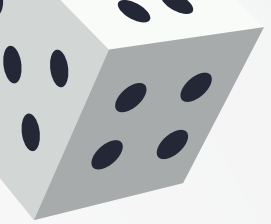


MAJOR EVENT BID SPECIFICATION RESEARCH & ANALYSIS

SEPTEMBER 12, 2018

NATIONAL CHAMPIONSHIP



CSL INTERNATIONAL

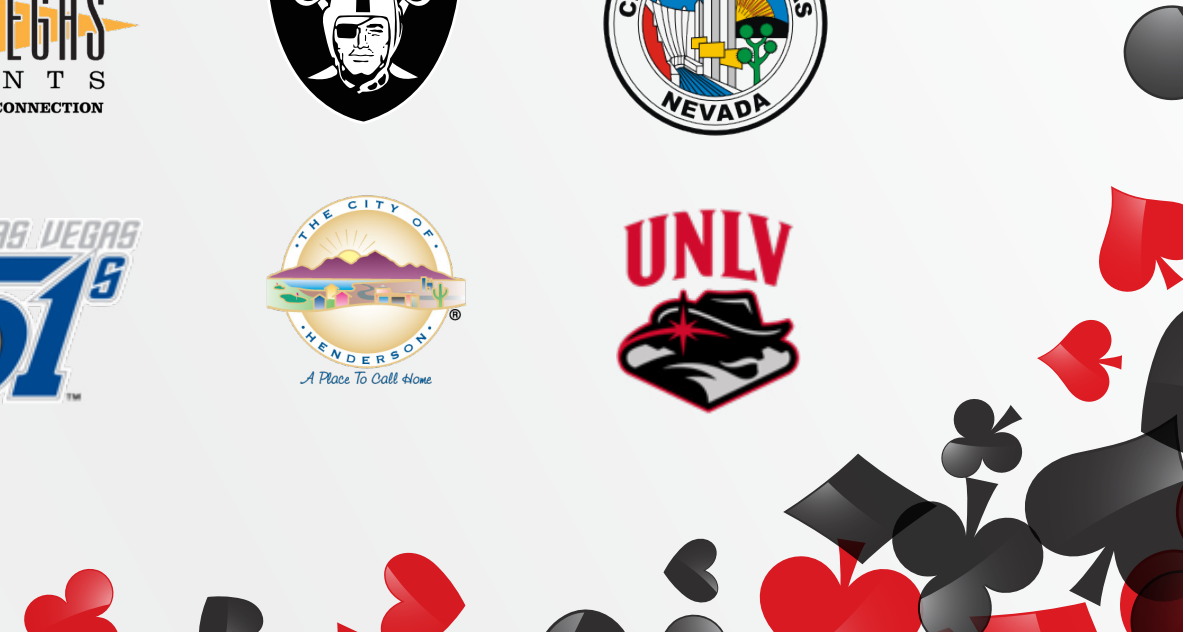
- ♣ Founded in 1988
- ♣ Former Partners of Big Four accounting firm
- ♣ Based in Dallas, TX
- ♣ Provide consulting and advisory services grounded in market realities
- ♣ Over 200 years of collective experience
- ♣ Over 2,000 consulting engagements completed
- ♣ Proven track record with credibility in the marketplace
- ♣ Significant experience in the Las Vegas market

CSL SERVICES

-  Market Demand
-  Facility Programming
-  Financial Feasibility
-  Marketing Strategy
-  Operational Reviews

-  Economic Impacts
-  Funding Assessment
-  Cost Estimates
-  Naming Rights Valuation
-  Owners Representation

RECENT LAS VEGAS AREA CLIENTS



STUDY OVERVIEW

- ♣ Engaged by Las Vegas Events in 2016
- ♣ Market assessment and benchmarking analysis of large event destinations
- ♣ Research and analysis related to major event criteria and bid specifications

MAJOR EVENT BID SPECIFICATIONS ANALYZED



NCAA Men's Final Four
Championship



**NATIONAL
CHAMPIONSHIP**

College Football Playoff
National Championship



COPA AMERICA

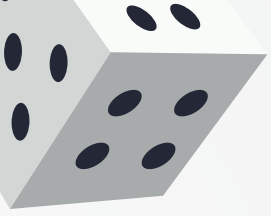
Copa America Centenario



WrestleMania



Super Bowl



BID SPECIFICATION ELEMENTS

EVENT STRATEGY

What are the goals of the event and rationale for timing of bid submittal?

ORGANIZATION

What type of local organization is necessary for success?

REQUIREMENTS

What are the capacity, playing surface, hotel, ancillary event, and other requirements?

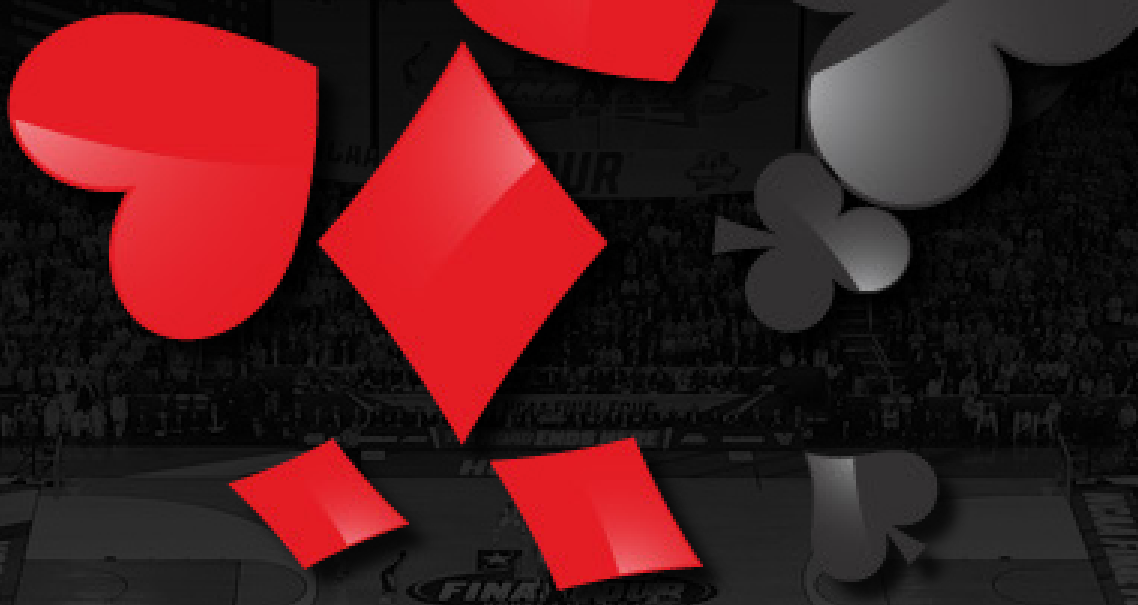
OTHER CONSIDERATIONS

What are the other intrinsic elements that will separate your market from others?

FINANCIALS / BUDGET

What are the revenue and expense splits between the event and venue?





**NCAA MEN'S
FINAL FOUR
CHAMPIONSHIP**

NCAA MEN'S FINAL FOUR CHAMPIONSHIP

EVENT STRATEGY

- ♣ Broaden impact throughout the community and region with expanded activities and ancillary events
- ♣ Select communities with quality facilities to provide best experience for student-athletes
- ♣ Select sites several years in advance to allow ample time to promote and involve the community
- ♣ Allow hosts to learn by watching other communities execute event
- ♣ Allow time to identify local leaders

BID SPECIFICATIONS

- ♣ Bid committee must be formed to prepare a proposal
- ♣ Once selected, cities must form a Local Organizing Committee ("LOC")
- ♣ LOCs coordinate essential event functions:
 - ♥ Government services
 - ♥ Public safety
 - ♥ Community outreach
 - ♥ Lodging
 - ♥ Public relations
 - ♥ Transportation
 - ♥ Volunteers
- ♣ LOC should be managed by full-time executive director and staff
- ♣ Fully functional 2 years prior

REQUIREMENTS

- ♣ Facility capacity of 60,000
- ♣ 10,000 hotel rooms (95% full service)
- ♣ Minimum of 4 practice sites within 20 minutes
- ♣ Ability to accommodate a variety of ancillary events:
 - ♥ Bracket Town (400k sq. ft space)
 - ♥ DII & DIII Championship Sites (10,000 seats)
 - ♥ Music Festival (10 acres)
 - ♥ Coaches Convention (80k sq. ft. space)
 - ♥ Tip-Off Tailgate (200k sq. ft. outdoor space)
- ♣ Community, sports commission, and CVB support
- ♣ Program of 3,000 volunteers
- ♣ Sustainability plan



NCAA MEN'S FINAL FOUR CHAMPIONSHIP

CONSIDERATIONS

- ♣ Destination city for fans and coaches
- ♣ Ease and cost of travel to and from destination
- ♣ Past host of large conventions or sporting events
- ♣ Support of local government related to factors such as street closures, permits, etc.
- ♣ Support by host institution/conference (i.e. UNLV/Mountain West Conference) and local sports commission/CVB

FINANCIALS / BUDGET

- ♣ NCAA retains 100% of ticket revenue
- ♣ NCAA and affiliates not subject to any state, county, or other local taxes
- ♣ NCAA receives 50% suite inventory for use
- ♣ Venue pays all staffing and operating expenses for event
- ♣ Venue retains 100% of suite rental, F&B, and parking revenue
- ♣ LOC retains 100% of grants/economic development dollars and hotel rebates (up to 10% of room fee) used by NCAA and affiliates
- ♣ Operating surplus is split between LOC and NCAA, with a minimum recommended 50/50 split

NCAA MEN'S FINAL FOUR CHAMPIONSHIP

ATLANTA (MERCEDES-BENZ STADIUM) 2020 FINAL FOUR



HOST COMMITTEE

- ♣ Atlanta CVB
- ♣ Atlanta Sports Council
- ♣ Professional Teams
- ♣ Stadium Executives
- ♣ Community Leaders
- ♣ Local Business Leaders

BID FUND

- ♣ LOC provided \$8.5M to cover expenses
 - ♥ Stadium operations
 - ♥ Fan events
 - ♥ City-wide décor and signage
- ♣ Funding from City hotel/motel tax
- ♣ 1% increase in 2011 (7% to 8%) to support City's convention and special event business
- ♣ Portion of expenses recouped from 10% hotel rebate

AREA CONSIDERATIONS

- ♣ Record crowds at 2013 Final Four in Atlanta
- ♣ Opening of Mercedes-Benz Stadium:
 - ♥ State-of-the-art amenities
 - ♥ 70,000-75,000 capacity
 - ♥ 190 luxury suites
 - ♥ 26 loge boxes
 - ♥ 7,500 club seats
 - ♥ 20,000 parking spaces within 20-minute walk
 - ♥ Public transportation access
- ♣ Abundance of high-quality hotels and attractions surrounding stadium

ENHANCEMENT

NCAA Basketball Tournament Staff and Division I Men's Basketball Committee were invited to private ranch of Atlanta Falcons owner Arthur Blank for team building trip

GEORGIA
BULLDOGS

GEORGIA
BULLDOGS

NATIONAL CHAMPION
PRESENTED BY AT&T

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NATIONAL
CHAMPIONSHIP

COLLEGE FOOTBALL
PLAYOFF NATIONAL
CHAMPIONSHIP

NATIONAL CHAMPIONSHIP FRANCHISE SHOW

#CFBPLAYOFF

#CFBPLAYOFF

ATLANTA 2018

OFF

ATLANTA 2018

ALABAMA vs GEORGIA

#CFBPLAYOFF

WELCOME TO THE 2018 CFP NATIONAL CHAMPIONSHIP FRANCHISE SHOW

ATLANTA 2018

#CFBPLAYOFF

ALABAMA vs GEORGIA

CFP NATIONAL CHAMPIONSHIP

EVENT STRATEGY

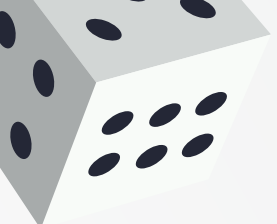
- ♣ Establish CFP National Championship as most important college football game played annually
- ♣ Showcase accomplishments of student-athletes
- ♣ Select sites several years in advance to allow ample time to promote and involve the community
- ♣ Allow hosts to attend educational seminars and multiple championship games
- ♣ Allow time to organize key community and business leaders

BID SPECIFICATIONS

- ♣ Create a Host Committee
- ♣ Members of Host Committee:
 - ♥ Government Officials
 - ♥ Large Event Organizers
 - ♥ CVB Executives
 - ♥ College Administrators
 - ♥ Stadium Executives
 - ♥ Key Business Leaders
- ♣ Host Committee coordinates essential event functions:
 - ♥ Community outreach
 - ♥ Government relations
 - ♥ Communications
 - ♥ Lodging/Transportation
- ♣ Managed by full-time executive director and staff
- ♣ Fully functional upon award of game

REQUIREMENTS

- ♣ Facility capacity of 65,000
- ♣ Hotel rooms equal to 35% of stadium capacity (22,750)
- ♣ 25,000 parking spaces (cost free)
- ♣ Modern practice facilities
- ♣ Ability to accommodate a variety of ancillary events:
 - ♥ Playoff Fan Central (300k sq. ft. indoor space)
 - ♥ Playoff Playlist Live! (20,000-person festival)
 - ♥ Championship Tailgate (500k sq. ft. space)
 - ♥ Large Banquets (1,500 people)
- ♣ Community, sports commission, and CVB support
- ♣ Ground transportation for officials, media, players, staff, etc.
- ♣ Program of 2,000 volunteers



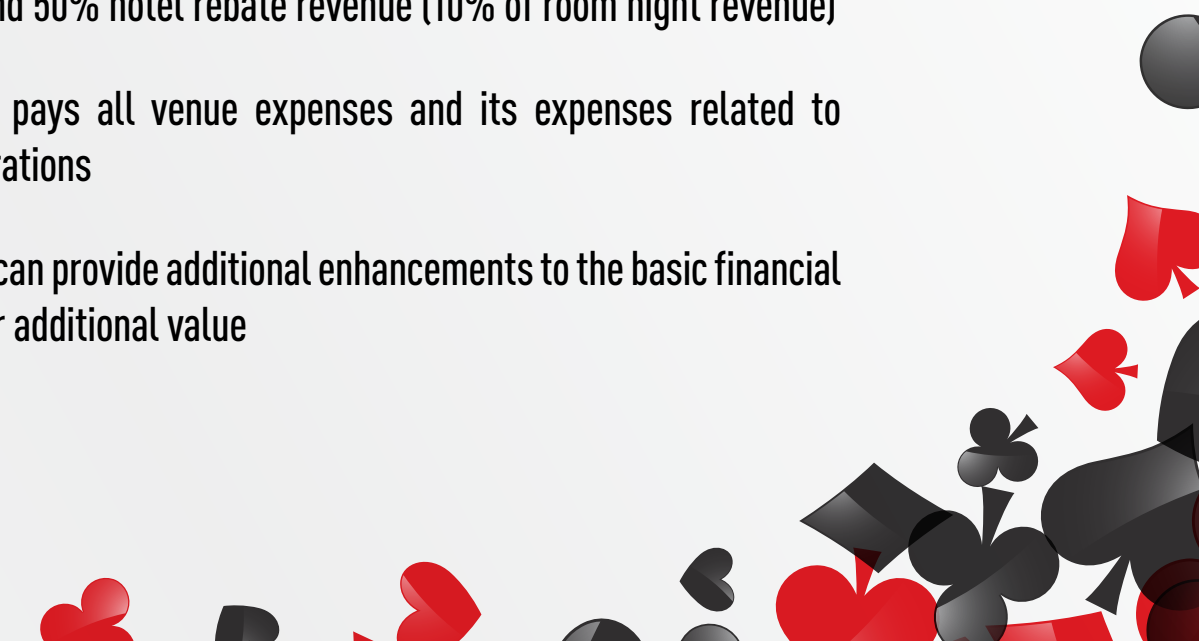
CFP NATIONAL CHAMPIONSHIP

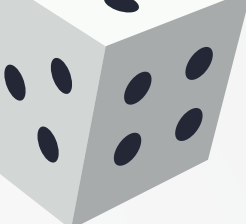
CONSIDERATIONS

- ♣ Destination city for fans and coaches
- ♣ Ease and cost of travel to and from destination
- ♣ Past host of large conventions or sporting events
- ♣ Support of local government related to factors such as street closures, permits, etc.
- ♣ Support by host institution/conference (i.e. UNLV/Mountain West Conference) and local sports commission/CVB

FINANCIALS / BUDGET

- ♣ CFP retains all revenue from ticket sales, merchandise/programs, licensing, F&B (% equal to what primary tenant receives), and parking
- ♣ CFP receives 50% suite inventory (minimum 70 suites)
- ♣ CFP, ESPN, and each conference institution not subject to any state, county, or local taxes
- ♣ Host Committee pays CFP 50% of hotel rebate revenue
- ♣ Host Committee receives local sponsorship revenue, grants, and economic impact dollars and 50% hotel rebate revenue (10% of room night revenue)
- ♣ Host Committee pays all venue expenses and its expenses related to staffing and operations
- ♣ Host Committee can provide additional enhancements to the basic financial structure to offer additional value





CFP NATIONAL CHAMPIONSHIP

NEW ORLEANS (MERCEDES-BENZ SUPERDOME) 2020 CFP NATIONAL CHAMPIONSHIP



HOST COMMITTEE

- ♣ Led by Jeff Hundley – COO of Sugar Bowl
- ♣ Greater New Orleans Sports Foundation
- ♣ Local Hospitality Entities
- ♣ Community & Business Leaders

BID FUND

- ♣ Sugar Bowl provided 3/4 of estimated \$16M to \$18M to host the game
- ♣ Remainder funded with sales taxes generated from other major events
- ♣ In 2016, State of Louisiana passed a bill that dedicates sales taxes from major events towards bidding on future events

AREA CONSIDERATIONS

- ♣ Uniqueness of city
- ♣ Concise, walkable downtown footprint
- ♣ Past experience hosting major events:
 - ♥ Allstate Sugar Bowl (annually)
 - ♥ College Football Playoff (every 3 years)
 - ♥ WrestleMania 34 (2018)
 - ♥ WrestleMania XXX (2014)
 - ♥ Super Bowl XLVII (2013)
 - ♥ NCAA Men's Final Four (2012)
 - ♥ NCAA Men's Final Four (2003)
 - ♥ Super Bowl XXXVI (2002)





COPA AMERICA

**COPA AMERICA
CENTENARIO**



COPA AMERICA CENTENARIO

EVENT STRATEGY

- ♣ First time tournament held outside of South America
- ♣ Celebration of 100 years of Copa America
- ♣ 10 host cities:
 - ♥ Chicago
 - ♥ Boston
 - ♥ Houston
 - ♥ Los Angeles
 - ♥ New York
 - ♥ Orlando
 - ♥ Philadelphia
 - ♥ Phoenix
 - ♥ San Francisco
 - ♥ Seattle
- ♣ Capitalize of growth of soccer in the U.S.
- ♣ Showcase host city for future U.S. World Cup bid
- ♣ Platform to celebrate the sport with community activities and events

BID SPECIFICATIONS

- ♣ Create a Bid Committee
- ♣ Members of Bid Committee:
 - ♥ Local Professional Soccer Executives
 - ♥ Venue Representatives
 - ♥ Government Officials
 - ♥ CVB Executives
 - ♥ Key Business Leaders
- ♣ Host Committee coordinates essential event functions:
 - ♥ City services
 - ♥ Event venues
 - ♥ Lodging
 - ♥ Volunteers
- ♣ Host Committee formed under existing entity or independent legal entity
- ♣ U.S. Soccer served as LOC

REQUIREMENTS

- ♣ Facility capacity of 60,000
 - ♣ Natural grass field
 - ♣ Minimum dimensions of 110 yards long by 70 yards wide
 - ♣ Close partnership with hotel community to secure rooms
 - ♣ 4 training sites for teams/officials
 - ♣ Ability to accommodate a variety of ancillary events:
 - ♥ Fan HQ (2,000 to 5,000 fans)
 - ♥ Finals Party (1,000 people)
 - ♥ Pre-Match tailgate (5,000 people)
 - ♥ On-Site Hospitality (5,000 people)
 - ♥ Venue Tours
 - ♣ Letters of support from local governments, sports commissions, business leaders
- 

COPA AMERICA CENTENARIO

CONSIDERATIONS

- ♣ Ease of travel to and from destination
- ♣ Historical weather records
- ♣ Unique elements of the community such as “Iconic Community Locations”
- ♣ Availability of mass transit

FINANCIALS / BUDGET

- ♣ U.S. Soccer / LOC receives 100% of ticket sales, merchandise and game programs, percentage of F&B, ancillary event ticket sales, venue tours, and licensed products
- ♣ LOC receives exemption from sales tax on tickets
- ♣ U.S. Soccer / LOC pays for venue costs associated with labor, supplies, and materials/equipment during the event at no mark-up
- ♣ Host Committee can purchase 1,500 tickets at face value and retain revenue from resale of hospitality packages

ENHANCEMENT

Include opportunities for U.S. Soccer / LOC to realize additional revenues, reduce expenses, and/or enhance fan, participant, and partner experience



WRESTLE



WRESTLEMANIA

WRESTLEMANIA

EVENT STRATEGY

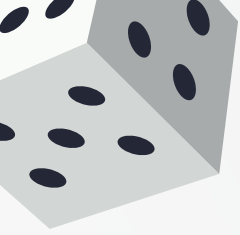
- ♣ Broaden impact in community with ancillary events
- ♣ Appeal to national and international audience (62% to 75% of attendees are out of town visitors)
- ♣ Create a family-friendly experience
- ♣ Select communities with quality facilities, parks, and unique elements to provide best experiences for fans

BID SPECIFICATIONS

- ♣ Formation of a Public/Private partnership to develop proposal on behalf of Host Committee
- ♣ Potential Public Sector Members:
 - ♥ Governor
 - ♥ State Tourism Authority
 - ♥ Mayor
 - ♥ County/City Commission
 - ♥ CVB
 - ♥ Area Sports Commission
- ♣ Potential Private Sector Members:
 - ♥ City Newspaper
 - ♥ Local TV Stations
 - ♥ Cable TV Operator
 - ♥ Professional Sports Teams
 - ♥ Chamber of Commerce
 - ♥ Corporate Leaders
- ♣ Formation of a LOC

REQUIREMENTS

- ♣ Facility capacity of 70,000
- ♣ Ample backstage areas, dressing rooms, and loading capabilities
- ♣ Close partnership with hotel community to secure rooms
- ♣ Ability to accommodate a variety of ancillary events:
 - ♥ WrestleMania Axxess (150k sq. ft.)
 - ♥ WWE HOF (15,000 people)
 - ♥ Monday Night Raw (15,000 people)
 - ♥ WrestleMania Premier Party
 - ♥ WrestleMania Pro-Am
 - ♥ Reading Challenge & STAR Rallies (local schools)



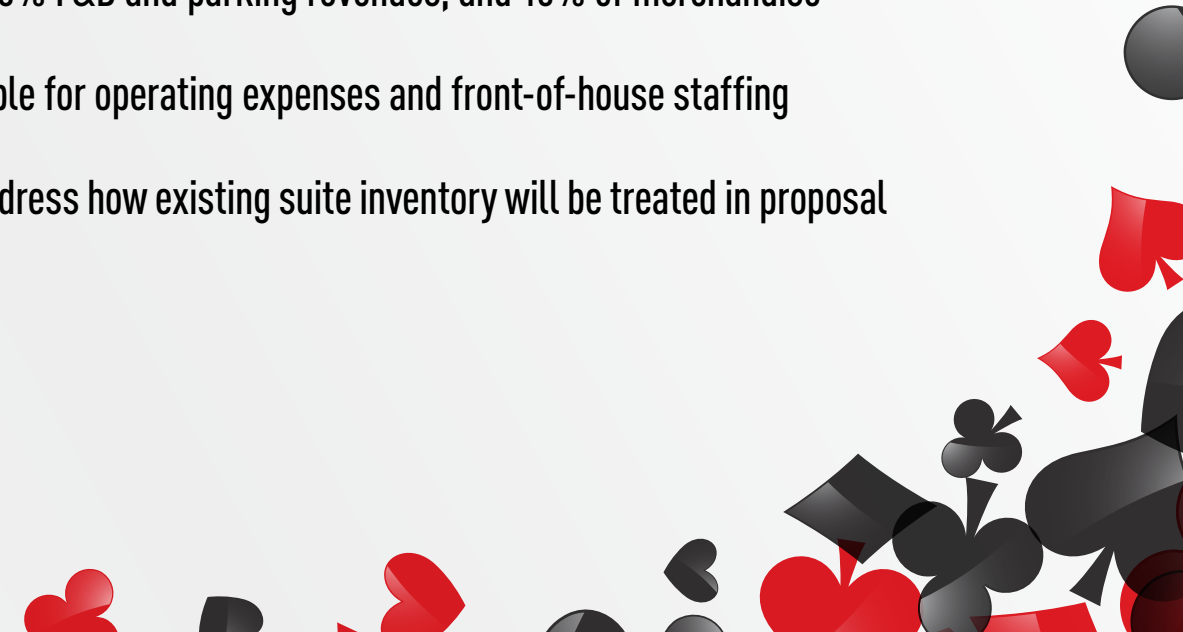
WRESTLEMANIA

CONSIDERATIONS

- ♣ Ease of travel to/from destination
- ♣ Destination city for fans
- ♣ Demonstrated public sector support for similar projects and commitment to WrestleMania
- ♣ Commitment of CVB or local sports commission
- ♣ Demonstrated alignment with leading corporations
- ♣ Weather history, community infrastructure, and history of hosting large events

FINANCIALS / BUDGET

- ♣ WWE receives 100% of revenue from ticket sales, receives 15 suites and press box facilities at no cost, and 90% of merchandise revenue
- ♣ WWE controls all signage in and around venue
- ♣ WWE responsible for paying all applicable taxes
- ♣ WWE responsible for back-of-house production-related staffing and operating expenses
- ♣ Venue receives 100% F&B and parking revenues, and 10% of merchandise
- ♣ Venue is responsible for operating expenses and front-of-house staffing
- ♣ Venue needs to address how existing suite inventory will be treated in proposal



WRESTLEMANIA

ARLINGTON (AT&T STADIUM) 2016 WRESTLEMANIA



HOST COMMITTEE

- ♣ Led by Stadium Events Organizing Committee, non-profit organization with mission to bring sporting events to the area
- ♣ Key Personnel:
 - ♥ AT&T Stadium
 - ♥ City of Dallas
 - ♥ City of Arlington
 - ♥ American Airlines Center
 - ♥ Arlington CVB
 - ♥ Dallas Sports Commission
- ♣ Host Committee organized corporate partners summit prior to event

BID FUND

- ♣ State of Texas funded \$2.7M through Events Trust Fund
- ♣ ETF offsets cost of attracting events
- ♣ Applies local and regional gains from taxes generated over 30-day period around an event conducted annually
- ♣ Sales and use, hotel, rental car and alcoholic beverage taxes
- ♣ Hotel rebates also utilized

AREA CONSIDERATIONS

- ♣ State-of-the-art facilities
- ♣ Central location and access to major international airport
- ♣ Destination city for fans
- ♣ Significant media resources
- ♣ Large metro area
- ♣ Weather conditions during winter months
- ♣ “Sports town” with significant sports and entertainment spend

ENHANCEMENT

Large suite inventory at AT&T Stadium (380) allowed for Venue to offer ample suites to WWE, but also retain higher levels of revenue than most venues



THE EVENTS TRUST FUND

STATE OF TEXAS

- ♣ The Events Trust Fund helps offset the cost of attracting and staging major events
- ♣ The Events Trust Fund applies local and state gains from taxes generated over a 30-day period from an event or series of events **CONDUCTED NO MORE THAN ONCE ANNUALLY**, including:
 - ♥ Sales and use taxes;
 - ♥ Auto rental taxes;
 - ♥ Hotel taxes; and,
 - ♥ Alcoholic beverage taxes
- ♣ Eligible events are not restricted to sports, but the venue must have been selected over others as a sole event site or the sole site in Texas and adjoining states.
- ♣ The Events Trust Fund can be used to help pay costs related to preparing for or conducting the event, including equipment, or to pay principal and interest on notes used to build or improve facilities to host the event
- ♣ 100% of allowable expenses can be funded provided sufficient tax receipts are deposited in the trust fund

ETF contributed \$22M of the \$40M Host Committee budget for the 2012 Super Bowl in North Texas. Host Committee fundraised the remaining \$18M with sponsorships of up to \$1M each. Committee had a \$7.15M operating surplus after the event that was donated to local non-profits and reserved for a future bid (\$2M).



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SUPER BOWL



SUPER BOWL

EVENT STRATEGY

- ♣ NFL's most important opportunity to engage with fans and corporate partners
- ♣ Future Super Bowl Sites:
 - ♥ Atlanta (2019)
 - ♥ Miami (2020)
 - ♥ Tampa (2021)
 - ♥ Los Angeles (2022)
 - ♥ Phoenix (2023)
 - ♥ New Orleans (2024)

BID SPECIFICATIONS

- ♣ Formation of a Bid Committee
- ♣ Potential Bid Committee Members:
 - ♥ NFL Team Executives
 - ♥ Stadium Executives
 - ♥ Government Officials
 - ♥ CVB
 - ♥ Key Business Leaders
- ♣ Bid Committee Functions:
 - ♥ Marketing/Promotion
 - ♥ Hospitality/Transportation
 - ♥ Philanthropy/Outreach
- ♣ Chaired by a business leader and governed by senior business/government officials
- ♣ Formed 2 years before event
- ♣ Required payment and performance bond/letter of credit for \$30M

REQUIREMENTS

- ♣ Facility capacity of 70,000 fixed seats
 - ♣ Climate-controlled stadium if average temperature falls below 50 degrees
 - ♣ Modern stadium amenities
 - ♣ Hotel rooms equal to 35% of stadium capacity (24,500) within 60 minute drive
 - ♣ Cost-free use of stadium, parking (35,000 spaces) and all structures on stadium grounds for 30 days prior and 24 days after
 - ♣ Ability to accommodate a variety of ancillary events:
 - ♥ Super Bowl Boulevard
 - ♥ NFL Experience (150k visitors over 10 days)
 - ♥ NFL Tailgate Party (400k sq. ft. space)
 - ♥ NFL On Location (225k sq. ft. space)
 - ♥ NFL Foundation Golf Classic (3 courses)
 - ♣ Support of local government services
- 



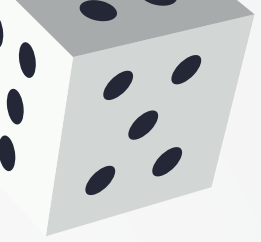
SUPER BOWL

CONSIDERATIONS

- ♣ Ease and cost of travel to and from destination
- ♣ City's experience hosting large events
- ♣ Local business community support
- ♣ Local government and Sports Commission/CVB support

FINANCIALS / BUDGET

- ♣ Host Committee budgets have ranged from \$12M to \$50M
- ♣ Host Committee responsible for funding and managing events such as the Super Bowl Media party, a \$1M donation towards NFL Foundation Legacy Grant Initiative, city decorations, and others
- ♣ NFL controls 100% of revenues from ticket sales, merchandise/programs, F&B (% equal to what primary tenant receives), parking, stadium tours, and licensing
- ♣ NFL receives 50% of stadium suite inventory (no fewer than 70) and retains rights to use and retain revenue
- ♣ Fully exempt from state, county and city ticket taxes
- ♣ NFL pays utility costs during Exclusive Period
- ♣ Stadium operations are estimated to cost \$2.5M during Exclusive Period
- ♣ Host Committee pays 50% of hotel rebate revenue to NFL
- ♣ Host Committee can purchase 750 tickets at face value and retain revenue from hospitality packages sold



SUPER BOWL

INDIANAPOLIS (LUCAS OIL STADIUM) 2012 SUPER BOWL



HOST COMMITTEE

- ♣ 50-member Host Committee
- ♣ 8-person community advisory board
- ♣ Planned and executed all aspects of event and NFL interaction
- ♣ Bid ensured meeting all NFL requirements related to venue, hotels, parking, transportation, etc.
- ♣ Participated in soliciting funds towards Committee operations

BID FUND

- ♣ Over \$25M raised from local corporations to fund Host Committee
- ♣ Capital Improvement Board gave \$8M for security, emergency response, and other staffing
- ♣ Taxes generated by Super Bowl visitors funded \$7.2M and \$800k funded by City

AREA CONSIDERATIONS

- ♣ 1st host city to raise all operational funds before being awarded event
- ♣ Unique public/private partnership and unprecedented corporate involvement
- ♣ 100% privately funded Host Committee budget
- ♣ Recently opened stadium
- ♣ Experience hosting major events
- ♣ Centralized downtown area

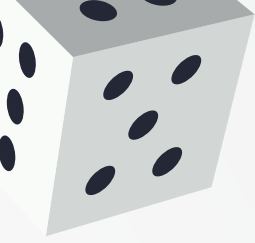
ENHANCEMENT

Allocated more suites for NFL use than usual

Created Super Bowl Village that attracted 1.1 million visitors

Prioritized a legacy project focused on revitalizing Near Eastside area of Indianapolis that raised significant private support





KEY TAKEAWAYS

- ♣ Creation of a Local Organizing Committee with a full-time director and staff is essential
- ♣ Important to obtain local government and business community support
- ♣ Support of local CVB and/or Sports Commission is also important
- ♣ Ability to engage with the local and regional hotel industry is key
- ♣ Need access to a variety of indoor and outdoor ancillary event spaces in proximity to Venue
- ♣ Destination Cities with a history of hosting large events are preferred
- ♣ Ease and cost of travel to the Destination is important
- ♣ Events retain the vast majority of revenues, while Venues pay the majority of expense
- ♣ Economic and fiscal impacts of large events are significant to the area





THANK YOU