

# Economic & Fiscal Impact Analysis of the Proposed Hamilton Fields Sports Park

Prepared for the City of Novato: April 11, 2016



THE CITY OF  
NOVATO  
CALIFORNIA

VICTUS  
ADVISORS



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*DISCLAIMER: This report relies on a variety of assumptions to develop economic and fiscal estimates. Sources of assumptions include, but may not be limited to, information provided by the City of Novato and its third-party consultants, the project applicant, Victus Advisors' industry experience and previous studies, and available data from various industry sources. Information collected by Victus Advisors has not been audited or verified and has been assumed to be correct. There will be differences between actual events and the projections contained herein, and we express no assurances of any kind related to any projected information. Differences between projections and actual events may be material.*



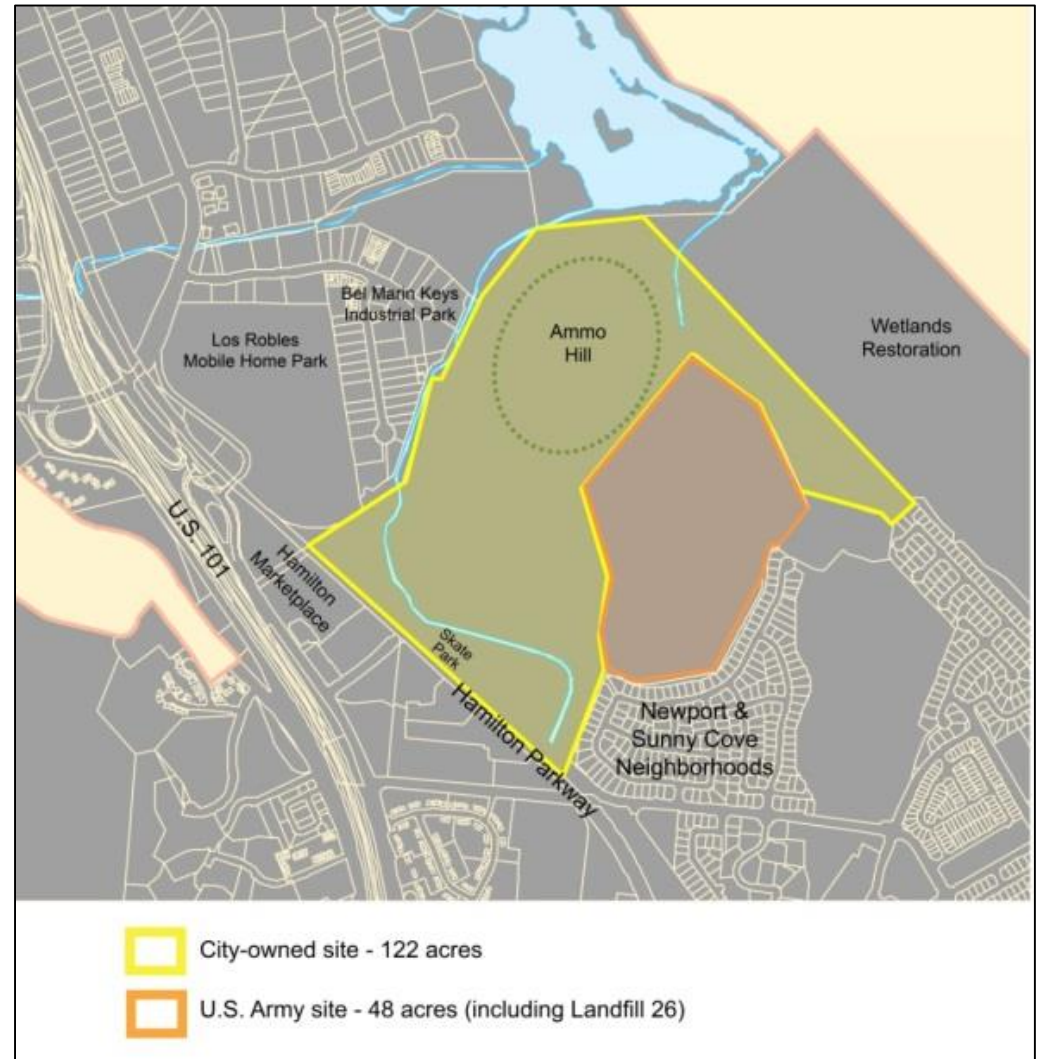
# I. PROJECT BACKGROUND



# PROJECT BACKGROUND

The **City of Novato, California** (“the City”) is processing an application from a private developer/operator for a sports complex to be located at the former Hamilton Air Force Base, on U.S. Army property formerly used as a landfill (shown at right).

According to the City, there is no proposal for development of the City property, other than creation of an access road to the Hamilton Fields Sports Park project and maintenance levee to allow abandonment of the current Todd’s Road, a portion of the Community Park and a Baylands interpretive center.



Source: City of Novato



## PROJECT BACKGROUND (CONT'D)



As a key component of its application and review process, the City of Novato engaged **Victus Advisors** in July 2015 to conduct an independent, objective, and research-based analysis of the potential economic and fiscal impacts that could be generated within City limits by development of the proposed Hamilton Fields Sports Park. Over a period of

approximately three (3) months from August to November, Victus Advisors completed our initial study, and in April 2016 we updated our study based upon additional inputs:

- **August 2015:** Conducted meetings in Novato with City staff to review project background and establish goals and milestones for the Economic & Fiscal Impact Analysis. Prepared economic impact models.
- **September 2015:** Conducted meetings in Novato with the project applicant to review current Sports Park programming and operating plans. Developed operations model.
- **October 2015:** Conducted interview with proposed construction project manager to review construction cost/spending assumptions. Developed construction model.
- **November 2015:** Submitted Economic & Fiscal Impact Analysis draft report to City.
- **April 2016:** Submitted updated report to City, incorporating additional input provided to the City by its third-party consultants.

Our project methodology is described in detail in the following section of this report.



## II. ECONOMIC IMPACT METHODOLOGY



# 1. ESTIMATE GROSS DIRECT SPENDING

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

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

## Primary Sources of Direct Spending from Sports Park Development

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

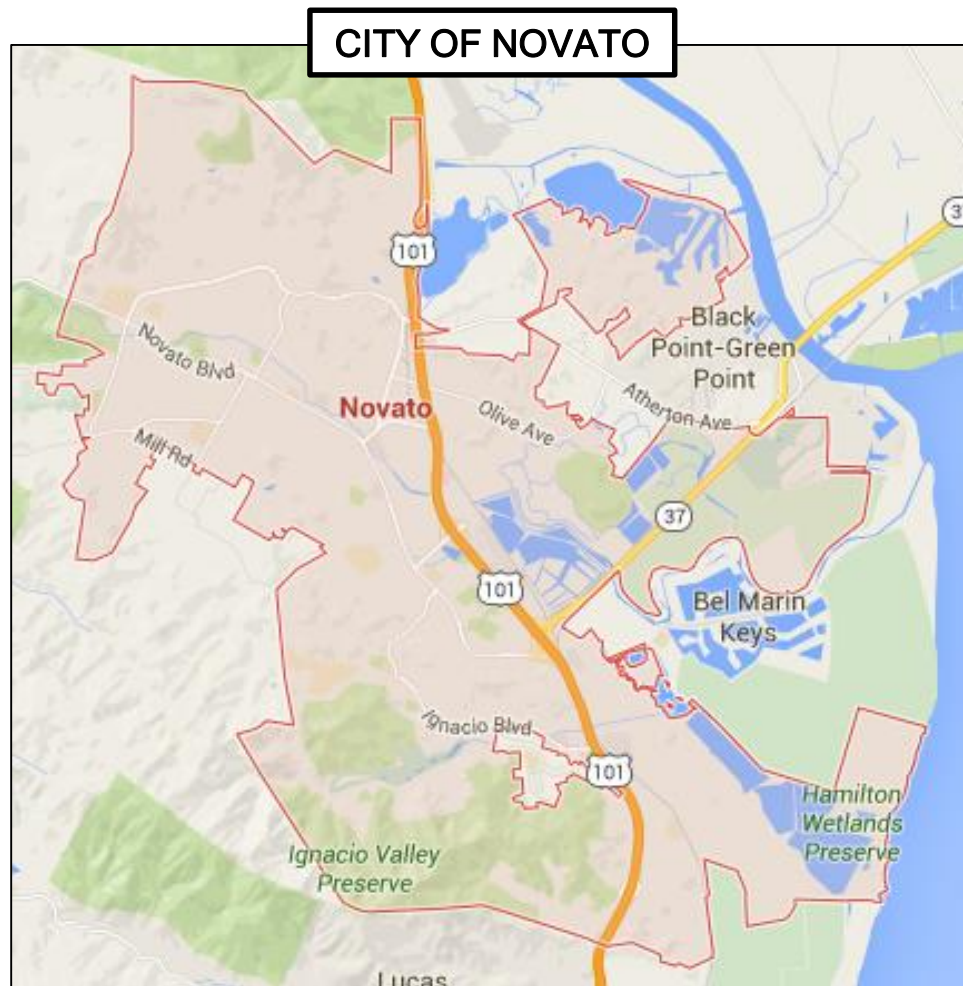




## 2. IDENTIFY “LOCAL” ECONOMY

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

As described on the next page, “Net” Direct Spending only occurs when the spending source originates outside of City limits and occurs within the City’s limits.



*Source: Google Maps*





### 3. IDENTIFY GROSS VS. NET IMPACTS

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

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



For purposes of this study, we have assumed that local sports/recreation spending would be displaced (i.e. spent elsewhere within the Novato economy) without the presence of the Hamilton Fields Sports Park. Therefore...

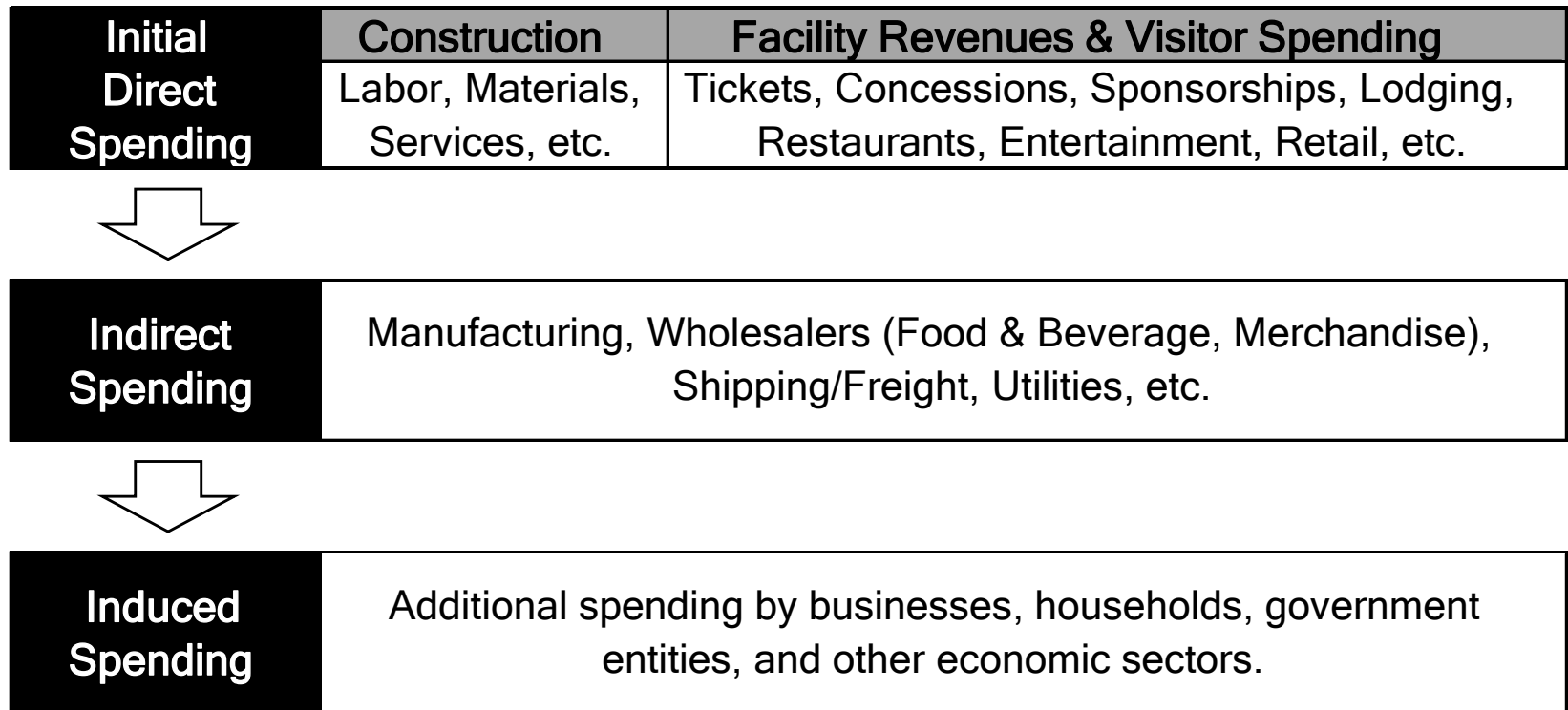


**NET IMPACTS** will only include the estimated dollars spent within City limits by non-resident visitors and businesses located outside of Novato.



## 4. THE MULTIPLIER EFFECT

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





## 4. THE MULTIPLIER EFFECT (CONT'D)

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

- **TOTAL OUTPUT** (direct, indirect & induced spending in Novato)
- **EMPLOYMENT** (full-time & part-time jobs in Novato)
- **LABOR INCOME** (salaries & wages associated with Novato jobs)
- **CITY TAX REVENUES** (associated with the net total output)

### IMPLAN MULTIPLIERS - CITY OF NOVATO, CA\*

Industry	Total Output Multiplier	Employment Multiplier	Labor Income Multiplier
Construction - Non Residential	1.37634	.8114 x 10 <sup>-5</sup>	0.54013
Retail Stores	1.41714	1.4984 x 10 <sup>-5</sup>	0.56615
Transit & Ground Passenger Transportation	1.44401	1.2535 x 10 <sup>-5</sup>	0.80908
Spectator Sports Companies	1.50003	2.523 x 10 <sup>-5</sup>	0.61909
Hotels & Motels, Including Casino Hotels	1.43915	1.3233 x 10 <sup>-5</sup>	0.56416
Food Service & Drinking Places	1.40427	1.4529 x 10 <sup>-5</sup>	0.53100

\* Multipliers are specific to the following City of Novato zip codes: 94945, 94947, 94948, 94949, 94998

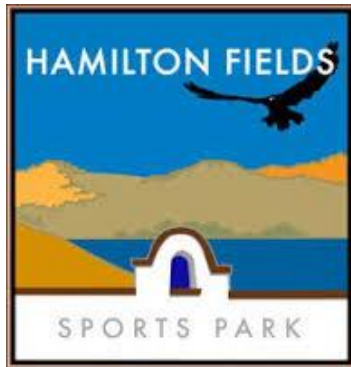
Note: IMPLAN stands for IMPacts for PLANning and is a registered trademark of the IMPLAN Group.



### III. KEY ASSUMPTIONS



# PROGRAM



Hamilton Fields Sports Park is a proposed \$28.7 Million state-of-the-art amateur sports and recreation complex on approximately 55 acres in Novato, California. The Sports Park is expected (as of information provided to Victus Advisors in September 2015) to include the following sports and recreational amenities:

- Four (4) variable dimension youth baseball/softball fields
- Four (4) full-sized multi-sport fields (soccer, lacrosse, etc.)
- 500-seat ballpark
- 50,000 square foot training center, to include the future home for the Marin Sports Hall of Fame
- 12-acre community park, including a dog park, bocce courts and versa courts, picnic areas, and playground elements
- Trail system and potential bike paths
- Restrooms and concession areas
- Parking
- Note: Potential addition of outdoor field lights for playing fields and ballpark has yet to be determined



## PROGRAM (cont'd)

According to the project applicant, playing fields for games, practices, leagues, and tournaments are intended to host a wide range of sports that are currently underserved by existing local facilities. Among the amateur sports and recreational groups (youth, high school, college, adult) served by the proposed project are:

- Baseball
- Softball
- Soccer
- Lacrosse
- Football
- Rugby
- Other field sports

The project applicant intends for Hamilton Fields Sports Park to be the first family entertainment complex of its kind in Marin County, and to satisfy a community need for not only sports, but also recreational uses by children, adults, business and other organizations for athletic, business and community events. A full list of recreational uses for the community park may include:

- Splash pad
- Children's play/exercise equipment
- Picnic facilities
- Beach volleyball courts
- Rock climbing
- Trail system for pedestrians/bikes
- One-acre dog park
- Eight (8) bocce courts

Among the project applicant's goals for the Hamilton Fields Sports Park is to offer recreational benefits to local residents while also attracting out of town visitors to contribute incremental economic development benefits to the Novato community.



# PROJECTED USAGE & VISITATION (ORIGINAL)

The project applicant provided Victus Advisors with the following estimates of expected programming and usage for the proposed Hamilton Fields Sports Park (with no field lights on athletic fields).

<u>USAGE TYPE</u>	<u>ANNUAL UNIQUE DAILY USERS*</u>	<u>ANNUAL UNIQUE DAILY GUESTS</u>	<u>AVERAGE DAYS PER EVENT TYPE</u>	<u>TOTAL ANNUAL VISITOR DAYS</u>	<u>ESTIMATED % CITY RESIDENTS</u>	<u>TOTAL ANNUAL RESIDENT VISITS</u>
Lessons	6,650	6,650	1	13,300	62%	8,213
Camps/Clinics	2,100	2,100	2	8,400	56%	4,725
Tournaments	12,960	12,960	2	51,840	16%	8,294
Field Rentals	24,300	24,300	1	48,600	90%	43,740
Training Center	18,300	-	1	18,300	56%	10,294
Showcases	340	510	2	1,700	16%	272
Other Events**	-	27,000	1	27,000	45%	12,150
Ballpark	-	32,400	1	32,400	52%	16,848
Community Park		91,250	1	91,250	90%	82,125
<b>TOTAL:</b>	<b>64,650</b>	<b>197,170</b>	<b>1.1</b>	<b>292,790</b>	<b>64%</b>	<b>186,661</b>

Sources: Visitor Days via Project Applicant, Resident Visits estimated by Victus Advisors

\* Users represent Athletes participating in lessons, camps, clinics, tournaments, etc.

\*\* Parties, Guest Appearances, Autograph Signings, Specialized Training, etc.

Note: "CITY RESIDENTS" represents residents who live within the city limits of Novato, CA

**Projected Annual Visitation: 292,790 visitor days (64% local use)**





# INDEPENDENT CAPACITY ANALYSIS\*

Sports Management Group (SMG) was subsequently engaged by the City to conduct an independent capacity analysis of the project applicant's building program and estimated usage. SMG estimated that the Sports Park could reasonably hold upwards of 366,500 total annual visitors, which is higher than the total visit projection submitted by the applicant.

## SMG Capacity Analysis of Total Sports Park Visits *(by facility component)*

	<u>Total Annual Visitor Days</u>
Field Usage	113,400
Ballpark Usage	42,238
Tournaments	100,016
Training Center	19,600
Community Park	91,250
	<b>366,504</b>

*Source: Sports Management Group*

*\* Please note: SMG's capacity analysis is based upon the projected building program and planned uses submitted by the project applicant and should not be considered a detailed market demand analysis.*



# PROJECTED USAGE & VISITATION (ADJUSTED)

Based upon the independent capacity analysis conducted by SMG, Victus Advisors has created a second economic impact model that utilizes SMG's visitor capacity estimate combined with Victus Advisors' estimation of resident usage by facility, as shown below.

	<u>Total Annual Visitor Days</u>	<u>Estimated % City Residents</u>	<u>Total Annual Resident Visits</u>
Field Usage (1)	113,400	84% (3)	95,177
Ballpark Usage (2)	42,238	45% (4)	18,968
Tournaments	100,016	16%	16,003
Training Center	19,600	56%	11,025
Community Park	91,250	90%	82,125
	<b>366,504</b>	<b>61%</b>	<b>223,297</b>

*Sources: Visitor Days via Sports Management Group, Resident Visits estimated by Victus Advisors*

*(1) Assumed to include Field Rentals & Lessons*

*(2) Assumed to include Ballpark Rentals, Camps/Clinics, Showcases & Other Events*

*(3) Represents weighted average of resident usage %'s for Rentals & Lessons*

*(4) Represents weighted average of resident usage %'s for Ballpark, Camps, Showcases & Other Events*

*Note: "CITY RESIDENTS" represents residents who live within the city limits of Novato, CA*

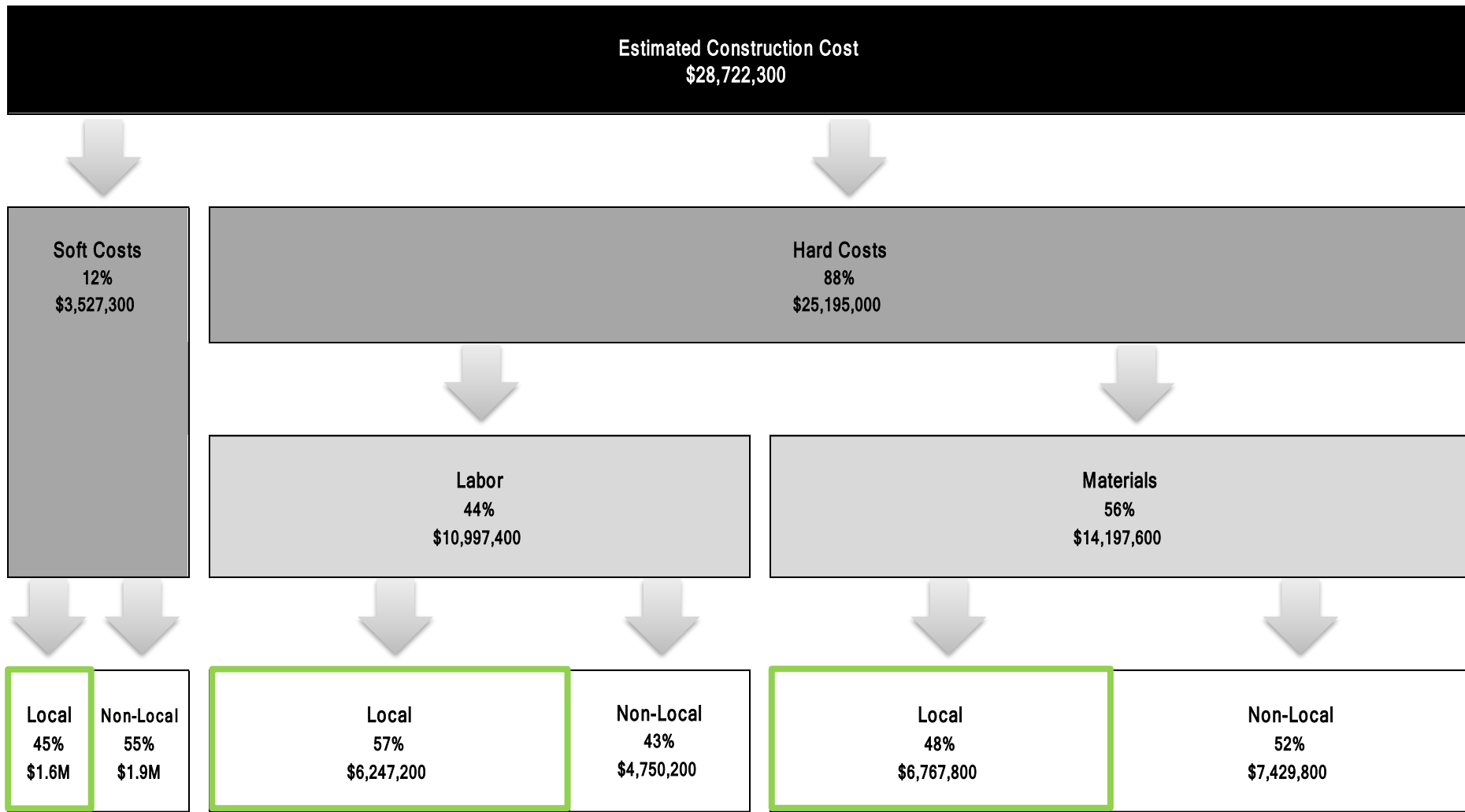
**Projected Annual Visitation: 366,504 visitor days (61% local use)**



## IV. ESTIMATED IMPACTS OF CONSTRUCTION



# CONSTRUCTION ASSUMPTIONS



Source: RESSINC  
Note: "Local" refers to City of Novato



# ESTIMATED ONE-TIME CONSTRUCTION IMPACT

## ECONOMIC IMPACTS

**ESTIMATED CONSTRUCTION  
SPENDING IN CITY OF NOVATO**

**\$14,602,000**

MULTIPLIER  
EFFECT

**TOTAL ECONOMIC OUTPUT**

**\$20,985,000**

**EMPLOYMENT**

**165**

**WAGES**

**\$9,236,000**

## FISCAL IMPACTS

<u>Tax Type</u>	<u>Assessor</u>	<u>Tax Rate</u>	<u>Est. Tax Revenue*</u>
Sales Tax	City	1.25%	\$112,520
<b>Total City Tax Revenue:</b>			<b>\$112,520</b>

*\* As the Sports Park would be privately owned and operated, it has been assumed that all construction materials spending occurring within the City of Novato would be taxable. Sales Tax revenues shown are based on the estimated taxable portion of direct, indirect and induced spending within Novato.*

*Note: Represents one-time impacts of construction expenditures. Presented in 2015 dollars.*



## V. ESTIMATED IMPACTS OF OPERATIONS



## NOTE: ORIGINAL VS. ADJUSTED MODELS

Please note: the operational impact estimates presented in this report show a range of impacts, based upon the “original” and “adjusted” models for total visitation and local usage as described on pages 15 through 17 of this report.

- The “original” model represents the applicant’s total visitation and local usage estimates submitted to Victus Advisors in 2015.
- The “adjusted” model was created by Victus Advisors in April 2016 based upon SMG’s independent analysis of visitor capacity.
- The estimated net impacts associated with the adjusted model (as shown in the following pages) generate higher estimates of economic impact within the City of Novato than the original model. This is because the adjusted model assumes a larger number of annual visits by non-City residents each year (143,207 outside visitors in the adjusted model vs. 106,129 in the applicant’s original model), and incremental spending by non-residents is the largest driver of economic impact in Victus Advisors “net impact” methodology.





# ESTIMATED ANNUAL DIRECT SPENDING

## ESTIMATED GROSS DIRECT SPENDING ASSOCIATED WITH HAMILTON FIELD SPORTS PARK

\$28,952,000

DISPLACEMENT  
ADJUSTMENT

## NET DIRECT SPENDING IMPACTING CITY OF NOVATO

	Original	Adjusted
Estimated In-Facility Direct Spending	\$4,008,000	\$4,198,000
Estimated Out-of-Facility Direct Spending	\$7,717,000	\$10,462,000
<b>Total Estimated Direct Spending - Net:</b>	<b>\$11,725,000</b>	<b>\$14,660,000</b>
<b>Net Spending as % of Gross:</b>	<b>40%</b>	<b>51%</b>

\* "Gross" Direct Spending includes estimated spending occurring in all locations (not just Novato) by all visitors (including Novato residents), whereas "Net" Direct Spending only accounts for spending occurring in Novato by visitors from outside of Novato.

Notes: Represents annual spending, presented in 2015 dollars. Assumes the Hamilton Fields Sports Park would not have field lights.



# ESTIMATED ANNUAL ECONOMIC IMPACTS

## NET IMPACTS

### NET DIRECT SPENDING IN NOVATO

Original	Adjusted
\$11,725,000	\$14,660,000

MULTIPLIER  
EFFECT

ORIGINAL

ADJUSTED

### TOTAL ECONOMIC OUTPUT

\$17,014,000	\$21,211,000
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### EMPLOYMENT

223

271

### WAGES

\$6,884,000

\$8,569,000



# ANNUAL ECONOMIC IMPACTS BY INDUSTRY

## NET IMPACTS

	ORIGINAL		ADJUSTED	
<b>TOTAL OUTPUT:</b>				
Sports	\$6,012,000	35%	\$6,297,000	30%
Lodging	\$1,179,000	7%	\$1,659,000	8%
Food & Beverage	\$5,961,000	35%	\$8,044,000	38%
Shopping	\$1,504,000	9%	\$2,029,000	10%
Entertainment	\$1,592,000	9%	\$2,148,000	10%
Transportation	\$766,000	5%	\$1,034,000	5%
<b>TOTAL:</b>	<b>\$17,014,000</b>	<b>100%</b>	<b>\$21,211,000</b>	<b>100%</b>
<b>EMPLOYMENT:</b>				
Sports	101	45%	106	39%
Lodging	11	5%	15	6%
Food & Beverage	62	28%	83	31%
Shopping	16	7%	21	8%
Entertainment	27	12%	36	13%
Transportation	7	3%	9	3%
<b>TOTAL:</b>	<b>223</b>	<b>100%</b>	<b>271</b>	<b>100%</b>
<b>LABOR INCOME:</b>				
Sports	\$2,481,000	36%	\$2,599,000	30%
Lodging	\$462,000	7%	\$651,000	8%
Food & Beverage	\$2,254,000	33%	\$3,042,000	36%
Shopping	\$601,000	9%	\$811,000	9%
Entertainment	\$657,000	10%	\$887,000	10%
Transportation	\$429,000	6%	\$579,000	7%
<b>TOTAL:</b>	<b>\$6,884,000</b>	<b>100%</b>	<b>\$8,569,000</b>	<b>100%</b>



# ESTIMATED ANNUAL FISCAL IMPACTS

## NET IMPACTS

<u>Tax Type</u>	<u>Assessor</u>	<u>Tax Rate</u>	ORIGINAL	ADJUSTED
			Est. Tax Revenue (Original)	Est. Tax Revenue (Adjusted)
Sales Tax	City	1.25%	\$102,740	\$136,070
Hotel Tax	City	10.00%	\$81,900	\$115,310
Business Tax	City	License Fee	\$1,310	\$1,310
<b>Total City Tax Revenue:</b>			<b>\$185,950</b>	<b>\$252,690</b>

*Notes:*

- *As the potential site for the Hamilton Fields Sports Park is on land owned by the U.S. Army, it has been assumed that property tax would not be assessed. However, it is the project applicant's responsibility to consult legal and/or tax professionals to determine their property tax liability, if any.*
- *Represents net annual tax revenues for City of Novato, presented in 2015 dollars. Sales tax based on direct, indirect & induced spending.*



# HOTEL/MOTEL - ANNUAL DIRECT IMPACTS

	ORIGINAL	ADJUSTED	
Estimated Annual Overnight Visitors:	14,918	21,003	(1)
% Staying in Hotel/Motel:	90%	90%	
Total Visitors Staying in Hotel/Motel:	13,427	18,903	
People per Room:	2.0	2.0	(2)
Total Rooms:	6,713	9,452	
Nights per Room:	1.0	1.0	(2)
Total Room Nights:	6,713	9,452	
Average Daily Room Rate (ADR):	\$122	\$122	(3)
<b>Total Hotel Room Spending:</b>	<b>\$819,020</b>	<b>\$1,153,084</b>	(4)

*Notes:*

(1) Based on Usage Assumptions shown on page 16 of this report. Only includes a portion of Camp/Clinic, Tournament & Showcase users

(2) For conservative purposes, only assumes 1 guest per athlete, and one night per travel party

(3) Source: Novato Lodging Analysis provided by City of Novato

(4) Represents direct hotel room spending only in \$2015, and does not include indirect or induced impacts



## VI. SUMMARY OF IMPACTS



# SUMMARY OF NET IMPACTS OVER TIME (ORIGINAL)

## ESTIMATED NET IMPACTS OVER 30 YEARS\*

## ORIGINAL

<u>Year</u>	<u>Direct Spending</u>	<u>Total Output</u>	<u>Employment</u>	<u>Wages</u>	<u>City Tax Revenue</u>
1	\$26,327,000	\$37,999,000	388	\$16,120,000	\$298,469
2	12,076,750	17,524,420	223	7,090,520	191,528
3	12,439,053	18,050,153	223	7,303,236	197,274
4	12,812,224	18,591,657	223	7,522,333	203,192
5	13,196,591	19,149,407	223	7,748,003	209,288
6	13,592,489	19,723,889	223	7,980,443	215,566
7	14,000,263	20,315,606	223	8,219,856	222,033
8	14,420,271	20,925,074	223	8,466,452	228,694
9	14,852,879	21,552,826	223	8,720,445	235,555
10	15,298,466	22,199,411	223	8,982,059	242,622
11	15,757,420	22,865,393	223	9,251,520	249,900
12	16,230,142	23,551,355	223	9,529,066	257,397
13	16,717,046	24,257,896	223	9,814,938	265,119
14	17,218,558	24,985,633	223	10,109,386	273,073
15	17,735,115	25,735,202	223	10,412,668	281,265
16	18,267,168	26,507,258	223	10,725,048	289,703
17	18,815,183	27,302,475	223	11,046,799	298,394
18	19,379,638	28,121,550	223	11,378,203	307,346
19	19,961,028	28,965,196	223	11,719,549	316,566
20	20,559,858	29,834,152	223	12,071,136	326,063
21	21,176,654	30,729,177	223	12,433,270	335,845
22	21,811,954	31,651,052	223	12,806,268	345,921
23	22,466,312	32,600,583	223	13,190,456	356,298
24	23,140,302	33,578,601	223	13,586,170	366,987
25	23,834,511	34,585,959	223	13,993,755	377,997
26	24,549,546	35,623,538	223	14,413,567	389,337
27	25,286,033	36,692,244	223	14,845,974	401,017
28	26,044,614	37,793,011	223	15,291,354	413,047
29	26,825,952	38,926,801	223	15,750,094	425,439
30	27,630,731	40,094,606	223	16,222,597	438,202
<b>Cumulative Total:</b>	<b>\$572,424,000</b>	<b>\$830,433,000</b>	<b>223</b>	<b>\$336,745,000</b>	<b>\$8,959,000</b>
<b>Net Present Value:</b>	<b>\$276,171,000</b>	<b>\$400,554,000</b>	<b>n/a</b>	<b>\$162,778,000</b>	<b>\$4,266,000</b>

\*Includes both one-time construction impacts (allocated to Year 1) and annual operations impacts (adjusted annually for inflation).

Note: Assumes annual inflation of 3.0% and discount rate of 4.85%. NPV is presented in 2015 dollars.





# SUMMARY OF NET IMPACTS OVER TIME (ADJUSTED)

## ESTIMATED NET IMPACTS OVER 30 YEARS\*

ADJUSTED

<u>Year</u>	<u>Direct Spending</u>	<u>Total Output</u>	<u>Employment</u>	<u>Wages</u>	<u>City Tax Revenue</u>
1	\$29,262,000	\$42,196,000	436	\$17,805,000	\$365,213
2	15,099,800	21,847,330	271	8,826,070	260,274
3	15,552,794	22,502,750	271	9,090,852	268,082
4	16,019,378	23,177,832	271	9,363,578	276,125
5	16,499,959	23,873,167	271	9,644,485	284,408
6	16,994,958	24,589,362	271	9,933,820	292,941
7	17,504,807	25,327,043	271	10,231,834	301,729
8	18,029,951	26,086,855	271	10,538,789	310,781
9	18,570,849	26,869,460	271	10,854,953	320,104
10	19,127,975	27,675,544	271	11,180,601	329,707
11	19,701,814	28,505,810	271	11,516,019	339,598
12	20,292,869	29,360,985	271	11,861,500	349,786
13	20,901,655	30,241,814	271	12,217,345	360,280
14	21,528,704	31,149,069	271	12,583,865	371,088
15	22,174,565	32,083,541	271	12,961,381	382,221
16	22,839,802	33,046,047	271	13,350,223	393,688
17	23,524,996	34,037,428	271	13,750,729	405,498
18	24,230,746	35,058,551	271	14,163,251	417,663
19	24,957,669	36,110,308	271	14,588,149	430,193
20	25,706,399	37,193,617	271	15,025,793	443,099
21	26,477,591	38,309,425	271	15,476,567	456,392
22	27,271,918	39,458,708	271	15,940,864	470,084
23	28,090,076	40,642,469	271	16,419,090	484,186
24	28,932,778	41,861,743	271	16,911,663	498,712
25	29,800,762	43,117,596	271	17,419,013	513,673
26	30,694,784	44,411,124	271	17,941,583	529,083
27	31,615,628	45,743,457	271	18,479,831	544,956
28	32,564,097	47,115,761	271	19,034,225	561,304
29	33,541,020	48,529,234	271	19,605,252	578,144
30	34,547,250	49,985,111	271	20,193,410	595,488
<b>Cumulative Total:</b>	<b>\$712,058,000</b>	<b>\$1,030,107,000</b>	<b>271</b>	<b>\$416,910,000</b>	<b>\$12,134,000</b>
<b>Net Present Value:</b>	<b>\$341,816,000</b>	<b>\$494,425,000</b>	<b>n/a</b>	<b>\$200,465,000</b>	<b>\$5,759,000</b>

\*Includes both one-time construction impacts (allocated to Year 1) and annual operations impacts (adjusted annually for inflation).



Note: Assumes annual inflation of 3.0% and discount rate of 4.85%. NPV is presented in 2015 dollars.



# SUMMARY - NET PRESENT VALUE

## HAMILTON FIELDS SPORTS PARK:

### ESTIMATED NET PRESENT VALUE OF 30-YEAR ECONOMIC & FISCAL IMPACTS

NET PRESENT VALUE OF 30-YEAR ECONOMIC & FISCAL IMPACTS		ORIGINAL	ADJUSTED
		NET (ORIGINAL)	NET (ADJUSTED)
<b>Initial Spending</b>	Estimated Direct Spending	\$ 276,171,000	\$ 341,816,000
			
<b>Economic Impacts</b>	Total Output (Direct + Indirect/Induced)	\$ 400,554,000	\$ 494,425,000
	Employment (Annual Full+Part-time Jobs)	223	271
	Labor Income (Wages from Employment)	\$ 162,778,000	\$ 200,465,000
			
<b>Fiscal Impacts</b>	Tax Revenues (Sales, Hotel & Business)	\$ 4,266,000	\$ 5,759,000

Notes: Includes impacts of construction and operations. Net Present Value presented in 2015 dollars. Discount rate = 4.85%. Net impacts refer to City of Novato.



## VII. SCENARIO ANALYSIS: ADDITION OF FIELD LIGHTS



# OPERATING HOURS WITH FIELD LIGHTS

If field lights were added to the proposed Hamilton Fields Sports Park, Victus Advisors estimates that the total annual operating hours of the complex would increase by approximately 44%.

TIME:

10:00 PM	ADDITIONAL HOURS WITH LIGHTS													
9:00 PM		150	140	155	150	62	60	62	62	150	155	145	150	1441
8:00 PM														
7:00 PM														
6:00 PM														
5:00 PM	HOURS WITHOUT LIGHTS													
4:00 PM														
3:00 PM														
2:00 PM														
1:00 PM		240	224	248	240	341	330	341	341	240	248	232	240	3265
12:00 PM														
11:00 AM														
10:00 AM														
9:00 AM														
MONTH:		JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	Total

**TOTAL PERCENTAGE INCREASE OF HOURS: 44%**

Note: Assumes 362 annual operating days accounting for Thanksgiving, Christmas, and New Year's Day



# ESTIMATED VISITATION WITH FIELD LIGHTS (ORIGINAL)

Based on an estimated 44% operating hour increase with field lights, Victus Advisors has projected the following annual usage/visitation (Original Estimate).

USAGE TYPE	ANNUAL UNIQUE DAILY USERS*	ANNUAL UNIQUE DAILY GUESTS	AVERAGE DAYS PER EVENT TYPE	TOTAL ANNUAL VISITOR DAYS	ESTIMATED % CITY RESIDENTS	TOTAL ANNUAL RESIDENT VISITS
Lessons	9,585	9,585	1	19,170	62%	11,837
Camps/Clinics	3,027	3,027	2	12,107	56%	6,810
Tournaments	18,680	18,680	2	74,719	16%	11,955
Field Rentals	35,025	35,025	1	70,049	90%	63,045
Training Center	18,300	-	1	18,300	56%	10,294
Showcases	490	735	2	2,450	16%	392
Other Events**	-	27,000	1	27,000	45%	12,150
Ballpark	-	46,700	1	46,700	52%	24,284
Community Park	-	91,250	1	91,250	90%	82,125
<b>TOTAL:</b>	<b>85,106</b>	<b>232,001</b>	<b>1.1</b>	<b>361,746</b>	<b>62%</b>	<b>222,892</b>

\* Users represent Athletes participating in lessons, camps, clinics, tournaments, etc.

\*\* Parties, Guest Appearances, Autograph Signings, Specialized Training, etc.

*Increases with addition of lights*

**Projected Annual Visitation: 361,746 visitor days (62% local use)**



# ESTIMATED VISITATION WITH FIELD LIGHTS (ADJUSTED)

Based on an estimated 44% operating hour increase with field lights, Victus Advisors has projected the following annual usage/visitation (Adjusted Estimate).

USAGE TYPE	ANNUAL UNIQUE DAILY USERS*	ANNUAL UNIQUE DAILY GUESTS	AVERAGE DAYS PER EVENT TYPE	TOTAL ANNUAL VISITOR DAYS	ESTIMATED % CITY RESIDENTS	TOTAL ANNUAL RESIDENT VISITS
Tournaments	36,039	36,039	2	144,158	16%	23,065
Field Rentals	81,724	81,724	1	163,449	84%	137,183
Training Center	9,800	-	1	9,800	56%	5,513
Ballpark	-	60,880	1	60,880	45%	27,339
Community Park	-	91,250	1	91,250	90%	82,125
<b>TOTAL:</b>	<b>127,564</b>	<b>269,894</b>	<b>1.2</b>	<b>469,536</b>	<b>59%</b>	<b>275,224</b>

\* Users represent Athletes participating in lessons, camps, clinics, tournaments, etc.

\*\* Parties, Guest Appearances, Autograph Signings, Specialized Training, etc.

*Increases with addition of lights*

**Projected Annual Visitation: 469,536 visitor days (59% local use)**



# FIELD LIGHTS COMPARISON - ANNUAL

## ORIGINAL MODEL

	ESTIMATED NET ANNUAL IMPACTS IN CITY OF NOVATO	
	No Lights (Original)	With Lights (Original)
Direct Spending	\$11,725,000	\$15,294,000
Total Output	\$17,014,000	\$22,200,000
Employment*	223	290
Wages	\$6,884,000	\$8,987,000
Tax Revenue	\$185,950	\$227,841

## ADJUSTED MODEL

	ESTIMATED NET ANNUAL IMPACTS IN CITY OF NOVATO	
	No Lights (Adjusted)	With Lights (Adjusted)
Direct Spending	\$14,659,000	\$19,565,000
Total Output	\$21,211,000	\$28,307,000
Employment*	271	360
Wages	\$8,569,000	\$11,436,000
Tax Revenue	\$252,690	\$318,252

Notes: Represents annual impacts, presented in 2015 dollars. Does not include construction impacts.

\*Represents sustainable annual jobs from operations.



# FIELD LIGHTS COMPARISON - 30 YEAR NPV

## ORIGINAL MODEL

	ESTIMATED NPV OF 30-YR NET IMPACTS IN CITY OF NOVATO	
	No Lights (Original)	With Lights (Original)
Direct Spending	\$276,171,000	\$355,974,000
Total Output	\$400,554,000	\$516,523,000
Employment*	223	290
Wages	\$162,778,000	\$209,814,000
Tax Revenue	\$4,266,000	\$5,203,000

## ADJUSTED MODEL

	ESTIMATED NPV OF 30-YR NET IMPACTS IN CITY OF NOVATO	
	No Lights (Adjusted)	With Lights (Adjusted)
Direct Spending	\$341,816,000	\$451,522,000
Total Output	\$494,425,000	\$653,136,000
Employment*	271	360
Wages	\$200,465,000	\$264,589,000
Tax Revenue	\$5,759,000	\$7,225,000

Notes: Includes both impacts of construction and operations. Assumes annual inflation of 3.0% and discount rate of 4.85%. NPV presented in \$2015.

\*Represents sustainable annual jobs from operations.





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