



600 NE Grand Ave.  
Portland, OR 97232-2736

## Council work session agenda

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Tuesday, June 25, 2024

10:30 AM

Portland Expo Center, Room D201. 2060

Marine Dr W, Portland, OR 97217

<https://zoom.us/j/615079992> Webinar ID:

615 079 992 or 888-475-4499 (toll free)

[https://www.youtube.com/live/8CLK\\_2Zlwb](https://www.youtube.com/live/8CLK_2Zlwb)

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### Joint MERC and Council Work Session

This meeting will be held electronically and in person at the Portland Expo Center.

You can join the meeting on your computer or other device by using this link:

<https://zoom.us/j/615079992> Webinar ID: 615 079 992 or 888-475-4499 (toll free)

#### 10:30 Call to Order and Roll Call

#### 10:35 Work Session Topics:

10:35 Expo Future: Sports Feasibility Study Findings

[24-6083](#)

Presenter(s): Paul Slyman (he/him) GM Special Projects, Metro  
Stephanie Redman (she/her), Project Manager, Metro  
Rob Hunden (he/him) Hunden Partners President and CEO  
Shawn Gustafson (he/him) Hunden Partners Project  
Manager

Attachments: [Staff Report - Expo Future Sports Feasibility-062524 Work Session.](#)  
[ATTACHMENT A-ExpoFutureStaffReport-062524 worksession](#)  
[ATTACHMENT B-ExpoFutureStaffReport-062524](#)  
[ATTACHMENT C-ExpoFutureStaffReport-062524](#)  
[ATTACHMENT D-Draft-EF-SportFeasibilityStudyExecSummary-06062](#)

#### 12:20 Chief Operating Officer Communication

#### 12:25 Councilor Communication

#### 12:30 Adjourn

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ការគោរពសិទ្ធិពលរដ្ឋរបស់ ។ សំរាប់ព័ត៌មានអំពីកម្មវិធីសិទ្ធិពលរដ្ឋរបស់ Metro ឬដើម្បីទទួលបានការប្រឹក្សាស្តីពីរើសអើងសូមទូរស័ព្ទទៅលេខ 503-797-1700 ។ [www.oregonmetro.gov/civilrights](http://www.oregonmetro.gov/civilrights) ។ បើលោកអ្នកត្រូវការអ្នកបកប្រែភាសានៅពេលអង្គប្រជុំសាធារណៈ សូមទូរស័ព្ទមកលេខ 503-797-1700 (ម៉ោង 8 ព្រឹកដល់ម៉ោង 5 ល្ងាច ថ្ងៃធ្វើការ) ប្រាំពីរថ្ងៃ ថ្ងៃធ្វើការ មុនថ្ងៃប្រជុំដើម្បីអាចឲ្យគេបកប្រែភាសាមកសំរាប់លោកអ្នក ។

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**Expo Future: Sports Feasibility Study**  
**Findings**  
*Presentations*

Metro Council Work Session  
Tuesday, June 25th, 2024

## EXPO FUTURE PROJECT: SPORTS FEASIBILITY STUDY FINDINGS

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Date: June 6, 2024  
Department: Chief Operating Officer  
Meeting Date: June 25, 2024  
Prepared by: Paul Slyman, Stephanie Redman

Presenter(s):  
Paul Slyman, he/him, GM of Major projects  
Stephanie Redman, she/they, Expo Future Project Manager  
Rob Hunden, he/him, Hunden Partners President  
Shawn Gustafson, he/him, Hunden Partners Project Manager  
Marissa Madrigal, she/her/ella, COO  
Length: 110 minutes

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### ISSUE STATEMENT

In 2000, 2003, 2011, 2014, and in the years following, Metro Council and the Metropolitan Exposition and Recreation Commission (MERC) studied the long-term sustainability of the Portland Expo Center (“Expo”). Under the current business model, long-term prospects of Expo are challenging due to the large-scale capital needs of Halls A, B, and C and the routine maintenance of the newer buildings and campus infrastructure. Recognizing there is no identified funding source to meet these needs over time, Metro and MERC commissioned a series of activities in late 2019 to determine the highest, best use for the site that brings about financial sustainability. This launched the Development Opportunity Study (DOS) and a Request for Expressions of Interest (RFEI), also known as Phase 1 of the Expo Future project.

In February 2023 at the conclusion of Phase 1 of the project, Council and MERC unanimously supported clear direction for Expo Future, with two overarching objectives proposed by Metro’s Chief Operating Officer:

Objective 1: Metro will recognize Expo Center’s Hall A as a site of national historical significance and meaningfully memorialize the site’s history of forced displacement during World War II and the Vanport Floods, as well as the site’s pre-colonial history and importance to Indigenous Peoples.

Objective 2: Leveraging Oregon’s status as an international powerhouse in the sport and outdoor industry, Metro will pivot Expo’s future redevelopment as a community-centric destination venue that prioritizes amateur, professional, and recreational sports.

In addition, Council and MERC instructed Metro’s Chief Operating Officer to initiate the next phase of the Expo Future project: the due diligence necessary to determine if the project’s objectives will result in a business, redevelopment, and capital investment plan(s) that realizes the highest and best public use of the site and achieves financial sustainability for Expo. **Without further action or investment, Expo will continue to operate without a long-term plan for addressing the long-term capital needs of buildings, infrastructure, and grounds.**



Since Council and MERC approved the COO's six recommendations for Expo Future (attached) in February of 2023, including Objectives 1 and 2 above, staff have built a broad-based coalition of individuals and organizations that are committed to achieving the vision of Expo Future and guiding Phase 2 of the project. This public-private coalition includes representatives of City of Portland, Multnomah County, Confederated Tribes of Siletz Indians, the urban Indigenous community, the Japanese American community, the Vanport community, sports facilities, business leaders, professional sports teams, amateur sports teams and tournament organizers, economic development organizations, tourism and hospitality professionals, the philanthropic community, Expo clients, historians, private developers, Expo neighbors, and more.

Members of this coalition are organized into three committees. (See attached governance diagram.)

- The 15-member Historical Significance & Memorialization Committee is working to achieve Objective 1.
- The 15-member Sport & Facility Committee is working to achieve Objective 2.
- The 28-member Executive Advisory Committee provides guidance on the overall project and connects project staff to relevant project resources.

An update on the committees' accomplishments since March of 2024 is included as Attachment A.

### **ACTION REQUESTED**

- Awareness of the results of the sports feasibility study
- Response to Policy Questions listed below
- Continued project awareness and support throughout the remaining parts of Phase 2 of the Expo Future project

### **IDENTIFIED POLICY OUTCOMES**

In February 2023, Council and MERC unanimously approved two objectives for Phase 2 of the Expo Future project: meaningful memorialization of the site's history and culture, and pivoting Expo to a sports-centric venue. Project goals for Phase 2 include the following, and work is underway in each of these three areas.

- Work with the communities most impacted by the site to develop a set of recommendations and priorities for Metro's COO on how Expo's future redevelopment should honor the historical and cultural legacy of the site.
- Complete a market and financial feasibility study and other due diligence activities that will help inform Expo's future sports redevelopment priority and focus. This study will recommend revenue streams and complementary site uses that will maximize site potential and increase overall economic impact of Expo (e.g., anchor tenants, complementary developments such as lodging, restaurant, retail, or other amenities).
- Complete broader community and Tribal partner engagement and additional due diligence activities (operator analysis, funding analysis, site concept visioning, etc.) that will result in the integration of project objectives into one or more cohesive site redevelopment and funding plan option(s) that Metro's COO recommends to Metro Council and MERC.

The resulting vision for Expo Future will align with the project's Guiding Principles (see attached), which were adopted by resolution of Metro Council and MERC in the spring of 2022.

The market and financial feasibility study (“feasibility study”) is complete. Destination real estate development consultants Hunden Partners have completed a final draft of the study, which will be presented to a joint meeting of Metro Council and MERC on June 25, 2024.

### **POLICY QUESTION(S)**

- Does Metro Council and MERC affirm its sports pivot directive for Expo Future based on the findings of the sports feasibility study?
- Does Metro Council or MERC request any additional study, information, or data before considering the COO’s recommendations for the Expo Future sports pivot and memorialization of the site’s history and culture at a joint Council/MERC meeting planned for December 2024?

### **POLICY OPTIONS FOR COUNCIL TO CONSIDER**

Metro Council and MERC have requested periodic updates on the status of Phase 2 of the Expo Future Project. During the June 25, 2024 meeting, representatives of Hunden Partners will present the findings of the Expo Future sports feasibility study and respond to Councilors’ and Commissioners’ questions. This presentation will include the following:

- Results of the sports market analysis;
- Four scenarios for sports-oriented redevelopment of the Expo Center, including identification of new facilities;
- Project cost estimates for new facilities; and
- Estimates/projections of usage and attendance, economic impacts, income and operating expenses, return on investment, and community benefits for each of the four scenarios.

While specific policy direction is not requested, Metro Council and MERC’s feedback and inquiry on the findings of the sports feasibility study is welcome. Staff invite Council and MERC to identify additional information or analysis to be performed related to the sports feasibility study.

### **STRATEGIC CONTEXT & FRAMING COUNCIL DISCUSSION**

This project supports the **Council’s fall 2019 direction to find the highest and best public use and long-term financial sustainability of Expo**. After completion of the Expo Center Development Opportunities Study in 2021, MERC and Council directed staff to deprioritize sale of the property and to pursue creative ideas for the property’s use. Following a Request for Expressions of Interest in 2022 and evaluation of eight submittals, Metro Council and MERC issued unanimous support for the COO’s recommendations for the future of Expo in February 2023, marking the conclusion of Phase 1 of the Expo Future project. Early in Phase 2 of the project, Metro Council and MERC affirmed the project governance structure and the COO’s recommended next steps in July of 2023.

Activities in Phase 2 advance the following goals of Metro’s *Strategic Plan to Advance Racial Equity, Diversity and Inclusion*:

- A, convening and supporting regional partners to advance racial equity;
- B, meaningfully engaging communities of color; and

D, creating safe and welcoming services, programs, and destinations.

If or as the project evolves to include construction, business development, and job creation, it also has the potential to meet Goals C and E of the plan:

C, a racially diverse workforce, and  
E, resource allocation that advances racial equity.

At the conclusion of community engagement work and the sports feasibility study, staff will have the information needed to inform Metro Council and MERC about the anticipated effects of recommended memorialization strategies and activities and a pivot to sports-centric uses at Expo. Financial implications – both direct and indirect economic benefit of Expo Future and the costs of realizing recommended memorialization and sport pivot activities – will also be identified and available for Council and MERC’s consideration.

Staff expects to present a vision plan to Metro Council and MERC of the resulting Expo Future recommendations in December of 2024.

## **BACKGROUND**

Metro owns the Portland Expo Center (“Expo”) site – a well-positioned, 53-acre employment and exhibition site at the economic center of the Portland metro region. Under the current business model, the long-term prospects of Expo are challenging due to the large-scale capital needs of Halls A, B, and C and the ongoing routine maintenance of the newer buildings and campus infrastructure. Pre-pandemic, Expo generated approximately \$50M in annual economic impact through 100+ public trade shows and community events.

The site is the largest exhibition space in Oregon, boasting 333,000 square feet of existing building area and over a million square feet of paved parking. Halls A, B, and C have been in operation for more than 100 years. Halls D and E are 23 and 27 years old, respectively. Expo is adjacent to other popular sports assets such as Portland International Raceway and Delta Park, a multi-field outdoor sports complex owned by the City of Portland that hosts various youth and adult sports tournaments throughout the year.

Metro recognizes the site’s pre-colonial history and importance to Indigenous Peoples. This land was previously part of a dynamic and complex network of wetlands and river channels supporting Indigenous people and their ways of life since time immemorial. In addition, given Expo’s hundred-year operational history, many communities and partners in the greater Portland region have unique and important historical and cultural ties to the venue and surrounding area.

Specifically, the nearby Vanport Floods and World War II Internment at the Portland Assembly Center have had lasting impacts on the Black, Indigenous and Japanese American communities. Metro recognizes the past events and injustices that took place on or near the Expo property. Expo staff works with Vanport Mosaic and the Japanese Museum of Oregon to ensure these occurrences are never forgotten.

Throughout the process, Metro has and will continue to engage key stakeholders and partners, including communities with historic and cultural ties and business interests. These include the Black, urban Indigenous and Japanese American communities, several Tribes, and Expo clients and business stakeholders to define Expo Future and refine the project Guiding Principles. The outcome of this

stakeholder and partner engagement was the development of the Guiding Principles adopted by resolution by MERC and Metro Council in April and May of 2022.

The following table outlines the history and relevant actions of this project.

2000	Metro Council Resolution 00-3019 supports submission of a Conditional Use Master Plan to City of Portland. General components include site development plans, transportation and parking, mitigation of Expo development impacts, environmental compatibility, development review, neighborhood communication and coordination, project review procedures for future development, public involvement. Major elements of the Master Plan include replacement and expansion of exhibit halls A, B and C to match the look of Hall E and Hall D (under construction at the time). CUMP is submitted and approved in 2001.
2003	MERC completes study “Expo: A Vision for the Future” with Yost, Grube Hall architects, to replace the outdated facilities of Halls A B C, and East and West Halls with 255,000 square feet of new facilities, including an exhibit hall, meeting rooms, support facilities, landscaping and related improvements to augment Halls D and E.
2011	MERC submitted Expo Center Conditional Use Master Plan, prepared by Shiels Oblatz Johnson, SERA and subcontractors to City of Portland for expansion and replacement of existing exhibition facilities –Halls A, B, and C—with a new exhibition hall similar to Hall D and E, as well as 11 other site developments.
2014	Metro commissioned Hunden Partners to provide an independent assessment of Expo governance and operations, a local competitive market analysis, and the possible impact of a new local headquarters hotel. The scope of work also included an analysis of the existing physical conditions.
2016 - 2019	From 2016 to 2019, a range of options to increase and diversify revenue streams was studied, including long-term tenancies and flexible outdoor space.
Fall 2019	At the direction of Metro Council, the Portland Expo Center Development Opportunity Study (DOS) was launched. The study’s purpose was to identify development options that could complement, support, or replace the current operations at Expo and assess its current value.
2020-2021	Metro engages with the communities and stakeholders most impacted by the site through meetings and listening sessions, and a draft set of community-driven Guiding Principles is formed.
Spring 2021	The DOS report is published, outlining nine scenarios (from logistics to film studios) the site could accommodate. MERC and Metro Council deprioritize the “sell option” and direct staff to create a solicitation process to seek creative ideas and public/private development partners for the site.
Spring 2022	MERC and Metro Council adopt the community-driven Guiding Principles developed during the DOS by resolution as part of their framework for decision-making.
Summer, fall 2022	The Request for Expressions of Interest (RFEI) is launched. Metro receives eight submittals in response to the RFEI process.

Winter 2023	Metro engaged community members, Tribal and other government partners, and staff in the evaluation of RFEI submissions, culminating in the Phase 01: Expo Future RFEI process and findings report.
Spring, summer 2023	Metro Council and MERC unanimously supported the COO's recommendations for the future of Expo and Phase 2 of the Expo Future project began. In summer 2023, Metro Council and MERC endorse the proposed project governance structure and COO's recommended next steps for the project.
Sept. 2023	Expo future Historical Significance & Memorialization Committee, Expo Future Sport & Facility Committee, and Executive Advisory Committee begin working to fulfill their missions.
March 2024	Metro Council and MERC receive a six-month Expo Future progress report from the cochairs of the Sport & Facility and Historical Significance & Memorialization Committees and staff.
June 2024	Results of the Expo Future sports feasibility study are presented to Metro Council and MERC by consultant Hunden Partners.

## ATTACHMENTS

- A. Expo Future committees' significant accomplishments since March 2024
- B. Project Guiding Principles
- C. COO Recommendations from Feb. 28, 2023 Council/MERC meeting
- D. Executive Summary of Expo Future sports feasibility study

- Is legislation required for Council action?  Yes  No
- If yes, is draft legislation attached?  Yes  No
- What other materials are you presenting today?
  - a) PowerPoint presentation
  - b) Hunden Partners' Expo Future sports feasibility study final report

## **ATTACHMENT A**

### **Expo Future committees' significant accomplishments | March to June 2024**

The Historical Significance & Memorialization Committee (HSMC) is working to develop a vision of how to memorialize the history and culture of the Expo Center site, including the stories of Tribes and the urban Indigenous, Japanese American, and Vanport communities who were most impacted by Expo over time. Since March 12, 2024, the committee has:

- Refined the initial community engagement plan and timeline;
- Approved the format and lines of inquiry for community engagement activities;
- Selected engagement locations and participants; and
- Successfully hosted the June 3 storytelling event that further informed Expo Future committee members and Metro leaders about the site's history and impact on Tribes, and the Indigenous, Japanese American, and Vanport communities.

The Sport & Facility Committee (SFC) is helping Metro to develop the overall strategy for pivoting Expo Center to a sports-focused facility. Since March 12, 2024, the committee has:

- Completed a statement of public use for Expo Future that describes the desired balance of sports tourism and generating regional economic impact with opportunities for residents' regular and predictable access;
- Reviewed and commented on the sports feasibility study's preliminary market analysis results;
- Reviewed and commented on the sports feasibility study's four draft use scenarios; and
- Reviewed and commented on the sports feasibility study's draft "business case," including analysis and projections of attendance, visitation/room nights, operating income and expenses, net income, ROI, economic impact, and facility construction cost estimates.

The Executive Advisory Committee guides the overall project and connects project staff to resources and advice. At its March 27, 2024 meeting, the EAC received updates from HSMC and SFC, discussed Expo Future public access and inclusivity statements, and heard an inspirational presentation about the power of sport from Karina LeBlanc, General Manager of the Portland Thorns.

An internal Steering Committee and Project Team advise project staff on day-to-day matters. Since March 12, 2024, with their support and guidance, the project has among other things:

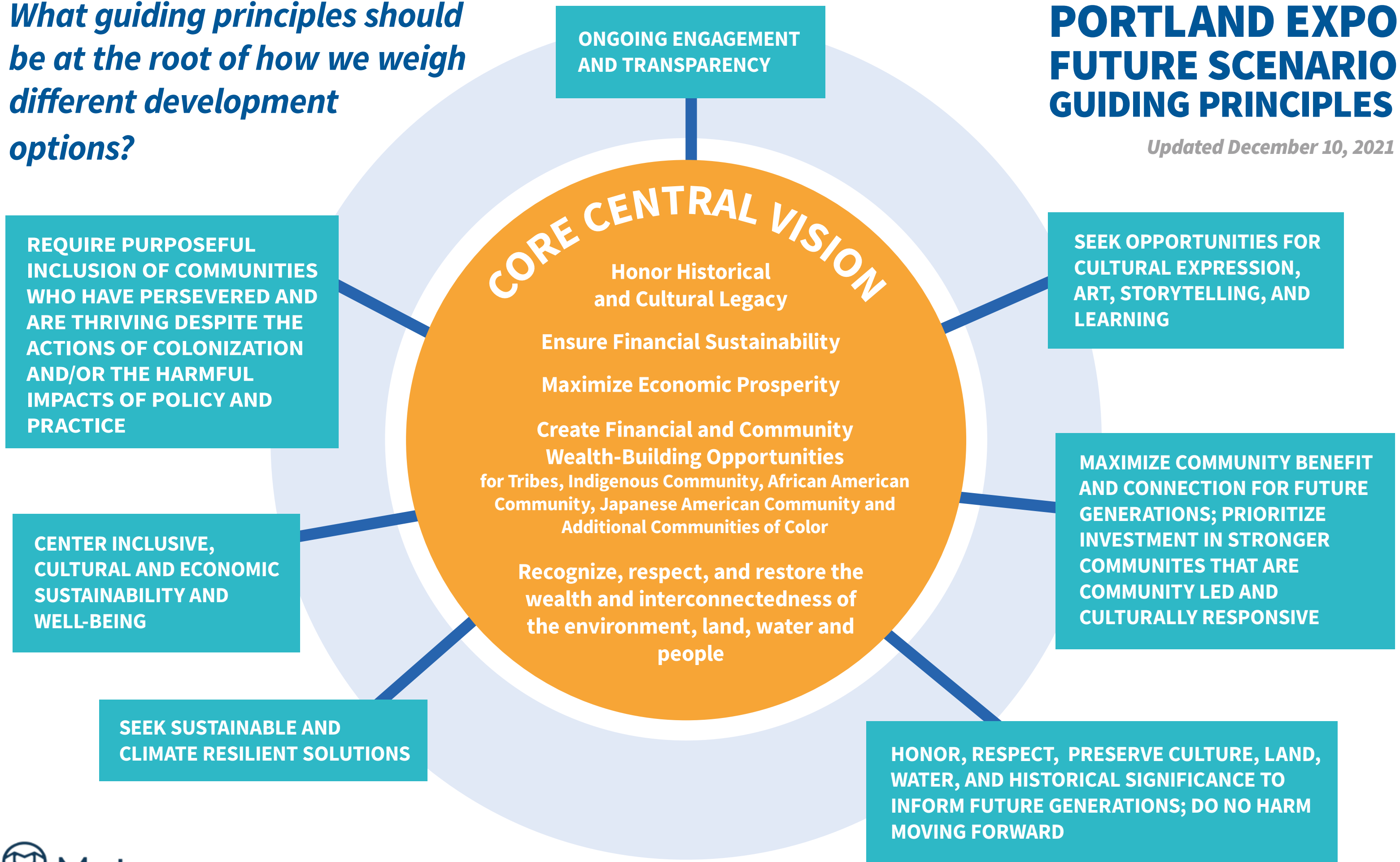
- Continued to update and engage Tribal Governments in the project;
- Launched the Expo Future Funding Task Force – including Metro financial staff, Council and MERC members – to identify funding and financing strategies and partners for the project. Staff anticipate adding external partners following the results of Council and MERC's June 25 Joint Meeting.
- Continued the Expo Future monthly newsletter, which reaches nearly 1,000 individuals and averages 50% to 75% open rates;
- Continued to provide guidance and representation related to Interstate Bridge Replacement plans and potential impacts on the Expo site;
- With guidance from Metro's Planning and Development Department and Office of Metro Attorney, explored processes that will be necessary to address the expired Expo Conditional Use Master Plan, Metro Title 4, and City of Portland processes and timelines related to any potential needed changes to land use zoning for the Expo Center site;
- Procured contracted strategic communications services; and
- Studied sports facilities in Hoover and Birmingham, Alabama and Memphis, Tennessee, each of which is publicly owned and recommended as a study model for Expo Future.

## Attachment B

*What guiding principles should be at the root of how we weigh different development options?*

# PORTLAND EXPO FUTURE SCENARIO GUIDING PRINCIPLES

Updated December 10, 2021





## Metro Chief Operating Officer's Expo Future Project recommended next steps

*Based on the findings of the Phase 01: Expo Future Project RFEI report, Metro's COO is recommending range of actions to pursue as part of Phase 02 of the Expo Future project.*

**Recommendation # 1:** Metro will recognize Expo Center's Hall A as a site of national historic significance and meaningfully memorialize the site's history of forced displacement during World War II and the Vanport Floods, as well as the site's pre-colonial history and importance to Indigenous Peoples.

In doing so, Metro will take the lead in convening Tribal government partners, the Black and Japanese American communities and urban Indigenous community to meaningfully memorialize the cultural significance of the site to our region and country. As part of this, Metro shall investigate support from federal, state, or other partners, including philanthropic partners, for financial or other opportunities for Hall A, specifically, and the land adjacent to the Columbia River.

**Recommendation # 2:** Recognizing Oregon's status as an international powerhouse in the sport and outdoor industry, Metro will take measures to align Expo's future redevelopment as a community-centric destination venue that prioritizes amateur, professional, and recreational sports. Metro will proceed to Phase 02 of the Expo Future project and directs staff to conduct due diligence, which includes –

- Partnering with Sport Oregon and other sports organizations on a market and feasibility study to examine how Expo can best pivot its operations toward a sports facility as a primary market, with other uses such as consumer, live entertainment, and community events as secondary markets.
- Conduct an analysis of the benefits and drawbacks of contracting with a third-party venue operator versus Metro.
- Explore additional revenue generating opportunities for the site.

Depending upon results of the market and feasibility study:

- Work with community partners and stakeholders to align Metro's new vision for the site as a community-centric venue with the project's Guiding Principles.
- Conduct a full capital needs assessment and determine a strategy for the site's future development.
- Develop a funding strategy and business plan to support the approved vision.
- Coordinate with other jurisdictions on activities related to the Expo Future project and identify potential public and private partnership opportunities.
- Conduct additional due diligence activities that support the core central concept's feasibility.

**Recommendation # 3:** COO's office will work with Metro Council President and the Chair of MERC to determine the appropriate governance structure and stakeholders to support the activities of Phase 02.



**Recommendation # 4:** In alignment with the recommendations from the Expo Future Community Partner review committee and the project Steering Committee, Metro shall prioritize the use of locally-owned contractors and vendors for the redevelopment of the site.

**Recommendation # 5:** Expo will continue to operate and book events after June 2024. Booking contracts should propose clear cancellation policies and flexibility to accommodate for redevelopment efforts. Upon identification of a capital improvements timeline, bookings and activities should be adjusted for consistency with redevelopment or other unforeseen impacts.

Where possible, Metro's Visitor Venues General Manager shall align Expo operations with a booking policy and communications strategy that supports the Expo Future Project's timeline and goals. In addition, every effort should be made to pursue the sports event market within the current venue constraints.

**Recommendation #6:** COO's Office shall continue to coordinate with Planning and Development staff working on the Interstate Bridge Replacement (IBR) Program, to identify project needs and ensure coordination between Expo booking and IBR project.



# Expo Future Project Feasibility Study

Draft Report

JUNE 6, 2024







# Table of Contents

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00	Executive Summary
01	Economic and Demographic Analysis
02	Sports Tourism Trends
03	Competitive Market Analysis
04	Comparable Campuses
05	Support Amenities
06	Recommendations
07	Demand & Financial Projections
08	Economic, Employment & Fiscal Impact Analysis
09	Funding Options



00

Executive Summary



# Project Introduction: Expo Future Project Feasibility Study

Hunden Partners was hired by Metro to conduct a comprehensive assessment of the sports tourism market and Portland Expo Center's (Expo) current business model, with the goal of aligning Expo's future redevelopment as a community-centric destination venue that prioritizes amateur, professional, and recreational sports. The Hunden Partners team includes design experts from Perkins & Will, with additional support from Cascadia Partners and Rowe Consulting Group.

This report will assess the current facility and site, identify major areas of opportunity for sports and destination asset developments across various market segments, and provide data-driven recommendations for development uses for both Expo and the surrounding site. Equally important is memorializing Expo as a site of national historic significance given its history of forced displacement during World War II and the Vanport Floods, as well as the site's pre-colonial history and importance to Indigenous Peoples.

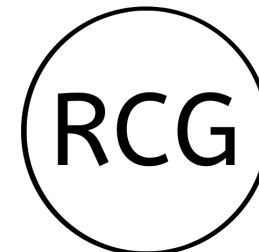
## PROJECT TEAM

The logo for Hunden Partners, featuring the word "hunden" in a light green sans-serif font above the word "partners" in a white sans-serif font, both contained within a dark blue rectangular box.

**hunden  
partners**

The logo for Perkins & Will, consisting of the company name in a bold, black, sans-serif font.

**Perkins&Will**





# Expo Future Sports & Facilities Committee

## *PUBLIC USE STATEMENT*

The Expo Future Sports and Facilities Committee (SFC) recognizes the importance of offering community members reliable venue access while managing sports facilities for competitive events. Accordingly, the SFC supports a design, operations and booking approach that balances sports tourism-derived events with regular public use, whether as part of organized competitions or individually.

In striking this balance, the SFC seeks to create a regionally significant sports competition and tournament venue with its corresponding benefits while ensuring local community members have access to Expo Future's indoor and outdoor facilities, amenities, and activities. The SFC encourages staff and consultants to examine models that successfully merge these objectives and to share best practices with Expo Future committees.

This public use statement applies to the entire Expo campus, including sports-related facilities and uses and other uses such as cultural, historical and community gatherings.

# Study Methodology & Key Questions

## Feasibility Study Process & Project Overview



**Where are you now?**



**How do you stack up?**



**What are the opportunities?**



**How we get there?**

### Current Local & Regional Market Assessment

Hunden analyzed the local and regional sports market for opportunities for the redevelopment of Expo to a sports-centric facility. This includes an analysis of the current market to identify gaps and market opportunities.

Expo is envisioned to be both a community facility and major driver of sports tourism in Portland.

### Market Opportunities Assessment & Future Recommendations

Based on local and regional market research, comparable national case studies, and stakeholder engagement, Hunden formed recommendations for Expo's future.

Hunden worked with Perkins&Will to develop initial site concepts for multiple scenarios for Expo's redevelopment.

### Financial Performance & Impact Projections

Hunden prepared financial and economic, employment and fiscal impact projections for the proposed scenarios.

Perkins&Will also developed rough order-of-magnitude cost estimates to help determine potential funding needs for the Project.

Projections and cost estimates will be included in the next deliverable.

# Overview of Findings

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**This study aims to answer the question of the viability of the redevelopment of Expo as a community-centric destination venue that prioritizes youth travel sports, professional and recreational sports. The discussion below provides an outline of Hunden’s key findings that validate the support of this key objective for Expo’s future based on current supply and demand.**

Currently there is a lack of supply of indoor sports facilities in the Metro area. This is also evident in the Pacific Northwest as a whole when compared to the rest of the country. Sports and entertainment assets in the Metro area and related events held at Expo have shown a strong rebound from the COVID-19 pandemic and have exceeded pre-pandemic visitation in many cases, showing strong demand for sports in the local area. Existing facilities are at capacity and are unable to meet the programming demand needs of local groups. Local leagues ranging from the youth to the professional level do not have the facilities they need to host practices, training, and competitions. There is a strong desire by local groups to have new, larger and competitive facilities with an emphasis on public accessibility and equity. In highest demand are ice and court sports, with the Metro area lacking the number of ice sheets and hard courts that would enable the Metro area to attract and host larger regional or national tournaments that could increase sports tourism and related impacts to the local economy.

**Ice.** The Winterhawks Skating Center, which houses the practice facility for the Portland Winterhawks of the Western Hockey League, currently has to limit public programming despite high demand for ice sports and recreational play. By having an additional two ice sheets and new dedicated Winterhawks practice facility, the Metro area will have the three-sheet supply to be able to host more impactful tournaments.

**Court.** While the Metro area has a number of indoor basketball / volleyball facilities, these facilities max out at six courts, limiting the potential to host larger tournaments that desire a single facility with at least 8-10 courts. With local leagues gaining in participation and demand, new facilities are needed to support public use, while also making the Metro area a stronger proposition for sports tourism. Exploding pickleball demand could also be accommodated at new courts at Expo.

**Field.** The Metro area is deficient in indoor turf fields. Such fields are multi-purpose and can be used for sports such as soccer, lacrosse, and football. The area is already in need of additional outdoor turf fields to support tournaments, but has no indoor facility that can be used by local residents on a year-round basis. The future planned expansion of nearby Delta Park to ten outdoor turf fields along with an additional multi-purpose indoor field at Expo can help support future development of up-and-coming leagues due to demand generated by the Portland Timbers and Thorns. Without the site availability for multiple full-size indoor fields at Expo, it is expected Delta Park will be the primary home for larger regional events. Outdoors is also preferential for soccer including at the professional level

**Track.** Portland is a major corporate hub for for running shoe and apparel brands, but lacks an indoor facility to showcase the track culture established in the area. While there is certainly local demand for an indoor track, regional track events are limited, and highly competitive, as the average drive-time that participants are willing to travel for these tournaments is much higher when compared to court or field sports.



# Overview of Findings, cont'd.

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**Campus.** In order to be a competitive proposition for sports, Expo not only needs the actual sports facilities to accommodate unmet demand, but also the support facilities needed for athletes. This includes fitness, training, and rehab space that could be utilized by participants that could also be expanded to dedicated training facilities needed by a number of professional sports teams. By expanding Expo's reach to the professional level, this can encourage increased engagement and participation, as well as establish potential new funding opportunities for the Project. Expo would also need to cater to the typical visitor. By having strong on-site food and beverage options, a family entertainment center and potential future commercial development, Expo as a campus can create the critical mass to become a new compelling destination in the Metro area. In order for commercial and/or hotel development to be feasible, Expo will need to be a 365-day activated facility driven by both public usage and tournament activity.

**Expo.** Even with the support for Expo to be reimagined as a sports-centric facility, there is a strong existing book of repeat business at Expo. While more historic halls have lower utilization rates and are unable to be repurposed for sports due to height restrictions and lack of air conditioning, the existing newer halls should still be dedicated to uses such as consumer and trade shows, which has and can continue to be a significant revenue source that supports the viability of the overall campus. As the future Expo pivots to sports, remaining halls can also serve as expansion space for national tournaments that require additional courts or support space beyond what would be market supportable for sports-use alone.

# Local Market

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Below are key takeaways from Hunden's analysis of Portland and Expo business.



## Strong Accessibility

- Portland has access to a robust interstate highway network and Expo is located just eight miles from the Portland International Airport.
- Strong accessibility enhances Expo's appeal for sports tourism from regional and national markets.

## Low Population Growth

- Reduced recent population and low projected population growth shows the need for revitalization in Portland.
- Exceptional sports facilities can be an attractive proposition for retaining Portland's resident base and shifting future population growth.

## Opportunity for Increased Utilization

- Expo events and attendance have not yet recovered to pre-pandemic levels, though sports and entertainment demand at Expo has increased.
- Halls ABC have historically had low utilization and are unable to be used for sports, with room for most of the events utilizing these spaces to be absorbed within Halls D and E.

# Sports Market

Below are key takeaways from Hunden’s analysis of the local and regional sports market. A low supply of indoor sports facilities is paired with unmet demand.



## Court Sport

- The local area is lacking the minimum number of connected courts to drive more regional tournaments.
- Currently basketball and cheer generate the highest number of sports-related room nights in Portland, despite the limited supply of courts.

## Ice

- The Winterhawks Skating Center is struggling to meet the rising demand for hockey and other ice sports and is currently at capacity.
- By developing additional ice sheets in the area, Portland would be able to attract more sports tourism for ice and increase local programming.

## Turf

- The local area is also lacking indoor turf fields that could be utilized for multiple sports such as soccer, lacrosse, and football.
- By having a dedicated full-size field, Portland could help meet local turf needs evident at Delta Park and increase year-round play.

## Track

- Despite being a corporate hub for athletic brands, the local area lacks an indoor track facility.
- Such a facility could accommodate local demand, as well as capture regional track events.



# Support Amenities

Below are key takeaways from Hunden's analysis of local retail, medical office, and hotel market.



## On-Site Amenities

- On-site sports-related amenities such as a fitness center, sports medicine partnerships, and classrooms are beneficial to increase utilization and impact of a sports facility.
- A family entertainment center and strong food and beverage offerings can also help with the financial feasibility of a facility while also providing guests additional things to do while visiting.

## Hotel

- Local hotels have yet to recover to pre-pandemic occupancy. Additional ongoing demand drivers are needed to help bolster this performance.
- In order to be successful, regional events need a strong supply of nearby hotels to accommodate visiting teams and guests.
- An on-site hotel or hotels is an attractive amenity for event planners, both in the sports world and for traditional Expo business.

## Retail / Restaurant

- Additional walkable amenities such as restaurants or retail opportunities such as lifestyle, fitness, or entertainment brands help increase the viability and attractiveness of a sports-based facility and are potential opportunities for future development on-site.

# Stakeholder & Market Engagement

Hunden interviewed a variety of local, regional, and national stakeholders including community leaders and local / state organizations, facility operators and teams, and event planners / promoters to better understand the sports and entertainment market in Portland and the broader region as well as to understand community and tourism needs that could be accommodated through new sports facilities and supporting developments at Expo. In addition to individuals that Hunden met with during the in-person kickoff of the study, the following groups were interviewed to help inform the study.

## Local / State Organizations

- City Staff
- Metro Councilors
- MERC Commissioners
- Travel Portland
- Sport Oregon
- Prosper Portland
- Oregon School Activities Foundation
- Oregon Amateur Athletic Union
- Oregon Cheerleading Coaches Association
- Dance & Drill Coaches Association of Oregon
- Kenton Neighborhood Association
- Albina Sports Program
- Adaptive Sports NW
- Portland Track
- Rose City Track Club
- Hoopsource

## Facility Operators / Teams

- Portland Winterhawks
- Portland Trailblazers
- Portland Thorns
- Portland Timbers
- Portland Parks & Recreation
- Rose Quarter
- Tualatin Hills Park & Recreation
- Beaverton Family YMCA
- Wilmington YMCA
- Rose City Futsal
- Sports Facilities Companies
- OVG 360
- The Podium
- Eastern Sports Management
- Monqui Presents

## Expo User Groups

- Columbia Empire Volleyball Association
- O'Laughlin Trade Shows
- Home Building Association of Greater Portland
- Rose City Classic Dog Show
- Eight Seconds Juneteenth Rodeo
- Red Cube
- Portland Auto Swap
- Friends of Baseball

## Support Amenities

- Providence Health
- K10 Hotels
- Holiday Inn Columbia Riverfront
- CoStar
- Oregon Restaurant Lodging Association
- Portland Metro Chamber

# Summary of Interviews

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Throughout Hunden's interviews, there were many themes that arose as it relates to the redevelopment of Expo as a sports-centric facility. A summary of these key highlights are outlined below:

- The City of Portland is at an inflection point with a need for revitalization. Sports can be a huge catalyst for that and is a strong opportunity for development that can enhance the Metro area. Bringing sports to the forefront can be a new way that Portland presents itself as a regional hub for sports, while leveraging the current professional team and sports corporate presence.
- Any redevelopment of Expo should support the community and make sense economically and financially. It will be difficult for a facility with public access to be profitable and will likely require significant public subsidy. Hosting larger tournaments will be key, with private management the best route to take, due to their experience, network and ability to manage and market sports content.
- Sports could bring about a new and sustainable revenue stream for Expo while still maintaining Expo's book of repeat business and events. As one of the best multi-use facilities in the western United States, Expo needs to still be able to host large trade and consumer shows and Expo's current book of business generated by current staff.
- The vision for Expo as a community asset needs to be marketed as such and pricing needs to be able to provide equitable access to actualize that vision. The goal for the redevelopment of Expo would be for it to be a more community-driven center during the week, and a competitive tournament facility on the weekends to make it more sustainable from a financial perspective, while boosting tourism.

# Interviews Summary, cont'd.

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- A lack of facilities leads to a lack of engagement and lost tourism opportunities. The following are facilities that were commonly noted opportunities for the redevelopment of Expo that also aligned with Hunden's analysis of the local and regional sports market.
  - Winterhawks practice facility
  - Second additional ice sheet for expanded local programming with flexibility to be used as additional court space
  - Minimum 8 basketball / 16 volleyball courts to be able to host large regional tournaments with retractable seating for championship court configurations
  - Full-size indoor soccer turf field with divisions and flexibility for other sports (lacrosse and football)
  - Indoor fixed track, though there were mixed opinions on sufficient demand to support this use
  - Support facilities such as fitness / training, sports medicine, meeting / classrooms, sports retail, and sports organization offices
- Expo should be a locally-inspired destination beyond just being a sports facility. Having commercial development on site can encourage extended stays and additional visitor spending. Family entertainment is also needed for visiting families and residents. An on-site family entertainment center can help a public use facility be more financially feasible. Depending on intended audience, additional hotel development may be needed to support Expo's future redevelopment.
- There is currently a gap in the concert / entertainment market for a dedicated flat-floor flexible venue with a capacity of 3,000-4,000, though Live Nation is planning to develop a 3,500-capacity venue in Portland to fill that void. Currently, VMC and Theatre of the Clouds are able to accommodate events ranging from 2,000-7,500 in a fixed-seating environment.
- Adidas and Under Armour could present potential public project sponsorship opportunities for the project. Hospital / medical partnerships and sports medicine space is also a potential opportunity as a support amenity for the facility and/or site.



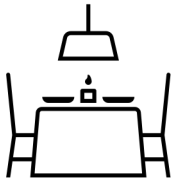
# Recommendations



# Summary



Hunden established four scenarios for the redevelopment of Expo. Given the age and limitations of Halls ABC to be repurposed for sports usage, Hunden recommends that these buildings be replaced with new market-supported indoor sports facilities. The scenarios on the following slides show a range of facilities that could generate more sports tourism versus more local demand. In all scenarios, it is expected these facilities would be accessible to the public, at least on weekdays with the goal of tournaments driving weekend activity.

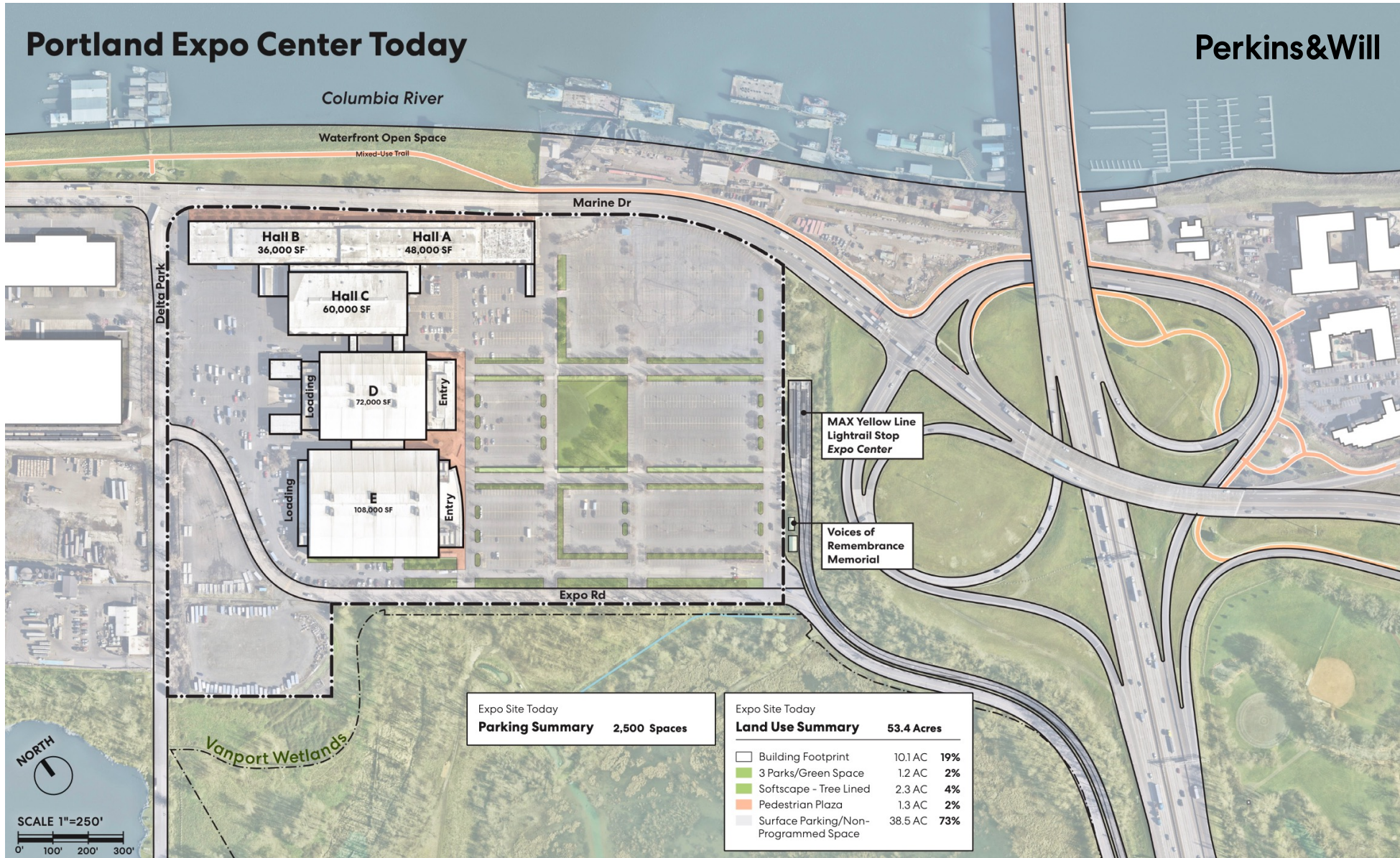


Additional support amenities are also recommended to enhance the offerings available on-site and to increase the viability of the development. Future phases of development could also include additional commercial development on site to support increased regional sports tourism and overnight guests. Hunden does not recommend new hotel development at Expo be pursued until local hotels reach stabilized performance and new Expo programming necessitates new hotel supply.



Given the historical significance of Expo's halls, it is recommended building materials or portions of the structures of any deconstructed buildings be repurposed as part of the new development. One scenario also shows the potential of Hall A to be repurposed as a memorial museum and facility support amenity space. Space for a memorial museum / cultural and healing center will be further defined as engagement with the Historical Significance & Memorialization Committee advances. Strong respect and homage should be shown to Expo's historical significance, revealed through visual and physical story-telling and education both inside and outside the buildings themselves. Thoughtful outdoor and landscape design should be advanced, making everything a visitor to Expo sees or touches be a memorial to Expo's past.

# Current Site





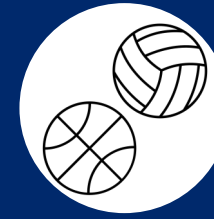
# Scenario 1

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## Max Tournaments & Local Utilization



2 Ice Sheets



9 Basketball /  
18 Volleyball  
Courts



200m  
Track



1 Full-Size  
Turf Field

The first scenario includes the maximum recommended sports facility program, covering all major sports that Hunden’s analysis revealed a market opportunity for including hockey / ice sports, basketball, volleyball, pickleball (27 max courts), track, and field sports. This scenario would put Expo at the highest competitive advantage by addressing the shortfall in indoor sports facilities in the local area while also having the ice / court space needed to accommodate regional and national tournaments.

Also included in this program is the highest amount of recommended support amenities, those directly related to sport, but also significant food, beverage, and entertainment options for Expo guests. In order to increase the appeal and activation of Expo, Phase II commercial development is also recommended, including third-party restaurants and retail, and future hotel development upon stabilization of the current nearby hotel supply.

While this scenario offers the most diversity in terms of indoor sport training and competition options, this scenario will also come at a high cost to develop and high feasibility gap, which will require new public financing mechanisms to help fund the project.

This scenario includes a centrally located museum / cultural and healing center that honors the history and culture of the Expo site. Hunden recommends that the center’s design and function be created with community input and have a strong relationship to the Historical Significance & Memorialization Committee’s developing vision for memorialization. Wherever possible, Hunden recommends this center be constructed from materials that are disassembled from the historic halls and repurposed to build this new facility. Where appropriate, all site features should include historic and culturally important designs.

# Scenario 1

Perkins&Will



## Scenario 1

Max Tournaments & Local Utilization

### Program Summary

- Existing Expo Halls D&E
- Temporary Outdoor Events / Cirque Du Soleil
- Repurpose of Historical Hall Materials

New Sports Facilities (Indoor)		310,440 SF
Community Ice (2 Ice Sheets)	78,000 SF	
Combined Track & Court (9 BB, 18 VB)	98,640 SF	
Indoor Turf - Fieldhouse	133,800 SF	

### On-Site Amenities (Phase 1) 98,420 SF\*

Athletic and Entertainment Center 78,470 SF*	
Fitness/Training	12,000 SF
Sports Medicine	3,000 SF
Meeting Space/Classrooms	6,000 SF
Offices	8,000 SF
Family Entertainment Center	20,000 SF
Food & Beverage (P1 F&B)	10,000 SF

Memorial Museum	
Memorial Museum/Exhibit	15,000 SF

### On-Site Amenities (Phase 2) 138,000 SF

Hotel 1	120-Keys / 54,000 SF
Hotel 2	120-Keys / 54,000 SF
Food & Beverage (P2 F&B)	30,000 SF

\*Subtotal plus Grossing Factor

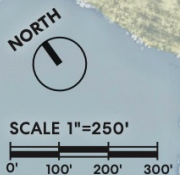
#### Scenario 1 Parking Summary 2,350 Spaces

Surface Pkg	1,410 Spaces
Surface Pkg - Cirque Site	640 Spaces
Structured Parking	300 Spaces

(Ground Level - Under Indoor Turf Facility)

#### Scenario 1 Land Use Summary 53.4 Acres

Building Footprint	15.6 AC	30%
3 Parks/Green Space	1.9 AC	4%
Softscape - Tree Lined	3.4 AC	6%
Pedestrian Plaza	3.9 AC	6%
Surface Parking/Non-Programmed Space	28.6 AC	54%



# Scenario 2

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**Max Court / Ice  
Tournaments & Local  
Utilization – No Turf / Track**



**2 Ice  
Sheets**



**9 Basketball /  
18 Volleyball  
Courts**

The second scenario includes the same ice and court program as Scenario 1, but does not include an indoor turf field or track facility. Based on Hunden’s analysis, the ice and court facilities are expected to be utilized the most, while a track or turf facility would be more limited in regional events or tournament capability.

Outdoor is the ongoing preference for soccer, including on the professional level, and without being able to provide multiple fields, Expo will be challenged in hosting regional events for older age groups requiring multiple full-size fields. However, due to the deficiency in outdoor soccer fields at Delta Park, and Expo’s vicinity to Delta Park, an indoor field could serve as additional competition space and also provides a new year-round facility that could be used locally.

This scenario proposes the same type of sport support spaces as Scenario 1, but with a slightly reduced footprint for family entertainment and food and beverage. Future recommended Phase II commercial / hotel development is also tapered due to the reduced sport facility program.

This scenario includes a museum / cultural and healing center that honors the history and culture of the Expo site. Hunden recommends that the center’s design and function be created with community input and have a strong relationship to the Historical Significance & Memorialization Committee’s developing vision for memorialization. Wherever possible, Hunden recommends this center be constructed from materials that are disassembled from the historic halls and repurposed to build this new facility. Where appropriate, all site features should include historic and culturally important designs.



# Scenario 2

Perkins&Will



Scenario 2

Parking Summary		2,300 Spaces
Surface Pkg	1,410 Spaces	
Surface Pkg - Cirque Site	640 Spaces	
Structured Parking	250 Spaces	

Scenario 2

Land Use Summary		53.4 Acres
Building Footprint	13.4 AC	26%
3 Parks/Green Space	2.9 AC	5%
Softscape - Tree Lined	3.4 AC	6%
Pedestrian Plaza	3.9 AC	6%
Surface Parking/Non-Programmed Space	29.8 AC	57%

## Scenario 2

Max Court / Ice Tournaments & Local Utilization – No Turf / Track

### Program Summary

- Existing Expo Halls D&E
- ▨ Temporary Outdoor Events / Cirque Du Soleil
- ▨ Repurpose of Historical Hall Materials

#### New Sports Facilities (Indoor) 176,640 SF

<span style="color: blue;">■</span> Community Ice (2 Ice Sheets)	78,000 SF
<span style="color: blue;">■</span> Court Facility - No Track (9 BB, 18 VB)	98,640 SF

#### On-Site Amenities (Phase 1) 85,120 SF\*

#### Athletic and Entertainment Center 65,170 SF\*

<span style="color: orange;">■</span> Fitness/Training	12,000 SF
<span style="color: orange;">■</span> Sports Medicine	3,000 SF
<span style="color: orange;">■</span> Meeting Space/Classrooms	6,000 SF
<span style="color: orange;">■</span> Offices	8,000 SF
<span style="color: orange;">■</span> Family Entertainment Center	15,000 SF
<span style="color: orange;">■</span> Food & Beverage (P1 F&B)	5,000 SF

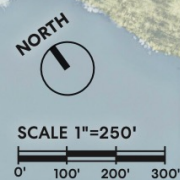
#### Memorial Museum

<span style="color: yellow;">■</span> Memorial Museum/Exhibit	15,000 SF
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#### On-Site Amenities (Phase 2) 69,000 SF

<span style="color: purple;">■</span> Hotel	120-Keys / 54,000 SF
<span style="color: orange;">■</span> Food & Beverage (P2 F&B)	15,000 SF

\*Subtotal plus Grossing Factor



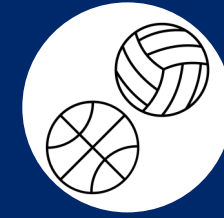
# Scenario 3

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## Local Tournaments & Focus – No Track



1 Ice Sheet



6 Basketball /  
12 Volleyball  
Courts



1 Half-  
Size Field

The third scenario is focused on meeting local needs with a single ice sheet, reduced courts, and a half-size turf field. This aims to meet minimum tournament needs for hockey and basketball / volleyball and provide an indoor practice space for field sports. Without having multiple ice sheets and 8-10+ courts, the area may only be able to attract smaller regional events and tournaments.

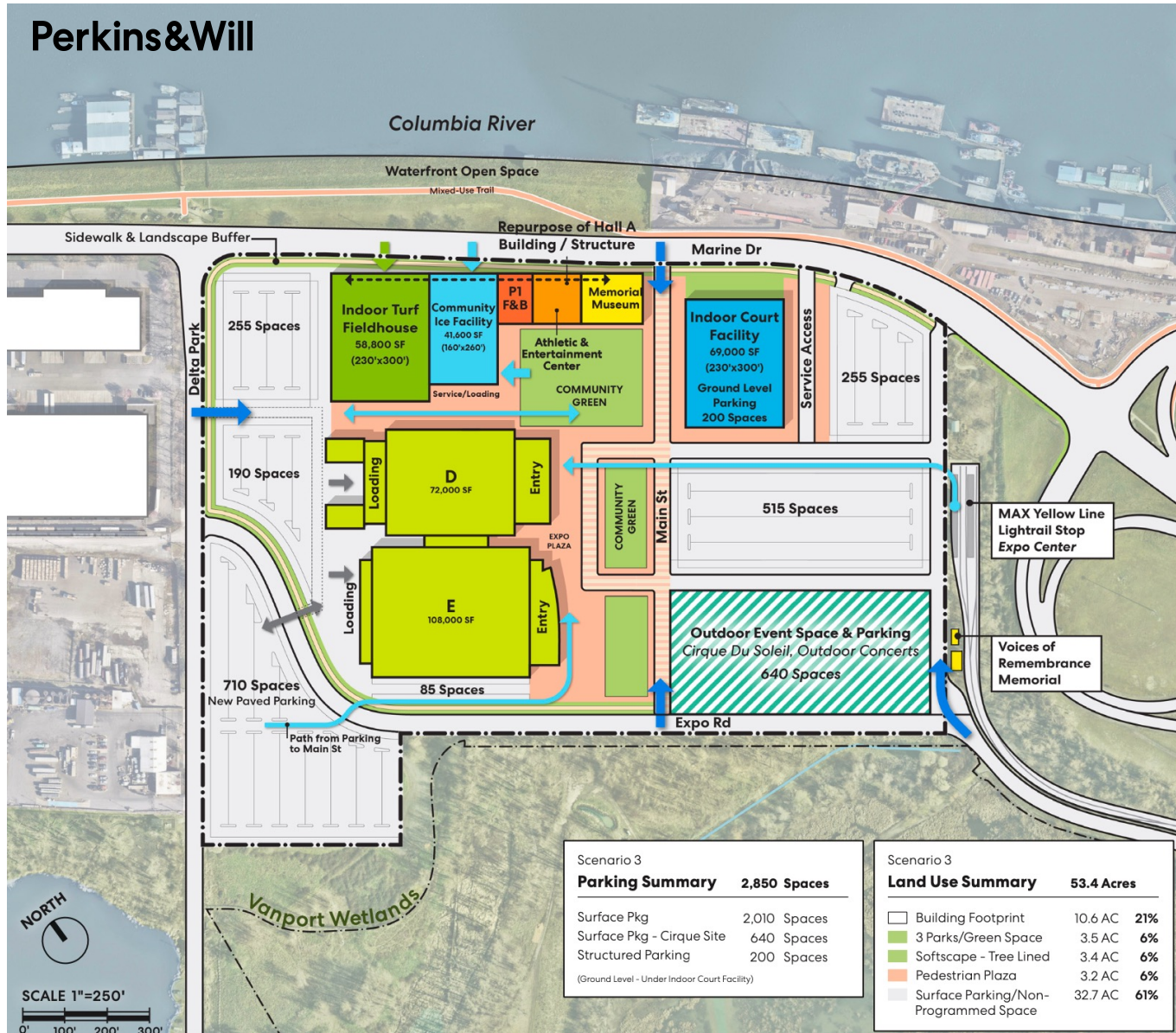
Due to the reduced program this scenario makes it possible to retain Hall A, with its interior repurposed for a memorial museum and sport facility support amenities. Hunden recommends that the design and function of the museum / cultural and healing center be created with community input and have a strong relationship to the Historical Significance and Memorialization Committee’s developing vision for memorialization. Where appropriate, all site features should include historic and culturally important designs.

This scenario is proposed due to the high cost of development, primary goal for increased community engagement, and retention of its most historically significant building. This reduced program would have diminished economic impacts from long-distance visitors. Cost versus community and economic benefit will need to be considered under all scenarios. Due to its local focus, sufficient demand is not expected to support additional commercial or hotel development on-site.



# Scenario 3

Perkins&Will



Scenario 3

Parking Summary		2,850 Spaces
Surface Pkg	2,010 Spaces	
Surface Pkg - Cirque Site	640 Spaces	
Structured Parking	200 Spaces	

(Ground Level - Under Indoor Court Facility)

Scenario 3

Land Use Summary		53.4 Acres
Building Footprint	10.6 AC	21%
3 Parks/Green Space	3.5 AC	6%
Softscape - Tree Lined	3.4 AC	6%
Pedestrian Plaza	3.2 AC	6%
Surface Parking/Non-Programmed Space	32.7 AC	61%

## Scenario 3

Local Tournaments & Focus – No Track

### Program Summary

- Existing Expo Halls D&E
- ▨ Temporary Outdoor Events / Cirque Du Soleil
- Repurpose of Historical Hall Materials

#### New Sports Facilities (Indoor) 169,400 SF

<span style="color: lightblue;">■</span> Community Ice (1 Ice Sheet)	41,600 SF
<span style="color: blue;">■</span> Court Facility - No Track (6 BB, 12 VB)	69,000 SF
<span style="color: green;">■</span> Indoor Turf - Fieldhouse	58,800 SF

#### On-Site Amenities (Phase 1) 58,520 SF\*

#### Athletic and Entertainment Center 38,570 SF\*

<span style="color: orange;">■</span> Meeting Space/Classrooms	6,000 SF
<span style="color: orange;">■</span> Offices	8,000 SF
<span style="color: orange;">■</span> Family Entertainment Center	10,000 SF
<span style="color: red;">■</span> Food & Beverage (P1 F&B)	5,000 SF

#### Memorial Museum

<span style="color: yellow;">■</span> Memorial Museum/Exhibit	15,000 SF
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\*Subtotal plus Grossing Factor





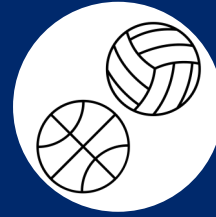
# Scenario 4

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## Max Tournaments, Local Utilization & Professional Basketball Training Facility



2 Ice Sheets



9 Basketball / 18 Volleyball Courts



200m Track



1 Full-Size Turf Field



Training Facility

The fourth scenario mimics the maximum program in Scenario 1, but with the addition of a dedicated professional basketball training facility. This could be used by both men's and women's sports with at least two additional courts, along with significant support space including training / fitness, treatment / rehab, dining, locker rooms, team offices, and a coach / player's lounge. All scenarios also assume an ice sheet could be the new dedicated practice ice facility for the Winterhawks.

By infusing professional sports into Expo and infusing thoughtful design that allows the community and visitors to see play-in-action, engagement and visitation to Expo can increase. A professional sports training facility would make for a great addition to Expo, significantly increasing its appeal for guests as well as potential additional sponsorship and naming rights opportunities.

The two additional courts could also be used for larger regional or national events when combined with the proposed 6-9 court facility.

This scenario includes a museum / cultural and healing center that honors the history and culture of the Expo site. Hunden recommends that the center's design and function be created with community input and have a strong relationship to the Historical Significance & Memorialization Committee's developing vision for memorialization. Wherever possible, Hunden recommends this center be constructed from materials that are disassembled from the historic halls and repurposed to build this new facility. Where appropriate, all site features should include historic and culturally important designs.

# Scenario 4

Perkins&Will



Scenario 4

Parking Summary		2,350 Spaces
Surface Pkg	1,410 Spaces	
Surface Pkg - Cirque Site	640 Spaces	
Structured Parking	300 Spaces	

(Ground Level - Under Indoor Turf Facility)

Scenario 4

Land Use Summary		53.4 Acres
Building Footprint	15.6 AC	30%
3 Parks/Green Space	1.5 AC	3%
Softscape - Tree Lined	3.4 AC	6%
Pedestrian Plaza	3.9 AC	7%
Surface Parking/Non-Programmed Space	29 AC	54%

## Scenario 4

Max Tournaments, Local Utilization & Professional Basketball Training Facility

### Program Summary

- Existing Expo Halls D&E
- Temporary Outdoor Events / Cirque Du Soleil
- Repurpose of Historical Hall Materials

#### New Sports Facilities (Indoor) 364,792 SF

Community Ice (2 Ice Sheets)	78,000 SF
Combined Track & Court (9 BB, 18 VB)	98,640 SF
Professional Basketball Training Facility	54,352 SF
Indoor Turf - Fieldhouse	133,800 SF

#### On-Site Amenities (Phase 1) 98,420 SF\*

Athletic and Entertainment Center 78,470 SF*	
Fitness/Training	12,000 SF
Sports Medicine	3,000 SF
Meeting Space/Classrooms	6,000 SF
Offices	8,000 SF
Family Entertainment Center	20,000 SF
Food & Beverage (P1 F&B)	10,000 SF

Memorial Museum	
Memorial Museum/Exhibit	15,000 SF

#### On-Site Amenities (Phase 2) 138,000 SF

Hotel 1	120-Keys / 54,000 SF
Hotel 2	120-Keys / 54,000 SF
Food & Beverage (P2 F&B)	30,000 SF

\*Subtotal plus Grossing Factor

# Project Costs

Perkins&Will developed rough order of magnitude cost estimates for each of the scenarios. Estimates include hard and soft costs, along with contingency.

These cost estimates also include a three-year escalation and amount to an approximate 15-percent increase in the budget from today's dollars.

Scenario 3 would require the least up-front capital investment but would also generate the least economic impact and tournament demand.

	Project Cost Estimates (millions)			
	Scenario 1	Scenario 2	Scenario 3	Scenario 4
<b>Sports Facilities</b>				
Community Ice Facility	\$ 65.7	\$ 65.7	\$ 37.1	\$ 65.7
Track and/or Court Facility	\$ 89.3	\$ 78.1	\$ 50.7	\$ 89.3
Professional Basketball Training Facility	\$ -	\$ -	\$ -	\$ 64.6
Turf Facility	\$ 95.4	\$ -	\$ 43.7	\$ 95.4
<b>Total</b>	<b>\$ 250.3</b>	<b>\$ 143.8</b>	<b>\$ 131.4</b>	<b>\$ 314.9</b>
<b>Other Facilities</b>				
Athletic & Entertainment Center	\$ 62.2	\$ 51.6	\$ 30.6	\$ 62.2
Hall ABC Deconstruction / Repurposing	\$ 2.5	\$ 2.5	\$ 2.5	\$ 2.5
Memorial Museum	\$ 21.7	\$ 21.7	\$ 21.7	\$ 21.7
<b>Total</b>	<b>\$ 86.4</b>	<b>\$ 75.8</b>	<b>\$ 54.8</b>	<b>\$ 86.4</b>
<b>Site Costs</b>				
Expo Main Street & Pedestrian Plaza	\$ 5.6	\$ 5.6	\$ 5.6	\$ 5.6
Outdoor Plaza & Memorial Feature	\$ 1.4	\$ 1.4	\$ 1.4	\$ 1.4
Central Green & Parking	\$ 5.0	\$ 5.0	\$ 5.9	\$ 5.0
Seasonal Outdoor Event Space & Parking	\$ 7.1	\$ 7.1	\$ 7.1	\$ 7.1
Westside Parking Lot	\$ 8.1	\$ 8.1	\$ 8.1	\$ 8.1
Structured Parking	\$ 17.7	\$ 14.8	\$ 11.8	\$ 17.7
<b>Total</b>	<b>\$ 44.8</b>	<b>\$ 41.8</b>	<b>\$ 39.8</b>	<b>\$ 44.8</b>
<b>Total Project Costs</b>	<b>\$ 381.4</b>	<b>\$ 261.4</b>	<b>\$ 225.9</b>	<b>\$ 446.0</b>
Source: Perkins&Will				



# **Demand, Financial & Impact Projections**

# Sports Facility Events

Based on Hunden’s analysis of the market and discussions held with national sports facility operators, Hunden projected the number of stabilized events and event days for each of the four scenarios.

Aside from the professional basketball training facility, Scenarios 1 and 4 are identical and are projected to produce the same number of tournaments and other events. It is assumed the the court/track facility would be used for court sports nine months out of the year, and as a track facility three months out of the year.

In Scenario 2, which does not include a track, additional court tournaments are assumed due to year-round availability. In Scenario 3, a lower number of court tournaments is assumed due to the reduced courts (from 9 to 6).

Ice tournament projections were developed based on feedback from the Winterhawks team. Meetings and classes are projected to be an an additional opportunity as it relates to potential sports academies and related sports education.

## Sports Facility Stabilized Event Projections (Year 3)

	Scenario 1	Scenario 2	Scenario 3	Scenario 4
<b>Events</b>				
Basketball Tournaments	10	12	8	10
Volleyball Tournaments	14	16	11	14
Pickleball Tournaments	5	6	4	5
Wrestling Meets	3	4	3	3
Cheer/Dance	7	8	5	7
Track Meets	10	0	0	10
Ice Tournaments	18	18	9	18
Meetings / Classes	72	58	43	72
<b>Total</b>	<b>139</b>	<b>122</b>	<b>83</b>	<b>139</b>
<b>Event Days</b>				
Basketball Tournaments	20	24	16	20
Volleyball Tournaments	28	32	22	28
Pickleball Tournaments	10	12	8	10
Wrestling Meets	6	8	6	6
Cheer/Dance	14	16	10	14
Track Meets	20	0	0	20
Ice Tournaments	36	36	18	36
Meetings / Classes	72	58	43	72
<b>Total</b>	<b>206</b>	<b>186</b>	<b>123</b>	<b>206</b>

Source: Hunden Partners



# Sports Facility Attendance

Hunden also projected stabilized attendance based on comparable facilities and the market opportunity in the Metro area.

Public use and daily rentals are based on the assumption that the court/track and field facilities would be free to the public during weekday daytime hours, available for rental on weekday nights, and available for tournaments on the weekends.

Ice facility public use and tournament attendance was estimated based on feedback of potential programming and utilization by the Winterhawks team.

Attendance projections for the family entertainment center (FEC) and proposed memorial museum only include non-sports attendees and do not include attendees visiting the facility for sports.

Due to reduced sports facilities in Scenario 3, and reduction in the tournament potential for both ice and court sports, total attendance projections are significantly reduced under this scenario.

**Sports Facility Stabilized Attendance Projections (Year 3)**

	Scenario 1	Scenario 2	Scenario 3	Scenario 4
Public Use	128,088	116,640	98,172	128,088
Daily Rentals	142,779	124,740	108,959	142,779
Ice Facility Use	608,408	608,408	309,704	608,408
Basketball Tournaments	45,000	54,000	24,000	45,000
Volleyball Tournaments	117,600	134,400	60,984	117,600
Pickleball Tournaments	2,400	2,880	1,280	2,400
Wrestling Meets	10,800	14,400	7,020	10,800
Cheer/Dance	26,250	30,000	12,000	26,250
Track Meets	45,000	0	0	45,000
Ice Tournaments	30,240	30,240	7,560	30,240
Meetings / Classes	3,600	2,880	2,160	3,600
Family Entertainment Center (Non-Sports Visitors)	25,000	20,000	15,000	25,000
Professional Basketball Training Facility	0	0	0	9,600
Memorial Museum (Non-Sports Visitors)	16,800	16,800	16,800	16,800
<b>Total Attendance</b>	<b>1,201,965</b>	<b>1,155,388</b>	<b>663,639</b>	<b>1,211,565</b>

Source: Hunden Partners

# Expo Events

The proposed sports facilities would have an impact on the future performance of Expo’s existing facilities. Halls ABC would be deconstructed under three of the scenarios and Hall A would be repurposed in Scenario 3 for sport facility support spaces and the memorial museum.

There are a number of events that require more space than what Halls D and E provide which could result in lost events due to the elimination of the exhibit space in Halls ABC. However, a turf facility has the ability to have a temporary hard surface overlay (e.g. Matrax) that would enable this facility to host consumer shows including heavy load events such as car, RV, and boat shows. This will increase the likelihood that Expo will retain these events despite the loss of existing halls. Scenario 2 does not include a turf facility and Scenario 3 has only half of a field; therefore, Hunden projects these two scenarios will result in a decrease of the number of large consumer shows able to be hosted at Expo.

Due to the presence of the new sports facilities, it is expected that Expo will be able to host additional larger sporting events (from 9 to 14), and that there is the potential for additional concerts / entertainment due to recent increase in demand for this at Expo.

A major outdoor event is assumed as well, which could include a Cirque event or a long-run fair / festival or a family show.

For comparison, Expo hosted 56 events over 202 event days in FY 2023. Increases to this baseline are reflected in more consumer shows (net of any applicable losses from removal of Halls ABC), concerts / entertainment, and sporting events.

## Expo Stabilized Event Projections (Year 3)

	Scenario 1	Scenario 2	Scenario 3	Scenario 4
<b>Events</b>				
Consumer Show	37	31	33	37
Concert / Entertainment	4	4	4	4
Major Outdoor Event	1	1	1	1
Sporting Event	14	14	14	14
Meeting / Seminar	6	6	6	6
Banquet	2	2	2	2
Other	5	5	5	5
<b>Total</b>	<b>69</b>	<b>63</b>	<b>65</b>	<b>69</b>
<b>Event Days</b>				
Consumer Show	111	93	99	111
Concert / Entertainment	8	8	8	8
Major Outdoor Event	50	50	50	50
Sporting Event	42	42	42	42
Meeting / Seminar	12	12	12	12
Banquet	2	2	2	2
Other	5	5	5	5
<b>Total</b>	<b>230</b>	<b>212</b>	<b>218</b>	<b>230</b>

Source: Hunden Partners

# Expo Attendance

Expo attendance estimates were projected based on FY 2023 average event attendance and the projected number of events by type in each scenario.

In FY 2023, Expo events generated approximately 311,000 attendees. With incremental increases in consumer shows, concerts / entertainment, and sporting events, attendance for these event types are projected to increase from FY 2023 for Scenarios 1 and 4.

By having a full turf facility for Scenarios 1 and 4, Expo is expected to be able to continue its growth in business in terms of events and overall attendance.

	Scenario 1	Scenario 2	Scenario 3	Scenario 4
Consumer Show	203,500	93,000	115,500	203,500
Concert / Entertainment	32,000	32,000	32,000	32,000
Major Outdoor Event	80,000	80,000	80,000	80,000
Sporting Event	77,000	77,000	77,000	77,000
Meeting / Seminar	3,450	3,450	3,450	3,450
Banquet	550	550	550	550
Other	500	500	500	500
<b>Total Attendance</b>	<b>397,000</b>	<b>286,500</b>	<b>309,000</b>	<b>397,000</b>

Source: Hunden Partners

# Financial Projections

The table to the right outlines the stabilized financial projections (Year 3) for the sports and Expo facilities. Hunden utilized FY 2023 averages for Expo facility rental revenues per event type, concessions/catering per caps, parking per caps, other event charges per event, and admission fees as a baseline for its projections of operating revenues. Sports facility assumptions were confirmed with national sports facility operators.

Rental revenues consist of court, track, and/or turf rentals along with building rental. It is assumed that the ice facility and professional basketball training facility are based on a lease structure, whereby the Winterhawks and professional basketball team(s) pay a lease per square foot plus common area maintenance (CAM) reimbursements and are responsible for their own facility staff and operating expenses. The Winterhawks would then retain any program and other revenues generated within the ice facility; however, parking, F&B, and family entertainment center (FEC) revenues are assumed for ice facility spectators and public users. The professional basketball training facility is not expected to generate revenue outside the lease.

For spectators and public users for the sports facilities, per cap concessions/catering (Food & Beverage or F&B) and FEC revenues were assumed. Parking revenues were assumed for sport tournament spectators and Expo events (events utilizing Halls D&E) only. Based on the scope of the scenario programs, it is anticipated the facility could generate a range of naming rights and sponsorship revenues.

Hunden assumed a full load of full-time personnel and part-time labor would be needed for the sports facility, in addition to current staff at Expo. It is also assumed a private management company would operate the facilities. Currently Expo is allocated a share of Metro CAP expenses. In FY 2024, this amounts to approximately \$950,000. If Expo moves to a private management structure, this cost allocation will need to be revisited. To be conservative, however, Hunden included this expense in the projections.

Projected net operating income may appear high, but Expo would be more unique compared to some other indoor sports facilities in that it can charge for parking (only assumed for tournament spectators and Expo events) and includes a FEC that generates significant additional revenues for the facility. Without these revenues and related expenses, the facility would operate at or below breakeven. Expo also currently funds approximately \$1 million in Expo debt service annually, which will be paid off in FY 2025.

Projected net operating income is most significant for Scenario 4 compared to Scenario 1 due to the increase in facility rental revenue for the professional basketball training facility. For Scenarios 2 and 3, revenues associated with Expo events that would be lost due to the loss of Halls ABC were removed from the projections. It was also assumed approximately half of historical rentals and related revenues of utilizing parking lots may be lost due to the need to utilize parking on a more daily basis for the sports facilities. Scenario 3 also has the lowest projected NOI due to reduced sports attendance, rentals, and tournament potential.

Combined Expo / Sports Stabilized Financial Projections (Year 3)				
	Scenario 1	Scenario 2	Scenario 3	Scenario 4
<b>Revenues (000s)</b>				
Rental Revenues	\$ 5,361	\$ 4,103	\$ 3,631	\$ 6,013
Concessions / Catering (Net)	\$ 1,634	\$ 1,174	\$ 988	\$ 1,634
Parking (Net)	\$ 3,280	\$ 2,426	\$ 2,133	\$ 3,280
Event Charges	\$ 1,335	\$ 994	\$ 1,078	\$ 1,335
Family Entertainment Center (Net)	\$ 848	\$ 762	\$ 406	\$ 848
Admission Fees	\$ 169	\$ 169	\$ 169	\$ 169
Advertising & Sponsorship	\$ 244	\$ 191	\$ 111	\$ 350
Other Revenues	\$ 159	\$ 93	\$ 53	\$ 182
<b>Total</b>	<b>\$ 13,031</b>	<b>\$ 9,912</b>	<b>\$ 8,571</b>	<b>\$ 13,811</b>
<b>Expenses (000s)</b>				
Personnel & Labor	\$ 3,968	\$ 3,475	\$ 3,317	\$ 3,968
Metro Cost Allocation	\$ 1,008	\$ 1,008	\$ 1,008	\$ 1,008
Operating Expenses	\$ 4,374	\$ 3,264	\$ 3,252	\$ 4,436
Management Fees	\$ 361	\$ 297	\$ 259	\$ 361
<b>Total</b>	<b>\$ 9,710</b>	<b>\$ 8,044</b>	<b>\$ 7,836</b>	<b>\$ 9,773</b>
<b>Net Operating Income (000s)</b>	<b>\$ 3,321</b>	<b>\$ 1,868</b>	<b>\$ 735</b>	<b>\$ 4,038</b>

Source: Hunden Partners



# Return on Investment - Operations

The table to the right outlines the combined net operating income (NOI) for the sports facilities and Expo to help determine the overall return on investment for the Project.

Over 30 years, net operating income projected for Scenarios 1 and 4 amount to approximately 37-39 percent of the total estimated project costs. The percent is reduced under Scenario 2 due to the net loss in profit at Expo from the loss of major consumer shows due to reduced available exhibit space. Scenario 3 is further reduced due to the decreased profit given the locally driven sports programming.

These net profits are projected to be sufficient to cover the estimated capital reserve funds over this period, except for Scenario 3. Capital reserves needed over 30 years were estimated at 25 percent of total project costs plus \$300K annually for Expo. A thorough assessment of Halls D and E may be needed to determine any adjustment to capital reserves needed over the next 30 years.

The internal rate of return over a 30-year period is estimated at a negative five to ten percent for these scenarios, with Scenarios 1 and 4 projected to have the lowest negative return.

The net present value of NOI over 30 years (using a 7 percent discount rate) is projected to be highest for Scenarios 1 and 4, and lowest under Scenario 3.

While Scenario 4 is estimated to generate the most in profit, it has yet to be determined if professional basketball team(s) would be dedicated tenants at Expo which would generate the additional rent and support for the training facility investment.

Combined Expo / Sports Return on Investment - NOI				
	Scenario 1	Scenario 2	Scenario 3	Scenario 4
<b>Net Operating Income - 30 Years (millions)</b>	\$ 140	\$ 78	\$ 28	\$ 172
Estimated Capital Reserve Fund (30-Years)	\$ 104	\$ 74	\$ 65	\$ 121
Construction Cost (millions)	\$ 381	\$ 261	\$ 226	\$ 446
<b>30-Year NOI / Cost</b>	<b>37%</b>	<b>30%</b>	<b>12%</b>	<b>39%</b>
<b>IRR</b>	<b>-5%</b>	<b>-6%</b>	<b>-10%</b>	<b>-5%</b>
<b>Net Present Value of 30-Year NOI (millions)</b>	\$ 49	\$ 28	\$ 10	\$ 61
Source: Hunden Partners				

# Return on Investment – New Visitation

The table to the right outlines the combined net new stabilized annual daytrips, overnights, and room nights projected for the four scenarios.

Net new visitation impacts are most significant under Scenarios 1 and 4, which have the most and largest sports facilities, as well as the ability to host larger Expo consumer shows at the full turf facility.

Scenario 2 also has significant net new visitation impacts due to year-round court facility programming but is less than Scenarios 1 and 4 given the lack of a convertible track facility and turf, and loss of larger Expo consumer shows. As a more locally-focused facility with reduced sports programming, and a limited ability to host some of Expo’s larger consumer shows, Scenario 3 is projected to have the least net new daytrips, overnights, and room nights.

<b>Combined Expo / Sports Return on Investment - New Visits</b>				
	<b>Scenario 1</b>	<b>Scenario 2</b>	<b>Scenario 3</b>	<b>Scenario 4</b>
<b>Total Visits</b>	<b>1,598,965</b>	<b>1,441,888</b>	<b>972,639</b>	<b>1,608,565</b>
Net New Daytrips	693,832	562,634	274,106	703,432
Net New Overnights	171,271	155,263	51,669	171,271
Net New Room Nights	68,982	62,048	20,626	68,982

Source: Hunden Partners

# Return on Investment – New Impacts

The table to the right outlines the combined net new economic, fiscal, and employment impacts for the four scenarios.

Net new daytrips, overnights, and room nights have a direct impact on new spending and related new earnings and jobs. Accordingly, Scenarios 1 and 4 are estimated to generate the highest impacts over 30 years, as well as create the most temporary construction jobs due to increased construction costs.

Tax impacts are also most significant under Scenarios 1 and 4, with higher net new room nights generating more net new county and city hotel taxes.

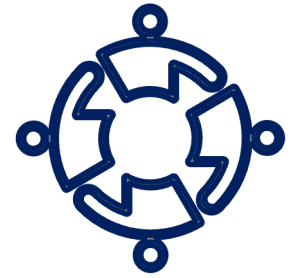
Scenario 3 is projected to generate the least in new spending, earnings, jobs, and taxes.

Combined Expo / Sports Return on Investment - New Impacts (millions) - 30 Years				
	Scenario 1	Scenario 2	Scenario 3	Scenario 4
<b>Net New Spending</b>				
Direct	\$ 1,044	\$ 722	\$ 296	\$ 1,046
Indirect	\$ 410	\$ 284	\$ 117	\$ 411
Induced	\$ 206	\$ 137	\$ 58	\$ 206
<b>Total</b>	<b>\$ 1,659</b>	<b>\$ 1,143</b>	<b>\$ 471</b>	<b>\$ 1,664</b>
<b>Net New Earnings</b>				
Direct	\$ 463	\$ 313	\$ 131	\$ 464
Indirect	\$ 165	\$ 123	\$ 48	\$ 165
Induced	\$ 91	\$ 64	\$ 26	\$ 92
<b>Total</b>	<b>\$ 719</b>	<b>\$ 500</b>	<b>\$ 204</b>	<b>\$ 720</b>
<b>Net New Jobs (actual)</b>				
Direct	223	146	63	224
Indirect	90	59	25	90
Induced	46	29	13	46
<b>Total</b>	<b>359</b>	<b>234</b>	<b>101</b>	<b>360</b>
<b>Construction Jobs (actual)</b>	<b>2,669</b>	<b>1,829</b>	<b>1,581</b>	<b>3,121</b>
<b>Net New Transient Lodging Taxes</b>				
Multnomah County (5.5%)	\$ 15.1	\$ 13.6	\$ 4.4	\$ 15.1
Portland City (6.0%)	\$ 16.5	\$ 14.8	\$ 4.8	\$ 16.5
<b>Total</b>	<b>\$ 31.5</b>	<b>\$ 28.4</b>	<b>\$ 9.1</b>	<b>\$ 31.5</b>

Source: Hunden Partners

# Community Benefits

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All of the scenarios proposed for the Project would generate additional community benefits to the residents of the Metro area and the region beyond. The Project includes an investment in a memorial museum / cultural and healing center, which will provide new sports and Expo attendees, along with the public, an opportunity to learn and engage in Expo's historical significance.

The proposed sports facilities also provide the public the opportunity to be more engaged in recreational and competitive sports, which can aid in the overall mental and physical wellbeing of residents. These sports facilities would also be an attractive proposition to families considering the Metro area for relocation and aid in the retention of the Metro area's current resident base.

While Scenarios 2 and 3 offer less in terms of diversity of sports, the court and ice programs under all scenarios would meet local needs and unaccommodated demand for these related sports. Court and ice sports represent the most significant demand for indoor facilities for both year-round public use and programming, and regional / national tournament generation. By establishing new indoor sports venues to address demand, this engagement can also expand to outdoor sports and demand for related public and private facilities in the area.

New room nights projected to be generated at stabilization under Scenarios 1 and 4 could increase the local hotel competitive set occupancy from 65 to 76 percent and encourage future on-site hotel development. Even new room nights projected in Scenario 3 would lift the performance of local hotels, which have struggled to return to pre-pandemic levels. A significant lift in visitation to the site also could encourage future restaurant / retail development. These amenities would also be a value-add to the community and its nearby residents, providing more diversity in accommodations, dining, and potentially new family entertainment.

While the required up-front capital investment will be significant, the combined qualitative and quantitative benefits of the Project warrants public investment in the opportunity.



# Impact Highlights

## Scenario 1



694,000 New Annual Daytrips



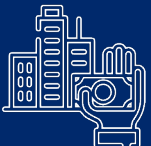
69,000 New Annual Room Nights



\$1.0B New Direct Spending Over 30 Years



223 New Direct FTE Jobs



\$381M Capital Investment

## Scenario 2



563,000 New Annual Daytrips



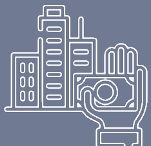
62,000 New Annual Room Nights



\$722M New Direct Spending Over 30 Years



146 New Direct FTE Jobs



\$261M Capital Investment

## Scenario 3



274,000 New Annual Daytrips



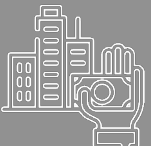
21,000 New Annual Room Nights



\$296M New Direct Spending Over 30 Years



63 New Direct FTE Jobs

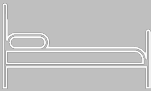


\$226M Capital Investment

## Scenario 4



703,000 New Annual Daytrips



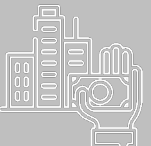
69,000 New Annual Room Nights



\$1.0B New Direct Spending Over 30 Years



224 New Direct FTE Jobs



\$446M Capital Investment

# Funding Options

This table outlines potential public funding options for the Project. These funding mechanisms would require significant political will to undertake. Due to the high economic impact and community benefit of the proposed Project, however, public investment is warranted and also needed given the Project’s financial feasibility gap.

It is likely a combination of these financing tools will be needed to successfully fund the Project. While operating profits for the Project are projected to be significant and could be a potential source of capital funding, it is crucial that not only upfront capital required is funded, but also a long-term capital improvement plan to maintain the Project as a state-of-the-art facility in the region in the future.

It is assumed operating profits, including private naming rights revenues, would fund these capital reserves, while additional funding sources, such as those outlined in this table, would be potential opportunities to fund the estimated capital costs of the Project.

It is not expected that a private operator would take on the construction / development risk of the Project. A private operator could potentially offer to provide a limited up-front capital investment of up to \$3 million.

Net estimated bond proceeds from these potential revenue streams are very preliminary based on conservative debt assumptions including 2x debt service coverage and a 20-year amortization. Having Metro’s full faith and credit backing would keep bond interest rates low, and potentially improve upon the term and coverage needed, which could in turn increase net bond proceeds available to fund the project.

Expo Funding Options Summary						
Source	Description	Baseline Annual Revenues	Estimated Net Bond Proceeds	Voter Approval Required	Stability	Adequacy
VFTA	Expo Budgeted Allocation	\$ 1,500,000	\$ 10,000,000	No	Mid	Low
VFTA	Motor Vehicle Rental Tax	\$ 7,900,000	\$ 50,000,000	No	Mid	Mid
Property Tax	Inc of \$0.07/\$1,000 of AV	\$ 15,500,000	\$ 99,000,000	Yes	High	High
Solid Waste Excise Tax	Inc. of \$8.5M	\$ 8,500,000	\$ 54,000,000	No	High	Mid
Metro-Wide TLT	New Tax (1%)	\$ 10,000,000	\$ 64,000,000	No	Mid	Mid
County or City TLT	Inc. in Tax (1%)	\$ 6,000,000	\$ 38,000,000	No	Mid	Mid

Source: Metro





Metro

# Expo Future Project

June 25, 2024

Paul Slyman  
Eliza Canty-Jones  
Rob Hunden  
Shawn Gustafson  
Marissa Madrigal



# Expo Future Phase 2 objectives

- Memorialize the historical and cultural significance of the site
- Create a long-term plan for financial sustainability by transforming the Expo Center into a sports-centered facility





OREGON:  
**THE  
STATE OF  
SPORT**

The Economic Impact of the  
Athletic, Outdoor, Team, and  
Recreation Industries



# Expo Future Phase 2 objectives

- Determine an appropriate governing structure for the project
- Adjust Expo Center's booking policy to support the project and pursue sports events at the current site



# Metro Council & MERC

Legislative and decision-making body



**Historical  
Significance &  
Memorialization  
Committee**

Insight and input



**Executive Advisory  
Committee**

Guidance and direction



**Sports &  
Facilities  
Committee**

Insight and input

**Steering Committee**

Advice, feedback and resources



**Project Team**

Seeks advice, direction and decision from S/C, EAC,  
and Council/MERC

Insight and input



Insight and input





# Expo Future Phase 2 objectives

- Prioritize the use of local contractors and vendors in site redevelopment
- Continue to coordinate with Planning and Development to ensure coordination between Expo Future and IBR





# The Podium | Spokane, Washington





# Met Complex Finley Center | Hoover, Alabama





# Birmingham CrossPlex | Birmingham, Alabama





# Memphis Sports & Event Center | Memphis, Tenn.





# Memphis Sports & Event Center | Memphis, Tenn.



# Memphis Sports & Event Center | Memphis, Tenn.





# Memphis Sports & Event Center | Memphis, Tenn.



# Expo Future committee members tour JAMO







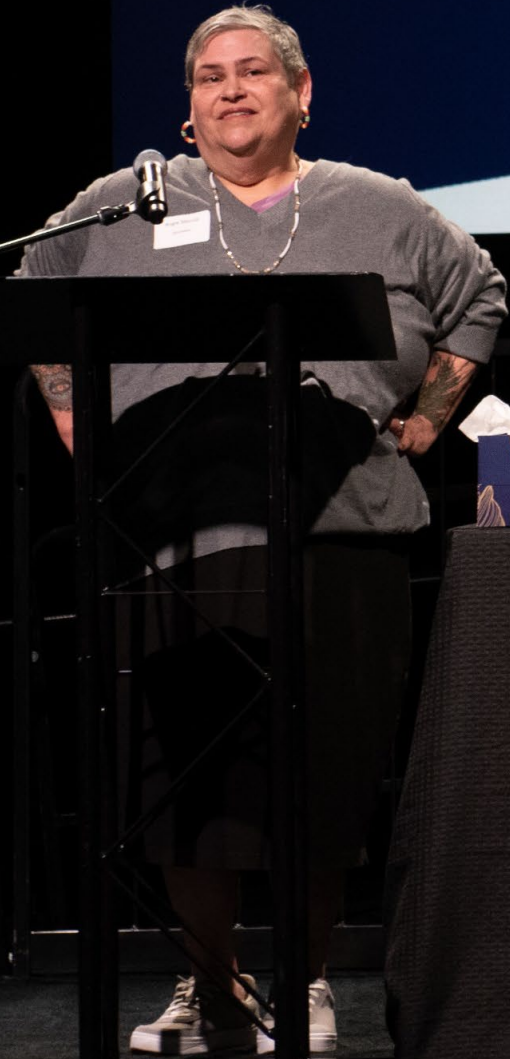
**HISTORY &  
CULTURAL  
SIGNIFICANCE**

**EVENT**



Metro

# Dr. Angie Morrill on her Indigenous family's experience





# Taka Mizote and Aya Fujii recall incarceration at Expo





# Taiko drumming and shamisen performance





# Participants learned a Japanese Obon dance





# LaVeta Gilmore on her family's Vanport experience





# Janice Okamoto, incarceration survivor, and MERC Chair Stoudamire-Phillips





# Members of Storytelling planning team









# Expo Future Project Feasibility Study

JUNE 25, 2024



# Project Introduction: Expo Future Project Feasibility Study

Hunden Partners was hired by Metro to conduct a comprehensive assessment of the sports tourism market and Portland Expo Center's (Expo) current business model, with the goal of aligning Expo's future redevelopment as a community-centric destination venue that prioritizes amateur, professional, and recreational sports. The Hunden Partners team includes design experts from Perkins & Will, with additional support from Cascadia Partners and Rowe Consulting Group.

This report will assess the current facility and site, identify major areas of opportunity for sports and destination asset developments across various market segments, and provide data-driven recommendations for development uses for both Expo and the surrounding site. Equally important is memorializing Expo as a site of national historic significance given its history of forced displacement during World War II and the Vanport Floods, as well as the site's pre-colonial history and importance to Indigenous Peoples.

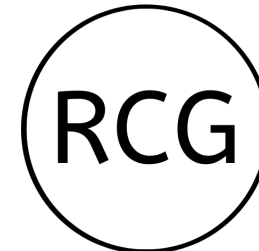
## PROJECT TEAM

The logo for Hunden Partners, featuring the word "hunden" in a light green sans-serif font above the word "partners" in a white sans-serif font, both contained within a dark blue rectangular box.

**hunden  
partners**

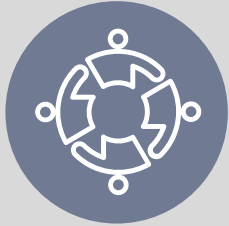
The logo for Perkins & Will, consisting of the company name in a large, bold, black sans-serif font.

**Perkins&Will**



# Study Methodology & Key Questions

## Feasibility Study Process & Project Overview



**Where are you  
now?**

### **Current Local & Regional Market Assessment**

Hunden analyzed the local and regional sports market for opportunities for the redevelopment of Expo to a sports-centric facility. This includes an analysis of the current market to identify gaps and market opportunities.

Expo is envisioned to be both a community facility and major driver of sports tourism in Portland.



**How do you stack  
up?**

### **Market Opportunities Assessment & Future Recommendations**

Based on local and regional market research, comparable national case studies, and stakeholder engagement, Hunden formed recommendations for Expo's future.

Hunden worked with Perkins&Will to develop initial site concepts for multiple scenarios for Expo's redevelopment.



**What are the  
opportunities?**

### **Financial Performance & Impact Projections**

Hunden prepared financial and economic, employment and fiscal impact projections for the proposed scenarios.

Perkins&Will also developed rough order-of-magnitude cost estimates to help determine potential funding needs for the Project.

Projections and cost estimates will be included in the next deliverable.



**How we get  
there?**



# Overview of Findings

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**This study aims to answer the question of the viability of the redevelopment of Expo as a community-centric destination venue that prioritizes youth travel sports, professional and recreational sports. The discussion below provides an outline of Hunden’s key findings that validate the support of this key objective for Expo’s future based on current supply and demand.**

Currently there is a lack of supply of indoor sports facilities in the Metro area. This is also evident in the Pacific Northwest as a whole when compared to the rest of the country. Sports and entertainment assets in the Metro area and related events held at Expo have shown a strong rebound from the COVID-19 pandemic and have exceeded pre-pandemic visitation in many cases, showing strong demand for sports in the local area. Existing facilities are at capacity and are unable to meet the programming demand needs of local groups. Local leagues ranging from the youth to the professional level do not have the facilities they need to host practices, training, and competitions. There is a strong desire by local groups to have new, larger and competitive facilities with an emphasis on public accessibility and equity. In highest demand are ice and court sports, with the Metro area lacking the number of ice sheets and hard courts that would enable the Metro area to attract and host larger regional or national tournaments that could increase sports tourism and related impacts to the local economy.

**Ice.** The Winterhawks Skating Center, which houses the practice facility for the Portland Winterhawks of the Western Hockey League, currently has to limit public programming despite high demand for ice sports and recreational play. By having an additional two ice sheets and new dedicated Winterhawks practice facility, the Metro area will have the three-sheet supply to be able to host more impactful tournaments.

**Court.** While the Metro area has a number of indoor basketball / volleyball facilities, these facilities max out at six courts, limiting the potential to host larger tournaments that desire a single facility with at least 8-10 courts. With local leagues gaining in participation and demand, new facilities are needed to support public use, while also making the Metro area a stronger proposition for sports tourism. Exploding pickleball demand could also be accommodated at new courts at Expo.

**Field.** The Metro area is deficient in indoor turf fields. Such fields are multi-purpose and can be used for sports such as soccer, lacrosse, and football. The area is already in need of additional outdoor turf fields to support tournaments, but has no indoor facility that can be used by local residents on a year-round basis. The future planned expansion of nearby Delta Park to ten outdoor turf fields along with an additional multi-purpose indoor field at Expo can help support future development of up-and-coming leagues due to demand generated by the Portland Timbers and Thorns. Without the site availability for multiple full-size indoor fields at Expo, it is expected Delta Park will be the primary home for larger regional events. Outdoors is also preferential for soccer including at the professional level

**Track.** Portland is a major corporate hub for for running shoe and apparel brands, but lacks an indoor facility to showcase the track culture established in the area. While there is certainly local demand for an indoor track, regional track events are limited, and highly competitive, as the average drive-time that participants are willing to travel for these tournaments is much higher when compared to court or field sports.

# Overview of Findings, cont'd.

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**Campus.** In order to be a competitive proposition for sports, Expo not only needs the actual sports facilities to accommodate unmet demand, but also the support facilities needed for athletes. This includes fitness, training, and rehab space that could be utilized by participants that could also be expanded to dedicated training facilities needed by a number of professional sports teams. By expanding Expo's reach to the professional level, this can encourage increased engagement and participation, as well as establish potential new funding opportunities for the Project. Expo would also need to cater to the typical visitor. By having strong on-site food and beverage options, a family entertainment center and potential future commercial development, Expo as a campus can create the critical mass to become a new compelling destination in the Metro area. In order for commercial and/or hotel development to be feasible, Expo will need to be a 365-day activated facility driven by both public usage and tournament activity.

**Expo.** Even with the support for Expo to be reimagined as a sports-centric facility, there is a strong existing book of repeat business at Expo. While more historic halls have lower utilization rates and are unable to be repurposed for sports due to height restrictions and lack of air conditioning, the existing newer halls should still be dedicated to uses such as consumer and trade shows, which has and can continue to be a significant revenue source that supports the viability of the overall campus. As the future Expo pivots to sports, remaining halls can also serve as expansion space for national tournaments that require additional courts or support space beyond what would be market supportable for sports-use alone.

# Local Market

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Below are key takeaways from Hunden's analysis of Portland and Expo business.



## Strong Accessibility

- Portland has access to a robust interstate highway network and Expo is located just eight miles from the Portland International Airport.
- Strong accessibility enhances Expo's appeal for sports tourism from regional and national markets.

## Low Population Growth

- Reduced recent population and low projected population growth shows the need for revitalization in Portland.
- Exceptional sports facilities can be an attractive proposition for retaining Portland's resident base and shifting future population growth.

## Opportunity for Increased Utilization

- Expo events and attendance have not yet recovered to pre-pandemic levels, though sports and entertainment demand at Expo has increased.
- Halls ABC have historically had low utilization and are unable to be used for sports, with room for most of the events utilizing these spaces to be absorbed within Halls D and E.



# Sports Market

Below are key takeaways from Hunden’s analysis of the local and regional sports market. A low supply of indoor sports facilities is paired with unmet demand.



## Court Sport

- The local area is lacking the minimum number of connected courts to drive more regional tournaments.
- Currently basketball and cheer generate the highest number of sports-related room nights in Portland, despite the limited supply of courts.

## Ice

- The Winterhawks Skating Center is struggling to meet the rising demand for hockey and other ice sports and is currently at capacity.
- By developing additional ice sheets in the area, Portland would be able to attract more sports tourism for ice and increase local programming.

## Turf

- The local area is also lacking indoor turf fields that could be utilized for multiple sports such as soccer, lacrosse, and football.
- By having a dedicated full-size field, Portland could help meet local turf needs evident at Delta Park and increase year-round play.

## Track

- Despite being a corporate hub for athletic brands, the local area lacks an indoor track facility.
- Such a facility could accommodate local demand, as well as capture regional track events.

# Support Amenities

Below are key takeaways from Hunden's analysis of local retail, medical office, and hotel market.



## On-Site Amenities

- On-site sports-related amenities such as a fitness center, sports medicine partnerships, and classrooms are beneficial to increase utilization and impact of a sports facility.
- A family entertainment center and strong food and beverage offerings can also help with the financial feasibility of a facility while also providing guests additional things to do while visiting.

## Hotel

- Local hotels have yet to recover to pre-pandemic occupancy. Additional ongoing demand drivers are needed to help bolster this performance.
- In order to be successful, regional events need a strong supply of nearby hotels to accommodate visiting teams and guests.
- An on-site hotel or hotels is an attractive amenity for event planners, both in the sports world and for traditional Expo business.

## Retail / Restaurant

- Additional walkable amenities such as restaurants or retail opportunities such as lifestyle, fitness, or entertainment brands help increase the viability and attractiveness of a sports-based facility and are potential opportunities for future development on-site.

# Stakeholder & Market Engagement

Hunden interviewed a variety of local, regional, and national stakeholders including community leaders and local / state organizations, facility operators and teams, and event planners / promoters to better understand the sports and entertainment market in Portland and the broader region as well as to understand community and tourism needs that could be accommodated through new sports facilities and supporting developments at Expo. In addition to individuals that Hunden met with during the in-person kickoff of the study, the following groups were interviewed to help inform the study.

## Local / State Organizations

- City Staff
- Metro Councilors
- MERC Commissioners
- Travel Portland
- Sport Oregon
- Prosper Portland
- Oregon School Activities Foundation
- Oregon Amateur Athletic Union
- Oregon Cheerleading Coaches Association
- Dance & Drill Coaches Association of Oregon
- Kenton Neighborhood Association
- Albina Sports Program
- Adaptive Sports NW
- Portland Track
- Rose City Track Club
- Hoopsource

## Facility Operators / Teams

- Portland Winterhawks
- Portland Trailblazers
- Portland Thorns
- Portland Timbers
- Portland Parks & Recreation
- Rose Quarter
- Tualatin Hills Park & Recreation
- Beaverton Family YMCA
- Wilmington YMCA
- Rose City Futsal
- Sports Facilities Companies
- OVG 360
- The Podium
- Eastern Sports Management
- Monqui Presents

## Expo User Groups

- Columbia Empire Volleyball Association
- O'Laughlin Trade Shows
- Home Building Association of Greater Portland
- Rose City Classic Dog Show
- Eight Seconds Juneteenth Rodeo
- Red Cube
- Portland Auto Swap
- Friends of Baseball

## Support Amenities

- Providence Health
- K10 Hotels
- Holiday Inn Columbia Riverfront
- CoStar
- Oregon Restaurant Lodging Association
- Portland Metro Chamber



# Summary of Interviews

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Throughout Hunden's interviews, there were many themes that arose as it relates to the redevelopment of Expo as a sports-centric facility. A summary of these key highlights are outlined below:

- The City of Portland is at an inflection point with a need for revitalization. Sports can be a huge catalyst for that and is a strong opportunity for development that can enhance the Metro area. Bringing sports to the forefront can be a new way that Portland presents itself as a regional hub for sports, while leveraging the current professional team and sports corporate presence.
- Any redevelopment of Expo should support the community and make sense economically and financially. It will be difficult for a facility with public access to be profitable and will likely require significant public subsidy. Hosting larger tournaments will be key, with private management the best route to take, due to their experience, network and ability to manage and market sports content.
- Sports could bring about a new and sustainable revenue stream for Expo while still maintaining Expo's book of repeat business and events. As one of the best multi-use facilities in the western United States, Expo needs to still be able to host large trade and consumer shows and Expo's current book of business generated by current staff.
- The vision for Expo as a community asset needs to be marketed as such and pricing needs to be able to provide equitable access to actualize that vision. The goal for the redevelopment of Expo would be for it to be a more community-driven center during the week, and a competitive tournament facility on the weekends to make it more sustainable from a financial perspective, while boosting tourism.

# Interviews Summary, cont'd.

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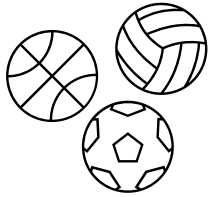
- A lack of facilities leads to a lack of engagement and lost tourism opportunities. The following are facilities that were commonly noted opportunities for the redevelopment of Expo that also aligned with Hunden's analysis of the local and regional sports market.
  - Winterhawks practice facility
  - Second additional ice sheet for expanded local programming
  - Minimum 8 basketball / 16 volleyball courts to be able to host large regional tournaments
  - Full-size indoor soccer turf field with divisions and flexibility for other sports (lacrosse and football)
  - Indoor fixed track, though there were mixed opinions on sufficient demand to support this use
  - Support facilities such as fitness / training, sports medicine, meeting / classrooms, sports retail, and sports organization offices
- Expo should be a locally-inspired destination beyond just being a sports facility. Having commercial development on site can encourage extended stays and additional visitor spending. Family entertainment is also needed for visiting families and residents. An on-site family entertainment center can help a public use facility be more financially feasible. Depending on intended audience, additional hotel development may be needed to support Expo's future redevelopment.
- There is currently a gap in the concert / entertainment market for a dedicated flat-floor flexible venue with a capacity of 3,000-4,000, though Live Nation is planning to develop a 3,500-capacity venue in Portland to fill that void. Currently, VMC and Theatre of the Clouds are able to accommodate events ranging from 2,000-7,500 in a fixed-seating environment.
- Adidas and Under Armour could present potential public project sponsorship opportunities for the project. Hospital / medical partnerships and sports medicine space is also a potential opportunity as a support amenity for the facility and/or site.



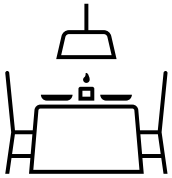
# Recommendations



# Summary



Hunden established four scenarios for the redevelopment of Expo. Given the age and limitations of Halls ABC to be repurposed for sports usage, Hunden recommends that these buildings be replaced with new market-supported indoor sports facilities. The scenarios on the following slides show a range of facilities that could generate more sports tourism versus more local demand. In all scenarios, it is expected these facilities would be accessible to the public, at least on weekdays with the goal of tournaments driving weekend activity.

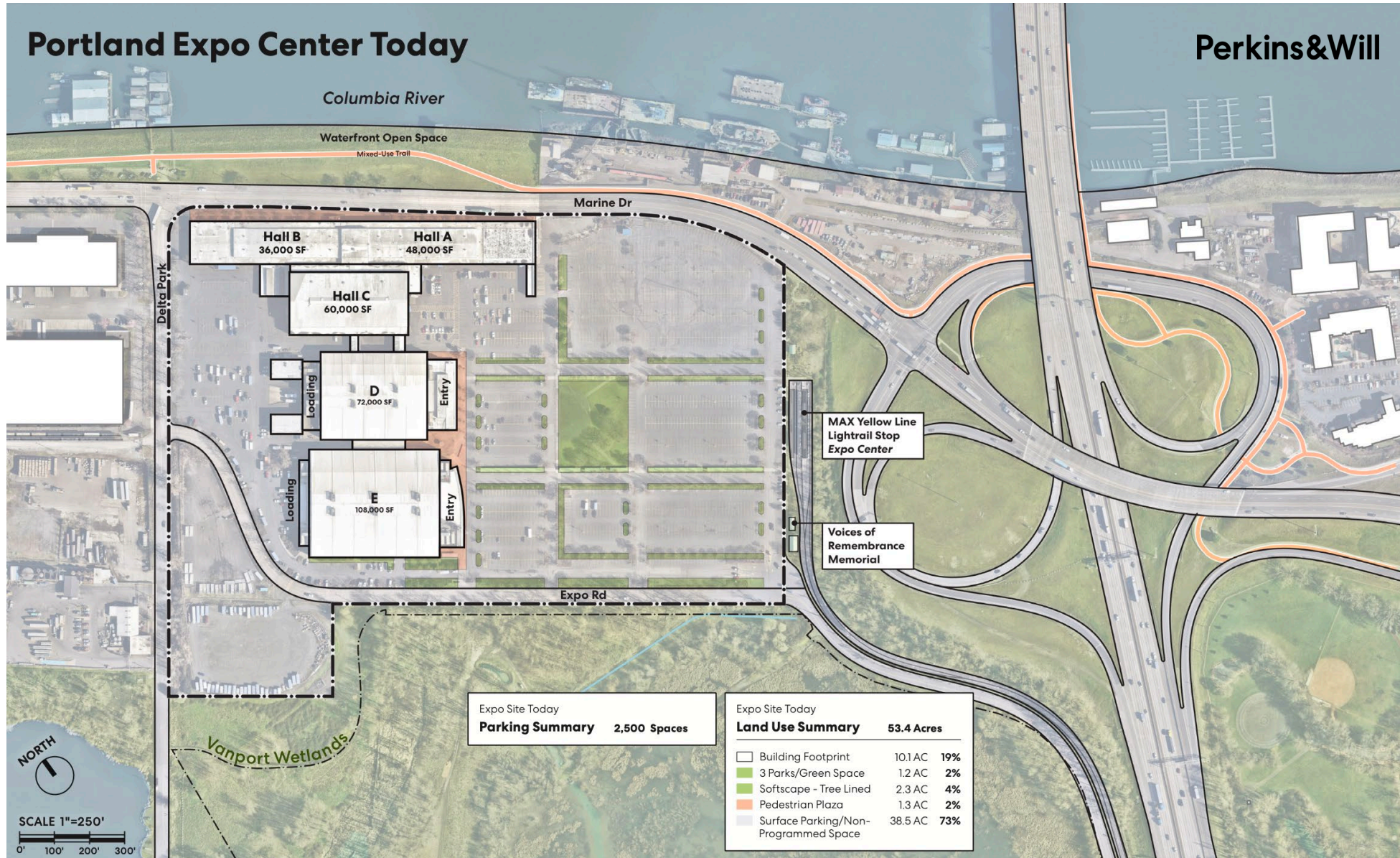


Additional support amenities are also recommended to enhance the offerings available on-site and to increase the viability of the development. Future phases of development could also include additional commercial development on site to support increased regional sports tourism and overnight guests. Hunden does not recommend new hotel development at Expo be pursued until local hotels reach stabilized performance and new Expo programming necessitates new hotel supply.



Given the historical significance of Expo's halls, it is recommended building materials or portions of the structures of any deconstructed buildings be repurposed as part of the new development. One scenario also shows the potential of Hall A to be repurposed as a memorial museum and facility support amenity space. Space for a memorial museum / cultural and healing center will be further defined as engagement with the Historical Significance & Memorialization Committee advances. Strong respect and homage should be shown to Expo's historical significance, revealed through visual and physical story-telling and education both inside and outside the buildings themselves. Thoughtful outdoor and landscape design should be advanced, making everything a visitor to Expo sees or touches be a memorial to Expo's past.

# Current Site





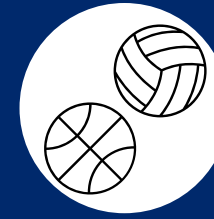
# Scenario 1

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## Max Tournaments & Local Utilization



2 Ice Sheets



9 Basketball /  
18 Volleyball  
Courts



200m  
Track



1 Full-Size  
Turf Field

The first scenario includes the maximum recommended sports facility program, covering all major sports that Hunden's analysis revealed a market opportunity for including hockey / ice sports, basketball, volleyball, pickleball (27 max courts), track, and field sports. This scenario would put Expo at the highest competitive advantage by addressing the shortfall in indoor sports facilities in the local area while also having the ice / court space needed to accommodate regional and national tournaments.

Also included in this program is the highest amount of recommended support amenities, those directly related to sport, but also significant food, beverage, and entertainment options for Expo guests. In order to increase the appeal and activation of Expo, Phase II commercial development is also recommended, including third-party restaurants and retail, and future hotel development upon stabilization of the current nearby hotel supply.

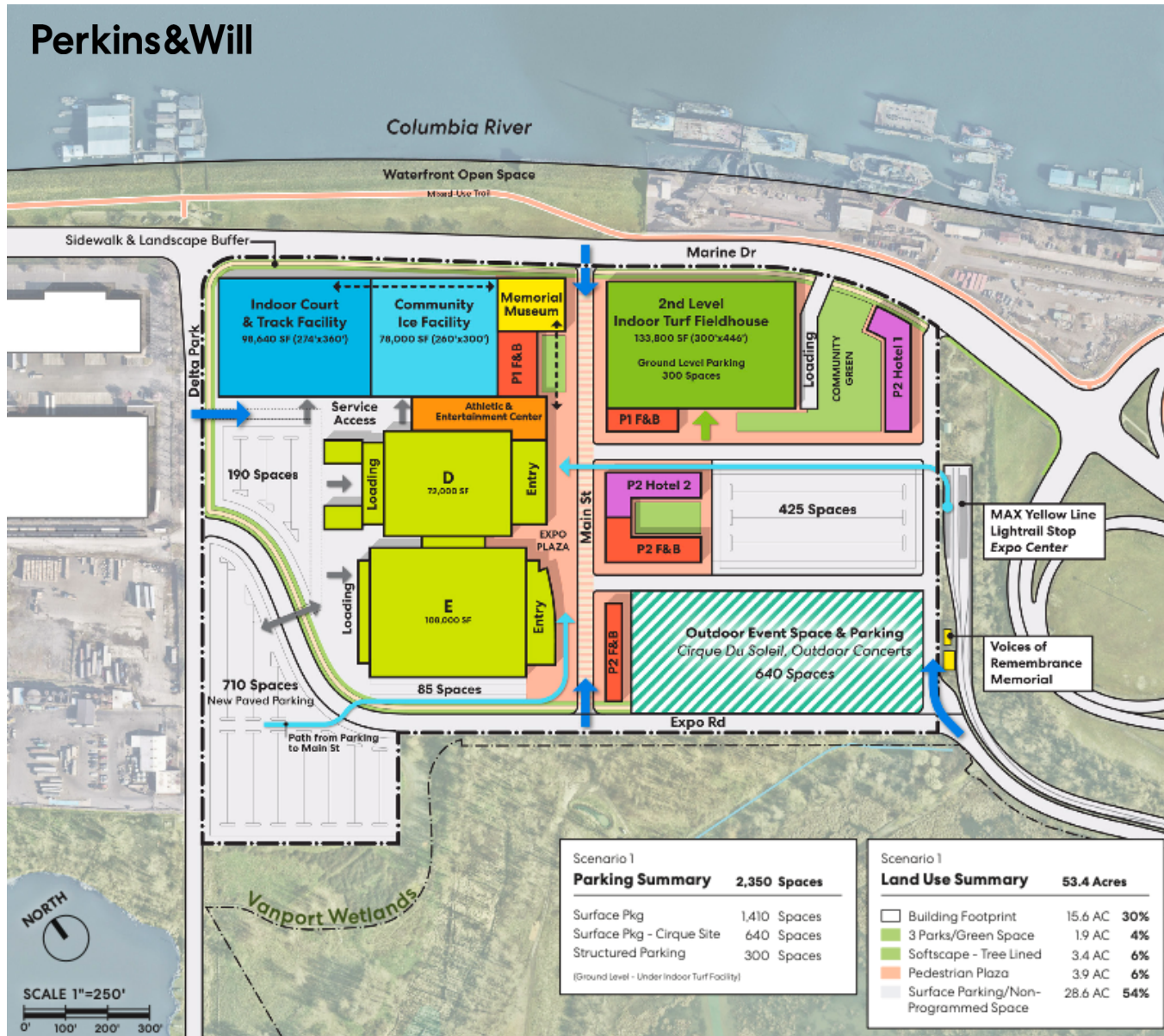
While this scenario offers the most diversity in terms of indoor sport training and competition options, this scenario will also come at a high cost to develop and high feasibility gap, which will require new public financing mechanisms to help fund the project.

This scenario includes a centrally located museum / cultural and healing center that honors the history and culture of the Expo site. Hunden recommends that the center's design and function be created with community input and have a strong relationship to the Historical Significance & Memorialization Committee's developing vision for memorialization. Wherever possible, Hunden recommends this center be constructed from materials that are disassembled from the historic halls and repurposed to build this new facility. Where appropriate, all site features should include historic and culturally important designs.



# Scenario 1

Perkins&Will



**Scenario 1**

Parking Summary		2,350 Spaces
Surface Pkg	1,410 Spaces	
Surface Pkg - Cirque Site	640 Spaces	
Structured Parking	300 Spaces	

(Ground Level - Under Indoor Turf Facility)

**Scenario 1**

Land Use Summary		53.4 Acres
Building Footprint	15.6 AC	30%
3 Parks/Green Space	1.9 AC	4%
Softscape - Tree Lined	3.4 AC	6%
Pedestrian Plaza	3.9 AC	6%
Surface Parking/Non-Programmed Space	28.6 AC	54%

## Scenario 1

Max Tournaments & Local Utilization

### Program Summary

- Existing Expo Halls D&E
- ▨ Temporary Outdoor Events / Cirque Du Soleil Repurpose of Historical Hall Materials

#### New Sports Facilities (Indoor) 310,440 SF

<span style="color: blue;">■</span> Community Ice (2 Ice Sheets)	78,000 SF
<span style="color: blue;">■</span> Combined Track & Court (9 BB, 18 VB)	98,640 SF
<span style="color: green;">■</span> Indoor Turf - Fieldhouse	133,800 SF

#### On-Site Amenities (Phase 1) 98,420 SF\*

##### Athletic and Entertainment Center 78,470 SF\*

<span style="color: orange;">■</span> Fitness/Training	12,000 SF
<span style="color: orange;">■</span> Sports Medicine	3,000 SF
<span style="color: orange;">■</span> Meeting Space/Classrooms	6,000 SF
<span style="color: orange;">■</span> Offices	8,000 SF
<span style="color: orange;">■</span> Family Entertainment Center	20,000 SF
<span style="color: orange;">■</span> Food & Beverage (P1 F&B)	10,000 SF

**Memorial Museum**

<span style="color: yellow;">■</span> Memorial Museum/Exhibit	15,000 SF
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#### On-Site Amenities (Phase 2) 138,000 SF

<span style="color: purple;">■</span> Hotel 1	120-Keys / 54,000 SF
<span style="color: purple;">■</span> Hotel 2	120-Keys / 54,000 SF
<span style="color: orange;">■</span> Food & Beverage (P2 F&B)	30,000 SF

\*Subtotal plus Grossing Factor

# Scenario 2

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**Max Court / Ice  
Tournaments & Local  
Utilization – No Turf / Track**



2 Ice  
Sheets



9 Basketball /  
18 Volleyball  
Courts

The second scenario includes the same ice and court program as Scenario 1, but does not include an indoor turf field or track facility. Based on Hunden's analysis, the ice and court facilities are expected to be utilized the most, while a track or turf facility would be more limited in regional events or tournament capability.

Outdoor is the ongoing preference for soccer, including on the professional level, and without being able to provide multiple fields, Expo will be challenged in hosting regional events for older age groups requiring multiple full-size fields. However, due to the deficiency in outdoor soccer fields at Delta Park, and Expo's vicinity to Delta Park, an indoor field could serve as additional competition space and also provides a new year-round facility that could be used locally.

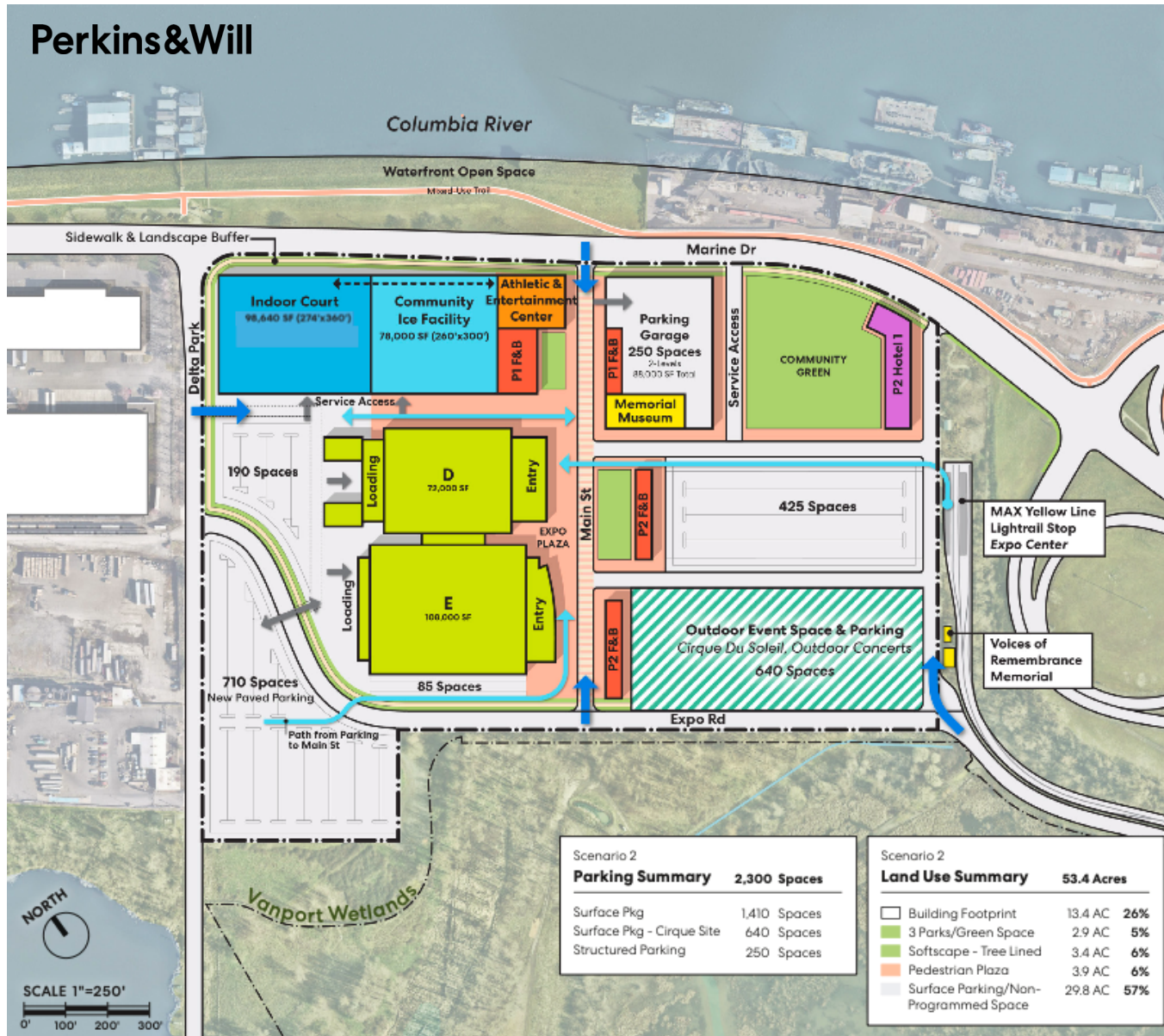
This scenario proposes the same type of sport support spaces as Scenario 1, but with a slightly reduced footprint for family entertainment and food and beverage. Future recommended Phase II commercial / hotel development is also tapered due to the reduced sport facility program.

This scenario includes a museum / cultural and healing center that honors the history and culture of the Expo site. Hunden recommends that the center's design and function be created with community input and have a strong relationship to the Historical Significance & Memorialization Committee's developing vision for memorialization. Wherever possible, Hunden recommends this center be constructed from materials that are disassembled from the historic halls and repurposed to build this new facility. Where appropriate, all site features should include historic and culturally important designs.



# Scenario 2

Perkins&Will

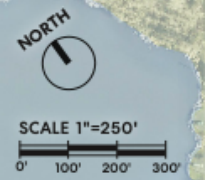


Scenario 2

Parking Summary		2,300 Spaces
Surface Pkg	1,410 Spaces	
Surface Pkg - Cirque Site	640 Spaces	
Structured Parking	250 Spaces	

Scenario 2

Land Use Summary		53.4 Acres
Building Footprint	13.4 AC	26%
3 Parks/Green Space	2.9 AC	5%
Softscape - Tree Lined	3.4 AC	6%
Pedestrian Plaza	3.9 AC	6%
Surface Parking/Non-Programmed Space	29.8 AC	57%



## Scenario 2

Max Court / Ice Tournaments & Local Utilization – No Turf / Track

### Program Summary

- Existing Expo Halls D&E
- ▨ Temporary Outdoor Events / Cirque Du Soleil
- ▨ Repurpose of Historical Hall Materials

#### New Sports Facilities (Indoor) 176,640 SF

Community Ice (2 Ice Sheets)	78,000 SF
Court Facility - No Track (9 BB, 18 VB)	98,640 SF

#### On-Site Amenities (Phase 1) 85,120 SF\*

#### Athletic and Entertainment Center 65,170 SF\*

Fitness/Training	12,000 SF
Sports Medicine	3,000 SF
Meeting Space/Classrooms	6,000 SF
Offices	8,000 SF
Family Entertainment Center	15,000 SF
Food & Beverage (P1 F&B)	5,000 SF

#### Memorial Museum 15,000 SF

Memorial Museum/Exhibit	15,000 SF
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#### On-Site Amenities (Phase 2) 69,000 SF

Hotel	120-Keys / 54,000 SF
Food & Beverage (P2 F&B)	15,000 SF

\*Subtotal plus Grossing Factor



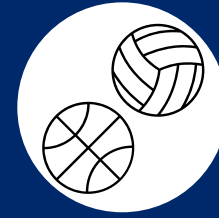
# Scenario 3

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## Local Tournaments & Focus – No Track



1 Ice Sheet



6 Basketball /  
12 Volleyball  
Courts



1 Half-  
Size Field

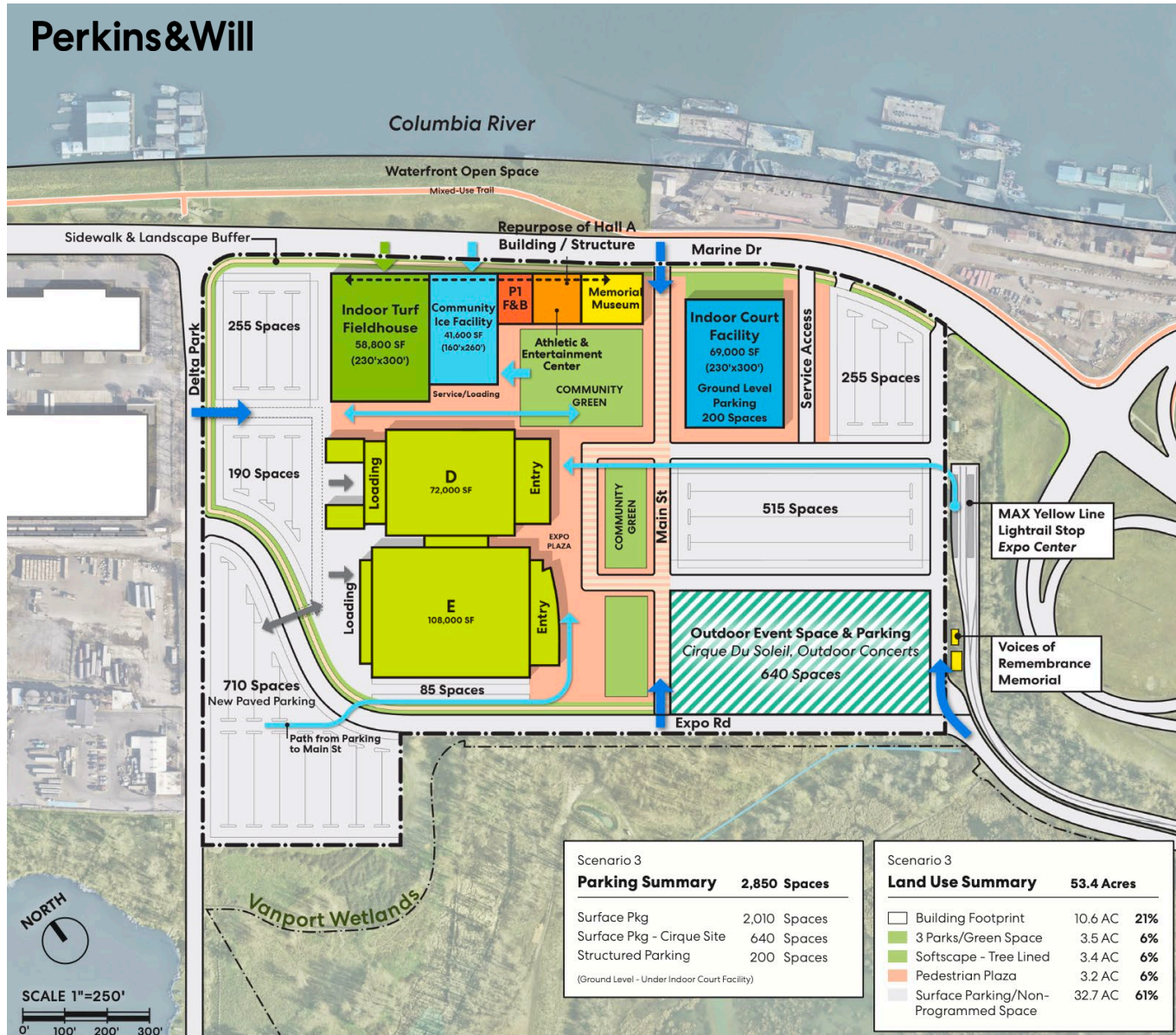
The third scenario is focused on meeting local needs with a single ice sheet, reduced courts, and a half-size turf field. This aims to meet minimum tournament needs for hockey and basketball / volleyball and provide an indoor practice space for field sports. Without having multiple ice sheets and 8-10+ courts, the area may only be able to attract smaller regional events and tournaments.

Due to the reduced program this scenario makes it possible to retain Hall A, with its interior repurposed for a memorial museum and sport facility support amenities. Hunden recommends that the design and function of the museum / cultural and healing center be created with community input and have a strong relationship to the Historical Significance and Memorialization Committee's developing vision for memorialization. Where appropriate, all site features should include historic and culturally important designs.

This scenario is proposed due to the high cost of development, primary goal for increased community engagement, and retention of its most historically significant building. This reduced program would have diminished economic impacts from long-distance visitors. Cost versus community and economic benefit will need to be considered under all scenarios. Due to its local focus, sufficient demand is not expected to support additional commercial or hotel development on-site.

# Scenario 3

Perkins&Will



Scenario 3  
**Parking Summary**    **2,850 Spaces**

Surface Pkg	2,010 Spaces
Surface Pkg - Cirque Site	640 Spaces
Structured Parking	200 Spaces

(Ground Level - Under Indoor Court Facility)

Scenario 3  
**Land Use Summary**    **53.4 Acres**

Building Footprint	10.6 AC	21%
3 Parks/Green Space	3.5 AC	6%
Softscape - Tree Lined	3.4 AC	6%
Pedestrian Plaza	3.2 AC	6%
Surface Parking/Non-Programmed Space	32.7 AC	61%

## Scenario 3

Local Tournaments & Focus – No Track

### Program Summary

- Existing Expo Halls D&E
- ▨ Temporary Outdoor Events / Cirque Du Soleil Repurpose of Historical Hall Materials

#### New Sports Facilities (Indoor)    **169,400 SF**

<span style="color: lightblue;">■</span> Community Ice (1 Ice Sheet)	41,600 SF
<span style="color: blue;">■</span> Court Facility - No Track (6 BB, 12 VB)	69,000 SF
<span style="color: green;">■</span> Indoor Turf - Fieldhouse	58,800 SF

#### On-Site Amenities (Phase 1)    **58,520 SF\***

#### Athletic and Entertainment Center    **38,570 SF\***

<span style="color: orange;">■</span> Meeting Space/Classrooms	6,000 SF
<span style="color: yellow;">■</span> Offices	8,000 SF
<span style="color: orange;">■</span> Family Entertainment Center	10,000 SF
<span style="color: red;">■</span> Food & Beverage (P1 F&B)	5,000 SF

#### Memorial Museum

<span style="color: yellow;">■</span> Memorial Museum/Exhibit	15,000 SF
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\*Subtotal plus Grossing Factor

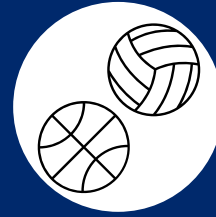
# Scenario 4

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## Max Tournaments, Local Utilization & Professional Basketball Training Facility



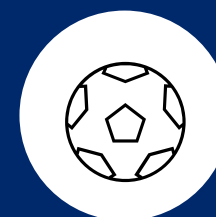
2 Ice Sheets



9 Basketball / 18 Volleyball Courts



200m Track



1 Full-Size Turf Field



Training Facility

The fourth scenario mimics the maximum program in Scenario 1, but with the addition of a dedicated professional basketball training facility. This could be used by both men's and women's sports with at least two additional courts, along with significant support space including training / fitness, treatment / rehab, dining, locker rooms, team offices, and a coach / player's lounge. All scenarios also assume an ice sheet could be the new dedicated practice ice facility for the Winterhawks.

By infusing professional sports into Expo and infusing thoughtful design that allows the community and visitors to see play-in-action, engagement and visitation to Expo can increase. A professional sports training facility would make for a great addition to Expo, significantly increasing its appeal for guests as well as potential additional sponsorship and naming rights opportunities.

The two additional courts could also be used for larger regional or national events when combined with the proposed 6-9 court facility.

This scenario includes a museum / cultural and healing center that honors the history and culture of the Expo site. Hunden recommends that the center's design and function be created with community input and have a strong relationship to the Historical Significance & Memorialization Committee's developing vision for memorialization. Wherever possible, Hunden recommends this center be constructed from materials that are disassembled from the historic halls and repurposed to build this new facility. Where appropriate, all site features should include historic and culturally important designs.



# Scenario 4

Perkins&Will



Scenario 4

Parking Summary		2,350 Spaces
Surface Pkg	1,410 Spaces	
Surface Pkg - Cirque Site	640 Spaces	
Structured Parking	300 Spaces	

(Ground Level - Under Indoor Turf Facility)

Scenario 4

Land Use Summary		53.4 Acres
Building Footprint	15.6 AC	30%
3 Parks/Green Space	1.5 AC	3%
Softscape - Tree Lined	3.4 AC	6%
Pedestrian Plaza	3.9 AC	7%
Surface Parking/Non-Programmed Space	29 AC	54%

## Scenario 4

Max Tournaments, Local Utilization & Professional Basketball Training Facility

### Program Summary

- Existing Expo Halls D&E
- ▨ Temporary Outdoor Events / Cirque Du Soleil Repurpose of Historical Hall Materials

#### New Sports Facilities (Indoor) 364,792 SF

Community Ice (2 Ice Sheets)	78,000 SF
Combined Track & Court (9 BB, 18 VB)	98,640 SF
Professional Basketball Training Facility	54,352 SF
Indoor Turf - Fieldhouse	133,800 SF

#### On-Site Amenities (Phase 1) 98,420 SF\*

Athletic and Entertainment Center 78,470 SF*	
Fitness/Training	12,000 SF
Sports Medicine	3,000 SF
Meeting Space/Classrooms	6,000 SF
Offices	8,000 SF
Family Entertainment Center	20,000 SF
Food & Beverage (P1 F&B)	10,000 SF

Memorial Museum	
Memorial Museum/Exhibit	15,000 SF

#### On-Site Amenities (Phase 2) 138,000 SF

Hotel 1	120-Keys / 54,000 SF
Hotel 2	120-Keys / 54,000 SF
Food & Beverage (P2 F&B)	30,000 SF

\*Subtotal plus Grossing Factor

# Project Costs

Perkins&Will developed rough order of magnitude cost estimates for each of the scenarios. Estimates include hard and soft costs, along with contingency.

These cost estimates also include a three-year escalation and amount to an approximate 15-percent increase in the budget from today's dollars.

Scenario 3 would require the least up-front capital investment but would also generate the least economic impact and tournament demand.

	Project Cost Estimates (millions)			
	Scenario 1	Scenario 2	Scenario 3	Scenario 4
<b>Sports Facilities</b>				
Community Ice Facility	\$ 65.7	\$ 65.7	\$ 37.1	\$ 65.7
Track and/or Court Facility	\$ 89.3	\$ 78.1	\$ 50.7	\$ 89.3
Professional Basketball Training Facility	\$ -	\$ -	\$ -	\$ 64.6
Turf Facility	\$ 95.4	\$ -	\$ 43.7	\$ 95.4
<b>Total</b>	<b>\$ 250.3</b>	<b>\$ 143.8</b>	<b>\$ 131.4</b>	<b>\$ 314.9</b>
<b>Other Facilities</b>				
Athletic & Entertainment Center	\$ 62.2	\$ 51.6	\$ 30.6	\$ 62.2
Hall ABC Deconstruction / Repurposing	\$ 2.5	\$ 2.5	\$ 2.5	\$ 2.5
Memorial Museum	\$ 21.7	\$ 21.7	\$ 21.7	\$ 21.7
<b>Total</b>	<b>\$ 86.4</b>	<b>\$ 75.8</b>	<b>\$ 54.8</b>	<b>\$ 86.4</b>
<b>Site Costs</b>				
Expo Main Street & Pedestrian Plaza	\$ 5.6	\$ 5.6	\$ 5.6	\$ 5.6
Outdoor Plaza & Memorial Feature	\$ 1.4	\$ 1.4	\$ 1.4	\$ 1.4
Central Green & Parking	\$ 5.0	\$ 5.0	\$ 5.9	\$ 5.0
Seasonal Outdoor Event Space & Parking	\$ 7.1	\$ 7.1	\$ 7.1	\$ 7.1
Westside Parking Lot	\$ 8.1	\$ 8.1	\$ 8.1	\$ 8.1
Structured Parking	\$ 17.7	\$ 14.8	\$ 11.8	\$ 17.7
<b>Total</b>	<b>\$ 44.8</b>	<b>\$ 41.8</b>	<b>\$ 39.8</b>	<b>\$ 44.8</b>
<b>Total Project Costs</b>	<b>\$ 381.4</b>	<b>\$ 261.4</b>	<b>\$ 225.9</b>	<b>\$ 446.0</b>

Source: Perkins&Will



# **Demand, Financial & Impact Projections**



# Sports Facility Events

Based on Hunden’s analysis of the market and discussions held with national sports facility operators, Hunden projected the number of stabilized events and event days for each of the four scenarios.

Aside from the professional basketball training facility, Scenarios 1 and 4 are identical and are projected to produce the same number of tournaments and other events. It is assumed the the court/track facility would be used for court sports nine months out of the year, and as a track facility three months out of the year.

In Scenario 2, which does not include a track, additional court tournaments are assumed due to year-round availability. In Scenario 3, a lower number of court tournaments is assumed due to the reduced courts (from 9 to 6).

Ice tournament projections were developed based on feedback from the Winterhawks team. Meetings and classes are projected to be an an additional opportunity as it relates to potential sports academies and related sports education.

## Sports Facility Stabilized Event Projections (Year 3)

	Scenario 1	Scenario 2	Scenario 3	Scenario 4
<b>Events</b>				
Basketball Tournaments	10	12	8	10
Volleyball Tournaments	14	16	11	14
Pickleball Tournaments	5	6	4	5
Wrestling Meets	3	4	3	3
Cheer/Dance	7	8	5	7
Track Meets	10	0	0	10
Ice Tournaments	18	18	9	18
Meetings / Classes	72	58	43	72
<b>Total</b>	<b>139</b>	<b>122</b>	<b>83</b>	<b>139</b>
<b>Event Days</b>				
Basketball Tournaments	20	24	16	20
Volleyball Tournaments	28	32	22	28
Pickleball Tournaments	10	12	8	10
Wrestling Meets	6	8	6	6
Cheer/Dance	14	16	10	14
Track Meets	20	0	0	20
Ice Tournaments	36	36	18	36
Meetings / Classes	72	58	43	72
<b>Total</b>	<b>206</b>	<b>186</b>	<b>123</b>	<b>206</b>

Source: Hunden Partners

# Sports Facility Attendance

Hunden also projected stabilized attendance based on comparable facilities and the market opportunity in the Metro area.

Public use and daily rentals are based on the assumption that the court/track and field facilities would be free to the public during weekday daytime hours, available for rental on weekday nights, and available for tournaments on the weekends.

Ice facility public use and tournament attendance was estimated based on feedback of potential programming and utilization by the Winterhawks team.

Attendance projections for the family entertainment center (FEC) and proposed memorial museum only include non-sports attendees and do not include attendees visiting the facility for sports.

Due to reduced sports facilities in Scenario 3, and reduction in the tournament potential for both ice and court sports, total attendance projections are significantly reduced under this scenario.

**Sports Facility Stabilized Attendance Projections (Year 3)**

	Scenario 1	Scenario 2	Scenario 3	Scenario 4
Public Use	128,088	116,640	98,172	128,088
Daily Rentals	142,779	124,740	108,959	142,779
Ice Facility Use	608,408	608,408	309,704	608,408
Basketball Tournaments	45,000	54,000	24,000	45,000
Volleyball Tournaments	117,600	134,400	60,984	117,600
Pickleball Tournaments	2,400	2,880	1,280	2,400
Wrestling Meets	10,800	14,400	7,020	10,800
Cheer/Dance	26,250	30,000	12,000	26,250
Track Meets	45,000	0	0	45,000
Ice Tournaments	30,240	30,240	7,560	30,240
Meetings / Classes	3,600	2,880	2,160	3,600
Family Entertainment Center (Non-Sports Visitors)	25,000	20,000	15,000	25,000
Professional Basketball Training Facility	0	0	0	9,600
Memorial Museum (Non-Sports Visitors)	16,800	16,800	16,800	16,800
<b>Total Attendance</b>	<b>1,201,965</b>	<b>1,155,388</b>	<b>663,639</b>	<b>1,211,565</b>

Source: Hunden Partners

# Expo Events

The proposed sports facilities would have an impact on the future performance of Expo’s existing facilities. Halls ABC would be deconstructed under three of the scenarios and Hall A would be repurposed in Scenario 3 for sport facility support spaces and the memorial museum.

There are a number of events that require more space than what Halls D and E provide which could result in lost events due to the elimination of the exhibit space in Halls ABC. However, a turf facility has the ability to have a temporary hard surface overlay (e.g. Matrax) that would enable this facility to host consumer shows including heavy load events such as car, RV, and boat shows. This will increase the likelihood that Expo will retain these events despite the loss of existing halls. Scenario 2 does not include a turf facility and Scenario 3 has only half of a field; therefore, Hunden projects these two scenarios will result in a decrease of the number of large consumer shows able to be hosted at Expo.

Due to the presence of the new sports facilities, it is expected that Expo will be able to host additional larger sporting events (from 9 to 14), and that there is the potential for additional concerts / entertainment due to recent increase in demand for this at Expo.

A major outdoor event is assumed as well, which could include a Cirque event or a long-run fair / festival or a family show.

For comparison, Expo hosted 56 events over 202 event days in FY 2023. Increases to this baseline are reflected in more consumer shows (net of any applicable losses from removal of Halls ABC), concerts / entertainment, and sporting events.

## Expo Stabilized Event Projections (Year 3)

	Scenario 1	Scenario 2	Scenario 3	Scenario 4
<b>Events</b>				
Consumer Show	37	31	33	37
Concert / Entertainment	4	4	4	4
Major Outdoor Event	1	1	1	1
Sporting Event	14	14	14	14
Meeting / Seminar	6	6	6	6
Banquet	2	2	2	2
Other	5	5	5	5
<b>Total</b>	<b>69</b>	<b>63</b>	<b>65</b>	<b>69</b>
<b>Event Days</b>				
Consumer Show	111	93	99	111
Concert / Entertainment	8	8	8	8
Major Outdoor Event	50	50	50	50
Sporting Event	42	42	42	42
Meeting / Seminar	12	12	12	12
Banquet	2	2	2	2
Other	5	5	5	5
<b>Total</b>	<b>230</b>	<b>212</b>	<b>218</b>	<b>230</b>

Source: Hunden Partners



# Expo Attendance

Expo attendance estimates were projected based on FY 2023 average event attendance and the projected number of events by type in each scenario.

In FY 2023, Expo events generated approximately 311,000 attendees. With incremental increases in consumer shows, concerts / entertainment, and sporting events, attendance for these event types are projected to increase from FY 2023 for Scenarios 1 and 4.

By having a full turf facility for Scenarios 1 and 4, Expo is expected to be able to continue its growth in business in terms of events and overall attendance.

<b>Expo Stabilized Attendance Projections (Year 3)</b>				
	<b>Scenario 1</b>	<b>Scenario 2</b>	<b>Scenario 3</b>	<b>Scenario 4</b>
Consumer Show	203,500	93,000	115,500	203,500
Concert / Entertainment	32,000	32,000	32,000	32,000
Major Outdoor Event	80,000	80,000	80,000	80,000
Sporting Event	77,000	77,000	77,000	77,000
Meeting / Seminar	3,450	3,450	3,450	3,450
Banquet	550	550	550	550
Other	500	500	500	500
<b>Total Attendance</b>	<b>397,000</b>	<b>286,500</b>	<b>309,000</b>	<b>397,000</b>

Source: Hunden Partners

# Financial Projections

The table to the right outlines the stabilized financial projections (Year 3) for the sports and Expo facilities. Hunden utilized FY 2023 averages for Expo facility rental revenues per event type, concessions/catering per caps, parking per caps, other event charges per event, and admission fees as a baseline for its projections of operating revenues. Sports facility assumptions were confirmed with national sports facility operators.

Rental revenues consist of court, track, and/or turf rentals along with building rental. It is assumed that the ice facility and professional basketball training facility are based on a lease structure, whereby the Winterhawks and professional basketball team(s) pay a lease per square foot plus common area maintenance (CAM) reimbursements and are responsible for their own facility staff and operating expenses. The Winterhawks would then retain any program and other revenues generated within the ice facility; however, parking, F&B, and family entertainment center (FEC) revenues are assumed for ice facility spectators and public users. The professional basketball training facility is not expected to generate revenue outside the lease.

For spectators and public users for the sports facilities, per cap concessions/catering (Food & Beverage or F&B) and FEC revenues were assumed. Parking revenues were assumed for sport tournament spectators and Expo events (events utilizing Halls D&E) only. Based on the scope of the scenario programs, it is anticipated the facility could generate a range of naming rights and sponsorship revenues.

Hunden assumed a full load of full-time personnel and part-time labor would be needed for the sports facility, in addition to current staff at Expo. It is also assumed a private management company would operate the facilities. Currently Expo is allocated a share of Metro CAP expenses. In FY 2024, this amounts to approximately \$950,000. If Expo moves to a private management structure, this cost allocation will need to be revisited. To be conservative, however, Hunden included this expense in the projections.

Projected net operating income may appear high, but Expo would be more unique compared to some other indoor sports facilities in that it can charge for parking (only assumed for tournament spectators and Expo events) and includes a FEC that generates significant additional revenues for the facility. Without these revenues and related expenses, the facility would operate at or below breakeven. Expo also currently funds approximately \$1 million in Expo debt service annually, which will be paid off in FY 2025.

Projected net operating income is most significant for Scenario 4 compared to Scenario 1 due to the increase in facility rental revenue for the professional basketball training facility. For Scenarios 2 and 3, revenues associated with Expo events that would be lost due to the loss of Halls ABC were removed from the projections. It was also assumed approximately half of historical rentals and related revenues of utilizing parking lots may be lost due to the need to utilize parking on a more daily basis for the sports facilities. Scenario 3 also has the lowest projected NOI due to reduced sports attendance, rentals, and tournament potential.

Combined Expo / Sports Stabilized Financial Projections (Year 3)				
	Scenario 1	Scenario 2	Scenario 3	Scenario 4
<b>Revenues (000s)</b>				
Rental Revenues	\$ 5,361	\$ 4,103	\$ 3,631	\$ 6,013
Concessions / Catering (Net)	\$ 1,634	\$ 1,174	\$ 988	\$ 1,634
Parking (Net)	\$ 3,280	\$ 2,426	\$ 2,133	\$ 3,280
Event Charges	\$ 1,335	\$ 994	\$ 1,078	\$ 1,335
Family Entertainment Center (Net)	\$ 848	\$ 762	\$ 406	\$ 848
Admission Fees	\$ 169	\$ 169	\$ 169	\$ 169
Advertising & Sponsorship	\$ 244	\$ 191	\$ 111	\$ 350
Other Revenues	\$ 159	\$ 93	\$ 53	\$ 182
<b>Total</b>	<b>\$ 13,031</b>	<b>\$ 9,912</b>	<b>\$ 8,571</b>	<b>\$ 13,811</b>
<b>Expenses (000s)</b>				
Personnel & Labor	\$ 3,968	\$ 3,475	\$ 3,317	\$ 3,968
Metro Cost Allocation	\$ 1,008	\$ 1,008	\$ 1,008	\$ 1,008
Operating Expenses	\$ 4,374	\$ 3,264	\$ 3,252	\$ 4,436
Management Fees	\$ 361	\$ 297	\$ 259	\$ 361
<b>Total</b>	<b>\$ 9,710</b>	<b>\$ 8,044</b>	<b>\$ 7,836</b>	<b>\$ 9,773</b>
<b>Net Operating Income (000s)</b>	<b>\$ 3,321</b>	<b>\$ 1,868</b>	<b>\$ 735</b>	<b>\$ 4,038</b>

Source: Hunden Partners

# Return on Investment - Operations

The table to the right outlines the combined net operating income (NOI) for the sports facilities and Expo to help determine the overall return on investment for the Project.

Over 30 years, net operating income projected for Scenarios 1 and 4 amount to approximately 37-39 percent of the total estimated project costs. The percent is reduced under Scenario 2 due to the net loss in profit at Expo from the loss of major consumer shows due to reduced available exhibit space. Scenario 3 is further reduced due to the decreased profit given the locally driven sports programming.

These net profits are projected to be sufficient to cover the estimated capital reserve funds over this period, except for Scenario 3. Capital reserves needed over 30 years were estimated at 25 percent of total project costs plus \$300K annually for Expo. A thorough assessment of Halls D and E may be needed to determine any adjustment to capital reserves needed over the next 30 years.

The internal rate of return over a 30-year period is estimated at a negative five to ten percent for these scenarios, with Scenarios 1 and 4 projected to have the lowest negative return.

The net present value of NOI over 30 years (using a 7 percent discount rate) is projected to be highest for Scenarios 1 and 4, and lowest under Scenario 3.

While Scenario 4 is estimated to generate the most in profit, it has yet to be determined if professional basketball team(s) would be dedicated tenants at Expo which would generate the additional rent and support for the training facility investment.

Combined Expo / Sports Return on Investment - NOI				
	Scenario 1	Scenario 2	Scenario 3	Scenario 4
<b>Net Operating Income - 30 Years (millions)</b>	\$ 140	\$ 78	\$ 28	\$ 172
Estimated Capital Reserve Fund (30-Years)	\$ 104	\$ 74	\$ 65	\$ 121
Construction Cost (millions)	\$ 381	\$ 261	\$ 226	\$ 446
<b>30-Year NOI / Cost</b>	<b>37%</b>	<b>30%</b>	<b>12%</b>	<b>39%</b>
<b>IRR</b>	<b>-5%</b>	<b>-6%</b>	<b>-10%</b>	<b>-5%</b>
<b>Net Present Value of 30-Year NOI (millions)</b>	\$ 49	\$ 28	\$ 10	\$ 61
Source: Hunden Partners				



# Return on Investment – New Visitation

The table to the right outlines the combined net new stabilized annual daytrips, overnights, and room nights projected for the four scenarios.

Net new visitation impacts are most significant under Scenarios 1 and 4, which have the most and largest sports facilities, as well as the ability to host larger Expo consumer shows at the full turf facility.

Scenario 2 also has significant net new visitation impacts due to year-round court facility programming but is less than Scenarios 1 and 4 given the lack of a convertible track facility and turf, and loss of larger Expo consumer shows. As a more locally-focused facility with reduced sports programming, and a limited ability to host some of Expo’s larger consumer shows, Scenario 3 is projected to have the least net new daytrips, overnights, and room nights.

Combined Expo / Sports Return on Investment - New Visits				
	Scenario 1	Scenario 2	Scenario 3	Scenario 4
<b>Total Visits</b>	<b>1,598,965</b>	<b>1,441,888</b>	<b>972,639</b>	<b>1,608,565</b>
Net New Daytrips	693,832	562,634	274,106	703,432
Net New Overnights	171,271	155,263	51,669	171,271
Net New Room Nights	68,982	62,048	20,626	68,982
Source: Hunden Partners				

# Return on Investment – New Impacts

The table to the right outlines the combined net new economic, fiscal, and employment impacts for the four scenarios.

Net new daytrips, overnights, and room nights have a direct impact on new spending and related new earnings and jobs. Accordingly, Scenarios 1 and 4 are estimated to generate the highest impacts over 30 years, as well as create the most temporary construction jobs due to increased construction costs.

Tax impacts are also most significant under Scenarios 1 and 4, with higher net new room nights generating more net new county and city hotel taxes.

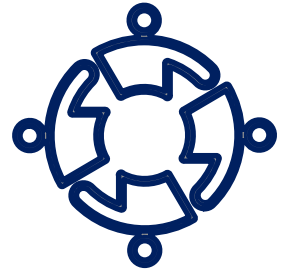
Scenario 3 is projected to generate the least in new spending, earnings, jobs, and taxes.

Combined Expo / Sports Return on Investment - New Impacts (millions) - 30 Years				
	Scenario 1	Scenario 2	Scenario 3	Scenario 4
<b>Net New Spending</b>				
Direct	\$ 1,044	\$ 722	\$ 296	\$ 1,046
Indirect	\$ 410	\$ 284	\$ 117	\$ 411
Induced	\$ 206	\$ 137	\$ 58	\$ 206
<b>Total</b>	<b>\$ 1,659</b>	<b>\$ 1,143</b>	<b>\$ 471</b>	<b>\$ 1,664</b>
<b>Net New Earnings</b>				
Direct	\$ 463	\$ 313	\$ 131	\$ 464
Indirect	\$ 165	\$ 123	\$ 48	\$ 165
Induced	\$ 91	\$ 64	\$ 26	\$ 92
<b>Total</b>	<b>\$ 719</b>	<b>\$ 500</b>	<b>\$ 204</b>	<b>\$ 720</b>
<b>Net New Jobs (actual)</b>				
Direct	223	146	63	224
Indirect	90	59	25	90
Induced	46	29	13	46
<b>Total</b>	<b>359</b>	<b>234</b>	<b>101</b>	<b>360</b>
<b>Construction Jobs (actual)</b>	<b>2,669</b>	<b>1,829</b>	<b>1,581</b>	<b>3,121</b>
<b>Net New Transient Lodging Taxes</b>				
Multnomah County (5.5%)	\$ 15.1	\$ 13.6	\$ 4.4	\$ 15.1
Portland City (6.0%)	\$ 16.5	\$ 14.8	\$ 4.8	\$ 16.5
<b>Total</b>	<b>\$ 31.5</b>	<b>\$ 28.4</b>	<b>\$ 9.1</b>	<b>\$ 31.5</b>

Source: Hunden Partners

# Community Benefits

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All of the scenarios proposed for the Project would generate additional community benefits to the residents of the Metro area and the region beyond. The Project includes an investment in a memorial museum / cultural and healing center, which will provide new sports and Expo attendees, along with the public, an opportunity to learn and engage in Expo's historical significance.

The proposed sports facilities also provide the public the opportunity to be more engaged in recreational and competitive sports, which can aid in the overall mental and physical wellbeing of residents. These sports facilities would also be an attractive proposition to families considering the Metro area for relocation and aid in the retention of the Metro area's current resident base.

While Scenarios 2 and 3 offer less in terms of diversity of sports, the court and ice programs under all scenarios would meet local needs and unaccommodated demand for these related sports. Court and ice sports represent the most significant demand for indoor facilities for both year-round public use and programming, and regional / national tournament generation. By establishing new indoor sports venues to address demand, this engagement can also expand to outdoor sports and demand for related public and private facilities in the area.

New room nights projected to be generated at stabilization under Scenarios 1 and 4 could increase the local hotel competitive set occupancy from 65 to 76 percent and encourage future on-site hotel development. Even new room nights projected in Scenario 3 would lift the performance of local hotels, which have struggled to return to pre-pandemic levels. A significant lift in visitation to the site also could encourage future restaurant / retail development. These amenities would also be a value-add to the community and its nearby residents, providing more diversity in accommodations, dining, and potentially new family entertainment.

While the required up-front capital investment will be significant, the combined qualitative and quantitative benefits of the Project warrants public investment in the opportunity.



# Funding Options

This table outlines potential public funding options for the Project. These funding mechanisms would require significant political will to undertake. Due to the high economic impact and community benefit of the proposed Project, however, public investment is warranted and also needed given the Project’s financial feasibility gap.

It is likely a combination of these financing tools will be needed to successfully fund the Project. While operating profits for the Project are projected to be significant and could be a potential source of capital funding, it is crucial that not only upfront capital required is funded, but also a long-term capital improvement plan to maintain the Project as a state-of-the-art facility in the region in the future.

It is assumed operating profits, including private naming rights revenues, would fund these capital reserves, while additional funding sources, such as those outlined in this table, would be potential opportunities to fund the estimated capital costs of the Project.

It is not expected that a private operator would take on the construction / development risk of the Project. A private operator could potentially offer to provide a limited up-front capital investment of up to \$3 million.

Net estimated bond proceeds from these potential revenue streams are very preliminary based on conservative debt assumptions including 2x debt service coverage and a 20-year amortization. Having Metro’s full faith and credit backing would keep bond interest rates low, and potentially improve upon the term and coverage needed, which could in turn increase net bond proceeds available to fund the project.

Expo Funding Options Summary						
Source	Description	Baseline Annual Revenues	Estimated Net Bond Proceeds	Voter Approval Required	Stability	Adequacy
VFTA	Expo Budgeted Allocation	\$ 1,500,000	\$ 10,000,000	No	Mid	Low
VFTA	Motor Vehicle Rental Tax	\$ 7,900,000	\$ 50,000,000	No	Mid	Mid
Property Tax	Inc of \$0.07/\$1,000 of AV	\$ 15,500,000	\$ 99,000,000	Yes	High	High
Solid Waste Excise Tax	Inc. of \$8.5M	\$ 8,500,000	\$ 54,000,000	No	High	Mid
Metro-Wide TLT	New Tax (1%)	\$ 10,000,000	\$ 64,000,000	No	Mid	Mid
County or City TLT	Inc. in Tax (1%)	\$ 6,000,000	\$ 38,000,000	No	Mid	Mid

Source: Metro

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# Questions for Councilors and Commissioners

- Does Metro Council and MERC affirm its sports pivot directive for Expo Future based on the findings of the sports feasibility study?
- Does Metro Council or MERC request any additional study, information, or data before considering the COO's recommendations for the Expo Future sports pivot and memorialization of the site's history and culture at a joint Council/MERC meeting planned for December 2024?



[oregonmetro.gov](http://oregonmetro.gov)

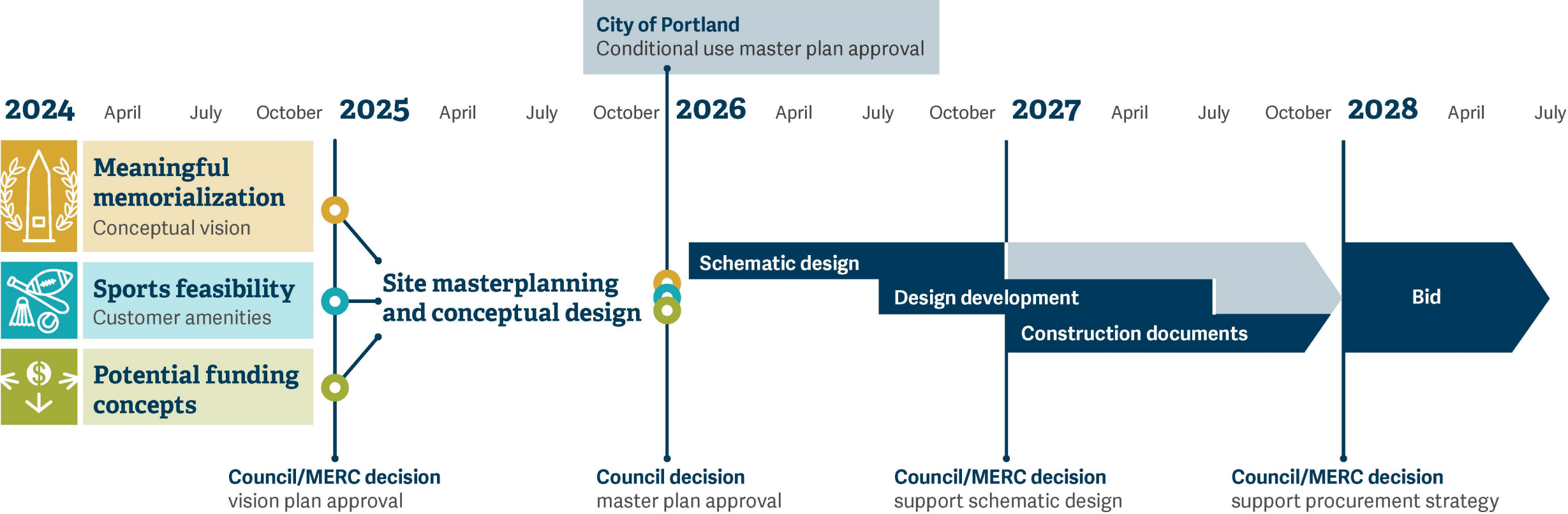






**Slides in reserve**

# Expo Future refinement to implementation

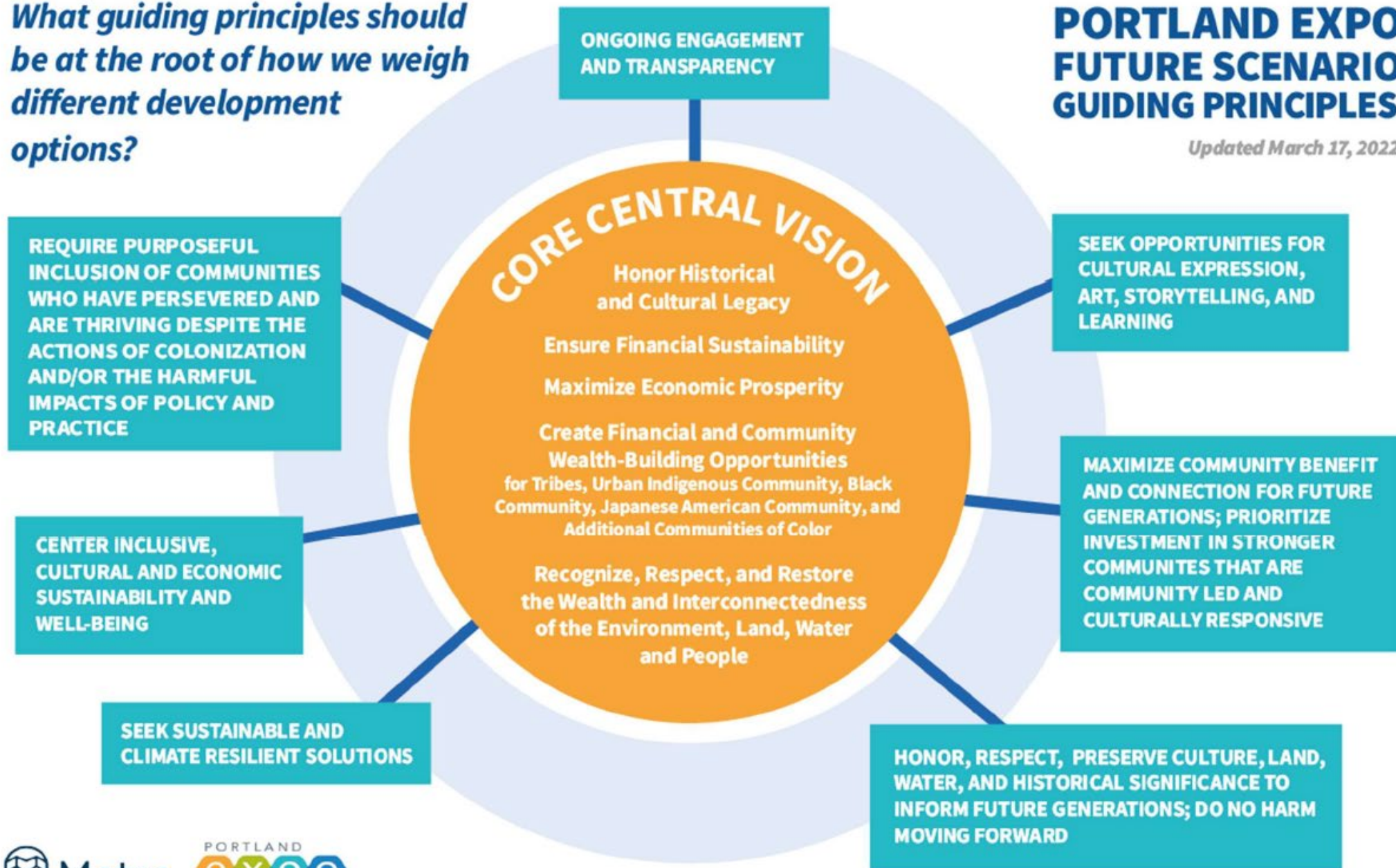




*What guiding principles should be at the root of how we weigh different development options?*

# PORTLAND EXPO FUTURE SCENARIO GUIDING PRINCIPLES

Updated March 17, 2022



# Initial tangible memorialization ideas

- Native plantings
- Oral histories, audio in multiple languages
- Architecture and connecting the story of Hall A to other Expo buildings
- Highlighting views of Vanport, camas fields from parking lot

# Initial tangible memorialization ideas, con't.

- Rotating art installations reflective of impacted communities
- Offering culturally relevant foods
- Walking path that shows consecutive history of site
- Reflect themes in décor of buildings, quotes on walls
- Connection to nature, trees, water



# Initial intangible memorialization ideas

- A feeling of coming home and healing
- Moments of silence at events
- Community access – open, unpaid ways to access to serve community (hold events, workshops, learning)
- Naming places within the site
- A solemn space for personal connections, reflection
- Regular onsite events that highlight history and culture (with virtual attendance options)

# Initial intangible memorialization ideas, con't.

- Youth workforce/training opportunity
- What is shared with event participants in advance?
- Online resources and programming accessible by links and onsite QR codes
- Balance a confrontation of true history with a sense of learning, healing