaho

- Idaho Center Arena – 12,000 seats

Pocatello, Idaho

- Holt Arena at Idaho State University – 8,000 seats

Missoula, Montana

- Adams Event at University of Montana – 7,500 seats

Billings, Montana

- RimRock Auto Arena at MetraPark – 9,926 seats

Salt Lake City, Utah

- Energy Solutions Arena – 20,400 seats
- Jon M. Huntsman Center at University of Utah – 15,000 seats
- Fair Park Arena – 3,600 seats
- The “E” Center (home of ECHL Utah Grizzlies) – 8,500 seats
- McKay Events Center at Utah Valley State College – 7,500 seats
- Marriott Center at Brigham Young University – 23,000 seats

Transportation

The Idaho Falls region is adjacent to the Utah, Wyoming and Nevada borders, and is located off of Interstate-15 (I-15), a major US interstate. It is accessible by various modes of major roadways and regional airlines that fly into the Idaho Falls Regional Airport.

Highway Transportation

Idaho Falls is located approximately 65 miles east of the Wyoming border, along one of the main arteries to Yellowstone National Park. The city has direct regional access via one major U.S. Interstate that traverses the region – Interstate 15. In general, the major highways connecting to or near the Idaho Falls area include:

- *Interstate 15* – This interstate is a major north-south throughway that runs from the Canadian border through Idaho Falls, Salt Lake City, Las Vegas and all the way to San Diego.
- *Interstate 86* – This interstate is intrastate Interstate Highway that is entirely within the state of Idaho. Interstate 86 connects the city of Pocatello and Idaho Falls with the Idaho’s Magic Valley region.
- *U.S. Route 20* – This east-west highway traverses the entirety of the United States starting in Boston, Massachusetts and ending in Oregon. However, the road is not signed in Yellowstone Park. It is the longest road in the country, covering more than 3,365 miles.
- *U.S. Route 26* – This highway goes from east to west terminating in Ogallala, Nebraska in the east and Seaside, Oregon to the west.

The approximate driving distance to select cities from Idaho Falls are listed below:

- Blackfoot, Idaho– 30 miles
- Pocatello, Idaho – 50 miles
- Missoula, Montana – 315 miles
- Twin Falls, Idaho – 160 miles
- Boise, Idaho – 280 miles
- Nampa, Idaho – 300 miles
- Billings, Montana – 400 miles
- Helena, Montana – 270 miles
- Salt Lake City, Utah – 215 miles

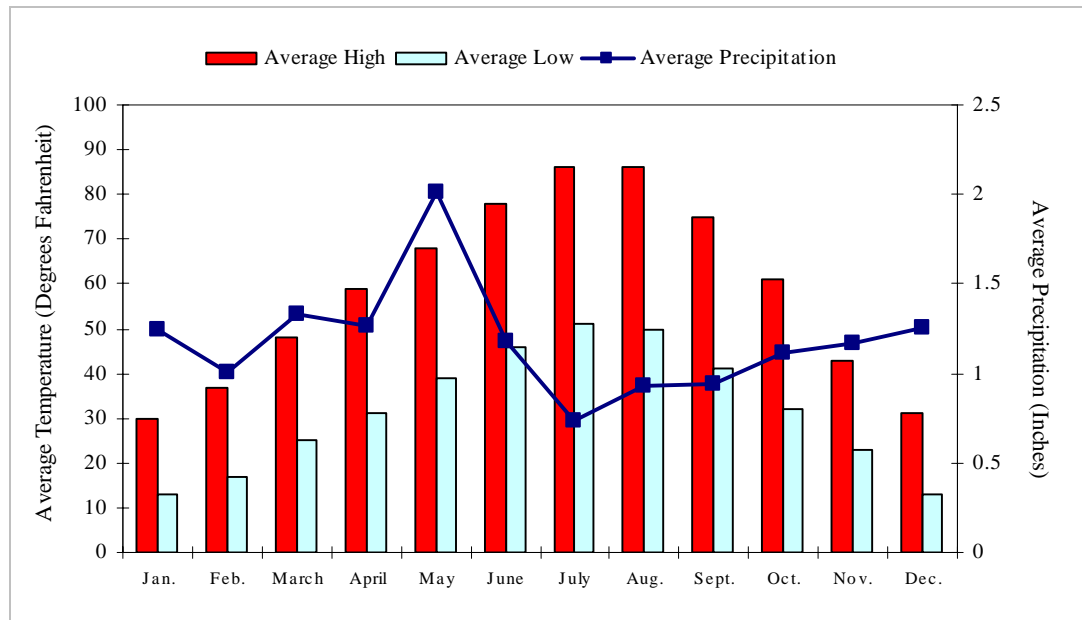
Air Transportation

There is one airport in Idaho Falls, the Idaho Falls Regional Airport, which was formerly known as Fanning Field. Operated by the City of Idaho Falls, the airport has two runways. It is serviced by Alaska Airlines (Horizon Air), Allegiant Air, Delta Airlines (Delta Connection operated by SkyWest), Northwest Airlines (Northwest Link operated by Pinnacle Airlines), and United Airlines (United Express operated by SkyWest).

Weather

The weather patterns for Idaho Falls are shown in **Table 3-1**. Average high temperatures average between 68 and 86 degrees Fahrenheit in the summer months. Temperatures average between 13 and 32 degrees Fahrenheit in the winter months. The lowest average monthly temperatures are in December and January.

Table 3-1
Idaho Falls Weather



Source: The Weather Channel

Employment

Idaho Falls is a regional hub in southeast Idaho for the health care and travel industries. Bonneville County as a whole has been at or below state and national unemployment levels, dropping to 2.9 percent (according to the Idaho Falls Chamber of Commerce) in 2005. **Table 3-2** shows the breakdown in employment types throughout the County. The trade, utilities and transportation sector has the highest number of employees with more than 11,000 followed by the retail and wholesale trade and professional and business

services industries. The leisure and hospitality industry is relatively strong with more than 4,300 employees or nearly 10 percent of the total.

Table 3-2
Bonneville County, Idaho Employment (2004-2005)

Civilian Labor Force	2004	2005
Total Labor Force	44,523	48,932
Total Employment	42,946	47,490
Total Unemployed	15,778	1,442
% Unemployed	3.5%	2.9%
Farm Employment	1,353	1,492
Nonfarm Employment	2004	%
Total Nonfarm Employment	44,463	
Manufacturing	2,347	5.3%
Food Products Mfg	528	1.2%
Wood Products Mfg	12	0.0%
Computer & electronics Mfg	109	0.2%
Construction	3,219	7.2%
Information	1,015	2.3%
Trade, Utilities & Trnsp.	11,093	24.9%
Retail & Wholesale Trade	9,735	21.9%
Transportation	1,324	3.0%
Financial activities	1,670	3.8%
Professional and Business Services	7,689	17.3%
Educational & Health Services	5,845	13.1%
Leisure & Hospitality	4,328	9.7%
Other Services	1,908	4.3%
Government	5,308	11.9%

Note: Sum of jobs totals more than 100 percent because some jobs are in multiple categories.

Source: Idaho Falls Chamber of Commerce and Economics Research Associates

The Idaho National Laboratory is one of the largest employers in the region with between 3,800 and 3,900 employees.

Local Residential Market

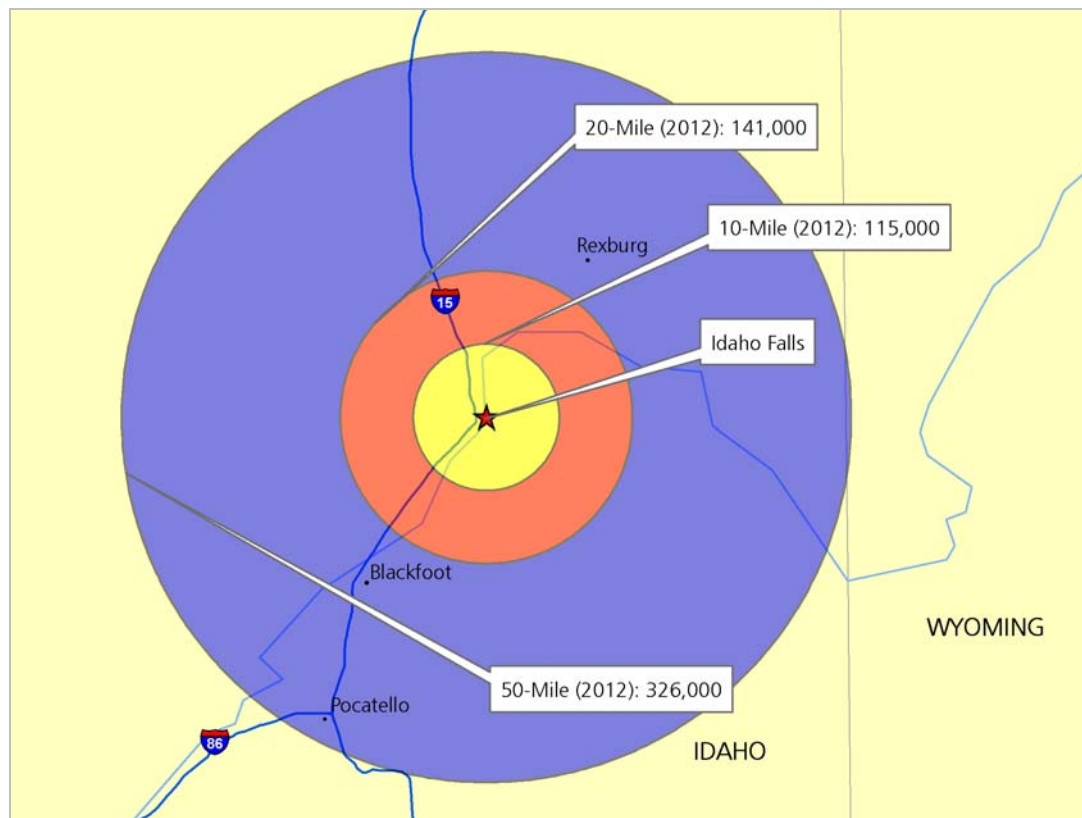
In order to analyze the full-time residential markets, ERA reviewed demographic information for those areas within a 10-, 20- and 50-mile radius of the site as identified in **Figure 3-1**. Data for the resident market includes population, households, age, racial and ethnic distribution, household income and household expenditures of U.S. residents. ERA used geographic information systems (GIS) software in order to calculate and project all demographic and socioeconomic data presented in this section. The software program, called ESRI BIS, uses US Census Bureau data to project demographics for 2007 and 2012.

In this demographic analysis, the three market areas used for the study are defined by 10-, 20- and 50-mile market rings drawn from the site location provided by the client. A description of the three market areas is as follows:

- **Primary Market:** the market area defined by a 10-mile radius from the proposed site. Due to its close proximity to the proposed site, the primary market is expected to be highly penetrated.
- **Secondary Market:** the market area defined by a 20-mile radius from the proposed site less the primary market area. Also relatively close in proximity to the proposed site, this market area represents considerable patron potential.
- **Tertiary Market:** the market area defined by a 50-mile radius from the proposed site less the primary and secondary market areas. Market penetration of the tertiary market area is expected to decline due to increasing inconveniences in relation to site accessibility and time constraints.

As mentioned above, the proposed MPEC will draw most of its visitors and spectators from the local area, in particular, from the primary and secondary markets. However, attendees will also be drawn from the tertiary market area and beyond.

Figure 3-1
Idaho Falls, Idaho Local Resident Market (2012)



Source: ESRI Business Information Solutions and Economics Research Associates

Population

According to ESRI BIS data, the market within 10 miles of the Idaho Falls site has a population of over 103,000 as of 2007. The 20- and 50-mile U.S. markets have populations of approximately 126,000 and 293,000, respectively. Projection figures indicate that population growth will remain steady in all three markets. In 2012, population in the 10-mile market is expected to have increased at a compound annual growth rate (CAGR) of 2.2 percent, to approximately 115,000. The 20- and 50-mile markets will grow at approximately the same rate – 2.3 percent annually and 2.1 percent annually, respectively – to an estimated 141,000 and 326,000 in 2012.

The number of households shows similar patterns of growth over the next five years. In 2007, the number of households in the 10-mile market was estimated at approximately 37,000 and is projected to grow to just over 41,000 by 2012. As of 2007, approximately 44,000 households fall within the 20-mile market; and 100,000 households were counted in the 50-mile market. **Table 3-3** demonstrates the current and projected population and household figures and corresponding growth rates for each of the three markets.

Table 3-3
Idaho Falls Population by Market Area (2007 and 2012)

Characteristic	0-10 Miles			0-20 Miles			0-50 Miles		
	2007 Estimate	2012 Projected	2007-2012 CAGR	2007 Estimate	2012 Projected	2007-2012 CAGR	2007 Estimate	2012 Projected	2007-2012 CAGR
Population	103,000	114,900	2.21%	126,000	141,200	2.30%	293,100	325,600	2.13%
Households	36,600	41,200	2.40%	44,000	49,800	2.51%	100,000	111,600	2.22%
Average Household Size	2.78	2.76		2.84	2.81		2.88	2.87	

Source: ESRI Business Information Solutions and Economics Research Associates

Age Distribution

Idaho Falls has a relatively young population. In addition, the working population, defined as those residents between the ages of 16 and 64 years old, is more than 65 percent of the overall population. Furthermore, it is expected to increase by 10 percent over the next five years outpacing the expected national increase of seven percent. In 2007, between 21 and 24 percent of the population was between the ages of 20 and 34 in all three markets. Typically, this age group has higher disposable income levels when compared to other age groups. The median age within the 20-mile market is 31.3, which is lower than the national median of 36.3. **Table 3-4** provides a breakdown of the area's population by age.

Table 3-4
Idaho Falls Age Distribution by Market Area (2007 and 2012)

Years	0-10 Miles			0-20 Miles			0-50 Miles		
	2007 Estimate	2007 % Distribution	2012 Projected	2007 Estimate	2007 % Distribution	2012 Projected	2007 Estimate	2007 % Distribution	2012 Projected
0 - 4	9,300	9.0%	10,500	11,500	9.1%	13,100	26,200	8.9%	29,000
5 - 14	16,000	15.5%	18,000	19,700	15.6%	22,500	43,900	15.0%	49,600
15 - 19	8,100	7.9%	8,200	10,000	7.9%	10,200	28,300	9.7%	30,400
20 - 24	8,400	8.1%	8,300	10,400	8.2%	9,900	30,500	10.4%	31,100
25 - 34	14,000	13.6%	16,700	16,800	13.3%	20,600	40,000	13.6%	46,600
35 - 44	12,600	12.2%	13,100	15,400	12.2%	16,000	33,400	11.4%	35,300
45 - 54	14,300	13.9%	15,500	17,500	13.9%	19,000	37,200	12.7%	39,400
55 - 64	10,100	9.8%	12,600	12,200	9.7%	15,500	26,200	8.9%	33,100
65 - 74	5,500	5.3%	6,600	6,800	5.4%	8,100	14,700	5.0%	17,000
75 - 84	3,500	3.4%	3,700	4,200	3.3%	4,500	9,100	3.1%	9,700
85 +	1,300	1.3%	1,600	1,600	1.3%	1,900	3,700	1.3%	4,300
Population	103,100	100.0%	114,800	126,100	100.0%	141,300	293,200	100.0%	325,500
Median Age	31.5		32.2	31.3		32.1	28.9		29.7

Source: ESRI Business Information Solutions and Economics Research Associates

Racial Distribution

The racial distribution is one component that is analyzed when estimating the event mixes. **Table 3-5** provides a detailed breakdown of the area's racial and ethnic composition. Idaho Falls and the surrounding area is predominantly White. Hispanics are the second most prevalent race in the region. Within the 10-mile radius of the proposed site, approximately 85 percent of the population classify themselves as White and seven percent classify themselves as Hispanic. The African-American population is very low accounting for less than one percent of the population in all three markets. The Hispanic population is projected to grow steadily at a CAGR of 4.4 percent between 2007 and 2012.

Hispanic is an ethnic designation that is represented among several races. Because of this overlap among races, the numbers provided **Table 3-5** will not sum to the population shown for the region in **Table 3-3**.

Table 3-5
Idaho Falls Racial and Ethnic Distribution by Market Area
(2007 and 2012)

Race	0-10 Miles			0-20 Miles			0-50 Miles		
	2007 Estimate	2007 % Distribution	2012 Estimate	2007 Estimate	2007 % Distribution	2012 Estimate	2007 Estimate	2007 % Distribution	2012 Estimate
Total:	111,600	100.0%	125,300	136,200	100.0%	154,000	319,000	100.0%	356,800
White Alone	94,400	84.6%	104,400	115,600	84.9%	128,400	262,500	82.3%	289,400
Black Alone	600	0.5%	700	600	0.4%	800	1,400	0.4%	1,800
American Indian Alone	700	0.6%	800	800	0.6%	1,000	6,400	2.0%	7,000
Asian Alone	1,000	0.9%	1,200	1,000	0.7%	1,300	2,500	0.8%	3,100
Pacific Islander Alone	100	0.1%	100	100	0.1%	100	400	0.1%	400
Some Other Race Alone	4,700	4.2%	5,900	5,900	4.3%	7,400	15,000	4.7%	18,400
Two or More Races	1,600	1.4%	1,800	1,900	1.4%	2,200	4,900	1.5%	5,500
Hispanic Origin (Any Race)	8,500	7.6%	10,400	10,300	7.6%	12,800	25,900	8.1%	31,200

Source: ESRI Business Information Solutions and Economics Research Associates

Income Distribution

In terms of median household incomes of residents in the 10-, 20- and 50-mile markets, Idaho Falls is above average. Higher median household incomes indicate higher overall levels of disposable income. In turn, households with higher levels of disposable income are more inclined to spend more on recreation and entertainment.

Approximately 50 percent of residents within the 10-mile, 20-mile and 50-mile market areas have annual household incomes greater than \$50,000. This reflects a wealthier regional population than the United States as whole, in which 40 percent of households earn incomes of more than \$50,000. In addition, the median household income of approximately \$52,000 (2007) in the three markets ranks above the national average of \$48,000.

The projected 2012 median household income in Idaho Falls is expected to grow slightly faster than the national average, increasing from \$54,000 to approximately \$66,000 compared to the national average which is projected to grow from \$48,000 to \$50,000.

Table 3-6 provides an overview of annual household income broken down by market area.

Table 3-6
Idaho Falls Income Distribution by Market Area (2007 and 2012)

	0-10 Miles			0-20 Miles			0-50 Miles		
	2007 Estimate	2007 % Distribution	2012 Projected	2007 Estimate	2007 % Distribution	2012 Projected	2007 Estimate	2007 % Distribution	2012 Projected
Total:	36,600	100.0%	41,300	43,900	100.0%	49,600	100,000	100.0%	111,600
Less than \$15,000	3,600	9.8%	3,400	4,300	9.8%	4,100	11,300	11.3%	10,600
\$15,000 to \$24,999	3,500	9.6%	3,000	4,400	10.0%	3,800	11,800	11.8%	10,200
\$25,000 to \$34,999	3,900	10.7%	3,400	4,800	10.9%	4,400	11,700	11.7%	11,500
\$35,000 to \$49,999	5,500	15.0%	5,500	6,900	15.7%	6,800	17,200	17.2%	16,100
\$50,000 to \$74,999	8,100	22.1%	8,500	9,800	22.3%	10,500	21,200	21.2%	23,600
\$75,000 to \$99,999	5,500	15.0%	5,500	6,400	14.6%	6,500	12,900	12.9%	14,200
\$100,000 to \$149,999	4,400	12.0%	8,200	5,000	11.4%	9,300	9,700	9.7%	17,600
\$150,000 to \$199,999	1,200	3.3%	1,800	1,300	3.0%	2,000	2,300	2.3%	3,900
\$200,000 or more	900	2.5%	2,000	1,000	2.3%	2,200	1,900	1.9%	3,900
Median HH Income	\$54,403		\$65,683	\$52,906		\$63,413	\$48,086		\$57,326

Source: ESRI Business Information Solutions and Economics Research Associates

Interview Findings

In order to understand the Idaho Falls market in more detail and, therefore, incorporate a qualitative measure into our analysis, we conducted stakeholder interviews with business and community leaders in Idaho Falls in mid-February 2008. The results of these interviews have been summarized below:

- Region unsuccessfully attempted to raise money for an events center approximately one decade ago. There was significant opposition to the proposal, in particular from the hotel community that did not want a bed tax to fund the project
- Almost every interviewee noted the necessity of obtaining the input and buy-in of the hotel community in Idaho Falls
- Hotel and tourist industry in Idaho Falls is strong and growing with 19 hotels currently and four more under construction. Annual occupancy rates of approximately 75 percent throughout the year (more than 90 percent in the summer months)
- Many interviewees noted a lack of a regional community center, central gathering space, or conference facility. Closest venues are in Pocatello, Boise, and Salt Lake City
- The proposed Events Center will provide a much-needed entertainment venue. Currently, residents are forced to drive up to three or four hours outside the City in search of major sports and entertainment venues
- Agriculture and nuclear plant (Idaho National Laboratory) are major employers
- Generally conservative population opposed to raising taxes (especially to help fund a sports facility)
- A number of interviewees noted a high level of price sensitivity in the region
- Potentially limited market for naming rights, sponsorship based on current business mix and recent deals with the Idaho Chukars baseball team
- The majority of community and business leaders seemed to be in favor of the proposed Events Center. They view the project as an economic engine to spur the continued growth of Idaho Falls and the surrounding area. They expect it to reflect positively on the City, improve its image, help unite the region and put it on the map
- Similar to many cities and towns across the US, there are people within the Idaho Falls community who are opposed to major new development
- Based on our interviews, we are of the opinion that local Idaho Falls residents and business leaders appear to be in favor of the proposed project, but are not fully clear on the proposal itself (whether the project is to be a conference center or events center) and are very concerned about how the project is to be financed

4. Potential Anchor Tenants / Sports Leagues / Other Events

Based on conversations with the City, it is our understanding that no formal agreement has been reached with any anchor tenants to date, although on a preliminary basis, ERA has anticipated that a hockey franchise could serve as anchor tenant.

Below are some details about the most successful and geographically well located hockey leagues, as well as some information about other leagues that may be added to the proposed venue at a future date.

Hockey Leagues

Central Hockey League

In its first four seasons of play, the Central Hockey League (CHL) was different than other minor professional sports leagues in that it was centrally owned. The idea of central ownership was put in place by William Levins and former CHL President Ray Miron nearly a decade ago. When the league began play in 1992, the original CHL teams were reinstated in two Oklahoma cities, with Tulsa reclaiming the Oilers nickname and the Blazers returning to Oklahoma City.



In 1996-1997, the Western Professional Hockey League (WPHL) was created, serving as a rival to the CHL. In its inaugural season, the WPHL played in six locations, with the New Mexico Scorpions joining five Texas-based teams. From 1996 to 2001, the CHL and the WPHL competed for players, coaches, staff and even markets. To avoid this, the CHL and the WPHL entered a joint agreement on May 30, 2001, merging 16 of the top franchises into two conferences and four divisions, all of which would play under the CHL banner.

Since then, the franchises have changed and the CHL has expanded to include 17 teams across nine states. Each team generally hosts a total of 32 regular season home games and plays in 64 games each season.

Table 4-1 is a listing of the 2007-2008 Central Hockey League franchises. Also included in the table is the franchise city, venue, the year the venue was built, seating capacity, number of luxury suites and the number of club seats. Three new teams joined the CHL in the 2006-07 season: the Arizona Sundogs from Prescott Valley, Arizona, the New Mexico Scorpions from Rio Rancho, New Mexico, and the Rocky Mountain Rage from Broomfield, Colorado. After a one year hiatus, the Fort Worth Brahmas have returned as the Texas Brahmas.

Table 4-1
2007-2008 Central Hockey League Franchises

Franchise	Town	Arena	Year Built	Seating Capacity	Suites	Club Seats
Amarillo Gorillas	Amarillo, TX	Amarillo Civic Center	1973	4,900	---	---
Arizona Sundogs	Prescott Valley, AZ	Tim's Toyota Center	2006	5,100	22	400
Austin Ice Bats	Austin, TX	Chaparral Ice Arena	n.a.	2,000	---	---
Bossier-Shreveport Mudbugs	Bossier City, LA	CenturyTel Center	2000	12,500	16	1,000
Colorado Eagles	Loveland, CO	Budweiser Event Center	2003	5,211	24	777
Corpus Christi Rayz	Corpus Christi, TX	American Bank Center	2004	7,495	11	302
Laredo Bucks	Laredo, TX	Laredo Entertainment Center	2002	8,000	14	155
Mississippi RiverKings	Southaven, MS	DeSoto Civic Center	2000	8,444	12	---
New Mexico Scorpions	Santa Ana Star Center	Santa Ana Star Center	2007	6,000	26	500
Odessa Jackalopes	Odessa, TX	Ector County Coliseum	1952	5,131	---	---
Oklahoma City Blazers	Oklahoma City, OK	Ford Center	2002	18,100	48	3,300
Rio Grande Valley Killer Bees	Hidalgo, TX	Dodge Arena	2003	5,500	25	500
Rocky Mountain Rage	Broomfield, CO	Broomfield Event Center	2006	6,000	26	200
Tulsa Oilers	Tulsa, OK	Tulsa Convention Center	1962	7,111	---	---
Wichita Thunder	Wichita, KS	Kansas Coliseum	1974	9,560	---	---
Texas Brahmas	North Richland Hills, TX	NYTEX Sports Centre	1999	2,300	5	---
Youngstown SteelHounds	Youngstown, OH	Chevrolet Centre	2006	6,000	26	923

Source: Central Hockey League, Individual franchises, and Economics Research Associates

Since the 2004-05 season, the announced average CHL attendance has been approximately 4,500 per game. Overall, attendance has been fairly steady, with average per game attendance staying between 4,100 and 4,700 during the last seven seasons. The Oklahoma City Blazers have consistently had the highest attendance, averaging more than 8,700 attendees per game.

ECHL

In September 2002, the ECHL Board of Governors approved membership applications from several teams who were in the West Coast Hockey League (WCHL), plus some others as expansion franchises.



The East Coast Hockey League after accepting the WCHL franchise applications changed its name to “ECHL” officially in May 2003. The 2007-2008 season will be the ECHL’s (Premier ‘AA’ Hockey League) 20th season.

With 25 teams coast to coast, it is the largest minor hockey league in North America. The ECHL plays a 72 game regular season schedule from October through March and the league concludes in May with the Riley Cup Championship.

In addition, four new franchises are due to join the league. The Toledo Walleye will begin play during the 2009-2010 season playing in the Toledo Sports Arena. Franchises in Columbia (Columbia Inferno), Myrtle Beach, South Carolina (TBD) and Reno, Nevada (TBD) are set to join the ECHL pending the completion of an arena.

Table 4-2 illustrates the name of the franchise, the city and venue where they play, the year built, the number of seats, number of luxury suites, and number of club seats. The past five seasons, the league has averaged approximately 4,300 persons per game.

Table 4-2
2007-2008 ECHL Franchises

Franchise	Town	Arena	Year Built	Seating Capacity	Suites	Club Seats
Alaska Aces	Anchorage, AK	Sullivan Arena	1983	6,251	0	0
Augusta Lynx	Augusta, GA	Augutsa-Richmond County Civic Center	1979	5,426	0	0
Bakersfield Condors	Bakersfield, CA	Rabobank Arena	1998	9,000	27	1,000
Charlotte Checkers	Charlotte, NC	Charlotte Arena	2005	6,810	0	0
Cincinnati Cyclones	Cincinnati, OH	US Bank Arnea	1948	16,950	30	0
Columbia Inferno	Columbia, SC	Carolina Coliseum	1968	6,231	0	0
Dayton Bombers	Dayton, OH	Ervin J. Nutter Center	1991	9,950	18	0
Elmira Jackals	Elmira, NY	First Arena	2000	4,100	32	0
Florida Everblades	Estero, FL	Germain Arena	1998	7,080	26	0
Fresno Falcons	Fresno, CA	Save Mart Center	2003	13,800	32	2,000
Gwinnett Gladiators	Duluth, GA	The Arena at Gwinnett Center	2003	11,355	36	1,390
Idaho Steelheads	Boise, ID	Qwest Arena	1997	5,006	38	1,000
Johnstown Chiefs	Johnstown, PA	Cambria County War Memorial Arena	1950	3,880	0	0
Las Vegas Wranglers	Las Vegas, NV	Orleans Arena	2003	7,773	22	220
Mississippi Sea Wolves	Biloxi, MS	Mississippi Coast Coliseum	1977	8,200	0	0
Pensacola Ice Pilots	Pensacola, FL	Pensacola Civic Center	1984	8,150	0	0
Phoenix RoadRunners	Phoenix, AZ	US Airways Center	1992	7,747	88	0
Reading Royals	Reading, PA	Sovereign Center	2001	7,215	20	850
South Carolina Stingrays	North Charleston, SC	North Charleston Coliseum	1993	10,349	8	0
Stockton Thunder	Stockton, CA	Stockton Arena	2005	10,000	24	500
Texas Wildcatters	Beaumont, TX	Ford Arena	2003	8,500	14	0
Toledo Walleye ¹	Toledo, OH	Toledo Sports Arena	1947	5,361	0	0
Trenton Devils	Trenton, NJ	Sovereign Bank Arena	1999	7,605	32	1,150
Utah Grizzlies	Valley City, UT	The E Center	1997	10,207	7	0
Victoria Salmon Kings	Victoria, BC	Save-On Foods Memorial Centre	2004	7,000	--	--
Wheeling Nailers	Wheeling, WV	WesBanco Arena	1976	5,406	0	0

¹Toledo Walleye will begin play in 2009-2010 season.

Sources: ECHL, SportsBusiness Journal Resource Guide & Fact Book (2008), Revenues from Sports Venues Pro Edition (2008), and Economics Research Associates

International Hockey League



The International Hockey League (IHL), formerly known as the Colonial Hockey League and the United Hockey League, first formed in 1991 with five original member clubs. The league currently has six teams. **Table 4-3** illustrates the name of the 2007-08 franchises, their respective cities and venues, the year each venue was built, the number of seats, number of luxury suites, and the number of club seats.

The past two seasons, (2005/06 and 2006/07) the league has averaged approximately 3,500 announced attendees.

Table 4-3
2007-2008 International Hockey League Franchises

Franchise	Town	Arena	Year Built	Seating Capacity	Suites	Club Seats
Bloomington Prairie Thunder	Bloomington, IL	US Cellular Coliseum	2006	7,000	24	800
Flint Generals	Flint, MI	Perani Arena & Event Center	1967	4,446	1	1,800
Fort Wayne Komets	Fort Wayne, IN	Allen County War Memorial Coliseum	1952	13,000	25	318
Kalamazoo Wings	Kalamazoo, MI	Wings Stadium	1974	5,113	--	--
Muskegon Fury	Muskegon, MI	L.C. Walker Arena	1960	5,100	--	--
Port Huron IceHawks	Port Huron, MI	McMorran Arena	2001	3,373	31	--

Sources: International Hockey League, SportsBusiness Journal Resource Guide & Fact Book (2008), and Economics Research Associates

American Hockey League

The American Hockey League (AHL) first formed in 1936. The league currently has 29 franchises; all affiliated with National Hockey League franchises.

Table 4-4 illustrates the name of the 2007-08 franchises, their respective cities and venues, the year each venue was built, the number of seats, number of luxury suites, the number of club seats, and their NHL affiliate.



The past two seasons, (2005/06 and 2006/07) the league has averaged approximately 5,300 announced attendees.

Table 4-4
2007-2008 American Hockey League Franchises

Franchise	Town	Arena	Seating Capacity	NHL Affiliation
Albany River Rats	Albany, NY	Times Union Center	15,000	Carolina Hurricanes
Binghamton Senators	Binghamton, NY	Broome County Veterans Memorial Arena	5,475	Ottawa Senators
Bridgeport Sound Tigers	Bridgeport, CT	The Arena at Harbor Yard	8,500	New York Islanders
Chicago Wolves	Rosemont, IL	Allstate Arena	18,000	Atlanta Thrashers
Grand Rapids Griffins	Grand Rapids, MI	Van Andle Arena	11,144	Detroit Red Wings
Hamilton Bulldogs	Hamilton, ON	Copps Coliseum	17,500	Montreal Canadiens
Hartford Wolf Pack	Hartford, CT	Hartford Civic Center	15,418	New York Rangers
Hershey Bears	Hershey, PA	Giant Center	10,500	Washington Capitals
Houston Aeros	Houston, TX	Toyota Center	18,500	Minnesota Wild
Iowa Stars	Des Moines, IA	Wells Fargo Arena	17,000	Dallas Stars
Lowell Devils	Lowell, MA	Tsongas Arena	7,800	New Jersey Devils
Manchester Monarchs	Manchester, NH	Verizon Wireless Arena	10,019	Los Angeles Kings
Manitoba Moose	Winnipeg, MB	MTS Centre	15,000	Vancouver Canucks
Milwaukee Admirals	Milwaukee, WI	Bradley Center	18,633	Nashville Predators
Norfolk Admirals	Norfolk, VA	Scope Arena	10,500	Tampa Bay Lightning
Peoria Rivermen	Peoria, IL	Peoria Civic Center Arena	10,400	St. Louis Blues
Philadelphia Phantoms	Philadelphia, PA	Wachovia Spectrum	17,380	Philadelphia Flyers
Portland Pirates	Portland, ME	Cumberland County Civic Center	7,800	Anaheim Ducks
Providence Bruins	Providence, RI	Dunkin Donuts Center	12,993	Boston Bruins
Quad City Flames	Moline, IL	i wireless Center	10,500	Calgary Flames
Rochester Americans	Rochester, NY	Blue Cross Arena	9,337	Buffalo Sabres
Rockford IceHogs	Rockford, IL	MetroCenter	10,000	Chicago Blackhawks
San Antonio Rampage	San Antonio, TX	AT&T Center	18,500	Phoenix Coyotes
Springfield Falcons	Springfield, MA	MassMutual Center	8,820	Edmonton Oilers
Syracuse Crunch	Syracuse, NY	Onondaga County war Memorial	6,700	Columbus Blue Jackets
Toronto Marlies	Toronto, ON	Ricoh Coliseum	9,200	Toronto Maple Leafs
WB Scranton Penguins	Wilkes-Barre, PA	Wachovia Arena	8,300	Pittsburgh Penguins
Worcester Sharks	Worcester, CT	DCU Center	8,100	San Jose Sharks

Source: American Hockey League, SportsBusiness Journal Resource Guide & Fact Book (2008), and Economics Research Associates

Western Hockey League

The Western Hockey League (WHL) was originally created with seven teams in the Canadian provinces of Saskatchewan and Alberta in 1966.



The WHL currently is represented in all four western Canadian provinces and the U.S. states of Washington and Oregon. The league has 22 franchises with 17 based in Canadian cities and five in the American Pacific Northwest.

Table 4-5 illustrates the name of the 2007-08 franchises, their respective cities and venues, and the seating capacity of the facility.

Table 4-5
2007-2008 Western Hockey League Franchises

Franchise	Town	Arena	Capacity
Brandon Wheat Kings	Brandon, Manitoba	Westman Communications Group Place	5,927
Calgary Hitmen	Calgary, Alberta	Pengrowth Saddledome	16,337
Chilliwack Bruins	Chilliwack, British Columbia	Prospera Centre	5,410
Edmonton Oil Kings	Edmonton, Alberta	Rexall Place	16,839
Everett Silvertips	Everett, WA, U.S.A.	Comcast Arena at Everett Events Center	8,200
Kamloops Blazers	Kamloops, British Columbia	Interior Savings Centre	5,158
Kelowna Rockets	Kelowna, British Columbia	Prospera Place	6,886
Kootenay Ice	Cranbrook, British Columbia	Cranbrook Recreation Complex	4,665
Lethbridge Hurricanes	Lethbridge, Alberta	ENMAX Centre	5,479
Medicine Hat Tigers	Medicine Hat, Alberta	Medicine Hat Arena	4,006
Moose Jaw Warriors	Moose Jaw Saskatchewan	Moose Jaw Civic Center	3,146
Portland Winter Hawks	Portland, Oregon, U.S.A.	Memorial Coliseum	12,888
Prince Albert Raiders	Prince Albert, Saskatchewan	Art Hauser Centre	3,299
Prince George Cougars	Prince George, British Columbia	CN Centre	6,799
Red Deer Rebels	Red Deer, Alberta	ENMAX Centrium	5,735
Regina Pats	Regina, Saskatchewan	Brandt Centre - IPSCO Place	7,000
Saskatoon Blades	Saskatoon, Saskatchewan	Credit Union Sports & Entertainment Centre	11,300
Seattle Thunderbirds	Kirkland, WA, U.S.A.	Key Arena ¹	6,324
Spokane Chiefs	Spokane, WA, U.S.A.	Spokane Arena	11,000
Swift Current Broncos	Swift Current, Saskatchewan	Credit Union iPlex	3,239
Tri-City Americans	Kennewick, Washington, U.S.A.	Toyota Center	7,715
Vancouver Giants	Vancouver, British Columbia	Pacific Coliseum	7,500

¹Thunderbirds scheduled to move into 6,025-seat Kent Events Center in January 2009.

Source: Western Hockey League, Individual franchises, and Economics Research Associates

United States Hockey League

The United States Hockey League (USHL) first formed in 1973 as the Midwest Junior Hockey League (MJHL). The league currently has 13 franchises. The USHL is the only Tier I classified junior hockey league in the United States. The league currently has 13 franchises, which serve as feeders for NCAA Division I programs and the National Hockey League (NHL) Entry Draft. **Table 4-6** illustrates the name of the 2007-08 franchises, their respective cities and venues, and the seating capacity of the facility.



Table 4-6
2007-2008 United States Hockey League Franchises

Franchise	City	Arena	Capacity
Cedar Rapids Roughriders	Cedar Rapids, IA	Cedar Rapids Ice Arena	4,000
Chicago Steel	Bensenville, IL	Edge Ice Arena	2,800
Des Moines Buccaneers	Urbandale, IA	95KGGO Arena	3,250
Fargo Force ¹	Fargo, ND	Urban Plains Center	5,000
Green Bay Gamblers	Green Bay, WI	Resch Center	10,200
Indiana Ice	Indianapolis, IN	Pepsi Arena	8,000
Lincoln Stars	Lincoln, NE	Ice Box	5,010
Nebraska Storm	Kearney, NE	FirstTier Event Center	5,500
Ohio Junior Blue Jackets	Columbus, OH	Nationwide Arena ²	18,136
Omaha Lancers	Council Bluffs, IA	Mid-America Center	6,700
Sioux City Musketeers	Sioux City, IA	Tyson Events Center Gateway Arena	10,000
Sioux Falls Stampede	Sioux Falls, SD	Sioux Falls Arena and Convention Center	4,700
Waterloo Black Hawks	Waterloo, IA	Young Arena	3,000

¹2008 expansion team scheduled to move into \$44 million, 5,000-seat Urban Plains Center in Fall of 2008

²Home of the Columbus Blue Jackets (NHL)

Source: United States Hockey League, Individual franchises, and Economics Research Associates

Other Minor League and Junior League Hockey Leagues

Besides the leagues discussed earlier, there are several other minor and junior league hockey leagues that are either currently running or that have ceased operation. Below is a listing of some of the present leagues:

- Southern Professional Hockey League (2004 – present)
- Eastern Professional Hockey League (2008 – present)
- Ligue Nord-Americaine de Hockey (2004 – present)
- Mid-Atlantic Hockey League (2007 – present)
- North American Hockey League (2003 – present) “Tier II”

Potential Other Non-Hockey Anchor Tenants

It may be possible to have more than one anchor tenant in the Idaho Falls Events Center. On the following pages are summaries of some potential other non-hockey leagues to add as a second tenant.

Arena Football 2

The first arena football game was played in 1986 in Rockford, Illinois and the Arena Football League (AFL) played its inaugural season in 1987 with four teams. The league currently has 19 franchises, with a majority of them playing in major metropolitan markets. Franchises average over 11,000 persons per game.

With the popularity of the sport evolving, Arena Football 2 (AF2) was formed between late 1999 and early 2000. While AF2's inaugural season consisted of 15 franchises located primarily in the southeastern United States, the league had 30 franchises in the recently completed 2007 season and is expanding to 31 teams in 2008.

The league is set up as a single entity league, with all of the players and coaches actually employed by the league. **Table 4-7** lists the 30 franchises and their respective arenas for the 2008 season.

AF2 has averaged an announced per game attendance of approximately 5,000 since 2004. The Spokane Shock, the Louisville Fire, the Oklahoma City Yard Dawgz, and the Arkansas Twisters have led the league in attendance averaging approximately 10,000, 8,500, 8,300 and 8,000 attendees per game respectively.



Table 4-7
Arena Football 2 (2008)

Franchise	Town	Arena	Year Built	Seating Capacity	Suites	Club Seats
Albany Conquest	Albany, NY	Times Union Center	1990	15,000	25	0
Albuquerque Football	Rino Rancho, NM	Santa Ana Star Center	2007	6,000	26	500
Amarillo Dusters	Amarillo, TX	Amarillo Civic Center	1973	4,900	0	0
Arkansas Twisters	North Little Rock, AR	Alltel Arena	1999	18,000	28	0
Austin Wranglers	Austin, TX	Frank Erwin Center	1977	16,755	n/a	n/a
Boise Burn	Boise, ID	Quest Arena	1997	5,006	36	1,000
Bossier-Shreveport Battle Wings	Bossier City, LA	CenturyTel Arena	2000	14,000	16	1,000
Central Valley Coyotes	Fresno, CA	Selland Arena	1966	10,200	0	0
Corpus Christi Sharks	Corpus Christi, TX	American Bank Center	2005	9,000	11	320
Daytona Beach ThunderBirds	Daytona Beach, FL	Ocean Center	1985	6,176	n/a	n/a
Florida Firecats	Esterro, FL	Germain Arena	1998	7,000	26	0
Green Bay Blizzard	Green Bay, WI	Resch Center	2002	11,000	25	608
Iowa Barnstormers	Des Moines, IA	Wells Fargo Arena	2002	16,980	n/a	n/a
Lexington Horsemen	Lexington, KY	Rupp Arena	1976	7,550	n/a	n/a
Louisville Fire	Louisville, KY	Freedom Hall	1956	19,800	24	0
Lubbock Renegades	Lubbock, TX	Lubbock Municipal Coliseum	1956	8,196	0	0
Mahoning Valley Thunder	Youngstown, OH	Chevrolet Centre	2006	6,000	26	923
Manchester Wolves	Manchester, NH	Verizon Wireless Arena	2001	10,000	34	200
Oklahoma City Yard Dawgz	Oklahoma City, OK	Ford Center	2002	19,675	48	3,300
Peoria Pirates	Peoria, IL	Carver Arena	1982	9,542	2	n/a
Quad City Steamwheelers	Moline, IL	i wireless Center	1993	12,200	15	0
Rio Grande Valley Dorados	Hidalgo, TX	Dodge Arena	2003	6,800	25	500
South Georgia Wildcats	Albany, GA	Albany Civic Center	1990	7,745	0	0
Spokane Shock	Spokane, WA	Spokane Arena	1995	11,000	16	1,000
Stockton Lightning	Stockton, CA	Stockton Event Center	2005	10,000	24	500
Tennessee Valley Vipers	Huntsville, AL	Van Braun Civic Center	1975	6,700	0	0
Texas Copperheads	Houston, TX	Berry Center	2006	7,190	0	0
Tri-Cities Fever	Kennewick, WA	Toyota Center	1988	5,861	0	0
Tulsa Talons	Tulsa, OK	Tulsa Convention Center	1962	7,000	0	0
Wilkes Barre/Scranton Pioneers	Wilkes Barre, PA	Wachovia Arena	1999	8,300	32	624

Source: Arena Football 2 and Economics Research Associates.

Other Indoor Football Leagues

Besides AF2, there are several other indoor football leagues that are either currently running or that have ceased operation. Below is a listing of some of the present indoor football leagues:

- American Indoor Football Association (2005 – present)
- American Professional Football League (2003 – present)
- Continental Indoor Football League (2006 – present)
- Intense Football League (2004, 2006 – present)
- United Indoor Football League (2005 – present)
- World Indoor Football League (2007 – present)

Of the leagues that have ceased operations, the most notable (largest fan base) was the National Indoor Football League (2001-2007). They were attempting to restructure and play again in the 2008 season, but were not successful.

Major Indoor Soccer League

In 2001, the National Professional Soccer League (NPSL) reorganized into the new Major Indoor Soccer League (MISL) with seven NPSL franchises. Established in 1984 with six franchises, the NPSL became the major league of professional indoor soccer in North America, with teams in the United States and Canada. The following NPSL teams joined the current MISL: Baltimore Blast, Milwaukee Wave and Philadelphia Kixx.



In December 2001, the MISL agreed to merge with the four-year World Indoor Soccer League (WISL) to form a single entity under the MISL banner beginning with the 2002-03 season.

The MISL season consists of 36 games (18 home and 18 road), operating from late September through late March. **Table 4-8** lists the 10 current MISL franchises and their respective arenas for the 2007-08 season.

During the 2005-06 and 2006-07 the league averaged approximately 4,700 announced attendees.

Table 4-8
2007-2008 Major Indoor Soccer League Franchises and Arenas

Franchise	Town	Arena	Seating Capacity
Baltimore Blast	Baltimore, MD	1st Mariner Arena	13,700
California Cougars	Stockton, CA	Stockton Arena	12,000
Chicago Storm	Chicago, IL	Sears Center	11,000
Detroit Ignition	Plymouth Twp, MI	Compuserve Sports Arena	14,000
Monterrey La Raza	Monterrey, Mexico	Monterrey Arena	17,000
Milwaukee Wave	Milwaukee, WI	U.S. Cellular Arena	9,000
New Jersey Ironmen	Newark, NJ	Prudential Center	17,625
Orlando Sharks	Orlando, FL	Amway Arena	17,248
Philadelphia Kixx	Philadelphia, PA	Wachovia Spectrum	14,500
St. Louis Steamers	St. Charles, MO	Family Arena	10,500

Source: Major Indoor Soccer League and Economics Research Associates.

National Basketball Development League



The NBA recently started a development league known as the National Basketball Development League (NBDL), now more commonly known as the “D-League”. The D-League tipped off its inaugural season in November 2001 with teams based in eight Southeastern U.S. cities and a 56-game regular season schedule that ran from mid-

November through March, followed by playoffs. The current schedule holds 48 regular season games over 20 weeks.

The current 14 D-League franchises have direct affiliations with NBA franchises.

Designed to help grow the sport of basketball both domestically and internationally, the D-League offers players the opportunity to develop their talent in a highly competitive atmosphere under the NBA’s umbrella. In addition to being a source of on-court talent for the NBA’s 30 teams, the NBDL also serves as a diverse human resource pool for the NBA and its teams, as it trains employees in management, operations, public relations and marketing positions in each D-League city.

Table 4-9 lists the 14 NBDL franchises, their corresponding city, arena and seating capacity for the 2007-08 season, and their NBA affiliates. In addition, two expansion franchises (Erie, Pennsylvania and Reno, Nevada) for the 2008-2009 season.

Table 4-9
2007-2008 National Basketball Development League (“D-League”) Franchises

Franchise	Town	Arena	Seating Capacity	NBA Affiliation
Albuquerque Thunderbirds	Albuquerque, NM	Tingley Coliseum	5,931	Philadelphia 76ers and Phoenix Suns
Anaheim Arsenal	Anaheim, CA	Anaheim Arena & Convention Center	8,700	Los Angeles Clippers, Atlanta Hawks and Orlando Magic
Austin Toros	Austin, TX	Austin Convention Center	16,079	San Antonio Spurs
Bakersfield Jam	Bakersfield, CA	Rabobank Arena	10,200	Golden State Warriors and Sacramento Kings
Colorado 14ers	Broomfield, CO	Broomfield Events Center	6,000	Denver Nuggets, New Jersey Nets and Toronto Raptors
Dakota Wizards	Bismarck, ND	Bismarck Civic Center Arena	9,000	Memphis Grizzlies and Washington Wizards
Erie TBD ¹	Erie, PA	Louis J. Tullio Arena	5,586	TBD
Fort Wayne Mad Ants	Fort Wayne, IN	Allen County War Memorial Coliseum	6,400	Detroit Pistons and Indiana Pacers
Idaho Stampede	Boise, ID	Qwest Arena	5,006	Portland Trailblazers and Seattle Supersonics
Iowa Energy	Des Moines, IA	Wells Fargo Arena	17,000	Chicago Bulls and Miami Heat
Los Angeles D-Fenders	Los Angeles, CA	Staples Center	18,997	Los Angeles Lakers
Reno TBD ¹	Reno, NV	Reno Events Center	7,000	TBD
Rio Grande Valley Vipers	Hidalgo, TX	Dodge Arena	6,800	Cleveland Cavaliers, Houston Rockets and New Orleans Hornets
Sioux Falls Skyforce	Sioux Falls, SD	Sioux Falls Arena	6,400	Charlotte Bobcats and Minnesota Timberwolves
Tulsa 66ers	Tulsa, OK	Expo Square Pavilion	6,311	Dallas Mavericks, Milwaukee Bucks and New York Knicks
Utah Flash	Orem, UT	McKay Events Center	7,500	Boston Celtics and Utah Jazz

Note: (1) 2008-2009 expansion franchise.

Source: D-League, AudArena Stadium Guide, SportsBusiness Journal Resource Guide & Fact Book 2008, and Economics Research Associates

Other Events

This part of the event industry is extremely consolidated with four major players. Feld, Inc. controls the Ringling Bros. Circus as well as all the Disney licensed shows. VEE Corporation controls Sesame Street, Bear in the Big Blue House and a number of other touring children's shows. World Wrestling Entertainment (WWE) controls professional wrestling in the U.S. Clear Channel Entertainment (CCE) controls virtually all the motor sports and emerging sports touring shows.

The level of consolidation and control in this corner of the arena content business is daunting for every arena in this country. Feld, VEE, CCE and WWE control approximately 95 percent of this segment of the content market. Each company is highly sophisticated and very experienced in the touring show business, extraordinarily entrenched and play 'hardball' a majority of the time. They negotiate from strength because they have market power. There are hundreds of arenas around the U.S. (and now around the world) that are vying for what amounts to very limited arena programming - primarily from these four companies. These companies understand the source of their power when they agree to guaranteed dates, dates that arenas need to be busy year-round.

In exchange for contracts guaranteeing such dates, these companies expect a steep price from arenas including low rental structures; low event expenses; use of valuable building marketing services (e.g., media placements; groups sales, etc.); they retain more revenue streams than other event types; and they receive blackout windows from the arena to make sure that another family show isn't playing the arena immediately before or after their show. These blackout clauses give the Touring Family Show operator a window of exclusivity to fully maximize their event sales and guard against cannibalization by other shows targeted at the family market. Too many family shows in the marketplace all at once, or over a short period of time will dilute the market for family show ticket sales. This is because the key to the touring business is the 'urgency' to buy a ticket because the show, e.g., the circus, is only going to be in city for a week or two. If family shows are in the marketplace too many months of the year, then they have learned that their business will decline.

5. Comparable Events Centers

This section provides an overview of the physical and operational characteristics of 28 comparable arenas located throughout the United States. The primary purpose of this overview is to illustrate the trends and characteristics of the selected comparable arenas. The data utilized in this section was accumulated from our existing database, information received from various publications, and interviews with facility management.

Table 5-1 presents the arena name, location, year built, seating capacity, number of luxury suites and club seats, and existing anchor tenants. Also added to this table are population statistics in a 25-mile radius of each venue. A 25-mile radius is used for comparative purposes only. Additional descriptions of each of the comparable facilities follow the table.



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**Table 5-1
Comparable Arenas**

Arena	Location	Year Built	Seating Capacity	Luxury Suites	Club Seats	25-Mile Population	Anchor Tenant(s)
AmericanBank Center	Corpus Christi, Texas	2004	9,000	11	320	180,000	Corpus Christi Rayz (CHL) Corpus Christi Sharks (AF2) Texas A&M-Corpus Christi Basketball
Arena at Harbor Yard	Bridgeport, Connecticut	2001	10,000	42	1,300	1,850,000	Bridgeport Sound Tigers (AHL) Fairfield University Men's/Women's Basketball
Broomfield Events Center	Broomfield, Colorado	2006	6,000	26	200	2,297,000	Rocky Mountain Rage (CHL) Colorado 14ers (D-League)
Budweiser Events Center	Loveland, Colorado	2003	5,211	24	777	460,000	Colorado Ice (UIFL) Colorado Eagles (CHL)
Chevrolet Centre	Youngstown, Ohio	2005	5,700	26	923	694,000	Youngstown Steelheads (CHL) Mahonig Valley Thunder (AF2)
Comcast Arena at Everett Events Center	Everett, Washington	2003	8,200	20	750	1,335,000	Everett Silvertips (WHL) Everett Hawks (AF2)
Crown Coliseum	Fayetteville, North Carolina	1997	13,500	10	--	410,000	Fayetteville FireAntz (SPHL)
Desoto County Civic Center	Southaven, Mississippi	2000	9,000	12	--	995,000	Memphis RiverKings (CHL) Memphis Xplorers (AF2)
Dodge Arena	Hidalgo, Texas	2003	6,800	25	500	545,000	Rio Grande Valley Killer Bees (CHL) Rio Grande Vipers (D-League) Rio Grande Valley Dorados (AF2)
The E Center	W. Valley City, Utah	1997	10,200	40	540	1,165,000	Utah Grizzlies (ECHL)
Ford Arena	Beaumont, Texas	2003	8,500	14	0		Texas Wildcatters (ECHL)
Germain Arena	Estero, Florida	1998	7,000	26	--	580,000	Florida Everblades (ECHL) Florida Firecats (AF2)
Giant Center	Hershey, Pennsylvania	2002	10,500	40	688	940,000	Hershey Bears (AHL)
i wireless Center	Moline, Illinois	1993	10,500	15	0	350,000	Quad City Flames (AHL) Quad City Steamwheelers (AF2)
Laredo Entertainment Center	Laredo, Texas	2002	10,000	14	155	236,000	Laredo Bucks (CHL) Laredo Lobos (AF2)
Qwest Arena	Boise, Idaho	1997	5,006	38	1,000	405,000	Idaho Steelheads (ECHL) Idaho Stampede (D-League) Boise Burn (AF2)
Rabobank Arena	Bakersfield, California	1998	10,200	27	1,000	455,000	Bakersfield Condors (ECHL) Bakersfield Blitz (AF2) Bakersfield Jam (D-League) California State University Bakersfield
Santa Ana Star Center	Rio Rancho, New Mexico	2007	6,000	26	500	710,000	New Mexico Scorpions (CHL) New Mexico Football (AF2)
Sears Centre	Hoffman Estates, Illinois	2006	10,440	43	1,000	920,000	Chicago Shamrox (NLL) Chicago Slaughter (CIFL) Chicago Storm (MISL)
Sovereign Bank Arena	Trenton, New Jersey	1999	8,600	32	1,150	2,340,000	Trenton Titans (ECHL) Rider University Basketball
Sovereign Center	Reading, Pennsylvania	2001	7,200	20	850	790,000	Reading Royals (ECHL) Reading Express (AIFL)
Spokane Arena	Spokane, Washington	1994	11,000	16	1,000	440,000	Spokane Chiefs (WHL) Spokane Shock (AF2)
Stockton Events Center	Stockton, California	2005	10,000	24	500	870,000	Stockton Thunder (ECHL) California Cougars (MISL) Stockton Lightning (AF2)
Tim's Toyota Center	Prescott, Arizona	2006	5,100	22	400	170,000	Arizona Sundogs (CHL)
Tsongas Arena	Lowell, Massachusetts	1998	7,800	5	--	1,765,000	Lowell Devils (AHL) U. Mass. Lowell River Hawks (NCAA)
US Cellular Coliseum	Bloomington, Illinois	2006	7000	24	800	207,000	Bloomington Prairie Thunder (UHL) Bloomington Xtreme (UIF)
Van Andel Arena	Grand Rapids, Michigan	1996	11,500	44	1,800	770,000	Grand Rapids Rampage (AFL) Grand Rapids Griffins (AHL)
Wachovia Arena at Casey Plaza	Wilkes-Barre, Pennsylvania	1999	8,300	32	624	560,000	Wilkes-Barre/Scranton Penguins (AHL) Wilkes-Barre/Scranton Pioneers (AF2)

Source: Revenues from Sports Venues 2008, ESRI BIS, SportsBusiness Journal Resource Guide & Fact Book 2008, and Economics Research Associates.



AmericanBank Center

AmericanBank Center is located in Corpus Christi, Texas. The arena, which was 100 percent publicly funded, cost approximately \$49.5 million and opened in 2004. The venue is nearly double the capacity of Memorial Coliseum, the former home of the Corpus Christi Rayz. It is owned by the City of Corpus Christi and is managed by Centerplate.

The Center hosts concerts and other events. Total seating is approximately 9,000. In addition, the venue features 11 luxury suites and 323 club seats. Suite prices range from \$50,000 to \$100,000 on an annual basis and club seats cost approximately \$2,000 on an annual basis.

The facility is home to the Corpus Christi Rayz (CHL). They share the arena with Texas A&M Corpus Christi's teams and the AF2 Corpus Christi Sharks. AmericanBank Center is owned by the Management Group and is managed by SMG Facility Management.

Arena at Harbor Yards

The *Bridgeport Arena at Harbor Yard* is located adjacent to the minor league baseball Stadium at Harbor Yard in Bridgeport, Connecticut. Opened in April 2001, the arena has a seating capacity of 8,500 for hockey and 10,000 for concerts. It is owned by the City of Bridgeport and is operated by Centerplate.



The \$58 million arena features 42 luxury suites, three party suites, and 1,300 club seats. Luxury suites lease for \$31,500 to \$65,000 annually. Club seats are leased for \$1,300 annually. The loges were designed to meet the needs of people who desire a compromise between the environments of the luxury suites and the club seats. Similar to mini-press boxes with drink rails and four bar stools, the loges lease for \$12,500 per year.

The arena is home to the Bridgeport Sound Tigers of the American Hockey League (AHL) and Fairfield University men's and women's basketball teams. Development of the Bridgeport Arena was a collaborative effort between the state of Connecticut, City of Bridgeport, and VSA. Of the total \$58 million, the State granted \$35 million, VSA invested \$8 million, and the City contributed the remaining \$15 million.



Broomfield Events Center

The Broomfield Events Center is located in Broomfield, Colorado. The venue is part of a mixed-use development that includes residential, retail and office. Opened in 2006, the \$45 million arena is part of a mixed-use development that includes residential, retail and office.

The Events Center has a total seating capacity of approximately 6,000, in addition to 26 private suites, which are leased for approximately \$45,000, and approximately 200

club seats, which are leased for approximately \$1,000 annually. The facility is home to the Rocky Mountain Rage (CHL) and the Colorado 14ers (D-League).



Budweiser Events Center

Budweiser Events Center is located in Loveland, Colorado. It is less than an hour's drive from Denver and Cheyenne. The Budweiser Events Center is part of a larger 374,000 square-foot fairground complex called The Ranch, which is the official name of the new Larimer County Fairgrounds and Events Complex. Built in 2003, the facility has

approximately 7,200 seats, 24 luxury suites, and 777 club seats. The luxury suites lease for \$33,000 to \$50,000 for a term of three to seven years.

The 250,000 square foot Event Center is the home to the Colorado Eagles (CHL) and the Colorado Ice (UIFL). The arena is owned by Larimer County and is managed by Global Spectrum. This multipurpose facility can host hockey, basketball, family shows, rodeos, concerts, and other entertainment and attractions.

Chevrolet Centre

The *Chevrolet Centre*, located in Youngstown, Ohio (between Cleveland and Pittsburgh), was developed by International Coliseum Company. It opened in 2005. The \$45 million venue is home to a CHL franchise, the Youngstown Steelheads, and to the AF2's Mahonig Valley Thunder.



The state-of-the-art arena has a capacity of 5,700 seats and features 26 luxury suites and 923 club seats. The luxury suites are being leased for three to seven year lease terms at \$30,000 to \$50,000 per year, while the club seats are leasing for an average of \$950 per year for 2 to 5 year lease terms. The *Chevrolet Centre* is being managed by Global Entertainment.

Comcast Arena at Everett Events Center



The *Comcast Arena at Everett Events Center*, a \$62.5 million multi-purpose complex, was developed by the City of Everett Public Facilities District. The venue is managed by Global Spectrum, hosts a myriad of events including concerts, rodeos, circuses, ice skating and family shows such as Disney On Ice, the Harlem Globetrotters, Sesame Street Live, and many others.

Seating up to 8,200 fans, the Comcast Arena at Everett Events Center is home to the Western Hockey League franchise, the Everett Silvertips, and the AF2

Everett Hawks franchise. In addition to hockey and football, the venue accommodates other sporting events such as basketball, volleyball, wrestling, and gymnastics.

The venue has 20 luxury suites priced at \$30,000 to \$40,000 annually and 750 club seats priced at \$600 to \$900 annually.

The Comcast Community Ice Rink, an adjacent regulation ice rink, is used for public skating, local hockey leagues and figure skating instructional sessions. In addition, there is a three-story conference center, which includes three 900 square foot executive meeting rooms, a 12,000 square foot ballroom and a full banquet kitchen. Also, two ice sheets can be converted into a 57,000 square foot space to host trade shows, expositions, consumer shows and special events.

The Cumberland County Crown Coliseum

The *Cumberland County Crown Coliseum* (Crown Coliseum) is located in Fayetteville, North Carolina. Opened in 1997, the \$55 million arena is part of a four-building Civic Center complex, which includes a 60,000 square foot expo center, a 5,200-seat arena, and an 11,250 square foot ballroom and hospitality room.

The Crown Coliseum has a total seating capacity of 13,500 (10,000 permanent and 3,500 portable), in addition to 10 private suites, which are leased for approximately \$35,000. The facility is home to the SPHL Fayetteville FireAntz.



DeSoto County Civic Center

DeSoto County Civic Center is located in Southaven, Mississippi, approximately 15 miles from Memphis, Tennessee. The \$34 million facility opened in August of 2000. The facility has a seating capacity of 9,000 seats and 12 luxury suites. Ranging in capacity from 10 to 16 seats, luxury suites are leased on three to seven year terms and are priced from \$35,000 to \$45,000 per year.

Primarily built for hockey, the facility is home to the CHL Memphis RiverKings and the AF2 Xplorers. The facility also includes approximately 20,000 square feet of convention center space and a performing arts center with approximately 400-seats. DeSoto County Civic Center is owned and managed by the DeSoto County Convention and Visitors Bureau.

Dodge Arena

The *Dodge Arena* is located in Hidalgo, Texas. Developed by International Coliseum Company and opened in 2003, the \$22 million venue is home to a CHL franchise, the Rio Grande Valley Killer Bees, the D-League Rio Grande Vipers, and to the AF2 Rio Grande Valley Dorados.

The state-of-the-art arena has a capacity of 6,800 seats and features 26 luxury suites and 500 club



seats. The luxury suites are being leased for three to seven year lease terms at \$20,000 to \$35,000 per year, while the club seats are leased for an average of \$950 per year for two to five year terms. A group of six regional Dodge dealers reportedly purchased the building's naming rights for \$1.0 million over a five-year term. As of 2007, the facility is being managed by the city.

The "E" Center

The "E" Center is located in West Valley City, Utah, approximately 10 miles from Salt Lake City. Opened in 1997, the arena has approximately 10,200 and 11,600 seats for hockey and basketball, respectively, and incorporates 40 suites ranging in price from \$35,000 to \$50,000 per year. Luxury suites include tickets to only the Grizzlies games. In addition to the private suites, there are 540 club seats priced at \$1,200 annually for Grizzlies' games only.



The "E" Center is home to the ECHL Utah Grizzlies. The facility is owned by West Valley City and is operated by Centennial Management Group.



Ford Arena

Ford Arena is located in Beaumont, Texas. Ford Arena is part of a 221 acre recreational development on the South Texas State Fairgrounds that includes five facilities. It is home to the ECHL Texas Wildcatters.

The facility has 8,500 seats and 14

luxury suites. The venue is managed by SMG.

Germain Arena

Germain Arena is located in Estero, Florida. The \$22 million arena opened in 1998 with a maximum seating capacity of 7,000. Germain Arena features 26 luxury suites, which are leased on three to seven year terms for \$35,000 to \$60,000 per year. Major anchor tenants include the Florida ECHL Everblades, and the AF2 Florida Firecats.

The facility was built by a group of private investors headed by the leadership of the Carolina Hurricanes of the National Hockey League (NHL). Germain Arena was entirely privately financed as no public funds were utilized for construction of the building. The arena is currently owned by KTB Florida Sports LLC and is managed by the Florida Everblades hockey club.

Giant Center

The State of Pennsylvania granted \$25 million toward the construction of a new \$75 million arena to replace Hersheypark Arena as the main event center at Hersheypark. Opened in 2002, the facility is named the *Giant Center* and features 10,500 seats for

hockey in addition to 40 luxury suites and 688 club seats. Thirty-four of the luxury suites lease for \$40,000 to \$55,000 annually, while the remaining six luxury suites are designated as founders' suites. Club seats lease for approximately \$600 annually.

Hersheypark Arena is located in the city of Hershey, Pennsylvania. Built in 1936, the arena seats approximately 7,225 for hockey and 9,062 for concerts. Owned and managed by the Hershey Entertainment & Resort Company, Hersheypark Arena does not offer luxury suites or club seats. The arena has been the home to the AHL Hershey Bears since 1938, and is also utilized for a variety of events, including Disney on Ice, Ringling Bros. and Barnum & Bailey, the Harlem Globetrotters, and popular music concerts.



Named after the Giants food chain, naming rights for the Giant Center was negotiated for \$4.5 million over a 10-year term. The venue is owned by Dauphin County and managed by the Hershey Entertainment & Resort Company.

i wireless Center



The *i wireless Center* (formerly the Mark of the Quad Cities) is located in Moline, Illinois. Built in 1993, the arena has a capacity of approximately 10,500 seats. In addition, the *i wireless Center* has 15 skyboxes, 14 of which are leased to the public. One has been retained by management. Suite prices are approximately \$25,000 annually.

The primary tenants of the facility include the AHL Quad City Flames and the AF2 Quad City Steamwheelers. The two teams host a combined total of approximately 50 home games annually.

The arena is owned and managed by the Quad City Civic Center Authority (QCCCA), which represents the Cities of Moline (IL), Rock Island (IL), Davenport (IA) and Bettendorf (IA), and is managed by Aramark.

Laredo Entertainment Center

The *Laredo Entertainment Center* is located in Laredo, Texas. The \$40 million arena opened in 2002 with a seating capacity of approximately 10,000. It features 14 luxury suites, which are leased on three to five year terms for \$45,000 to \$55,000 per year. Major anchor tenants include the Laredo Bucks (CHL), and the AF2 Laredo Lobos.



The City of Laredo funded the \$36.5 million project through a one-quarter percent sales tax increase that was approved by Laredo voters in August 2000, with the facility's groundbreaking taking place in June 2001. The facility is managed by SMG.



Qwest Arena

Qwest Arena (formerly *Bank of America Centre*) is located in Boise, Idaho. Built in 1997 for approximately \$55 million, the facility has just over 5,000 seats, 39 luxury suites, and 1,100 club seats. Luxury suite prices average approximately \$30,000 annually, and club seat prices average approximately \$900 per year. *Qwest Arena* is operated by the Marriott.

The facility is home to the East Coast Hockey League's (ECHL) Idaho Steelheads, the D-League Idaho Stampede, and the Boise Burn (AF2). In addition to its sports tenants, *Qwest Arena* hosts a variety of family shows and concerts.



Rabobank Arena

The *Rabobank Arena* is located in Bakersfield, California. Opened in 1998, the \$38 million arena seats approximately 10,200 and features 27 luxury suites, which are leased on three to seven year terms for \$25,000 to \$75,000 a year. There are 1,000 club seats that are leased on a two-year term for \$870 a year. The club seat package includes in-seat wait service, parking, private club and the right to purchase tickets to other events.

The arena is home to the ECHL Bakersfield Condors, the AF2 Bakersfield Blitz, the Bakersfield Jam (D-League) and California State University, Bakersfield (CSUB) men's and women's basketball teams. The facility is owned by the City of Bakersfield and is managed by SMG. Besides hosting athletic games, the *Rabobank Arena* also houses concerts, family shows and large conferences.

Santa Ana Star Center

The *Santa Ana Star Center* is located in Rio Rancho, New Mexico approximately 13 miles north of Albuquerque. Opened in 2007, the arena has approximately 6,000 seats and incorporates 26 suites and 500 club seats. It is a major component of the City of Rio Rancho's new master planned downtown, which encompasses approximately 160 acres.

The arena is home to the CHL New Mexico Scorpions and to New Mexico Football (AF2). It is operated by Global Entertainment.



Sears Centre

The *Sears Centre* is located in Hoffman Estates, Illinois (a suburb of Chicago). Built in 2006, the \$62 million state-of-the-art sports and family entertainment facility seats approximately 11,000. The venue is owned by Ryan Companies and Sears, Roebuck and Co.

The venue has 43 luxury suites and 1,000 club seats. *Sears Centre* is home to the Chicago Shamrox (NLL), Chicago Slaughter (CIFL), and the Chicago Storm (MISL).

Sovereign Bank Arena

Sovereign Bank Arena is located in Trenton, New Jersey. Built in 1999, the \$53 million state-of-the-art sports and family entertainment facility seats approximately 8,600. The venue is owned by Mercer County.

Managed by Global Spectrum, the arena offers 32 private luxury suites are priced at \$45,000 to \$60,000 per lease contract, which includes tickets to all events. The facility's 1,150 club seats are priced at approximately \$975 per seat for all sporting events. It also features an in-house TV. system with LED video scoreboard. The Sovereign Bank Arena is home to the ECHL Titans and the Rider University basketball team.



Sovereign Center

The Sovereign Center is located in Reading, Pennsylvania and was completed in 2001. The \$42.5 million arena has a maximum seating capacity of 7,200 seats. The Sovereign Center also offers 20 luxury suites, 850 club seats, 25,000 square feet of exhibit space, and 7,500 square feet of meeting space.



Luxury suites prices range from \$34,000 to \$37,000 annually and are leased on 3 to 5 year terms. Club seats are leased on two to three year terms for \$880 per year. The arena is home to the ECHL Reading Royals, the AIFL Reading Express, and is utilized for other large shows, including concerts, circuses, and other special events.

Development of the Sovereign Center was fully funded by state money and bonds backed by local hotel/motel tax revenues. Naming rights to the arena was purchased by Sovereign Bank at a reported cost of \$2 million for 5 years. The Sovereign Center is owned by Berks County Convention Center Authority and is managed by SMG.

Spokane Arena

Spokane Arena is located in Spokane, Washington. Opened in September 1995, the facility has a seating capacity of 10,440 for hockey and up to 12,638 for a 360-degree end stage concert. The arena incorporates 16 suites, which are leased on a five-year basis, with annual lease prices ranging from \$25,000 to \$35,000. The suite lease price includes tickets to all arena events. *Spokane Arena* also has 1,000 club seats that are priced at \$450 annually.

The arena's primary tenants are the WHL's Spokane Chiefs and the AF2 Spokane Shock. In general, the arena hosts a significant number of hockey games, concerts, family shows, area high school and other sporting events, as well as a variety of other events. Approximately one-half of the annual



events utilize the arena's ice sheet. The arena is owned by the Spokane Public Facilities District and is operated by the City of Spokane.

Stockton Events Center



Stockton Events Center is located in Stockton, California. Opened in 2005, the arena has a 10,000 person capacity. There are 24 private suites and 500 club seats. Prices for luxury suites range from \$35,000 to \$50,000 and the club seats are approximately \$1,750 annually.

The venue is owned by the City of Stockton and is operated by International Facility Group. The *Stockton Events Center* is home to the Stockton

Thunder (ECHL), the California Cougars (MISL) and the Stockton Lightning (AF2).

This \$64 million venue is located adjacent to the minor league baseball stadium, which is home to the Class-A Stockton Ports.

Tim's Toyota Center

Tim's Toyota Center is located in Prescott Valley, Arizona. Opened in 2006, the arena has a 5,100 person capacity. There are 22 private suites and 400 club seats. Prices for luxury suites range from \$18,000 to \$40,000 and the club seats are approximately \$1,100 annually.

The facility is home to the Central Hockey League's (CHL) Arizona Sundogs and is operated by Global Entertainment.



Tim's Toyota paid \$875,000 over five years for naming rights and corporate sponsorship. The venue is 140,000 square feet and is slated to become the premier entertainment venue in northern Arizona. The arena is now the largest of its type between Phoenix, Arizona and Las Vegas, Nevada.



Tsongas Arena

Tsongas Arena is located in Lowell, Massachusetts. Opened in January 1998, the arena has a total seating capacity of 7,800. The arena is home to the Lowell Devils (AHL) and the NCAA Division I U-Mass-Lowell River Hawks hockey team.

The \$28 million arena was financed by the city. It is jointly owned by the City of Lowell and University of Massachusetts and managed by SMG Facility Management.

US Cellular Coliseum

US Cellular Coliseum is located in Bloomfield, Illinois. Opened in 2006, the arena has a total seating capacity of approximately 7,000. The arena is home to the Bloomington Prairie Thunder (IHL) and the Bloomington X-trem (UIF).

The venue has 24 suites and 800 club seats. These amenities are priced on an annual basis at \$25,000 and \$750 respectively. *US Cellular Coliseum* is managed by Central Illinois Arena Management.

***Van Andel Arena***

Van Andel Arena is located in Grand Rapids, Michigan. Built in 1996, the arena has a total seating capacity of 11,144 for concerts (10,500 permanent and 2,000 portable). The arena has 32 private suites and 988 club seats. The facility is home to the Arena Football League's Grand Rapids Rampage as well as the AHL Grand Rapids Griffins.

The arena is owned by the City of Grand Rapids and is operated by SMG. Under the agreement, the City paid SMG a base management fee of \$150,000 in 1996, which increased to a base of \$240,000 in 1997. From 1997 to the present, the base management fee has increased each fiscal year by the percentage change in the Consumer Price Index (CPI), which is not to exceed five percent. In addition to the base management fee, SMG also receives an incentive fee based on the results of operations of the arena compared to certain revenue thresholds. To qualify for the incentive fee, operating revenues must exceed operating expenses by at least \$750,000.

Wachovia Arena at Casey Plaza

Wachovia Arena at Casey Plaza (formerly named First Union Arena and prior to that the Northeastern Pennsylvania Arena) is located in Wilkes-Barre, Pennsylvania. The \$44 million venue opened in November 1999, and seats 10,000 for concerts, 8,700 for basketball and 8,300 for hockey and other ice events. Wachovia Arena incorporates 32 luxury seats that are leased on three to five year terms for \$35,000 to \$37,500 a year, which includes tickets for hockey only. The arena also incorporates 624 club seats that are leased on one- to five-year terms for \$1,000 to \$1,500 a year. Wachovia Arena is home to the AHL Wilkes-Barre/Scranton Penguins and the AF2 Wilkes-Barre/Scranton Pioneers. Since its opening, the arena has also hosted a variety of other events from inaugural events, concerts, family shows and trade shows. The facility is currently owned by Lucerne County Convention Center Authority and is operated by SMG.



6. Events Center – Potential Sizing and Attendance

Sizing

Based on the market analyses, it is our estimate that the Idaho Falls MPEC program will be as follows:

- Approximately 4,500 to 5,500 seats
- Approximately 15 to 25 suites (10 to 15 seats per suite)
- Approximately 300 to 400 club seats
- Events Center club area
- Exhibition space for trade shows
- Conference/Meeting Rooms – with ability to expand into large conference space
- Large Production Kitchen
- Team Offices
- Administrative Offices
- Team Store
- Locker Rooms
- Auxiliary Dressing Rooms
- Trainers Room

Attendance

Table 6-1 presents a summary of the forecasted number and type of events, as well as the estimated paid attendance per event, for year 1 of the proposed events center. It should be noted that certain events are not assumed to occur each year.

These event and attendance assumptions are based on the Idaho Falls market area as described within this analysis. ERA has estimated that a majority of the attendees would be from the primary and secondary market areas, and a smaller number from the tertiary market, with a large number of attendees from the visitor market.

Table 6-1
Base Case Events and Attendance

Event	Number of Events	Average Paid Attendance - (1)	Total Paid Attendance
Anchor Tenants			
Hockey	36	3,600	129,600
Concerts			
Major	7	4,400	30,800
Minor	5	3,300	16,500
Performing Arts / Theater	0	0	0
Family Shows			
Wrestling	2	3,900	7,800
Circus	4	2,600	10,400
Ice Shows	2	3,600	7,200
Thrill	2	1,600	3,200
Children	4	2,300	9,200
Other Sports			
Major Ice	2	3,700	7,400
Motor Sports	2	2,800	5,600
Boxing	2	3,200	6,400
Rodeo / Equestrian	5	2,800	14,000
Miscellaneous (HS Basketball, HS Hockey)	5	1,000	5,000
Trade Shows / Festivals			
Trade/Exhibits	10	1,000	10,000
Religious/Cultural	2	800	1,600
Averages/Totals	90		264,700

(1) Includes luxury suite and club seat seating.

Note: Some numbers may not add up due to rounding.

Source: Economics Research Associates

7. Financial Analysis – Base Case, High and Low Scenarios

The following section presents a summary of the financial analysis completed in connection with the proposed Idaho Falls MPEC. We have prepared the following “Base Case” scenario:

- Anchor Tenant (assumed to be a minor league hockey franchise)
- Concerts
- Family Shows
- Other Sports
- Trade Shows/Exhibits

The assumptions discussed in this section reflect the “Base Case” scenario, unless otherwise noted. The “Base Case” model utilizes assumptions developed based on our market analysis, discussions with City officials, and ERA’s knowledge of the operations of comparable arenas. These assumptions appear reasonable based on the current and anticipated market conditions. It is important to note that because events and circumstances frequently do not occur as expected, there may be significant differences between the actual results and those estimated in this analysis.

The base-year assumptions in the cash flow are stated in current dollars starting in 2011 (the estimated opening year for the Events Center). Comparable data has been gathered in current dollars (when available) and have been adjusted when used in the cash flow to account for inflation. The figures reflect an annual inflation rate of 2.5 percent, unless otherwise noted.

The major determinants of this financial analysis include:

- Operating Revenue Assumptions
- Potential Utilization of the Proposed Events Center
- Events Center Operating Expense Assumptions
- Summary of Financial Results

Events Center Forecast

The forecast of the market potential for the proposed MPEC is summarized in the following section.

Operating Revenue Assumptions – Base Case

In developing the estimated cash flow from operations, ERA has made significant assumptions related to the proposed Idaho Falls MPEC’s operating revenues, including: securing the minor league sports franchise(s) and an Events Center management agreement; number and type of events; average attendance; average ticket prices; concessions; novelties; club seats, luxury suites; advertising; naming rights and

sponsorships. ERA utilized information obtained from our market analysis, information provided by local officials and from our internal database.

The following section details the key revenue-related assumptions utilized in our analysis of the Base Case cash flow.

Potential Utilization of the Proposed Events Center

The following forecasts the estimated number and type of events to be held at the proposed multi-purpose Idaho Falls Events Center, the estimated average attendance, and the estimated total attendance. The assumptions utilized in the financial analysis section of this report are based on data from comparable arenas, ERA's in-house database, and knowledge of comparable arenas.

Type of Events

The following is what we have assumed as the tenant mix at the proposed Idaho Falls MPEC:

- Anchor tenant
 - Minor League Hockey Franchise
- Concerts
 - Major
 - Minor
 - Performing arts
- Family shows - variety of events such as:
 - Wrestling
 - Circus
 - Ice shows
 - Thrill shows
 - Children
- Other sports- variety of events such as:
 - Major ice
 - Motor sports
 - Boxing
 - Rodeo/Equestrian
 - Miscellaneous (High school basketball, High school hockey)
- Trade shows/Exhibits
 - Trade/Exhibits
 - Religious/Cultural

The Events Center will be managed internally, and personnel will be hired that are currently in management positions at comparable venues throughout the U.S. It is also assumed that they will contract with national and international promoters to promote and present these events at the proposed Idaho Falls MPEC. The variance of the number of

forecast events or the type of Events Center management “guarantee” can dramatically impact the cash flow.

Key Event Center Lease Terms

Throughout the industry, there are several different variations in sports leases and other event leases, ranging from a ‘flat’ base rent level to different percentages of gate receipts. Leases can vary significantly if the operator of the event center also owns the sports franchises.

For purposes of this analysis, we have assumed that the sports franchise(s) are owned independently and do not have any event center affiliation. There are also variations in the different revenue sources as well as the different expenses. Based on the findings in the market analysis, conversations with, local officials and other comparable event centers, we have forecast the following lease terms as illustrated in **Table 7-1**, which we believe are reasonable for purposes of this analysis.

The assumed sport(s) lease(s) are structured in a way to make the franchise(s) solvent on their own, an independent owner of a sports franchise may differ and the leases would need to be altered in the favor of the said tenant. Without a solvent franchise or act, the proposed MPEC will not be able to attract many events, etc.

Table 7-1
Proposed Idaho Falls Events Center – Lease Terms

Revenue/Event	Base Rent	Net General Tickets	Net Club Tickets	Net Suite Tickets	Net Concessions	Net Novelties	Net Parking
Luxury Suite Premium	50%	N/A	N/A	N/A	N/A	N/A	N/A
Club Seat Premium	50%	N/A	N/A	N/A	N/A	N/A	N/A
Advertising	80%	N/A	N/A	N/A	N/A	N/A	N/A
Naming Rights	80%	N/A	N/A	N/A	N/A	N/A	N/A
Taxes and Surcharges							
Sales Tax	N/A	6.0%	6.0%	6.0%	6.0%	6.0%	N/A
Facility Fee	N/A	\$0.50 to \$2.50	\$0.50 to \$2.50	\$0.50 to \$2.50	N/A	N/A	N/A
Ticket Surcharge	N/A	5.0%	5.0%	5.0%	N/A	N/A	N/A
Anchor Tenants							
Hockey	N/A	10%	10%	10%	100%	0%	100%
Indoor Football	N/A	10%	10%	10%	100%	0%	100%
Concerts							
Major	N/A	10%	10%	100%	100%	100%	100%
Minor	N/A	10%	10%	100%	100%	100%	100%
Performing Arts / Theater	N/A	10%	10%	100%	100%	100%	100%
Family Shows							
Wrestling	N/A	10%	10%	100%	100%	100%	100%
Circus	N/A	10%	10%	100%	100%	100%	100%
Ice Shows	N/A	10%	10%	100%	100%	100%	100%
Thrill	N/A	10%	10%	100%	100%	100%	100%
Children	N/A	10%	10%	100%	100%	100%	100%
Other Sports							
Major Ice	N/A	10%	10%	100%	100%	100%	100%
Motor Sports	N/A	10%	10%	100%	100%	100%	100%
Boxing	N/A	10%	10%	100%	100%	100%	100%
Rodeo / Equestrian	N/A	10%	10%	100%	100%	100%	100%
Miscellaneous (HS Basketball, HS Hockey)	N/A	10%	10%	100%	100%	100%	100%
Trade Shows / Festivals							
Trade/Exhibits	\$3,000	N/A	N/A	N/A	100%	100%	100%
Religious/Cultural	\$3,000	N/A	N/A	N/A	100%	100%	100%

Note: Percentages shown in table are those retained by the MPEC. Assumed that the remainder goes to franchise/act/promoter/etc.

Source: Economics Research Associates

Sales Tax

Ticket, concession and novelty sales are subject to State of Idaho and City of Idaho Falls sales taxes. They face a six percent sales tax. These taxes have been applied throughout the analysis to all tickets, concession and novelties.

Facility Fee

Based on our review of comparable arenas, we have assessed a “Facility Fee” to all of the events at the proposed Idaho Falls Events Center. A facility fee (or rent) taken from the ticket price with the revenues being awarded to the facility. Comparable venues have facility fees ranging from approximately \$0.25 per to nearly \$5.00 per ticket. Others are a percentage of the ticket price ranging from ½ of 1 percent to nearly 5.0 percent. For purposes of this analysis, the following facility fees were utilized:

- Anchor Sports - \$1.50
- Concerts - \$2.50
- Family Shows - \$1.00
- Other Sports - \$1.00
- Trade Shows/Festivals - \$0.50

Based on the assumed event mix indicated in this analysis, the average facility fee in the Base Case averages \$1.49 per paid attendee during the first five years of operation.

Ticket Surcharge

For purposes of this analysis, we have applied a five percent ticket surcharge to the gross ticket revenues. Based on the assumed event mix indicated in this analysis, the ticket surcharge in the Base Case will average nearly \$279,000 annually during the first five years of operation.

Estimated Number and Type of Events

Based on our market analysis, and the information presented above, we have forecast that the proposed Idaho Falls MPEC is anticipated to host approximately 90 annual events in each of the first five years of operation of the Base Case.

Comparable arenas have seating capacities in the 4,000 to 12,000 seat range. In addition, they average between 85 and 125 total events, depending on the mix of anchor and non-anchor tenant events. Anchor tenants include minor league and collegiate basketball, hockey, football, and soccer, among others.

Estimated Paid Attendance

Forecasts for the average paid attendance (including luxury suite seating and club-seat seating) and total attendance assumptions utilized in the cash flow model for each major event category have been made. Based on the market analysis, we have forecasted that the total paid attendance at the proposed Events Center in the Base Case will be approximately 265,000 in the first year of operation, fluctuating to approximately 253,000 in year 5. This includes a reduction in attendance for the anchor tenant after the first year (honeymoon

period). Anchor tenant attendance is assumed to stabilize at approximately 89 percent of the year 1 attendance in the fourth year of operation based on ERA's experience with similar venues and anchor tenants and industry standards.

We have also forecasted the percentage of complimentary tickets per event as well as the percentage of no-shows (unused paid tickets). These also directly correlate to the "honeymoon period." We have concluded through our numerous event center studies that each sports tenant/franchise discounts and/or distributes complimentary tickets differently (depending on market characteristics/demand).

Table 7-2 presents a summary of the forecasted number and type of events and the estimated paid attendance per event for year 1 of the cash flow. It should also be noted that certain events are not assumed to occur each year.

Table 7-2
Base Case Events and Attendance – Year 1

Event	Number of Events	Average Paid Attendance - (1)	Total Paid Attendance
Anchor Tenants			
Hockey	36	3,600	129,600
Concerts			
Major	7	4,400	30,800
Minor	5	3,300	16,500
Performing Arts / Theater	0	0	0
Family Shows			
Wrestling	2	3,900	7,800
Circus	4	2,600	10,400
Ice Shows	2	3,600	7,200
Thrill	2	1,600	3,200
Children	4	2,300	9,200
Other Sports			
Major Ice	2	3,700	7,400
Motor Sports	2	2,800	5,600
Boxing	2	3,200	6,400
Rodeo / Equestrian	5	2,800	14,000
Miscellaneous (HS Basketball, HS Hockey)	5	1,000	5,000
Trade Shows / Festivals			
Trade/Exhibits	10	1,000	10,000
Religious/Cultural	2	800	1,600
Averages/Totals	90		264,700

(1) Includes luxury suite and club seat seating.

Note: Some numbers may not add up due to rounding.

Source: Economics Research Associates

Event Related Revenues

Following is a listing of event related revenues which consist of tickets, concessions, novelties, and parking. These revenues are a direct relationship to the number of attendees at the respective events to be performed at the proposed Idaho Falls Events Center.

Average Ticket Prices

We have evaluated local tickets throughout Idaho and the central and northwestern United States, evaluated industry data, and reviewed price points at comparable arenas. Typically, minor league sports tenants/franchises present ticket prices within their respective year books, media guides, internet web pages, etc. These ticket prices are based on full value, excluding any discounting for store coupons, season tickets, students, seniors, etc. Therefore, the presented ticket prices are often an overstatement of what the individual franchises or arenas actually collect from each paid patron. These prices are announced ticket prices prior to any discounting.

Based on our analysis of the Idaho Falls market area and our database, we have forecasted the following general seating ticket prices (shown in current dollars starting in 2008 net of the assumed discounting) for the individual events in year 1 as illustrated in **Table 7-3**:

Table 7-3
Base Case Events and Average Ticket Prices – Year 1

Event	Number of Events	Average Paid Attendance - (1)	Total Paid Attendance	Average General Ticket Price
Anchor Tenants				
Hockey	36	3,600	129,600	\$15.00
Concerts				
Major	7	4,400	30,800	\$40.00
Minor	5	3,300	16,500	\$30.00
Performing Arts / Theater	0	0	0	\$10.00
Family Shows				
Wrestling	2	3,900	7,800	\$25.00
Circus	4	2,600	10,400	\$20.00
Ice Shows	2	3,600	7,200	\$22.50
Thrill	2	1,600	3,200	\$10.00
Children	4	2,300	9,200	\$15.00
Other Sports				
Major Ice	2	3,700	7,400	\$35.00
Motor Sports	2	2,800	5,600	\$20.00
Boxing	2	3,200	6,400	\$25.00
Rodeo / Equestrian	5	2,800	14,000	\$20.00
Miscellaneous (HS Basketball, HS Hockey)	5	1,000	5,000	\$5.00
Trade Shows / Festivals				
Trade/Exhibits	10	1,000	10,000	\$5.00
Religious/Cultural	2	800	1,600	\$2.50
Averages/Totals	90		264,700	

(1) Includes luxury suite and club seat seating.

Note: Some numbers may not add up due to rounding.

Source: Economics Research Associates

Based on the leases illustrated in **Table 7-1** for the Base Case, the proposed Events Center is forecasted to average \$518,000 annually, in ticket revenues in Year 1 through Year 5.

Facility Fee

Based on the anticipated event distribution and the assumed facility fees previously discussed, the proposed facility is anticipated to average approximately \$386,000 per year for the first five years of operation in the Base Case. As previously discussed, the average per event facility fee is \$1.49 during the first five years of operation.

Ticket Surcharge

Given the anticipated event distribution and the assumed ticket surcharges previously discussed, the proposed facility is anticipated to average approximately \$279,000 per year for the first five years of operation in the Base Case. The average paid attendee ticket charge is \$1.08 during the first five years of operations.

Concession and Novelty Revenues

Concessions and novelties are anticipated to provide a significant source of revenue at the proposed MPEC. Concession and novelty spending tends to increase at newer facilities as a result of an increased number of points-of-sale and the improved location of the concession and novelty stands throughout the arena. To develop appropriate concession and novelty per capita assumptions, we have reviewed historical industry data, and utilized ERA's internal database. Gross concession per capitas from comparable facilities \$2.50 to \$12.50 depending on the facility and event type.

Based on the comparable data as well as the demographics of the proposed Idaho Falls MPEC, we have estimated average concession and novelty per capitas stated in current 2008 dollars. **Table 7-4** details our assumptions per event.

Concessions will be subject to cost of goods sold (COGS), concession operating expenses, sales taxes and distributions. Based on interviews with comparable arenas and several concessionaires, concession COGS typically range from 45 percent to 65 percent of gross concession revenue. These expenses, however, vary significantly depending on the local market area, policies implemented by the facility, and the strategy for concession pricing. For analytical purposes, concession expenses (including operator profit margin) are assumed to be 55 percent of gross concession sales, which are reasonable for purposes of this analysis. In the Base Case, net concessions revenues (less sales tax and distributions) average approximately \$684,000 per year during the first five years of operation.

Novelties will be subject to COGS, novelty operating expenses, sales taxes and distributions. Based on interviews with comparable arenas and several concessionaires, novelty COGS typically range from 65 percent to 80 percent of gross novelty revenue. For analytical purposes, novelty expenses (including operator profit margin) are assumed to be 70 percent of gross novelty sales, which are reasonable for purposes of this analysis.

Based on leases summarized in **Table 7-1**, net novelty revenues (less sales tax and distributions) average approximately \$91,000 per year in each of the first five years of operation in the Base Case.

Table 7-4
Base Case Gross Concession and Novelty Per Capitas – Year 1

Event	Number of Events	Concessions Per Caps - (1)	Novelties Per Caps - (1)
Anchor Tenants			
Hockey	36	\$6.00	\$1.25
Concerts			
Major	7	\$9.00	\$4.00
Minor	5	\$7.50	\$4.00
Performing Arts / Theater	0	\$7.50	\$2.00
Family Shows			
Wrestling	2	\$5.00	\$2.00
Circus	4	\$4.50	\$2.00
Ice Shows	2	\$4.00	\$2.00
Thrill	2	\$4.00	\$2.00
Children	4	\$3.50	\$2.00
Other Sports			
Major Ice	2	\$7.00	\$2.00
Motor Sports	2	\$7.00	\$2.00
Boxing	2	\$7.00	\$1.25
Rodeo / Equestrian	5	\$6.00	\$1.50
Miscellaneous (HS Basketball, HS Hockey)	5	\$4.00	\$1.50
Trade Shows / Festivals			
Trade/Exhibits	10	\$5.00	\$0.50
Religious/Cultural	2	\$4.00	\$1.50
Averages/Totals	90		

(1) Includes luxury suite and club seat pricing based on comparable data and Idaho Falls demographics.

Source: Economics Research Associates

Parking Revenues

We have assumed for purposes of this analysis that the Events Center will have control of all of the parking revenues generated by events held at the proposed Idaho Falls Events Center. We have forecast parking rates for the proposed Events Center to be approximately \$5.00 (in current 2008 dollars) for all of the events. The average number of persons per vehicle is typically 2.0 to 3.0 persons per event, and we have set it at 3.0 per car for every event.

Expenses associated with operating the parking facilities include staffing for parking attendants and security. This expense can vary significantly depending on parking rates, number of on-site parking spaces and the parking services required. For analytical purposes, parking expenses for the proposed Events Center are assumed to average

approximately 10 percent of gross parking revenues. Net parking revenues in the Base Case are projected to average nearly \$427,000 in each of the first five years of operation.

Contractually Obligated Income

ERA has assumed that a significant portion of revenues from operations will be generated from sources of contractually obligated income (COI) inventory which are secured by multi-year contracts for luxury suites, club seats, advertising, and naming rights. It should be noted that there have not been any “pre-sales” of these products.

Luxury Suite Premium Revenues

Luxury suites represent an increasingly important revenue source for many anchor tenants and venues. Luxury suites offer the potential to provide a steady, contractually guaranteed source of revenue and are typically used for corporate marketing and entertaining. We have assumed that the proposed Events Center will include 15 to 25 luxury suites with approximately 10 to 15 seats per suite. Luxury suite prices in comparable arenas lease for an average of \$15,000 to \$50,000 annually. Many of the arenas, which include the lower priced luxury suites, do not include tickets to all of the events. However, some arenas do include tickets to some of the events, while others include tickets to all of the events.

For purposes of this analysis, we have assumed that tickets will be provided to the tenant hockey events only. The lessees of the luxury suites would be granted a first right of refusal for other event tickets throughout the year. For analytical purposes, we have assumed that the average ticket prices would be the same for the anchor tenants and there would be a 25 percent increase for the other events based on ERA’s experience with similarly programmed events centers and industry standards.

Based upon our review of the architectural plans, we have assumed that 18 of the 20 luxury suites would be available for lease and that approximately 16 (90 percent) of the luxury suites would be leased at an average year 1 gross price of approximately \$20,000 (current 2008 dollars). In the Base Case, the premium luxury suite revenue would gross an average of approximately \$362,000 (which includes an annual luxury suite price escalation of 2.5 percent based on industry standards) and average a net of approximately \$216,000 in the first five years of operation. After tenant distribution, the event center would average approximately \$108,000 in each of the first five years of operation. As illustrated in **Table 7-1**, it is assumed that the arena will retain 50 percent of the luxury suite premium revenues.

Club Seat Premium Revenues

Based on the Idaho Falls market overview and our review of comparable facilities, we have assumed that the proposed Idaho Falls Events Center will offer approximately 300 to 400 club seats. Club seats are typically located in the best locations in the arena and are for season ticket holders. Not all of the comparable arenas offer club seating. The number of club seats range from approximately 200 to 2,000 and average prices including tickets to all or a majority of the events range from \$250 to \$3,000 (annually).

Similar to the luxury suites, the club seat lessee would be granted a first right of refusal for other events tickets throughout the year. For purposes of this analysis, we have assumed that tickets will be provided to the tenant hockey events only. For analytical purposes, similar to luxury suites, we have assumed that the average ticket prices would be the same for the anchor tenants and there would be a 25 percent increase in the other events based on ERA's experience with similarly programmed events centers and industry standards.

Based on the forecasted event mix and the marketplace, we have assumed that all of the club seats would be available for lease, and have assumed that 90 percent of the club seats would be leased at approximately \$1,250 per seat (current 2008 dollars) with a ticket portion of approximately \$675 and a premium of approximately \$575. Total net club seat premium revenues in Years 1 through 5 of the Base Case average approximately \$205,000 per year (which, similar to the luxury suites, includes an annual luxury suite price escalation of 2.5 percent based on industry standards). After distribution, the events center would average approximately \$103,000 in each of the first five years of operation. As illustrated in **Table 7-1**, the Events Center will retain 50 percent of the club seat premium revenues.

Naming Rights and Arena Sponsorships

Historically, arenas and stadiums were named after the city, county or, in some instances, to honor or memorialize a significant individual or group. Selling the naming rights of a facility to an unrelated corporation was, and can still be, a political issue, but there has been a definite trend towards the sale of naming rights to the private sector. Naming rights have typically been sold to corporations in the following industries:

- Financial Services
- Airline
- Beverage
- Energy
- Automobile
- Retail
- Consumer Product
- Computer
- Internet
- Other

Several sports facilities have recently licensed the name of the facility to major corporations. We have obtained arena naming rights information from recently constructed (or under construction) comparables. It is often difficult to gather complete information regarding naming rights as some of the recent deals do not necessarily reflect 'arms-length' transactions. For example, naming rights sold to a family or a bank may have other provisions, which could result in misleading conclusions. Furthermore, some transactions include significant advertising opportunities or other amenities, thus inflating the reported price. We have attempted to adjust for those considerations in our assumptions.

These naming rights deals in comparable arenas range from a low of \$75,000 to a high of approximately \$1.0 million annually. A majority of these naming rights deals are for 10-to 20 year periods. Naming rights licensing fees vary considerably and are typically based on the amount of media coverage the arena will receive (e.g. television, radio, print, etc.), arena attendance and prestige. **Table 7-5** illustrates some recent 4,000 to 12,000 seat arena naming rights deals.

Table 7-5

Arena	Location	Sponsor	Tenants	Total	Term (yrs)	Annual	Expiration Date
Budweiser Events Center	Loveland, CO	Anheuser-Busch Cos./American Eagle Distributing	Colorado Eagles (CHL); Colorado Ice (UIFL)	\$1,500,000	20	\$75,000	2023
Chevrolet Centre	Youngstown, OH	General Motors	Youngstown Steelheads (CHL); Mahonig Valley Thunder (AF2)	\$4,000,000	20	\$200,000	2026
Dodge Arena	Hidalgo, TX	Group of six regional Dodge dealers	Rio Grande Valley Killer Bees (CHL); Rio Grande Vipers (D-League); Rio Grande Valley	\$1,000,000	5	\$200,000	2008
Germain Arena	Estero, FL	Germain Motor Co.	Florida Everblades (ECHL); Florida Firecats (AFL)	\$7,000,000	20	\$350,000	2018
Giant Center	Hershey, PA	Giant Food Stores LLC	Hershey Bears (AFL)	\$5,000,000	10	\$500,000	2012
Qwest Arena	Boise, ID	Qwest Communications International	Idaho Steelheads (ECHL); Idaho Stampede (D-League); Boise Burn (AF2)	n.a.	10	n.a.	2015
Rabobank Arena	Bakersfield, CA	Rabobank Group	Bakersfield Condors (ECHL); Bakersfield Blitz (AF2); Bakersfield Jam (D-League);	\$2,500,000	10	\$250,000	2015
Santa Ana Star Center	Santa Ana, NM	Santa Ana Star Casino	New Mexico Scorpions (CHL)	\$2,500,000	5	\$500,000	2011
Sears Centre	Hoffman Estates, IL	Sears Roebuck & Co.	Chicago Shamrox (NLL); Chicago Slaughter (CIFL); Chicago Storm (MISL)	\$10,000,000	10	\$1,000,000	2016
Sovereign Bank Arena	Trenton, NJ	Sovereign Bancorp Inc.	Trenton Titans (ECHL); Rider University Basketball	\$2,700,000	10	\$270,000	2009
Tim's Toyota Center	Prescott, AZ	Tim's Toyota	Arizona Sundogs (CHL)	\$875,000	5	\$175,000	2012
Wachovia Arena at Casey Plaza	Wilkes-Barre, PA	Wachovia Corp.	Wilkes-Barre/Scranton Penguins (AHL); Wilkes-Barre/Scranton Pioneers (AF2)	\$2,300,000	10	\$230,000	2010

Source: Sports Business Resource Guide & Fact Book 2008 and Economics Research Associates

Based on the Idaho Falls marketplace and a review of similar naming right deals, we have assumed that the proposed Base Case Events Center will gross approximately \$350,000 and net approximately \$280,000 in year 1 of operations according to the lease terms shown in **Table 7-1**, increasing 2.5 percent thereafter.

Advertising Revenues

Arena advertising revenues are generated by the following sources:

- **Display Advertising:** Signage throughout the concourses, concession stands and other common areas in the building.
- **Scoreboard Advertising:** Fixed signage, electronic advertising on the scoreboard and video message boards.
- **Hockey/Football/Basketball/Soccer Advertising:** Advertising on the hockey/football/basketball/soccer standards, hockey/football/basketball/soccer floor, Zamboni, ball carts, scorers' table and players' benches.
- **Dashboard Advertising:** Signage on the hockey/soccer/football dashboards.

It is important to note that direct comparison of advertising revenue among arenas often includes trades and/or barter arrangements. Gross advertising revenue may be significantly higher than net advertising revenue depending on the additional benefits associated with the particular deal.

The current gross annual advertising revenues for the comparable arenas range from approximately \$300,000 to \$2.25 million. The advertising revenue figures were obtained based upon ERA's analysis of the marketplace, experience with comparable facilities and or our internal database.

Target founding partners could potentially include companies from the following industries:

- | | |
|--------------------------------------|---------------------|
| • Airline | • Grocery |
| • Automotive | • HVAC/GE |
| • Automotive After parts | • Health / Hospital |
| • Beer | • Hotel |
| • Cable | • Insurance |
| • Computers | • Internet/ISP |
| • Credit Card | • Newspaper |
| • Electronics | • Pharmacy |
| • Family Restaurant | • Soft Drink |
| • Fast Food | • TV/Radio Rights |
| • Financial – Bank and/or investment | • Telecom |
| • Gas/Convenience | • Utility |

Based on the demographics and the number of expected events and tenant mix, we have forecast that the proposed Idaho Falls Events Center would gross approximately \$650,000 and net approximately \$520,000 in annual advertising revenue in year 1 of the Base Case according to the lease terms shown in **Table 7-1**, increasing 2.5 percent annually thereafter.

It is our assumption that a portion of the advertising inventory will be allocated to the individual tenant(s) to sell and retain the given revenues.

Ticket Distribution

At this time, a ticket distribution company has not been identified. It is our assumption that one will be utilized and ticket buyers will be assessed a per ticket convenience fee for each ticket purchased via the ticket distribution network. The per ticket convenience fee will be added to the face value of all tickets according as illustrated in **Table 7-6**.

Table 7-6
Ticket Distribution
Ticket Revenue Sharing Schedule

Event Price	Base Per Ticket Convenience Fee
Under \$10.00	\$2.75
\$10 to \$19.99	\$3.75
\$20 to \$29.99	\$4.75
\$30 to \$39.99	\$5.75
\$40 and over	\$6.75

Source: Economics Research Associates

For purposes of this analysis, we have forecast that approximately 33 percent of the tickets sold to arena events would be sold by a ticket distributor, resulting in average net revenues of \$269,000 during the first five years of operations in the Base Case.

Reimbursables

On a given event, extra employees are necessary (i.e. ticket takers, ushers, security, etc.) in the facility to make the event occur in an efficient manner. The given act does not staff these people; rather they pay a fee for the use of these people. The facility hires these employees and pays them a given (typically hourly) rate and then charges the act a premium price for those employees (i.e. an employee is paid \$7.00 per hour, and the arena would charge the act approximately \$12.50 an hour). Comparable revenues earn approximately \$150,000 to \$600,000 annually for this service. However, in order to maintain a more conservative approach, reimbursable revenues are not included in this analysis.

Box Office Fee

A box office fee is paid to the arena by the given acts for staffing of the box office. Throughout the industry, venues charge acts approximately 2.5 percent to 4.0 percent of gross sales less sales taxes. For analytical purposes, we have not utilized a box fee.

Additional Revenues

For the purpose of this base case financial analysis, we have not assumed any additional revenues. Below is a listing of some additional revenue sources. These additional revenues could have significant impact on the proposed pro forma.

- Meeting space rentals
- Sports bar/Restaurant
- Amusement game area
- Party suite(s)
- Large novelty store
- Banquets/Catered events
- Public skating

Total Operating Revenues – Base Case

Total Base Case operating revenues for the proposed Idaho Falls Events Center are forecast to range between \$3.51 million to \$3.87 million in the first five years of operation.

Operating Expenses Assumptions – Base Case

ERA developed assumptions regarding the operating expenses for the proposed Events Center based on an analysis of the Idaho Falls market, other comparable arenas and ERA's internal database. The following section summarizes the results of our analysis and the operating expense assumptions utilized in the cash flow model. All operating expense information related to comparable arenas is presented in current dollars (with opening year 1 estimated as 2011) with an annual inflation rate of 2.5 percent, unless otherwise noted.

Staffing Expense

In order to estimate the staffing requirements and the expenses to be incurred by the proposed arena, we spoke with comparable arenas and reviewed our internal database of comparable projects to determine the number and positions of full-time "equivalent" employees. These arenas have full-time staffs ranging from 15 to 30, and average 24 full-time employees.

Based on a review of this information and the operating assumptions detailed in this report, we have assumed that the Base Case Events Center's operations will require approximately 20 full-time "equivalent" employees. We have used the term "equivalent" only to estimate the salary and wage expenses likely to be attributed to the Events Center. Arena employee roles will include, but may not be limited to, an assortment of the following:

- Front office (President/CEO, General Manager, Executive assistants, Accounting, etc.)
- Marketing/Corporate/Sponsorship Sales Staff
- Ticket Sales Staff
- Ticket Operations Staff
- Media Relations
- Community Relations
- Broadcasting

In addition to the 20 FTE's, we have assumed that the Events Center would utilize a variety of part-time employees.

- Total staffing expenses (including benefits) for the comparable facilities range from a low of approximately \$500,000 to a high of approximately \$1.4 million, with an average of approximately \$1.0 million. The variance between these facilities is due to several factors, including: local wage levels; event mix and schedules and the reimbursement policies for game/event related staffing expenses.
- The total wage expense (including overhead fees, but excluding benefit costs) for the proposed Events Center is estimated to average approximately \$792,000 in the first five years of operation. Based on comparable arenas and discussions with City officials we have forecast that benefits and indirect staffing expenses are estimated to be approximately 30 percent of gross wages. Based on these assumptions, the total annual staffing expense in current dollars has been forecast to average approximately \$1.03 million in the first five years of operation. This figure is for the Events Center's operations only and does not include concession, parking staffing and event related requirements.

Utility Expenses

Utility expenses, which include electric, gas, water and sewer cost, among others, typically differ among arenas due to the number of events that the arena hosts, the local climate, and other factors. Comparable arenas with seating capacity of 4,000 to 12,000 seats average between \$300,000 and \$750,000 in annual utility expenses.

Due to the anticipated use of the Events Center in addition to our review of the utility expenses of comparable arenas, we have forecasted an average of approximately \$494,000 in the Base Case for utility expenses during the first five years of operations.

Non-Recoverable Event-Related Expenses

Game-day and event-related expenses typically include event set-up and tear down, staffing of ushers, ticket takers, security, cleaning and other expenses directly related to the game or event. Total game-day expenses at comparable arenas currently range between \$2,000 and \$4,000 per event. Other event related expenses vary significantly among the comparable arenas depending on the unique requirements of the event. Although a majority of event related expenses are assumed to be passed through to the tenant, some of the change-over costs between concerts and events as well as certain other event-day expenses are typically not reimbursed as a result of rental negotiations. For analytical purposes, the non-recoverable event related expenses are forecasted to be approximately \$3,000 (in current 2008 dollars) per event in the Base Case or approximately an average of \$283,000 during the first five years of operation.

Management Expense

Not all of the comparable arenas engage a management company to operate their respective arena. Comparable arena management agreements vary depending on base fee, incentives, as well as other managed facilities owned by the same municipality/owner, etc.

Base fees (excluding incentives) for the comparable arenas range from approximately \$150,000 to \$500,000 per year.

We have assumed that the Base Case fee for the service will average approximately \$340,000 during the first five years of operation. This forecast does not include management incentive fees.

Other Arena Operating Expenses

The Events Center will incur other expenses as a result of general operations. These expenses include a variety of items, including: administrative; building; insurance; professional fees; among others. Based on interviews with comparable arenas, we have forecast that other operating expenses will average approximately \$690,000 during the first five years of operation.

Property/Real Estate Taxes

Property/real estate tax expenses vary significantly among comparable facilities depending on the specific arrangements negotiated with the local municipalities. Based on our conversations with Idaho Falls officials, it is our understanding that property taxes for the venue will not be utilized on this project. If the venue is taxed the cash flow would have significant changes.

Capital Replacement Reserve

Capital replacement expenses vary significantly among comparable arenas and on a year-by-year comparison. Typically, however, comparable arenas set aside annual amounts in order to fund required capital replacement expenditures. The amount set aside is generally a function of the cost of the facility. For analytical purposes, the annual payments required to fund capital replacement expenses are assumed to be ½ of one percent of the hard arena construction costs (estimated at approximately \$45 million in current 2008 dollars) or average approximately \$255,000 during the first five years of operation, which we believe are reasonable for purposes of this analysis.

Total Operating Expenses – Base Case

Total operating expenses at comparable facilities range from a low of approximately \$1.5 million to a high of over \$4.5 million, with an average of approximately \$3.3 million in 2008 dollars. The range in total arena operating expenses is due to a number of factors, the most significant being: event mix and schedule; climate; cost of living; and lease agreements. Many of these comparable arenas do not include management expenses, property tax, or capital reserve refunds in their total expenses. Total operating expenses in the Base Case are forecasted to be approximately \$2.96 million in Year 1 ranging to approximately \$3.23 million in Year 5.

Summary of Financial Results – Base Case

The base case cash flow model developed for the proposed Idaho Falls MPEC utilizes assumptions that were developed based on our review of the market, surveys with comparable arenas, our internal database, review of the business plan, discussion with local business leaders, discussions with city/county officials, among others. Although these assumptions appear reasonable based on the current and anticipated market conditions, actual results depend on the actions of management and other factors both internal and external to the project, which frequently vary. It is important to note that because events and circumstances may not occur as expected there may be substantial significant differences between the actual results and those estimated in this analysis.

Table 7-7 provides cash flow summaries for the proposed Idaho Falls MPEC for the first five years of operation.

Table 7-7
Base Case Cash Flow – Proposed Idaho Falls Events Center
(Dollars in 000)

	Year				
	1	2	3	4	5
Number of Events	90	90	92	92	91
Annual Paid Attendance (000)	265	255	259	262	253
OPERATING REVENUES					
Ticket					
Anchor Tenants	\$170	\$172	\$169	\$167	\$171
Concerts	160	118	146	177	155
Family Shows	70	67	84	86	80
Other Sports	79	85	73	87	90
Trade Shows	36	36	36	36	36
Total Ticket Revenue	\$516	\$479	\$509	\$552	\$533
Other Revenue Sources					
Facility Fee	\$409	\$372	\$382	\$393	\$373
Ticket Surcharge	279	258	274	298	287
Concessions (net)	664	643	677	719	714
Novelties (net)	89	78	90	101	95
Parking (net)	410	407	427	447	445
Luxury Suite Premium	103	105	108	110	113
Club Seat Premium	98	100	102	105	108
Naming Rights	280	287	294	302	309
Advertising	520	533	546	560	574
Ticket Distributor	268	252	270	279	278
Reimbursables	0	0	0	0	0
Total Other Revenue Sources	\$3,119	\$3,035	\$3,171	\$3,315	\$3,297
TOTAL OPERATING REVENUES	\$3,635	\$3,514	\$3,680	\$3,867	\$3,829
OPERATING EXPENSES					
Arena Operating Expenses					
Staffing	\$980	\$1,004	\$1,030	\$1,055	\$1,082
Utilities	470	482	494	506	519
Non-Recoverable Event Related Expenses	291	277	283	283	280
Management Expense	323	331	339	348	357
Other	656	673	690	707	724
Property Taxes	0	0	0	0	0
Capital Replacement Reserve	242	248	255	261	267
Total Arena Operating Expenses	\$2,962	\$3,015	\$3,090	\$3,160	\$3,229
SURPLUS/(DEFICIT) FROM OPERATIONS (before debt service)	\$672	\$499	\$590	\$708	\$601

Note: Some numbers may not add up due to rounding.

Source: Economics Research Associates

The estimated result from operations in the Base Case for the proposed Idaho Falls Events Center is forecasted to be approximately \$672,000 in Year 1 ranging to approximately \$601,000 in Year 5. As stated previously, it is important to note that the operating assumptions and results presented in this report only apply to the cash flow directly attributed to the arena. It is assumed that the operations of the potential anchor tenant(s) would be profitable.

Sensitivity Analysis

The following are illustrations of “high case” and “low case” sensitivities. It should be noted that these respective sensitivities do not indicate “ceilings” or “floors”.

High Case Scenario

In the High Case scenario, the events center would be more successful in large part as a result of attracting more events (including a second sports tenant) to the facility. The following are the key differences between the assumptions made in the Base Case and the High Case.

Revenue

The overall event mix is assumed to be greater with:

- The addition of a second sports tenant (indoor football) with 10 dates
- Eighteen concerts instead of 12;
- Twenty family shows instead of 14;
- Twenty other sports events instead of 16;
- And 16 trade shows and festivals instead of 12.

In addition, attendance for the anchor tenants is assumed to increase by 15 percent.

Finally, all of the achieved COI revenues (premium and club seats, advertising and naming rights) are assumed to increase by approximately 33 percent as a result of the increased number of event date offerings.

Expense

On the expense side, the following items are assumed to increase by 33 percent as a result of the additional events that will be hosted within the building:

- Staffing;
- Utilities; and
- Other expenses.

Table 7-8 outlines the resulting event and attendance assumptions in the High Case.

The additional concerts and other events results in a total of 120 events with a total paid attendance in year 1 of approximately 371,000.

Table 7-8
High Case Events and Attendance – Year 1

Event	Number of Events	Average Paid Attendance - (1)	Total Paid Attendance
Anchor Tenants			
Hockey	36	4,100	147,600
Indoor Football	10	3,200	32,000
Concerts			
Major	9	4,400	39,600
Minor	9	3,300	29,700
Performing Arts / Theater	0	0	0
Family Shows			
Wrestling	3	3,900	11,700
Circus	9	2,600	23,400
Ice Shows	2	3,600	7,200
Thrill	2	1,600	3,200
Children	4	2,300	9,200
Other Sports			
Major Ice	3	3,700	11,100
Motor Sports	3	2,800	8,400
Boxing	4	3,200	12,800
Rodeo / Equestrian	5	2,800	14,000
Miscellaneous (HS Basketball, HS Hockey)	5	1,000	5,000
Trade Shows / Festivals			
Trade/Exhibits	12	1,000	12,000
Religious/Cultural	4	800	3,200
Averages/Totals	120		370,100

(1) Includes luxury suite and club seat seating.

Note: Some numbers may not add up due to rounding.

Source: Economics Research Associates

Table 7-9 provides cash flow summaries for the proposed Idaho Falls Events Center for the first five years of operation in the High Case.

Table 7-9
High Case Cash Flow – Proposed Idaho Falls Events Center
(Dollars in 000)

	Year				
	1	2	3	4	5
Number of Events	120	115	117	117	116
Annual Paid Attendance (000)	371	346	348	349	340
Operating Revenues					
Ticket Revenues	\$714	\$651	\$683	\$729	\$713
Other Revenues	4,338	4,176	4,323	4,480	4,492
Total Operating Revenues	\$5,052	\$4,827	\$5,006	\$5,209	\$5,205
Total Operating Expenses	\$3,839	\$3,891	\$3,986	\$4,076	\$4,166
Surplus / Deficit from Operations (before debt service)	\$1,213	\$936	\$1,020	\$1,133	\$1,039

Note: Some numbers may not add up due to rounding.

Source: Economics Research Associates

The estimated result from operations in the High Case for the proposed Idaho Falls Events Center are forecasted to be approximately \$1.21 million in Year 1 ranging to approximately \$1.04 million in Year 5.

Low Case Scenario

In the Low Case scenario, the events center would be less successful as a result of attracting fewer events to the arena. The following are the key differences between the assumptions made in the Base Case and the Low Case.

Revenue

It is assumed that there is no anchor tenant.

The overall event mix is assumed to be lower with:

- Ten concerts instead of 12;
- Twelve family shows instead of 14;
- Twelve other sports events instead of 16;
- And eight trade shows/festivals instead of 12.

Finally, all of the achieved COI revenues (premium and club seats, advertising and naming rights) are assumed to decrease by more than 50 percent as a result of decreased number of event day offerings.

Expense

On the expense side, the following items are assumed to decrease by more than 50 percent as a result of the lower number of events that will be hosted within the building:

- Staffing;
- Utility; and
- Other expenses.

Table 7-10 outlines the resulting event and attendance assumptions in the Low Case.

Table 7-10
Low Case Events and Attendance – Year 1

Event	Number of Events	Average Paid Attendance - (1)	Total Paid Attendance
Anchor Tenants			
Hockey	0	0	0
Concerts			
Major	6	4,400	26,400
Minor	4	3,300	13,200
Performing Arts / Theater	0	0	0
Family Shows			
Wrestling	1	3,900	3,900
Circus	4	2,600	10,400
Ice Shows	1	3,600	3,600
Thrill	2	1,600	3,200
Children	4	2,300	9,200
Other Sports			
Major Ice	0	0	0
Motor Sports	1	2,800	2,800
Boxing	1	3,200	3,200
Rodeo / Equestrian	5	2,800	14,000
Miscellaneous (HS Basketball, HS Hockey)	5	1,000	5,000
Trade Shows / Festivals			
Trade/Exhibits	6	1,000	6,000
Religious/Cultural	2	800	1,600
Averages/Totals	42		102,500

(1) Includes luxury suite and club seat seating.

Note: Some numbers may not add up due to rounding.

Source: Economics Research Associates

The fewer major concerts and other sports events results in a total of 42 events with a total paid attendance in year 1 of approximately 102,500.

The above is a “Low Case” scenario, not necessarily a representation of the “Worst Case” scenario.

Table 7-11 provides cash flow summaries for the proposed Idaho Falls Events Center for the first five years of operation in the Low Case.

Table 7-11
Low Case – Proposed Idaho Falls Events Center
(Dollars in 000s)

	Year				
	1	2	3	4	5
Number of Events	42	42	44	44	43
Annual Paid Attendance (000)	102	94	104	112	103
Operating Revenues					
Ticket Revenues	\$248	\$211	\$242	\$285	\$259
Other Revenues	1,423	1,338	1,464	1,609	1,543
Total Operating Revenues	\$1,671	\$1,550	\$1,706	\$1,894	\$1,803
Total Operating Expenses	\$1,711	\$1,744	\$1,790	\$1,832	\$1,871
Surplus / Deficit from Operations (before debt service)	(\$40)	(\$194)	(\$84)	\$63	(\$69)

Note: Some numbers may not add up due to rounding.

Source: Economics Research Associates

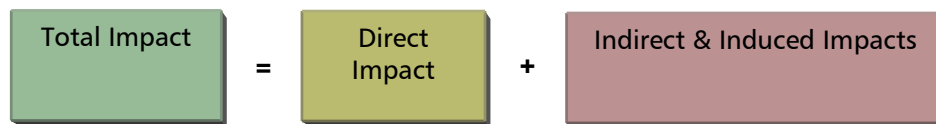
The estimated result from operations in the Low Case for the proposed Idaho Events Center is forecasted to be at or slightly higher than break-even for the first five years of operation.

8. Economic Impact Analysis

Basic Approach

ERA's approach towards economic impact calculation is based on operating expenditures (from a stable-year of operation) of a facility instead of revenues generated on-site. This approach takes into account the actual dollars spent in the local economy and disregards profits and direct margins that are often invested elsewhere. Although the approach provides conservative results, it is more realistic in terms of 'net' impacts to the local economy.

Economic impacts equal the economic activity within a defined geographic region resulting from an initial change in the economy. This initial change spurs a series of subsequent indirect and induced activities as a result of interconnected economic relationships.



Economic Impact is composed of:

- **Direct Impact:** Direct Impact is the initial change in the economy attributed to the development under consideration. Direct impact is measured in terms of direct output, earnings, and employment.
- **Indirect & Induced Impacts**, commonly referred to as the “multiplier effect”:
 - **Indirect Impacts:** Additional output, earnings, and employment generated as a result of the purchases of the industries which supply goods and services to the development under consideration
 - **Induced Impacts:** Additional output, earnings, and employment generated as a result of household purchases by employees
- **Total Impacts:** The cumulative impact of the above components

As mentioned above impacts are often expressed in terms of three variables - Output, Earnings, and Employment, which are defined as:

- **Output.** The total value of goods and services produced across all industry sectors within a defined geographic region.
- **Earnings.** The component of Output that is attributed to labor income. Earnings include both wages and income received by self-employed workers.
- **Employment.** The total number of new jobs created in the economy.

The initial change is derived by determining the distribution of gross operating expenditures or ‘purchases’ made by the facility for various operations. Then ERA split the expenditures by wage and non-wage components. Non-wage components include cost of goods and services that are indirectly acquired for facility operations from off-site sources.

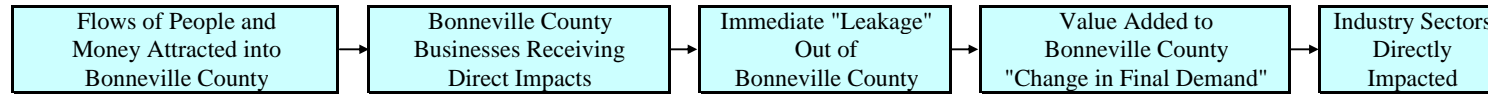
The next step determined other off-site revenues generated in the local economy by visiting patrons from locations outside the economic area. These patron expenditures include eating and drinking, lodging, retail and transportation expenditures in locations outside the facility, but within the economic region.

The total of all of the above expenditures can be termed as the ‘initial change’ or direct impact in output in the local economy resulting from arena operations. We then adjusted the total ‘initial change’ by applying appropriate factors to account for direct expenditures in the economic region (excluding imports from outside) and production cost components (for manufactured items). Finally, we applied Regional Input-Output Modeling System (RIMS II) economic multipliers to this adjusted ‘initial change’ in order to derive induced and indirect impacts to the local economy.

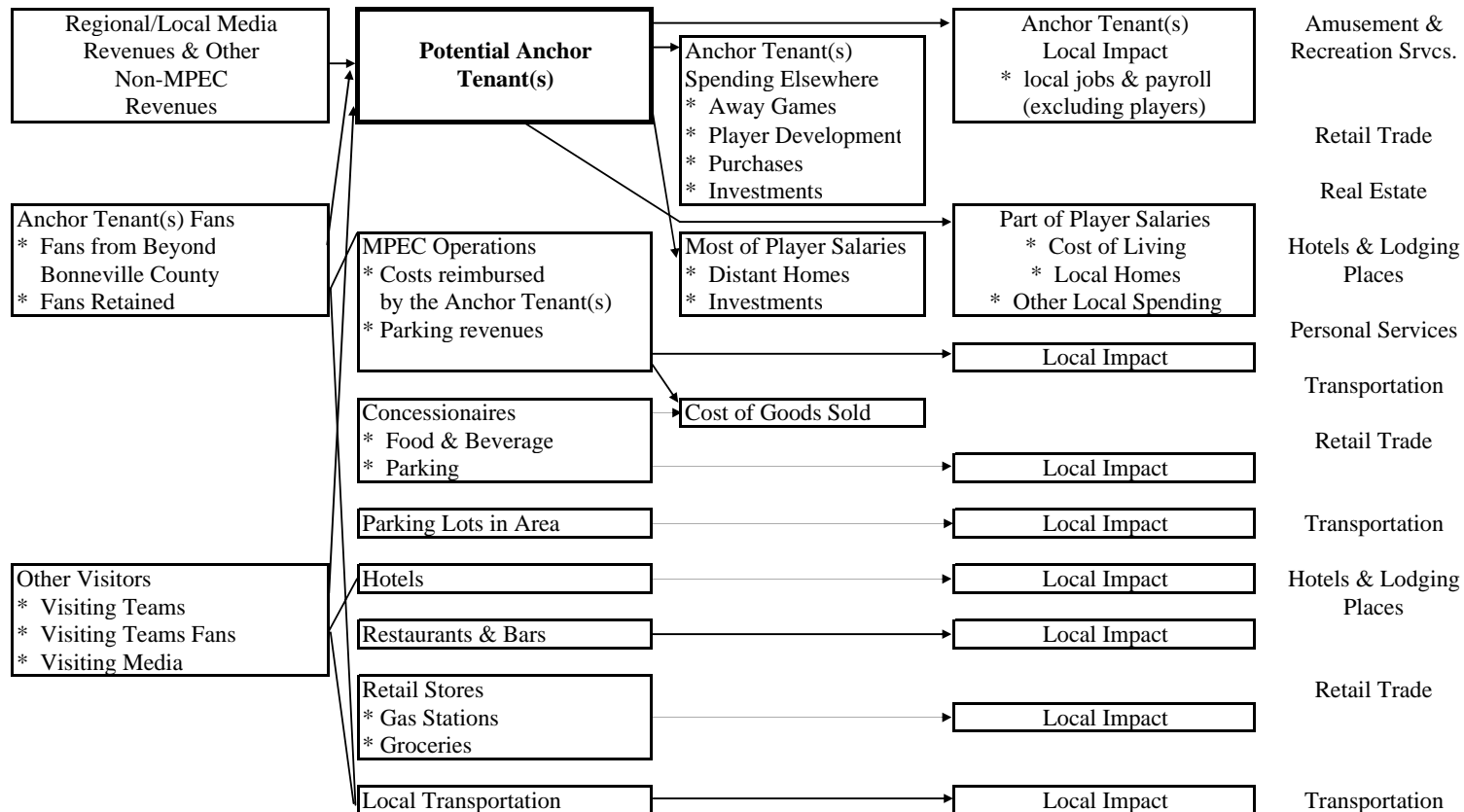
RIMS II is an industry multiplier matrix developed by the U.S. Bureau of Economic Analysis (BEA) for each County in the United States. Note that the analysis as described above allows us to arrive at impacts at a County level due to limitations of the RIMS II definition of economic regions.

Figure 8-1 gives an illustration of the flow of impacts from the proposed Idaho Falls Events Center to Bonneville County.

**Figure 8-1
Idaho Falls MPEC
Economic Impact Model**



IDAHO FALLS MPEC AND ANCHOR TENANT(S):



"<" Includes everything within the brackets.
Source: Economics Research Associates

Economic Impacts

All attendance, cost, and revenue assumptions for the Events Center used in this analysis are derived from our financial cash flow (Stable Year 4). These direct revenues are generated by, among other items: ticket sales; concessions and novelties; luxury suites and club seating; naming rights; advertising; and parking. This can be considered as the direct impact in the economic region. However, since our approach is based on an operating expenditure model, we consider only the components of the total revenue that go towards facility operations. Also, it should be noted that the economic impact takes into account only those activities and expenditures generated by and directly attributable to the MPEC.

The following table references refer to the tables found in the Appendix of this report.

Table 8-1 (and **Appendix Table 30**) presents a basic distribution of operating expenditures of all MPEC operations including:

- Facility operations
- Event related operations

(It should be noted that Tenant operations are not included in the economic impact analysis and would have a positive effect on the overall impact of the project if added.)

In the next step, ERA distributed the operating costs into wage and non-wage components. Further, using multiple sources of data such as ERA's financial pro-forma assumptions, prospective tenants, and County specific occupational wage data, ERA estimated the total number of employees that will be potentially located on-site (directly employed) and off-site (indirect contractual services). As seen in **Table 8-1** below (and **Appendix Table 30**), the total annual arena operating costs are approximately \$4.1 million. It is important to note that the \$4.1 million expense number is higher than the \$3.2 million total expenses shown in Stable Year 4 of the Cash Flow (**Appendix Table 1**) because for the economic impact, COGS are included as a direct impact (in the Cash Flow, COGS are taken out on the revenue side). Of the approximately \$4.1 million in expenses slightly more than \$2.0 million are wages and just over \$2.0 million are non wage costs. As a result, the Events Center directly generates a total of 105 Full Time Equivalent (FTE) employees. 81 of these FTE's are employed on site, while 24 are on off-site locations. Note that the resulting average annual wage is approximately \$23,000.

Table 8-1
Base Case – Idaho Falls Events Center
Direct Operating Expenditures
(Dollars in 000s)

	Gross Expense	Wages	Other	FTE Employees	
				On-site	Off-Site
Total Operations	\$4,071	\$2,035	\$2,035	81	24
Incl. Operational Expenses as well as COGs					

Source: Economics Research Associates

Appendix Table 31 presents estimated off-site expenditures. ERA estimates that of the approximately 262,000 annual event attendees (in the stabilized year), eight percent (approximately 21,000) that would not have otherwise stay overnight in Bonneville County. These new overnight out of town visitors are estimated to spend approximately \$12.00 per capita for eating and drinking and \$1.80 per capita for other retail in Bonneville County in places other than the Idaho Falls Events Center. In addition, 100 percent of these overnight out of town visitors are estimated to spend \$2.50 per capita on transportation in the region. Sixty-seven percent of overnight out of town visitors are estimated to spend \$33.33 per capita in lodging expenses in the region. It is not 100 percent because it is assumed that 33 percent of overnight out of town visitors stay with family and/or friends.

There are also new off-site expenditures due to regional residents that attend an event at the Events Center but are not considered a new overnight visitor. These resident attendees are estimated to spend approximately \$4.00 per capita for eating and drinking and \$0.60 per capita for other retail in the region in places other than the Idaho Falls Events Center. In addition, 100 percent of these residents are estimated to spend \$0.50 per capita on transportation in the county. It is assumed that none of the residents or day trip visitors will utilize lodging facilities in the region. As shown in **Appendix Table 31**, visitor and resident expenditures in Bonneville County as a result of Idaho Falls MPEC attendees are estimated to be \$2.0 million annually. Note that this is in excess of in-arena expenditures.

Appendix Table 32 presents initial and adjusted regional expenditures from all sources resulting from arena operations. ERA has noted the corresponding industry type as defined by RIMS II for each of the expenditure items. **Appendix Table 32** is organized in three parts; 1) non-wage expenditures; 2) wages to households and; 3) off-site visitor expenditures. ERA has then adjusted each expenditure item to account for import of goods and services from outside the region. The Concessions and Novelties section is further adjusted to account for the cost of manufacturing, wholesale trade margins, and transportation to reflect actual expenditures in the region in terms of producers' prices. These adjustments are necessary to account for more realistic impacts in the manufacturing sector. ERA estimates that approximately 75 percent or more of the wages paid to

employees will be spent in the region. Off-site visitor expenditures are accounted for in gross revenue terms.

Table 8-2 and **Appendix Table 33** presents the calculation of total impacts by applying RIMS II multipliers for total output, earnings and jobs from each arena operations component by industry sector. Total impact from on-site arena operations to the region is approximately \$2.6 million. Total impacts from off-site visitor and resident expenditures including initial spending are \$2.4 million. The total indirect and induced impact from all activities is \$4.9 million. Of this \$1.2 million is related to earnings in the Bonneville County resulting in 64 net new jobs. The total of all annual impacts annually including the initial change spurred by MPEC operations is approximately \$9.0 million with a total of 168 new FTE jobs in the Bonneville County region.

Table 8-2
Base Case – Idaho Falls Events Center
Impacts to Bonneville County
(Dollars in 000s)

	Output (000s)	Earnings (000s)	Employment (FTE Jobs)
Impact from all On Site Operations	\$2,564	\$545	20
Impact from Off Site Visitor & Resident Expenditures	\$2,377	\$653	44
Subtotal Indirect and Induced Impact to Bonneville County	\$4,941	\$1,197	64
Plus: Initial Change (Facility operations only)	\$4,071	\$2,035	104
Total Impact to Bonneville County	\$9,012	\$3,233	168

Source: Economics Research Associates

Appendix Table 34 presents ERA's estimate of the one-time construction impact of the Idaho Falls Events Center to Bonneville County. The one-time (approximately over two years of construction) induced impact due to construction is \$29.3 million due to a \$45.0 million construction cost (based on discussions with the City of Idaho Falls and industry standards). One-time earnings impact due to construction estimates equal \$20.3 million. The total one-time employment impact due to construction is estimated to be approximately 659 FTE jobs (485 direct, 173 induced) with FTE average income of \$32,000 based on Bureau of Labor Statistics data.

Also, it is important to make note of the following with regard to substitution and new and recaptured spending. The renovation of development of the Idaho Falls MPEC will cause some substitution within the Idaho Falls region. However, the substitution will be more

than offset by the new and recaptured spending from regional area residents and the new and induced spending from out of area visitors generated by the new facility.

Social and Qualitative Impacts – Quality of Life Impacts

In addition to the quantifiable revenue, earnings, and employment generated by the Idaho Falls Events Center, there are a number of additional significant, but less tangible, benefits that will enhance the quality of life in Bonneville County and the surrounding region. Examples of these benefits to the overall quality of life are as follows:

- Raises the national and international profile of the city as a sports, entertainment and business destination;
- Develops a more dynamic and diverse environment through the creation of unique entertainment, recreational, and commercial experiences;
- Provides opportunities for local entertainment/recreation businesses;
- Serves as a catalyst for domestic investment;
- Promotes social and cultural development in local communities;
- Improves the opportunity for education and training of the local labor force;
- Potentially stimulates the government to make investments in transportation and other infrastructure, often bringing state level government dollars into the local community for the construction of the infrastructure;
- Fosters a sense of civic pride and identity.

Appendix: Site Analysis

Introduction

The following section provides an overview of the three proposed sites for the multipurpose event center in Idaho Falls, Idaho. We have outlined key characteristics (location, site size, and access, among other factors), based in part on client information and our site visits to Idaho Falls in 2008.

Three Site Locations and Overviews

The proposed sites for the Idaho Falls multipurpose events center are as follows:

1. Sunnyside North Property (owned by Teton Peaks Investment Co., LLC)
 - 39 acres located adjacent to Interstate-15
 - Space for 140,000 square foot multipurpose events center and approximately 3,000 parking spaces
 - Sale price confirmed by survey at \$4.00 per square foot is \$6.8 million
 - Within the sale price the following infrastructure improvement are assumed to be included in cooperation with the City of Idaho Falls: Redesign and construction on Outlet Boulevard and Vista Boulevard to four lanes for egress/ingress including extension of utilities and a canal crossing bridge
 - Site is annexed to the City of Idaho Falls
2. Sunnyside South Property (owned by Teton Peaks Investment Co., LLC)
 - 34 acres located adjacent to Interstate-15
 - Space for 140,000 square foot multipurpose events center and approximately 3,000 parking spaces
 - Sale price confirmed by survey at \$4.00 per square foot is \$5.9 million
 - Within the sale price the following infrastructure improvement are assumed to be included in cooperation with the City of Idaho Falls: Design and construction of a five lane road extending south from Sunnyside at the proposed belt loop alignment with 33rd West and further extending to a four lane road going west to 35th West; and extension of all utilities to the property
 - Site would need to annexed and rezoned
3. Snake River Landing (owned by Ball Ventures LLC)
 - 20.54 acres located adjacent to Snake River Parkway between Interstate-15 and the Snake River

- Space for 5,500 seat multipurpose events center and approximately 1,871 parking spaces
- Ball Ventures will construct a property access road and necessary utilities and infrastructure. It is assumed that the Idaho Falls CVB or City will reimburse Ball Ventures for the construction of the access road in the amount of \$1.1 million (estimated by Ball Ventures)

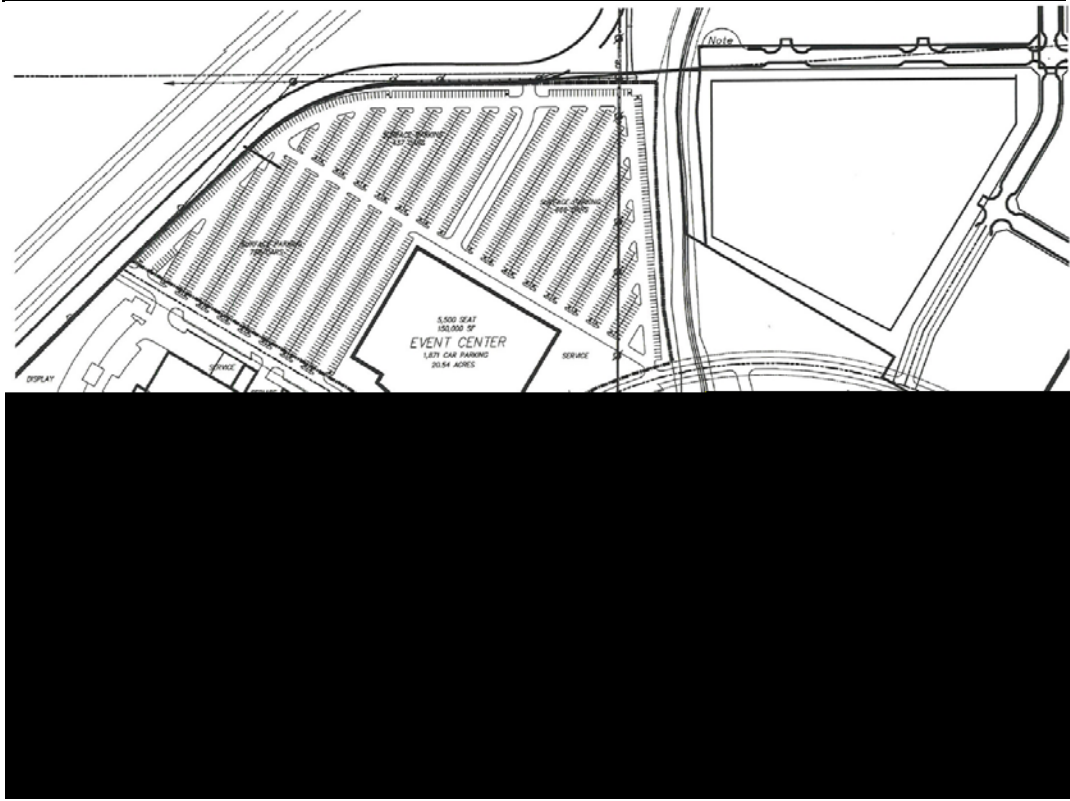
Figures **Appendix 1** and **Appendix 2** shows site plans for the Snake River Landing site provided by Ball Ventures LLC.

Figure Appendix 1
Proposed Site – Snake River Landing



Source: Ball Ventures LLC

Figure Appendix 2
Proposed Site – Snake River Landing



Source: Ball Ventures LLC

Transportation/Access and Visibility

Idaho Falls is adjacent to both the Utah and Wyoming borders, and is located off of Interstate-15 (I-15), a major US interstate. It is accessible by various modes of major roadways and regional airlines that fly into the Idaho Falls Regional Airport.

Highway Transportation

Idaho Falls is located approximately 65 miles east of the Wyoming border, along one of the main arteries to Yellowstone National Park. The city has direct regional access via one major U.S. Interstate that traverses the region – Interstate 15. In general, the major highways connecting to or near the Idaho Falls area include:

- *Interstate 15* – This interstate is a major north-south thoroughway that runs from the Canadian border through Idaho Falls, Salt Lake City, Las Vegas and all the way to San Diego.

- *Interstate 86* – This interstate is intrastate Interstate Highway that is entirely within the state of Idaho. Interstate 86 connects the city of Pocatello and Idaho Falls with the Idaho’s Magic Valley region.
- *U.S. Route 20* – This east-west highway traverses the entirety of the United States starting in Boston, Massachusetts and ending in Oregon. However, the road is not signed in Yellowstone Park. It is the longest road in the country, covering more than 3,365 miles.
- *U.S. Route 26* – This highway goes from east to west terminating in Ogallala, Nebraska in the east and Seaside, Oregon to the west.

The approximate driving distance to select cities from Idaho Falls are listed below:

- Blackfoot, Idaho– 30 miles
- Pocatello, Idaho – 50 miles
- Missoula, Montana – 315 miles
- Twin Falls, Idaho – 160 miles
- Boise, Idaho – 280 miles
- Nampa, Idaho – 300 miles
- Billings , Montana – 400 miles
- Helena, Montana – 270 miles
- Salt Lake City, Utah – 215 miles

Air Transportation

There is one airport in Idaho Falls, the Idaho Falls Regional Airport, which was formerly known as Fanning Field. Operated by the City of Idaho Falls, the airport has two runways. It is serviced by Alaska Airlines (Horizon Air), Allegiant Air, Delta Airlines (Delta Connection operated by SkyWest), Northwest Airlines (Northwest Link operated by Pinnacle Airlines), and United Airlines (United Express operated by SkyWest).

Figure **Appendix 3** shows a matrix ranking of the three sites and is followed by an overview of the general characteristics of the three sites.

Figure Appendix 3 Site Ranking

City of Idaho Falls Events Center			
Site Selection Criteria and Ratings			
Category	Ratings		
	Sunnyside South	Sunnyside North	Snake River Landing
Site Size for Initial Program	5	5	4
Site Configuration	4	4	4
Site Ability to Allow for Future Expansion	4	4	3
Site Ability to Serve Current and Future Demographics	4	4	5
Auto Access to Site	4	4	4
Pedestrian/Bicycle Access to Site	3	3	4
Bus Access to Site, including to low income residents	3	3	4
Ability to Link to Recreational & Park Outdoor Amenities	3	3	4
Site Ability for Events Center to Complement Surrounding Uses	4	4	5
Site Ability to Minimize Off-Site Impacts (i.e. Noise to Residential)	4	4	3
Site Ability to Allow for "Ideal" Events Center Program	4	4	4
Site Exposure and Image	3	3	5
Site Solar and Wind Orientation	n.a.	n.a.	n.a.
Land Availability and Ease of Acquisition	4	4	5
Land Cost	3	3	5
Utility Cost/Availability	4	4	3
Road and Other Infrastructure Cost/Availability	4	4	4
Site Slope, Wetlands, Geotechnical Issues	n.a.	n.a.	n.a.
Ability of Site to Garner Community Support/Consensus	4	4	4
Site ability for neighborhood enhancement and/or redevelopment	3	3	4
Total Score	67	67	74
Scoring System: 1-5			
1- Low or Poor; 3- Medium; 5- Excellent			

Source: ERA AECOM

Based on the site ranking criteria outlined for the City of Idaho Falls and the project team, ERA analyzed each of the three sites and found all three to be strong candidates. The Snake River Landing site scored the highest primarily as a result of having no land cost, its location and integration into the overall mixed-use development of Snake River Landing.

Summary of Site/Concept and Location

Idaho Falls is adjacent to both the Utah and Wyoming borders, and is located off of Interstate-15 (I-15), a major US interstate. It is accessible by various modes of major roadways and regional airlines that fly into the Idaho Falls Regional Airport.

The following is a brief summary of key overall positive and limiting factors associated with the proposed multipurpose events center sites in Idaho Falls.

Positive Factors

The proposed multipurpose center sites have some positive factors, including:

- High visibility site and location directly off Interstate 15 (especially at the Snake River Landing site)
- Snake River Landing has master planned elements (such as restaurants, hotels, retail, theater, office space, pedestrian areas, and significant landscaping)
- Regional access to all three sites is good
- Proposed multipurpose events center will offer high quality experience with entertainment components to raise the standard level of expectations within the local market
- The proposed concept will be unique in the Idaho Falls market, providing a differentiated visitor experience

Limiting Factors

There are also limiting factors, such as:

- More than \$1 million of city input required for roadways, infrastructure development at all three sites
- Required zoning and annexation for Sunnyside South Property (currently zoned Agriculture and not annexed to the City of Idaho Falls. Would require zoning and annexation with the City of Idaho Falls).



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FINANCIAL ANALYSIS
BASE CASE SCENARIO - PROPOSED IDAHO FALLS MPEC

Table 1
CASH FLOW SUMMARY (000)
BASE CASE SCENARIO - PROPOSED IDAHO FALLS MPEC

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		Year				
		1	2	3	4	5
Number of Events		90	90	92	92	91
Annual Paid Attendance (000)		265	255	259	262	253
OPERATING REVENUES						
Ticket						
Anchor Tenants		\$170	\$172	\$169	\$167	\$171
Concerts		160	118	146	177	155
Family Shows		70	67	84	86	80
Other Sports		79	85	73	87	90
Trade Shows		36	36	36	36	36
Total Ticket Revenue		\$516	\$479	\$509	\$552	\$533
Other Revenue Sources						
Facility Fee		\$409	\$372	\$382	\$393	\$373
Ticket Surcharge		279	258	274	298	287
Concessions (net)		664	643	677	719	714
Novelties (net)		89	78	90	101	95
Parking (net)		410	407	427	447	445
Luxury Suite Premium		103	105	108	110	113
Club Seat Premium		98	100	102	105	108
Naming Rights		280	287	294	302	309
Advertising		520	533	546	560	574
Ticket Distributor		268	252	270	279	278
Reimbursables		0	0	0	0	0
Total Other Revenue Sources		\$3,119	\$3,035	\$3,171	\$3,315	\$3,297
TOTAL OPERATING REVENUES		\$3,635	\$3,514	\$3,680	\$3,867	\$3,829
OPERATING EXPENSES						
MPEC Operating Expenses						
Staffing		\$980	\$1,004	\$1,030	\$1,055	\$1,082
Utilities		470	482	494	506	519
Non-Recoverable Event Related Expenses		291	277	283	283	280
Management Expense		323	331	339	348	357
Other		656	673	690	707	724
Property Taxes		0	0	0	0	0
Capital Replacement Reserve		242	248	255	261	267
Total MPEC Operating Expenses		\$2,962	\$3,015	\$3,090	\$3,160	\$3,229
SURPLUS/(DEFICIT) FROM OPERATIONS (before debt service)		\$672	\$499	\$590	\$708	\$601

Table 2
TOTAL MPEC OPERATING REVENUE SUMMARY (000)
BASE CASE SCENARIO - PROPOSED IDAHO FALLS MPEC

	Year				
	1	2	3	4	5
Number of Events	90	90	92	92	91
Annual Paid Attendance (000)	265	255	259	262	253
Gross Ticket Revenues					
Anchor Tenants	\$2,132	\$2,138	\$2,096	\$2,056	\$2,107
Concerts	1,919	1,425	1,752	2,114	1,861
Family Shows	827	792	987	1,011	934
Other Sports	928	994	861	1,016	1,053
Trade Shows	58	98	89	74	88
Total Gross Ticket Revenues	\$5,865	\$5,448	\$5,786	\$6,271	\$6,043
Less: Ticket Surcharge	279	258	274	298	287
Less: Facility Fee	409	372	382	393	373
Less: Sales Tax	332	306	326	354	341
Less: Share to Promoter/Franchise/Tenant	0	0	0	0	0
Ticket Revenue to MPEC	\$516	\$479	\$509	\$552	\$533
Total Luxury Suite Premium Revenue	\$205	\$210	\$215	\$221	\$226
Less: Share to Promoter/Franchise/Tenant	103	105	108	110	113
Luxury Suite Premium Revenue to MPEC	\$103	\$105	\$108	\$110	\$113
Total Club Seat Premium Revenue	\$195	\$200	\$205	\$210	\$215
Less: Share to Promoter/Franchise/Tenant	98	100	102	105	108
Club Seat Premium Revenue to MPEC	\$98	\$100	\$102	\$105	\$108
Gross Advertising Revenue	\$650	\$666	\$683	\$700	\$717
Less: Share to Promoter/Franchise/Tenant	130	133	137	140	143
Advertising Revenue to MPEC	\$520	\$533	\$546	\$560	\$574
Total Building Name Revenue	\$350	\$359	\$368	\$377	\$386
Less: Share to Promoter/Franchise/Tenant	70	72	74	75	77
Building Name Revenue to MPEC	\$280	\$287	\$294	\$302	\$309
Gross Concessions Revenue	\$1,687	\$1,645	\$1,729	\$1,838	\$1,824
Less: Sales Tax	95	97	101	108	106
Less: COGS/Operating Expenses/Distributions	928	905	951	1,011	1,003
Net Concessions Revenue to MPEC	\$664	\$643	\$677	\$719	\$714
Gross Novelty Revenue	\$523	\$489	\$537	\$583	\$560
Less: Sales Tax	30	30	32	35	33
Less: COGS/Distributions	404	381	414	446	432
Net Novelty Revenue to MPEC	\$89	\$78	\$90	\$101	\$95
Gross Parking Revenue	\$455	\$452	\$475	\$497	\$495
Less: Operating Expenses/Distributions	46	45	47	50	49
Net Parking Revenue to MPEC	\$410	\$407	\$427	\$447	\$445
Ticket Distributor	\$268	\$252	\$270	\$279	\$278
Reimbursables	\$0	\$0	\$0	\$0	\$0
Ticket Surcharge	\$279	\$258	\$274	\$298	\$287
Facility Fee	\$409	\$372	\$382	\$393	\$373
Box Office Fee	\$0	\$0	\$0	\$0	\$0
TOTAL MPEC OPERATING REVENUE	\$3,635	\$3,514	\$3,680	\$3,867	\$3,829

Table 3
NET TICKET REVENUE SUMMARY (000)
BASE CASE SCENARIO - PROPOSED IDAHO FALLS MPEC

	Year				
	1	2	3	4	5
Anchor Tenants					
Hockey	\$170	\$172	\$169	\$167	\$171
Total Anchor Tenant Events	\$170	\$172	\$169	\$167	\$171
Concerts					
Major	\$115	\$81	\$100	\$120	\$106
Minor	45	36	46	57	48
Performing Arts / Theater	0	1	0	0	1
Total Concert Events	\$160	\$118	\$146	\$177	\$155
Family Shows					
Wrestling	\$19	\$18	\$19	\$19	\$20
Circus	20	19	30	31	26
Ice Shows	15	15	16	16	17
Thrill	3	1	3	3	3
Children	13	13	16	17	14
Total Family Show Events	\$70	\$67	\$84	\$86	\$80
Other Sports					
Major Ice	\$25	\$25	\$13	\$26	\$27
Motor Sports	11	10	16	11	17
Boxing	15	15	16	16	16
Rodeo / Equestrian	26	31	27	33	28
Miscellaneous (HS Basketball, HS Hockey)	2	3	2	1	2
Total Other Sporting Events	\$79	\$85	\$73	\$87	\$90
Trade Shows					
Trade/Exhibits	\$30	\$30	\$30	\$30	\$30
Religious/Cultural	6	6	6	6	6
Total Trade Show Events	\$36	\$36	\$36	\$36	\$36
TOTAL TICKET/RENT REVENUE TO MPEC	\$516	\$479	\$509	\$552	\$533

Table 4
OTHER MPEC REVENUE SUMMARY (000)
BASE CASE SCENARIO - PROPOSED IDAHO FALLS MPEC

		Year				
		1	2	3	4	5
LUXURY SUITES						
Total Number of Suites		20	20	20	20	20
Suites Not Available for Lease - (1)	1.0	2	2	2	2	2
Suites Leased	90.0%	16	16	16	16	16
Gross Lease Price	1.0	\$21,538	\$22,076	\$22,628	\$23,194	\$23,774
Less: Ticket Revenues		8,723	8,941	9,164	9,394	9,628
Luxury Suite Premium	2.5%	\$12,815	\$13,135	\$13,464	\$13,800	\$14,145
Net Premium Revenue		\$205	\$210	\$215	\$221	\$226
Percentage to MPEC	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%
Net MPEC Luxury Suite Revenue		\$103	\$105	\$108	\$110	\$113
CLUB SEATS						
Number of Seats		350	350	350	350	350
Seats Not Available for Lease	1.0	0	0	0	0	0
Seats Leased	90.0%	315	315	315	315	315
Gross Lease Price	1.0	\$1,346	\$1,380	\$1,414	\$1,450	\$1,486
Less: Ticket Revenues		727	745	764	783	802
Rental Premium	2.5%	\$619	\$635	\$651	\$667	\$683
Net Club Revenue		\$195	\$200	\$205	\$210	\$215
Percentage to MPEC	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%
Net MPEC Club Seat Revenue		\$98	\$100	\$102	\$105	\$108
ADVERTISING						
Total Revenues	1.0					
Percentage to MPEC	2.5%	\$650	\$666	\$683	\$700	\$717
Net MPEC Advertising Revenue	80.0%	\$520	\$533	\$546	\$560	\$574
NAMING RIGHTS						
Total Revenues	1.0					
Percentage to MPEC	2.5%	\$350	\$359	\$368	\$377	\$386
Net Naming Rights Revenue	80.0%	\$280	\$287	\$294	\$302	\$309
NET CONCESSIONS						
Anchor Tenants		\$294	\$300	\$299	\$297	\$309
Concerts		171	134	161	194	174
Family Shows		68	67	85	88	82
Other Sports		105	117	106	113	122
Trade Show		25	26	26	27	28
Total Net MPEC Concession Revenue		\$664	\$643	\$677	\$719	\$714
NET NOVELTIES						
Anchor Tenants		\$0	\$0	\$0	\$0	\$0
Concerts		50	38	47	56	50
Family Shows		20	20	25	26	24
Other Sports		17	18	16	17	19
Trade Show		2	2	2	2	2
Total Net MPEC Novelty Revenue		\$89	\$78	\$90	\$101	\$95
NET PARKING						
Anchor Tenants		\$187	\$191	\$190	\$189	\$197
Concerts		77	61	73	89	80
Family Shows		62	61	78	80	73
Other Sports		64	74	65	69	74
Trade Show		20	20	21	21	22
Total Net MPEC Parking Revenue		\$410	\$407	\$427	\$447	\$445
TICKET SURCHARGE						
		\$279	\$258	\$274	\$298	\$287
TICKET DISTRIBUTOR						
		\$268	\$252	\$270	\$279	\$278
REIMBURSABLES						
		\$0	\$0	\$0	\$0	\$0
BOX OFFICE FEE						
		\$0	\$0	\$0	\$0	\$0

(1) - Includes complimentary suites to teams and/or municipality.

Table 5
MPEC OPERATING EXPENSES (000)
BASE CASE SCENARIO - PROPOSED IDAHO FALLS MPEC

		Year				
		1	2	3	4	5
Operating Expenses						
Salaries and Wages						
Full-Time Salaries and Wages	1.0	\$754	\$773	\$792	\$812	\$832
Benefits	30.0%	226	232	238	244	250
Total Salaries and Wages		\$980	\$1,004	\$1,030	\$1,055	\$1,082
Utilities						
Electric		\$247	\$253	\$260	\$266	\$273
Gas		124	127	130	133	136
Water & Sewer		99	101	104	107	109
Total Utilities	1.0	\$470	\$482	\$494	\$506	\$519
Non-Recoverable Event Expenses						
	1.0	\$291	\$277	\$283	\$283	\$280
Management Expense						
	1.0	\$323	\$331	\$339	\$348	\$357
Other Expenses						
Administrative Expenses		\$163	\$167	\$172	\$176	\$180
Building Expenses		399	409	419	429	440
Insurance Expense		105	108	110	113	116
Profesional Fees		47	49	50	51	52
Total Other Expenses		\$656	\$673	\$690	\$707	\$724
Property Tax						
	0.0%	\$0	\$0	\$0	\$0	\$0
Capital Replacement						
		\$242	\$248	\$255	\$261	\$267
TOTAL OPERATING EXPENSES		\$2,962	\$3,015	\$3,090	\$3,160	\$3,229

Table 6
ANCHOR - HOCKEY
BASE CASE SCENARIO - PROPOSED IDAHO FALLS MPEC

		Year				
		1	2	3	4	5
Tickets						
Games/Performances		36	36	36	36	36
Average Paid Attendance - (General)		3.2	3.1	3.0	2.8	2.8
Avg. Club Seat Attendance		0.2	0.2	0.2	0.2	0.2
Avg. Luxury Suite Attendance		0.2	0.2	0.2	0.2	0.2
Total Paid Attendance (000)		128.6	125.8	120.2	114.8	114.8
Average Ticket Price General Seating		\$16.15	\$16.56	\$16.97	\$17.40	\$17.83
Average Ticket Price Luxury Box/Club		20.19	20.70	21.21	21.74	22.29
Gross Ticket Revenue (000)		\$2,132	\$2,138	\$2,096	\$2,056	\$2,107
Commercial Lease Tax	0.0%	0	0	0	0	0
Ticket Surcharge	5.0%	102	102	100	98	100
Facility Fee	\$1.50	208	194	185	176	176
Sales Tax	6.0%	121	121	119	116	119
Net Ticket Revenue (000)		\$1,702	\$1,721	\$1,693	\$1,665	\$1,711
Facility Rent	10.0%	\$170	\$172	\$169	\$167	\$171
Less: No Show Percentage		20.0%	21.0%	22.0%	23.0%	24.0%
Add: Complimentary		10.0%	12.5%	15.0%	17.5%	20.0%
Concessions						
Actual Attendance (000)		115.8	115.1	111.7	108.5	110.2
Per Capita - (1)		\$6.46	\$6.62	\$6.79	\$6.96	\$7.13
Gross Revenue (000)		\$748	\$762	\$759	\$755	\$786
Sales Tax	6.0%	42	43	43	43	44
Less: COGS/Operating Expenses	55.0%	411	419	417	415	432
Net Concession Revenue (000)		\$294	\$300	\$299	\$297	\$309
Less: Distribution to Franchise	0.0%	0	0	0	0	0
Net Concession Revenue to MPEC (000)		\$294	\$300	\$299	\$297	\$309
Novelties						
Actual Attendance (000)		115.8	115.1	111.7	108.5	110.2
Per Capita		\$1.35	\$1.38	\$1.41	\$1.45	\$1.49
Gross Revenue (000)		\$156	\$159	\$158	\$157	\$164
Sales Tax - (1)	6.0%	9	9	9	9	9
Less: COGS/Operating Expenses	70.0%	109	111	111	110	115
Net Novelty Revenue (000)		\$38	\$39	\$38	\$38	\$40
Less: Distribution to Franchise	100.0%	38	39	38	38	40
Net Novelty Revenue to MPEC (000)		\$0	\$0	\$0	\$0	\$0
Parking						
Actual Attendance (000)		115.8	115.1	111.7	108.5	110.2
Patrons Per Car		3.00	3.00	3.00	3.00	3.00
Rate Per Car		\$5.38	\$5.52	\$5.66	\$5.80	\$5.94
Gross Revenue (000)		\$208	\$212	\$211	\$210	\$218
Less Parking Expenses	10.0%	21	21	21	21	22
Net Parking Revenue (000)		\$187	\$191	\$190	\$189	\$197
Less: Distribution to Franchise	0.0%	0	0	0	0	0
Parking Revenue to MPEC (000)		\$187	\$191	\$190	\$189	\$197

(1) - Assumes weighted average for general seating, premium seating and catered food and beverage sales.

Table 7
CONCERTS - MAJOR
BASE CASE SCENARIO - PROPOSED IDAHO FALLS MPEC

		Year				
		1	2	3	4	5
Tickets						
Games/Performances		7	5	6	7	6
Average Paid Attendance - (General)		4.0	4.0	4.0	4.0	4.0
Average Club Seat Attendance		0.3	0.3	0.3	0.3	0.3
Average Luxury Suite Attendance		0.1	0.1	0.1	0.1	0.1
Total Paid Attendance (000)		31.0	22.1	26.5	31.0	26.5
Average Ticket Price General Seating		\$43.08	\$44.15	\$45.26	\$46.39	\$47.55
Average Ticket Price Luxury Box/Club		53.84	55.19	56.57	57.98	59.43
Gross Ticket Revenue (000)		\$1,366	\$970	\$1,193	\$1,427	\$1,253
Commercial Lease Tax	0.0%	0	0	0	0	0
Ticket Surcharge	5.0%	65	46	57	68	60
Facility Fee	\$2.50	77	55	66	77	66
Sales Tax	6.0%	77	55	68	81	71
Net Ticket Revenue		\$1,146	\$814	\$1,003	\$1,201	\$1,057
Facility Rent	10.0%	\$115	\$81	\$100	\$120	\$106
No Show Percentage		5.0%	5.0%	5.0%	5.0%	5.0%
Add: Complimentary		5.0%	5.0%	5.0%	5.0%	5.0%
Concessions						
Actual Attendance (000)		31.0	22.1	26.5	31.0	26.5
Per Capita - (1)		\$9.69	\$9.93	\$10.18	\$10.44	\$10.70
Gross Revenue (000)		\$300	\$220	\$270	\$323	\$284
Sales Tax	6.0%	17	13	16	19	17
Less: COGS/Operating Expenses	55.0%	165	121	149	178	156
Net Concession Revenue (000)		\$118	\$86	\$106	\$126	\$111
Less: Distribution to Promoter	0.0%	0	0	0	0	0
Net Concession Revenue to MPEC (000)		\$118	\$86	\$106	\$126	\$111
Novelties						
Actual Attendance (000)		31.0	22.1	26.5	31.0	26.5
Per Capita		\$4.31	\$4.42	\$4.53	\$4.64	\$4.75
Gross Revenue (000)		133	98	120	144	126
Sales Tax - (1)	6.0%	8	6	7	9	8
Less: COGS/Operating Expenses	70.0%	93	69	84	101	88
Net Novelty Revenue		\$32	\$23	\$29	\$34	\$30
Less: Distribution to Promoter	0.0%	0	0	0	0	0
Net Novelty Revenue to MPEC (000)		\$32	\$23	\$29	\$34	\$30
Parking						
Actual Attendance (000)		31.0	22.1	26.5	31.0	26.5
Patrons Per Car		3.0	3.0	3.0	3.0	3.0
Rate Per Car		\$5.38	\$5.52	\$5.66	\$5.80	\$5.94
Gross Revenue (000)		\$56	\$41	\$50	\$60	\$53
Operating Expenses	10.0%	6	4	5	6	5
Net Parking Revenue (000)		\$50	\$37	\$45	\$54	\$47
Less: Distribution to Other	0.0%	0	0	0	0	0
Parking Revenue to MPEC (000)		\$50	\$37	\$45	\$54	\$47

(1) - Assumes weighted average for general seating, premium seating and catered food and beverage sales.

Table 8
CONCERTS - MINOR
BASE CASE SCENARIO - PROPOSED IDAHO FALLS MPEC

		Year				
		1	2	3	4	5
Tickets						
Games/Performances		5	4	5	6	5
Average Paid Attendance - (General)		2.9	2.9	2.9	2.9	2.9
Average Club Seat Attendance		0.3	0.3	0.3	0.3	0.3
Average Luxury Suite Attendance		0.1	0.1	0.1	0.1	0.1
Total Paid Attendance (000)		16.6	13.3	16.6	19.9	16.6
Average Ticket Price General Seating		\$32.31	\$33.11	\$33.94	\$34.79	\$35.66
Average Ticket Price Luxury Box/Club		40.38	41.39	42.43	43.49	44.58
Gross Ticket Revenue (000)		\$554	\$436	\$559	\$688	\$587
Commercial Lease Tax	0.0%	0	0	0	0	0
Ticket Surcharge	5.0%	26	21	27	33	28
Facility Fee	\$2.50	42	33	42	50	42
Sales Tax	6.0%	31	25	32	39	33
Net Ticket Revenue		\$454	\$358	\$459	\$566	\$484
Facility Rent	10.0%	\$45	\$36	\$46	\$57	\$48
No Show Percentage		5.0%	5.0%	5.0%	5.0%	5.0%
Add: Complimentary		5.0%	5.0%	5.0%	5.0%	5.0%
Concessions						
Actual Attendance (000)		16.6	13.3	16.6	19.9	16.6
Per Capita - (1)		\$8.08	\$8.28	\$8.49	\$8.70	\$8.92
Gross Revenue (000)		\$134	\$110	\$141	\$173	\$148
Sales Tax	6.0%	8	7	8	10	9
Less: COGS/Operating Expenses	55.0%	74	61	78	95	81
Net Concession Revenue (000)		\$53	\$43	\$55	\$68	\$58
Less: Distribution to Promoter	0.0%	0	0	0	0	0
Net Concession Revenue to MPEC (000)		\$53	\$43	\$55	\$68	\$58
Novelties						
Actual Attendance (000)		16.6	13.3	16.6	19.9	16.6
Per Capita		\$4.31	\$4.42	\$4.53	\$4.64	\$4.75
Gross Revenue (000)		72	59	75	92	79
Sales Tax - (1)	6.0%	4	4	5	6	5
Less: COGS/Operating Expenses	70.0%	50	41	53	64	55
Net Novelty Revenue		\$18	\$14	\$18	\$22	\$19
Less: Distribution to Promoter	0.0%	0	0	0	0	0
Net Novelty Revenue to MPEC (000)		\$18	\$14	\$18	\$22	\$19
Parking						
Actual Attendance (000)		16.6	13.3	16.6	19.9	16.6
Patrons Per Car		3.0	3.0	3.0	3.0	3.0
Rate Per Car		\$5.38	\$5.52	\$5.66	\$5.80	\$5.94
Gross Revenue (000)		\$30	\$24	\$31	\$39	\$33
Operating Expenses	10.0%	3	2	3	4	3
Net Parking Revenue (000)		\$27	\$22	\$28	\$35	\$30
Less: Distribution to Other	0.0%	0	0	0	0	0
Parking Revenue to MPEC (000)		\$27	\$22	\$28	\$35	\$30

(1) - Assumes weighted average for general seating, premium seating and catered food and beverage sales.

Table 9
CONCERTS - PERFORMING ARTS
BASE CASE SCENARIO - PROPOSED IDAHO FALLS MPEC

		Year				
		1	2	3	4	5
Tickets						
Games/Performances		0	1	0	0	1
Average Paid Attendance - (General)		1.5	1.5	1.5	1.5	1.5
Average Club Seat Attendance		0.2	0.2	0.2	0.2	0.2
Average Luxury Suite Attendance		0.1	0.1	0.1	0.1	0.1
Total Paid Attendance (000)		0.0	1.7	0.0	0.0	1.7
Average Ticket Price General Seating		\$10.77	\$11.04	\$11.31	\$11.60	\$11.89
Average Ticket Price Luxury Box/Club		13.46	13.80	14.14	14.50	14.86
Gross Ticket Revenue (000)		\$0	\$19	\$0	\$0	\$20
Commercial Lease Tax	0.0%	0	0	0	0	0
Ticket Surcharge	5.0%	0	1	0	0	1
Facility Fee	\$2.50	0	4	0	0	4
Sales Tax	6.0%	0	1	0	0	1
Net Ticket Revenue		\$0	\$13	\$0	\$0	\$14
Facility Rent	10.0%	\$0	\$1	\$0	\$0	\$1
No Show Percentage		5.0%	5.0%	5.0%	5.0%	5.0%
Add: Complimentary		5.0%	5.0%	5.0%	5.0%	5.0%
Concessions						
Actual Attendance (000)		0.0	1.7	0.0	0.0	1.7
Per Capita - (1)		\$8.08	\$8.28	\$8.49	\$8.70	\$8.92
Gross Revenue (000)		\$0	\$14	\$0	\$0	\$15
Sales Tax	6.0%	0	1	0	0	1
Less: COGS/Operating Expenses	55.0%	0	8	0	0	8
Net Concession Revenue (000)		\$0	\$5	\$0	\$0	\$6
Less: Distribution to Promoter	0.0%	0	0	0	0	0
Net Concession Revenue to MPEC (000)		\$0	\$5	\$0	\$0	\$6
Novelties						
Actual Attendance (000)		0.0	1.7	0.0	0.0	1.7
Per Capita		\$2.15	\$2.21	\$2.26	\$2.32	\$2.38
Gross Revenue (000)		0	4	0	0	4
Sales Tax - (1)	6.0%	0	0	0	0	0
Less: COGS/Operating Expenses	70.0%	0	3	0	0	3
Net Novelty Revenue		\$0	\$1	\$0	\$0	\$1
Less: Distribution to Promoter	0.0%	0	0	0	0	0
Net Novelty Revenue to MPEC (000)		\$0	\$1	\$0	\$0	\$1
Parking						
Actual Attendance (000)		0.0	1.7	0.0	0.0	1.7
Patrons Per Car		3.0	3.0	3.0	3.0	3.0
Rate Per Car		\$5.38	\$5.52	\$5.66	\$5.80	\$5.94
Gross Revenue (000)		\$0	\$3	\$0	\$0	\$3
Operating Expenses	10.0%	0	0	0	0	0
Net Parking Revenue (000)		\$0	\$3	\$0	\$0	\$3
Less: Distribution to Other	0.0%	0	0	0	0	0
Parking Revenue to MPEC (000)		\$0	\$3	\$0	\$0	\$3

(1) - Assumes weighted average for general seating, premium seating and catered food and beverage sales.

Table 10
FAMILY - WRESTLING
BASE CASE SCENARIO - PROPOSED IDAHO FALLS MPEC

		Year				
		1	2	3	4	5
Tickets						
Games/Performances		2	2	2	2	2
Average Paid Attendance - (General)		3.6	3.6	3.6	3.6	3.6
Average Club Seat Attendance		0.2	0.2	0.2	0.2	0.2
Average Luxury Suite Attendance		0.1	0.1	0.1	0.1	0.1
Total Paid Attendance (000)		7.9	7.9	7.9	7.9	7.9
Average Ticket Price General Seating		\$26.92	\$27.60	\$28.29	\$28.99	\$29.72
Average Ticket Price Luxury Box/Club		33.65	34.49	35.36	36.24	37.15
Gross Ticket Revenue (000)		\$217	\$215	\$220	\$226	\$232
Commercial Lease Tax	0.0%	0	0	0	0	0
Ticket Surcharge	5.0%	10	10	10	11	11
Facility Fee	\$1.00	8	8	8	8	8
Sales Tax	6.0%	12	12	12	13	13
Net Ticket Revenue		\$186	\$185	\$189	\$194	\$199
Facility Rent	10.0%	\$19	\$18	\$19	\$19	\$20
No Show Percentage		5.0%	5.0%	5.0%	5.0%	5.0%
Add: Complimentary		5.0%	5.0%	5.0%	5.0%	5.0%
Concessions						
Actual Attendance (000)		7.9	7.9	7.9	7.9	7.9
Per Capita - (1)		\$5.38	\$5.52	\$5.66	\$5.80	\$5.94
Gross Revenue (000)		\$42	\$44	\$45	\$46	\$47
Sales Tax	6.0%	2	3	3	3	3
Less: COGS/Operating Expenses	55.0%	23	24	25	25	26
Net Concession Revenue (000)		\$17	\$17	\$17	\$18	\$18
Less: Distribution to Promoter/Tenant	0.0%	0	0	0	0	0
Net Concession Revenue to MPEC (000)		\$17	\$17	\$17	\$18	\$18
Novelties						
Actual Attendance (000)		7.9	7.9	7.9	7.9	7.9
Per Capita		\$2.15	\$2.21	\$2.26	\$2.32	\$2.38
Gross Revenue (000)		17	17	18	18	19
Sales Tax - (1)	6.0%	1	1	1	1	1
Less: COGS/Operating Expenses	70.0%	12	12	13	13	13
Net Novelty Revenue		\$4	\$4	\$4	\$4	\$5
Less: Distribution to Promoter/Tenant	0.0%	0	0	0	0	0
Net Novelty Revenue to MPEC (000)		\$4	\$4	\$4	\$4	\$5
Parking						
Actual Attendance (000)		7.9	7.9	7.9	7.9	7.9
Patrons Per Car		3.0	3.0	3.0	3.0	3.0
Rate Per Car		\$5.38	\$5.52	\$5.66	\$5.80	\$5.94
Gross Revenue (000)		\$14	\$15	\$15	\$15	\$16
Operating Expenses	10.0%	1	1	1	2	2
Net Parking Revenue (000)		\$13	\$13	\$13	\$14	\$14
Less: Distribution to Other	0.0%	0	0	0	0	0
Parking Revenue to MPEC (000)		\$13	\$13	\$13	\$14	\$14

(1) - Assumes weighted average for general seating, premium seating and catered food and beverage sales.

Table 11
FAMILY - CIRCUS
BASE CASE SCENARIO - PROPOSED IDAHO FALLS MPEC

		Year				
		1	2	3	4	5
Tickets						
Games/Performances		4	4	6	6	5
Average Paid Attendance - (General)		2.3	2.3	2.3	2.3	2.3
Average Club Seat Attendance		0.2	0.2	0.2	0.2	0.2
Average Luxury Suite Attendance		0.1	0.1	0.1	0.1	0.1
Total Paid Attendance (000)		10.6	10.6	15.9	15.9	13.2
Average Ticket Price General Seating		\$21.54	\$22.08	\$22.63	\$23.19	\$23.77
Average Ticket Price Luxury Box/Club		26.92	27.60	28.29	28.99	29.72
Gross Ticket Revenue (000)		\$235	\$229	\$352	\$361	\$309
Commercial Lease Tax	0.0%	0	0	0	0	0
Ticket Surcharge	5.0%	11	11	17	17	15
Facility Fee	\$1.00	11	11	16	16	13
Sales Tax	6.0%	13	13	20	20	17
Net Ticket Revenue		\$200	\$194	\$300	\$308	\$263
Facility Rent	10.0%	\$20	\$19	\$30	\$31	\$26
No Show Percentage		10.0%	10.0%	10.0%	10.0%	10.0%
Add: Complimentary		10.0%	10.0%	10.0%	10.0%	10.0%
Concessions						
Actual Attendance (000)		10.6	10.6	15.9	15.9	13.2
Per Capita - (1)		\$4.85	\$4.97	\$5.09	\$5.22	\$5.35
Gross Revenue (000)		\$51	\$53	\$81	\$83	\$71
Sales Tax	6.0%	3	3	5	5	4
Less: COGS/Operating Expenses	55.0%	28	29	45	46	39
Net Concession Revenue (000)		\$20	\$21	\$31	\$32	\$28
Less: Distribution to Promoter/Tenant	0.0%	0	0	0	0	0
Net Concession Revenue to MPEC (000)		\$20	\$21	\$31	\$32	\$28
Novelties						
Actual Attendance (000)		10.6	10.6	15.9	15.9	13.2
Per Capita		\$2.15	\$2.21	\$2.26	\$2.32	\$2.38
Gross Revenue (000)		23	23	36	37	31
Sales Tax - (1)	6.0%	1	1	2	2	2
Less: COGS/Operating Expenses	70.0%	16	16	25	26	22
Net Novelty Revenue		\$6	\$6	\$9	\$9	\$7
Less: Distribution to Promoter/Franchise	0.0%	0	0	0	0	0
Net Novelty Revenue to MPEC (000)		\$6	\$6	\$9	\$9	\$7
Parking						
Actual Attendance (000)		10.6	10.6	15.9	15.9	13.2
Patrons Per Car		3.0	3.0	3.0	3.0	3.0
Rate Per Car		\$5.38	\$5.52	\$5.66	\$5.80	\$5.94
Gross Revenue (000)		\$19	\$19	\$30	\$31	\$26
Operating Expenses	10.0%	2	2	3	3	3
Net Parking Revenue (000)		\$17	\$18	\$27	\$28	\$24
Less: Distribution to Other	0.0%	0	0	0	0	0
Parking Revenue to MPEC (000)		\$17	\$18	\$27	\$28	\$24

(1) - Assumes weighted average for general seating, premium seating and catered food and beverage sales.

Table 12
FAMILY - ICE SHOWS
BASE CASE SCENARIO - PROPOSED IDAHO FALLS MPEC

	Year				
	1	2	3	4	5
Tickets					
Games/Performances	2	2	2	2	2
Average Paid Attendance - (General)	3.3	3.3	3.3	3.3	3.3
Average Club Seat Attendance	0.2	0.2	0.2	0.2	0.2
Average Luxury Suite Attendance	0.1	0.1	0.1	0.1	0.1
Total Paid Attendance (000)	7.3	7.3	7.3	7.3	7.3
Average Ticket Price General Seating	\$24.23	\$24.84	\$25.46	\$26.09	\$26.75
Average Ticket Price Luxury Box/Club	30.29	31.04	31.82	32.62	33.43
Gross Ticket Revenue (000)	\$181	\$179	\$183	\$188	\$192
Commercial Lease Tax	0.0%	0	0	0	0
Ticket Surcharge	5.0%	9	9	9	9
Facility Fee	\$1.00	7	7	7	7
Sales Tax	6.0%	10	10	11	11
Net Ticket Revenue		\$155	\$153	\$157	\$161
Facility Rent	10.0%	\$15	\$15	\$16	\$16
No Show Percentage		10.0%	10.0%	10.0%	10.0%
Add: Complimentary		10.0%	10.0%	10.0%	10.0%
Concessions					
Actual Attendance (000)	7.3	7.3	7.3	7.3	7.3
Per Capita - (1)	\$4.31	\$4.42	\$4.53	\$4.64	\$4.75
Gross Revenue (000)	\$31	\$32	\$33	\$34	\$35
Sales Tax	6.0%	2	2	2	2
Less: COGS/Operating Expenses	55.0%	17	18	19	19
Net Concession Revenue (000)		\$12	\$12	\$13	\$14
Less: Distribution to Promoter/Tenant	0.0%	0	0	0	0
Net Concession Revenue to MPEC (000)		\$12	\$12	\$13	\$14
Novelties					
Actual Attendance (000)	7.3	7.3	7.3	7.3	7.3
Per Capita	\$2.15	\$2.21	\$2.26	\$2.32	\$2.38
Gross Revenue (000)	16	16	16	17	17
Sales Tax - (1)	6.0%	1	1	1	1
Less: COGS/Operating Expenses	70.0%	11	11	12	12
Net Novelty Revenue		\$4	\$4	\$4	\$4
Less: Distribution to Promoter/Franchise	0.0%	0	0	0	0
Net Novelty Revenue to MPEC (000)		\$4	\$4	\$4	\$4
Parking					
Actual Attendance (000)	7.3	7.3	7.3	7.3	7.3
Patrons Per Car	3.0	3.0	3.0	3.0	3.0
Rate Per Car	\$5.38	\$5.52	\$5.66	\$5.80	\$5.94
Gross Revenue (000)	\$13	\$13	\$14	\$14	\$14
Operating Expenses	10.0%	1	1	1	1
Net Parking Revenue (000)		\$12	\$12	\$13	\$13
Less: Distribution to Other	0.0%	0	0	0	0
Parking Revenue to MPEC (000)		\$12	\$12	\$13	\$13

(1) - Assumes weighted average for general seating, premium seating and catered food and beverage sales.

Table 13
FAMILY - THRILL SHOWS
BASE CASE SCENARIO - PROPOSED IDAHO FALLS MPEC

		Year				
		1	2	3	4	5
Tickets						
Games/Performances		2	1	2	2	2
Average Paid Attendance - (General)		1.3	1.3	1.3	1.3	1.3
Average Club Seat Attendance		0.2	0.2	0.2	0.2	0.2
Average Luxury Suite Attendance		0.1	0.1	0.1	0.1	0.1
Total Paid Attendance (000)		3.3	1.6	3.3	3.3	3.3
Average Ticket Price General Seating		\$10.77	\$11.04	\$11.31	\$11.60	\$11.89
Average Ticket Price Luxury Box/Club		13.46	13.80	14.14	14.50	14.86
Gross Ticket Revenue (000)		\$37	\$18	\$36	\$37	\$38
Commercial Lease Tax	0.0%	0	0	0	0	0
Ticket Surcharge	5.0%	2	1	2	2	2
Facility Fee	\$1.00	3	2	3	3	3
Sales Tax	6.0%	2	1	2	2	2
Net Ticket Revenue		\$30	\$14	\$29	\$30	\$31
Facility Rent	10.0%	\$3	\$1	\$3	\$3	\$3
No Show Percentage		10.0%	10.0%	10.0%	10.0%	10.0%
Add: Complimentary		10.0%	10.0%	10.0%	10.0%	10.0%
Concessions						
Actual Attendance (000)		3.3	1.6	3.3	3.3	3.3
Per Capita - (1)		\$4.31	\$4.42	\$4.53	\$4.64	\$4.75
Gross Revenue (000)		\$14	\$7	\$15	\$15	\$16
Sales Tax	6.0%	1	0	1	1	1
Less: COGS/Operating Expenses	55.0%	8	4	8	8	9
Net Concession Revenue (000)		\$6	\$3	\$6	\$6	\$6
Less: Distribution to Promoter/Tenant	0.0%	0	0	0	0	0
Net Concession Revenue to MPEC (000)		\$6	\$3	\$6	\$6	\$6
Novelties						
Actual Attendance (000)		3.3	1.6	3.3	3.3	3.3
Per Capita		\$2.15	\$2.21	\$2.26	\$2.32	\$2.38
Gross Revenue (000)		7	4	7	8	8
Sales Tax - (1)	6.0%	0	0	0	0	0
Less: COGS/Operating Expenses	70.0%	5	3	5	6	6
Net Novelty Revenue		\$2	\$1	\$2	\$2	\$2
Less: Distribution to Promoter/Franchise	0.0%	0	0	0	0	0
Net Novelty Revenue to MPEC (000)		\$2	\$1	\$2	\$2	\$2
Parking						
Actual Attendance (000)		3.3	1.6	3.3	3.3	3.3
Patrons Per Car		3.0	3.0	3.0	3.0	3.0
Rate Per Car		\$5.38	\$5.52	\$5.66	\$5.80	\$5.94
Gross Revenue (000)		\$6	\$3	\$6	\$6	\$7
Operating Expenses	10.0%	1	0	1	1	1
Net Parking Revenue (000)		\$5	\$3	\$6	\$6	\$6
Less: Distribution to Other	0.0%	0	0	0	0	0
Parking Revenue to MPEC (000)		\$5	\$3	\$6	\$6	\$6

(1) - Assumes weighted average for general seating, premium seating and catered food and beverage sales.

Table 14
FAMILY - CHILDREN
BASE CASE SCENARIO - PROPOSED IDAHO FALLS MPEC

		Year				
		1	2	3	4	5
Tickets						
Games/Performances		4	4	5	5	4
Average Paid Attendance - (General)		2.0	2.0	2.0	2.0	2.0
Average Club Seat Attendance		0.2	0.2	0.2	0.2	0.2
Average Luxury Suite Attendance		0.1	0.1	0.1	0.1	0.1
Total Paid Attendance (000)		9.4	9.4	11.7	11.7	9.4
Average Ticket Price General Seating		\$16.15	\$16.56	\$16.97	\$17.40	\$17.83
Average Ticket Price Luxury Box/Club		20.19	20.70	21.21	21.74	22.29
Gross Ticket Revenue (000)		\$157	\$152	\$195	\$200	\$164
Commercial Lease Tax	0.0%	0	0	0	0	0
Ticket Surcharge	5.0%	7	7	9	10	8
Facility Fee	\$1.00	9	9	12	12	9
Sales Tax	6.0%	9	9	11	11	9
Net Ticket Revenue		\$132	\$127	\$162	\$167	\$138
Facility Rent	10.0%	\$13	\$13	\$16	\$17	\$14
No Show Percentage		15.0%	15.0%	15.0%	15.0%	15.0%
Add: Complimentary		15.0%	15.0%	15.0%	15.0%	15.0%
Concessions						
Actual Attendance (000)		9.4	9.4	11.7	11.7	9.4
Per Capita - (1)		\$3.77	\$3.86	\$3.96	\$4.06	\$4.16
Gross Revenue (000)		\$35	\$36	\$46	\$48	\$39
Sales Tax	6.0%	2	2	3	3	2
Less: COGS/Operating Expenses	55.0%	19	20	25	26	21
Net Concession Revenue (000)		\$14	\$14	\$18	\$19	\$16
Less: Distribution to Promoter/Tenant	0.0%	0	0	0	0	0
Net Concession Revenue to MPEC (000)		\$14	\$14	\$18	\$19	\$16
Novelties						
Actual Attendance (000)		9.4	9.4	11.7	11.7	9.4
Per Capita		\$2.15	\$2.21	\$2.26	\$2.32	\$2.38
Gross Revenue (000)		20	21	27	27	22
Sales Tax - (1)	6.0%	1	1	2	2	1
Less: COGS/Operating Expenses	70.0%	14	15	19	19	15
Net Novelty Revenue		\$5	\$5	\$6	\$6	\$6
Less: Distribution to Promoter/Franchise	0.0%	0	0	0	0	0
Net Novelty Revenue to MPEC (000)		\$5	\$5	\$6	\$6	\$6
Parking						
Actual Attendance (000)		9.4	9.4	11.7	11.7	9.4
Patrons Per Car		3.0	3.0	3.0	3.0	3.0
Rate Per Car		\$5.38	\$5.52	\$5.66	\$5.80	\$5.94
Gross Revenue (000)		\$17	\$17	\$22	\$23	\$19
Operating Expenses	10.0%	2	2	2	2	2
Net Parking Revenue (000)		\$15	\$16	\$20	\$20	\$17
Less: Distribution to Other	0.0%	0	0	0	0	0
Parking Revenue to MPEC (000)		\$15	\$16	\$20	\$20	\$17

(1) - Assumes weighted average for general seating, premium seating and catered food and beverage sales.

Table 15
OTHER - MAJOR ICE
BASE CASE SCENARIO - PROPOSED IDAHO FALLS MPEC

		Year				
		1	2	3	4	5
Tickets						
Games/Performances		2	2	1	2	2
Average Paid Attendance - (General)		3.3	3.3	3.3	3.3	3.3
Average Club Seat Attendance		0.3	0.3	0.3	0.3	0.3
Average Luxury Suite Attendance		0.1	0.1	0.1	0.1	0.1
Total Paid Attendance (000)		7.4	7.4	3.7	7.4	7.4
Average Ticket Price General Seating		\$37.69	\$38.63	\$39.60	\$40.59	\$41.60
Average Ticket Price Luxury Box/Club		47.11	48.29	49.50	50.74	52.01
Gross Ticket Revenue (000)		\$289	\$285	\$146	\$300	\$307
Commercial Lease Tax	0.0%	0	0	0	0	0
Ticket Surcharge	5.0%	14	14	7	14	15
Facility Fee	\$1.00	7	7	4	7	7
Sales Tax	6.0%	16	16	8	17	17
Net Ticket Revenue		\$252	\$249	\$127	\$262	\$268
Facility Rent	10.0%	\$25	\$25	\$13	\$26	\$27
No Show Percentage		10.0%	10.0%	10.0%	10.0%	10.0%
Add: Complimentary		15.0%	15.0%	15.0%	15.0%	15.0%
Concessions						
Actual Attendance (000)		7.8	7.8	3.9	7.8	7.8
Per Capita - (1)		\$7.54	\$7.73	\$7.92	\$8.12	\$8.32
Gross Revenue (000)		\$59	\$60	\$31	\$63	\$65
Sales Tax	6.0%	3	4	2	4	4
Less: COGS/Operating Expenses	55.0%	32	33	17	35	36
Net Concession Revenue (000)		\$23	\$23	\$12	\$24	\$25
Less: Distribution to Promoter/Tenant	0.0%	0	0	0	0	0
Net Concession Revenue to MPEC (000)		\$23	\$23	\$12	\$24	\$25
Novelties						
Actual Attendance (000)		7.8	7.8	3.9	7.8	7.8
Per Capita		\$2.15	\$2.21	\$2.26	\$2.32	\$2.38
Gross Revenue (000)		17	17	9	18	19
Sales Tax - (1)	6.0%	1	1	1	1	1
Less: COGS/Operating Expenses	70.0%	12	12	6	13	13
Net Novelty Revenue		\$4	\$4	\$2	\$4	\$5
Less: Distribution to Promoter/Franchise	0.0%	0	0	0	0	0
Net Novelty Revenue to MPEC (000)		\$4	\$4	\$2	\$4	\$5
Parking						
Actual Attendance (000)		7.8	7.8	3.9	7.8	7.8
Patrons Per Car		3.0	3.0	3.0	3.0	3.0
Rate Per Car		\$5.38	\$5.52	\$5.66	\$5.80	\$5.94
Gross Revenue (000)		\$14	\$14	\$7	\$15	\$15
Operating Expenses	10.0%	1	1	1	2	2
Net Parking Revenue (000)		\$13	\$13	\$7	\$14	\$14
Less: Distribution to Other	0.0%	0	0	0	0	0
Parking Revenue to MPEC (000)		\$13	\$13	\$7	\$14	\$14

(1) - Assumes weighted average for general seating, premium seating and catered food and beverage sales.

Table 16
OTHER - MOTOR SPORTS
BASE CASE SCENARIO - PROPOSED IDAHO FALLS MPEC

		Year				
		1	2	3	4	5
Tickets						
Games/Performances		2	2	3	2	3
Average Paid Attendance (000) - (General Seating)		2.4	2.4	2.4	2.4	2.4
Average Club Seat Attendance		0.3	0.3	0.3	0.3	0.3
Average Luxury Suite Attendance		0.1	0.1	0.1	0.1	0.1
Total Paid Attendance (000)		5.6	5.6	8.5	5.6	8.5
Average Ticket Price General Seating		\$21.54	\$22.08	\$22.63	\$23.19	\$23.77
Average Ticket Price Luxury Box/Club		26.92	27.60	28.29	28.99	29.72
Gross Ticket Revenue (000)		\$126	\$123	\$190	\$130	\$199
Commercial Lease Tax	0.0%	0	0	0	0	0
Ticket Surcharge	5.0%	6	6	9	6	9
Facility Fee	\$1.00	6	6	8	6	8
Sales Tax	6.0%	7	7	11	7	11
Net Ticket Revenue		\$107	\$104	\$162	\$110	\$170
Facility Rent	10.0%	\$11	\$10	\$16	\$11	\$17
No Show Percentage		5.0%	5.0%	5.0%	5.0%	5.0%
Add: Complimentary		5.0%	5.0%	5.0%	5.0%	5.0%
Concessions						
Actual Attendance (000)		5.6	5.6	8.5	5.6	8.5
Per Capita - (1)		\$7.54	\$7.73	\$7.92	\$8.12	\$8.32
Gross Revenue (000)		\$43	\$44	\$67	\$46	\$70
Sales Tax	6.00%	2	3	4	3	4
Less: COGS/Operating Expenses	55.0%	24	24	37	25	39
Net Concession Revenue (000)		\$17	\$17	\$26	\$18	\$28
Less: Distribution to Promoter/Tenant	0.00%	0	0	0	0	0
Net Concession Revenue to MPEC (000)		\$17	\$17	\$26	\$18	\$28
Novelties						
Actual Attendance (000)		5.6	5.6	8.5	5.6	8.5
Per Capita		\$2.15	\$2.21	\$2.26	\$2.32	\$2.38
Gross Revenue (000)		\$12	\$12	\$19	\$13	\$20
Sales Tax - (1)	6.0%	1	1	1	1	1
Less: COGS/Operating Expenses	70.0%	8	8	13	9	14
Net Novelty Revenue		\$3	\$3	\$5	\$3	\$5
Less: Distribution to Promoter/Franchise	0.0%	0	0	0	0	0
Net Novelty Revenue to MPEC (000)		\$3	\$3	\$5	\$3	\$5
Parking						
Actual Attendance (000)		5.6	5.6	8.5	5.6	8.5
Patrons Per Car		3.0	3.0	3.0	3.0	3.0
Rate Per Car		\$5.38	\$5.52	\$5.66	\$5.80	\$5.94
Gross Revenue (000)		\$10	\$10	\$16	\$11	\$17
Operating Expenses	10.0%	1	1	2	1	2
Net Parking Revenue (000)		\$9	\$9	\$14	\$10	\$15
Less: Distribution to Other	0.0%	0	0	0	0	0
Parking Revenue to MPEC (000)		\$9	\$9	\$14	\$10	\$15

(1) - Assumes weighted average for general seating, premium seating and catered food and beverage sales.

Table 17
OTHER - BOXING
BASE CASE SCENARIO - PROPOSED IDAHO FALLS MPEC

		Year				
		1	2	3	4	5
Tickets						
Games/Performances		2	2	2	2	2
Average Paid Attendance (000) - (General Seating)		3.0	3.0	3.0	3.0	3.0
Average Club Seat Attendance		0.2	0.2	0.2	0.2	0.2
Average Luxury Suite Attendance		0.1	0.1	0.1	0.1	0.1
Total Paid Attendance (000)		6.4	6.4	6.4	6.4	6.4
Average Ticket Price General Seating		\$26.92	\$27.60	\$28.29	\$28.99	\$29.72
Average Ticket Price Luxury Box/Club		33.65	34.49	35.36	36.24	37.15
Gross Ticket Revenue (000)		\$176	\$176	\$181	\$185	\$190
Commercial Lease Tax	0.0%	0	0	0	0	0
Ticket Surcharge	5.0%	8	8	9	9	9
Facility Fee	\$1.00	6	6	6	6	6
Sales Tax	6.0%	10	10	10	10	11
Net Ticket Revenue		\$151	\$152	\$156	\$160	\$164
Facility Rent	10.0%	\$15	\$15	\$16	\$16	\$16
No Show Percentage		5.0%	5.0%	5.0%	5.0%	5.0%
Add: Complimentary		15.0%	15.0%	15.0%	15.0%	15.0%
Concessions						
Actual Attendance (000)		7.1	7.1	7.1	7.1	7.1
Per Capita - (1)		\$7.54	\$7.73	\$7.92	\$8.12	\$8.32
Gross Revenue (000)		\$53	\$55	\$56	\$57	\$59
Sales Tax	6.0%	3	3	3	3	4
Less: COGS/Operating Expenses	55.0%	29	30	31	31	32
Net Concession Revenue (000)		\$21	\$22	\$22	\$23	\$23
Less: Distribution to Promoter/Tenant	0.0%	0	0	0	0	0
Net Concession Revenue to MPEC (000)		\$21	\$22	\$22	\$23	\$23
Novelties						
Actual Attendance (000)		7.1	7.1	7.1	7.1	7.1
Per Capita		\$1.35	\$1.38	\$1.41	\$1.45	\$1.49
Gross Revenue (000)		\$10	\$10	\$10	\$10	\$10
Sales Tax - (1)	6.0%	1	1	1	1	1
Less: COGS/Operating Expenses	70.0%	7	7	7	7	7
Net Novelty Revenue		\$2	\$2	\$2	\$2	\$2
Less: Distribution to Promoter/Franchise	0.0%	0	0	0	0	0
Net Novelty Revenue to MPEC (000)		\$2	\$2	\$2	\$2	\$2
Parking						
Actual Attendance (000)		7.1	7.1	7.1	7.1	7.1
Patrons Per Car		3.0	3.0	3.0	3.0	3.0
Rate Per Car		\$5.38	\$5.52	\$5.66	\$5.80	\$5.94
Gross Revenue (000)		\$13	\$13	\$13	\$14	\$14
Operating Expenses	10.0%	1	1	1	1	1
Net Parking Revenue (000)		\$11	\$12	\$12	\$12	\$13
Less: Distribution to Other	0.0%	0	0	0	0	0
Parking Revenue to MPEC (000)		\$11	\$12	\$12	\$12	\$13

(1) - Assumes weighted average for general seating, premium seating and catered food and beverage sales.

Table 18
OTHER - RODEO / EQUESTRIAN
BASE CASE SCENARIO - PROPOSED IDAHO FALLS MPEC

		Year				
		1	2	3	4	5
Tickets						
Games/Performances		5	6	5	6	5
Average Paid Attendance (000) - (General Seating)		2.6	2.6	2.6	2.6	2.6
Average Club Seat Attendance		0.2	0.2	0.2	0.2	0.2
Average Luxury Suite Attendance		0.1	0.1	0.1	0.1	0.1
Total Paid Attendance (000)		14.1	16.9	14.1	16.9	14.1
Average Ticket Price General Seating		\$21.54	\$22.08	\$22.63	\$23.19	\$23.77
Average Ticket Price Luxury Box/Club		26.92	27.60	28.29	28.99	29.72
Gross Ticket Revenue (000)		\$308	\$370	\$316	\$389	\$332
Commercial Lease Tax	0.0%	0	0	0	0	0
Ticket Surcharge	5.0%	15	18	15	19	16
Facility Fee	\$1.00	14	17	14	17	14
Sales Tax	6.0%	17	21	18	22	19
Net Ticket Revenue		\$262	\$315	\$269	\$332	\$284
Facility Rent	10.0%	\$26	\$31	\$27	\$33	\$28
No Show Percentage		5.0%	5.0%	5.0%	5.0%	5.0%
Add: Complimentary		5.0%	5.0%	5.0%	5.0%	5.0%
Concessions						
Actual Attendance (000)		14.1	16.9	14.1	16.9	14.1
Per Capita - (1)		\$6.46	\$6.62	\$6.79	\$6.96	\$7.13
Gross Revenue (000)		\$91	\$112	\$95	\$117	\$100
Sales Tax	6.0%	5	7	6	7	6
Less: COGS/Operating Expenses	55.0%	50	62	52	64	55
Net Concession Revenue (000)		\$36	\$43	\$37	\$46	\$39
Less: Distribution to Promoter/Tenant	0.0%	0	0	0	0	0
Net Concession Revenue to MPEC (000)		\$36	\$43	\$37	\$46	\$39
Novelties						
Actual Attendance (000)		14.1	16.9	14.1	16.9	14.1
Per Capita		\$1.62	\$1.66	\$1.70	\$1.74	\$1.78
Gross Revenue (000)		\$23	\$28	\$24	\$29	\$25
Sales Tax - (1)	6.0%	1	2	1	2	2
Less: COGS/Operating Expenses	70.0%	16	20	17	20	18
Net Novelty Revenue		\$6	\$6	\$6	\$7	\$6
Less: Distribution to Promoter/Franchise	0.0%	\$0	\$0	\$0	\$0	\$0
Net Novelty Revenue to MPEC (000)		\$6	\$6	\$6	\$7	\$6
Parking						
Actual Attendance (000)		14.1	16.9	14.1	16.9	14.1
Patrons Per Car		3.0	3.0	3.0	3.0	3.0
Rate Per Car		\$5.38	\$5.52	\$5.66	\$5.80	\$5.94
Gross Revenue (000)		\$25	\$31	\$27	\$33	\$28
Operating Expenses	10.0%	3	3	3	3	3
Net Parking Revenue (000)		\$23	\$28	\$24	\$29	\$25
Less: Distribution to Other	0.0%	0	0	0	0	0
Parking Revenue to MPEC (000)		\$23	\$28	\$24	\$29	\$25

(1) - Assumes weighted average for general seating, premium seating and catered food and beverage sales.

Table 19
OTHER - MISCELLANEOUS EVENTS
BASE CASE SCENARIO - PROPOSED IDAHO FALLS MPEC

		Year				
		1	2	3	4	5
Tickets						
Games/Performances		5	7	5	2	4
Average Paid Attendance (000) - (General Seating)		0.8	0.8	0.8	0.8	0.8
Average Club Seat Attendance		0.2	0.2	0.2	0.2	0.2
Average Luxury Suite Attendance		0.1	0.1	0.1	0.1	0.1
Total Paid Attendance (000)		5.1	7.1	5.1	2.0	4.0
Average Ticket Price General Seating		\$5.38	\$5.52	\$5.66	\$5.80	\$5.94
Average Ticket Price Luxury Box/Club		6.73	6.90	7.07	7.25	7.43
Gross Ticket Revenue (000)		\$29	\$39	\$28	\$12	\$24
Commercial Lease Tax	0.0%	0	0	0	0	0
Ticket Surcharge	5.0%	1	2	1	1	1
Facility Fee	\$1.00	5	7	5	2	4
Sales Tax	6.0%	2	2	2	1	1
Net Ticket Revenue		\$21	\$27	\$20	\$8	\$17
Facility Rent Per Event (000s)	10.0%	\$2	\$3	\$2	\$1	\$2
No Show Percentage		10.0%	10.0%	10.0%	10.0%	10.0%
Add: Complimentary		10.0%	10.0%	10.0%	10.0%	10.0%
Concessions						
Actual Attendance (000)		5.1	7.1	5.1	2.0	4.0
Per Capita - (1)		\$4.31	\$4.42	\$4.53	\$4.64	\$4.75
Gross Revenue (000)		\$22	\$31	\$23	\$9	\$19
Sales Tax	6.0%	1	2	1	1	1
Less: COGS/Operating Expenses	55.0%	12	17	13	5	10
Net Concession Revenue (000)		\$9	\$12	\$9	\$3	\$8
Less: Distribution to Promoter/Tenant	0.0%	0	0	0	0	0
Net Concession Revenue to MPEC (000)		\$9	\$12	\$9	\$3	\$8
Novelties						
Actual Attendance (000)		5.1	7.1	5.1	2.0	4.0
Per Capita		\$1.62	\$1.66	\$1.70	\$1.74	\$1.78
Gross Revenue (000)		8	12	9	4	7
Sales Tax - (1)	6.0%	0	1	1	0	0
Less: COGS/Operating Expenses	70.0%	6	8	6	3	5
Net Novelty Revenue		\$2	\$3	\$2	\$1	\$2
Less: Distribution to Promoter/Franchise	0.0%	0	0	0	0	0
Net Novelty Revenue to MPEC (000)		\$2	\$3	\$2	\$1	\$2
Parking						
Actual Attendance (000)		5.1	7.1	5.1	2.0	4.0
Patrons Per Car		3.0	3.0	3.0	3.0	3.0
Rate Per Car		\$5.38	\$5.52	\$5.66	\$5.80	\$5.94
Gross Revenue (000)		\$9	\$13	\$10	\$4	\$8
Operating Expenses	10.0%	1	1	1	0	1
Net Parking Revenue (000)		\$8	\$12	\$9	\$4	\$7
Less: Distribution to Other	0.0%	0	0	0	0	0
Parking Revenue to MPEC (000)		\$8	\$12	\$9	\$4	\$7

(1) - Assumes weighted average for general seating, premium seating and catered food and beverage sales.

Table 20
TRADE SHOWS / FESTIVALS - TRADE / EXHIBITS
BASE CASE SCENARIO - PROPOSED IDAHO FALLS MPEC

		Year				
		1	2	3	4	5
Tickets						
Games/Performances		10	10	10	10	10
Average Paid Attendance (000) - (General Seating)		1.0	1.0	1.0	1.0	1.0
Average Club Seat Attendance		0.0	0.0	0.0	0.0	0.0
Average Luxury Suite Attendance		0.0	0.0	0.0	0.0	0.0
Total Paid Attendance (000)		10.0	10.0	10.0	10.0	10.0
Average Ticket Price General Seating		\$5.38	\$5.52	\$5.66	\$5.80	\$5.94
Average Ticket Price Luxury Box/Club		5.38	5.52	5.66	5.80	5.94
Gross Ticket Revenue (000)		\$54	\$55	\$57	\$58	\$59
Commercial Lease Tax	0.0%	0	0	0	0	0
Ticket Surcharge	5.0%	3	3	3	3	3
Facility Fee	\$0.50	5	5	5	5	5
Sales Tax	6.0%	3	3	3	3	3
Net Ticket Revenue (000)		\$43	\$44	\$46	\$47	\$48
Facility Rent	\$3,000	\$30	\$30	\$30	\$30	\$30
Less: No Show Percentage		5.0%	5.0%	5.0%	5.0%	5.0%
Add: Complimentary		10.0%	10.0%	10.0%	10.0%	10.0%
Concessions						
Actual Attendance		10.5	10.5	10.5	10.5	10.5
Per Capita - (1)		\$5.38	\$5.52	\$5.66	\$5.80	\$5.94
Gross Revenue (000)		\$57	\$58	\$59	\$61	\$62
Sales Tax	6.0%	3	3	3	3	4
Less: COGS/Operating Expenses	55.0%	31	32	32	34	34
Net Concession Revenue (000)		\$22	\$23	\$23	\$24	\$24
Less: Distribution to Franchise	0.0%	0	0	0	0	0
Net Concession Revenue to MPEC (000)		\$22	\$23	\$23	\$24	\$24
Novelties						
Actual Attendance		10.5	10.5	10.5	10.5	10.5
Per Capita		\$0.54	\$0.55	\$0.57	\$0.58	\$0.59
Gross Revenue (000)		\$6	\$6	\$6	\$6	\$6
Sales Tax - (1)	6.0%	0	0	0	0	0
Less: COGS/Operating Expenses	70.0%	4	4	4	4	4
Net Novelty Revenue (000)		\$1	\$1	\$1	\$1	\$1
Less: Distribution to Franchise	0.0%	0	0	0	0	0
Net Novelty Revenue to MPEC (000)		\$1	\$1	\$1	\$1	\$1
Parking						
Actual Attendance		10.5	10.5	10.5	10.5	10.5
Patrons Per Car		3.0	3.0	3.0	3.0	3.0
Rate Per Car		\$5.38	\$5.52	\$5.66	\$5.80	\$5.94
Gross Revenue (000)		\$19	\$19	\$20	\$20	\$21
Less: Parking Expenses	10.0%	2	2	2	2	2
Net Parking Revenue (000)		\$17	\$17	\$18	\$18	\$19
Less: Distribution to Other	0.0%	0	0	0	0	0
Parking Revenue to MPEC (000)		\$17	\$17	\$18	\$18	\$19

(1) - Assumes weighted average for general seating, premium seating and catered food and beverage sales.

Table 21
TRADE SHOWS / FESTIVALS - RELIGIOUS / CULTURAL
BASE CASE SCENARIO - PROPOSED IDAHO FALLS MPEC

		Year				
		1	2	3	4	5
Tickets						
Games/Performances		2	2	2	2	2
Average Paid Attendance (000) - (General Seating)		0.8	0.8	0.8	0.8	0.8
Average Club Seat Attendance		0.0	0.0	0.0	0.0	0.0
Average Luxury Suite Attendance		0.0	0.0	0.0	0.0	0.0
Total Paid Attendance (000)		1.6	1.6	1.6	1.6	1.6
Average Ticket Price General Seating		\$2.69	\$2.76	\$2.83	\$2.90	\$2.97
Average Ticket Price Luxury Box/Club		2.69	2.76	2.83	2.90	2.97
Gross Ticket Revenue (000)		\$4	\$4	\$5	\$5	\$5
Commercial Lease Tax	0.0%	0	0	0	0	0
Facility Fee	5.0%	0	0	0	0	0
Ticket Surcharge	\$0.50	1	1	1	1	1
Sales Tax	6.0%	0	0	0	0	0
Net Ticket Revenue (000)		\$3	\$3	\$3	\$3	\$3
Facility Rent	\$3,000	\$6	\$6	\$6	\$6	\$6
Less: No Show Percentage		5.0%	5.0%	5.0%	5.0%	5.0%
Add: Complimentary		10.0%	10.0%	10.0%	10.0%	10.0%
Concessions						
Actual Attendance		1.7	1.7	1.7	1.7	1.7
Per Capita - (1)		\$4.31	\$4.42	\$4.53	\$4.64	\$4.75
Gross Revenue (000)		\$7	\$7	\$8	\$8	\$8
Sales Tax	6.0%	0	0	0	0	0
Less: COGS/Operating Expenses	55.0%	4	4	4	4	4
Net Concession Revenue (000)		\$3	\$3	\$3	\$3	\$3
Less: Distribution to Franchise	0.0%	0	0	0	0	0
Net Concession Revenue to MPEC (000)		\$3	\$3	\$3	\$3	\$3
Novelties						
Actual Attendance		1.7	1.7	1.7	1.7	1.7
Per Capita		\$1.62	\$1.66	\$1.70	\$1.74	\$1.78
Gross Revenue (000)		\$3	\$3	\$3	\$3	\$3
Sales Tax - (1)	6.0%	0	0	0	0	0
Less: COGS/Operating Expenses	70.0%	2	2	2	2	2
Net Novelty Revenue (000)		\$1	\$1	\$1	\$1	\$1
Less: Distribution to Franchise	0.0%	0	0	0	0	0
Net Novelty Revenue to MPEC (000)		\$1	\$1	\$1	\$1	\$1
Parking						
Actual Attendance		1.7	1.7	1.7	1.7	1.7
Patrons Per Car		3.0	3.0	3.0	3.0	3.0
Rate Per Car		\$5.38	\$5.52	\$5.66	\$5.80	\$5.94
Gross Revenue (000)		\$3	\$3	\$3	\$3	\$3
Less: Parking Expenses	10.0%	0	0	0	0	0
Net Parking Revenue (000)		\$3	\$3	\$3	\$3	\$3
Less: Distribution to Other	0.0%	0	0	0	0	0
Parking Revenue to MPEC (000)		\$3	\$3	\$3	\$3	\$3

(1) - Assumes weighted average for general seating, premium seating and catered food and beverage sales.

Table 22
ASSUMPTIONS - TOTAL EVENTS
BASE CASE SCENARIO - PROPOSED IDAHO FALLS MPEC

	Sensitivity Factor	Year				
		1	2	3	4	5
Anchor Tenants						
Hockey	1.00	36	36	36	36	36
Total Anchor Tenants		36	36	36	36	36
Concerts						
Major	1.00	7	5	6	7	6
Minor	1.00	5	4	5	6	5
Performing Arts / Theater	1.00	0	1	0	0	1
Total Concets		12	10	11	13	12
Family Shows						
Wrestling	1.00	2	2	2	2	2
Circus	1.00	4	4	6	6	5
Ice Shows	1.00	2	2	2	2	2
Thrill	1.00	2	1	2	2	2
Children	1.00	4	4	5	5	4
Total Family Show Events		14	13	17	17	15
Other Sports						
Major Ice	1.00	2	2	1	2	2
Motor Sports	1.00	2	2	3	2	3
Boxing	1.00	2	2	2	2	2
Rodeo / Equestrian	1.00	5	6	5	6	5
Miscellaneous (HS Basketball, HS Hockey)	1.00	5	7	5	2	4
Total College Sporting Events		16	19	16	14	16
Trade Shows						
Trade/Exhibits	1.00	10	10	10	10	10
Religious/Cultural	1.00	2	2	2	2	2
Total Trade Show Events		12	12	12	12	12
TOTAL EVENTS		90	90	92	92	91

Table 23
ASSUMPTIONS - AVERAGE TICKET PRICE - (General Seating)
BASE CASE SCENARIO - PROPOSED IDAHO FALLS MPEC

		Year				
		1	2	3	4	5
Anchor Tenants	Sensitivity					
	Factor					
Hockey	1.00	\$16.15	\$16.56	\$16.97	\$17.40	\$17.83
Concerts						
Major	1.00	\$43.08	\$44.15	\$45.26	\$46.39	\$47.55
Minor	1.00	\$32.31	\$33.11	\$33.94	\$34.79	\$35.66
Performing Arts / Theater	1.00	\$10.77	\$11.04	\$11.31	\$11.60	\$11.89
Family Shows						
Wrestling	1.00	\$26.92	\$27.60	\$28.29	\$28.99	\$29.72
Circus	1.00	\$21.54	\$22.08	\$22.63	\$23.19	\$23.77
Ice Shows	1.00	\$24.23	\$24.84	\$25.46	\$26.09	\$26.75
Thrill	1.00	\$10.77	\$11.04	\$11.31	\$11.60	\$11.89
Children	1.00	\$16.15	\$16.56	\$16.97	\$17.40	\$17.83
Other Sports						
Major Ice	1.00	\$37.69	\$38.63	\$39.60	\$40.59	\$41.60
Motor Sports	1.00	\$21.54	\$22.08	\$22.63	\$23.19	\$23.77
Boxing	1.00	\$26.92	\$27.60	\$28.29	\$28.99	\$29.72
Rodeo / Equestrian	1.00	\$21.54	\$22.08	\$22.63	\$23.19	\$23.77
Miscellaneous (HS Basketball, HS Hockey)	1.00	\$5.38	\$5.52	\$5.66	\$5.80	\$5.94
Trade Show Related						
Trade/Exhibits	1.00	\$5.38	\$5.52	\$5.66	\$5.80	\$5.94
Religious/Cultural	1.00	\$2.69	\$2.76	\$2.83	\$2.90	\$2.97

Table 24
ASSUMPTIONS - AVERAGE TICKET PRICE - (Premium Seating)
BASE CASE SCENARIO - PROPOSED IDAHO FALLS MPEC

	Year				
	1	2	3	4	5
Anchor Tenants					
Hockey	\$20.19	\$20.70	\$21.21	\$21.74	\$22.29
Concerts					
Major	\$53.84	\$55.19	\$56.57	\$57.98	\$59.43
Minor	\$40.38	\$41.39	\$42.43	\$43.49	\$44.58
Performing Arts / Theater	\$13.46	\$13.80	\$14.14	\$14.50	\$14.86
Family Shows					
Wrestling	\$33.65	\$34.49	\$35.36	\$36.24	\$37.15
Circus	\$26.92	\$27.60	\$28.29	\$28.99	\$29.72
Ice Shows	\$30.29	\$31.04	\$31.82	\$32.62	\$33.43
Thrill	\$13.46	\$13.80	\$14.14	\$14.50	\$14.86
Children	\$20.19	\$20.70	\$21.21	\$21.74	\$22.29
Other Sports					
Major Ice	\$47.11	\$48.29	\$49.50	\$50.74	\$52.01
Motor Sports	\$26.92	\$27.60	\$28.29	\$28.99	\$29.72
Boxing	\$33.65	\$34.49	\$35.36	\$36.24	\$37.15
Rodeo / Equestrian	\$26.92	\$27.60	\$28.29	\$28.99	\$29.72
Miscellaneous (HS Basketball, HS Hockey)	\$6.73	\$6.90	\$7.07	\$7.25	\$7.43
Trade Show					
Trade/Exhibits	\$5.38	\$5.52	\$5.66	\$5.80	\$5.94
Religious/Cultural	\$2.69	\$2.76	\$2.83	\$2.90	\$2.97

Table 25
ASSUMPTIONS - AVERAGE PAID ATTENDANCE (000) - (General Seating)
BASE CASE SCENARIO - PROPOSED IDAHO FALLS MPEC

		Year				
		1	2	3	4	5
Anchor Tenants	Sensitivity					
	Factor					
Hockey	1.00	3.2	3.1	3.0	2.8	2.8
Concerts						
Major	1.00	4.0	4.0	4.0	4.0	4.0
Minor	1.00	2.9	2.9	2.9	2.9	2.9
Performing Arts / Theater	1.00	1.5	1.5	1.5	1.5	1.5
Family Shows						
Wrestling	1.00	3.6	3.6	3.6	3.6	3.6
Circus	1.00	2.3	2.3	2.3	2.3	2.3
Ice Shows	1.00	3.3	3.3	3.3	3.3	3.3
Thrill	1.00	1.3	1.3	1.3	1.3	1.3
Children	1.00	2.0	2.0	2.0	2.0	2.0
Other Sports						
Major Ice	1.00	3.3	3.3	3.3	3.3	3.3
Motor Sports	1.00	2.4	2.4	2.4	2.4	2.4
Boxing	1.00	3.0	3.0	3.0	3.0	3.0
Rodeo / Equestrian	1.00	2.6	2.6	2.6	2.6	2.6
Miscellaneous (HS Basketball, HS Hockey)	1.00	0.8	0.8	0.8	0.8	0.8
Trade Shows						
Trade/Exhibits	1.00	1.0	1.0	1.0	1.0	1.0
Religious/Cultural	1.00	0.8	0.8	0.8	0.8	0.8

Table 26
ASSUMPTIONS - TOTAL PAID ATTENDANCE (000)
BASE CASE SCENARIO - PROPOSED IDAHO FALLS MPEC

	Year				
	1	2	3	4	5
Anchor Tenants					
Hockey	128.6	125.8	120.2	114.8	114.8
Total Anchor Tenants	128.6	125.8	120.2	114.8	114.8
Concerts					
Major	31.0	22.1	26.5	31.0	26.5
Minor	16.6	13.3	16.6	19.9	16.6
Performing Arts / Theater	0.0	1.7	0.0	0.0	1.7
Total Concert Events	47.6	37.1	43.2	50.9	44.9
Family Shows					
Wrestling	7.9	7.9	7.9	7.9	7.9
Circus	10.6	10.6	15.9	15.9	13.2
Ice Shows	7.3	7.3	7.3	7.3	7.3
Thrill	3.3	1.6	3.3	3.3	3.3
Children	9.4	9.4	11.7	11.7	9.4
Total Family Shows	38.4	36.8	46.1	46.1	41.1
Other Sports					
Major Ice	7.4	7.4	3.7	7.4	7.4
Motor Sports	5.6	5.6	8.5	5.6	8.5
Boxing	6.4	6.4	6.4	6.4	6.4
Rodeo / Equestrian	14.1	16.9	14.1	16.9	14.1
Miscellaneous (HS Basketball, HS Hockey)	5.1	7.1	5.1	2.0	4.0
Total Other Sports	38.6	43.5	37.7	38.4	40.4
Trade Shows					
Trade/Exhibits	10.0	10.0	10.0	10.0	10.0
Religious/Cultural	1.6	1.6	1.6	1.6	1.6
Total Trade Shows	11.6	11.6	11.6	11.6	11.6
TOTAL PAID ATTENDANCE	264.9	254.7	258.7	261.8	252.8

Table 27
ASSUMPTIONS - PER CAPITA EXPENDITURES - (1)
CONCESSIONS - FOOD AND BEVERAGE
BASE CASE SCENARIO - PROPOSED IDAHO FALLS MPEC

		Year				
		1	2	3	4	5
Anchor Tenants	Sensitivity					
	Factor					
Hockey	1.00	\$6.46	\$6.62	\$6.79	\$6.96	\$7.13
Concerts						
Major	1.00	\$9.69	\$9.93	\$10.18	\$10.44	\$10.70
Minor	1.00	\$8.08	\$8.28	\$8.49	\$8.70	\$8.92
Performing Arts / Theater	1.00	\$8.08	\$8.28	\$8.49	\$8.70	\$8.92
Family Shows						
Wrestling	1.00	\$5.38	\$5.52	\$5.66	\$5.80	\$5.94
Circus	1.00	\$4.85	\$4.97	\$5.09	\$5.22	\$5.35
Ice Shows	1.00	\$4.31	\$4.42	\$4.53	\$4.64	\$4.75
Thrill	1.00	\$4.31	\$4.42	\$4.53	\$4.64	\$4.75
Children	1.00	\$3.77	\$3.86	\$3.96	\$4.06	\$4.16
Other Sports						
Major Ice	1.00	\$7.54	\$7.73	\$7.92	\$8.12	\$8.32
Motor Sports	1.00	\$7.54	\$7.73	\$7.92	\$8.12	\$8.32
Boxing	1.00	\$7.54	\$7.73	\$7.92	\$8.12	\$8.32
Rodeo / Equestrian	1.00	\$6.46	\$6.62	\$6.79	\$6.96	\$7.13
Miscellaneous (HS Basketball, HS Hockey)	1.00	\$4.31	\$4.42	\$4.53	\$4.64	\$4.75
Trade Shows						
Trade/Exhibits	1.00	\$5.38	\$5.52	\$5.66	\$5.80	\$5.94
Religious/Cultural	1.00	\$4.31	\$4.42	\$4.53	\$4.64	\$4.75

(1) - Reflects weighted average for general seating, premium seating and catered food and beverage sales.

Table 28
ASSUMPTIONS - PER CAPITA EXPENDITURES - (1)
NOVELTIES
BASE CASE SCENARIO - PROPOSED IDAHO FALLS MPEC

	Sensitivity Factor	Year				
		1	2	3	4	5
Anchor Tenants						
Hockey	1.00	\$1.35	\$1.38	\$1.41	\$1.45	\$1.49
Concerts						
Major	1.00	\$4.31	\$4.42	\$4.53	\$4.64	\$4.75
Minor	1.00	\$4.31	\$4.42	\$4.53	\$4.64	\$4.75
Performing Arts / Theater	1.00	\$2.15	\$2.21	\$2.26	\$2.32	\$2.38
Family Shows						
Wrestling	1.00	\$2.15	\$2.21	\$2.26	\$2.32	\$2.38
Circus	1.00	\$2.15	\$2.21	\$2.26	\$2.32	\$2.38
Ice Shows	1.00	\$2.15	\$2.21	\$2.26	\$2.32	\$2.38
Thrill	1.00	\$2.15	\$2.21	\$2.26	\$2.32	\$2.38
Children	1.00	\$2.15	\$2.21	\$2.26	\$2.32	\$2.38
Other Sports						
Major Ice	1.00	\$2.15	\$2.21	\$2.26	\$2.32	\$2.38
Motor Sports	1.00	\$2.15	\$2.21	\$2.26	\$2.32	\$2.38
Boxing	1.00	\$1.35	\$1.38	\$1.41	\$1.45	\$1.49
Rodeo / Equestrian	1.00	\$1.62	\$1.66	\$1.70	\$1.74	\$1.78
Miscellaneous (HS Basketball, HS Hockey)	1.00	\$1.62	\$1.66	\$1.70	\$1.74	\$1.78
Trade Shows						
Trade/Exhibits	1.00	\$0.54	\$0.55	\$0.57	\$0.58	\$0.59
Religious/Cultural	1.00	\$1.62	\$1.66	\$1.70	\$1.74	\$1.78

(1) - MPEC may receive portion of novelty sales. Figure is expected to be minimal and is not included in this cash flow model.

Table 29
ASSUMPTIONS - PARKING RATE PER CAR
BASE CASE SCENARIO - PROPOSED IDAHO FALLS MPEC

		Year				
		1	2	3	4	5
Anchor Tenants	Sensitivity					
	Factor					
Hockey	1.00	\$5.38	\$5.52	\$5.66	\$5.80	\$5.94
Concerts						
Major	1.00	\$5.38	\$5.52	\$5.66	\$5.80	\$5.94
Minor	1.00	\$5.38	\$5.52	\$5.66	\$5.80	\$5.94
Performing Arts / Theater	1.00	\$5.38	\$5.52	\$5.66	\$5.80	\$5.94
Family Shows						
Wrestling	1.00	\$5.38	\$5.52	\$5.66	\$5.80	\$5.94
Circus	1.00	\$5.38	\$5.52	\$5.66	\$5.80	\$5.94
Ice Shows	1.00	\$5.38	\$5.52	\$5.66	\$5.80	\$5.94
Thrill	1.00	\$5.38	\$5.52	\$5.66	\$5.80	\$5.94
Children	1.00	\$5.38	\$5.52	\$5.66	\$5.80	\$5.94
Other Sports						
Major Ice	1.00	\$5.38	\$5.52	\$5.66	\$5.80	\$5.94
Motor Sports	1.00	\$5.38	\$5.52	\$5.66	\$5.80	\$5.94
Boxing	1.00	\$5.38	\$5.52	\$5.66	\$5.80	\$5.94
Rodeo / Equestrian	1.00	\$5.38	\$5.52	\$5.66	\$5.80	\$5.94
Miscellaneous (HS Basketball, HS Hockey)	1.00	\$5.38	\$5.52	\$5.66	\$5.80	\$5.94
Trade Shows						
Trade/Exhibits	1.00	\$5.38	\$5.52	\$5.66	\$5.80	\$5.94
Religious/Cultural	1.00	\$5.38	\$5.52	\$5.66	\$5.80	\$5.94



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ECONOMIC IMPACT ANALYSIS
BASE CASE SCENARIO - PROPOSED IDAHO FALLS MPEC

Table 30
 Direct Operating Expenditures (000)
 BASE CASE SCENARIO - PROPOSED IDAHO FALLS MPEC

<u>Facility Operations</u>					
Item	Gross Expense	Wages	Other	FTE Employees <i>On-site</i>	<i>Off-Site</i>
Direct Employees	\$1,055	\$812	\$244	26	-
Utilities, Supplies & Equipment					
Utilities	\$506	\$0	\$506	-	-
Supplies & Equipment	\$429	\$129	\$301	6	14
Subtotal Utilities/Supplies & Equipment	\$935	\$129	\$806	6	14
Other Admin, Sales and G & A	\$340	\$255	\$85	-	10
Total Facility Operations	\$2,331	\$1,196	\$1,135	32	24
<u>Other Event Operations</u>					
Item	Gross Expense	Wages	Other	FTE Employees <i>On-site</i>	<i>Off-Site</i>
Event Related Employees	\$283	\$283	\$0	21	-
Concessions	\$1,011	\$334	\$677	19	-
Merchandise	\$446	\$223	\$223	9	-
Total Event Related Operations	\$1,740	\$840	\$900	49	-
TOTAL OPERATIONS	\$4,071	\$2,035	\$2,035	81	24

Source: Economics Research Associates, Bureau of Economic Analysis RIMS II Multipliers

Table 31
Off Site Expenditure (Visitor and Resident Attendees)
BASE CASE SCENARIO - PROPOSED IDAHO FALLS MPEC

Annual Attendance =		262,000	
<u>Visitor Origin Estimates:</u>			
New Overnights to Bonneville County =	8%	20,960	
Resident Market =	92%	241,040	
Net New Off-Site Overnight Visitor Expenditures in Bonneville County:			
Item	Per Day Factor	Visitor Nights ¹	Total (000)
Eating and Drinking ²	\$12.00	20,960	\$252
Transportation (Gas, Transit) ³	2.50	20,960	\$52
Lodging ⁴	33.33	14,043	\$468
Other Retail ²	1.80	20,960	\$38
Total			\$810
Net New Off-Site Day Trip Visitor Expenditures in Bonneville County:			
Item	Per Day Factor	Visitor Days	Total (000)
Eating and Drinking ⁵	\$4.00	241,040	\$964
Transportation (Gas, Transit) ⁶	0.50	241,040	\$121
Lodging ⁷	-	-	\$0
Other Retail ⁶	0.60	241,040	\$145
Total			\$1,229
Total New Off-Site Expenditures in Bonneville County			\$2,039

Notes:

¹ Average Visitor Length of Stay attributable to MPEC estimated at 1.0 night

² Applied to all New Overnight Visitors

³ Applied to all New Overnight Visitors

⁴ Applied to 67% of New Overnight Visitors

⁵ Applied to all Resident attendees

⁶ Applied to all Resident attendees

⁷ Applied to 0% of Resident attendees

Source: Idaho Falls CVB and Economics Research Associates



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Table 32
Initial and Adjusted Regional Purchases by Industry (000)
BASE CASE SCENARIO - PROPOSED IDAHO FALLS MPEC

Item ¹	Industry Type ²	Total Purchases ³	% in the County ⁴	Adjusted Purchases in the County ⁵
NON WAGE EXPENDITURES				
<u>Facility Operations</u>				
Utilities	Utilities (Gas/Electric)	\$506	60%	\$304
Maintenance	Facilities support services	301	70%	210
Other Admin. Sales/G&A	Promoters of performing arts, and sports and agents for public figures	85	65%	55
<i>Subtotal (Facility Operations)</i>		<i>\$891</i>		<i>\$569</i>
<u>Other Event Operations</u>				
<u>Concessions</u>				
<i>Cost Components</i>				
	Food, Beverage, and Tobacco Product Manufacturing	\$406	33%	\$134
	Wholesale Trade (Margins)	169	70%	119
	Truck Transportation	102	50%	51
<i>Subtotal (Concessions)</i>		<i>\$677</i>		<i>\$303</i>
<u>Novelties</u>				
<i>Cost Components</i>				
	Apparel, leather, and allied product manufacturing	\$134	33%	\$44
	Wholesale Trade (Margins)	56	70%	39
	Truck Transportation	33	50%	17
<i>Subtotal (Merchandise)</i>		<i>\$223</i>		<i>\$100</i>
<i>Subtotal (Event operations)</i>		<i>\$900</i>		<i>\$403</i>
WAGES TO HOUSEHOLDS⁶				
Facility Operations	Households	\$1,196	70%	\$837
Other Event Operations	Households	840	70%	588
<i>Subtotal (Wages to households)</i>		<i>\$2,035</i>		<i>\$1,425</i>
<i>TOTAL INITIAL INPUT FROM FACILITY OPERATIONS</i>		<i>\$3,827</i>		<i>\$2,397</i>

Table 32
Initial and Adjusted Regional Purchases by Industry (000)
BASE CASE SCENARIO - PROPOSED IDAHO FALLS MPEC
(Cont'd)

(Cont'd)

Item ¹	Industry Type ²	Total Purchases ³	% in the County ⁴	Adjusted Purchases in the County ⁵
<u>OFF SITE VISITOR & RESIDENT EXPENDITURES⁷</u>				
Eating and Drinking	Food Services and Drinking Places	\$1,216	75%	\$912
Transportation	Transit and Ground Passenger Transportation	173	75%	130
Lodging	Accommodation	468	75%	351
Other Retail	Retail Trade	182	75%	137
<i>Subtotal (Off site visitor & resident expenditures)</i>		<i>\$2,039</i>		<i>\$1,529</i>

Notes:

¹Expense items from Table 1 and Table 2

²Industry classification as per RIMS II Model

³Total purchases from Table 1 and Table 2 (first round of spending)

⁴Share of purchases in Bonneville County with estimated adjustments for producers price conversions as necessary

⁵Adjusted regional purchases

⁶Estimated that 70% of household expenditures occur in Bonneville County

⁷These items are considered to be gross inputs

Source: Economics Research Associates, Bureau of Economic Analysis RIMS II Multipliers

Table 33
Impacts to Bonneville County
BASE CASE SCENARIO - PROPOSED IDAHO FALLS MPEC

Industry Type	Purchases in the County	RIMS II Multiplier for Final Demand			Impact		
	(000s)	Output ¹	Earnings ²	Employment ³	Output (000s)	Earnings (000s)	Employment (FTE Jobs)
NON WAGE EXPENDITURES							
<u>Facility Operations</u>							
Utilities (Gas/Electric)	\$304	1.1682	0.1251	2.3851	\$355	\$38	0.7
Facilities support services	210	1.3566	0.3440	14.2329	285	72	3.0
Promoters of performing arts, and sports and agents for public figures	55	1.6792	0.5329	27.1894	93	29	1.5
Subtotal (Facility Operations)	\$569				\$733	\$140	5.2
<u>Other Event Operations</u>							
<i>Concessions Cost Components</i>							
Food, Beverage, and Tobacco Product Manufacturing	\$134	1.8124	0.2131	6.9146	\$243	\$29	0.9
Wholesale Trade (Margins)	119	1.4665	0.3802	10.1024	174	45	1.2
Truck Transportation	51	1.6071	0.3417	10.6748	82	17	0.5
Subtotal (Concessions)	\$303				\$499	\$91	2.7
<i>Merchandise Cost Components</i>							
Apparel, leather, and allied product manufacturing	\$44	1.4616	0.3338	11.1776	\$65	\$15	0.5
Wholesale Trade (Margins)	39	1.4665	0.3802	10.1024	57	15	0.4
Truck Transportation	17	1.6071	0.3417	10.6748	27	6	0.2
Subtotal (Merchandise)	\$100				\$149	\$35	1.1
Subtotal (Event operations)	\$403				\$647	\$126	3.7
Subtotal (Wages to households)	\$1,425	0.8308	0.1954	7.6617	\$1,184	\$278	10.9
IMPACT FROM ALL ON SITE OPERATIONS					\$2,564	\$545	20



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Table 33
Impacts to Bonneville County
BASE CASE SCENARIO - PROPOSED IDAHO FALLS MPEC
(Cont'd)

(Cont'd)

Industry Type	Purchases in the County	RIMS II Multiplier for Final Demand			Impact		
	(000s)	Output ¹	Earnings ²	Employment ³	Output (000s)	Earnings (000s)	Employment (FTE Jobs)
<u>OFF SITE VISITOR & RESIDENT EXPENDITURES</u>							
Food Services and Drinking Places	\$912	1.6095	0.4514	33.8116	\$1,467	\$412	30.8
Transit and Ground Passenger Transportation	130	1.5927	0.4833	30.3711	207	63	3.9
Accommodation	351	1.4342	0.3655	20.4042	504	128	7.2
Retail Trade	137	1.4585	0.3683	15.7442	199	50	2.2
IMPACT FROM OFF SITE VISITOR & RESIDENT EXPENDITURES					\$2,377	\$653	44
SUBTOTAL INDIRECT AND INDUCED IMPACT TO BONNEVILLE COUNTY					\$4,941	\$1,197	64
PLUS: INITIAL CHANGE (Facility operations only) ⁴					\$4,071	\$2,035	104
TOTAL IMPACT TO BONNEVILLE COUNTY					\$9,012	\$3,233	168

Notes:

¹Measures the total dollar change in output in all industries resulting from a \$1 change in output delivered by the specific industry

²Measures total dollar change in terms of earnings resulting from \$1 change in output delivered by the specific industry

³Measures the total change in number of jobs resulting from a \$1 million change in output delivered by the specific industry

⁴Since visitor expenditures are considered in gross terms (without producer's price adjustments) they are not included to avoid double counting

Source: Economics Research Associates, Bureau of Economic Analysis RIMS II Multipliers

Table 34
Estimated One-Time Project Construction Impact to Bonneville County (000)
BASE CASE SCENARIO - PROPOSED IDAHO FALLS MPEC

Industry Type	Purchases in the County	RIMS II Multiplier for Final Demand			Impact		
	(000s)	Output ¹	Earnings ²	Employment ³	Output	Earnings	Employment
<u>Economic Impact - Construction</u>							
Direct Impact							
Construction Value (MPEC)	\$45,000	1.6512	0.4522	14.6336	\$74,304	\$20,349	659
Total Construction Value¹	\$45,000				\$74,304	\$20,349	659
Indirect/Induced Impact							
Net Multiplier ²	0.6512						
Indirect/Induced Impact	\$29,304						
Total Economic Impact	\$74,304						
<u>Employment Impact - Construction³</u>							
Direct Impact							
Payroll ⁴	\$15,750	% of Total Spending Impact		35.0%			
Estimated Employment ⁵	485	FTE average income (000)		\$32			
Indirect/Induced Impact							
Payroll ⁴	\$4,599						
Estimated Employment ⁵	173						
Total Employment Impact - Construction							
Payroll ⁴	\$20,349						
Estimated Employment ⁵	659						

¹Total Project Costs (Pre-Development, Hard Construction, Site Improvements, and Furnishings and Equipment)

²Net multiplier for Bonneville County, USBEA RIMSII

³Included in the total one-time economic impact calculation as shown above.

⁴Estimated at 35% of total spending impact.

⁵Calculated at Full-Time Equivalent (FTE) average income of approximately \$32,460 per job per year.

Source: Economics Research Associates, Bureau of Economic Analysis RIMS II Multipliers