



Expo Future Project Update

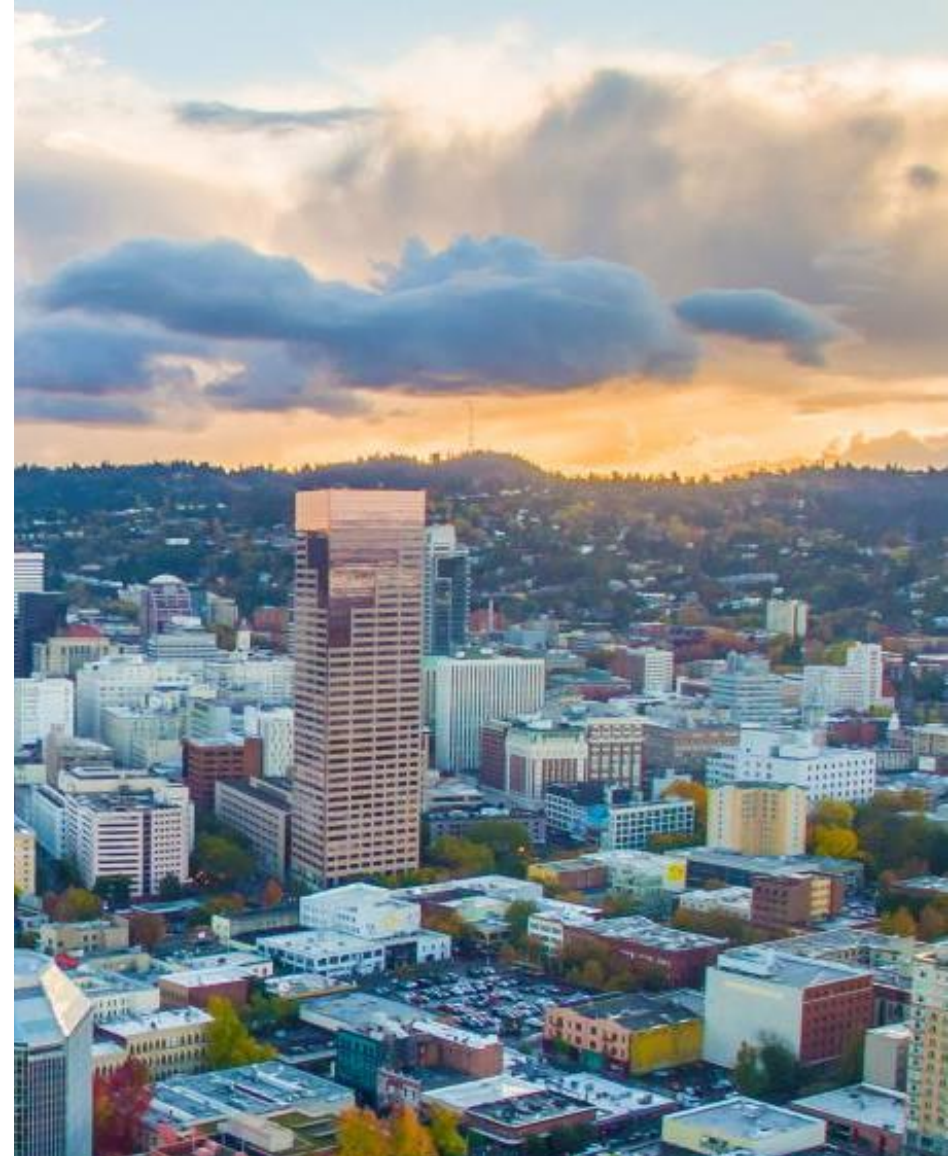
Metro / MERC
Joint Session

DECEMBER 10, 2024



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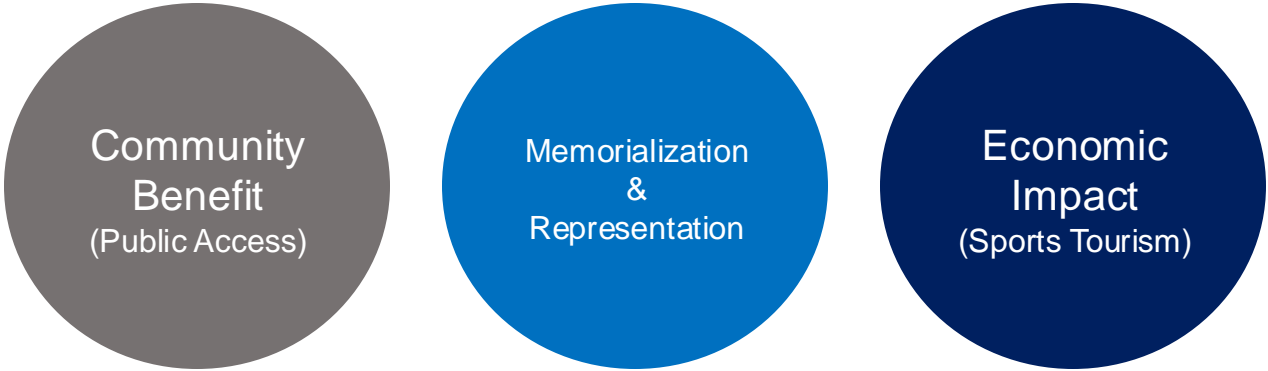


Project Purpose

The goal for Expo’s future redevelopment is to be a **community-centric destination venue that prioritizes amateur, professional, and recreational sports**. Within the Sports & Facilities Committee’s Public Use Statement, an emphasis is placed on the importance of striking a balance in creating a **regionally significant sports competition and tournament venue** and **ensuring local community members have reliable venue access**.

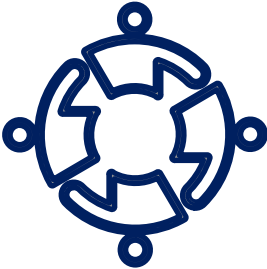
Equally important is **memorializing Expo as a site of national historic significance** given its history of forced displacement during World War II and the Vanport Floods, as well as the site’s pre-colonial history and importance to Indigenous Peoples.

PROJECT PRIORITIES



Since June of this year, additional steps have been made to help advance the Project and these priorities. This includes: **1) Memorialization & Representation Recommendations, 2) Scenario Refinement, and 3) Project Funding Strategies**. The results of this work through collaboration amongst Project committees and Metro staff are outlined on the following slides.

Community Benefit



All of the scenarios initially proposed for the Project would generate additional community benefits to the residents of the Metro area and the region beyond. The Project includes an investment in community spaces, which will provide new sports and Expo attendees, along with the public, an opportunity to learn and engage in Expo’s historical significance.

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

Weekday Days



**Public Access
(Community Benefit)**



Weekday Nights



Club / League



Weekends



**Tournaments
(Economic Impact)**

Memorialization & Representation

Metro's Expo Future Historical Significance & Memorialization Committee (HSMC) guided the community input process and developed recommendations of how to represent and memorialize the histories and cultures associated with the Expo site. Committee members provided their time, talent, insightful questions and thoughtful comments, with a generosity of spirit that set the tone for their work.

Throughout Metro's community engagement process, more than 140 members of urban Indigenous, Japanese American and Vanport communities generously shared their perspectives during interviews, virtual conversations, in-person workshops and online. Partner organizations, including Epworth United Methodist Church, Japanese Ancestral Society of Oregon, Japanese American Museum of Oregon, and Vanport Mosaic, provided outreach to their respective communities and hosted many of the workshops. Formal and informal community ambassadors also provided outreach and encouraged community participation in this process.

HSMC recommends that Expo's future include memorialization and representation of Impacted Communities: urban Indigenous, Japanese American, and Vanport communities, which are the three primary groups with significant historical ties to Expo and its surrounding land and water. HSMC's recommendations reflect both the pain of their histories and the joy of and pride in their ongoing community presence. The committee recommends that features that represent histories and cultures be located throughout the Expo site, indoors and out, and not concentrated in any single area. Specifics on design and placement will be identified in the next phase of planning in close collaboration with Impacted Communities.















For a complete version of recommendations for memorialization and representation recommendations, please refer to the *Expo Future Historical Significance and Memorialization Committee Recommendations Report* of November 2024.



Scenario Refinement

Scenario Recap

To the right are the four scenarios that resulted from the market study completed earlier this year. These scenarios show a range of facilities that could generate more sports tourism versus more local demand. In all scenarios, it is expected these facilities would be accessible to the public, at least on weekdays with the goal of tournaments driving weekend activity.

Scenario 1	 2 Ice Sheets	 9 BB / 18 VB	 200m Track	 1 Turf Field	
Scenario 2	 2 Ice Sheets	 9 BB / 18 VB			
Scenario 3	 1 Ice Sheet	 6 BB / 12 VB		 1/2 Turf Field	
Scenario 4	 2 Ice Sheets	 9 BB / 18 VB	 200m Track	 1 Turf Field	 Training Facility

Eliminated Scenarios

Through the work of the **Scenario Refinement Subcommittee**, numerous scenarios or elements were eliminated:

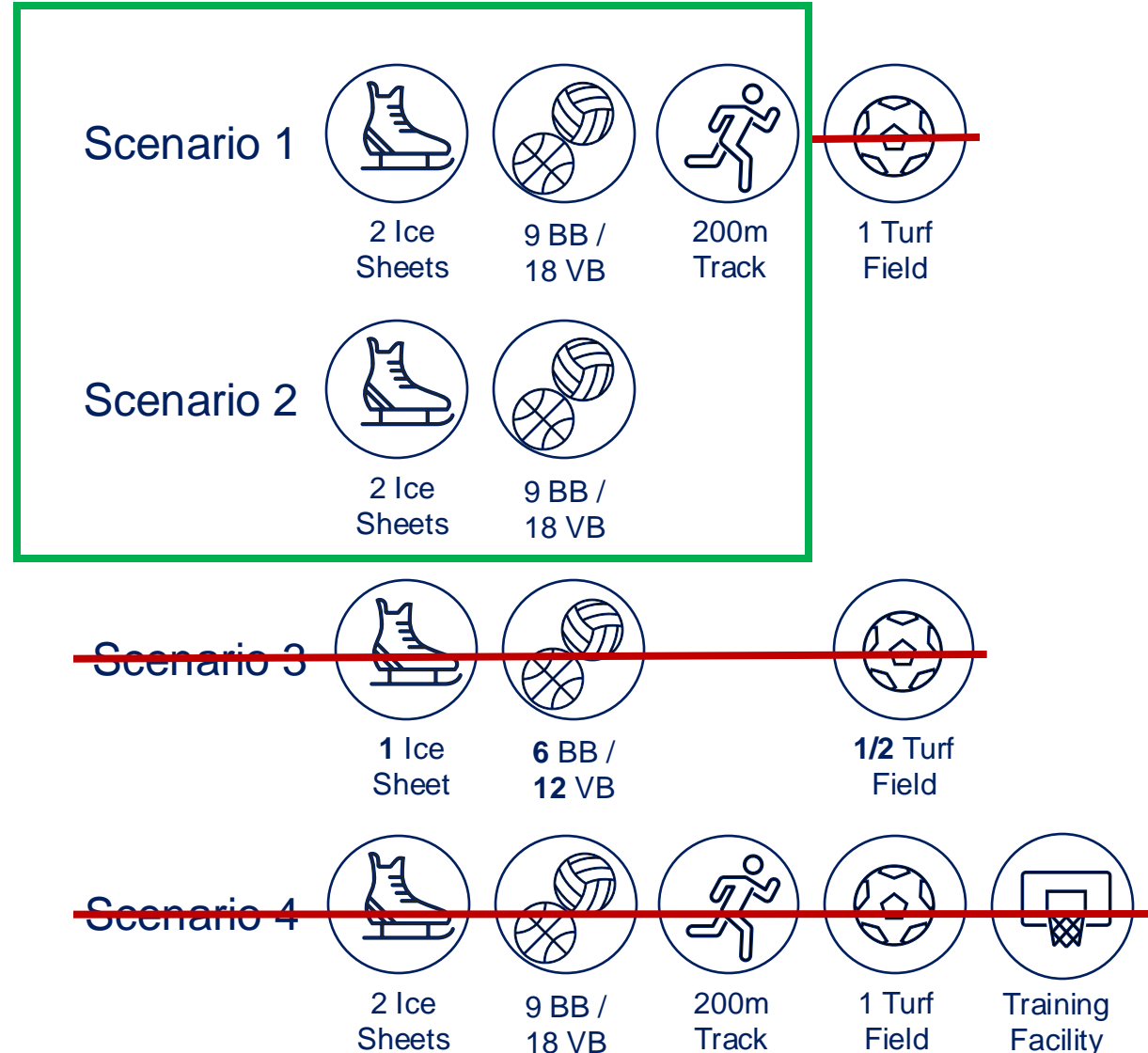
- **No** Scenario 4 - No Professional Basketball Training Facility (at Expo)
- **No** Turf Field (all scenarios)

Hunden also does not recommend moving forward with the following development options:

- **No** Scenario 3 (reduced sports tourism potential)
- **No** standalone Track Facility (underutilization)

This left Scenario 1 (without a turf field) or Scenario 2, with the difference being a portable 200m banked track being utilized within the court facility during a portion of the year. Due to conflicting basketball, volleyball, and track seasons, it was recommended the portable 200m banked track instead be designated for short-term placement within Halls D&E during track season rather than the court facility.

The following slides shows the site concept plan for the recommended new redevelopment scenario for Expo.

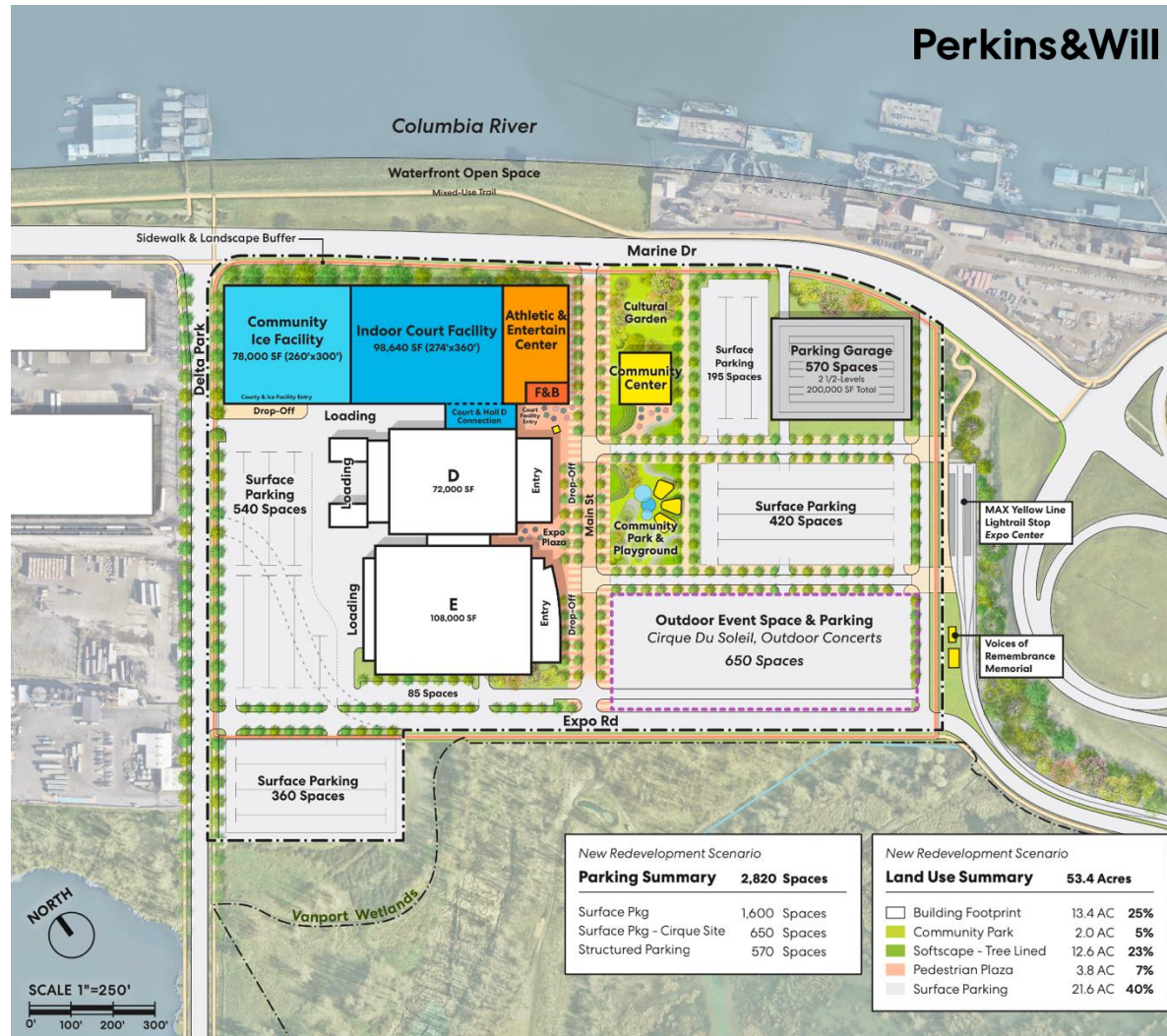


New Redevelopment Scenario

Developed by Perkins&Will, the site concept to the right shows the proposed new sports facility development scenario for the Expo site.

This includes not only a twin-sheet ice facility, but also a Hall D-connected 9 basketball court (16 volleyball court) facility, along with on-site amenities including sports support spaces, food and beverage space, and a family entertainment center.

Centralized on the site is a 15,000 SF community center surrounded by a community garden, park and playground envisioned to be used as gathering space for the public and communities affected by Expo's history.



New Redevelopment Scenario

Court & Ice Facility

Program Summary

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

New Sports Facilities (Indoor) 176,640 SF

	Community Ice (2 Ice Sheets)	78,000 SF
	Court Facility (9 BB, 18 VB)	98,640 SF

On-Site Amenities 85,120 SF*

Athletic and Entertainment Center 65,170 SF*	
	Fitness/Training 12,000 SF
	Sports Medicine 3,000 SF
	Meeting Space/Classrooms 6,000 SF
	Offices 8,000 SF
	Family Entertainment Center 15,000 SF
	Food & Beverage 5,000 SF

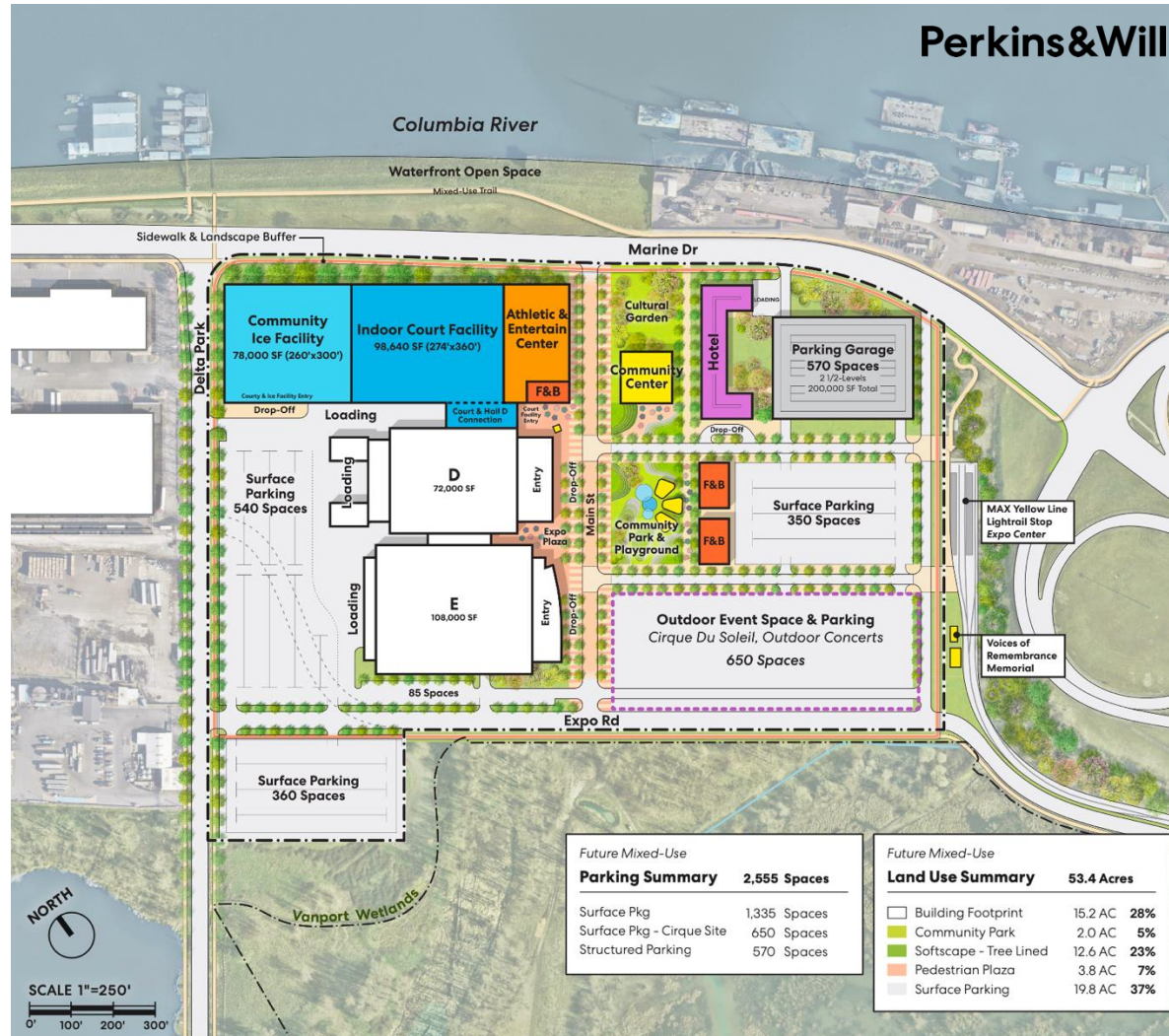
Community Space	
	Community/Event Space 15,000 SF

*Subtotal plus Grossing Factor

Future Mixed-Use Development

As these new facilities stabilize and as the local hotel and retail market continues to rebound, additional private development is recommended for the Expo site over the long-term to help support projected overnight visitation and increase on-site spending.

This second concept shows the placement of a 120-key select-service hotel and 15,000 SF of additional restaurant space, creating more density on-site, encouraging visitors to linger longer from increased convenience and walkability.



New Redevelopment Scenario - Future Mixed-Use

Court & Ice Facility

Program Summary

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

New Sports Facilities (Indoor) 176,640 SF

	Community Ice (2 Ice Sheets)	78,000 SF
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Athletic and Entertainment Center 65,170 SF*		
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	Sports Medicine	3,000 SF
	Meeting Space/Classrooms	6,000 SF
	Offices	8,000 SF
	Family Entertainment Center	15,000 SF
	Food & Beverage	5,000 SF

Community Space 15,000 SF

	Community/Event Space	15,000 SF
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On-Site Amenities (Future Mixed-Use) 69,000 SF

	Hotel	120-Keys / 54,000 SF
	Food & Beverage	15,000 SF

*Subtotal plus Grossing Factor

Project Renderings – Aerial View

The image to the right shows an aerial rendering of the proposed new redevelopment scenario including a future hotel and restaurants.



Project Renderings – Aerial View

The image to the right shows a zoomed in view of the proposed new redevelopment scenario including a future hotel and restaurants.



Project Renderings – Ground Level View

This image shows a rendering of the ground level view of the **athletic & entertainment center** along Main Street.



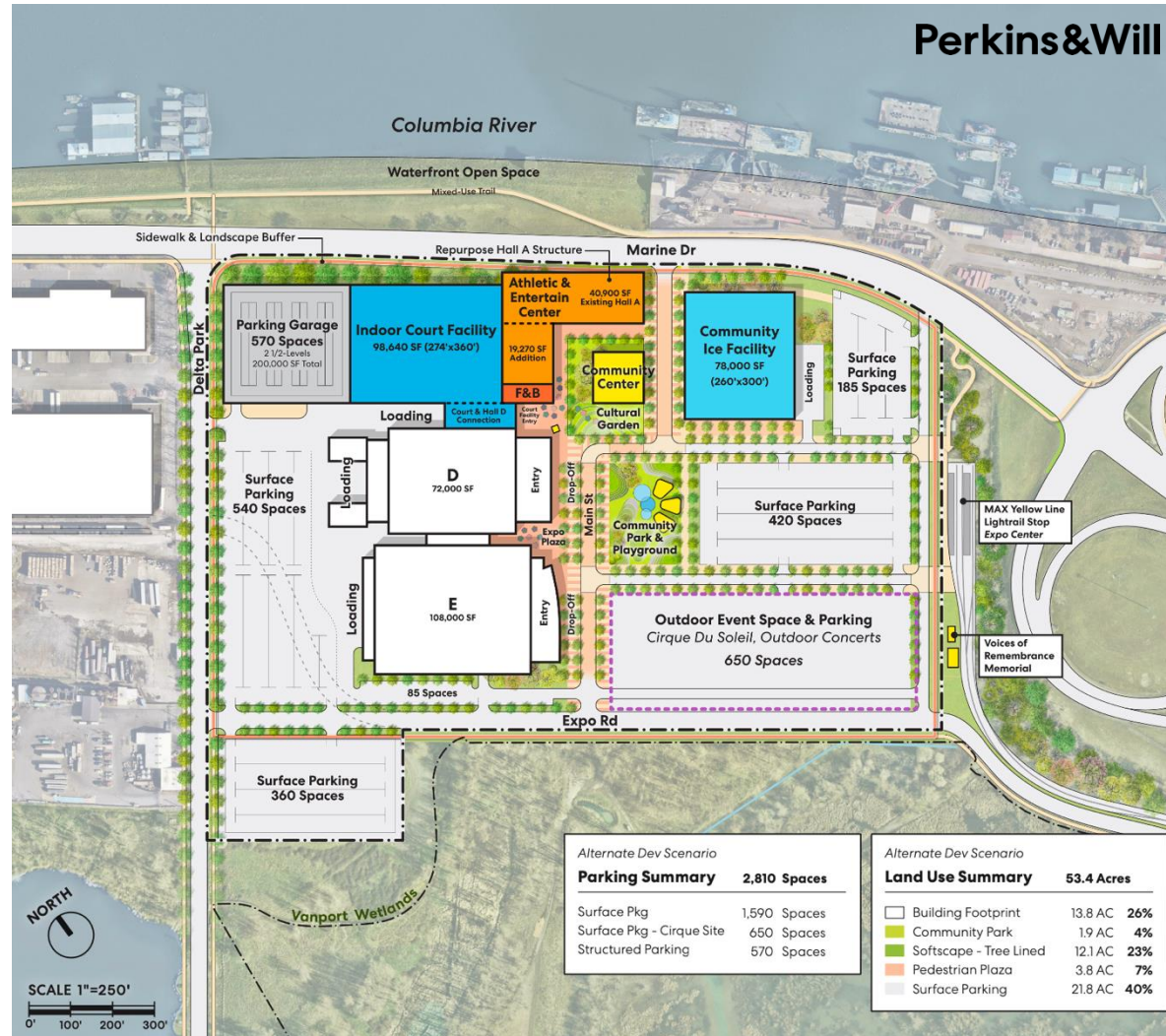
Project Renderings – Ground Level View

This image shows a rendering of the ground level view of the **community center** along Main Street from Marine Drive.



Alternate Scenario – Repurposing of Hall A

Developed by Perkins&Will, the site concept to the right shows the alternate redevelopment scenario that includes the repurposing of Hall A.



Alternate Development Scenario - Repurposing of Hall A

Court & Ice Facility

Program Summary

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

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- Community Ice (2 Ice Sheets) 78,000 SF
- Court Facility (9 BB, 18 VB) 98,640 SF

On-Site Amenities 85,120 SF*

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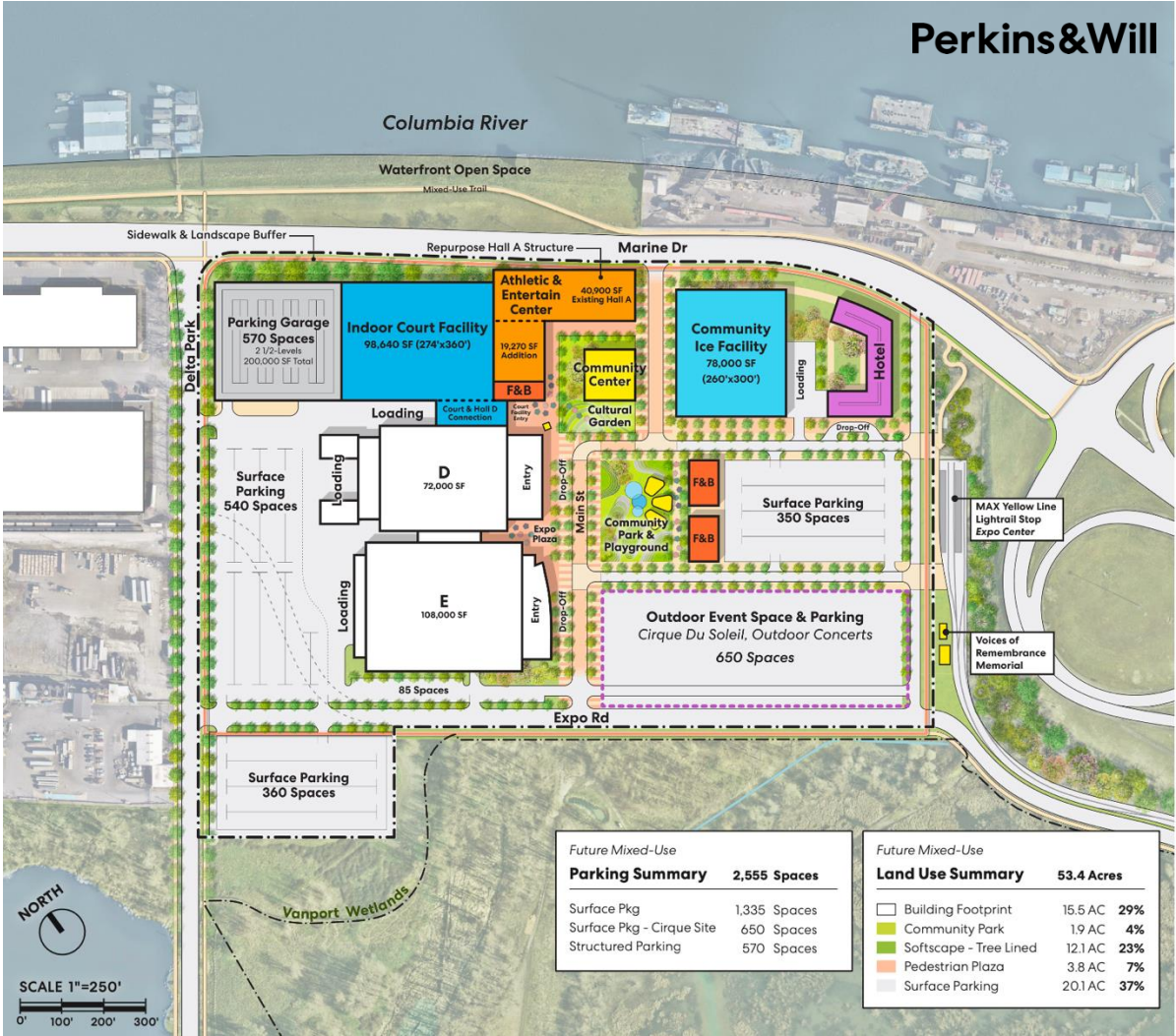
Community Space

- Community/Event Space 15,000 SF

*Subtotal plus Grossing Factor

Alternate Scenario – Future Mixed-Use

This site plan shows the alternate redevelopment scenario, including the proposed future hotel and additional restaurant space.



Alternate Development Scenario - Repurposing of Hall A - Future Mixed-Use

Court & Ice Facility

Program Summary

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

New Sports Facilities (Indoor) 176,640 SF

Community Ice (2 Ice Sheets)	78,000 SF
Court Facility (9 BB, 18 VB)	98,640 SF

On-Site Amenities 85,120 SF*

Athletic and Entertainment Center 65,170 SF*

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

Community Space

Community/Event Space	15,000 SF
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On-Site Amenities (Future Mixed-Use) 69,000 SF

Hotel	120-Keys / 54,000 SF
Food & Beverage	15,000 SF

*Subtotal plus Grossing Factor



Demand & Financial Projections

Sports Facility Events

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

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

Sports Facility Stabilized Event Projections (Year 3)

Events

Basketball Tournaments	12
Volleyball Tournaments	16
Pickleball Tournaments	6
Wrestling Meets	4
Cheer/Dance	8
Ice Tournaments	18
Meetings / Classes	58
Total	122

Event Days

Basketball Tournaments	24
Volleyball Tournaments	32
Pickleball Tournaments	12
Wrestling Meets	8
Cheer/Dance	16
Ice Tournaments	36
Meetings / Classes	58
Total	186

Source: Hunden Partners

Sports Facility Attendance

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

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

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

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

Sports Facility Stabilized Attendance Projections (Year 3)

Public Use	116,640
Daily Rentals	124,740
Ice Facility Use	608,408
Basketball Tournaments	54,000
Volleyball Tournaments	134,400
Pickleball Tournaments	2,880
Wrestling Meets	14,400
Cheer/Dance	30,000
Ice Tournaments	30,240
Meetings / Classes	2,880
Family Entertainment Center (Non-Sports Visitors)	20,000
Community Space (Non-Sports Visitors)	10,000
Total Attendance	1,148,588

Source: Hunden Partners

Expo Events



The proposed sports facilities could have an impact on the future performance of Expo’s existing facilities. Either Halls ABC would be deconstructed or just Hall A would be repurposed for sport facility support spaces and community space.

There are a number of events that require more space than what Halls D and E provide which could result in lost attendance and revenues due to the elimination of the exhibit space in Halls ABC. Hunden projects that attendance and revenues for events that currently use all five halls would reduce by 50 percent, and attendance and revenues for events that currently use three halls would reduce by one-third.

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

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

For comparison, Expo hosted 56 events over 202 event days in FY 2023. Increases to this baseline are reflected in more consumer shows, concerts / entertainment, and sporting events.

Expo Stabilized Event Projections (Year 3)

Events	
Consumer Show	37
Concert / Entertainment	4
Major Outdoor Event	1
Sporting Event	14
Meeting / Seminar	6
Banquet	2
Other	5
Total	69
Event Days	
Consumer Show	111
Concert / Entertainment	8
Major Outdoor Event	50
Sporting Event	42
Meeting / Seminar	12
Banquet	2
Other	5
Total	230

Source: Hunden Partners

Expo Attendance

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

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

Expo Stabilized Attendance Projections (Year 3)

Consumer Show	148,000
Concert / Entertainment	32,000
Major Outdoor Event	80,000
Sporting Event	77,000
Meeting / Seminar	3,450
Banquet	550
Other	500
Total Attendance	341,500

Source: Hunden Partners

Financial Projections

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

Rental revenues consist of court rentals along with building rental. It is assumed that the ice facility is based on a lease structure, whereby the Winterhawks pay a lease per square foot plus common area maintenance (CAM) reimbursements and are responsible for their own facility staff and operating expenses. The Winterhawks would then retain any program and other revenues generated within the ice facility; however, parking, F&B, and family entertainment center (FEC) revenues are assumed for ice facility spectators and public users.

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

Hunden assumed a full load of full-time personnel and part-time labor would be needed for the sports facility, in addition to current staff at Expo. It is also assumed a private management company would operate the facilities. Currently Expo is allocated a share of Metro CAP expenses. In FY 2024, this amounts to approximately \$950,000. If Expo moves to a private management structure, this cost allocation will need to be revisited. To be conservative, however, Hunden included this expense in the projections. It was also assumed approximately half of historical rentals and related revenues of utilizing parking lots may be lost due to the need to utilize parking on a more daily basis for the sports facilities.

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

Combined Expo / Sports Stabilized Financial Projections (Year 3)

Revenues (000s)

Rental Revenues	\$	4,551
Concessions / Catering (Net)	\$	1,328
Parking (Net)	\$	2,834
Event Charges	\$	1,135
Family Entertainment Center (Net)	\$	762
Admission Fees	\$	169
Advertising & Sponsorship	\$	191
Other Revenues	\$	93
Total	\$	11,064

Expenses (000s)

Personnel & Labor	\$	3,492
Metro Cost Allocation	\$	1,008
Operating Expenses	\$	3,438
Management Fees	\$	297
Total	\$	8,235
Net Operating Income (000s)	\$	2,830

Source: Hunden Partners



Economic Impacts

New Visitation

In total, Expo (Halls D&E) and the proposed court and ice facility are projected to **generate approximately 1.5 million total annual visits and approximately 96,000 total room nights in total annually.**

It is recommended that **“Stay to Play” measures** be implemented for sporting events at a minimum to ensure a significant portion of these room nights are not lost to Vancouver. Assuming these measures are in place, **85 percent of new room nights** are assumed would be captured in Portland. Total new room nights projected in Portland due to the Project are estimated at over 81,000 annually, 53,000 of which are assumed to be net new.

Combined Expo / Sports Stabilized New Visitation

Total Visits	1,490,088
Net New Daytrips	604,764
Net New Overnights	156,333
Total Room Nights	95,714
Net New Room Nights	62,583
Total New Room Nights Captured in Portland (85%)	81,357
Net New Room Nights Captured in Portland (85%)	53,195

Source: Hunden Partners

New Impacts

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

Net new daytrips, overnights, and room nights have a direct impact on new spending and related new earnings and jobs in the local economy. Due to assumed “Stay to Play” measures, overall projected impacts have increased due to a higher share of new room nights assumed are generated in Portland.

Projected tax impacts are also significant, with higher net new room nights to Portland generating more net new county and city hotel taxes.

Combined Expo / Sports New Impacts (millions) - 30 Years	
Net New Spending	
Direct	\$ 1,089
Indirect	\$ 426
Induced	\$ 206
Total	\$ 1,722
Net New Earnings	
Direct	\$ 471
Indirect	\$ 188
Induced	\$ 98
Total	\$ 757
Net New Jobs (actual)	
Direct	217
Indirect	87
Induced	43
Total	348
Construction Jobs (actual)	2,098
Net New Transient Lodging Taxes	
Multnomah County (5.5%)	\$ 22.0
Portland City (6.0%)	\$ 24.0
Total	\$ 46.0
Source: Hunden Partners	



Project Costs & Funding Options

Project Costs

Perkins&Will developed rough order of magnitude cost estimates for the two scenarios. Estimates include hard and soft costs, along with a 20 percent contingency.

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

Net profits from Expo and the new facilities are projected to be sufficient to cover capital reserve funds over this period.

Current cost estimates are based on gross area calculations and per square foot cost assumptions for each building project and type. It is assumed that the cost of repurposing of Hall A will be comparable to new construction. A feasibility study on existing conditions and systems that would determine what components of Hall A are salvageable would be part of a more comprehensive master plan and design process.

Project Cost Estimates (millions)

	New Redevelopment Scenario		Alternate Development Scenario	
Sports Facilities				
Community Ice Facility	\$	67.6	\$	67.6
Court Facility	\$	87.0	\$	87.0
Total	\$	154.6	\$	154.6
Support Amenities				
Athletic & Entertainment Center	\$	56.5	\$	59.3
Community Center	\$	18.3	\$	18.3
Total	\$	74.8	\$	77.6
Site Costs				
Expo Main Street & Pedestrian Plaza	\$	5.5	\$	5.5
Community Park / Playground & Parking	\$	7.0	\$	7.0
Cultural Garden & Green	\$	2.1	\$	2.1
Seasonal Outdoor Event Space & Parking	\$	7.2	\$	7.2
Westside Parking Lot	\$	10.2	\$	10.2
Structured Parking	\$	35.9	\$	35.8
Total	\$	67.9	\$	67.8
Existing Halls				
Existing Hall Deconstruction / Repurposing	\$	2.6	\$	1.7
Total	\$	2.6	\$	1.7
Total Project Costs	\$	299.9	\$	301.7

Source: Perkins&Will

Funding Options

This table outlines potential public funding options for the Project as identified through the work of the **Expo Future Funding & Financing Task Force**. These funding mechanisms would require significant political will to undertake. Due to the high economic impact and community benefit of the proposed Project, however, public investment is warranted and also needed given the Project’s financial feasibility gap.

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

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

Given current market conditions for residents and ongoing recovery of the hospitality market, it is not assumed that an increase in property taxes or transient lodging taxes is a likely source of funding for the Project currently.

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



Short-Term Investment

Short-Term Solution

Due to the high capital and investment cost required under the new development scenario, a **\$10-15 million investment in Halls D&E** has been proposed to help drive more sporting events to Expo. This would involve the installation of sports equipment such as hoops, nets, and sport court flooring during a portion of the year along with portable seating and investments in A/V and F&B. While this lower investment could lift the number of sporting events hosted at Expo, **it would likely not create the impact this project is hoping to achieve and is not a long-term solution for the set-out goals for the future of Expo.** Below highlights the pros and cons of reverting to this strategy.

ADVANTAGES

- Lower cost and public funding required
- Additional sporting events and related impacts
- Short-term solution for long-term plan
- Sports-ready ancillary facility for larger events in the long-term

DISADVANTAGES

- Potential loss of existing Expo business, contingent upon booking priorities and windows / lead times
- Lack of competitiveness due to lack of desired amenities / infrastructure and overall appeal
- Does not address ice demand / opportunity
- Does not allow for ongoing public / community benefit
- Potential lack of material new economic impacts – new local spending, room nights, and jobs
- Risk of loss of momentum for achieving long-term goals

Hall D&E Investment

To date, Expo staff has determined Halls D&E's capacity for court sports to help estimate the cost of investing in Halls D&E to be sport ready in the near future. Total court capacity between both halls is 18 basketball courts or 24 volleyball courts.

While each of these Halls have the available floor print to hold a number of courts at or above what is proposed for the new court facility, it is a not a long-term solution for the project, due to:

- Existing Expo business and priority events
- Reduced competitiveness with other purpose-built sports facilities because of lack of:
 - Sports support facilities
 - Training / fitness space
 - Classrooms
 - Offices
 - Food & Beverage infrastructure
 - Family Entertainment Center

Hall D

8 BB /
10 VB
Courts

Hall E

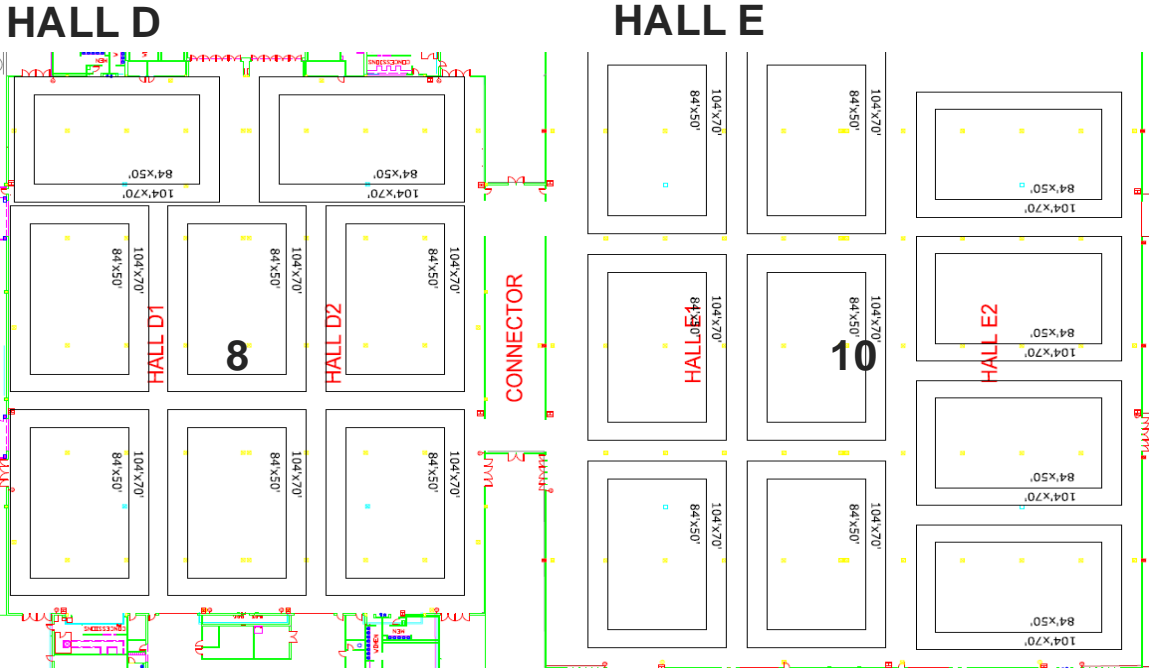
10 BB /
14 VB
Courts

Total

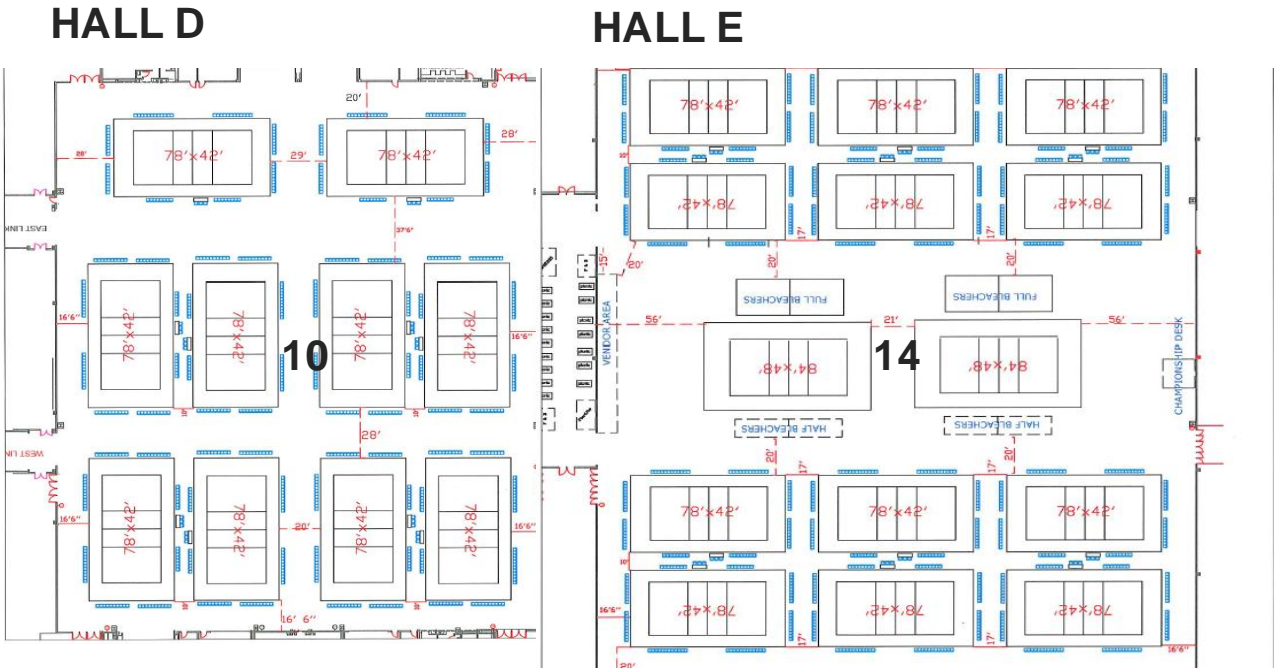
18 BB /
24 VB
Courts

Hall D&E Court Layouts

The figures below show the proposed court layouts for Halls D&E, under both a basketball and volleyball court set-up.



Basketball



Volleyball

Recommendations

While **investment in Halls D&E** for court-based sports is a wise **short-term solution** for Expo due to the time it will require to secure funding for the project and complete construction, **Hunden does not recommend shifting to this investment strategy alone.**

A pivot to focusing on just an investment in Halls D&E poses the **risk of losing the momentum behind the purpose of this collective effort**, resulting in other capital projects to take priority over the long-term.

Without investment in dedicated and purpose-built sports facilities or the full program recommended for the complex, Portland may **not be able to generate the sports tourism it desires, provide sports-related support** (training / fitness space, offices, classrooms) **or provide attractive amenities for non-sports participants** (diverse F&B offerings, family entertainment center). Without these new facilities, Portland will also **not be able to provide an ongoing community benefit** needed to warrant such public investment.

A multi-purpose 9-court basketball / 18-court volleyball facility and twin ice sheet complex provides the highest opportunity for generating both impactful sports tourism and local public use across a variety of sports. As these new sports facilities are developed, this opens up Halls D&E to be utilized temporary for placement of a portable 200m banked track during track season. Additional investment in a standalone track facility is not recommended as it that would be underutilized for most of the year and come with additional capital investment. With the removal of the turf field and professional basketball training facility, overall capital costs are greatly reduced without significantly reducing projected new spending and room nights, and new jobs that such a facility will support both on-site and in the local economy.

Hunden strongly recommends proceeding with this new sports facility development program as well as pursuing an investment in Halls D&E, with recommended next steps outlined on the following slides.



Next Steps

Next Steps

The following are recommended next steps for proceeding with investment in Halls D&E. A number of these beginning tasks could occur simultaneously.

- 1) Due Diligence
 - a) Third party facility / infrastructure analysis to further define:
 - i. Costs
 - ii. Requirements (e.g. storage)
 - iii. Limitations (e.g. rigging)
 - b) Review of Booking Policies and Priorities
 - i. Determine approach to existing clients versus new (sports) business including legacy clients, booking priorities / windows, etc.
 - ii. Determine any adjustments required to current Expo booking policies to provide priority to sports
 - *Example: For event dates Jan-Mar, non-sports groups can only hold dates less than 12 months out*
 - c) Develop demand and financial projections and economic impacts to determine return on investment
- 2) Approval of Funding
- 3) Construction of Project

Next Steps

The following are recommended next steps for proceeding with the long-term capital investment plan for Expo, which include the Investment in Halls D&E. A number of these beginning tasks could occur simultaneously.

1. Investment in Halls D&E (steps outlined in prior slide)
2. Site Planning
 - a) Defined Memorialization - within buildings and throughout the site
 - b) Transportation, Parking, & Infrastructure Analysis – multimodal, connectivity, site circulation, interstate project / light rail impact, zoning, etc.
 - c) Building Requirements – defined program, front of house, back of house, etc.
3. Adjusted Site Concepts & Renderings
4. Detailed Cost Estimates
5. Public Funding Plan
6. RFQ / RFP Process for various Development Partners
7. Funding / Construction of Project
8. Project Opening

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Hunden Partners is a full-service real estate development advisory practice specializing in destination assets.

With professionals in Chicago, New York, Dallas and Minneapolis, Hunden provides a variety of services for all stages of destination development in:

- Real Estate Market & Financial Feasibility
- Economic, Fiscal & Employment Impact Analysis (Cost/Benefit)
- Organizational Development
- Public Incentive Analysis
- Economic and Tourism Policy/Legislation Consulting
- Research & Statistical Analysis
- Developer Solicitation & Selection

The firm and its principal have performed more than 1,000 studies over the past 28 years, with more than \$20 billion in built, successful projects.



APPENDIX



Prior Development Scenarios

Scenario 1

Max Tournaments & Local Utilization



2 Ice Sheets



9 Basketball / 18 Volleyball Courts



200m Track



1 Full-Size Turf Field



694,000 New Annual Daytrips



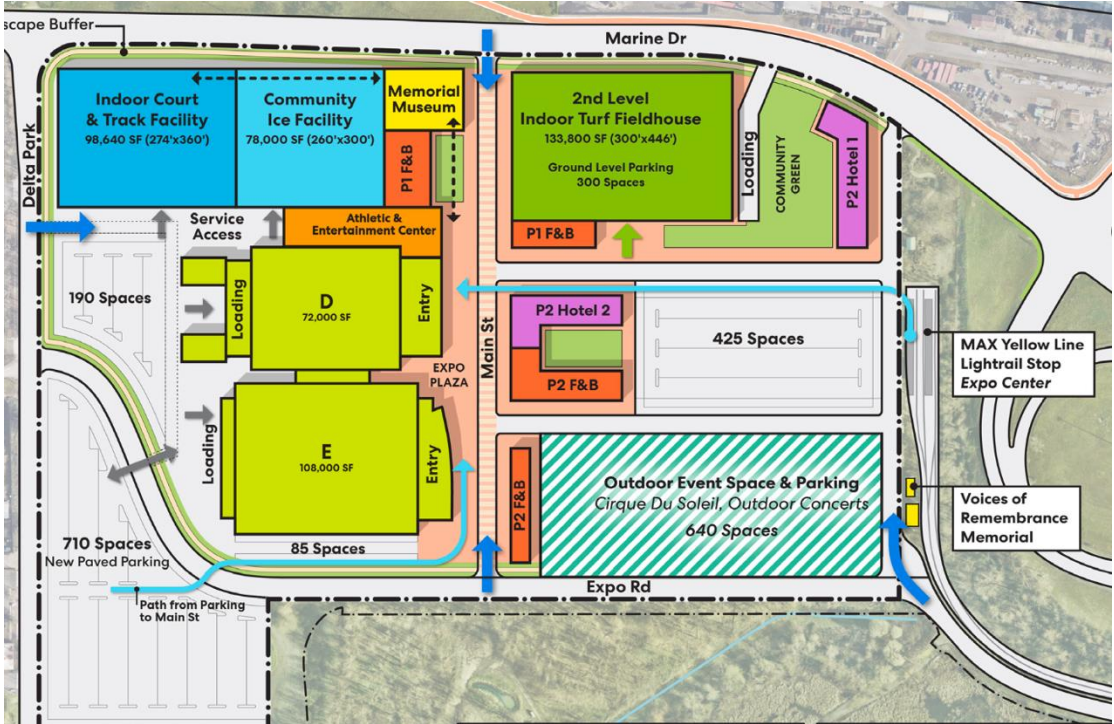
69,000 New Annual Room Nights



223 New Direct FTE Jobs



\$381M Capital Investment



Scenario 2

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



2 Ice
Sheets



9 Basketball /
18 Volleyball
Courts



563,000 New
Annual Daytrips



62,000 New Annual
Room Nights



146 New Direct
FTE Jobs



\$261M Capital
Investment



Scenario 3

Local Tournaments & Focus – No Track



1 Ice Sheet



6 Basketball / 12 Volleyball Courts



1 Half-Size Field



274,000 New Annual Daytrips



21,000 New Annual Room Nights



63 New Direct FTE Jobs



\$226M Capital Investment

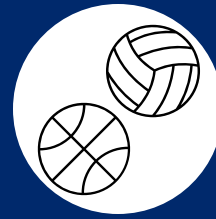


Scenario 4

Max Tournaments, Local Utilization & Professional Basketball Training Facility



2 Ice Sheets



9 Basketball / 18 Volleyball Courts



200m Track



1 Full-Size Turf Field



Training Facility



703,000 New Annual Daytrips



69,000 New Annual Room Nights



224 New Direct FTE Jobs



\$446M Capital Investment





Additional Renderings

Project Renderings – Aerial View

The image to the right shows an aerial rendering of the proposed new redevelopment scenario excluding a future hotel and restaurants.



Project Renderings – Aerial View

The image to the right shows an aerial rendering of the proposed new redevelopment scenario excluding a future hotel and restaurants.



Project Renderings – Aerial View

The image to the right shows an aerial rendering of the proposed new redevelopment scenario including a future hotel and restaurants.



Project Renderings – Aerial View

The image to the right shows a zoomed in view of the proposed new redevelopment scenario including a future hotel and restaurants.



Project Renderings – Ground Level View

This image shows the ground level view of the athletic & entertainment center along Main Street.



Project Renderings – Ground Level View

This image shows the ground level view of the community center along Main Street from Marine Drive.



Google Earth Massing View

This image shows the viewpoint of the proposed facilities from I-5 traveling south over the Columbia River.

Having visibility from roadways with high traffic counts can present signage and sponsorship opportunities for a development.



Google Earth Massing View

This image shows the viewpoint of the proposed facilities from the Martin Luther King Jr Boulevard overpass to Marine Drive.

