

# ENGEL STADIUM MARKET ANALYSIS

- SPORTS & ENTERTAINMENT VENUE
- CHATTANOOGA COMMUNITY  
DESTINATION
- UNIQUE & APPEALING HISTORICAL  
SIGNIFICANCE





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## I. Executive Summary

In August of 2013, Ripken Sports was retained by the Engel Foundation to explore the potential programming and operations of historic Engel Stadium in Chattanooga, TN. Throughout the course of this report, Ripken Sports researched comparable historic ballparks and entertainment venues, programming opportunities and prevailing market conditions to develop a viable operating model for a renovated Engel Stadium. In addition, Ripken Sports has identified multiple facility renovation scenarios for Engel Stadium and the corresponding programming opportunities Engel Stadium can support. Through this analysis, Ripken Sports found that Engel Stadium:

- Can be successfully converted into a sports and entertainment venue
- Can become one of Chattanooga's great community destinations
- Has historic importance that is unique and appealing

Accompanying data and detail is included throughout the report and a brief summary of the results is included in the remainder of this section.

### Engel Stadium

The report examines the feasibility of programming and operating Engel Stadium based on the identified facility improvement plans. However, in order to effectively achieve this goal, there must be an understanding of Engel Stadium's history. Engel Stadium officially opened in 1930 after Joe Engel purchased the Chattanooga Lookouts. Over the next 70 years, Engel Stadium would host some of baseball's most historic figures and events. One of Engel Stadium's most infamous moments included a 17-year old girl, Jackie Mitchell, striking out Babe Ruth and Lou Gehrig during an exhibition game with the New York Yankees. Engel Stadium also hosted the Chattanooga Choo-Choos, a semi-pro all African-American team, which included Hall of Famer Willie Mays.

For all of Engel Stadium's baseball history and tradition, Engel Stadium is truly an event venue, and more than just a baseball stadium. Joe Engel seems to have fully grasped this concept through his unique promotions, but also the stadium's role in the community. This is highlighted by the use of the stadium during the Great Depression as a venue to feed citizens. Today, many minor league and major league ballparks are used for the team's home games, but little else. In order for Engel Stadium to be successful in the future, it will be critical to reestablish the ballpark as both an excellent event venue, but also as a community asset for all members of the Chattanooga community.

## Historic Ballparks Analysis

Given Engel Stadium's age and design, first and foremost as a baseball stadium, Ripken Sports performed a comparable facilities analysis of 10 historic ballparks across the country that remain active to this day. For the purposes of this analysis, historic ballparks that continue to host affiliated minor league baseball were not used. These stadiums were excluded because affiliated minor league baseball will not be a programming option for Engel Stadium due to the Lookouts continued presence in Chattanooga, and therefore, limited information could be drawn from examining these facilities further.

The ballparks chosen for this analysis include:

Rickwood Field—Birmingham, AL  
Durham Athletic Park—Durham, NC  
Doubleday Field—Cooperstown, NY  
Gill Stadium—Manchester, NY  
War Memorial Stadium—Greensboro, NC  
Simmons Field—Kenosha, WI  
Damaschke Field—Oneonta, NY  
Delano-Hitch Stadium—Newburgh, NY  
Bosse Field—Evansville, IN  
Civic Stadium—Eugene, OR

With the exception of Simmons Field, Ripken Sports was able to speak with local representatives involved with either the ownership or operation of each facility. Through these conversations, as well as independent research, Ripken Sports sought to examine the operating structure of each facility, the type and frequency of programming at each ballpark, and how each ballpark values the "historic" nature of their venue.

The reality is that the majority of these facilities are publically owned and operated, most often through the local government's Park & Recreation Department. Two exceptions to this trend, however, are Rickwood Field and the Durham Athletic Park.

Rickwood Field in Birmingham, AL, while publically owned, is operated by the Friends of Rickwood non-profit organization. Rickwood Field hosts numerous events each year, the vast majority of which, with the exception of the occasional private rental, are exclusively baseball-related. In 2013, the facility was booked with events starting in February and extending into November. Despite being one of the most active historic ballparks, Rickwood does rely in part on the City of Birmingham for funding.

The best example for Engel Stadium to follow, however, is the Durham Athletic Park (DAP) in Durham, NC. While the City of Durham funded substantial site renovations



in 2009, including a new natural grass playing surface, a luxury Engel Stadium may not be afforded, the ballpark is currently leased to the Durham Bulls. The Durham Bulls are the Triple-A affiliate of the Tampa Bay Rays, but chose to lease their former ballpark as a secondary event venue. The team viewed the DAP as a community asset, but also an opportunity to host baseball and entertainment events without exposing their current field to the wear and tear of additional programming. In addition to not having to pay for the renovations themselves, the Bulls were uniquely qualified to take over the operations of the park given their existing maintenance and event staff. Having taken over in 2012, the Bulls host both baseball and entertainment programming held at the ballpark. While the Bulls have not shared their internal financials, as a private company it stands to reason that the ballpark operations are sustainable.

A key takeaway from the historic ballpark analysis is that in order for a facility to be successful without a primary tenant such as a minor league baseball team, it is imperative to host a variety of events outside of baseball and even sports as a whole. For this reason, Ripken Sports also identified local entertainment venues to gain a better understanding of the entertainment landscape in Chattanooga. Venues identified include:

- AT&T Field
- Chattanooga Convention Center
- McKenzie Arena
- Finley Stadium
- Soldiers & Sailors Memorial Auditorium
- Tivoli Theater
- Coolidge Park
- Tennessee Riverpark & Riverwalk
- Track 29

Engel Stadium will have the potential to host and operate many similar events to those currently held at these facilities. Whether on-field events, using the grandstand, concourse or parking lots, Engel Stadium has the opportunity to reestablish itself as one of the top event venues in the Chattanooga area.

### **Programming Opportunities**

As part of this report, Ripken Sports attempted to identify the programming opportunities available for a renovated Engel Stadium. Given the countless potential uses for the ballpark, Ripken Sports divided the programming into four separate categories:

- Baseball
- Non-Baseball Sports
- Entertainment
- University of Tennessee—Chattanooga

Engel Stadium's history and tradition as a baseball stadium will create a number of opportunities for baseball programming once the field is renovated. The most common use of the field will be for local leagues, competitive travel teams, high schools, and colleges in the form of rentals. This is particularly the case in the initial years of operations as high profile events such as showcases or tournaments may be hesitant to commit before seeing the field being utilized. Once word begins to spread about Engel Stadium, there is the opportunity to host showcase events for competitive players, tournaments utilizing satellite fields around the community and higher profile events such as a Lookouts game held at the ballpark.

Many of the opportunities that are available for baseball programming will also be available for other sports, should the playing surface be renovated with synthetic turf. Doing so will allow for a full size soccer or football field, and will also allow for youth baseball or softball play.

In addition to sports programming, Engel Stadium will have to take advantage of the entertainment market. Engel Stadium is capable of hosting everything from concerts to road races to festivals. In doing so, the ballpark can attract non-baseball fans that otherwise may not have thought of Engel Stadium outside of sports. In addition to hosting larger events, Engel Stadium can be rented for special events such as corporate outings, meeting space, parties, and even weddings. Continuing with the theme of Engel Stadium as a community asset, certain programs can be offered with a nominal or free admission such as a weekly movie series.

## Facility Assessment

In order for Engel Stadium to be successful over the long-term, a variety of renovations to the field and stadium structure are necessary. Given the momentum generated by the Engel Foundation and the filming of '42,' the ideal scenario is to have the field open and playable as soon as possible. Therefore, Ripken Sports identified three potential renovation scenarios:

- ***Short-Term Playable Field Improvements:*** Relatively minor improvements with the majority of the renovation focused on making the field playable.
- ***New Natural Grass Field & Structure Improvements:*** A reconstruction of the playing surface along with exterior and interior stadium renovations.
- ***New Synthetic Turf Field & Structure Improvements:*** Installation of synthetic turf playing surface as well as exterior and interior stadium renovations.

In terms of operational benefit and long-term sustainability, Ripken Sports recommends the third scenario in which the field is replaced with a synthetic turf surface, in addition to interior and exterior structural improvements. This is due to the durability and flexibility of the surface, maximizing the stadium's programming potential as well as offering a high quality, state-of-the-art playing surface. There is



no doubt synthetic turf comes with a higher upfront price tag, and for this reason, two natural grass field renovation scenarios were also considered. Each scenario is detailed in full in the *Facility Assessment* section.

## Target Markets

A renovated Engel Stadium has the potential to draw from several different markets. The primary market will be the local Chattanooga metropolitan area and surrounding region. The vast majority of events held at Engel Stadium, especially in the first years of operations will be dominated from users in the market. Ripken Sports utilizes a 50-mile radius, roughly correlating to a 1-hour drive time to define the local market. This is due to a combination of marketing and drive time. Players will only drive so far for a game, practice or camp, and it will take time for word of mouth and marketing efforts to reach potential users outside of the local market.

With that being said, as Engel Stadium attracts new and larger events, the potential reach will extend into the broader region. For tournaments or showcase events, Ripken Sports finds visitors are willing to travel up to four hours for these events. This allows Engel Stadium to potentially tap into larger markets such as Nashville and Atlanta, in addition to the local Chattanooga market.

In taking advantage of the regional markets, it will be important for Engel Stadium to tap into Chattanooga's existing tourism infrastructure, downtown attractions, and ongoing redevelopment initiatives surrounding Engel Stadium. Thousands of visitors come to Chattanooga every year, and through an effective marketing strategy, Engel Stadium can use Chattanooga's reputation to grow its programming and participation.

## Programming & Operating Model

Due to the three different facility improvement scenarios, Ripken Sports has identified individual programming models for each. The quality of the field, as well as the stadium structure, will impact the type and amount of programming Engel Stadium can attract, as well as the price that can ultimately be charged for renting the facility. With that being said, there will be some constants throughout each model, such as primary user groups, weekend game rentals, non-sports events, and a movie series at the ballpark.

Although the rental rate and frequency with which the field can be used will vary based on the type and quality of the playing surface, the need for a single or small group of primary users will not change. Ripken Sports believes identifying 1-4 groups that can commit to regularly using Engel Stadium will be critical in establishing a sustainable operating model. These groups will regularly use the facility during the week, the time when it is most difficult to rent the field. The

primary users can come in a variety of forms, such as a high school or college baseball program, amateur sports organizations, or the University of Tennessee—Chattanooga. Identifying and securing such commitments will greatly reduce the burden of renting the facility, and will provide added credibility to other groups, organizations and events that may be interested in utilizing Engel Stadium.

Additional programming should include weekend game rentals, event rentals and a movie series. In the two more expansive renovation scenarios, the facility will be able to support an annual Chattanooga Lookouts game, a potential signature event for the stadium. A synthetic turf field capable of withstanding a higher volume of programming will expand the amount of programmable hours, and as a result will be capable of renting the facility for tournament play and summer camps.

A full breakdown of the programming in each scenario, and the corresponding rental rates, can be found in the *Operating Model Overview*. A summary of the rental rates can be found in the table below:

**Table 1.1: Recommended Rental Rates by Scenario**

| <b>Rental Rates</b>           | <b>Playable Field Model</b> | <b>New Grass Field Model</b> | <b>Synthetic Turf Field Model</b> |
|-------------------------------|-----------------------------|------------------------------|-----------------------------------|
| Primary User(s) Hourly Rental | \$50                        | \$100                        | \$125                             |
| Game Rentals                  | \$75                        | \$150                        | \$200                             |
| Event Rentals                 | \$1,000/Day                 | \$1,500/Day                  | \$2,000/Day                       |
| Tournament & Showcase Rentals | N/A                         | N/A                          | \$500/Day                         |
| Camp Rentals                  | N/A                         | N/A                          | \$300/Day                         |

## Summary

Over the past 80+ years, Engel Stadium has been a fixture in the Chattanooga community. Since the Chattanooga Lookouts left Engel Stadium over a decade ago, the quality of the field and stadium has deteriorated. However, through the efforts of the Engel Foundation, improvements have been made in recent years and momentum to renovate and utilize Engel Stadium has grown. While there are only a few examples of historic ballparks being operationally sustainable across the country, Ripken Sports believes there is the potential for Engel Stadium to be successful.

In order for Engel Stadium to be sustainable moving forward, the facility improvements and ultimate programming of the facility will be critical. Ripken Sports believes that a synthetic turf playing surface, in conjunction with the identified structural improvements, will provide the best opportunity for Engel Stadium to be operationally successful. Additionally, identifying a single or small group of primary user groups will create a robust programming schedule and serve as a springboard to attract new groups and events in the future.



## **II. Identification of Opportunities**

There is no doubt that the history and tradition associated with Engel Stadium is derived from Joe Engel, the Chattanooga Lookouts, and the decades of baseball played at the ballpark. Whether as a player, coach, or fan, visitors regularly descended on Engel Stadium for decades to watch the Lookouts and hopefully catch a glimpse of a future star. Engel Stadium hosted some of the game's most recognizable names including Babe Ruth, Lou Gehrig and Willie Mays. Given the history of the park and despite the departure of the Lookouts after the 1999 season, many still view the venerable ballpark as a baseball venue first and foremost.

Although baseball is Engel Stadium's past, the ballpark's future is as a 5,400-seat entertainment venue, capable of hosting countless non-baseball events. In an effort to balance Engel Stadium's baseball tradition with the potential to host other events, Ripken Sports examined historic ballparks throughout the country. The goal of this exercise is to better understand the programming potential, as well as possible pitfalls for Engel Stadium as it moves forward. In addition to historic ballparks, Ripken Sports will also identify comparable entertainment venues in the Chattanooga area to gauge Engel Stadium's potential in hosting non-sports events.

### **Comparable Historic Ballparks**

It is important to study comparable historic ballparks in particular, as opposed to modern baseball stadiums, for several reasons:

- 1) Evaluate the value of a "historic" ballpark
- 2) Understand the programming capabilities
- 3) Renovation needs

Ripken Sports has spoken with the owners or operators of several historic ballparks across the country. With an eye toward the three factors above, Ripken Sports will profile each comparable ballpark. Ripken Sports intentionally did not select active minor league baseball stadiums for this analysis. While there are several historic ballparks still utilized by affiliated baseball franchises, this is not an option for Engel Stadium due to the Lookouts continued presence in Chattanooga. The table on the following page provides a summary of the selected comparable ballparks.

**Table 2.1: Comparable Ballparks**

| <b>Venue</b>         | <b>Seating Capacity</b> | <b>Field Surface</b> | <b>Primary Programming</b>                          |
|----------------------|-------------------------|----------------------|---|
| Rickwood Field       | 10,000                  | Natural Grass        | High School Baseball                                |
| Durham Athletic Park | 5,000                   | Natural Grass        | College Baseball                                    |
| War Memorial Stadium | 7,500                   | Natural Grass        | College Baseball                                    |
| Simmons Field        | 3,000                   | Natural Grass        | Collegiate Summer League Baseball                   |
| Gill Stadium         | 4,250                   | Synthetic Turf       | High School Athletics                               |
| Doubleday Field      | 9,800                   | Natural Grass        | Collegiate Summer League Baseball, Amateur Baseball |
| Civic Stadium        | 6,800                   | Natural Grass        | Professional Soccer (Proposed)                      |
| Damaschke Field      | 4,500                   | Natural Grass        | Collegiate Summer League Baseball                   |
| Delano-Hitch Stadium | 3,100                   | Natural Grass        | Amateur Baseball                                    |
| Bosse Field          | 8,000                   | Natural Grass        | Independent League Baseball                         |

While these ballparks vary in location, size, and age, they are all historic ballparks that remain active to this day. While baseball is still the most common use of the selected ballparks, the type of baseball programming and level of play vary from stadium to stadium. Over the course of the remainder of this section, each of these ballparks will be profiled in further detail.



## Rickwood Field

Location: Birmingham, Alabama  
Opened: 10,000  
Capacity: 1910  
Operator: Friends of Rickwood

Opened on August 18, 1910, Rickwood Field in Birmingham, AL is, according to the National Park Service, the oldest ballpark in the United States. Much like Engel Stadium, Rickwood has hosted numerous baseball greats over the years and was a long time member of the Southern League. In 1987, the Birmingham Barons left Rickwood Field for the Hoover Metropolitan Stadium located in Hoover, AL, a Birmingham suburb.

Despite losing the Barons and affiliated minor league baseball in 1987, the Friends of Rickwood have restored the park to its “golden era” style, and continued to operate and maintain the stadium. The park currently hosts a variety of college, high school and middle school baseball games, adult baseball leagues, and the annual Rickwood Classic. The Rickwood Classic is the ballpark’s signature event where the Barons return to Rickwood Field for a game. The Friends of Rickwood and the Birmingham Barons share the operational revenue and expenses for the game.

Rickwood Field also hosts a variety of off-field events such as memorabilia shows, meetings, corporate events, and private rentals. In addition to these events, Rickwood Field offers self-guided tours of the concourse, grandstand, and field.

Brochures are available for

visitors with information about the park and are invited to explore the ballpark, but are not charged to do so.



The Friends of Rickwood, a 501(c)(3) organization, operate and maintain the stadium, but have chosen to offer baseball-only programming. The organization includes an event coordinator and a field maintenance professional, but the vast majority of renters are responsible for staffing events. Rickwood Field is one of the few historic baseball stadiums still in operation that is not completely reliant on local government funding, although they do receive some financial assistance from the City of Birmingham. Each year the organization is required to make their case as to Rickwood Field’s value to the Birmingham community in order to secure funding.

### **Durham Athletic Park**

Location: Durham, NC  
Opened: 1939  
Capacity: 5,000  
Operator: City of Durham

The Durham Athletic Park (DAP) and the Durham Bulls are one of the more recognizable Minor League Baseball brands, thanks in large part to the 1988 film, *Bull Durham*. While the movie may have brought widespread recognition, the DAP has been a community and baseball landmark for decades, and was the home of the Durham Bulls from its opening day to 1994. In 1995, the team moved to the newer and much larger Durham Bulls Athletic Park.



While the DAP remained active in the years following the Bulls departure, it was in need of substantial renovations. In 2009, the City of Durham spent \$5 million to renovate the park, including a new playing field, upgrading the infrastructure, restrooms, concessions and seating areas. Upon the completion of these renovations, Minor League Baseball (MiLB) leased the historic ballpark with plans for a museum and a new umpire school. Unfortunately, these plans were unsuccessful, ultimately resulting in MiLB backing out of the lease.

While MiLB's grand plans were unsuccessful, the Durham Bulls ultimately decided to take over operations of the ballpark in 2012. After an admittedly difficult first year of operations, the DAP is quickly becoming one of the top baseball and entertainment venues in Durham. The ballpark is home to the North Carolina Central University baseball program, including daily practice and home games. While NCCU takes up the majority of the programming during their season, the Bulls and the DAP host a variety of other events throughout the year. Some of the events held at the park include baseball games and tournaments, small concerts, 5K races, and numerous festivals. Events Coordinator Mary Beth Worfford noted that prospective events are being turned away due to the amount of wear and tear on the playing field. The rental rate for baseball games at the ballpark is \$300 per game, and event rates are handled on a case-by-case basis.

## **War Memorial Stadium**

Location: Greensboro, NC  
Opened: 1926  
Capacity: 7,500  
Operator: City of Greensboro

War Memorial Stadium was the longtime home of affiliated minor league baseball in the Greensboro area until 2005 when the Greensboro Grasshoppers moved to the newly constructed NewBridge Bank Park. Opened in 1926, the stadium's entrance features a unique style of architecture that few ballparks across the country still feature. Today, War Memorial Stadium is the home of the North Carolina A&T University baseball program. Outside of the University's programming, War Memorial Stadium hosts youth baseball leagues as well as occasional player showcase events and tournaments.

Wayne Simmons, the Athletics Superintendent for the City of Greensboro, stated that the stadium is in fairly poor condition and has continued to deteriorate since the minor league team left in 2005. Within the past few years, there have been attempts to make capital improvements to the stadium, but these efforts have not yet gained City approval. Due to the lack of a management plan moving forward, a transfer of the stadium's management to NC A&T has been discussed, as the school is the stadium's primary tenant.



The stadium is owned by the City of Greensboro and they are technically responsible for the maintenance and operations costs, despite not providing sufficient funding to keep the field in adequate condition. However, as long as War Memorial Stadium remains the home of the NC A&T baseball program, there should be optimism that the ballpark's long-term future can be salvaged. The facility is recognized by the U.S. National Register of Historic Places. The key takeaway from War Memorial Stadium is the importance having a clearly defined and motivated ownership structure. War Memorial Stadium has suffered while the City of Greensboro struggles to make a decision regarding its future. Engel Stadium on the other hand, has the backing of an interested owner in UTC, and the motivation, energy, and clout of the Engel Foundation.



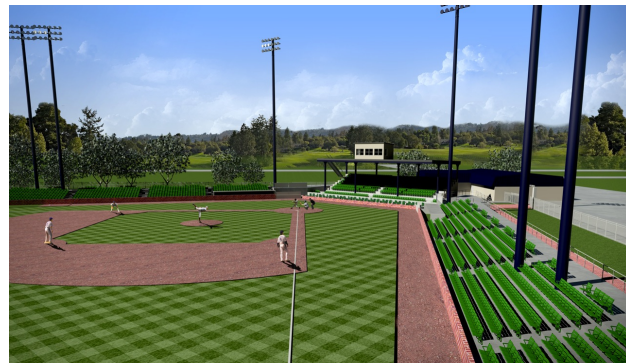
### **Simmons Field**

Location: Kenosha, WI  
Opened: 1930  
Capacity: 3,000  
Operator: Kenosha Baseball

Unlike Engel Stadium, Rickwood Field or the Durham Athletic Park, Simmons Field does not have a storied tradition of affiliated Minor League baseball. Despite being the home of a Midwest League team for the better part of two decades, Simmons Field is perhaps better known as the home of the Kenosha Comets of the All-American Girls Professional Baseball League (AAGPBL). Additionally, Simmons Field has hosted numerous other tenants including college, semi-pro, and independent league baseball teams.



Since the independent Frontier League vacated Simmons Field in 2004, the park had been largely vacant. However, approximately \$1 million in renovations are currently underway to prepare the stadium for a new Northwoods League franchise. The Northwoods League is a collegiate summer league, designed for college age players to remain active after the collegiate season ends. The Northwoods League is made up of franchises located throughout the Midwest. Set to reopen in June of 2014, improvements made to Simmons Field include:



- Replaced bleacher seats with folding stadium seats
- Expanded concrete seating structure
- New hospitality areas
- Updated and expanded concession area and courtyard
- New dugouts and perimeter brick wall
- New indoor merchandise store

While Engel Stadium does not fit within any of the existing collegiate summer league regional footprints, Simmons Field demonstrates that, with some renovations, historic ballparks can generate demand for high-level competition outside of Minor League Baseball.

## **Gill Stadium**

Location: Manchester, NH

Opened: 1913

Capacity: 4,250

Operator: Manchester Parks & Recreation

Originally built in 1913 for local baseball leagues, Gill Stadium is one of the oldest parks still used today. The stadium was the home to affiliated baseball three separate times, twice as the Manchester Yankees, and later as the New Hampshire FisherCats who played a season at Gill Stadium while a new stadium in downtown



Manchester was under construction. Gill Stadium recently celebrated its Centennial Celebration with a weekend of events including high school soccer and football games, a “play on the turf” festival, and a local concert.

Before minor league baseball returned in 2004, Gill Stadium was completely renovated including new seating areas, elevator access, synthetic turf, bathrooms and two new locker rooms. By replacing the playing field with synthetic turf, the facility can be used for numerous types of sports and events without the concern of ruining the playing surface.

Today, the primary use of the field is for high school sports, as well as local baseball leagues in the summer. Peter Capano, Chief of Parks, stated that while there is a small fee structure in place, the venue is largely used as a public park and for high school and middle school athletics.



Although Gill Stadium is used as a public facility, the park highlights the value of synthetic turf.

Without the synthetic surface, the ballpark would likely still host high school baseball games and the occasional games and practices. However, by installing synthetic turf, the field has the flexibility to be used for a variety of sports and increasing the demand for the facility.

## **Doubleday Field**

Location: Cooperstown, NY  
Opened: 1939  
Capacity: 9,800  
Operator: Village of Cooperstown

Dubbed the birthplace of baseball, Cooperstown, NY is a destination for all baseball enthusiasts. In addition to the National Baseball Hall of Fame, Cooperstown is also home to historic Doubleday Field, named for Abner Doubleday, the founder of baseball. Doubleday Field is owned and operated by the Village of Cooperstown and remains one of the most active historic ballparks in the country.



Doubleday Field is perhaps best known for hosting the annual Hall of Fame Game exhibition between two Major League Baseball teams. However, MLB chose to discontinue the tradition in 2008 due to issues related to team scheduling. As a replacement, the National Baseball Hall of Fame created the Hall of Fame Classic which features retired players. In addition the Classic, Doubleday Field hosts the Cooperstown Hawkeyes of the Perfect Game Collegiate Baseball League, and can be rented on a per game basis.

### **Rental Fees:**

- Single Games
  - o Regular Rate (Friday-Monday): \$500/Game
  - o Mid-Week Rate (Tuesday-Thursday): \$400/Game
- Tournament Games: \$550/Game
- Post Labor Day Rate: \$400/Game

Despite a rental structure with rates well above the market rate seen across the country, Doubleday Field is rented quite frequently. Among the events scheduled for 2013 were a variety of baseball tournaments, the Men's Senior Baseball League, American Legion baseball, and the National Baseball Hall of Fame events. While Doubleday Field benefits from the presence of the National Baseball Hall of Fame, the ballpark highlights that there is demand for a historic facility with high quality facilities.



### **Civic Stadium**

Location: Eugene, OR  
Opened: 1938  
Capacity: 6,800  
Operator: School District 4J

Civic Stadium in Eugene, OR is one of the few remaining wooden ballparks in the country. Built by the WPA and opened in 1938, Civic Stadium was the longtime home of the Eugene Emeralds minor league baseball team. However, after neglecting maintenance on the facility, the Emeralds ultimately abandoned the ballpark for a brand new stadium on the University of Oregon's campus.



Despite the stadium's long history, Civic Stadium has been essentially unused since 2009. The local school district is the current owner of the facility, but has deemed it as surplus property, opting to try and sell it instead of utilizing or leasing the venue.

The Friends of Civic Stadium is a local non-profit group that has been advocating for several years to not only renovate the facility, but the group has made several efforts to develop a new programming and operating plan. As a result of a recent feasibility study, the group has been pursuing a redevelopment plan in which Civic Stadium is used primarily for soccer and entertainment events. However, without a resolution regarding the ownership of the facility, there is little optimism regarding the group's plan moving forward.

As with War Memorial Stadium in Greensboro, Civic Stadium's recent struggles underscore the importance of having a committed owner. Engel Stadium appears to have such an owner in the University of Tennessee—Chattanooga. Combined with the backing of the Engel Foundation, Engel Stadium has the support structure in place that is necessary to avoid the type of issues experienced in Eugene.

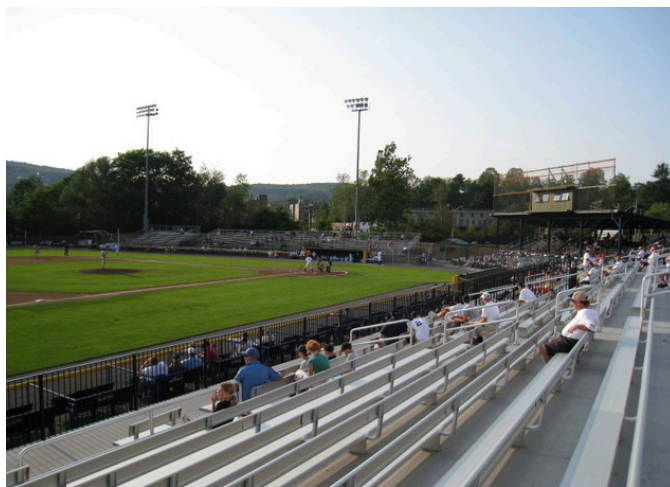
### **Damaschke Field**

Location: Oneonta, NY  
Opened: 1939  
Capacity: 4,500  
Operator: City of Oneonta

Damaschke Field in Oneonta, NY was the longtime home of several affiliated minor league baseball franchises, before the Oneonta Tigers left in 2009. Opening in 1939, the park remains active today after receiving significant renovations over the past decade, most recently in 2007. The renovations were funded by the City of Oneonta and focused primarily on the grandstand and locker rooms.

The primary tenant of Damaschke Field in 2013 is the Oneonta Outlaws franchise, a member of the Perfect Game Collegiate Baseball League. While the team plays their 23 home games at the stadium, the City of Oneonta owns and maintains the ballpark.

Outside of the Outlaws season, Damaschke Field hosts a variety of different events including high school athletics, soccer leagues and the occasional concert and community event. Steve Andrews, Recreation Director with the City of Oneonta, stated that while the park does not currently highlight the historic aspects of the park, there have been conversations about a potential Hall of Fame. However, the Hall of Fame would simply be an amenity, not a source of revenue.



Damaschke Field is available for rent at a rate of \$300 per each 4-hour block. For American Legion baseball leagues, there is a reduced rental rate of \$25 per game. An additional charge is added for the use of lights. Much like Simmons Field, Damaschke Field benefits from having a collegiate summer league team based locally. This again highlights the importance of having a primary tenant or partner, as well as the interest in hosting high-level competition at a historic ballpark.

### **Delano-Hitch Stadium**

Location: Newburgh, NY

Opened: 1926

Capacity: 3,100

Operator: City of Newburgh, NY

Delano-Hitch Stadium is owned and operated by the City of Newburgh, New York. Unlike some of the other stadiums highlighted in this section, Delano-Hitch Stadium never hosted affiliated minor league baseball. However, the 3,100-seat stadium has been a fixture in the Newburgh community since opening in 1926. The stadium was the home of the Newburgh Black Diamonds of the independent Atlantic League briefly, but has not had a primary tenant since 1998.

Presently, Delano-Hitch Stadium sits in Delano-Hitch Recreational Park where it can be rented for baseball, sports, and entertainment events. City staff noted that, in addition to game rentals, the park has hosted several concerts and community events such as movies in the park.



The City has clearly defined fee schedules for stadium rentals:

- \$25 Newburgh City youth teams.
- \$100 Non-city youth teams (day game).
- \$150 Non-city youth teams (night game).
- \$125 Newburgh City adult teams (day game).
- \$150 Newburgh City adult teams (night game).
- \$150 Non-city adult team (day game).
- \$175 Non-city adult team (night game).
- \$50 Event permit application fee. (plus \$500 security fee for 50% or more city residents. \$1000 security fee for more than 50% non-residents)
- \$200 Nonprofit, 50% or more of members are City residents.
- \$300 Nonprofit, less than 50% of members are City residents.
- \$350 Any organization, 50% or more City residents.
- \$800 Any organization, less than 50% City residents.

## **Bosse Field**

Location: Evansville, IN  
Opened: 1915  
Capacity: 8,000  
Operator: Evansville Otters

Bosse Field is one of the oldest baseball stadiums still standing, and remains an important piece of the Evansville community. Originally built in 1915, the ownership of the stadium was deeded over to the Evansville school district, which remains the owner of the facility to this day. While numerous teams have called Bosse Field home over the last 98 years, the independent Evansville Otters of the Frontier League currently lease the stadium.



Bix Branson, the Vice President of the Otters would not reveal the lease terms with the school district, but did note that maintenance and capital improvement costs are shared between the team and the school district. Originally from Evansville, Branson noted that the Otters are trying to expand the number and type of events held at Bosse Field outside of their home games. Additionally, the stadium does offer tours, however Branson noted they do not charge admission.

## **Summary**

After researching dozens of historic ballparks that are still standing today, as well as speaking with many of the owners or operators of these venues, there are a number of conclusions to be drawn. First, it is critical to program the facility throughout the year, not simply during baseball season. Whether through baseball, other sports, entertainment events, or meeting rentals, keeping Engel Stadium active will bring in revenue, but will also rebuild Engel Stadium's reputation as a first class venue.

Second, the historic ballparks that have proven to be most successful are those with a primary tenant or partner. For example, a key factor in Durham's success to this point is the presence of the North Carolina Central University baseball program. This partnership provides a steady, guaranteed stream of revenue and consolidates the programming calendar.

The identification of programming opportunities later in this report will highlight the different ways Engel Stadium can be utilized throughout the year, and potential primary user groups for the renovated ballpark.



## Comparable Venues

While Engel Stadium is known first and foremost as a baseball venue, in order to create a realistic, long-term plan for the ballpark, all potential uses can and should be explored. Considering this, the comparable venue section should include facilities that are not simply historic baseball stadiums. Several entertainment venues in the Chattanooga area have been selected as comparable venues to better understand Engel Stadium's potential to host non-baseball events.

### AT&T Field

While this portion of the report will focus on non-baseball comparable venues, the first facility is a baseball stadium. AT&T Field is the current home of the Chattanooga Lookouts minor league baseball team, but also hosts a variety of other entertainment events. Similar to many minor league baseball teams, the Lookouts offer the opportunity for the stadium to be rented outside of the 70 baseball home games.



Opened in 2000, the 6,400-seat stadium acts as both a comparable venue and potential competitor. While AT&T Field will have the Lookouts, as similar size venues with baseball identities, a renovated Engel Stadium will directly compete with the ballpark for events and rentals.

### Chattanooga Convention Center

Located in downtown Chattanooga, the Convention Center offers a variety of options for events and meetings. With 185,000 square feet and 21 separate meeting rooms, the Chattanooga Convention Center can accommodate numerous groups and events.



While the Convention Center is a premier event and meeting venue in the region, there may be an opportunity for Engel Stadium to work in concert with the Convention Center, as opposed to competing with it. For example, if Chattanooga were to attract the National Sports Memorabilia Convention, Engel Stadium could host a smaller baseball-specific event as part of the larger convention. By in large, the groups looking at the Convention Center for an event will be too large for Engel Stadium, but there is the potential for the two venues to work together.

### **McKenzie Arena**

McKenzie Arena, on the campus of the University of Tennessee—Chattanooga and located just down the road from Engel Stadium, is the primary site of UTC athletic programs such as Men's and Women's Basketball. However, McKenzie Arena is also available to host other events such as corporate meetings, religious meetings, and trade shows.



McKenzie Arena offers abundant parking and a seating capacity can range from 3,000 to 12,000 based on the layout of the event. The arena floor itself has over 27,000 square feet of space. Although there are fees associated with various services, staffing and office use, the general rental rate for McKenzie Arena is \$5,000 per day, or 10% of adjusted ticket sales. If the renting entity is a non-profit organization, the rental fee is \$2,500 or 10% of adjusted ticket sales.

### **Finley Stadium & First Tennessee Pavilion**

Finley Stadium, home of the University of Chattanooga—Tennessee football team and other athletic programs, is one of the top sports event venues in the Chattanooga region. With over 20,000 seats, the stadium features a synthetic turf playing surface. Despite being lined for football, the stadium is also the home of UTC's women's soccer program.



While Finley Stadium's primary use is for UTC football, the venue has been used for a variety of other sports and entertainment programs. For example, Chattanooga FC, a growing professional and amateur soccer program utilizes Finley Stadium for all home games. In addition to the stadium, the First Tennessee Pavilion is located adjacent to Finley Stadium and the two venues are managed together. The pavilion hosts a variety of events including the Tennessee Whiskey Festival, The Chattanooga Market (Weekly), and the Susan G. Komen Race for the Cure, among others. While Finley Stadium is much larger than Engel Stadium, many of the entertainment events being held at the stadium do not require a 20,000-seat venue.

### **Soldiers & Sailors Memorial Auditorium**

The Soldiers and Sailors Memorial Auditorium was originally opened in 1921 as a living memorial to war veterans. Today, Memorial Auditorium still commemorates veterans, but is also one of the top concert and performance venues in the Chattanooga area. The main hall seats 3,866 and hosts a variety of concerts, theater performances, conferences, and speaking engagements each year. In addition to the main hall, Memorial Auditorium also offers an exhibit hall capable of hosting small trade shows and banquets. There are additional meeting rooms available on the upper levels of the facility.



### **Tivoli Theater**

The Tivoli Theater, located in downtown Chattanooga, is one of the areas most unique indoor event venues. Known as the “Jewel of the South” and listed on the National Register of Historic Places, Tivoli Theater is a restored 1920’s era movie palace. Today, the theater is home to the Chattanooga Symphony and Opera Association, also hosts touring



performance groups each year. The theater has a capacity of 1,762, and is the ideal venue for arts performances, as well as speaking engagements, and other events. In addition to the main theater, there is also a large rehearsal/dance studio that is capable of accommodating banquets and meetings.



### **Coolidge Park**

Coolidge Park is a beautiful public facility that overlooks the Tennessee River. While many of Chattanooga's event venues and attractions are located in the downtown area, Coolidge Park is located on Chattanooga's North Shore. The park features an interactive water fountain, rock climbing, picnic areas and open green space. The park is also home to the Walnut Street Bridge, the largest pedestrian bridge in the world, and a 100-year old antique carousel. Coolidge Park is one of the area's best public parks and capable of hosting a variety of events.



### **Tennessee Riverpark & Riverwalk**

The Tennessee Riverpark is one of the highlights and must-see attractions in downtown Chattanooga. Stretching 13 miles from the Chickamauga Dam through downtown Chattanooga, The Tennessee Riverpark & Riverwalk features numerous picnic areas, playground, fishing piers, rowing centers, public parking and restrooms. For the purposes of this report, Ross' Landing, located along the Riverwalk and in the heart of downtown Chattanooga is the site of the annual Riverbend Festival, in addition to numerous other events each year. Despite being a public park, the riverfront is home to some of the most well-known and well-attended events in Chattanooga.



### **Track 29**

Outside of the 8-Day Riverbend Festival in downtown Chattanooga, Track 29 is the top live music and concert venue in the local area. Opened in 2011, the venue can accommodate up to 1,800 fans. Despite having a much smaller total capacity than Engel Stadium, Track 29 is the only venue that regularly hosts concerts in downtown Chattanooga. For example, Track 29 is scheduled to host 12 concerts in October of 2013 alone.





## Venue Programming Opportunities

There are countless potential programming opportunities that a renovated Engel Stadium will be able to take advantage of. The goal of this section is to identify and hone in on the best options for Engel Stadium. Given the multitude of programming options, Ripken Sports has divided the section into four categories:

- Baseball
- Other Sports
- Entertainment
- University of Tennessee—Chattanooga

It is important to note that some of the programming opportunities outlined in this section are dependent on the renovation scenario that is ultimately selected. Discussed in further detail in the *Facility Assessment* section, it will be difficult to host other sports programming on a full size natural grass baseball diamond due to the dirt infield and pitching mound. Furthermore, youth baseball and softball will be unable to use a field with 90' basepaths.

### Baseball Programming

Baseball is central to the tradition and history of Engel Stadium, and should remain a key piece of the stadium's operations moving forward. However, as the Chattanooga Lookouts remain a fixture in town, traditional baseball programming opportunities such as minor league, independent, and collegiate summer leagues are not as feasible given the existing regional footprints of these leagues. That being said, there are a variety of other baseball-specific programming options worth exploring:

#### Elite Baseball Showcases & Tournaments

Engel Stadium has a number of opportunities for baseball tournaments and competitive level showcase events. As a single field, it will be difficult to host large-scale tournaments at Engel Stadium alone. However, using satellite fields at area parks or schools, there is the potential to either self-operate, or more likely, rent the stadium for tournaments. Fields in close proximity that could be used for a tournament include:

- Warner Park: .7 Miles
- AT&T Field: 1.7 Miles
- Baylor School: 5.2 Miles
- Chattanooga State Community College: 5.6 Miles
- Camp Jordan Sports Complex: 8.3 Miles
- The Summit of Softball Complex: 16.2 Miles

For tournaments using multiple sites, having locations within close proximity of each other is important. Given the unique and historic nature of Engel Stadium, tournaments held at facilities such as Warner Park or the Summit of Softball Complex could potentially utilize the ballpark as the “Championship” field. The entrance fees for these tournaments can range from \$200-\$650 per team, with tournament operators typically paying \$125 per field per day. However, due to the history and quality of a renovated Engel Stadium, Ripken Sports believes a tournament utilizing Engel Stadium would pay a premium price.

While Engel Stadium alone is not capable of hosting large baseball tournaments, it can host showcase events, as well as smaller high school or college baseball tournaments. High-level baseball players, ages 14-18, often participate in “showcase” events where they compete against the top players in their region or the nation. These events often consist of a day of drills and practice, followed by a game the next day. There are numerous organizations that host showcase events, but the largest operator of such events is Perfect Game, which hosts over 100 showcases across the country annually. Another common host of showcase events is Baseball Factory, which hosted 6 showcases in 2013, along with dozens of smaller training events held across the country. Within Tennessee, the most prominent competitive baseball tournament and showcase organization is TopTenn Baseball. TopTenn hosts several tournaments and player showcases across the state, primarily on college campuses.

Another potential opportunity for Engel Stadium could be high school or college baseball tournaments. This could be a preseason kickoff tournament featuring teams from the region, or a collection of local high schools. While Engel could not accommodate a large 40+ team tournament, Engel Stadium could host smaller tournaments featuring 8-12 teams. In conversations with Tim Morgan of the Chattanooga Sports Committee, there may also be the potential for a college baseball conference to host their end of season tournament in Chattanooga, potentially utilizing Engel Stadium. A gate fee or admission fee could potentially be charged for these types of events.

#### Collegiate/High School Baseball

One of the most common uses for the historic ballparks examined earlier in this report is high school and/or college baseball games. Whether Engel Stadium becomes the home field for a local school, or simply hosts occasional games, these are great opportunities for Engel Stadium to be reintroduced as a high quality baseball venue. There is also the potential to host either beginning- or end-of-season tournaments at the high school and college level.

There are two college level baseball programs in Chattanooga, Tennessee Temple University and Chattanooga State Community College. While Chattanooga State Community College has a quality baseball stadium on campus, Tennessee Temple currently plays home games at AT&T Field. Given the location of Tennessee Temple

University's campus, it is possible that a renovated ballpark could attract the program back to Engel Stadium.

In addition to college baseball, there is the potential to host high school baseball games at Engel Stadium. While most public and private high schools in the area have baseball fields on site, Hamilton County High School and The Howard School do not appear to have full-size baseball fields. Even if a school does not use Engel Stadium as it's home field, there is the opportunity to host preseason or end of season tournaments at Engel Stadium featuring high school teams from the area.

#### Local Leagues/Rentals

Local baseball leagues, competitive travel teams, and single game rentals are another common use of the comparable historic ballparks explored earlier in this report. This is due, in large part, to two primary factors:

- 1) Many historic ballparks are owned or operated by Parks & Recreation Departments and utilized as public parks.
- 2) Baseball leagues and teams will be those most interested in hosting programming in the initial years of operations, due to the historical significance and baseball tradition associated with Engel Stadium.

The main youth baseball program in Chattanooga is Major League Baseball's Reviving Baseball in Inner Cities, better known as RBI. Chattanooga has a robust RBI program, especially in younger age groups. However, Greta Hayes, who oversees the program, stated that there has been continued growth in the 14-18 year old age group, those who could best take advantage of Engel Stadium. While Chattanooga RBI features over 1,500 players, they currently play at local City- or County-owned facilities, and therefore do not pay a rental fee.

Although Chattanooga RBI appears to be the largest youth baseball organization, there are several other potential user groups for league play and rentals. One such group is the Fury Academy. The Fury Academy is a competitive youth baseball and softball organization offering training lessons, camps, and clinics in the greater Chattanooga area. They also sponsor competitive travel softball and baseball teams. They do have a brand new indoor training facility in Rossville, GA, although there may be the potential for a partnership with Engel Stadium for outdoor training and events.

Existing Competitive Baseball/Softball Organizations in the Chattanooga area include:

- The Fury (Baseball & Softball)
- Chattanooga Yankees (Baseball)
- Chattanooga Cherokees (Baseball)
- Line Drive Baseball (Baseball)

- Chattanooga Baseball Club (Baseball)
- Team Easton-Tennessee Stealth (Softball)
- Chattanooga Force (Softball)
- Chattanooga Cyclones (Baseball)
- Chattanooga Fuze (Softball)
- Chattanooga Thunder (Baseball)
- Chattanooga Mystics (Softball)

Some or all of these organizations have the potential to utilize a renovated Engel Stadium, especially if the field is renovated with synthetic turf. Temporary outfield fences can be used to accommodate youth baseball and fast pitch softball play.

### Camps

There are two main types of youth summer camps: recreation and competitive. A recreation camp is typically a half- or full-day camp, featuring instruction centered on developing fundamental skills, and then utilizing those skills through fun competitions. A competitive camp, on the other hand, is far more instruction intensive. There are both half- and full-day camps, but the vast majority of time is spent teaching and practicing both fundamental and more advanced skills.

Engel Stadium could potentially take advantage of both recreational and competitive baseball camps. Potential user groups for camps or clinics programming include:

- Chattanooga State Summer Camps
- Tennessee Temple University Summer Camps
- UTC Summer Camps
- Fury Academy (Baseball+Softball)
- U.S. Baseball Academy Camps
- Nike Baseball Camps

While there may be the potential to self-operate camps at Engel Stadium in the future, camps often require a larger staff and offer a lower profit margin. Ripken Sports would recommend renting the field to camp operators or youth baseball organizations, with the potential to self-operate camps in future years.

Ripken Sports does not expect Engel Stadium to host “fantasy” camps as these programs are typically hosted by Major League Baseball teams. However, there could be the opportunity to offer on field batting or fielding practice, giving users the chance to play at Engel Stadium.



### Historical Components

Many stadiums and venues across the country can offer the type of sports and events programming outlined within this report. Engel Stadium's distinguishing factor is the history and tradition associated with the ballpark. As part of the renovations and facility improvements at Engel, efforts should be made to restore many of the unique and special features of Engel Stadium. For instance, restoring the iconic "Lookouts" to the outfield, bringing back the manual scoreboard and the old press box. These are many of the features that defined Engel Stadium as a venue and live on in the memories of those who visited the ballpark in the past.

There are a number of historic or active baseball stadiums that emphasize the unique history and tradition of their ballpark, or those that played there. However, there are few that emphasize these features with an eye toward driving revenue. For example, Rickwood Field in Birmingham offers self-guided walking tours where visitors are given a brochure highlighting different parts of the park, allowing them to walk on the field, the concourse and grandstand. Jackie Robinson Ballpark in Daytona Beach, FL features the "Jackie Robinson Museum," a series of plaques, statues and informative pieces throughout the stadium. However, neither of these ballparks charge an admission fee for tours. Ballparks that do charge for tours often require larger groups or appointments. For instance, the Jacksonville Suns offer tours of the Baseball Grounds of Jacksonville, but require a 15-person minimum and only charge \$5.00 per person. At ballparks where tours are offered, they are often given by account representatives, interns or volunteers.

While tours may not offer any substantial revenue potential associated with an admission or entrance fee, that is not to say that there is no value to this type of programming. The Daytona Cubs, which operate Jackie Robinson Ballpark view it as a valuable amenity they offer their fans and members of the community. Tours also offer the opportunity to inform both local residents and out-of-town visitors about the history of Engel Stadium and generate interest in the ballpark. Furthermore, tours could be offered in conjunction with other events at Engel Stadium and there is the potential to sell merchandise as part of tours. For example, during a "movie night" at the park, tours could be offered to families that may not have otherwise known about the history of the park.

### Engel Classic (i.e. Rickwood Classic)

One of the more successful uses of historic baseball stadiums is exhibition games, or "Classics." The best example of this type of event is the Rickwood Classic held at Rickwood Field in Birmingham, AL. For one game each season, the Birmingham Barons, a Double-A affiliate of the Chicago White Sox, return to the historic ballpark. All expenses and revenues for the Rickwood Classic are split between the Friends of Rickwood and Birmingham Barons.

Similar to Rickwood Field, Doubleday Field in Cooperstown, NY hosts the annual Hall of Fame Classic each summer. While the exhibition no longer includes Major League Baseball teams, former players and Hall of Famers take part in the game each year. The Hall of Fame Classic is an annual highlight of the summer schedule, and is typically scheduled in accordance with the National Baseball Hall of Fame induction ceremony.

The Engel Foundation has had discussions with the Chattanooga Lookouts regarding hosting a regular season game at Engel Stadium. An “Engel Classic” has the potential to be a signature event for the facility and an excellent marketing opportunity for Engel Stadium in the initial years of operations.

#### 2014 Southern League All-Star Game Events

As is common throughout minor league baseball, the Southern League rotates the annual all-star game between the member clubs. In 2014, the Chattanooga Lookouts will host the Southern League All-Star Game at AT&T Field. While the game will take place at the downtown ballpark, there may be an opportunity to work with the Lookouts to host ancillary events at Engel Stadium. For example, all on-field events such as a Home Run Derby will likely be held at AT&T Field. However, a Southern League “FanFest,” with vendors, former players, etc. could be hosted at Engel Stadium. The Southern League could tap into one of its few remaining historic venues and Engel Stadium could benefit from a “marquee” baseball event in Chattanooga.

#### Vintage Base Ball

Another potential baseball related programming opportunity is Vintage Base Ball. The Vintage Base Ball Association is a national organization with the mission to “preserve, perpetuate, and promote” the game of baseball. In doing so, teams and organizations are formed that reenact baseball the way it was played at the time of its creation. Similar to Civil War reenactments, players in Vintage Base Ball wear custom uniforms and play by the rules from the late 1800s.

Regionally, the Tennessee Association of Vintage Base Ball was started just a few years ago in Nashville. Started with 2 teams, the organization plans to expand to 7 teams in 2014, with the first teams outside of the Nashville metropolitan area. While there are no current plans for a Chattanooga chapter, the President of the Tennessee Association of Vintage Base Ball expressed interest in the opportunity to host events at Engel Stadium. However, the organization currently uses public parks for games and would likely shy away from a rental fee.

## **Non-Baseball Sports Programming**

Considering that Engel Stadium will not have a minor league baseball franchise to rely on, it will be critical for the ballpark to take advantage of non-baseball sporting events. While baseball will always be Engel Stadium's primary identity, the ballpark is capable of hosting a variety of sporting events, and will need to take advantage of these programming opportunities. Such events could include:

### Youth and Adult Leagues

As with the baseball leagues and competitive travel teams examined earlier in this section, a common use for Engel Stadium, particularly in the initial years of operations, will be youth and adult sports leagues and field rentals. If the playing surface is renovated with synthetic turf, Engel Stadium will be capable of hosting any sport across any age group. Furthermore, a field capable of hosting a variety of other sports will increase the demand for the facility and extend the programming calendar past the traditional baseball season. The most common non-baseball sports leagues include softball, soccer, flag football, lacrosse, rugby and ultimate Frisbee.

### Races-5K/10K/Half Marathon/Marathons

Road race events of various lengths are very popular and based on the marketing and type of race, can attract thousands of participants. Races can be hosted as for-profit or charity events, and Engel Stadium could potentially take advantage of both opportunities. Engel Stadium could serve as the starting or finish line, and host a post-race event such as a concert. The general rule of thumb is that the entrance fee for each runner corresponds directly with the total cost of the participant. Therefore, attracting sponsors will be a critical component of hosting a race.

Races held in the Chattanooga area in 2013 include:

- 1<sup>st</sup> HBCU 5K Walk/Run: Chattanooga Bethlehem Center
- Cupid's Chase 5K Run: Tennessee Riverpark
- Out Run The Police: Coolidge Park
- A Smile to Remember-Walk for Ovarian Cancer Awareness: 1<sup>st</sup> Presbyterian Church
- Tucker's Trek: The Baylor School
- Chattanooga Chase 8K: Riverview Park
- Market Street Miracle Mile: Tennessee Aquarium Plaza
- McKamey Animal Center ½ Marathon, 9K, 5K: McKamey Animal Center
- Chic-Fil-A Race Series: Tennessee Riverpark
- Run for Wishes: Enterprise South Nature Park
- Color My Run: First Tennessee Pavilion
- Missionary Ridge Road Race: Bragg Reservation
- 25<sup>th</sup> Annual Labor Day 5K/10K for FCA: Chattanooga State

- Chattanooga Harvest Run: Chattanooga Market: First Tennessee Pavilion
- Raccoon Mountain 'Round the Rim Road Race: TVA Raccoon Mountain Pumped Storage Plant
- JMHC 10K Pumpkin Run & 5K Walk: Moccasin Bend Mental Health Institute
- Chattanooga Oktoberfest Ram Run: First Tennessee Pavilion
- Out Run Abuse: The Baylor School

### Camps & Clinics

Many of the same camps and clinics opportunities outlined in the baseball programming portion of this section will also be available for other sports. Competitive soccer and softball camps are very popular, as well as multi-sport recreational day camps. Overnight camps may also be a possibility with the use of UTC's dormitories. As with baseball camps, Ripken Sports recommends renting to camp operators, especially in the initial years of operations, with the potential to self-operate camps in later years.

### **Entertainment Programming**

Along with non-baseball sports programming, Engel Stadium should embrace the potential to host entertainment events. While Engel is known as a historic baseball stadium, limiting the use of the stadium to baseball games and related activities would prevent a large portion of the community from taking advantage of all it can offer. The non-sports programming options outlined here will ensure that Engel Stadium can be utilized regularly and reestablished as a fixture in the Chattanooga community. Some of these events include:

### Concerts

Engel Stadium presents a unique concert venue with an outdoor setting where the vast majority of the seating area is protected from the weather. While weather delays and cancellations can never be completely eliminated with an outdoor venue, Engel Stadium's covered grandstand greatly diminishes the possibility of rainouts, a major factor in attracting events.

Entertainment events such as concerts require substantial marketing and planning in order to be successful. In order to effectively host concerts and music events at Engel Stadium, it is highly recommended that a qualified event management company such as Friends of the Festival or Live Nation market and operate them. Chip Baker of Friends of the Festival has indicated that he believes Engel Stadium can successfully host numerous concerts and related events in the future. Furthermore, the Chattanooga market has shown substantial interest in supporting live music events such as the immensely successful Riverbend Festival. Ripken Sports believes that Engel Stadium can tap into this market, and in doing so evolve the venue's reputation from a baseball stadium to a true entertainment venue.



### Sports Memorabilia Shows

Sports memorabilia shows and signings can be very popular if properly operated and marketed. Beckett Media, a leading sports memorabilia company, has indicated that there would be substantial interest in a show or series of shows at Engel Stadium. There are a number of show promoters that host events across the country, attracting top card and memorabilia companies. There are dozens of show promoters across the country, but two of the most successful are Tri Star Productions and Leaf Trading Cards. It is also worth noting that there is a successful sports card and memorabilia company in Chattanooga, Marty's Sportscard Exchange Superstore.

The vast majority of sports memorabilia shows run from Friday to Sunday, with Saturday and Sunday being the most popular days. The biggest draws are typically autograph signings, where active or retired players attend the event and sign items in person. There are currently no major shows in the Atlanta or Nashville areas, creating a major gap in the market that Chattanooga and Engel Stadium can potentially take advantage of. That being said, the most common downfall for memorabilia events is the promotion and marketing, underscoring the importance of partnering with a promoter with a strong reputation and track record.

### Community Events

While the goal for Engel Stadium will be financial sustainability, at its core Engel Stadium is a community asset. Events that provide a safe, relaxed, fun atmosphere for local families pose a great opportunity to reestablish Engel Stadium as not just a baseball stadium, but also a family entertainment venue. These events can either be organized to take place on days where the field is not in use, or in conjunction with ticketed events to encourage attendance. Possible community events could include:

*Movie Nights:* Family friendly movies can be shown on an outdoor screen or projected onto the outfield wall.

*Fireworks Nights:* Fireworks nights can be held as a separate event or in conjunction with other events held at the ballpark.

*Kids Run the Bases Night:* A fun event that can be a single or regular (weekly or monthly) fixture at Engel Stadium. These can be held in conjunction with a baseball game or event.

### Charity Events

While community events may not bring in significant revenue, if any, Ripken Sports highly recommends these events to generate traffic to Engel Stadium and spread the

word that the ballpark is a potential event venue. Potential charity events could include:

- Blood Drives
- Charity Softball Game
- Charity Auction
- Hit-A-Thon On-Field Batting Practice
- Speaker Series

Engel Stadium could offer discounted rates for these types of events, while driving traffic to the stadium for events that utilize the playing field.

#### Corporate Events/Personal Event Rentals

While there are a number of options that currently exist for meeting and event space in the Chattanooga area, Engel Stadium would offer a truly unique experience. Any sort of event space, be it the existing office space, Joe Engel's former office, or the field itself, Engel Stadium can offer a venue unmatched by traditional meeting spaces.

Rental Opportunities can include:

- Meetings
- Team Building Events
- Banquets
- Reunions
- Birthday Parties
- Holiday Parties

Renting Engel Stadium for corporate meeting, special events, or parties can be an excellent way to ensure the facility is used during off-peak times. While higher upside events such as a tournaments or concerts would be the priority, these rental opportunities can ensure a consistent source of revenue year round.

#### Festivals & Events

Outside of sports events, one of the most important programming types for Engel Stadium to take advantage of will be festivals and special events. The ability to attract these types of events can be the difference between a public use and sports facility like many of the historic ballparks profiled, and a successful event venue such as the Durham Athletic Park. These events are of particular importance because they bring a diverse group of users, especially those who otherwise may not think to attend an event at Engel Stadium. Possible festivals or events could include:

- Oktoberfest or Brewfest
- Seasonal Festivals i.e. Strawberry Festival

- Farmers Market (Weekly or Monthly)
- Holiday Events i.e. Haunted Hayride
- Carnivals
- Car Shows

There are infinite possibilities regarding the specific theme or type of events that can be held at Engel Stadium. Depending on the specific event, these could be self-operated or rented to management companies that specialize in these events. In downtown Chattanooga in the Fall of 2013 alone, numerous festivals and special events will be held, including:

- The Chattanooga Market (Weekly)
- Tennessee Whiskey Festival
- 3 Sisters Music Festival
- Boo in the Zoo
- 10<sup>th</sup> Annual Oktoberfest

### **University Usage**

Given the University of Tennessee—Chattanooga's proximity to Engel Stadium, the school and students represent potential users for the renovated ballpark. There are a number of potential uses for the ballpark, including interactive classroom space, student meeting areas, event space, and recreational uses. Ripken Sports and the Engel Foundation approached the University to gauge their interest in using a renovated Engel Stadium. From these discussions, as well as tours of the facility, UTC has indicated that they may have interest in utilizing the stadium for a variety of uses, with the primary focus being campus recreation, such as club baseball and intramural sports. Furthermore, although not formally detailed, UTC has also indicated an interest in using the facility for student or campus events.

### **Summary**

Detailed over the course of this section, there are numerous potential uses for Engel Stadium, whether that means utilizing the field, the concourse, the grandstand, the parking lots or the entire facility. Whether the Engel Foundation hosts programming or rents the ballpark, this should serve to demonstrate the potential and demand for a variety of programming opportunities. Furthermore, given the many different programming options, Engel Stadium can potentially find a "primary user" for the facility. Many facilities struggle to generate enough demand to program the facility throughout the year. Having a primary tenant or user group from Day 1 will provide a springboard for Engel Stadium to develop other potential partners and events that will lead to a full programming calendar.

### III. Facility Assessment

The return of Engel Stadium as a first-class event venue is dependent on two things: A successful programming and operations plan and the renovation of the ballpark's playing field and stadium structure.

This section will explore key renovations that should take place in order for Engel Stadium to operate successfully. Ripken Sports, in collaboration with members of the Engel Stadium Task Force Facilities Subgroup, have identified three potential renovation scenarios based on the level of upfront cost. The following facility improvement plans were considered:

- **Short-Term Playable Field:** Relatively minor improvements with the majority of the renovation focused on making the field playable.
- **New Natural Grass Field & Structure Improvements:** A reconstruction of the playing surface along with exterior and interior stadium renovations.
- **New Synthetic Turf Field & Structure Improvements:** Installation of synthetic turf playing surface as well as exterior and interior stadium renovations.

This section will outline these renovation scenarios in more detail and ultimately provide a conceptual budget for each option. Throughout this analysis, Ripken Sports has focused on the facilities recommendations that are critical to the successful long-term operation of Engel Stadium.

#### Engel Stadium Renovation Background

Through the filming of the movie '42,' and the efforts of the Engel Foundation, Engel Stadium has received a series of renovations to the playing field and stadium structure in recent years, including:

- Infield was renovated to look like Ebbets Field
- Dugouts were renovated
- Lead-based paint removed from outfield walls and seats

While the improvements made were significant, in order for Engel Stadium to be a viable event venue, in the short and long term future, further renovations to both the field and stadium are necessary. Ripken Sports will outline three potential renovations scenarios, including a short-term plan, as well as two long-term options. While improvements to the structure will be included in both long-term scenarios, the biggest difference between the three models will be the type and quality of the playing surface.



## Field Quality Tiers

It is important to underline the effect that each renovation scenario, specifically the field itself, will have on the subsequent programming models. The quality of the field, as well as the stadium structure, will impact the type, frequency and rental rate of programming held at Engel Stadium. While there are not necessarily set guidelines for each level of play, there are several tiers of field quality, which roughly correlate to the Engel Stadium field renovation scenarios.

- Entry Level Field
- Competitive Level Field
- Synthetic Turf Field

Entry level fields utilize natural grass with existing on-site topsoil. These fields provide an adequate playing surface but are susceptible to poor drainage and compaction, and the field must be given time to rest between uses. These fields are common in parks and recreation facilities, as well as middle school and some high school fields. The entry level field tier roughly correlates with the short-term playable field scenario.

**Table 3.1: Entry Level Fields Advantages & Disadvantages**

| Advantages                   | Disadvantages  |
|------------------------------|--|
| Lowest construction costs    | Drainage is limited to the permeability of the site soil or to surface runoff  |
| Shortest construction period | Surface runoff results in varied conditions across the field area              |
|                              | Surface is more susceptible to compaction                                      |
|                              | Root depths are typically very shallow   |
|                              | Limited lifespan and limited playability during periods of inclement weather   |
|                              | Limited number of events per week during season without serious damage to turf |
|                              | Requires consistent and professional maintenance to maintain turf coverage     |

Competitive level natural grass fields are laser graded and feature natural grass with a sand-capped soil base. These fields offer better drainage and a better overall playing surface, but are still subject to playing time restrictions and weather related issues. These fields are common in High School and some College level fields.

**Table 3.2: Competitive Level Fields Advantages & Disadvantages**

| <b>Advantages</b>   | <b>Disadvantages</b>  |
|---|---|
| Lower construction costs  | Drainage is limited to the permeability of the site soil or to surface runoff |
| Eliminates rocks from the field surface if present in the underlying soil   | Surface runoff results in varied conditions across the field area             |
| Reduces compaction of underlying site soil and improves drainage and permeability of the surface leading to better turf root growth | Surface is more susceptible to compaction                                     |
|   | Requires consistent and professional maintenance to maintain turf coverage    |
|   | Difficult to repair when heavily worn   |
|   | Limited Lifespan  |

Synthetic turf fields typically feature a compacted subgrade with a subsurface drainage system, an imported permeable graded aggregate layer, and an infilled synthetic turf surface. The turf is reinforced with a concrete anchor curb at the perimeter. Synthetic turf fields are not subject to playing restrictions and greatly improve the field drainage. These fields do however come with a much higher upfront cost and typically need to be replaced between 8 and 12 years. Synthetic turf fields are used at all levels of play ranging from amateur to professional.

**Table 3.3: Synthetic Turf Fields Advantages & Disadvantages**

| <b>Advantages</b>  | <b>Disadvantages</b>                               |
|--|--|
| Wear resistance provides for year-round scheduling with unlimited play | Performance is not identical to natural turf       |
| Provides uniform playing conditions across the entire field area       | Highest Construction Costs                         |
| Lowest maintenance costs without the need to irrigate and fertilize    | Surface requires replacement between 8 to 12 years |

With an understanding of the three different “tiers” of field quality being considered in the field renovation scenarios, Ripken Sports will outline each renovation plan in further detail.

### Short-Term Playable Field

The Engel Foundation has indicated that the ideal situation is one in which Engel Stadium is operational in 2014. In order to achieve this for the bulk of the year, a short-term plan that makes the field playable with minimal additional improvements has been identified. While this scenario comes with a much lower upfront cost and will allow for recreation level play, it will do little for the long-term sustainability of the Stadium.

This option includes the following facility improvements:

**Table 3.4: Playing Field Cost Estimates**

| <b>Playing Field</b>        | <b>Short Term Playable Field</b> |
|-----------------------------|----------------------------------|
| Rework Playing Field        | \$25,000.00                      |
| Fencing                     | \$18,000.00                      |
| Foul Poles                  | \$6,000.00                       |
| Backstop Netting            | \$4,000.00                       |
| Outfield Lighting           | \$35,000.00                      |
| Infield Accessories         | \$3,000.00                       |
| Field Maintenance Equipment | \$15,000.00                      |

The renovations listed above will make the field playable and allow for Engel Stadium to open its doors in 2014. However, such a plan will not address the Stadium's various other needs to the interior and exterior structure. Furthermore, a plan that only addresses the field in a minimal fashion will not substantially improve the operational outlook for Engel Stadium. For example, an event such as a Lookouts game played at Engel Stadium would not be possible under this scenario.

The proposed short-term renovation also creates a situation where additional improvements will be needed each year. This means a constant fundraising effort as the operations will not generate enough revenue to support annual facility improvements. While this plan allows for usage in the short term future, it does little to improve the long term operations of Engel Stadium.

**The estimated cost of the proposed improvements is \$106,000.**

## New Natural Grass Field & Structure Improvements

The second facility improvement scenario explored in this report is the reconstruction of the playing field as a new natural grass surface, along with exterior and interior renovations to the stadium structure. This renovation plan would result in a competitive level natural grass playing surface and would improve the stadium structure as a whole. Doing so will make Engel Stadium more attractive to potential users and will increase the level of competition that can be played at Engel Stadium. Ripken Sports will outline the proposed improvements by category: Playing Field, Exterior Structure, and Interior Structure.

### Playing Field

The playing field improvements detailed in this scenario will be similar to the short-term improvement plan, with a few exceptions. Primarily, the level of work completed on the playing surface itself will increase substantially. Instead of a short-term fix to make the field safe and playable, this scenario calls for a full reconstruction of the playing field. Proposed playing field improvements include:

**Table 3.5: Playing Field Cost Estimates**

| <b>Playing Field</b>          | <b>New Competitive Level Grass Field</b> |
|-------------------------------|--|
| Rework Playing Field          | \$330,000.00                             |
| Fencing                       | \$18,000.00                              |
| Foul Poles                    | \$6,000.00                               |
| Backstop Netting              | \$4,000.00                               |
| Outfield Lighting             | \$35,000.00                              |
| Scoreboard                    | \$65,000.00                              |
| Outfield Wall Painting        | \$30,000.00                              |
| Infield Accessories           | \$3,000.00                               |
| Field Maintenance Equipment   | \$15,000.00                              |
| 1st & 3rd Base Pavilion Areas | \$40,000.00                              |

The improvements will create a playing surface and the related amenities that will allow for a higher level of competition to be played at Engel Stadium. While the increased work on the field will improve the quality of the playing surface, as a natural grass field it will still be subject to weather and usage restrictions in order to avoid damaging the field.

**The estimated cost of the proposed playing field improvements is \$546,000.**



### **Exterior Improvements**

In addition to the playing field, this renovation scenario also considers improvements to the exterior stadium structure. The following list of proposed renovations was prepared by the Engel Stadium Facilities Subgroup:

**Table 3.6: Exterior Improvements Cost Estimates**

| <b>Exterior Improvements</b> | <b>New Competitive Level Grass Field</b> |
|------------------------------|--|
| Masonry & Conc. Restoration  | \$40,000.00                              |
| Exterior Painting            | \$40,000.00                              |
| Landscaping                  | \$20,000.00                              |
| Fire Service Improvements    | \$10,000.00                              |
| Pre-Cast Conc. Baseballs     | \$30,000.00                              |
| Service Entrance Gates       | \$20,000.00                              |
| Parking Lot Improvements     | \$60,000.00                              |
| Window Repair & Replace      | \$10,000.00                              |
| Flags                        | \$4,000.00                               |
| Roofing                      | \$85,000.00                              |
| Press Box Replacement        | \$100,000.00                             |
| Exterior Signage             | \$20,000.00                              |

The proposed renovations listed above include improvements that are both necessary for the operation of the facility (Fire Service Improvements), long term sustainability (Roofing & Parking Lot Improvements), and aesthetics (Flags). While the direct impact on programming is limited, these renovations will make Engel Stadium a safer venue and improve the exterior appearance of the ballpark.

**The estimated cost of the proposed exterior structure improvements is \$439,000.**

### **Interior Improvements**

Along with exterior stadium improvements, there are also a number of interior renovations that were identified. The following list of proposed renovations was prepared by the Engel Stadium Facilities Subgroup:

**Table 3.7: Interior Improvements Cost Estimates**

| <b>Interior Improvements</b> | <b>New Competitive Level Grass Field</b> |
|------------------------------|--|
| Painting                     | \$50,000.00                              |
| Public Bathroom Improvements | \$60,000.00                              |
| Concession Stand Improv.     | \$30,000.00                              |
| Locker Room Improvements     | \$75,000.00                              |
| Electrical & Communication   | \$25,000.00                              |
| PA System                    | \$10,000.00                              |
| Concrete Repairs             | \$50,000.00                              |
| Seat Repairs & Replace       | \$20,000.00                              |
| Lighting Upgrades            | \$40,000.00                              |
| Under the Stands Cleanup     | \$30,000.00                              |
| Under Stands Plumbing        | \$25,000.00                              |
| Fire Sprinkler Upgrades      | \$20,000.00                              |
| Furnishings Fixtures Equip   | \$50,000.00                              |

As with the exterior improvements, the identified interior renovations will affect that stadium in different ways. However, all are important for the successful operation and long-term future of the stadium. For instance, renovated locker rooms will attract a higher level of competition, such as a Lookouts game. Furthermore, upgrading the bathrooms and concession areas will reinforce Engel Stadium's position as a safe family-friendly environment.

**The estimated cost of the proposed improvements is \$485,000.**

### **Summary**

In addition to the costs associated with the renovations themselves, there will also be construction costs for the project administration and design services.

**All totaled, the estimated cost of the proposed improvements is \$1,605,000.**

### New Synthetic Turf Field & Structure Improvements

Engel Stadium is a historic stadium and as such, it feels natural for the stadium to have a grass field. However, natural grass fields are subject to a number of conditions including the type and frequency of use, as well as the weather. Synthetic turf fields on the other hand, are not affected by such factors.

A synthetic turf field can be used as many hours as needed, allows the field to be used for a variety of different sports and activities, and is not affected by rain and inclement weather in the way grass fields are. Under this scenario, all of the proposed exterior and interior facility improvements would stay the same. The only difference from the second renovation scenario is the installation of a synthetic turf playing surface.

While a synthetic turf playing field will offer many more programming opportunities, there is a much higher upfront cost associated with the construction and installation.

**Table 3.8: Playing Field Cost Estimates**

| <b>Playing Field</b>          | <b>New Artificial Turf Field</b> |
|-------------------------------|----------------------------------|
| Rework Playing Field          | \$1,200,000.00                   |
| Fencing                       | \$18,000.00                      |
| Foul Poles                    | \$6,000.00                       |
| Backstop Netting              | \$4,000.00                       |
| Outfield Lighting             | \$35,000.00                      |
| Scoreboard                    | \$65,000.00                      |
| Outfield Wall Painting        | \$30,000.00                      |
| Infield Accessories           | \$3,000.00                       |
| Field Maintenance Equipment   | \$15,000.00                      |
| 1st & 3rd Base Pavilion Areas | \$40,000.00                      |

**The estimated cost of the proposed playing field improvements is \$1,416,000.**

### Exterior & Interior Improvements

The proposed improvements to the exterior and interior stadium structure will be the same as the previous scenario. For the full list of proposed exterior and interior improvements, please refer to pages 41 and 42 respectively.

**The estimated cost of the proposed exterior improvements is \$439,000.**

**The estimated cost of the proposed interior improvements is \$485,000.**

## Summary

As with the previous scenario, there will be additional costs associated with contract administration and design services.

**All totaled, the estimated cost of the proposed improvements is \$2,475,000.**

DISCLAIMER: This budget estimates included in this report have been prepared based on client discussions and, as such, represents typical field construction pricing on a per-square foot basis, based on normal construction conditions. This budget is designed ONLY to provide a preliminary order of magnitude of project costs, with the understanding that actual project pricing will take place following the appropriate site analysis and development of project design documents. Not reflected in this budget is any information regarding: soil quality; utilities; site conditions; topography; local regulations and restrictions (including prevailing or union wage requirements); storm water management; field design; or any other information that was not ascertained. The project budget can be revised in conjunction with the development of site design documents as the project advances. Any separation of this disclaimer from the budget estimates risks presenting an inaccurate picture of potential project costs.

**Table 3.9: Renovation Scenarios Comparison**

|                              | <b>Short-Term Playable Field</b> | <b>New Competitive Level Grass Field</b> | <b>New Synthetic Turf Field</b> |
|------------------------------|----------------------------------|--|---------------------------------|
| Playing Field                | \$106,000                        | \$546,000                                | \$1,416,000                     |
| Exterior Improvements        | N/A                              | \$439,000                                | \$439,000                       |
| Interior Improvements        | N/A                              | \$485,000                                | \$485,000                       |
| Contract Admin & Design Fees | N/A                              | \$135,000                                | \$135,000                       |
| <b>Total</b>                 | <b>\$106,000</b>                 | <b>\$1,605,000</b>                       | <b>\$2,475,000</b>              |

The summary table highlights the substantial cost differences between the three renovation scenarios, with the field being the key factor. There is no doubt that a synthetic turf field comes at a much higher cost, but as will be outlined in the remainder of this section, a synthetic field offers far more programming flexibility than natural grass fields.



## Natural Grass vs. Synthetic Turf

Based on the three potential facility improvement plans outlined in this section, an important decision must be made regarding the playing surface. The decision to move forward with either a natural grass or synthetic turf field will impact Engel Stadium's long term sustainability and operational success. Given the importance of this decision, Ripken Sports will analyze the benefits and drawbacks associated with each surface.

### Natural Grass Field

Given the history and tradition of Engel Stadium and baseball, the initial inclination is naturally to renovate the playing field with a traditional grass surface. Furthermore, as the historic nature of the ballpark will be highlighted moving forward, featuring a natural grass field would provide a more "authentic" baseball feel.



Key factors regarding the installation of a natural grass playing field include:

- Lower Upfront Costs
- Higher Maintenance Costs
- Fewer Programmable Hours
- Look and Playability

### Upfront Costs

One of the benefits of a natural grass playing surface is that the capital cost of the field construction is significantly lower than the installation of a synthetic turf field. While the cost of a natural grass field can vary depending on the use of native soils, amended soils, or a sand base, all of these options will have a lower upfront cost than synthetic turf.

### Higher Maintenance Costs

While the upfront cost of a natural grass field is lower, the annual maintenance required for a high-quality grass field is much higher than a synthetic turf surface. Additional labor and equipment is required to maintain a natural grass field and these costs can increase further based on the amount of programming held on the field and weather.

### Fewer Programming Opportunities

A 90' natural grass diamond is subject to a number of conditions, including:

- The number of games each day must be limited to prevent field overuse
- The field must be “rested” during certain times of the year to allow the grass to regenerate and strengthen
- Scheduling is subject to weather delays or cancellations

Typically, Ripken Sports recommends that grass fields be used a maximum of 800 hours per year. While the field can be used more, additional use above and beyond 800 hours can negatively affect or damage the playing surface, ultimately leading to field repairs or reconstruction.

Furthermore, a natural grass field with a dirt infield and pitcher's mound will make it very difficult to host non-baseball sports such as soccer, football or various other “rectangle field” sports.

### Look and Feel of Playing Surface

There is no doubt that a natural grass playing field provides a more “authentic” baseball playing experience. Despite the increase in the number and quality of synthetic turf fields at all levels of play in recent years, many players and visitors still prefer the look and feel of natural grass.

## **Synthetic Turf Renovation**

While a natural grass-playing surface fits with the historic nature of the ballpark and creates a more “authentic” baseball experience, synthetic turf may ultimately make more financial sense given the potential programming opportunities at the stadium. A synthetic turf playing field uses blades of synthetic grass that are stabilized by an infill mix that replicates natural dirt. Synthetic fields are currently being used at the major league, minor league, college, and amateur levels of play.

Key factors regarding the installation of a synthetic turf playing field include:

- Higher Upfront Costs
- Lower Maintenance Costs
- Increased Programming Potential
- Look and Playability

### Upfront Costs

The biggest downside associated with a synthetic turf field is the much higher upfront cost of installation. Similar to a grass surface, the ultimate cost of a synthetic turf field will vary based on the quality of the product installed.

### Maintenance Costs

Once installed, synthetic turf fields require only minor ongoing maintenance costs. It is important to note that there is required maintenance for synthetic turf fields to ensure the quality and extend the lifespan of the turf. Tasks include grooming the field regularly and replacing infill when necessary. However, compared to a natural surface, the need for labor, product and equipment all decrease significantly with a synthetic turf surface.

### Programming Potential

Perhaps the biggest benefit of a synthetic turf field is that it is not subject to the same programming limitations that a natural grass field would be. Synthetic turf fields offer superior drainage, greatly reducing weather delays and cancellations, and there is no risk of damaging the field in wet conditions following a rain event. If the field is made entirely from turf, it can be converted to accommodate play for all age groups, as well as other sports and entertainment events.



As the image above shows, the only way to fit a full size soccer field within Engel Stadium's footprint is to utilize the infield space. Additionally, it is the only layout that takes advantage of the existing seating infrastructure. Furthermore, an all turf field will allow for youth baseball and softball to be played at Engel Stadium, utilizing temporary outfield fences and design the field with adjustable basepaths. In order for Engel Stadium to take advantage of many of the non-baseball sports programming opportunities outlined earlier in this report, a synthetic turf playing surface is required.

#### Look and Feel of Playing Surface

Synthetic turf has made tremendous technical and aesthetic advances since *Astroturf* debuted in the 1970s. As opposed to carpet installed over a concrete base, new synthetic technologies create a surface that very closely approximates the play of baseball on a natural grass field. In order to maximize programming, Ripken Sports would recommend an all-turf field, as opposed to having a dirt infield, mound and batter's box.

#### Summary

Due to the increased programming opportunities available with a synthetic turf field, Ripken Sports recommends a completely synthetic turf field. A natural grass field would immediately limit the type and frequency of programming on the field. Given the playing time limitations of natural grass fields, programming the facility enough to be operationally successful would likely harm the quality of the field to the point where the surface would need to be replaced after only a few years.

## IV. Highest & Best Use Analysis

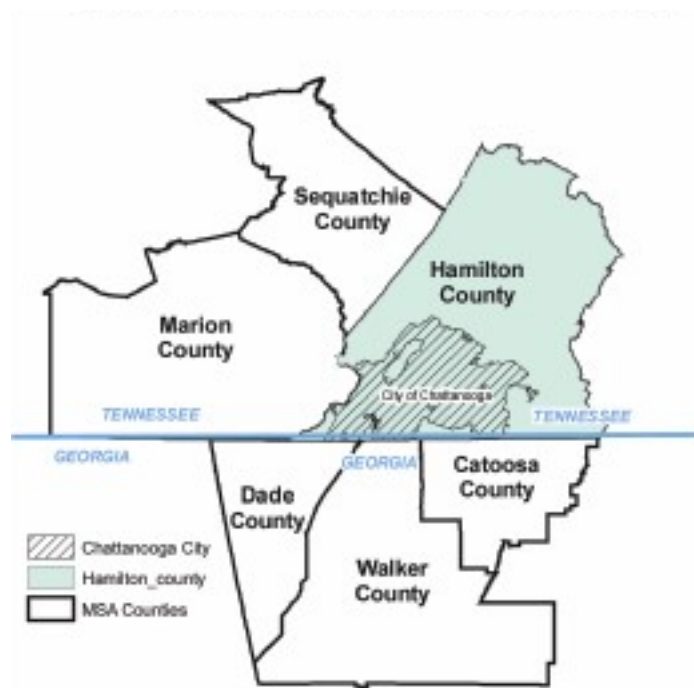
In order to assess the feasibility of a renovated Engel Stadium and the potential programming opportunities outlined earlier in this report, it is critical to examine the local and regional Chattanooga market. While this section will not follow a traditional “highest and best use” format, it is intended to look at the market’s demographic and socioeconomic profile, Chattanooga’s existing attractions and developments, and potential sponsors or partners for Engel Stadium. Additionally, this section will feature an analysis of the existing demand for a renovated Engel Stadium based on the four types of potential programming detailed in this report: Baseball, Non-Baseball Sports, Entertainment, and UTC Events.

### Market Demographics Analysis

The purpose of this section is to ascertain the demographic and socioeconomic characteristics that define the Chattanooga market. The metropolitan statistical area (MSA) defines a boundary used to measure the population of a metropolitan area around a major city. Chattanooga, TN is part of the Chattanooga, TN-GA MSA, the 4<sup>th</sup> largest in Tennessee. The MSA includes a total of six (6) counties and the City of Chattanooga:

- City of Chattanooga, TN
- Hamilton County, TN
- Marion County, TN
- Sequatchie County, TN
- Catoosa County, GA
- Dade County, GA
- Walker County, GA

The Chattanooga, TN-GA MSA is the 98<sup>th</sup> largest metropolitan area in the United States, ranking just behind Jackson, MS and just ahead of Provo, UT. Furthermore, Chattanooga is only a 2-hour drive from the Atlanta and Nashville metropolitan areas. For the purposes of this analysis, the Chattanooga MSA represents Engel Stadium’s local market.





## Market Demographics

The demographic and socioeconomic characteristics of the Chattanooga market will provide context as to the potential users of a renovated Engel Stadium. The city of Chattanooga has a population of 528,143 with 210,867 households, according to the 2010 Census. The table below provides a full demographic profile for the Chattanooga MSA, detailing the growth of the population and households as well as households by income.

**Table 4.1: Chattanooga MSA Demographics**

| <b>Chattanooga MSA</b>   | <b>Total</b> | <b>% Change</b> |
|--------------------------|--------------|-----------------|
| <b>Population</b>        |              |                 |
| Population (4/1/1990)    | 433,100      |                 |
| Population (4/1/2000)    | 476,670      | 10.1%           |
| Population (4/1/2010)    | 528,143      | 10.8%           |
| Population (1/1/2013)    | 540,358      | 2.3%            |
| <b>Households</b>        |              |                 |
| Households (4/1/1990)    | 165,900      |                 |
| Households (4/1/2000)    | 189,655      | 14.3%           |
| Households (4/1/2010)    | 210,867      | 11.2%           |
| Households (1/1/2013)    | 215,630      | 2.3%            |
| <b>Population by Age</b> |              |                 |
| Median Age               | 39.3         |                 |
| Aged 0 to 5 Years        | 38,302       |                 |
| Aged 6 to 11 Years       | 39,091       |                 |
| Aged 12 to 17 Years      | 40,481       |                 |
| Aged 18 to 24 Years      | 50,350       |                 |
| Aged 25 to 34 Years      | 66,123       |                 |
| Aged 35 to 44 Years      | 69,445       |                 |
| Aged 45 to 54 Years      | 77,604       |                 |
| Aged 55 to 64 Years      | 69,284       |                 |
| Aged 65 to 74 Years      | 42,755       |                 |
| Aged 75 to 84 Years      | 25,181       |                 |
| Aged 85 Years and Older  | 9,527        |                 |

### **Households by Income**

|                         |          |
|-------------------------|----------|
| Median Household Income | \$46,688 |
| Less than \$15,000      | 30,084   |
| \$15,000 to \$24,999    | 26,431   |
| \$25,000 to \$34,999    | 25,185   |
| \$35,000 to \$49,999    | 30,459   |
| \$50,000 to \$74,999    | 37,430   |
| \$75,000 to \$99,999    | 25,461   |
| \$100,000 to \$124,999  | 14,628   |
| \$125,000 to \$149,999  | 7,605    |
| \$150,000 to \$199,999  | 6,786    |
| \$200,000 and Over      | 6,798    |

Source: EASI Demographics

The table above details the consistent growth seen in the Chattanooga area in terms of both total population and the number of households. From the 2000 Census to the 2010 Census the local market population increased by 10.8% and the number of households increased by 11.2%. As the bulk of the programming offered at Engel Stadium will be family oriented, this is very positive. While the median household income in the MSA is below the national figure of \$52,762, the income statistics are less important for the local community as the travel and lodging expenses associated with the regional market do not exist.

### **Drive Time Analysis**

Given the unique and historic value of Engel Stadium, Ripken Sports expects the stadium to have a broad appeal to both local and out-of-town visitors. Local visitors will utilize the stadium for local sports programming, community events and entertainment events, and may hold a personal connection to Engel Stadium. Out-of-town visitors will take advantage of Engel Stadium for programming such as a sports tournament or special events, but also simply to see the ballpark given the significance of the ballpark in Chattanooga's history.

Given the different types of visitors Engel Stadium has the potential to attract, it is important to assess the market outside of the Chattanooga MSA. Ripken Sports believes that the primary regional footprint for Engel Stadium consists of a 4-hour drive time. That is not to say that visitors from outside of this drive time will not attend events or visit the stadium, especially with UTC attracting students from across the country. However, Ripken Sports believes that the vast majority of visitors will come from within this regional footprint. Within the four hour drive time, the market areas were broken down and examined as follows:

Local Market—0-1 Hour Drive Time

The local market will be Engel Stadium's primary base of potential users, and consists of the demographic area within 50 miles of Engel Stadium. This market will be highly penetrated and the most influential in terms of attendance and participation for most events. Potential users from this market will use the ballpark frequently for field rentals, leagues, camps, festivals, and other events held at the stadium.



Primary Regional Market—1-2 Hour Drive Time

The primary regional market is defined at the area between 50 miles and 100 miles from Engel Stadium, correlating to the 1-2 hour drive time. Advertising and marketing of Engel Stadium and events held at the stadium will be critically important within this market. While the Chattanooga market features a large local population, the 1-2 hour drive time begins to tap into the larger metropolitan areas, Atlanta and Nashville.

Regional Market—2-4 Hour Drive Time

Engel Stadium's regional market consists of the demographic area between 100-200 miles from the ballpark. Visitors from this market will attend major events held at the stadium, such as youth sports tournaments, large concerts or special events. Attracting visitors from this region is important for the long-term goals of Engel Stadium, as visitors from the regional market will be attending larger events that will drive revenue for the ballpark. Furthermore, attracting regional visitors will help organically market and promote the facility outside of the Chattanooga area via word of mouth.

The table below details the demographics and socioeconomic characteristics of each target market:

**Table 4.2: Chattanooga Drive Time Demographics**

| <b>Description</b>            | <b>50 Miles</b> | <b>50 to 100 Miles</b> | <b>100 to 200 Miles</b> |
|-------------------------------|-----------------|------------------------|-------------------------|
| <b>Population by Year</b>     |                 |                        |                         |
| Population (4/1/2010)         | 1,101,226       | 5,135,714              | 13,295,804              |
| Population (1/1/2013)         | 1,118,931       | 5,291,473              | 13,585,899              |
| <b>Households by Year</b>     |                 |                        |                         |
| Households (4/1/2010)         | 425,550         | 1,972,694              | 5,142,218               |
| Households (1/1/2013)         | 432,073         | 2,028,815              | 5,244,576               |
| <b>Households by Type</b>     |                 |                        |                         |
| Households (4/1/2010)         | 425,550         | 1,972,694              | 5,142,218               |
| Total Families                | 295,823         | 1,350,926              | 3,475,655               |
| <b>Gender</b>                 |                 |                        |                         |
| Male                          | 538,973         | 2,522,418              | 6,466,819               |
| Female                        | 562,253         | 2,613,296              | 6,828,985               |
| <b>Age</b>                    |                 |                        |                         |
| Median Age                    | 38.7            | 36.8                   | 37.1                    |
| Aged 0 to 5 Years             | 83,250          | 416,626                | 1,046,363               |
| Aged 6 to 11 Years            | 86,770          | 430,242                | 1,059,089               |
| Aged 12 to 17 Years           | 88,773          | 426,988                | 1,089,994               |
| Aged 18 to 24 Years           | 102,441         | 462,557                | 1,330,642               |
| Aged 25 to 34 Years           | 135,096         | 693,281                | 1,738,199               |
| Aged 35 to 44 Years           | 148,069         | 753,490                | 1,814,636               |
| Aged 45 to 54 Years           | 159,356         | 756,720                | 1,919,277               |
| Aged 55 to 64 Years           | 139,657         | 588,575                | 1,595,416               |
| Aged 65 to 74 Years           | 90,518          | 354,222                | 976,011                 |
| Aged 75 to 84 Years           | 49,575          | 185,454                | 530,626                 |
| Aged 85 Years and Older       | 17,721          | 67,559                 | 195,551                 |
| <b>Income Characteristics</b> |                 |                        |                         |
| Median Household Income (\$)  | 43,921          | 56,204                 | 46,528                  |
| Average Household Income (\$) | 59,445          | 78,268                 | 62,709                  |

**Total Households By Income**

|                        |        |         |         |
|------------------------|--------|---------|---------|
| Less than \$15,000     | 65,866 | 230,353 | 792,565 |
| \$15,000 to \$24,999   | 56,749 | 197,837 | 615,852 |
| \$25,000 to \$34,999   | 51,754 | 196,667 | 584,816 |
| \$35,000 to \$49,999   | 64,576 | 272,993 | 751,952 |
| \$50,000 to \$74,999   | 77,216 | 356,607 | 943,031 |
| \$75,000 to \$99,999   | 48,187 | 243,349 | 596,512 |
| \$100,000 to \$124,999 | 26,332 | 162,860 | 352,390 |
| \$125,000 to \$149,999 | 13,199 | 100,323 | 192,462 |
| \$150,000 to \$199,999 | 11,273 | 103,003 | 167,283 |
| \$200,000 and Over     | 10,398 | 108,702 | 145,355 |

Source: EASI Demographics

The table above details many of the key demographic and socioeconomic characteristics of each specific market area. Each market features a substantial population, but the local market with over 1.1 million people is of particular note. Engel Stadium will rely heavily on the local market, especially in the initial years of operations. While Engel Stadium will attract visitors and participants from various age groups, Ripken Sports expects that households and families will be the most frequent users given the programming opportunities. With an estimated 295,823 families within 50 miles of Engel Stadium, this is a significant base of potential users.

In addition to the population characteristics outlined above, it is important that the potential users have the disposable income necessary to travel to and participate in the events held at Engel Stadium. While there will likely be low cost or free events held at the stadium, such as a community movie night or RBI baseball league, there will be rental or entrance fees associated with most programming. This is especially important in the primary regional and regional markets where visitors will have the additional costs of lodging to account for. The primary regional market is the only segment with a median household income above the national mark of \$52,762. That being said, within the primary regional market there are over 470,000 households with an income of \$100,000 or more, and within the regional market there are over 856,000 households with an income of \$100,000 or more. This indicates that despite a lower median household income for the region as a whole, there is a huge base of households with the type of disposable income to attend sports and entertainment events at Engel Stadium.

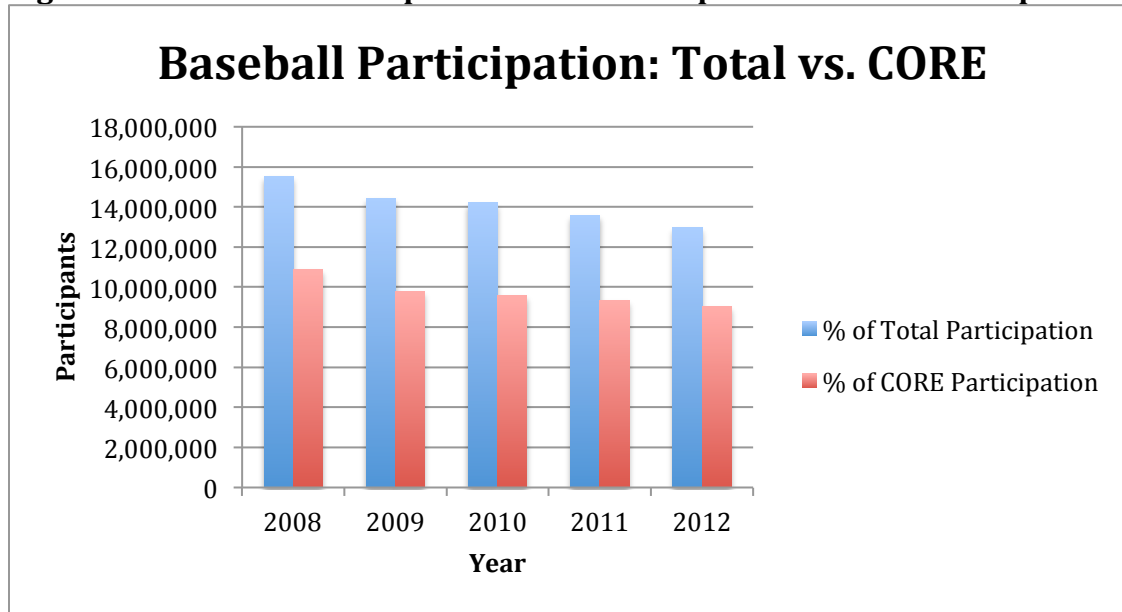
### Baseball Participation

In addition to looking at the region from a demographic and socioeconomic perspective, it is also important to examine the level of baseball participation both regionally and nationally. While Engel Stadium can expect to host a variety of events, baseball will likely be a major component of the programming plan.



The Sports & Fitness Industry Association (SFIA) is the industry leader in sports participation research and analysis in the United States. Each year, SFIA produces industry-wide and sport-specific reports examining the total level of participation, as well as the characteristics of participants. In examining baseball participation, SFIA identifies a difference between “total participants” and “CORE participants.” Total participants include anyone who played baseball in a given year. CORE participants, on the other hand, are those who played baseball 13 or more times in a year. The distinction is an important one as CORE participants are more likely to play on competitive teams, travel for events, and participate in programs such as tournaments and camps.

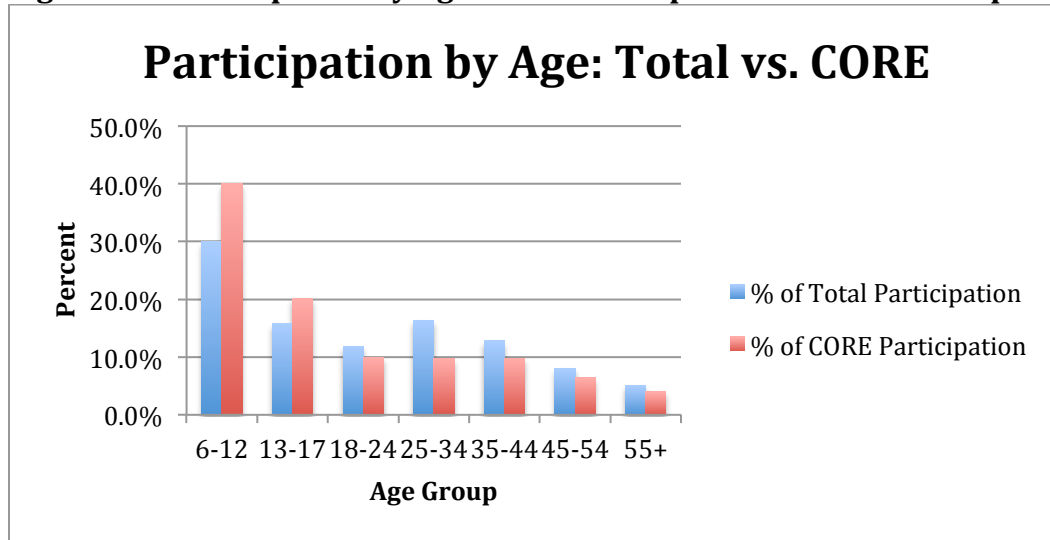
**Figure 4.3: Baseball Participation: Total Participants vs. CORE Participants**



Source: SFIA, 2013 Baseball Single Sports Participation Report

As the chart above indicates, baseball participation has declined over the past five years. Despite the downward trend in total participation, there are some positive trends, including the high percentage of CORE participants. CORE participants, those regularly playing the sport, make up nearly 70% of all baseball participation. Furthermore, despite the slip in participation in recent years, baseball remains one of the most popular outdoor sports, just behind outdoor soccer, but well ahead of other outdoor sports such as football, lacrosse, or softball.

**Figure 4.4: Participation by Age: Total Participants vs. CORE Participants**



Source: SFIA, 2013 Baseball Single Sports Participation Report

The chart above demonstrates the importance of youth baseball programming. Participants between the ages of 6 and 12 make up 30% of total participation and 40% of CORE participation. This is by far the largest age segment in terms of both total and CORE participation. Furthermore, the population under the age of 18 accounts for 45.8% of total participants and 60.2% of CORE participants. While participants under the age of 18 make up a significant portion of the baseball playing population, these figures also highlight that there is a market for adult baseball.

While nationwide figures provide a high level snapshot of baseball participation, they do not necessarily reflect baseball participation within Engel Stadium's regional footprint. SFIA analyzes participation by region, with Engel Stadium's drive time including states in both the "East South Central" and "South Atlantic" regions.

**Figure 4.5: United States Regional Map**



Source: SFIA, 2013 Baseball Single Sports Participation Report

The following table breaks out the estimated percent of total and CORE baseball participants located in each region:

**Table 4.6: Baseball Participation by Region**

| Region             | % of Total Participation | % of CORE Participation |
|--------------------|--------------------------|-------------------------|
| East South Central | 7.4%                     | 8.4%                    |
| South Atlantic     | 15.4%                    | 15.0%                   |

Source: SFIA, 2013 Baseball Single Sports Participation Report

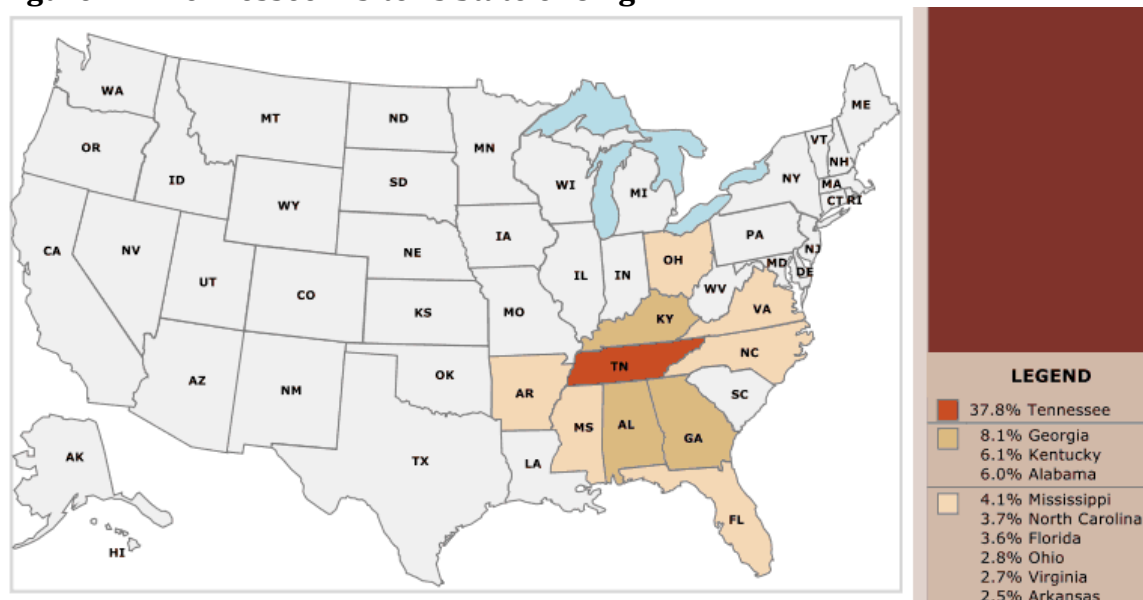
While SFIA's regions are not an exact representation of the drive time outlined earlier in this section, they do provide a baseline for participation in the region. 22.8% of all participants and 23.4% of CORE participants are located in the East South Central and South Atlantic regions. This represents a very large population of over 2.9 million potential baseball players located within these two regions.

## Tourism

While the majority of Engel Stadium users and participants will come from the local area, the ballpark will see many visitors from outside of the Chattanooga area. Therefore, it is important to understand Chattanooga's place at a tourist destination and how that can affect the future operations of Engel Stadium.

A report completed in 2011 detailed the "visitor profile" for tourists traveling to the state of Tennessee. The map below highlights the states from which tourists most frequently travel to Tennessee from:

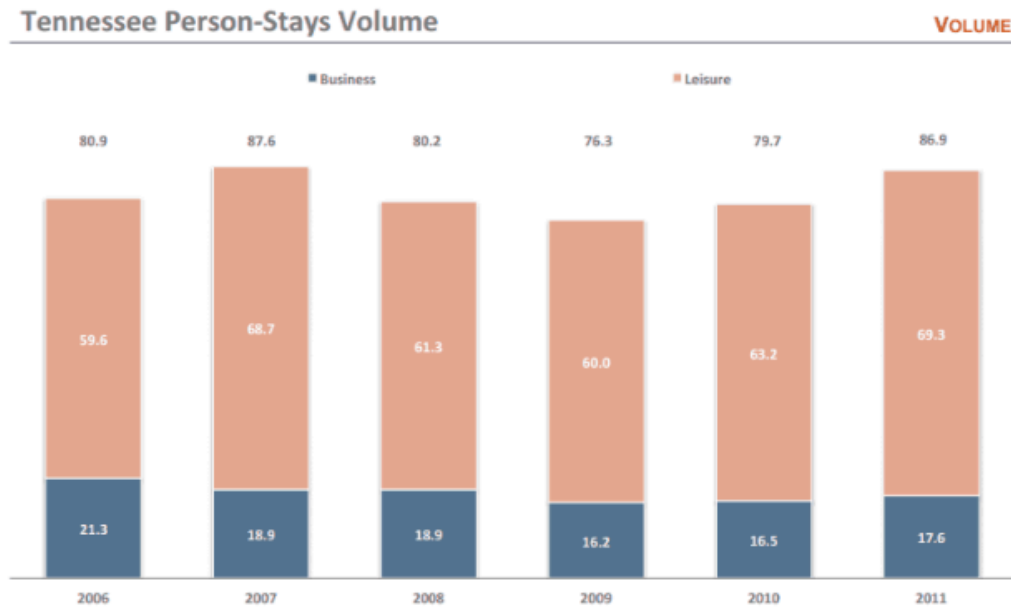
**Figure 4.7: Tennessee Visitor's State of Origin**



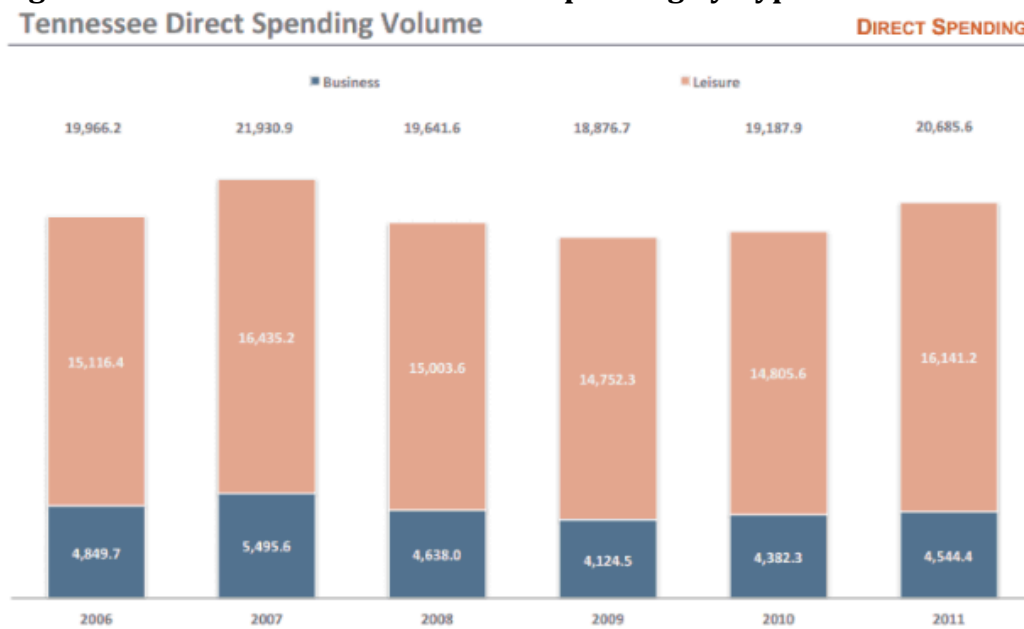
Source: 2011 Tennessee Visitor Profile

Confirming the regional footprint identified earlier in this section as part of the drive time analysis, the top states for travel to Tennessee include in-state travel (37.8%), Georgia (8.1%), Kentucky (6.1%), and Alabama (6.0%). The following two charts further detail the Tennessee visitor profile in terms of the type tourists traveling to Tennessee and the corresponding direct spending.

**Figure 4.8: Tennessee Visitors by Type of Travel**



**Figure 4.9: Tennessee Visitors Direct Spending by Type of Travel**



Source: Source: 2011 Tennessee Visitor Profile

Travel to Tennessee is dominated by leisure travel, as opposed to business travelers who rarely take advantage of local attractions. Likewise, the amount of direct spending for leisure travel is well above the spending levels attributable to business travelers. Despite a decline in spending in 2008 and 2009, a theme in cities across the country due to the economic climate, the total direct spending increased in both 2010 and 2011. The high levels of leisure spending bode well for Engel Stadium as these visitors will seek out unique local attractions as part of their trip itinerary, especially young families.

While cities like Nashville and Memphis draw their fair share of tourists, Chattanooga is considered one of the top destinations in the country, named as one of the “Top 45 Places to Go in the World” by the New York Times. Considering Chattanooga is already a top tourist destination, it will be important for Engel Stadium to tap into existing attractions, especially in the first few years of operations. Some of Chattanooga’s tourist attractions that rank among the top tourist attractions in the state include:

- **Tennessee Aquarium & IMAX Theater:** Located in the heart of downtown Chattanooga, the Tennessee Aquarium is one of the top tourist attractions in the state of Tennessee. The aquarium also features an IMAX theater as an extra eye-popping amenity.
- **Chattanooga Choo Choo:** That Chattanooga Choo Choo is one of the city’s most well known attractions. The former Terminal Station was converted into one of the most unique hotels in the country, and the only Historic Hotel of America resort in Chattanooga.
- **Lookout Mountain Incline Railway:** Lookout Mountain’s Incline Railway, known as “America’s Most Amazing Mile,” offers visitors a unique view of the scenery. The trolley car climbs Lookout Mountain at an incredible 72.7% grade, and gives participants incredible views of the area and takes visitors past several Civil War points of interest.
- **Rock City Gardens:** Rock City Gardens, located atop Lookout Mountains is a one-of-a-kind tourist attraction. Rock City features ancient rock formations and gardens with over 400 native plant species, and breath taking view that allows visitors to see 7 different states on a clear day.
- **Ruby Falls:** Another Lookout Mountain attraction, Ruby Falls is a remarkable underground waterfall. Ruby Falls was voted a Top 7 Natural Attraction in the United States and is one of the most popular tourist destinations in Chattanooga.



- **Lake Winnepesaukah Amusement Park:** Located in Rossville, GA, the Lake Winnepesaukah Amusement Park is the only amusement park in the Chattanooga area. The park features over 35 rides, including the famous “Cannon Ball” roller coaster. The park also offers numerous games, mini-golf, gift shops, and food options.
- **Creative Discovery Museum:** The Creative Discovery Museum is an interactive children’s museum with hands-on activities and exhibits covering everything from art and music to science and technology.

Source: Tennessee’s Top Attractions Survey 2011

Although not mentioned among the Tennessee Top Attractions Survey in 2011, there are several other excellent tourist attractions in the Chattanooga area, including:

- **The Chattanooga Zoo:** Located around the corner from Engel Stadium, the Chattanooga Zoo features numerous animals from across the world and offers an excellent experience, especially for families.
- **Tennessee Aquarium River George Explorer:** The Tennessee Aquarium offers visitors the chance to truly explore the Tennessee River, observing wildlife and learning about one of the most biologically diverse areas in the world.
- **AT&T Field:** As outlined earlier in this report, AT&T Field is the current home of the Chattanooga Lookouts, the Double-A affiliate of the Los Angeles Dodgers.
- **Chattanooga Ghost Tours:** If you are looking for a slightly different experience, Chattanooga Ghost Tours offer a “haunted” walking tour through downtown Chattanooga.
- **Tennessee Valley Railroad Museum:** The museum is home to the South’s largest operating historic railroad, the Missionary Ridge Local train. Visitors are able to take a ride on historic locomotives, and the museum hosts an annual Railfest event to celebrate its history.

Source: Chattanooga Convention and Visitor’s Bureau

The multitude of options available for visitors to Chattanooga can be both a blessing and a curse for Engel Stadium. These established attractions will attract thousands of visitors to the area, but can also make it difficult for Engel Stadium to break into tourist’s plans. As part of a larger marketing strategy, Engel Stadium could potentially develop partnerships with certain tourist destinations in order to drive traffic to multiple locations.

While these visitor reports examined all types of tourism, for Engel Stadium specifically, the majority of out-of-town travelers will visit the ballpark for sports tournaments, major events or because of a particular interest in the history of the stadium. Therefore, it is important to examine sports tourism in Chattanooga.

Every year, hundreds of thousands of tourists make trips regionally or across the country to either participate in or attend sporting events. One of the most common forms of sports tourism are youth sports tournaments. Over the past two decades, the youth sports market has exploded with increased participation and an increase in the number of events held. Communities across the country have caught on to the potential impact of sports tournaments through hotel room nights and direct spending in the local area from participants and their families.

Chattanooga was one of the first cities to truly grasp the potential of youth sports, establishing the area as a destination for competitive softball play. The Warner Park complex, Summit of Softball Complex and Camp Jordan Sports Complex give Chattanooga some of the top venues in the country. Collectively, the Chattanooga area hosts numerous tournaments every single year, bringing tens of thousands of visitors to the city.

Despite Chattanooga's strength in the competitive softball market, a dedicated baseball complex does not currently exist in the area. A parks audit performed in 2012 found that, according to National Recreation and Parks Association standards, Chattanooga has a deficiency of 15 baseball fields. The President of the Chattanooga Sports Committee, a branch of the CVB dedicated to sports tourism, has indicated that there will be a concerted effort to expand Chattanooga's ability to attract baseball tournaments in the coming years.

As outlined earlier in this report, Engel Stadium will have the opportunity to take advantage of Chattanooga's growth in the youth baseball market. Engel Stadium, as a single field, does not have the ability to host large scale tournaments. However, in conjunction with high quality satellite fields in the area, Engel Stadium could be utilized as a "Championship Field." Furthermore, Engel Stadium could potentially host smaller high school or college level tournaments.

In addition to sports tourism as a participant or spectator, there is third piece to the puzzle that is often forgotten: historic sites. For baseball in particular, four sites attract more visitors for the historic significance of the site:

- The National Baseball Hall of Fame—Cooperstown, NY
- Field of Dreams—Dyersville, IA
- Fenway Park—Boston, MA
- Wrigley Field—Chicago, IL

According to a team representative, Fenway Park attracts approximately 200,000 tour visitors per year. While Fenway Park and Wrigley Field remain active Major League Ballparks and can therefore be considered outliers, the National Baseball Hall of Fame and “Field of Dreams” attract visitors from across the country. Although attendance has been declining at the National Baseball Hall of Fame, approximately 260,000 people visited the museum in 2012.<sup>1</sup> Field of Dreams, located roughly 4 hours outside of Chicago attracts an estimated 65,000 visitors annually.<sup>2</sup> After years of the single field standing alone in Dyersville, there are currently plans for a massive sports complex to be built surrounding the movie site.

## **Downtown Chattanooga & Development**

Having assessed Chattanooga’s demographic and socioeconomic profile, as well as tourism in the area, it is also important to examine how a renovated Engel Stadium can tap into, and add to, existing attractions in downtown Chattanooga. Chattanooga has done an excellent job of developing its downtown core into a safe, fun place to visit. Unfortunately for Engel Stadium, many of the new developments were located around the downtown waterfront, ultimately attracting the Chattanooga Lookouts away from Engel. That being said, ongoing and future redevelopment efforts with the Central Avenue area can integrate these areas, including Engel Stadium, into the broader downtown. A renovated Engel Stadium will have the opportunity to take advantage of these redevelopment projects and tap into the downtown, ultimately boosting the programming opportunities and interest in Engel Stadium.

### **Downtown Waterfront**

Chattanooga’s crown jewel is the waterfront park hugging the Tennessee River, and the riverfront development has served as a model for communities across the country with under or poorly utilized waterfront property. Developed in the 1980s, the Tennessee Riverpark & Riverwalk is a 13-mile boardwalk with picnic areas, playgrounds, fishing piers and more. Ross’s Landing is a one-of-a-kind plaza designed to highlight Chattanooga’s history including the Civil War, Trail of Tears, and railroads. Ross’s Landing also leads visitors directly to Chattanooga’s Aquarium in the heart of downtown.

Chattanooga’s waterfront does not only serve as a beautiful public park, but is also home to great events such as the annual Riverbend Festival, now in its 31<sup>st</sup> year. The multi-day music festival features a stage on a barge in the Tennessee River, attracting over 600,000 people over the course of the event.

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<sup>1</sup> “Empty Feeling at Hall of Fame.” Dawsey, Josh. 7/16/2013

<sup>2</sup> “‘Field of Dreams’ Faces Uncertain Future.” Smith, Christopher. 7/13/2013



### **Downtown Development**

Like many industrial factory towns, Chattanooga suffered as the number of manufacturing jobs decreased. However, due to the successful redevelopment efforts, Chattanooga's downtown is thriving. During the 1980s and 90s Chattanooga was revitalized through the waterfront development, aquarium and new museums and attractions downtown. Unfortunately for Engel Stadium, the Lookouts were also enticed to the revitalized downtown and built AT&T Field on the banks of the Tennessee River.





While Chattanooga's downtown revitalization ultimately cost Engel Stadium the Lookouts, the ballpark now has the opportunity to use the downtown area to attract new visitors to the Stadium. With thousands of visitors traveling to downtown Chattanooga each year, Engel Stadium's marketing strategy should be crafted with these tourists in mind.

### **UTC Expansion and Central Avenue Redevelopment**

While the impact of the downtown redevelopment and revitalization did not reach Engel Stadium and the surrounding area, there are concerted efforts being made to further develop the Central Avenue area. Additionally, the University of Tennessee—Chattanooga continues to grow, expanding the school's physical footprint as well as the student body. Engel Stadium sits in an ideal position to take advantage of these plans.

A renovated and vibrant Engel Stadium will be able to tap into almost any type of growth in the surrounding area. Currently, local residents and visitors alike are drawn to the downtown area. However, if the area around Engel Stadium grows and becomes more attractive to the public, especially families, it will only benefit Engel Stadium.

A renovated Engel Stadium will be able to introduce the facility to students who may not know of the stadium or that is owned by UTC. Doing so will allow Engel Stadium to tap into a user pool of over 10,000 undergraduate students. These students may attend an annual Lookouts game at the stadium, a movie night at the park, or a special event held at the stadium.

### **Potential Stakeholders**

As part of the scope of this report, Ripken Sports has identified regional and national companies and organizations with the potential to support Engel Stadium through sponsorship or participation. Corporate sponsorship is an integral part of any successful sports complex or stadium as it provides a mutual benefit for both the company and the facility. Sponsorship affords corporations or organizations an opportunity to connect with the local community; showcase and highlight new products and services; increase brand recognition, and allow employees and their families to enjoy access to the facility through company events or preferred registration/scheduling opportunities. On the other hand, the venue is able to add supplemental revenue to its operating budget, offer first class amenities or products, and create a symbiotic tie with the business community. The most common forms of sponsorship include:



- Facility Signage
- Product Donations
- Group Outings
- Team/Tournament Sponsors

It is important to note that the vast majority of sponsorship opportunities will come from the local community. However, given the historic nature of Engel Stadium, there may be the opportunity to attract regional or national sponsors.

### Minor League Baseball Corporate Sponsors

From a corporate perspective, one of the most natural national partners for a renovated Engel Stadium are those companies that actively support Minor League Baseball. The list below identifies the various companies that sponsor Minor League Baseball on a national level as the vast majority of sponsorship for individual teams comes from the local market.

- |                   |                        |                               |
|-------------------|------------------------|-------------------------------|
| • Bank of America | • IHOP                 | • National Honey Board        |
| • Chrysler        | • Interstate Batteries | • Nestlé                      |
| • ExxonMobil      | • Johnson & Johnson    | • Oreo                        |
| • Frito-Lay       | • Kraft Foods          | • Pert Plus                   |
| • General Mills   | • L'Oréal              | • Sara Lee                    |
| • Hasbro          |                        | Source: Minor League Baseball |
| • Hershey's       |                        |                               |

In addition to these corporations, Minor League Baseball itself may be a potential partner for Engel Stadium moving forward. While Minor League Baseball may be hesitant after their failed lease of the Durham Athletic Park, they may be able to provide marketing and promotional support, if not monetary assistance.

### Historic Baseball Organizations

Engel Stadium's identity is and always will be as a historic baseball stadium. Furthermore, many of the renovations to Engel Stadium will be made with the history of the ballpark in mind, restoring parts of the stadium to their original design. As such, some of the national historical baseball organizations may have an interest in sponsoring or supporting the project.

- National Baseball Hall of Fame
- Negro Leagues Baseball Hall of Fame
- Society for American Baseball Research

These organizations are committed to preserving and celebrating the history of baseball, and as such should have some level of interest in supporting the renovation and preservation of Engel Stadium. The biggest question with these organizations is likely one of the ability to provide support rather than the desire to do so. Based on the goals of these groups, there is no doubt they would like to see a piece of baseball history preserved and strengthened, but unlike the companies listed in this section, they may not have the financial ability to provide support to Engel Stadium.

### Historic Ballparks Partnership

While there are numerous potential corporate partners identified in this section, one of the best potential relationships that Engel Stadium should explore is with other historic ballparks. The remaining stadiums across the country that are still standing are few and far between, with many profiled in the first section of this report. In conversations with owners and operators of historic ballparks, both the Friends of Civic Stadium (Eugene, OR) and Friends of Rickwood (Birmingham, AL) mentioned the possibility of creating a partnership between historic ballparks.

There are two primary reasons to explore the potential of a historic ballparks partnership. The first is to assist with the marketing and promotion of the various programs and events held at each ballpark. For example, currently if someone were to visit Rickwood Field, either for an event or simply to see the stadium, there would be nothing to let those visitors know that another historic ballpark is in the region. With a partnership, those visitors could be encouraged to explore the other ballparks in the region or across the nation. For example, a program utilized by Major League Baseball teams with minor league affiliates spread across a region or the country is a "Ballparks RoadMap" or "Stadium Passport." If fans attend each stadium, they are eligible for a prize or receive a different giveaway at each ballpark. This is a strategy that could potentially translate to a community of historic ballparks.

The second biggest benefit to a partnership with historic ballparks across the country would come in the form of ideas and experiences. Historic ballparks, especially those that no longer feature affiliated minor league baseball, face a set of challenges that typical entertainment venues simply do not encounter. Therefore, creating a partnership that allows and encourages the exchange of ideas between the operators of historic ballparks will ultimately benefit all.

## Major League Baseball Corporate Sponsors

Another group of potential partners are those that currently have relationships with Major League Baseball.

- Alka Seltzer & Alka Seltzer Plus
- Anheuser-Busch
- Bayer
- Blackberry
- EMC
- Firestone
- Ford
- Freecreditscore.com
- Frito-Lay
- Gatorade
- General Motors (Chevrolet)
- Gillette
- Head and Shoulders
- Kellogg's
- LG
- MasterCard International
- Microsoft
- Nike
- Pepsi-Cola
- Qualcomm
- Samsung
- Scotts
- SiriusXM
- T-Mobile
- Taco Bell
- U.S. Army

Source: Major League Baseball

The companies listed above represent some the largest corporations in the country. In order to attract interest from these types of companies, Engel Stadium will have to be able to prove that there will be a return on their investment in terms of the number of visitors that will attend the ballpark. However, these companies also have massive marketing budgets with the ability to support a facility such as Engel Stadium.

## V. Demand Analysis

Having identified the potential facilities improvement scenarios for Engel Stadium, as well as numerous programming opportunities, it is critical to assess the demand and supply of 90' baseball diamonds, sports fields in general, and event venues in the local Chattanooga area. Whether there is an abundance or shortage of available venues will greatly impact how frequently Engel Stadium is used and the price point that can be charged.

### Chattanooga Baseball Field Supply

As two of the proposed facility renovation plans outlined in this report involve a natural grass field, it is important to understand the supply and demand for an additional 90' baseball diamond in the local area. While there may be some potential to host other programming on a natural grass 90' baseball diamond, the vast majority of use will be limited to baseball programs for those over the age of 13.

In 2012, the City of Chattanooga and Hamilton County commissioned an audit of the existing parks and recreation facilities within the County. This report examined all types of facilities, including community parks, community centers, athletic fields, golf courses, picnic areas, and many more. For the purposes of this analysis and given the proposed facility improvements for Engel Stadium, Ripken Sports will focus primarily on baseball fields. The report identified the following supply of fields, broken out by location:

**Table 5.1: Hamilton County Baseball Field Supply**

|                         | Chattanooga | East Ridge | Soddy<br>-Daisy | Red<br>Bank | Collegedale | Signal<br>Mountain | Lakesite | Lookout<br>Mountain | Hamilton<br>County |
|-------------------------|-------------|------------|-----------------|-------------|-------------|--------------------|----------|---------------------|--------------------|
| # of Baseball<br>Fields | 19          | 13         | 6               | 5           | 0           | 4                  | 0        | 4                   | 10                 |

Source: Chattanooga/Hamilton County Parks Audit

While there are a total of 61 baseball fields in Hamilton County, based on industry standards from the National Recreation and Parks Association (NRPA), there is an existing deficit of baseball fields. The NRPA recommends a ratio of one baseball field per 5,000 residents. With a population of 336,463, Hamilton County has a deficit of 6 fields. Furthermore, when looking only at the City of Chattanooga, the deficit of baseball fields increases to 15. Per NRPA standards, Chattanooga should have a total of 34 baseball fields, compared to the actual number of 19.

Of the 19 identified baseball fields in Chattanooga, many of these fields are designed for youth play. Players 13 years old and above however, will play on full-size baseball fields, featuring 90's basepaths and a minimum of 300' outfield fences down the foul lines. Considering this, there is a clear need for an additional full size baseball field in Chattanooga.

From the ball fields identified, the top public baseball diamonds are located in three primary locations:

- Summit of Softball Complex
- Warner Park
- Camp Jordan Sports Complex

However, these parks are designed and operated with the primary focus of attracting softball and baseball tournaments to the Chattanooga area. The operations of these facilities are subsidized by the local government with the goal of generating economic impact through hotel room nights and direct spending related to tournament play. As a result, the rental rates for these fields are low relative to the quality of the fields. The Summit of Softball Complex and Warner Park fields can be rented for \$125 per field per day, with minor maintenance or lighting costs depending on the desired use. The Camp Jordan complex does not have a set fee, but indicated the rental fee would fall in the same range. Unlike Summit or Warner Park, Camp Jordan is available for weekday league play and practices. The complex offers a program for competitive travel teams in which teams are able to practice 2 times per week over the course of their season, and also utilize the indoor facility during the winter. The total cost per team is \$800.

While the Chattanooga/Hamilton County Parks Audit identified public baseball fields throughout Hamilton County, they did not account for privately owned fields. Private fields in the immediate surrounding area of Engel Stadium include:

- McCallie School
- The Baylor School
- AT&T Field
- Chattanooga State Community College

These are high quality fields, and represent the best full size baseball diamonds in the Chattanooga area. However, these fields are primarily used for either school baseball programs or in AT&T Field's case, the Chattanooga Lookouts. The rental rates for these facilities are outlined below:

**Table 5.2: Private Baseball Fields**

| Venue                               | Rate                    | Notes                                     |
|-------------------------------------|-------------------------|---|
| McCallie School                     | Does Not Currently Rent |   |
| The Baylor School                   | \$200-\$700/Day         | Rental Fee Assessed on Case-by-Case Basis |
| Chattanooga State Community College | \$50-\$100/Game         |   |
| AT&T Field                          | \$1,500/Game            |   |

The rental rates demonstrate that there is not a standard “market rate” for high quality fields in the Chattanooga area. While these are the top fields in the local market, it is important to note that renting the field is not a priority for these facilities. Engel Stadium, once renovated, will be able to charge a premium rate, but must be careful about pricing out the local market.

### Chattanooga Rectangle Field Supply

As with baseball fields, the 2012 Parks Audit also highlighted the need for additional “rectangle” fields in the local area.

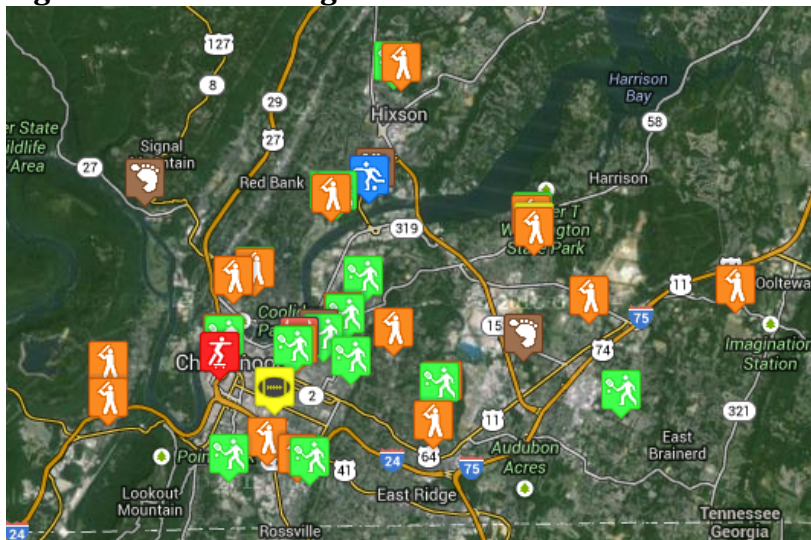
**Table 5.3: Hamilton County Rectangle Field Supply**

|                 | NRPA Standard | Standard | Actual | Deficiency |
|-----------------|---------------|----------|--------|------------|
| Hamilton County |               |          |        |            |
| Football Fields | 1/20,000      | 17       | 6      | 11         |
| Soccer Fields   | 1/10,000      | 34       | 29     | 5          |
| Chattanooga     |               |          |        |            |
| Football Fields | 1/20,000      | 8        | 2      | 6          |
| Soccer Fields   | 1/10,000      | 17       | 6      | 11         |

Source: Chattanooga/Hamilton County Parks Audit

The parks audit identifies “rectangle” field deficits in both Chattanooga and Hamilton County as a whole. If the field at Engel Stadium is renovated with synthetic turf, it will serve as an additional rectangle field that can be rented by the local community. The need for additional fields can be further highlighted by a map of the public sports facilities in the Chattanooga area, created by the City of Chattanooga:

**Figure 5.4: Chattanooga Parks & Recreation Facilities Map**



Source: Chattanooga Parks & Recreation



The map of athletic facilities highlights the lack of “rectangle” fields in the local area. While there are single fields available, there is only one soccer complex identified, the North River Soccer Complex with 4 full size fields. Despite being a single field, Finley Stadium is utilized for rectangle field sports when not being used by UTC athletics. Groups such as Chattanooga FC, Latin Champions Soccer, and Scenic City Football currently rent field space at Finley Stadium.

### Chattanooga Event Venue Supply

In addition to sports programming, a renovated Engel Stadium has the opportunity to host a variety of non-sports events programming. Therefore, Ripken Sports has extended the supply and demand analysis to include non-sports venues and the demand for event space in the Chattanooga area.

As Chattanooga’s downtown was redeveloped throughout the 1980s, 1990s and into the 2000s, a number of event venues and spaces emerged to host and support events for the local community and the tourist market. The following table details the various venues available in the Chattanooga area:

**Table 5.5: Chattanooga Event Venues**

| <b>Event Venues</b>       | <b>Rate</b>                          |
|---------------------------|--------------------------------------|
| Chattanooga Zoo           | \$600-\$1850                         |
| Hunter Museum             | \$1000-\$2500                        |
| Pier 2                    | \$500-\$4500                         |
| Aquarium                  | \$550-\$2900                         |
| Creative Discovery Museum | \$1500-\$2400                        |
| Finley Stadium            | \$2000-\$4000                        |
| First Tennessee Pavilion  | \$1000-\$2000                        |
| Convention Center         | \$180-\$2500                         |
| McKenzie Arena            | \$2500-\$5000 or 10% of Ticket Sales |
| AT&T Field                | \$1,500                              |
| Tivoli Theater            | \$1300-\$1700 or 10% of Ticket Sales |
| Memorial Auditorium       | \$1400-\$2250 or 10% of Ticket Sales |

The rates for these facilities can vary substantially based on the size and type of event being hosted. Additional fees may be included to account for costs incurred by the venue during the set-up or cleanup of an event.

While these facilities represent the highest quality and most popular event venues in the local area, there are additional venues identified by the Chattanooga Convention and Visitors Bureau that are also capable of hosting events. These facilities include:

**Table 5.6: Additional Event Venues**

| <b>Venue</b>                       |
|------------------------------------|
| 212 Market Restaurant              |
| Bessie Smith Cultural Center       |
| Big River Grille                   |
| Blue Moon Cruises                  |
| Bluewater Grille                   |
| Bluff View Art District            |
| Chattanooga Arboretum              |
| Easy Bistro & Bar                  |
| Gordon-Lee Mansion                 |
| Grandview                          |
| Intl Towing & Recovery Museum      |
| Rock City's Group Pavilion         |
| Ruby Falls                         |
| Space at Warehouse Row             |
| Stratton Hall                      |
| Tennessee Valley Railroad Museum   |
| The Mill-Event Hall of Chattanooga |

Source: Chattanooga Convention & Visitors Bureau

In addition to the venues listed above, there are a number of hotels, as well as AT&T Field that offer meeting space for rental.

**Table 5.7: Meeting Rooms**

| <b>Meeting Rooms</b>               | <b>Rate</b>      |
|------------------------------------|------------------|
| Doubletree Hotel Chattanooga       | 500/Day          |
| Chattanooga Choo Choo              | \$200-\$1500/Day |
| Marriott Chattanooga Downtown      | 800/Day          |
| La Quinta Inn Downtown Chattanooga | 150/Day          |
| Holiday Inn Express Hixson         | 200/Day          |
| Residence Inn & Conference Center  | \$400-\$2000/Day |
| Hilton Garden Inn                  | \$200-\$1000/Day |
| Four Points by Sheraton            | \$150-\$200/Day  |
| Clarion Inn Chattanooga            | 700/Day          |
| Best Western                       | \$75-\$200/Day   |
| Hampton Inn Ringgold               | 300/Day          |
| AT&T Field                         | \$125/Hour       |

As the tables above detail, there are numerous existing event and meeting venues in the Chattanooga market. There is no denying that the high number of established venues will make it more difficult for Engel Stadium to succeed in hosting events. With that being said, there is substantial demand for event space, evidenced by the number of events currently being held in Chattanooga. Additionally, several groups

have already contacted the Engel Foundation with interest in hosting events at the stadium. Several examples include:

- '42' Movie Night
- Earth Week Festival
- Kansas City BBQ Festival
- Italian Circus
- UTC Student Events

The following table outlines the festivals advertised by the Chattanooga Convention & Visitors Bureau for the Fall of 2013 alone:

**Table 5.8: Chattanooga Fall Events & Festivals**

| <b>Fall Events</b>   | <b>Venue</b>                     | <b>Free or Admission</b> |
|--|----------------------------------|--------------------------|
| Live entertainment (Numerous Events)   | Track 29                         | \$                       |
| Chattanooga Market (Weekly)  | First Tennessee Pavilion         | FREE                     |
| 150th Anniversary Reenactment of the Battle at Chickamauga with 5,000 Re-enactors      |                                  | \$                       |
| Tennessee Whiskey Festival   | First Tennessee Pavilion         | \$                       |
| Wine Over Water  | Walnut Street Bridge             | \$                       |
| Tennessee Aquarium's "ODDtober"/Oct., daily  | Tennessee Aquarium               | \$                       |
| 12-day RiverRocks Adventure Sports Games   | Various                          | FREE                     |
| 3 Sisters Music Festival   | Ross' Landing                    | FREE                     |
| 150th Civil War Sesquicentennial Signature Event "Occupation and Liberation" Symposium |                                  | FREE                     |
| Chattanooga Zoo's Banana Split & Banana Ball with Special Guest Jeff Corwin            | Chattanooga Zoo                  | \$                       |
| Boo in the Zoo   | Chattanooga Zoo                  | \$                       |
| 10th Annual Oktoberfest at the Chattanooga Market                                      | First Tennessee Pavilion         | FREE                     |
| Tennessee Aquarium's AquaScarium VI: Pirates of the Aquarium                           | Tennessee Aquarium               | \$                       |
| Creative Discovery Museum's Magic Tree House® American History & Civil War Exhibit     | Creative Discovery Museum        | \$                       |
| Hunter Museum of American Art's "Whitfield Lovell: Deep River" Exhibit                 | Hunter Museum of American Art    | \$                       |
| Railfest at the Tennessee Valley Railroad  | Tennessee Valley Railroad Museum | \$                       |
| Rock City's Enchanted MAiZE  | Rock City                        | \$                       |
| Ruby Falls Haunted Cavern  | Ruby Falls                       | \$                       |
| Rock City's Blowing Screams Farm   | Rock City                        | \$                       |
| Rocktoberfest at Rock City Gardens (\$):   | Rock City                        | \$                       |
| Lake Winnepesaukah's WinnepeSPOOKah!   | Lake Winnepesaukah               | \$                       |

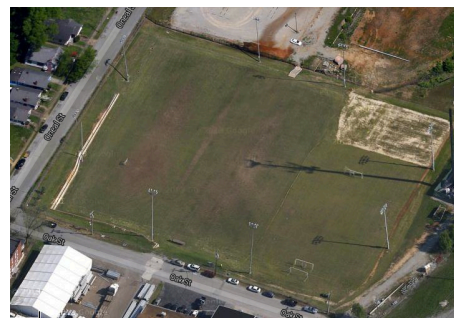
Source: Chattanooga Convention & Visitors Bureau

In addition to the events listed in the table above, Engel Stadium is well positioned to take advantage of a currently underserved part of the community: University of Tennessee Chattanooga students. While McKenzie arena is located on the campus, few student events are held there and it is a much larger, indoor venue. Furthermore, the University has indicated an interest in host events at the campus. In addition to the University, Engel Stadium's size and design as an outdoor venue with much of the seating covered, will allow it to create niche in the event venue market in Chattanooga.

### UTC Supply and Demand

As the owner of Engel Stadium, there is the potential that the University of Tennessee—Chattanooga will have interest in utilizing the stadium moving forward. Given the University's proximity to the stadium, it is important to look at the demand for additional athletic space on the campus. The most obvious use of the stadium would be for athletic field space, an area which is a clear need for UTC.

UTC's Campus Recreation department oversees all of the club and intramural sports programs for students. Currently there are two main locations for outdoor field sports programming, the Club Sports Field (Top) and the Intramural Complex (Bottom). As can be seen in the aerial images to the right, there are only rectangle fields available on campus, with the club baseball team using the Hixson High School baseball field for games. Furthermore, even the fields that are available are not able to effectively accommodate all intramural and club sports programming without the condition of the fields deteriorating. Due to the field scarcity on campus, UTC may be a potential partner for Engel Stadium moving forward.



### Summary

The *Demand Analysis* has highlighted the clear need for additional sports facilities in the Chattanooga area for both residents and the growing UTC student body. Additionally, while there are numerous non-sports event venues in the local market, there is also substantial demand for special events and festivals. Based on the level of demand, there is an opportunity for Engel Stadium to be an important asset to the local community as it continues to grow.

## VI. Operating Model Overview

As stated throughout the *Identification of Opportunities* section, Engel Stadium will be able to support a variety of programming options. The programming suggestions outlined in this section are by no means set; various changes can and should be made in the future as actual users are identified and local scheduling becomes clearer. Based on the three separate facility improvement plans outlined in the *Facility Assessment* section, Ripken Sports has prepared revenue projections for each scenario.

### Operations Model

While the programming will change based on the facility improvement plan that is ultimately carried out, there are pieces of the operating model that will remain consistent throughout the different models. For one, the Engel Foundation will be responsible for the operations and maintenance of Engel Stadium. Additionally, Ripken Sports recommends a February to November operating calendar, with no programming during December or January. There will be little demand for the facility due to the weather during these months, and closing the ballpark will allow for any necessary facility improvements to be made.

With the Engel Foundation overseeing operations of the facility, Ripken Sports recommends hiring a full-time Events Coordinator for the stadium. Instead of bringing on additional full-time staff members and the corresponding expenses, the events coordinator will be able to oversee daily operations with the majority of maintenance, cleaning, and security services contracted out.

Given the single employee, Ripken Sports recommends a rental-based programming and operating structure. The events coordinator's primary responsibility will be renting the field and facility during the available hours. Furthermore, this slim staffing model will require continued involvement from Engel Foundation members and volunteers. While the bulk of the planning and logistics will fall on the events coordinator, for larger events, concessions, merchandise, or parking volunteers will be necessary in order for the facility to maximize the revenue potential of these events.

Although certain programming will change based on the field renovation scenario, many of the programming suggestions that will remain consistent in all of the models.

### Primary User(s)

A common theme throughout this report is the importance of identifying a primary user, or small group of users, for Engel Stadium. The most successful comparable historic ballparks examined featured a primary tenant or regular user groups. Whether these user groups come in the form of a college or high school baseball program, an amateur soccer organization, entertainment events, or the University of Tennessee—Chattanooga, a single or small group of primary users will give Engel Stadium credibility in seeking other prospective users, and will account for a significant amount of the rentable hours. Given a staffing model featuring a single Events Coordinator, securing a primary tenant or partner will greatly reduce the burden on this employee to consistently rent the facility.

While the rental rate will vary based on the renovation scenario and quality of the field, Ripken Sports recommends an hourly rental fee. The recommended weekly hours and fee schedule for each scenario are outlined below:

**Table 6.1: Primary User(s) Rental Rates**

|                 | Playable Field | New Grass Field | Synthetic Turf Field |
|-----------------|----------------|-----------------|----------------------|
| Rental Rate     | \$50/Hr        | \$100/Hr        | \$125/Hr             |
| Hours per Week* | 25             | 25              | 30                   |

\* At 100% Capacity

As the table demonstrates, a synthetic turf field will allow for additional rental hours as the field will not require time for rest during times of heavy usage.

### Game/Weekend Rentals

In addition to weekday hourly rentals, there will also be the potential for weekend rentals. Ripken Sports believes the majority of these rentals will be for games as opposed to practices. The following table outlines the number of available game slots and rental fee for each scenario:

**Table 6.2: Game/Weekend Rental Rates**

|                         | Playable Field | New Grass Field | Synthetic Turf Field |
|-------------------------|----------------|-----------------|----------------------|
| Rental Rate             | \$75/Game      | \$150/Game      | \$200/Game           |
| Game Slots per Weekend* | 8              | 8               | 11                   |

\* At 100% Capacity

The number of game slots assumes each game lasts approximately two hours. However, the grass fields will require one hour of rest in between each game, while the synthetic turf field would not.



## Event Rental

Outside of on-field programming, Engel Stadium has the potential to host a variety of non-sports related events. Ripken Sports believes the ballpark will host numerous events ranging from concerts to festivals to student events. The following table outlines the number of events and the rental fee for each scenario:

**Table 6.3: Event Rental Rates**

|             | Playable Field | New Grass Field | Synthetic Turf Field |
|-------------|----------------|-----------------|----------------------|
| Rental Rate | \$1,000/Day    | \$1,500/Day     | \$2,000/Day          |
| Events      | 12             | 16              | 16                   |

\* At 100% Capacity

The lower number of events and rental fee in the short-term playable field scenario reflects the fact that this renovation will not include the interior and exterior structural improvements. However, Ripken Sports still believes Engel Stadium is capable of hosting events, and the more expansive renovation scenarios only enhance this potential.

## Movie Series

Although the amount of hours that a grass field can withstand heavy usage must be limited to avoid harming the field, low impact programs can be used to fill the stadium. The Engel Foundation plans to host a movie series in the spring and fall on Friday nights. Movies should be sponsored to cover the costs associated with movie rights and screen rentals. While these events will not be a major revenue driver, they will attract the local community, especially families, to Engel Stadium. A total of 8 movie nights should be held over the course of April-May and September-October. A nominal admission fee of \$5 can be charged for those over the age of 12, and concessions and merchandise should be available.

## Short-Term Playable Field Model

Detailed in full in the *Facility Assessment* section of this report, under this scenario a “stop-gap” renovation of the playing field would be performed in order to make the field playable for the majority of the 2014 season. The renovation would be confined to the field, as well as additional features such as fencing and lights necessary for safety and practical reasons. While this scenario does not address larger long-term facility needs, it was explored due to the existing demand for the facility. However, under this scenario, Ripken Sports believes the programming will be confined to the primary users rentals, game and event rentals, and movie night series.

### **New Natural Grass Field Model**

Detailed in full in the *Facility Assessment* section of this report, under this scenario the playing surface would undergo substantial renovations, in addition to structural improvements to the interior and exterior stadium structure. The renovations would result in a competitive level playing surface and ensure the long-term sustainability of the stadium structure. While the facility would be greatly improved, the natural grass field itself will still face many of the same programming restrictions that apply to the “Short-Term Playable Field” model. However, Engel Stadium will be able to charge a higher rental rate due to the improved quality of the field and facility.

#### **Engel Classic**

Given the higher quality of the playing surface and stadium structure under this scenario, Engel Stadium will have the potential to host a Chattanooga Lookouts regular season game each year. While the Lookouts would retain the concessions and merchandise revenue generated by the game, Engel Stadium would receive the ticket and parking revenue from the game. Ripken Sports recommends charging \$6 per ticket, the average price of a general admission ticket at AT&T Field. A \$2 parking fee can also be charged for on-site parking.

### **Synthetic Turf Field Model**

Despite the historic nature of the ballpark, a third field renovation scenario was explored in which the playing surface is reconstructed with synthetic turf. As discussed earlier in this report and this section, grass fields are restricted in the total number of hours they can be used without damaging the quality or lifespan of the field. A synthetic turf field, on the other hand, is not restricted in the same way. Furthermore, a turf field reduces weather concerns and will allow for non-baseball uses. Therefore, if a synthetic turf field is installed at Engel Stadium, the facility will be able to expand the total number of programmable hours and the types of sports that can be played on the field.

#### **Engel Classic**

As with the new natural grass field scenario, the higher quality of the playing surface under the synthetic turf field scenario will allow Engel Stadium the potential to host a Chattanooga Lookouts regular season game each year. While the Lookouts would retain the concessions and merchandise revenue generated by the game, Engel Stadium would receive the ticket and parking revenue from the game. Ripken Sports recommends charging \$6 per ticket, the average price of a general admission ticket at AT&T Field. A \$2 parking fee can also be charged for on-site parking.

### **Tournament & Showcase Rentals**

Without a larger full-time staff, and additional seasonal employees, Engel Stadium is unlikely to self-operate tournaments or showcases in the initial years of operations. However, there is the opportunity for the Engel Stadium to host a tournament in conjunction with one of the larger facilities in the area such as Warner Park, the Summit of Softball Complex or the Camp Jordan Sports Complex. Ripken Sports believes Engel Stadium can charge a rental fee of \$500/Day or \$1,000/Weekend for tournament or showcase rentals.

### **Camp Rentals**

As with tournaments, self-operating camps would require a substantial effort in terms of sales, planning, and execution. However, there is the opportunity to rent Engel Stadium to camp operators. While these camps will not be a major revenue generator, camps can provide programming for the complex when it would otherwise go unused on weekdays. Ripken Sports recommends charging \$300/Day or \$1,500/Week for camps.

### **Operating Assumptions**

In the three financial models on the following pages, Ripken Sports utilizes a series of assumptions identified in the table below:

**Table 6.4: Operating Assumptions**

|                                   | <b>Assumptions</b> |
|-----------------------------------|--------------------|
| Players per Team                  | 12                 |
| Coaches                           | 2                  |
| Primary User(s) Guests Per Player | 0.5                |
| Game Guests Per Player            | 0.5                |
| Tournament Guests Per Player      | 2                  |
| Camp Participants                 | 50                 |

|                                      |        |
|--------------------------------------|--------|
| Primary User(s) Merchandise Per Cap  | \$0.00 |
| Primary User(s) Food & Beverage      | \$1.00 |
| Game Merchandise Per Cap             | \$0.25 |
| Game Food & Beverage Per Cap         | \$1.00 |
| Tournament Merchandise Per Cap       | \$3.00 |
| Tournament Food & Beverage           | \$3.00 |
| Movie Series Food & Beverage Per Cap | \$3.00 |
| Movie Series Merchandise Per Cap     | \$3.00 |

| <b>Growth Assumptions</b> |      |
|---------------------------|------|
| Year 1                    | 40%  |
| Year 2                    | 50%  |
| Year 3                    | 60%  |
| Year 4                    | 75%  |
| Year 5                    | 90%  |
| FULL                      | 100% |

**Table 6.5: Recommended Rental Rates**

| <b>Rental Rates</b>           | <b>Playable Field Model</b> | <b>New Grass Field Model</b> | <b>Synthetic Turf Field Model</b> |
|-------------------------------|-----------------------------|------------------------------|-----------------------------------|
| Primary User(s) Hourly Rental | \$50                        | \$100                        | \$125                             |
| Game Rentals                  | \$75                        | \$150                        | \$200                             |
| Event Rentals                 | \$1,000/Day                 | \$1,500/Day                  | \$2,000/Day                       |
| Tournament & Showcase Rentals | N/A                         | N/A                          | \$500/Day                         |
| Camp Rentals                  | N/A                         | N/A                          | \$300/Day                         |

The assumptions outlined above, as well as the expense assumptions outlined in the subsequent models, are drawn from Ripken Sports' experience in operating baseball facilities. These estimates are for planning purposes but can, and will change based on actual usage and negotiated contracts. One expense that warrants further explanation is the "Debt" or "Facility Improvements" line item. The debt expense in the "New Natural Grass Field" and "Synthetic Turf Field" models represents the annual payment over a ten-year period with 3.5% interest. While the "Short-Term Playable Field" model will not require taking on debt, Ripken Sports recommends an annual facility improvements expense to account for facility upgrades.

The following pages include the three pro forma based on the different facility renovation scenarios.

| <b>Short-Term Playable Field</b> | <b><u>2015</u></b>  | <b><u>2016</u></b>  | <b><u>2017</u></b>  | <b><u>2018</u></b>  | <b><u>2019</u></b>  | <b><u>2020</u></b>  |
|----------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
|                                  | <b><u>40%</u></b>   | <b><u>50%</u></b>   | <b><u>60%</u></b>   | <b><u>75%</u></b>   | <b><u>90%</u></b>   | <b><u>100%</u></b>  |
| <b><u>Operating Revenue</u></b>  |                     |                     |                     |                     |                     |                     |
| Primary User(s)                  | \$ 21,500           | \$ 26,875           | \$ 32,250           | \$ 40,313           | \$ 48,375           | \$ 53,750           |
| Game Rental                      | \$ 10,320           | \$ 12,900           | \$ 15,480           | \$ 19,350           | \$ 23,220           | \$ 25,800           |
| Event Rental                     | \$ 4,800            | \$ 6,000            | \$ 7,200            | \$ 9,000            | \$ 10,800           | \$ 12,000           |
| Movie Night Series               | \$ 4,000            | \$ 5,000            | \$ 6,000            | \$ 7,500            | \$ 9,000            | \$ 10,000           |
| Engel Classic                    | \$ -                | \$ -                | \$ -                | \$ -                | \$ -                | \$ -                |
| Tours                            | \$ -                | \$ -                | \$ -                | \$ -                | \$ -                | \$ -                |
| Merch/F&B                        | \$ 21,364           | \$ 26,705           | \$ 32,046           | \$ 40,058           | \$ 48,069           | \$ 53,410           |
| Sponsorships                     | \$ 10,000           | \$ 12,500           | \$ 15,000           | \$ 20,000           | \$ 25,000           | \$ 30,000           |
| <b>Total Operating Revenue</b>   | <b>\$ 71,984</b>    | <b>\$ 89,980</b>    | <b>\$ 107,976</b>   | <b>\$ 136,220</b>   | <b>\$ 164,464</b>   | <b>\$ 184,960</b>   |
| <b><u>Operating Expense</u></b>  |                     |                     |                     |                     |                     |                     |
| Primary User(s) COGS             | \$ -                | \$ -                | \$ -                | \$ -                | \$ -                | \$ -                |
| Game Rental COGS                 | \$ -                | \$ -                | \$ -                | \$ -                | \$ -                | \$ -                |
| Event Rental COGS                | \$ -                | \$ -                | \$ -                | \$ -                | \$ -                | \$ -                |
| Engel Classic COGS               | \$ -                | \$ -                | \$ -                | \$ -                | \$ -                | \$ -                |
| Merch/F&B COGS                   | \$ 10,682           | \$ 13,353           | \$ 16,023           | \$ 20,029           | \$ 24,035           | \$ 26,705           |
| <b>Total COGS</b>                | <b>\$ 10,682</b>    | <b>\$ 13,353</b>    | <b>\$ 16,023</b>    | <b>\$ 20,029</b>    | <b>\$ 24,035</b>    | <b>\$ 26,705</b>    |
| <b>Gross Profit</b>              | <b>\$ 61,302</b>    | <b>\$ 76,628</b>    | <b>\$ 91,953</b>    | <b>\$ 116,191</b>   | <b>\$ 140,430</b>   | <b>\$ 158,255</b>   |
| Advertising                      | \$ 20,000           | \$ 20,600           | \$ 21,218           | \$ 21,855           | \$ 22,510           | \$ 23,185           |
| Cleaning Expense                 | \$ 5,000            | \$ 5,150            | \$ 5,305            | \$ 5,464            | \$ 5,628            | \$ 5,796            |
| Computer Internet                | \$ 5,000            | \$ 5,150            | \$ 5,305            | \$ 5,464            | \$ 5,628            | \$ 5,796            |
| Credit Card Fees                 | \$ 1,000            | \$ 1,030            | \$ 1,061            | \$ 1,093            | \$ 1,126            | \$ 1,159            |
| Insurance                        | \$ 10,000           | \$ 10,300           | \$ 10,609           | \$ 10,927           | \$ 11,255           | \$ 11,593           |
| Licenses, Fees and Permits       | \$ 15,000           | \$ 15,450           | \$ 15,914           | \$ 16,391           | \$ 16,883           | \$ 17,389           |
| Minor Equipment                  | \$ 10,000           | \$ 10,300           | \$ 10,609           | \$ 10,927           | \$ 11,255           | \$ 11,593           |
| Miscellaneous                    | \$ 5,000            | \$ 5,150            | \$ 5,305            | \$ 5,464            | \$ 5,628            | \$ 5,796            |
| Office Expense                   | \$ 1,000            | \$ 1,030            | \$ 1,061            | \$ 1,093            | \$ 1,126            | \$ 1,159            |
| Full Time Salaries & Benefits    | \$ 57,885           | \$ 59,622           | \$ 61,410           | \$ 63,253           | \$ 65,150           | \$ 67,105           |
| Security                         | \$ 7,500            | \$ 7,725            | \$ 7,957            | \$ 8,195            | \$ 8,441            | \$ 8,695            |
| Staff/Team Equipment             | \$ 2,500            | \$ 2,575            | \$ 2,652            | \$ 2,732            | \$ 2,814            | \$ 2,898            |
| Telephone                        | \$ 2,500            | \$ 2,575            | \$ 2,652            | \$ 2,732            | \$ 2,814            | \$ 2,898            |
| Grounds & Maintenance            | \$ 30,000           | \$ 30,900           | \$ 31,827           | \$ 32,782           | \$ 33,765           | \$ 34,778           |
| Utilities                        | \$ 50,000           | \$ 55,000           | \$ 60,500           | \$ 69,575           | \$ 80,011           | \$ 88,012           |
| <b>Total Expenses</b>            | <b>\$ 222,385</b>   | <b>\$ 232,557</b>   | <b>\$ 243,383</b>   | <b>\$ 257,945</b>   | <b>\$ 274,032</b>   | <b>\$ 287,854</b>   |
| <b>Net Income</b>                | <b>\$ (161,083)</b> | <b>\$ (155,929)</b> | <b>\$ (151,430)</b> | <b>\$ (141,753)</b> | <b>\$ (133,603)</b> | <b>\$ (129,599)</b> |
| Facility Improvements            | \$ 106,000          | \$ 100,000          | \$ 100,000          | \$ 100,000          | \$ 100,000          | \$ 100,000          |

| <b>New Natural Grass Field</b>  | <b><u>2015</u></b> | <b><u>2016</u></b> | <b><u>2017</u></b> | <b><u>2018</u></b> | <b><u>2019</u></b> | <b><u>2020</u></b> |
|---------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
|                                 | <b><u>40%</u></b>  | <b><u>50%</u></b>  | <b><u>60%</u></b>  | <b><u>75%</u></b>  | <b><u>90%</u></b>  | <b><u>100%</u></b> |
| <b><u>Operating Revenue</u></b> |                    |                    |                    |                    |                    |                    |
| Primary User(s)                 | \$ 43,000          | \$ 53,750          | \$ 64,500          | \$ 80,625          | \$ 96,750          | \$ 107,500         |
| Game Rental                     | \$ 20,640          | \$ 25,800          | \$ 30,960          | \$ 38,700          | \$ 46,440          | \$ 51,600          |
| Event Rental                    | \$ 9,600           | \$ 12,000          | \$ 14,400          | \$ 18,000          | \$ 21,600          | \$ 24,000          |
| Movie Night Series              | \$ 4,000           | \$ 5,000           | \$ 6,000           | \$ 7,500           | \$ 9,000           | \$ 10,000          |
| Engel Classic                   | \$ 33,072          | \$ 33,072          | \$ 33,072          | \$ 33,072          | \$ 33,072          | \$ 33,072          |
| Tours                           | \$ -               | \$ -               | \$ -               | \$ -               | \$ -               | \$ -               |
| Merch/F&B                       | \$ 19,180          | \$ 23,975          | \$ 28,770          | \$ 35,963          | \$ 43,155          | \$ 47,950          |
| Sponsorships                    | \$ 10,000          | \$ 15,000          | \$ 20,000          | \$ 30,000          | \$ 40,000          | \$ 50,000          |
| <b>Total Operating Revenue</b>  | <b>\$ 139,492</b>  | <b>\$ 168,597</b>  | <b>\$ 197,702</b>  | <b>\$ 243,860</b>  | <b>\$ 290,017</b>  | <b>\$ 324,122</b>  |
| <b><u>Operating Expense</u></b> |                    |                    |                    |                    |                    |                    |
| Primary User(s) COGS            | \$ -               | \$ -               | \$ -               | \$ -               | \$ -               | \$ -               |
| Game Rental COGS                | \$ -               | \$ -               | \$ -               | \$ -               | \$ -               | \$ -               |
| Event Rental COGS               | \$ -               | \$ -               | \$ -               | \$ -               | \$ -               | \$ -               |
| Engel Classic COGS              | \$ -               | \$ -               | \$ -               | \$ -               | \$ -               | \$ -               |
| Merch/F&B COGS                  | \$ 9,590           | \$ 11,988          | \$ 14,385          | \$ 17,981          | \$ 21,578          | \$ 23,975          |
| <b>Total COGS</b>               | <b>\$ 9,590</b>    | <b>\$ 11,988</b>   | <b>\$ 14,385</b>   | <b>\$ 17,981</b>   | <b>\$ 21,578</b>   | <b>\$ 23,975</b>   |
| <b>Gross Profit</b>             | <b>\$ 129,902</b>  | <b>\$ 156,610</b>  | <b>\$ 183,317</b>  | <b>\$ 225,878</b>  | <b>\$ 268,440</b>  | <b>\$ 300,147</b>  |
| Advertising                     | \$ 20,000          | \$ 20,600          | \$ 21,218          | \$ 21,855          | \$ 22,510          | \$ 23,185          |
| Cleaning Expense                | \$ 5,000           | \$ 5,150           | \$ 5,305           | \$ 5,464           | \$ 5,628           | \$ 5,796           |
| Computer Internet               | \$ 5,000           | \$ 5,150           | \$ 5,305           | \$ 5,464           | \$ 5,628           | \$ 5,796           |
| Credit Card Fees                | \$ 1,000           | \$ 1,030           | \$ 1,061           | \$ 1,093           | \$ 1,126           | \$ 1,159           |
| Insurance                       | \$ 10,000          | \$ 10,300          | \$ 10,609          | \$ 10,927          | \$ 11,255          | \$ 11,593          |
| Licenses, Fees and Permits      | \$ 15,000          | \$ 15,450          | \$ 15,914          | \$ 16,391          | \$ 16,883          | \$ 17,389          |
| Minor Equipment                 | \$ 10,000          | \$ 10,300          | \$ 10,609          | \$ 10,927          | \$ 11,255          | \$ 11,593          |
| Miscellaneous                   | \$ 5,000           | \$ 5,150           | \$ 5,305           | \$ 5,464           | \$ 5,628           | \$ 5,796           |
| Printing & Reproduction         | \$ 500             | \$ 515             | \$ 530             | \$ 546             | \$ 563             | \$ 580             |
| Full Time Salaries & Benefits   | \$ 57,885          | \$ 59,622          | \$ 61,410          | \$ 63,253          | \$ 65,150          | \$ 67,105          |
| Security                        | \$ 7,500           | \$ 7,725           | \$ 7,957           | \$ 8,195           | \$ 8,441           | \$ 8,695           |
| Staff/Team Equipment            | \$ 2,500           | \$ 2,575           | \$ 2,652           | \$ 2,732           | \$ 2,814           | \$ 2,898           |
| Telephone                       | \$ 2,500           | \$ 2,575           | \$ 2,652           | \$ 2,732           | \$ 2,814           | \$ 2,898           |
| Grounds & Maintenance           | \$ 37,500          | \$ 38,625          | \$ 39,784          | \$ 40,977          | \$ 42,207          | \$ 43,473          |
| Utilities                       | \$ 50,000          | \$ 55,000          | \$ 60,500          | \$ 69,575          | \$ 80,011          | \$ 88,012          |
| Field Replacement Fund          | \$ -               | \$ -               | \$ -               | \$ 25,000          | \$ 25,000          | \$ 25,000          |
| <b>Total Expenses</b>           | <b>\$ 229,385</b>  | <b>\$ 239,767</b>  | <b>\$ 250,810</b>  | <b>\$ 290,594</b>  | <b>\$ 306,911</b>  | <b>\$ 320,969</b>  |
| <b>Net Income</b>               | <b>\$ (99,483)</b> | <b>\$ (83,157)</b> | <b>\$ (67,493)</b> | <b>\$ (64,716)</b> | <b>\$ (38,471)</b> | <b>\$ (20,822)</b> |
| Debt                            | \$ 192,987         | \$ 192,987         | \$ 192,987         | \$ 192,987         | \$ 192,987         | \$ 192,987         |



| <b>Synthetic Turf Field</b>     | <b><u>2015</u></b> | <b><u>2016</u></b> | <b><u>2017</u></b> | <b><u>2018</u></b> | <b><u>2019</u></b> | <b><u>2020</u></b> |
|---------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
|                                 | <b><u>40%</u></b>  | <b><u>50%</u></b>  | <b><u>60%</u></b>  | <b><u>75%</u></b>  | <b><u>90%</u></b>  | <b><u>100%</u></b> |
| <b><u>Operating Revenue</u></b> |                    |                    |                    |                    |                    |                    |
| Primary User(s)                 | \$ 64,500          | \$ 80,625          | \$ 96,750          | \$ 120,938         | \$ 145,125         | \$ 161,250         |
| Game Rental                     | \$ 37,840          | \$ 47,300          | \$ 56,760          | \$ 70,950          | \$ 85,140          | \$ 94,600          |
| Event Rental                    | \$ 12,800          | \$ 16,000          | \$ 19,200          | \$ 24,000          | \$ 28,800          | \$ 32,000          |
| Movie Night Series              | \$ 4,000           | \$ 5,000           | \$ 6,000           | \$ 7,500           | \$ 9,000           | \$ 10,000          |
| Engel Classic                   | \$ 33,072          | \$ 33,072          | \$ 33,072          | \$ 33,072          | \$ 33,072          | \$ 33,072          |
| Tours                           | \$ -               | \$ -               | \$ -               | \$ -               | \$ -               | \$ -               |
| Merch/F&B                       | \$ 40,833          | \$ 51,041          | \$ 61,250          | \$ 76,562          | \$ 91,874          | \$ 102,083         |
| Sponsorships                    | \$ 20,000          | \$ 30,000          | \$ 40,000          | \$ 55,000          | \$ 70,000          | \$ 80,000          |
| <b>Total Operating Revenue</b>  | <b>\$ 213,045</b>  | <b>\$ 263,038</b>  | <b>\$ 313,032</b>  | <b>\$ 388,021</b>  | <b>\$ 463,011</b>  | <b>\$ 513,005</b>  |
| <b><u>Operating Expense</u></b> |                    |                    |                    |                    |                    |                    |
| Primary User(s) COGS            | \$ -               | \$ -               | \$ -               | \$ -               | \$ -               | \$ -               |
| Game Rental COGS                | \$ -               | \$ -               | \$ -               | \$ -               | \$ -               | \$ -               |
| Event Rental COGS               | \$ -               | \$ -               | \$ -               | \$ -               | \$ -               | \$ -               |
| Engel Classic COGS              | \$ -               | \$ -               | \$ -               | \$ -               | \$ -               | \$ -               |
| Merch/F&B COGS                  | \$ 20,417          | \$ 25,521          | \$ 30,625          | \$ 38,281          | \$ 45,937          | \$ 51,041          |
| <b>Total COGS</b>               | <b>\$ 20,417</b>   | <b>\$ 25,521</b>   | <b>\$ 30,625</b>   | <b>\$ 38,281</b>   | <b>\$ 45,937</b>   | <b>\$ 51,041</b>   |
| <b>Gross Profit</b>             | <b>\$ 192,629</b>  | <b>\$ 237,518</b>  | <b>\$ 282,407</b>  | <b>\$ 349,740</b>  | <b>\$ 417,074</b>  | <b>\$ 461,963</b>  |
| Advertising                     | \$ 20,000          | \$ 20,600          | \$ 21,218          | \$ 21,855          | \$ 22,510          | \$ 23,185          |
| Cleaning Expense                | \$ 5,000           | \$ 5,150           | \$ 5,305           | \$ 5,464           | \$ 5,628           | \$ 5,796           |
| Computer Internet               | \$ 5,000           | \$ 5,150           | \$ 5,305           | \$ 5,464           | \$ 5,628           | \$ 5,796           |
| Credit Card Fees                | \$ 1,000           | \$ 1,030           | \$ 1,061           | \$ 1,093           | \$ 1,126           | \$ 1,159           |
| Insurance                       | \$ 10,000          | \$ 10,300          | \$ 10,609          | \$ 10,927          | \$ 11,255          | \$ 11,593          |
| Licenses, Fees and Permits      | \$ 15,000          | \$ 15,450          | \$ 15,914          | \$ 16,391          | \$ 16,883          | \$ 17,389          |
| Minor Equipment                 | \$ 10,000          | \$ 10,300          | \$ 10,609          | \$ 10,927          | \$ 11,255          | \$ 11,593          |
| Miscellaneous                   | \$ 5,000           | \$ 5,150           | \$ 5,305           | \$ 5,464           | \$ 5,628           | \$ 5,796           |
| Office Expense                  | \$ 1,000           | \$ 1,030           | \$ 1,061           | \$ 1,093           | \$ 1,126           | \$ 1,159           |
| Full Time Salaries & Benefits   | \$ 57,885          | \$ 59,622          | \$ 61,410          | \$ 63,253          | \$ 65,150          | \$ 67,105          |
| Security                        | \$ 7,500           | \$ 7,725           | \$ 7,957           | \$ 8,195           | \$ 8,441           | \$ 8,695           |
| Staff/Team Equipment            | \$ 2,500           | \$ 2,575           | \$ 2,652           | \$ 2,732           | \$ 2,814           | \$ 2,898           |
| Telephone                       | \$ 2,500           | \$ 2,575           | \$ 2,652           | \$ 2,732           | \$ 2,814           | \$ 2,898           |
| Grounds & Maintenance           | \$ 18,000          | \$ 18,540          | \$ 19,096          | \$ 19,669          | \$ 20,259          | \$ 20,867          |
| Utilities                       | \$ 80,000          | \$ 88,000          | \$ 96,800          | \$ 111,320         | \$ 128,018         | \$ 140,820         |
| <b>Total Expenses</b>           | <b>\$ 240,385</b>  | <b>\$ 253,197</b>  | <b>\$ 266,952</b>  | <b>\$ 286,577</b>  | <b>\$ 308,533</b>  | <b>\$ 326,750</b>  |
| <b>Net Income</b>               | <b>\$ (47,757)</b> | <b>\$ (15,679)</b> | <b>\$ 15,454</b>   | <b>\$ 63,163</b>   | <b>\$ 108,541</b>  | <b>\$ 135,213</b>  |
| Debt                            | \$ 297,597         | \$ 297,597         | \$ 297,597         | \$ 297,597         | \$ 297,597         | \$ 297,597         |

## Summary

The models included in this section highlight the value of synthetic turf as opposed to natural grass, specifically in terms of the number of usable hours, maintenance costs, and rental rate. Detailed earlier in the report, natural grass fields face playing time restrictions in order to avoid damaging the playing surface. Synthetic turf does not face these restrictions, and the difference is clear in the three financial models. The synthetic turf scenario revenue far outpaces both the playable field and new natural grass field scenarios.

Furthermore, the synthetic turf field scenario will allow Engel Stadium to charge a higher rental rate while reducing the maintenance costs necessary to maintain the field. As a result, the ballpark will be able to charge a higher rate to use the field while spending less to maintain a high quality playing surface.

**Table 6.6: Financial Models Summary**

| <b>Short-Term Playable Field Model</b> | <b>2015</b>        | <b>2016</b>        | <b>2017</b>        | <b>2018</b>        | <b>2019</b>        | <b>2020</b>        |
|--|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| Operating Revenue                      | \$71,984           | \$89,980           | \$107,976          | \$136,220          | \$164,464          | \$184,960          |
| Total Cost of Goods Sold               | \$10,682           | \$13,353           | \$16,023           | \$20,029           | \$24,035           | \$26,705           |
| Total Expenses                         | \$222,385          | \$232,557          | \$243,383          | \$257,945          | \$274,032          | \$287,854          |
| <b>Net Income</b>                      | <b>\$(161,083)</b> | <b>\$(155,929)</b> | <b>\$(151,430)</b> | <b>\$(141,753)</b> | <b>\$(133,603)</b> | <b>\$(129,599)</b> |
|  |                    |                    |                    |                    |                    |                    |
| <b>New Natural Grass Field Model</b>   | <b>2015</b>        | <b>2016</b>        | <b>2017</b>        | <b>2018</b>        | <b>2019</b>        | <b>2020</b>        |
| Operating Revenue                      | \$139,492          | \$168,597          | \$197,702          | \$243,860          | \$290,017          | \$324,122          |
| Total Cost of Goods Sold               | \$9,590            | \$11,988           | \$14,385           | \$17,981           | \$21,578           | \$23,975           |
| Total Expenses                         | \$229,385          | \$239,767          | \$250,810          | \$290,594          | \$306,911          | \$320,969          |
| <b>Net Income</b>                      | <b>\$(99,483)</b>  | <b>\$(83,157)</b>  | <b>\$(67,493)</b>  | <b>\$(64,716)</b>  | <b>\$(38,471)</b>  | <b>\$(20,822)</b>  |
|  |                    |                    |                    |                    |                    |                    |
| <b>Synthetic Turf Field Model</b>      | <b>2015</b>        | <b>2016</b>        | <b>2017</b>        | <b>2018</b>        | <b>2019</b>        | <b>2020</b>        |
| Operating Revenue                      | \$213,045          | \$263,038          | \$313,032          | \$388,021          | \$463,011          | \$513,005          |
| Total Cost of Goods Sold               | \$20,417           | \$25,521           | \$30,625           | \$38,281           | \$45,937           | \$51,041           |
| Total Expenses                         | \$240,385          | \$253,197          | \$266,952          | \$286,577          | \$308,533          | \$326,750          |
| <b>Net Income</b>                      | <b>\$(47,757)</b>  | <b>\$(15,679)</b>  | <b>\$15,454</b>    | <b>\$63,163</b>    | <b>\$108,541</b>   | <b>\$135,213</b>   |

The clear downside to the synthetic turf scenario is the high up front cost associated with the construction and installation. The synthetic turf field will cost far more than either the playable field scenario or new natural grass field scenario. Despite the high upfront cost, Ripken Sports believes a synthetic turf field will create the best opportunity to achieve operational sustainability over the long term.