



FACILITY NEEDS ASSESSMENT STUDY  
FEBRUARY 2018  
VOLUME III



Amarillo Civic Center Complex 401 S. Buchanan P.O. Box 1971 Amarillo, TX 79101

**Amarillo Civic Center Complex  
Facility Needs Assessment Study  
Volume III**



Project No. 02-11

Produced for:

The City of Amarillo  
509 SE Seventh Avenue  
Amarillo, TX 79101

**City of Amarillo**

---

**Elected Officials**

Ginger Nelson  
*Mayor*

Elaine Hays  
*City Councilmember Place 1*

Eddy Sauer  
*City Councilmember Place 3*

Freda Powell  
*City Councilmember Place 2*

Howard Smith  
*City Councilmember Place 4*

**City Management**

Jared Miller  
*City Manager*

Michelle Bonner  
*Deputy City Manager*

Floyd Hartman  
*Assistant City Manager*

Kevin Starbuck  
*Assistant City Manager*

**Civic Center Management**

Sherman Bass  
*General Manager*

Bo Fowlkes  
*Assistant General Manager*



## Project Team



Amarillo, TX

D/P/S has served public clients for over 50 years. We are committed to supporting local institutions by providing the information needed to make good decisions and the design expertise to create functional, beautiful buildings. Our staff of over 160 includes architects, interior designers, planners, structural engineers, landscape architects, and experts in sustainable design. We focus on collaborating with our clients and expert consultants to create functional, comfortable, and stimulating places.

DONALD GRINBERG, FAIA

ARCHITECTURE+ PLANNING+

Boston, MA / San Francisco, CA

Mr. Grinberg, a national leader in the planning and design of public assembly facilities, has worked on more than fifty convention and sports projects in the US and abroad. He has particularly strong skills in assisting clients with pre-design project start-up tasks, such as feasibility and programming studies. His perspective on industry trends is regularly reported in national industry press, and he is a frequent speaker on a variety of topics of concern to civic leaders, building managers and other industry participants.



Chicago, IL

HVS Convention, Sports & Entertainment Facilities Consulting provides specialized expertise necessary to analyze and implement public facilities projects, including convention centers, hotels, arenas, civic centers, fairgrounds, and museums. Our service delivery methods set the industry standard with techniques based on sound economics and rigorous analytical methods.

RLB | Rider Levett Bucknall  
Las Vegas, NV

Rider Levett Bucknall is a leading professional advisory firm providing clients with unbiased, independent, expert advice and management for all aspects of feasibility, cost and time of major construction projects, from project conception and site acquisition to final completion and commissioning. Established in 1785, Rider Levett Bucknall has grown into a truly global practice with more than 80 offices around the world.



Amarillo, TX

Brown Consulting Engineers, Inc. has considerable experience with renovations of existing buildings, including the existing Amarillo Civic Center. Careful consideration is given to designing a new mechanical, electrical and plumbing system which must be coordinated with existing conditions and meeting new energy standards. This coordination can only be achieved by thorough and knowledgeable surveys of existing facilities, and a substantial knowledge of building systems.



Amarillo, TX

J. Shehan Engineering, P.C., has provided civil consulting engineering services in the Amarillo area since 1994; Mr. Shehan's past experience includes public projects for school districts, municipalities, institutions, and private projects for residential and commercial developments. Understanding and navigating the development approval process is critical to any project's success, as well as coordination of all parties involved. JSE provides client's needs with state-of-the-art computer based tools that are fundamental to modern civil engineering.



Amarillo, TX

Page & Associates Contractors, Inc. is a premiere Amarillo contractor/contract manager in the industry. Established in 1939, many facilities in Amarillo including the original facility for the Amarillo Civic Center have been built under their guidance. Page and Associates provide services to assist the client from the beginning, at project conception, in achieving budgetary goals and project duration.



Facility Needs Assessment Study  
Volume III

## Table of Contents

**SECTION I: INTRODUCTION**

---

**SECTION II: ARENA BUILDING PROGRAM**

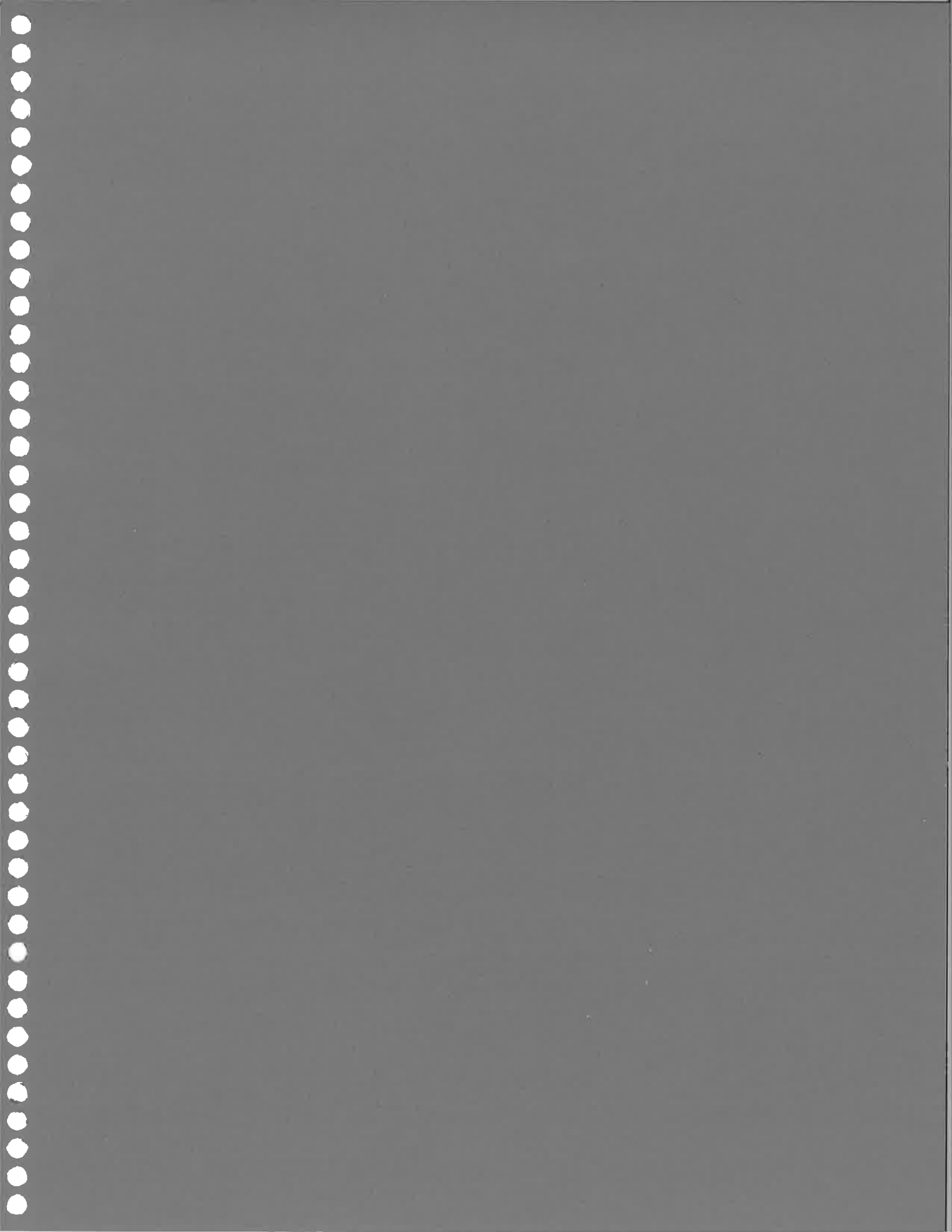
---

**SECTION III: ARENA MARKET STUDY**

---

**SECTION IV: APPENDIX - *Preliminary Cost Estimate Detail***





## Introduction

### Overview

This report is a companion to Volume I and Volume II of the Needs Assessment published in 2011 and 2016, which documented the Market Study, Existing Conditions Analysis, Preliminary Building Program, and Recommended Master Plan concept for the Amarillo Civic Center Complex. In this volume, based on the master plan in Volume II, is a market study for a new stand-alone Arena providing financial analysis of future operations and economic impact. The Recommended Master Plan is presented with supporting graphics and is accompanied by the preliminary cost estimate showing a stand-alone Arena for the cost of \$115.4 million. The estimate does not include possible land acquisitions or additional surface parking and/or parking garage costs.

### Scope and Methodology

This phase of the project is based on the Recommended Master Plan and its associated costs, the study team then prepared a financial pro-forma for future operations and an analysis of the economic impact of the Arena project.

### Market Analysis Recommendations and Building Program Areas

The Building Program recommended in 2011, as a result of the market analysis by HVS, is a facility to work in conjunction with the existing Civic Center Complex to enable Amarillo to meet projected event demand for Civic Center events:

- *Arena Seating: 7,500 fixed stadium seats including 200-300 premium seats in 12-20 seat suites. An end of stage configuration should have approximately 9,000 seats utilizing the arena floor.*
- *Exhibit Space: 75,000 SF – 100,000 SF contiguous; 25,000 SF of the 100,000 SF can be existing coliseum floor. (studied in detail in Volume II)*
- *Meeting and Ballroom Space: A minimum of 50,000 SF, including the existing Heritage Room, additional meeting rooms, and a sub-divisible 30,000 SF ballroom. (studied in detail in Volume II)*
- *Auditorium: Seating capacity remains as is with a 2,324 seat capacity.*

### Additional Program Assumptions and Recommendations

It was assumed that all of the space types recommended to meet market demand would be developed at current industry standards, and therefore the study team identified other major characteristics in addition to size that would be used in the development of the Master Plan options.

In initial evaluations of the recommended Building Program and consideration of the Complex's existing conditions, the study team reached the conclusion that expanding the existing Coliseum (now 4,870 permanent seats) to a facility with 5,500-7,500 fixed seats was not feasible. There is not enough vertical clearance within the existing building envelope to incorporate a seating balcony which would be needed to increase the seating capacity. Alternatively, if the existing seating bowl continued diagonally, upwards and outwards, the new seats would lie outside the existing line of columns that support the roof structure; this would result in seats with an obstructed view and is deemed unacceptable. The study team also ruled out raising the Coliseum roof as a reasonable option due to the complexity, cost, and would not satisfy other deficiencies. As a result of this conclusion concerning seating and because the Coliseum floor does not accommodate a regulation-size hockey rink, all of the Master Plan concepts consider a new Arena as part of the overall facility improvements plan.



**Additional  
Program  
Assumptions and  
Recommendations  
(cont.)**

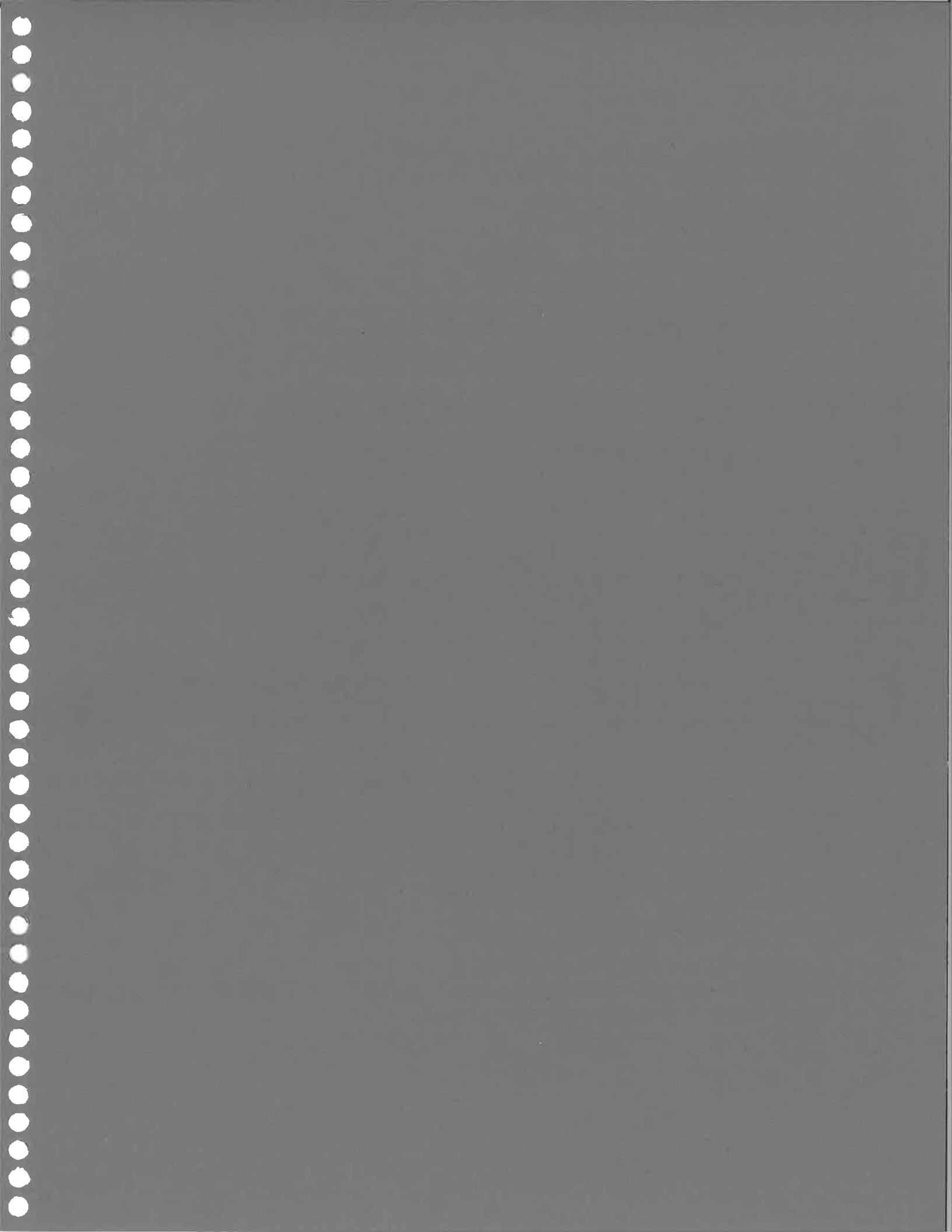
Given the necessity of a new larger Arena to meet market demand, the Master Plan concepts include consideration of whether new Arena construction would be on the critical path for the overall facility improvements plan. Accordingly, the descriptions of the concepts address the impact of timing for the new Arena construction on the overall project. Additionally, the future of the existing coliseum needs consideration in relationship to other uses that will remain in the Civic Center Complex after a new Arena is constructed. What is clear is that the recommended Master Plan concept must not only accommodate the required space program, but it must be feasible from the perspectives of minimizing lost business, rational construction sequencing, and the time frame to deliver the various project components.

**Recommended  
Master Plan**

In Volume II, the Recommended Master Plan concept focused on improving the convention facilities portion of the Civic Center, with some minor improvements throughout the other parts of the Center. The proposed plan added a new stand-alone Arena as the costs, time, and loss of existing annual business to modify the existing Coliseum to meet the program requirements were too financially devastating to the overall Civic Center Complex. With a new true back of house on the east side of the complex and a new façade along Buchanan Street, the recommended Master Plan provides a complete transformation of the existing Center into an even more important civic icon and destination than it is today.







## Building Program

### New Arena

The new stand-alone Arena characteristics are listed below:

- Regulation hockey rink (85' x 200') with removable dashers
- Arena floor to be 25,000 SF with retractable lower seating
- Structure: column-free; 350 psf floor live load; provide 2,000 pound rigging points at 15' on center at roof structure; total rigging capacity to be 120,000 pounds
- Clear height from Arena floor to ceiling structure, lighting: 55'
- Floor Utilities: Recessed, flush, fully waterproof floor boxes on a 30' x 30' grid, each with 110v and 220v electrical power; water; drain; Cat 6 data and tel; no compressed air (Do not provide floor boxes unless proven to be fully waterproof)
- Premium suites to contain 12-20 fixed seats; additional portable seating; large HD TV screen; full climate control; service bar with plumbing, refrigeration, microwave, Cat 6 data and tel; carpeted floors; fully lockable
- Central multi-sport scoreboard with video play-back capability; provide two additional score/video boards
- F&B concessions: Eight to ten full service (HVAC, plumbing, electrical) preparation and serving concession areas distributed around the concourse
- Provide for easy public access for 2,500 attendees to Arena floor; provide public restrooms at Arena floor level
- 4,000 SF VIP Club with supporting food and beverage catering area; coat closet; tables and chairs; carpeted with upscale finishes
- Generous and naturally lit concourse, public restrooms, janitor rooms, first aid station, security office
- Six (6) locker room suites with internal restrooms and showers; provide for separation between home and visiting team access to Arena floor
- Two referees/multi-purpose locker room suites with internal restrooms and showers
- One multi-purpose/press/reception room at Arena floor level, 1,000 SF
- Two (2) team office suites, each 500 SF at Arena floor level
- Dedicated catering kitchen to support the premium suites, VIP Club and concession stands
- Box office with walk-up ticket booth, office, secure room and safe
- Easy truck access to Arena floor to allow for multiple, simultaneous truck access (exhibits, AV production, rodeo, etc.)
- Other related support areas should include: storage (for staging and chairs used on arena floor), electrical and rigging equipment, hockey dashers, basketball floor, football synthetic turf, etc.); restrooms for temporary support personnel; vending area

**Re-use of Coliseum (if new Arena is built off of existing Civic Center site)** Building program scenarios for re-using the Coliseum footprint if a new Arena is built elsewhere are an understandably highly variable. Options include 1) continued use of the Coliseum in its current configuration (ice practice facility, etc.); 2) major modification to accommodate a new 75,000 SF Exhibit Hall; 3) major modification to accommodate a flat floor recreation facility (basketball, volleyball, other sports requiring a flat surface); 4) Aquatic Center; 5) other uses not yet identified.

NEW ARENA SITE  
SCHEMES**Overall Strategy**

The study team evaluated several options for locating a new Arena. In addition to its relationship with the Civic Center Complex, the new Arena's location also needs to work with the overall Master Plan development of downtown Amarillo including a new multi-purpose event venue (MPEV), a parking garage, and a new convention center hotel. The locations of these facilities in relationship to the Civic Center Complex have the ability to create a synergy of 'place-making,' building a true Venue District for downtown Amarillo. The two best options for locating a new Arena are described below:

**Recommended  
Arena Site -  
Option One**

This option shows the new Arena to the north of the existing Civic Center Complex across SE Third Avenue. The advantages of this approach are:

- *A portion of the construction would occur on property that is currently owned by the City of Amarillo. It also can be constructed independently of current Civic Center Complex operations and would not have a negative impact on current business.*
- *An additional parking garage structure is proposed west of the new Arena. This would place structured parking at both the North and South ends of the Civic Center Complex providing adequate parking to the entire complex. (South parking garage structure has recently been completed.) Also proposed is an additional parking garage east of City Hall; this would aid in parking needs for the MPEV, as well as City Hall and the Civic Center Complex.*
- *New Arena to the north and new MPEV to the south of the Civic Center provide strong anchors at each end of the Venue District. The Civic Green public park/mall, proposed in Volume II, would stretch across the front of the Civic Center to help delineate and tie all of the components of the Amarillo Civic Center Complex along Buchanan Street together.*
- *The new Arena's location at the corner of Buchanan Street and SE Third Avenue allows for event vendor trailers, rodeo setup, etc. have a surface lot area on the east side of the new Arena. In addition, the parking is hidden from immediate public view and the new Civic Green public park/mall.*
- *The separation of the new Arena from the MPEV allows for the possibility of both venues to have events on the same date by distributing the pedestrian circulation.*
- *This option would require additional land north of what the City of Amarillo already owns and the partial closure of SE Second Avenue.*

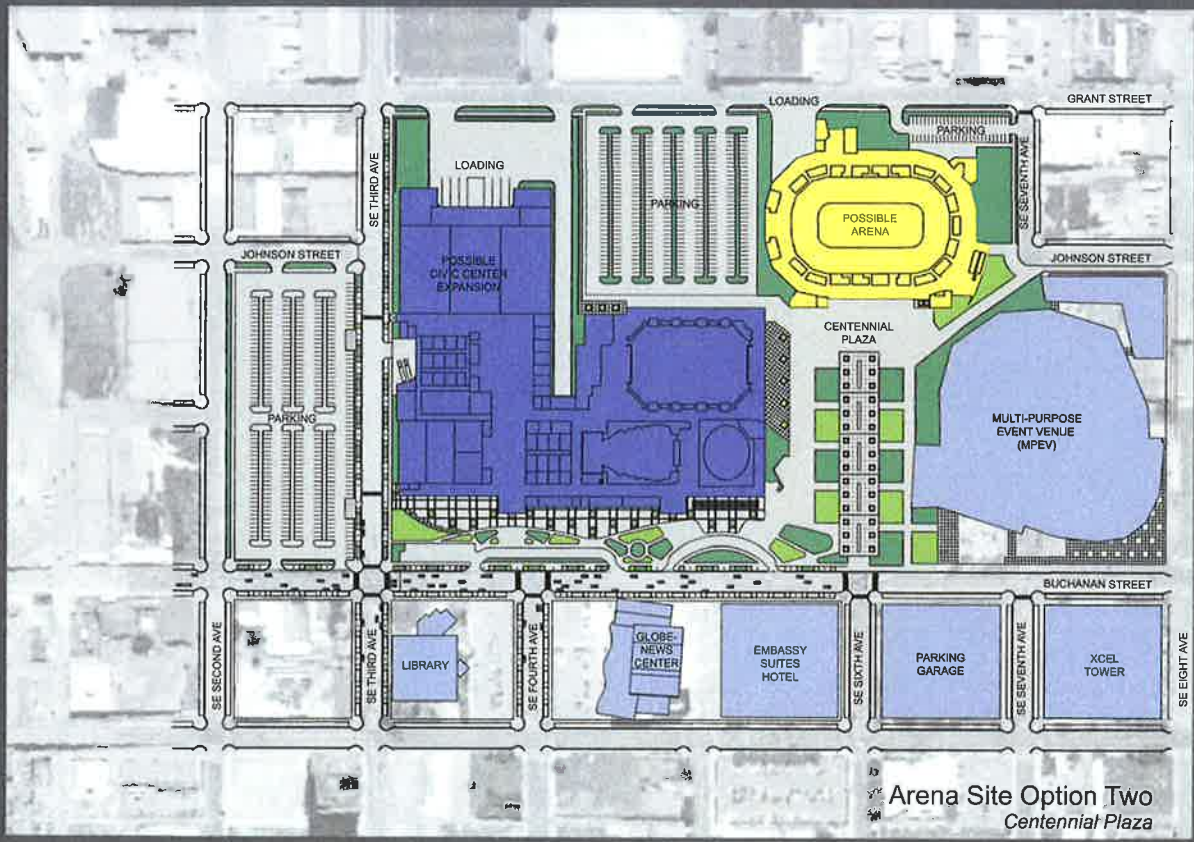
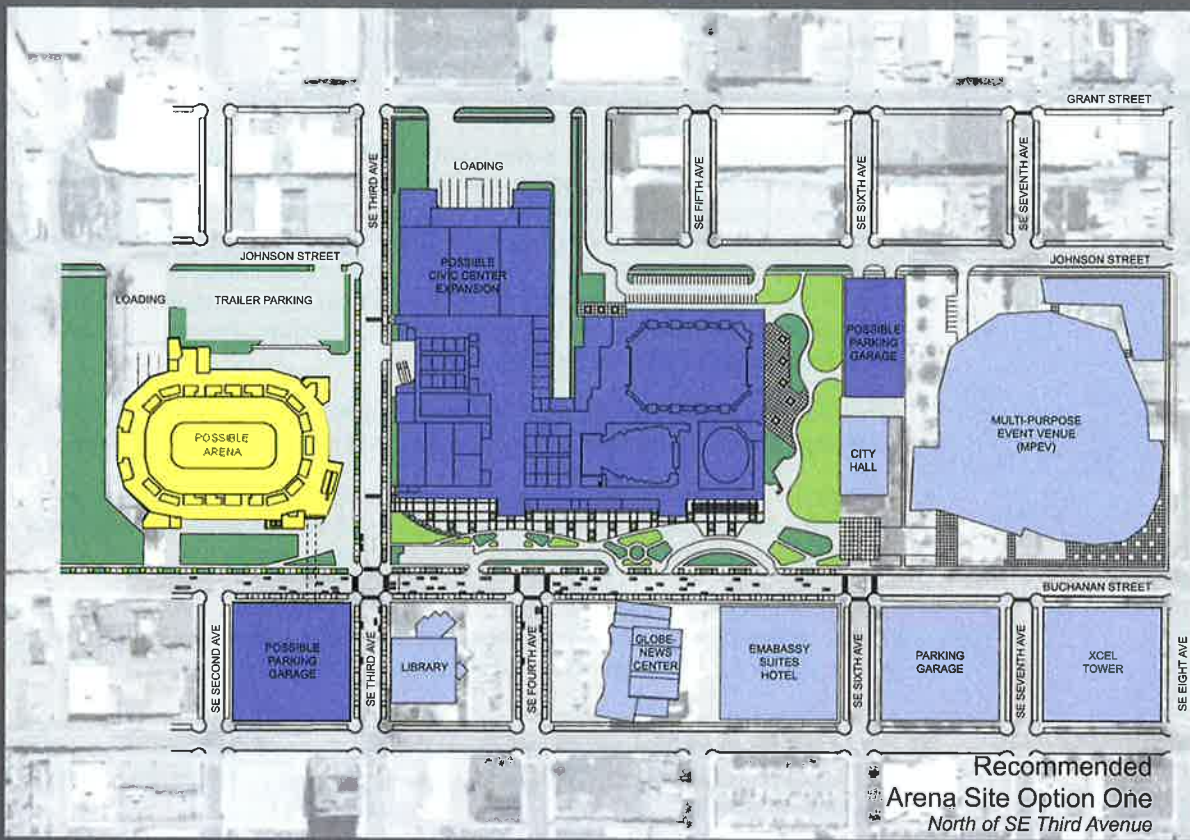
**NEW ARENA SITE  
SCHEMES (cont.)**

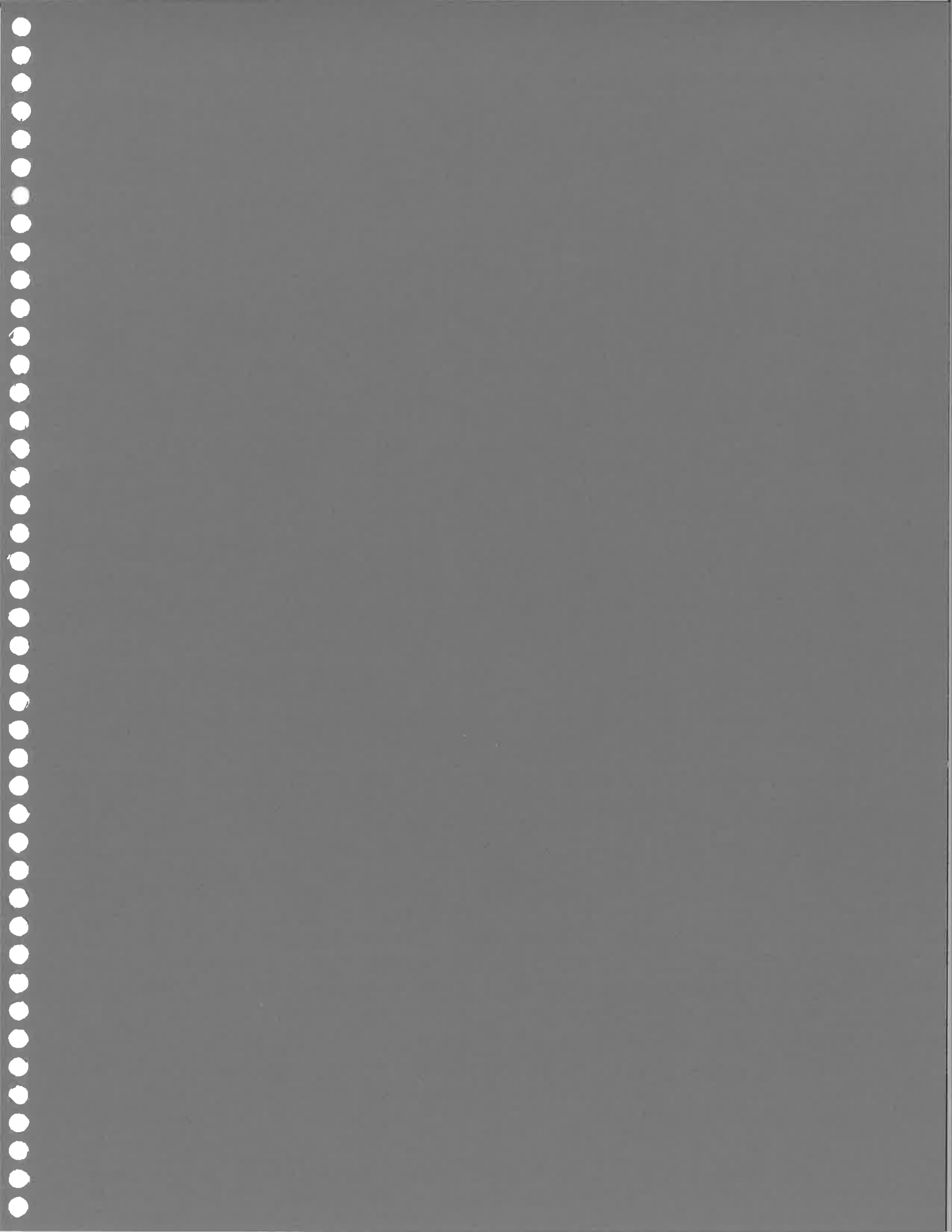
**Arena Site -  
Option Two**

This option locates the new Arena to the southeast of the existing Civic Center Complex and helps enclose an enlarged and improved Centennial Plaza park. The Plaza would be an extension of the public mall created by the current construction on 6th Avenue between the new Convention Hotel and parking structure. The Plaza could be framed with a restaurant/bar addition to the existing Civic Center Complex on the north side, new Arena on the east, and the MVEP's concourse with additional concessions, restaurant/bars on the south. The study team does not recommend this scheme for the following reasons, any of which could be identified as a "non-starter" for the project:

- *This solution would require the relocation of City Hall and demolition of the existing building. These would have to be done prior to beginning the new Arena project.*
- *Additional property to the East of City Hall would need to be acquired by the City of Amarillo. Partial closure of SE Fifth and SE Sixth Avenues making Grant Street the only thoroughfare on the East side of the Venue District.*
- *This strong anchor to the Plaza could be viewed as a restriction to the development East between the Plaza and existing railroad tracks; other development plans had identified this zone for future residential development and another City park.*
- *The parking structure recently completed would have to accommodate functions for all of the Complex venues (Globe-News Center, Civic Center, Arena, and MPEV) plus the hotel clients and staff. This could cause significant traffic congestion on Buchanan and Pierce Streets.*

# II ARENA BUILDING PROGRAM





## Arena Market Study

### Nature of the Assignment

Dekker/Perich/Sabatini (“DPS”) engaged HVS Convention, Sports & Entertainment Facilities Consulting (“HVS”) to conduct a market study for a proposed Arena at the Amarillo Civic Center Complex (“ACCC”). This new Arena would replace the existing 4,870-seat ACCC Coliseum on a site near the ACCC. This market study provides an update and summary report of a previous HVS study completed in November of 2016. In preparing this market study, HVS performed the following tasks.

1. Analyzed the economic and demographic data that indicate whether, and the extent to which, the local market area supports the proposed ACCC Arena,
2. Compiled data on 13 competitive and comparable Arenas,
3. Reviewed and analyzed historical ACCC Coliseum demand and attendance data provided by the ACCC,
4. Prepared Arena event demand and attendance forecasts based on the implementation of the Arena program,
5. Prepared a financial forecast for ACCC operations following the opening of the proposed ACCC Arena, and
6. Prepared an economic and fiscal impact analysis for the proposed ACCC Arena.

For the purpose of this market study, we assume that the development of a new ACCC Arena would occur prior to and independent of the other proposed improvements to the ACCC’s exhibit halls and other function spaces.

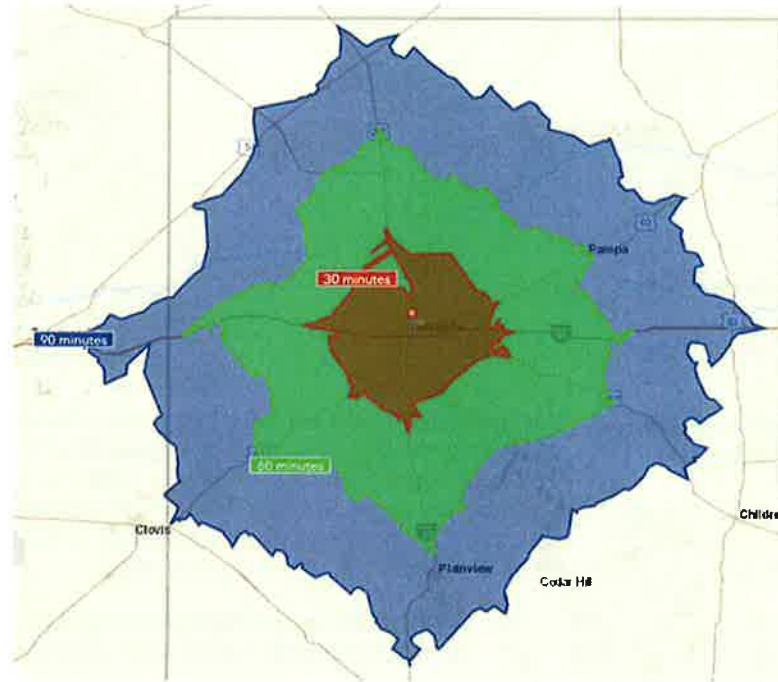
### Market Area Analysis

This section presents key demographic and economic data and trends that have implications for future demand and attendance at the proposed ACCC Arena. As a regional hub, demand for sporting and entertainment events in Amarillo comes from beyond the immediate local market. An analysis of demographics within a drive-time radius often provide better insight into the persons residing in areas that would be potential markets for Arena events.

HVS relied on Esri Business Analyst Online (“Esri”) to analyze demographics of populations within the 30-minute, 60-minute, and 90-minute drive times of the proposed ACCC Arena. Esri is a well-regarded forecasting service that applies GIS technology to produce extensive demographic, consumer spending, and business data analyses. Esri employs a sophisticated location-based model to forecast economic and demographic trends. Esri bases historical statistics on U.S. census data, the American Community Survey, and other primary research. The following figure maps these drive times.

Market Area Analysis (cont.)

DRIVE TIME MAP



Source: Esri

We selected a 90-minute drive time to represent the primary market for Arena attendees. People regularly drive to Amarillo from a much wider trade area for medical and other services. We anticipate that the more popular events at the proposed Arena would also draw from this broader market.

Population Demographics

The resident population surrounding an Arena is an important indicator of demand potential for all types of events including spectator sports, concerts and entertainment, youth and amateur sports, and community events. Moreover, population data can reveal trends in the overall economic climate of an area and its ability to maintain sufficient recreation and entertainment infrastructure and amenities. High population or income growth rates can indicate significant demand potential for local attractions. Positive economic trends would also indicate that the venue would be able to sustain population growth over time. The following figure presents the population data and trends for the drive time areas presented above. For comparison purposes, the figure contains similar data for the Amarillo metropolitan statistical area (“Amarillo MSA”), the State of Texas, and the entire United States.

FIGURE 3-1  
POPULATION AND INCOME

Drive time	Population			Median Household Income (\$)		
	2017	2022	Annual Growth Rate	2017	2022	Annual Growth Rate
30-minute	258,998	269,472	0.80%	51,157	55,283	1.56%
60-minute	344,499	354,499	0.57%	50,666	54,439	1.45%
90-minute	444,616	452,679	0.36%	50,195	53,818	1.40%
Amarillo MSA	267,881	278,334	0.77%	51,438	55,701	1.61%
Texas	28,296,099	30,737,777	1.67%	56,247	62,805	2.23%
United States			0.84%	54,149	59,476	1.89%

Source: Esri





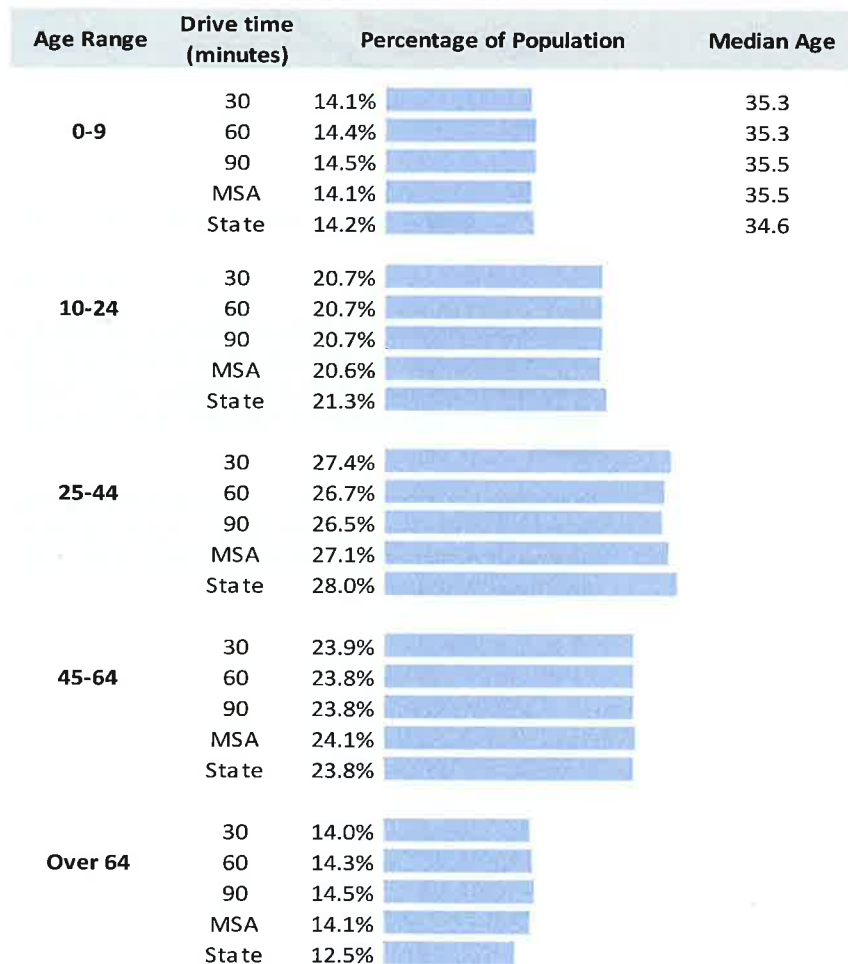
**Population Demographics (cont.)**

Around 445,000 residents live within 90-minutes of the ACCC, 58% of which are within of 30-minute drive of the facility. The markets within all three drive-times have experienced population growth significantly below the State of Texas' population growth, and under the national average. The population base within the 30-minute drive time enjoy a population growth rate above that in the wider drive time markets, but lower than the strong state-wide growth rate. Median household income follows a similar pattern with comparatively higher incomes within 30-minutes of the ACCC, but all local markets have median incomes and growth rates below state and national averages.

The success of an events facility lies in its ability to develop event programming that appeals to a broad cross-section of the marketplace. A market's age distribution can be a decisive factor in determining potential event demand, and provide insight into the types of events and programs that the market will support. A market with strong youth and teen populations suggests a stronger demand for family-oriented shows and higher participation rates in amateur sports programs. A market with a strong young adult population suggests increased demand for spectator sporting events, concerts and other entertainment. In general, a younger population base represents a positive sign for sports and entertainment facility demand.

The average age of the U.S. population is 38 years. The Amarillo MSA and drive time markets surrounding the ACCC contain a much younger population base with an average age of around 35.5 years. The following figure provides the 2017 age distribution in each market.

**FIGURE 3-2  
2017 POPULATION AGE DISTRIBUTION**



Source: Esri



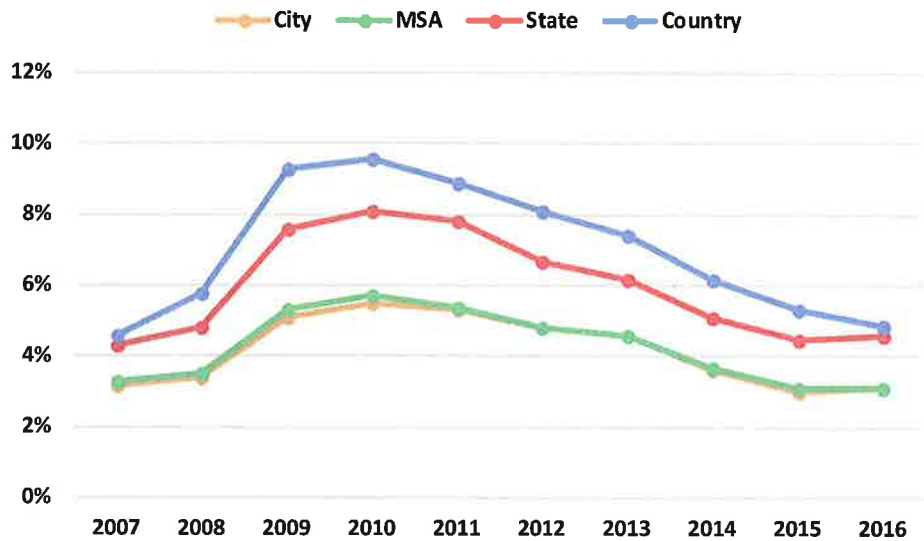
**Population Demographics (cont.)**

Like the rest of Texas, Amarillo has a relatively young population with more young adults and families with children, the primary attendees at Arena events. The broader market age range analysis indicates a relatively consistent distribution across drive time markets. Minor variances in age distribution and the median age of the markets would not produce material impacts on event attendance.

**Employment and Industry**

Unemployment statistics provide a measure of the health of the local economy and comparisons to state and national trends. The following table presents historical unemployment rates for the Amarillo MSA.

**FIGURE 3-3  
UNEMPLOYMENT STATISTICS**



Source: Bureau of Labor Statistics

Historically, Amarillo unemployment rate tracked well below than the State of Texas and the national average. During the national recession, the population in Amarillo experienced a relatively small spike in unemployment in 2009, peaking at 5.7% in 2010. Current trends suggest that with economic recovery, local unemployment has fallen below pre-recession levels.

Providing additional context for understanding the nature of the regional economy, the following table presents a list of the major employers in the market area. Local corporations represent potential purchasers of luxury suite contracts and advertising and sponsorship programs at the Arena.

Employment and Industry (cont.)

FIGURE 3-4  
MAJOR EMPLOYERS

Firm	Number of Employees
Amarillo Independent School District	4,158
Tyson Foods, Inc.	3,700
CNS Pantex	3,150
Baptist St. Anthony's Health Care System	2,700
City of Amarillo	2,012
Northwest Texas Healthcare System	1,950
Xcel Energy/Southwestern Public Service Co.	1,431
Canyon ISD	1,400
Texas Department of Criminal Justice	1,303
Bell Helicopter	1,251
Affiliated Foods	1,250
Amarillo VA Health Care System	984
Texas Tech U. Health Science Center	879
BNSF Railway	805
Toot'n Totum Food Stores, LLC	800
West Texas A&M University	726
Amarillo College	645
Owens Corning	586
Maxor National Pharmacy Services	567
Amarillo National Bank	564

Source: Amarillo Chamber Commerce, 2017

The Amarillo economy is composed of a diverse group of manufacturers, health care providers, distribution companies, and central and back-office operations. A significant number of major companies across a broad range of business sectors indicate a strong and stable corporate presence as well as potential source of demand for luxury seating and advertising signage.

The Amarillo market has experienced stable population growth in recent years. While growth is expected to flatten in coming years, the local population is going to continue to be a stable source of support for ACCC Arena events. The strong services sector and existing presence of large companies, as well as a low unemployment level indicates a stable base of employment in the market and the likelihood that local businesses will continue to generate Arena demand through ticket sales and Arena rentals.

Comparable Venues

An analysis of comparable Arenas provides insights into appropriate seating capacity for the proposed ACCC Arena and informs demand and financial projections. HVS investigated the following 15 comparable Arenas in small to medium metropolitan markets throughout the Texas, neighboring states, and the Midwest



Comparable Venues (cont.)

FIGURE 3-5  
COMPARABLE ARENAS

Venue	City	State	Hockey Capacity	Year Opened / Renovated	Cost (in millions)	Cost per Fixed Seat
United Supermarkets Arena	Lubbock	TX	15,098	1999	\$62.8	\$4,159
Denny Sanford Premier Center	Sioux Falls	SD	10,678	2014	117.0	10,957
Taxslayer Center	Moline	IL	9,200	1993	33.4	3,630
Ford Center	Evansville	IN	9,000	2011	127.5	14,167
Resch Center	Green Bay	WI	8,709	2002	45.0	5,167
Ford Park Arena	Beaumont	TX	8,200	2003	32.0	3,902
American Bank Center	Corpus Christi	TX	8,200	2004	49.0	5,976
Laredo Energy Arena	Laredo	TX	8,065	2002	36.5	4,526
Landon Center	Topeka	KS	7,773	1987	na	na
Huntington Center	Toledo	OH	7,389	2009	105.0	14,210
Kay Yeager Coliseum	Wichita Falls	TX	7,380	2003	na	na
Tyson Events Center	Sioux City	IA	6,731	2003	52.0	7,725
Von Braun Center *	Huntsville	AL	6,602	2010	15.0	2,272
Amsoil Arena	Duluth	MN	6,600	2010	38.0	5,758
United Wireless Arena	Dodge City	KS	4,220	2011	na	na
	<b>Average</b>		<b>8,256</b>			

\* Renovation

Source: Respective Venues, Media Reports

Local area population and income data can provide evidence of a community's overall economic size and ability to support an Arena. Population size can help determine the potential demand for the variety of events possible at the proposed venue. Population and income data can also provide a basis for understanding a community's ability to support and sustain an Arena, the surrounding neighborhood, and market.

The following figure presents metropolitan population and median household income data for Amarillo and the metropolitan markets surrounding comparable Arenas.

Comparable Venues (cont.)

**FIGURE 3-6  
COMPARABLE MARKET POPULATION AND INCOME (2107)**

Venue	City	State	2017 Metro Population	2017 Median HH Income
Huntington Center	Toledo	OH	609,586	49,270
American Bank Center	Corpus Christi	TX	465,442	50,453
Von Braun Center	Huntsville	AL	455,631	58,580
Ford Park Arena	Beaumont	TX	418,730	50,155
Taxslayer Center	Moline	IL	388,537	52,015
United Supermarkets Arena	Lubbock	TX	320,391	47,989
Ford Center	Evansville	IN	319,724	48,400
Resch Center	Green Bay	WI	318,291	53,131
Amsoil Arena	Duluth	MN	283,715	49,569
Laredo Energy Arena	Laredo	TX	274,227	40,838
<b>Amarillo Civic Center</b>	<b>Amarillo</b>	<b>TX</b>	<b>266,583</b>	<b>49,209</b>
Denny Sanford Premier Center	Sioux Falls	SD	256,629	55,820
Landon Arena	Topeka	KS	237,362	52,894
Tyson Events Center	Sioux City	IA	173,002	51,905
Kay Yeager Coliseum	Wichita Falls	TX	155,023	46,105
United Wireless Arena	Dodge City	KS	35,276	51,030
<b>Average</b>			<b>311,134</b>	<b>50,460</b>

Source: Esri

The population of the Amarillo MSA is below the average of the comparable Arena markets. The median household income in Amarillo is roughly equal to the average.

**Comparable Arena Demand**

In addition to tenant sports, most of the comparable Arenas also host touring concerts, family shows, comedy shows, and theatrical performances. Pollstar maintains the world's largest database of international concert tour information and venue directories. Most facilities and promoters regularly report tour data for entertainment and other events. Using data obtained from the Pollstar database, we analyzed the events held in the comparable Arenas. The following figure presents a summary of 2016 concert and entertainment events and the leagues represented by sports tenants.



## Comparable Arena Demand (cont.)

**FIGURE 3-7  
COMPARABLE ARENA EVENT DEMAND (2016)**

Venue	City	State	Concerts & Entertainment		% of Capacity	Sports Tenants
			2016 Events *	Avg. Tickets Sold per Event		
Laredo Energy Arena	Laredo	TX	28	2,449	24%	
Resch Center	Green Bay	WI	26	6,857	65%	NCAA, IFL, USHL
Denny Sanford Premier Center	Sioux Falls	SD	26	5,949	50%	USHL, IFL
Taxslayer Center	Moline	IL	26	5,844	49%	ECHL
Von Braun Center	Huntsville	AL	24	2,131	24%	NCAA, SPHL
Huntington Center	Toledo	OH	24	5,126	64%	ECHL
Ford Center	Evansville	IN	14	4,799	44%	NCAA, SPHL
United Wireless Arena	Dodge City	KS	13	1,836	35%	CIF
United Supermarkets Arena	Lubbock	TX	9	4,150	28%	NCAA
American Bank Center	Corpus Christi	TX	9	2,690	27%	NCAA, NAHL
Tyson Events Center	Sioux City	IA	5	3,208	32%	USHL, CIF
Amsoil Arena	Duluth	MN	5	3,624	45%	NCAA
Landon Arena	Topeka	KS	4	2,336	30%	NAHL
Ford Park Arena	Beaumont	TX	1	2,074	23%	
Kay Yeager Coliseum	Wichita Falls	TX	1	4,485	50%	IFL, NAHL
<b>Average</b>			<b>14</b>	<b>3,837</b>		

\* Not all venues report to Pollstar consistently.

Source: Pollstar

Some of the comparable Arenas are more active in the touring entertainment industry hosting nearly 30 events each year. The above analysis suggests that a new Arena in Amarillo would be able to attract an average number of concert and entertainment events as compared to the comparable venues.

### Premium Seating Assessment

Most of the comparable Arenas offer premium seating options, including luxury suites, party suites, loge boxes, and club seats. The quantity and type of premium seating depends on venue's tenant teams, market factors, and local competition from other sports venues, such as a minor league baseball stadium.

The following figure presents the premium seating offered in the comparable venues.

**Premium Seating Assessment (cont.)**

**FIGURE 3-8  
PREMIUM SEATING IN COMPARABLE ARENAS**

Venue	Premium Seat Capacity
Ford Center	470
Resch Center	450
Denny Sanford Premier Center	400
Tyson Events Center	340
United Supermarkets Arena	320
Taxslayer Center	315
American Bank Center	300
Ford Park Arena	240
Amsoil Arena	200
Laredo Energy Arena	196
United Wireless Arena	144
Kay Yeager Coliseum	128
Huntington Center	100
Landon Center	na
Von Braun Center	na
<b>Average</b>	<b>277</b>

Source: Respective Venues

Most of the comparable Arenas offer premium seating. Suites and party suites are the most common, with facilities offering between 5 and 28 suites, depending on seating and concourse configurations. The average number of suites in the comparable Arenas is 17.

**Building Program and Development Budget**

Several factors determine the recommended seating capacity of the Arena, including event promoter requirements, community needs, and the projected attendance levels for the primary tenants of the Arena, the Amarillo Bulls and the Amarillo Venom. For these uses, it is important to suit the needs of the most popular events while maintaining an exciting and intimate atmosphere for those events which are less well attended.

The preference among facility managers and their minor league sports tenants is to have enough seats to minimize the amount of unaccommodated demand for the more popular games, but not so many seats that the venue routinely appears to be half empty. A higher number of sellout games also provide an incentive to fans to purchase tickets in advance, either through season ticket packages or individual game purchases. Higher levels of season ticket sales help reduce variability in attendance and revenues, which can be important advantages for minor-league sports franchises.



**Building Program and Development Budget (cont.)**

The ACCC Coliseum currently has two sports tenants, the Amarillo Bulls of the North American Hockey League (“NAHL”) and the Amarillo Venom of Champions Indoor Football (“CIF”). The Bulls franchise joined the NAHL in 2008 as the Albert Lea Thunder in Albert Lea, MN. The team was sold to Amarillo in May 2010, following the announcement that the Central Hockey League (“CHL”) Amarillo Gorillas would cease operations after 8 seasons in Amarillo. The following figure presents the Bulls’ yearly average attendance for the past five years.

**FIGURE 3-9  
HISTORICAL ATTENDANCE - AMARILLO BULLS**

Year	Average Attendance
2012/13	1,461
2013/14	1,506
2014/15	1,244
2015/16	1,067
2016/17	1,008

Source: ACCC

The Amarillo Venom began playing in 2004 as the Amarillo Dusters of the Intense Football League, a small football league based in Texas. After a single season, the Dusters joined Arena Football 2 (“af2”), a developmental league for the Arena Football League, until the league folded in 2009. At that time, the team decided to join the IFL rather than a new Arena Football 1 league. As a result, the team had to change their name and logo which were property of the Arena Football 1 league. The team became the Amarillo Venom in January 2010. In 2012, the Venom joined the Lone Star Football League which eventually merged with the Champions Professional Football League to form the CIF in the 2015/16 season. The following figure presents the Venom’s yearly average attendance for the past five years.

**FIGURE 3-10  
HISTORICAL ATTENDANCE - AMARILLO VENOM**

Year	Average Attendance
2012/13	2,535
2013/14	2,637
2014/15	1,824
2015/16	2,255
2016/17	2,098

Source: ACCC



**Building Program  
and Development  
Budget (cont.)**

Support from the Amarillo community for its sports teams is evidenced by consistent historical attendance levels. Since the 1990s, modern Arena design incorporates many revenue-generating elements not found in older Arenas. Premium seating, private clubs, improved concessions points of sale, advertising, and sponsorship locations are examples of the key revenue elements that have become standard in new minor and junior league Arenas. These new revenue streams are often shared between teams and venue as a part of team lease agreements, improving both the financial viability of the teams and the operating income of the venue. A newer venue also creates a more desirable experience for fans, leading to increased attendance levels and per capita spending. Given adequate venue improvement and quality team ownership, the Amarillo market could support its two sports franchises with attendance levels approximating league averages. As is the goal of these recommendations, the proposed Arena seating capacity would accommodate the most popular games, without excess capacity for games with average attendance.

HVS program recommendations would allow the ACCC to accommodate all tenant groups currently using the Coliseum and provide adequate seating capacity to attract small to medium sized touring shows with modern tenant and attendee amenities. We recommend the development of a 7,500-seat Arena. The specific concert capacity for an Arena with 7,500 fixed seats would be subject to the actual design of the facility. A typical Arena design should yield around 9,000 seats in an end stage configuration including seating on the Arena floor. A venue with this seating capacity is ideally sized to attract both second tier touring acts and major acts as a convenient tour date between larger markets.

Premium seating is an increasingly important component of Arenas of this size. HVS recommends that the facility include 16 luxury suites with an average of 16 seats per suite. Un-leased "party" suites can be sold on a per event basis.

Many amenities and special privileges accompany the lease of a luxury suite. Facility design and marketing efforts will determine many of these arrangements. HVS assumes the proposed Arena will provide at least the following equipment and services in each luxury suite:

- 12 to 20 fixed stadium-style seats in each suite,
- Additional portable seating and furniture, as needed,
- A high-definition, large screen television,
- Climate control,
- Utilities including water and electricity,
- Service bar,
- Cleaning and maintenance of suite and fixtures,
- Full-service catering,
- Two complimentary V.I.P. parking spaces,
- Access to a special lounge, club, or party room,
- High-speed internet and telephone connections, and
- First right of refusal to purchase tickets to playoff games and special events.

**Building Program and Development Budget (cont.)**

The design of the facility should allow for additional suites if the actual market demand exceeds the demand indicated during initial programming and preconstruction sales.

In addition to the seating capacities and amenities in the Arena bowl, HVS recommends the incorporation of the following elements into the Arena design:

- Regulation sized hockey rink,
- Concourse concessions with sufficient points of sale and adequate venting to support all types of food preparation,
- A VIP Club,
- Concourse restrooms, first aid station and security office,
- Team and visitor locker rooms,
- Additional locker rooms available for sports tournaments and theatrical productions,
- Catering kitchen sized to accommodate suites and club,
- Box office with walk-up ticket booth, and
- Rigging grid with approximately 120,000 pounds of rigging capacity in ceiling. A floor to low steel clearance based on industry standards with a minimum clearance of 50 feet.

Based on the above program recommendations, DPS authorized a construction cost estimate of the proposed ACCC Arena by Rider Levett Bucknall. The following figure summarizes this cost estimated.

**FIGURE 3-11  
ACCC ARENA CONSTRUCTION COST ESTIMATE IN 2017 \$**

Building Element	Estimated Cost
Substructure	\$4,163,485
Building Shell	24,474,262
Building Interiors	14,708,400
Services	28,961,510
Equipment & Furnishings	4,050,000
Special Construction	3,375,000
Site Work	5,315,350
<b>Total Hard Costs</b>	<b>\$85,048,007</b>
Soft Costs	\$30,404,663
<b>Estimate Total Cost</b>	<b>\$115,452,670</b>

Sources: D/P/S & Rider Levett Bucknall

Including escalation, the estimated hard costs of the ACCC Arena construction total just over \$85 million with a total project cost of \$115.4 million. Refer to the Appedix for a detailed breakdown of costs.

**Historical ACCC Coliseum Demand** The ACCC provided HVS with a list of events that occurred in the ACCC Coliseum during fiscal years 2012-13 through 2016-17. The figure below summarizes the event and attendance history at the Coliseum for the past five years.

**FIGURE 3-12  
ACCC COLISEUM HISTORICAL DEMAND**

	2012/13	2013/14	2014/15	2015/16	2016/17
<b>Event-Days/Performances</b>					
Tenant Sports	42	36	38	37	44
Other Sports	1	2	3	7	4
Concerts & Entertainment	20	6	2	4	9
Conventions	3	0	3	6	6
Farm Show	3	3	3	3	3
Rodeo	4	4	4	4	4
Graduations	5	6	8	7	7
<b>Total Event Days</b>	<b>78</b>	<b>57</b>	<b>61</b>	<b>68</b>	<b>77</b>
<b>Total Attendance</b>					
Tenant Sports	68,199	61,640	50,060	46,370	49,479
Other Sports	1,503	2,800	6,627	12,379	3,415
Concerts & Entertainment	40,921	12,073	8,267	11,055	25,506
Conventions	15,000	0	5,591	9,470	8,300
Farm Show	34,000	34,000	34,000	36,000	29,000
Rodeo	14,284	15,600	16,491	16,188	14,749
Graduations	31,329	30,800	40,259	37,960	36,970
<b>Total Attendance</b>	<b>205,236</b>	<b>156,913</b>	<b>161,295</b>	<b>169,422</b>	<b>167,419</b>

Source: ACCC

In addition to its sports tenant games, the ACCC Coliseum currently hosts touring concert and entertainment events, and other sports competitions. Regular annual events include the WRCA Rodeo, the Amarillo Farm and Ranch Show, CCJW Conventions, and several local graduations.

**New Arena Demand Projections**

HVS demand projections for a new 7,500-seat arena in Amarillo assume that Arena development occurs independently of other proposed improvements to the ACCC. As a stand-alone Arena development, we assume that other ACCC operations would remain consistent with historical levels.

Based on historical ACCC Coliseum demand and the comparable arena analysis, we conclude that a new 7,500-seat Arena in Amarillo would be appropriate for the market and allow the ACCC to attract an average number of concert and entertainment events as compared to comparable venues. In addition, the average concert & entertainment attendance would increase as the venue attracts more popular acts.

While the number of tenant sports, ranch rodeo, graduations, and other Arena-based events would remain the same, a new, larger Arena would attract increased attendance at these events.

**New Arena Demand Projections (cont.)**

The following figure presents the historical and projected events and attendance.

**FIGURE 3-13  
ACCC ARENA HISTORICAL AND PROJECTED DEMAND**

	Historical (3yr Average)	New Arena Stabilized
<b>Number of Events-Days</b>		
Tenant Sports	40	40
Other Sports	5	5
Concerts & Entertainment	5	14
Conventions	5	5
Farm Show	3	3
Rodeo	4	4
Graduations	7	7
<b>Average Attendance</b>		
Tenant Sports	1,226	1,650
Other Sports	1,602	2,000
Concerts & Entertainment	2,989	4,500
Conventions	1,557	1,557
Farm Show	11,000	11,000
Rodeo	3,952	5,150
Graduations	5,236	6,000

Source: ACCC

**New Arena Financial Operations**

Based on the above Arena demand projections, we modeled ACCC operations assuming the new Arena opens in the fall of 2022. Our ACCC operating projections consider the new Arena as a stand-alone development. We assume that other proposed ACCC improvements, including the exhibit hall expansion, would occur at a future date and are not considered in this study.

In developing financial operations projections, we also assume the following parameters.

- The ACCC staff would operate the new Arena in conjunction with other ACCC venues. Additional staffing would be required to support the larger venue. Event marketing staff would be hired approximately one year prior to opening of the new Arena. Other additional staff would come online near the opening of the new facility.
- A larger Arena would incur increased operating costs which would partially be offset by the improved operating efficiencies of a new venue.
- The ACCC Coliseum would remain open. Primary uses would include hourly ice rentals by the Amarillo Bulls, additional flat floor space for conventions and trade shows, and as a secondary venue for the WRCA Rodeo.
- The 7,500-seat capacity would include 16 luxury suites with an average of 16 seats per suite. The ACCC would assume responsibility for the sales of these premium seats and retain all revenues associated with leases and sales.
- The new Arena would have significantly improved advertising and sponsorship opportunities, including the potential for a naming rights agreement.

The following figure presents the 10-year operating projections for the ACCC. The Projections begin on October 1, 2017, five years prior to the proposed opening of the new ACCC Arena during fiscal year 2022-23. Following a two-year ramp up period, Arena demand stabilizes in fiscal year 2024-25. A summary of Arena revenues and model assumptions follows.



New Arena  
Financial  
Operations (cont.)

FIGURE 3-14  
ACCC FINANCIAL OPERATIONS - THROUGH STABILIZED DEMAND

	2017/18	2018/19	2019/20	2020/21	2021/22	New Arena Opens 2022/23	2023/24	Stabilized Demand 2024/25
<b>OPERATING REVENUE</b>								
Exhibit Space Rental	\$720,000	\$738,000	\$756,000	\$775,000	\$795,000	\$941,000	\$964,000	\$989,000
Arena Rental	192,000	196,000	201,000	206,000	211,000	265,000	288,000	311,000
Other Rental	228,000	233,000	239,000	245,000	251,000	267,000	274,000	281,000
Ticket Sales (Net)	138,000	141,000	145,000	148,000	152,000	234,000	254,000	273,000
Event Services (Net)	180,000	185,000	190,000	194,000	199,000	241,000	247,000	253,000
Food & Beverage (Net)	288,000	295,000	302,000	310,000	317,000	540,000	584,000	627,000
Novelty (Net)	17,000	18,000	18,000	18,000	19,000	37,000	41,000	45,000
Box Office	295,000	302,000	310,000	318,000	325,000	503,000	543,000	583,000
Advertising (Net)	0	0	0	0	0	406,000	416,000	426,000
Globe-News Center	206,000	211,000	217,000	222,000	228,000	233,000	239,000	245,000
Suite Revenue (Net)	0	0	0	0	0	536,000	577,000	616,000
<b>Total</b>	<b>\$2,263,000</b>	<b>\$2,320,000</b>	<b>\$2,378,000</b>	<b>\$2,437,000</b>	<b>\$2,498,000</b>	<b>\$4,205,000</b>	<b>\$4,428,000</b>	<b>\$4,648,000</b>
<b>OPERATING EXPENSES</b>								
Salaries & Benefits	\$1,782,000	\$1,827,000	\$1,873,000	\$1,919,000	\$2,059,000	\$2,265,000	\$2,322,000	\$2,380,000
Contractual Services	309,000	317,000	325,000	333,000	341,000	516,000	537,000	558,000
Supplies & Equipment	226,000	231,000	237,000	243,000	249,000	371,000	386,000	401,000
Utilities	942,000	966,000	990,000	1,211,000	1,242,000	1,927,000	1,981,000	2,036,000
Other Expense	261,000	267,000	274,000	281,000	288,000	401,000	413,000	426,000
Globe News Center	279,000	286,000	293,000	300,000	308,000	316,000	324,000	332,000
<b>Total</b>	<b>\$3,799,000</b>	<b>\$3,894,000</b>	<b>\$3,992,000</b>	<b>\$4,288,000</b>	<b>\$4,486,000</b>	<b>\$5,796,000</b>	<b>\$5,963,000</b>	<b>\$6,132,000</b>
<b>OPERATING INCOME (LOSS)</b>	<b>(\$1,536,000)</b>	<b>(\$1,574,000)</b>	<b>(\$1,614,000)</b>	<b>(\$1,851,000)</b>	<b>(\$1,988,000)</b>	<b>(\$1,592,000)</b>	<b>(\$1,535,000)</b>	<b>(\$1,485,000)</b>
<b>NON-OPERATING REVENUE</b>								
Fund Transfers In	396,000	396,000	396,000	396,000	396,000	396,000	396,000	396,000
Other Non-Operating Revenue	26,000	26,000	27,000	28,000	28,000	29,000	30,000	30,000
<b>Total</b>	<b>\$422,000</b>	<b>\$422,000</b>	<b>\$423,000</b>	<b>\$424,000</b>	<b>\$425,000</b>	<b>\$425,000</b>	<b>\$426,000</b>	<b>\$427,000</b>
<b>NON-OPERATING EXPENSES</b>								
Indirect Costs	\$646,000	\$662,000	\$679,000	\$696,000	\$713,000	\$731,000	\$749,000	\$768,000
<b>Total</b>	<b>\$646,000</b>	<b>\$662,000</b>	<b>\$679,000</b>	<b>\$696,000</b>	<b>\$713,000</b>	<b>\$731,000</b>	<b>\$749,000</b>	<b>\$768,000</b>
<b>TOTAL NET INCOME (LOSS)</b>	<b>(\$1,760,000)</b>	<b>(\$1,814,000)</b>	<b>(\$1,869,000)</b>	<b>(\$2,123,000)</b>	<b>(\$2,277,000)</b>	<b>(\$1,898,000)</b>	<b>(\$1,858,000)</b>	<b>(\$1,826,000)</b>

- **Arena Rental** – When the new Arena opens, the per event rental fee for non-tenant events would increase from \$2,200 to \$2,500 per event. This category also includes public rentals of the ACCC Coliseum for public skate, youth hockey games, and other miscellaneous uses.
- **Ticket Sales** – Ticket sales revenue per event attendee collected by the ACCC would remain consistent with historical levels, subject to annual inflation.
- **Food & Beverage Sales** – Improved concessions opportunities in a new Arena would increase per capita spending. We estimate a 25% increase in food and beverage sales at Arena events. In addition, the ACCC would collect a commission on catering sales in luxury suites.
- **Novelty Sales** – Improved points of sale opportunities in a new Arena would increase per capita spending. We estimate a 25% increase in novelty sales at Arena events.
- **Box Office** – Box office revenues per event attendee collected by the ACCC would remain consistent with historical levels, subject to annual inflation.



**New Arena  
Financial  
Operations (cont.)**

- **Advertising** – Improved signage, scoreboard, and other advertising opportunities in a new Arena would increase advertising revenue. We assume an annual advertising revenue of \$350,000 (in 2017 dollars) which is consistent with similar-sized arenas. We further assume that revenues earned from a naming rights agreement would be used as financing and not included in financial operating projections. Advertising sales costs would be 10% of gross advertising sales.
- **Premium Seating** – Annual suite leases include tickets to all pre- and regular season tenant events. We assume that the average cost of a regular ticket would be removed from suite lease revenue and distributed to the tenant team or event promoter per prior agreements. The ACCC would keep the premium portion of the ticket cost and receive a commission from suite catering sales. The following figure presents premium seating assumptions.

**FIGURE 3-15  
ACCC ARENA PREMIUM SEATING ASSUMPTIONS**

Premium Seating Assumptions	
Tenant Teams	Bulls/Venom
Number of Suites	16
Avg. Seats per Suite	16
Avg. Annual Suite Lease	\$24,000
Team Share of Premium Seating	0%
Suite Usage Rates	
Tenant Sports	86%
WRCA Ranch Rodeo	100%
Concerts & Entertainment	50%
Per Event Ticket Price	
Tenant Sports	incl. in lease
WRCA Ranch Rodeo	\$70
Concerts & Entertainment	\$70
Catering Per Capita Spending	
Tenant Sports	\$20
WRCA Ranch Rodeo (4-days)	\$80
Concerts & Entertainment	\$20
Suite Leasing Costs	15%
Catering Commission	25%

**Economic and  
Fiscal Impacts**

HVS identified the new spending that would occur in the local economy due to the operations of the ACCC, assuming that the ACCC Arena opens on October 1, 2022. HVS direct spending estimates include only new spending that originates from outside the market area as defined by the city limits of Amarillo, Texas. Spending by attendees who live within the market area is a transfer of income from one sector of the area's economy to another; therefore, this analysis does not count spending by local residents as a new economic impact.

Spending falls into three categories:

- Direct spending impacts include the new spending from four sources as defined below. For example, an event attendee expenditure on a restaurant meal is a direct economic impact.

**Economic and Fiscal Impacts (cont.)**

- Indirect spending impacts are generated from the business spending resulting from the initial direct spending. For example, an event attendee’s direct expenditure on a restaurant meal causes the restaurant to purchase food and other items from suppliers. The portion of these restaurant purchases that remain within Amarillo is then counted as an indirect impact.
- Induced spending impacts represent the change in local consumption due to the personal spending by employees whose incomes are affected by direct and indirect spending. For example, a waiter at a local restaurant may have more personal income as a result of convention delegates dining at the restaurant. The amount of the increased income that the waiter spends in the local economy is considered an induced impact.

HVS enters the direct spending estimate into the IMPLAN input-output model of the local economy to estimate indirect and induced spending. The sum of direct, indirect, and induced spending estimates comprises the total estimated spending impact of the ACCC operations.

Indirect and induced impacts are often referred to as multiplier effects. The relationship between direct spending and the multiplier effects can vary based upon the specific size and characteristics of a local area’s economy.

HVS identified two sources of new direct spending, overnight guests and daytrip attendees. Estimation of new spending of both sources involves three sets of assumptions: 1) the number of new visitors to the market, 2) the geographic location of their spending, and 3) the amounts typically spent by each of the sources.

Event organizers create additional spending impacts through spending at the ACCC through facility rentals, ticket sales, the purchase food and beverages, and other spending at the venue.

The following figure presents a summary of new direct spending from the sources defined above.

**FIGURE 3-16  
SUMMARY OF NEW DIRECT SPENDING IN AMARILLO**

City of Amarillo					
Direct overnight visitor spending =	15,000	overnight visitors	x	\$272.86	= \$4.1 M
Direct day trip spending =	27,100	daytrip visitors	x	\$101.70	= \$2.8
				Facility Revenue =	\$2.5
				<b>Total Gross Direct Spending =</b>	<b>\$9.4 M</b>

HVS uses the IMPLAN input-output model to estimate indirect and induced impacts. IMPLAN is a nationally recognized model developed at the University of Minnesota to estimate indirect and induced economic impacts. An input-output model generally describes the commodities and income that normally flow through the various sectors of a given economy. The indirect and induced spending and employment effects shown here represent the estimated changes in the flow of income and goods caused by the estimated direct spending. The IMPLAN model accounts for the specific characteristics of the local area economy and estimates the share of indirect and induced spending that it will retain.

The relationship between direct spending and the multiplier effects can vary based on the specific size and characteristics of a local area’s economy. HVS enters the gross direct spending estimate into the IMPLAN input output model of the local economy to estimate the net direct, indirect and induced spending. HVS obtained the most recent available data from IMPLAN for the City of Amarillo.



**Economic and Fiscal Impacts (cont.)**

The following figures present the output of the IMPLAN model—the net new direct, indirect, and induced economic impacts and that are attributable to the proposed ACCC Arena. HVS also used IMPLAN to estimate the jobs created based on the direct, indirect, and induced spending estimates.

**FIGURE 3-17  
ANNUAL ECONOMIC IMPACT ESTIMATES IN A STABILIZED YEAR (IN 2017 \$)**

Impact (\$ millions)	City of Amarillo
<b>Spending Estimates</b>	
Net Direct	\$7.2
Indirect	2.9
Induced	1.3
<b>Total</b>	<b>\$11.3</b>

The proposed capital investment in the development of the new ACCC Arena would likely be repaid over a 20-year period that coincides with the useful life of the asset. As a point of comparison with the capital investment, HVS calculated the present value of the net spending that it would generate over a 20-year period. We assumed a 5% discount rate that approximates weighted cost of public sector capital.

Over a 20-year period, the present value of net spending impact pf approximately \$148 million. The amounts of impact should be compared to the potential capital investment in the project.

**Employment Impacts**

HVS calculated the full-time equivalent jobs supported by the spending in each economic sector. The figure below summarizes the results.

**FIGURE 3-18  
EMPLOYMENT IMPACTS IN A STABILIZED YEAR**

Full-Time Equivalent Jobs	City of Amarillo
Direct	70
Indirect	20
Induced	10
<b>Total Permanent Jobs</b>	<b>100</b>

**Fiscal Impacts**

Fiscal impacts represent the public sector share of the economic impacts from tax collections on new spending. The previously discussed spending estimates provide a basis for estimating potential tax revenue, as the City of Amarillo will collect some of the spending through taxation.

The IMPLAN analysis results in direct, indirect, and induced spending classified into hundreds of detailed spending categories. HVS evaluated each of these spending categories to determine which taxes would apply to each type of spending output. HVS then used the appropriate tax rates to estimate the amount of tax revenue.

HVS applied these nominal tax rates to a detailed breakdown of spending and income categories that result from direct, indirect, and induced spending through operation of the proposed ACCC Arena. HVS then estimated the potential annual revenue from each tax source as shown in the following figures.





**Fiscal Impacts  
(cont.)**

**FIGURE 3-19  
ANNUAL FISCAL IMPACTS IN A STABILIZED YEAR (IN 2017 \$)**

Tax Category	Tax Base	Nominal Tax Rate	Estimated Tax Revenue
City Sales & Use Tax	\$6,427,550	1.50%	\$96,400
EDC Sales & Use Tax	6,427,550	0.50%	\$32,100
Lodging - City HOT	1,612,400	7.00%	\$101,200
Lodging - Venue District HOT	1,612,361	2.00%	\$28,900
			<u>\$258,600</u>

The following figure summarizes recurring annual economic and fiscal impacts in a stabilized year.

**FIGURE 3-20  
SUMMARY OF ANNUAL ECONOMIC AND FISCAL IMPACTS**

Summary of Impacts*	City of Amarillo
Economic Impact (millions)	\$11.3
Fiscal Impact (millions)	\$0.26
Jobs	100

\*In a stabilized year.

These economic and fiscal impact estimates are subject to the assumptions and limiting conditions described throughout the report. Numerous assumptions about future events and circumstances form the basis for these estimates. Although we consider these assumptions reasonable, we cannot provide assurances that the project will achieve the forecasted results. Actual events and circumstances are likely to differ from the assumptions in this report and some of those differences may be material. The readers should consider these estimates as a mid-point in a range of potential outcomes.

**Construction  
Impacts**

The concept planning process yielded a concept cost estimate for the development and construction for the proposed ACCC Arena of approximately \$115.4 million. This cost estimate includes all construction hard costs as well as the general conditions, design fees, and other soft costs of the project. HVS estimates that roughly 50% of hard construction costs would be from material and equipment purchases and rentals that originate outside the City of Amarillo. We further assume that 80% of wholesale furniture, fixture, and equipment purchases would be made outside of Amarillo. Based on these cost estimate assumptions, HVS used the IMPLAN model to estimate the indirect and induced impacts of the proposed ACCC project. The following figure presents the results of this analysis.

**Construction Impacts (cont.)**

**FIGURE 3-21  
IMPACTS OF CONSTRUCTION IN 2017 \$**

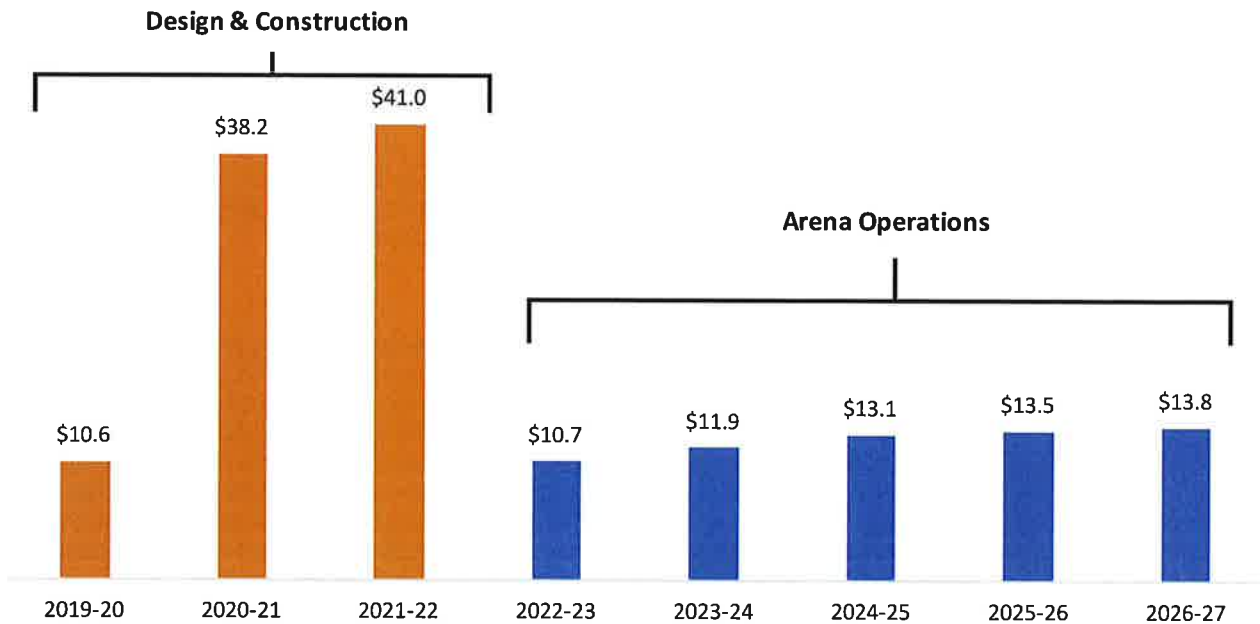
	Spending (in Thousands)	Jobs
Net Direct	\$58,094	443
Indirect	13,746	81
Induced	10,879	86
	<u>\$82,719</u>	<u>610</u>

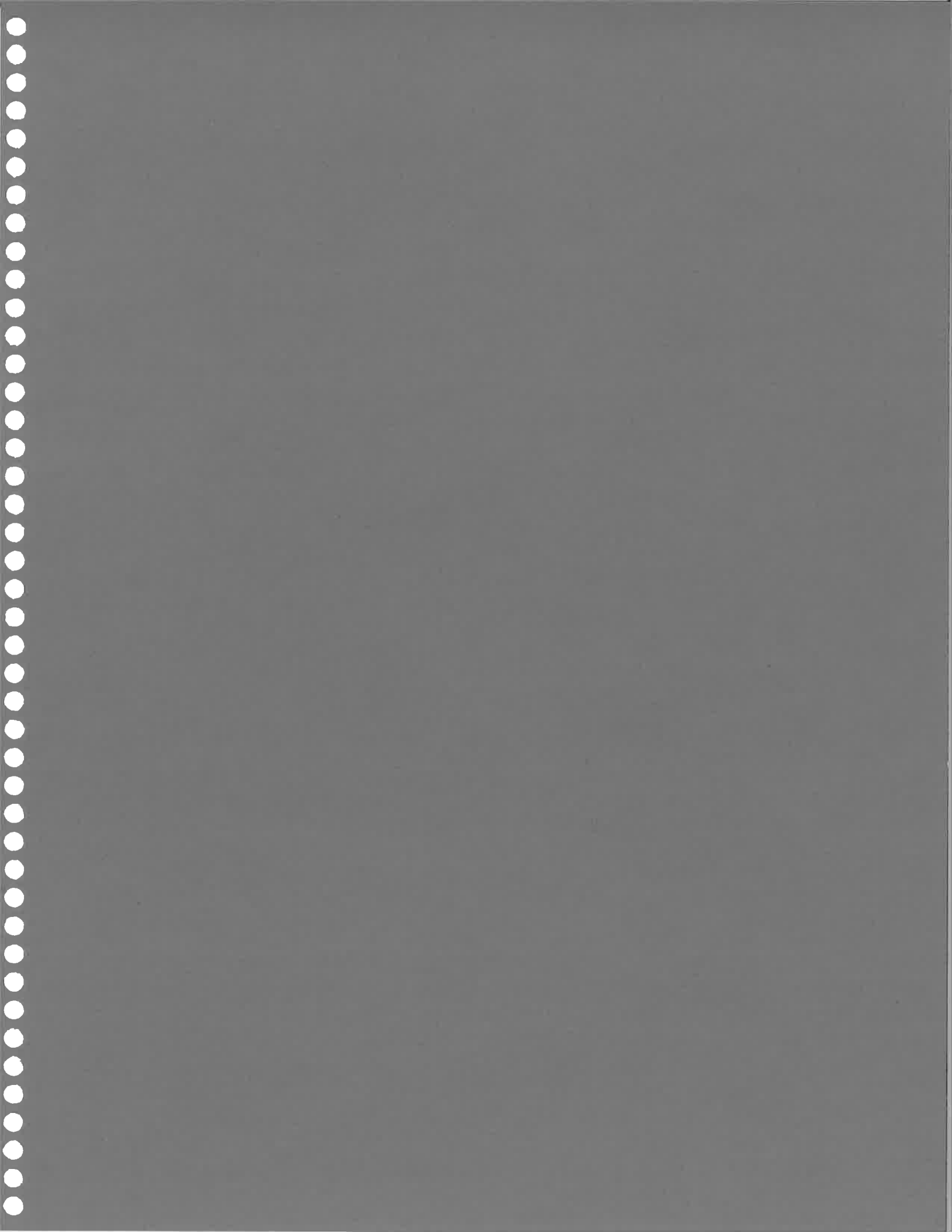
HVS estimates that over the three-year design and construction period, the \$115.4 million in total construction and development spending would generate approximately \$83 million in direct, indirect and induced spending in Amarillo. This spending translates to 610 construction and other jobs during the design and construction period.

**Summary of Inflated Annual Impacts**

The following figure presents the annual inflated economic impacts on the City of Amarillo from the design and construction period through the Arena’s first five years of operation. The figure represents the economic impact from new spending because of the development of the proposed ACCC Arena. These impacts would be in addition to those already generated in the Amarillo market by the operations of the ACCC. All dollar figures are inflated to future year dollars assuming an inflation rate of 2.5%.

**FIGURE 3-22  
ANNUAL ECONOMIC IMPACTS IN \$ MILLIONS (INFLATED)**





## Preliminary Cost Estimate - Detail

RLB | Rider Levett Bucknall

## Amarillo Convention Center

Arena - Repriced at Sept 2017 Rates

## Elements Summary

Gross Floor Area: 270,000 SF  
Rates Current At September 2017

Description	Cost/SF	Total Cost
A1010 Standard Foundations	\$3.81	\$1,027,425
A1020 Special Foundations	\$7.21	\$1,946,520
A1030 Slab on Grade	\$4.41	\$1,189,540
B1010 Floor Construction	\$29.77	\$8,038,162
B1020 Roof Construction	\$21.63	\$5,840,720
B2010 Exterior Walls	\$18.20	\$4,914,000
B2020 Exterior Windows	\$13.50	\$3,645,000
B2030 Exterior Doors	\$0.73	\$198,000
B3010 Roof Coverings	\$6.81	\$1,838,380
C1010 Partitions	\$15.40	\$4,158,000
C1029 Interior Doors	\$1.99	\$537,000
C1030 Fittings	\$12.00	\$3,240,000
C2010 Stair Construction	\$2.17	\$585,000
C3010 Wall Finishes	\$9.92	\$2,678,400
C3020 Floor Finishes	\$7.00	\$1,890,000
C3030 Ceiling Finishes	\$6.00	\$1,620,000
D1010 Elevators & Lifts	\$1.46	\$395,000
D2010 Plumbing Fixtures	\$2.28	\$614,250
D2020 Domestic Water Distribution	\$4.29	\$1,158,300
D2030 Sanitary Waste	\$1.82	\$491,400
D2040 Rain Water Drainage	\$1.60	\$432,560
D2090 Other Plumbing Systems	\$1.00	\$270,000
D3020 Heat Generating Systems	\$40.00	\$10,800,000
D4030 Fire Protection Specialties	\$4.00	\$1,080,000
D5020 Lighting and Branch Wiring	\$22.00	\$5,940,000
D5030 Communications & Security	\$26.81	\$7,240,000
D5090 Other Electrical Systems	\$2.00	\$540,000
E1010 Commercial Equipment	\$7.00	\$1,890,000
E2010 Fixed Furnishings	\$8.00	\$2,160,000
F1030 Special Construction Systems	\$12.50	\$3,375,000
G1010 Site Clearing	\$0.46	\$125,000
G1030 Site Earthwork	\$1.00	\$270,350
G2040 Site Development	\$11.00	\$2,970,000
G3090 Other Site Mechanical Utilities	\$5.56	\$1,500,000
G4090 Other Site Electrical Utilities	\$1.67	\$450,000
<b>ESTIMATED NET COST</b>	<b>\$314.99</b>	<b>\$85,048,007</b>



**Amarillo Convention Center**  
**Arena - Repriced at Sept 2017 Rates**

Elements Summary

Gross Floor Area: 270,000 SF  
 Rates Current At September 2017

Description	Cost/SF	Total Cost
<b>TOTAL HARD COSTS</b>		<b>\$85,048,007</b>
<b>SOFT COSTS</b>		
General Conditions	8.0 %	\$6,803,841
Insurance & Bonds	1.5 %	\$1,275,720
Project Admin/CMAR Fee	3.0 %	\$2,551,440
Marketing	-	by Owner
FF & E	8.0 %	\$6,803,841
A/E Fees	6.8 %	\$5,740,740
Geotech/Survey/Testing/Permits	0.5 %	\$425,240
Contingency	8.0 %	\$6,803,841
	<b>ESTIMATED TOTAL COST</b>	<b>\$115,452,670</b>



## RLB | Rider Levett Bucknall

**Amarillo Convention Center**  
 Arena - Repriced at Sept 2017 Rates

Elements Item

Rates Current At September 2017

Description	Unit	Qty	Rate	Total Cost
<b>A1010 Standard Foundations</b>				
4 Foundations, grade beams pile caps	CY	2,163	475.00	1,027,425
<b>Standard Foundations</b>				<b>\$1,027,425</b>
<b>A1020 Special Foundations</b>				
3 Caissons	SF	108,140	18.00	1,946,520
<b>Special Foundations</b>				<b>\$1,946,520</b>
<b>A1030 Slab on Grade</b>				
5 Slab on grade incl sand/gravel/insulation	SF	108,140	11.00	1,189,540
<b>Slab on Grade</b>				<b>\$1,189,540</b>
<b>B1010 Floor Construction</b>				
6 Precast tiered seating	SF	40,000	65.00	2,600,000
48 Structural support to precast	SF	40,000	8.00	320,000
7 Suspended floor, concrete topping, metal deck, & struct steel framing	SF	121,861	42.00	5,118,162
<b>Floor Construction</b>				<b>\$8,038,162</b>
<b>B1020 Roof Construction</b>				
8 Roof, metal deck and structural steel framing incl trusses	SF	108,140	48.00	5,190,720
9 Catwalks	SF	10,000	65.00	650,000
<b>Roof Construction</b>				<b>\$5,840,720</b>
<b>B2010 Exterior Walls</b>				
10 Exterior wall cladding incl all back up & insulation	SF	75,600	65.00	4,914,000
<b>Exterior Walls</b>				<b>\$4,914,000</b>
<b>B2020 Exterior Windows</b>				
11 Exterior glazing, curtain wall/storefront/sunshades etc	SF	40,500	90.00	3,645,000
<b>Exterior Windows</b>				<b>\$3,645,000</b>
<b>B2030 Exterior Doors</b>				
12 Exterior doors	EA	30	3,000.00	90,000
13 Overhead doors	EA	6	18,000.00	108,000
<b>Exterior Doors</b>				<b>\$198,000</b>
<b>B3010 Roof Coverings</b>				
14 Roof coverings, membrane roof on insulation incl sheet metal	SF	108,140	17.00	1,838,380
<b>Roof Coverings</b>				<b>\$1,838,380</b>



**Amarillo Convention Center**  
**Arena - Repriced at Sept 2017 Rates**

Elements Item

Rates Current At September 2017

Description	Unit	Qty	Rate	Total Cost
<b>C1010 Partitions</b>				
15 Partitions, GWB/CMU	SF	297,000	14.00	4,158,000
<b>Partitions</b>				<b>\$4,158,000</b>
<b>C1029 Interior Doors</b>				
16 Interior doors	EA	270	1,800.00	486,000
17 Overhead doors	EA	6	8,500.00	51,000
<b>Interior Doors</b>				<b>\$537,000</b>
<b>C1030 Fittings</b>				
18 Specialties, toilet accessories, locker room fittings, code signage etc	SF	270,000	12.00	3,240,000
<b>Fittings</b>				<b>\$3,240,000</b>
<b>C2010 Stair Construction</b>				
19 Stairs egress	FT/R	250	1,500.00	375,000
20 Stairs, grand	FT/R	70	3,000.00	210,000
<b>Stair Construction</b>				<b>\$585,000</b>
<b>C3010 Wall Finishes</b>				
21 Wall finishes	SF	669,600	4.00	2,678,400
<b>Wall Finishes</b>				<b>\$2,678,400</b>
<b>C3020 Floor Finishes</b>				
22 Floor finishes	SF	270,000	7.00	1,890,000
<b>Floor Finishes</b>				<b>\$1,890,000</b>
<b>C3030 Ceiling Finishes</b>				
23 Ceiling finishes	SF	270,000	6.00	1,620,000
<b>Ceiling Finishes</b>				<b>\$1,620,000</b>
<b>D1010 Elevators &amp; Lifts</b>				
24 Elevators passenger	EA	2	125,000.00	250,000
25 Elevators service	EA	1	145,000.00	145,000
<b>Elevators &amp; Lifts</b>				<b>\$395,000</b>
<b>D2010 Plumbing Fixtures</b>				
26 Plumbing fixtures	EA	351	1,750.00	614,250
<b>Plumbing Fixtures</b>				<b>\$614,250</b>



## RLB | Rider Levett Bucknall

**Amarillo Convention Center**

Arena - Repriced at Sept 2017 Rates

Elements Item

Rates Current At September 2017

Description	Unit	Qty	Rate	Total Cost
<b>D2020 Domestic Water Distribution</b>				
27 Hot & cold water supply incl pumps/tanks/softener etc	EA	351	3,300.00	1,158,300
<b>Domestic Water Distribution</b>				<b>\$1,158,300</b>
<b>D2030 Sanitary Waste</b>				
28 Sanitary drains, floor sinks/drains etc	SF	351	1,400.00	491,400
<b>Sanitary Waste</b>				<b>\$491,400</b>
<b>D2040 Rain Water Drainage</b>				
29 Roof drains and piping	SF	108,140	4.00	432,560
<b>Rain Water Drainage</b>				<b>\$432,560</b>
<b>D2090 Other Plumbing Systems</b>				
30 Gas, compressed air etc	SF	270,000	1.00	270,000
<b>Other Plumbing Systems</b>				<b>\$270,000</b>
<b>D3020 Heat Generating Systems</b>				
31 HVAC incl controls & balance	SF	270,000	40.00	10,800,000
<b>Heat Generating Systems</b>				<b>\$10,800,000</b>
<b>D4030 Fire Protection Specialties</b>				
32 Sprinklers, fire pump etc	SF	270,000	4.00	1,080,000
<b>Fire Protection Specialties</b>				<b>\$1,080,000</b>
<b>D5020 Lighting and Branch Wiring</b>				
33 Service & distribution, lighting & power	SF	270,000	22.00	5,940,000
<b>Lighting and Branch Wiring</b>				<b>\$5,940,000</b>
<b>D5030 Communications &amp; Security</b>				
34 A/V, security etc	SF	270,000	12.00	3,240,000
35 Score board & video system	EA	1	4,000,000.00	4,000,000
<b>Communications &amp; Security</b>				<b>\$7,240,000</b>
<b>D5090 Other Electrical Systems</b>				
36 Lightning protection, emerg power in generator	SF	270,000	2.00	540,000
<b>Other Electrical Systems</b>				<b>\$540,000</b>
<b>E1010 Commercial Equipment</b>				
37 Misc incl kitchen equipment	SF	270,000	7.00	1,890,000
<b>Commercial Equipment</b>				<b>\$1,890,000</b>





**Amarillo Convention Center**  
Arena - Repriced at Sept 2017 Rates

Elements Item

Rates Current At September 2017

Description	Unit	Qty	Rate	Total Cost
<b>E2010 Fixed Furnishings</b>				
38 Milwork incl counter tops	SF	270,000	3.00	810,000
39 Window shade system	EA	1	100,000.00	100,000
40 Spectator seating	EA	8,000	150.00	1,200,000
41 Misc fixed furnishings	EA	1	50,000.00	50,000
<b>Fixed Furnishings</b>				<b>\$2,160,000</b>
<b>F1030 Special Construction Systems</b>				
42 Dasher boards & protective netting	EA	1	950,000.00	950,000
43 Ice sheet incl pipework, gravel, sand, concrete	SF	25,000	17.00	425,000
44 Ice making plant & pipework	EA	1	2,000,000.00	2,000,000
<b>Special Construction Systems</b>				<b>\$3,375,000</b>
<b>G1010 Site Clearing</b>				
1 Clear site, remove AC paving curbs etc	SF	125,000	1.00	125,000
<b>Site Clearing</b>				<b>\$125,000</b>
<b>G1030 Site Earthwork</b>				
2 Excavate and recompact to form building pad	SF	135,175	2.00	270,350
<b>Site Earthwork</b>				<b>\$270,350</b>
<b>G2040 Site Development</b>				
45 Parking lots, pedestrian paving, landscaping	SF	270,000	11.00	2,970,000
<b>Site Development</b>				<b>\$2,970,000</b>
<b>G3090 Other Site Mechanical Utilities</b>				
46 Site mechanical utilities, water/sewer/storm/gas	EA	1	1,500,000.00	1,500,000
<b>Other Site Mechanical Utilities</b>				<b>\$1,500,000</b>
<b>G4090 Other Site Electrical Utilities</b>				
47 Site electrical, distribution/lighting/communications & security	EA	1	450,000.00	450,000
<b>Other Site Electrical Utilities</b>				<b>\$450,000</b>
<b>ESTIMATED NET COST</b>				<b>\$85,048,007</b>



