



MANAGEMENT | DEVELOPMENT | PRE-DEVELOPMENT

TOWN OF RIVERHEAD, NY

DRAFT PRO FORMA REVIEW

PREPARED FOR:



Town of
Riverhead
New York

GOALS

- Overview of Process
- Scope and Project Background
- Review Pro Forma Model
 - Facility Program
 - Development Cost
 - Financial Performance
 - Economic Impact
- Opportunities and Challenges
- Potential Next Steps



SCOPE OF WORK

- STEP 1: Kick-Off Call
- STEP 2: Existing Data Review & Market Analysis
- STEP 3: Development Planning Session
- ***STEP 4: Detailed Financial Forecast (Pro Forma)***
- ***STEP 5: Economic Impact Analysis***
- STEP 6: Feasibility Report



SFC'S PROCESS



DEFINING SUCCESS

- ***Capitalize on the continued growth in sports tourism*** to develop a premier sports tourism complex that attracts, hosts, and retains sports tournaments and events
- ***Create a significant driver of economic impact***, that supports existing local businesses by generating new room nights, fosters opportunities for expanding the local lodging industry and ancillary development to accommodate demand, and supports the community generating spending from non-local visitors
- ***Serve as a community asset*** that enhances the sense of place and quality of life for local residents by creating access to top quality sports and recreation assets for all
- ***Feature diverse and flexible programming capabilities***, sports, community, civic, school, and activities, to serve a wide variety of potential partners and stakeholders.



A basketball player in a red jersey is captured mid-air, performing a jump shot. The player is holding the basketball with both hands, positioned above their head. The background shows a basketball hoop and backboard, with bright arena lights creating a bokeh effect. A large, faint watermark of the letters 'EFC' is visible in the center of the image.

FACILITY OVERVIEW

INDOOR FACILITY

Indoor Facility

- Hard Structure – 237,159 SF
 - Basketball Courts (8)
 - Volleyball Courts (16)
 - Pickleball Courts (24)
 - Ice Rink (2)
 - FEC – 15,000 SF
 - Sports Performance – 9,600 SF
 - Flex Space
 - Offices
 - Kitchen/Café/Concessions
 - Meeting/Banquet Space
 - Medical Leased Space
 - Ice Pro Shop
 - Mezzanine
- Total Building Acreage – 4.76 Acres

| Space | Indoor Programming Product/Service | Count | Dimensions L (') W (') | | Approx. SF each | Total SF | % of Footprint |
|--|---|-------|------------------------------|-----|------------------------|----------|----------------|
| Courts | Basketball Courts (actual courts 84' x 50') | 7 | 104 | 80 | 8,320 | 58,240 | 24.6% |
| | Basketball Courts (w/Championship Seating) | 1 | 104 | 95 | 9,880 | 9,880 | 4.2% |
| | Pickleball Courts | 24 | 44 | 20 | Over Basketball Courts | | 0.0% |
| | Volleyball Courts | 16 | 60 | 30 | Over Basketball Courts | | 0.0% |
| | Telescopic Bleacher System: 500 Seats | 1 | - | - | Championship Court | | 0.0% |
| Total Courts Sq. Ft. | | | | | | 68,120 | 28.7% |
| Ice | Primary Ice Rink (600 Seats) | 1 | 220 | 115 | 25,300 | 25,300 | 10.7% |
| | Secondary Ice Rink (600 Seats) | 1 | 220 | 115 | 25,300 | 25,300 | 10.7% |
| | Locker Rooms | 8 | 25 | 20 | 500 | 4,000 | 1.7% |
| | Ref Locker Rooms | 4 | 20 | 15 | 300 | 1,200 | 0.5% |
| | Zamboni Storage | 1 | 25 | 40 | 1,000 | 1,000 | 0.4% |
| | Ice Plant Room | 1 | 25 | 50 | 1,250 | 1,250 | 0.5% |
| Total Ice Sq. Ft. | | | | | | 58,050 | 24.5% |
| FEC | Family Entertainment Center | 1 | - | - | 15,000 | 15,000 | 6.3% |
| | Total FEC/Adventure Sq. Ft. | | | | | 15,000 | 6.3% |
| Sports Performance | Sports Performance Turf Area | 1 | 120 | 60 | 7,200 | 7,200 | 3.0% |
| | Sports Performance Training Area | 1 | 40 | 60 | 2,400 | 2,400 | 1.0% |
| | Total Sports Performance Sq. Ft. | | | | | 9,600 | 4.0% |
| Flex Space | Lobby/Welcome Area | 1 | - | - | 2,000 | 2,000 | 0.8% |
| | Control Room | 1 | 15 | 10 | 150 | 150 | 0.1% |
| | Ticket Office | 1 | 10 | 10 | 100 | 100 | 0.0% |
| | Manager's Offices | 6 | 10 | 10 | 100 | 600 | 0.3% |
| | Office Area | 1 | - | - | 1,800 | 1,800 | 0.8% |
| | Kitchen | 1 | 40 | 30 | 1,200 | 1,200 | 0.5% |
| | Café Seating Area | 1 | 50 | 50 | 2,500 | 2,500 | 1.1% |
| | Secondary Concessions | 1 | 30 | 20 | 600 | 600 | 0.3% |
| | Meeting/Banquet Room | 1 | - | - | 3,600 | 3,600 | 1.5% |
| | Flex/Team Rooms | 5 | 60 | 25 | 1,500 | 7,500 | 3.2% |
| | Ref Rooms | 2 | 15 | 10 | 150 | 300 | 0.1% |
| | Training Room | 1 | 20 | 15 | 300 | 300 | 0.1% |
| | Restrooms | 4 | 35 | 25 | 875 | 3,500 | 1.5% |
| | Skate Rental | 1 | 12 | 30 | 360 | 360 | 0.2% |
| | Skate Storage | 1 | 15 | 30 | 450 | 450 | 0.2% |
| | Leased Space - Ice Pro Shop | 1 | - | - | 1,000 | 1,000 | 0.4% |
| | Leased Space - Medical | 1 | - | - | 10,000 | 10,000 | 4.2% |
| | Mezzanine | 1 | 416 | 16 | 6,656 | 6,656 | 2.8% |
| Total Flex Space Sq. Ft. | | | | | | 42,616 | 18.0% |
| Required SF for Products and Services | | | | | | 193,386 | 81.5% |
| Mechanical, Electrical, Storage, etc. 10% of P&S SF (Excl. Leased Space) | | | | | | 18,239 | 7.7% |
| Common Area, Stairs, Circulation, etc. 14% of P&S SF (Excl. Leased Space) | | | | | | 25,534 | 10.8% |
| Total Estimated Indoor Athletic Facility SF | | | | | | 237,159 | 100% |
| Estimated Building Footprint | | | | | | 207,452 | |
| Total Building Acreage | | | | | | 4.76 | |

OUTDOOR FACILITY

Outdoor Facility Model

- Outdoor Athletic Facilities
 - MP Field (12)
 - Support Buildings (3)
 - Maintenance Building
- RV Spots
- Restroom/Shower/Laundry Facility
- Pavilion
- Total Outdoor Acreage –
 - 29.6 Acres

Outdoor Athletic Facilities

| Space | Outdoor Programming Product/Service | Count | Dimensions L (') W (') | | Approx. SF each | Total SF | % of Footprint |
|--|--|-------|------------------------------|-----|--------------------|-----------|----------------|
| Multi-Purpose Fields | Synthetic Turf Field - (With 12' Apron) | 12 | 384 | 249 | 95,616 | 1,147,392 | 99.5% |
| | Total Outdoor Multi-Purpose Fields Sq. Ft. | | | | | 1,147,392 | 99.5% |
| Support Buildings | Secondary Support Buildings | 3 | 40 | 40 | 1,600 | 4,800 | 0.4% |
| | Total Support Buildings Sq. Ft. | | | | | 4,800 | 0.4% |
| Maint. | Maintenance Buildings | 1 | 30 | 30 | 900 | 900 | 0.1% |
| | Total Maintenance Sq. Ft. | | | | | 900 | 0.1% |
| Total Estimated Outdoor Athletic Facilities SF | | | | | | 1,153,092 | 100% |
| Total Outdoor Athletic Facility Acreage | | | | | | 26.47 | |

Outdoor Amenities

| Space | Programming Product/Service | Count | Dimensions L (') W (') | | Approx. SF each | Total SF | % of Footprint |
|--------------------------------------|---|-------|--------------------------------|----|--------------------|----------|----------------|
| Outdoor Amenities | RV Spots | 125 | 50 | 20 | 1,000 | 125,000 | 91.7% |
| | Restroom/Shower/Laundry Facility Structures | 15 | - | - | 350 | 5,250 | 3.8% |
| | Pavilion | 5 | 35 | 35 | 1,225 | 6,125 | 4.5% |
| | Total Outdoor Amenities Sq. Ft. | | | | | 136,375 | 100.0% |
| Total Estimated Outdoor Adventure SF | | | | | | 136,375 | 100.0% |
| Total Outdoor Adventure Acreage | | | | | | 3.13 | |

SITE DEVELOPMENT

Site Development

| | | Quantity | Dimensions L (') W (') | | Approx. SF each | Total SF | % of Total |
|-------------------------------------|---|------------------------------------|--------------------------------|----|--------------------|-----------|------------|
| Parking Spaces Total | Parking Spaces Total (10'x18') (20' x 20' Inc. aisles) | 1,911 | 20 | 20 | 400 | 764,400 | 42.6% |
| | Go-Kart Track (2,365 Ft. - Existing Site) | 1 | - | - | 143,333 | 143,333 | 8.0% |
| | Setbacks, Green Space, Trails, etc. | 25% Indoor/Parking, 50% Outdoor SF | | | | 887,697 | 49.4% |
| Total Estimated Site Development SF | | | | | | 1,795,430 | 100% |
| Total Site Development Acreage | | | | | | 41.22 | |
| | | | | | | | |
| Total Complex Acreage | | | | | | 75.58 | |

OPINION OF COST

| USES OF FUNDS | LOW | MID | HIGH |
|------------------------------------|----------------------|----------------------|----------------------|
| Land Cost | TBD | TBD | TBD |
| Hard Cost | \$81,020,886 | \$90,023,206 | \$99,025,527 |
| Field and Sport Equipment Cost | \$23,771,059 | \$26,412,288 | \$29,053,517 |
| Furniture, Fixtures, and Equipment | \$4,451,499 | \$4,946,110 | \$5,440,721 |
| Soft Costs Construction | \$9,314,178 | \$10,349,086 | \$11,383,995 |
| Soft Costs Operations | \$2,573,311 | \$2,573,311 | \$2,573,311 |
| Escalation | \$9,574,405 | \$10,638,228 | \$11,702,051 |
| Working Capital Reserve | TBD | TBD | TBD |
| Total Uses of Funds | \$130,705,337 | \$144,942,229 | \$159,179,121 |

A soccer ball with black and white panels is positioned on a green grass field. A white line runs diagonally across the field. A dark horizontal band is overlaid across the middle of the image.

FINANCIAL PERFORMANCE

TOTAL REVENUE

| Revenue | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 |
|--|--------------------|--------------------|--------------------|--------------------|--------------------|
| Rental Basketball Tournaments | \$34,000 | \$40,000 | \$59,400 | \$81,400 | \$97,020 |
| Rental Volleyball Tournaments | \$154,000 | \$154,000 | \$198,000 | \$231,000 | \$242,550 |
| Court Rental Events | \$28,000 | \$40,000 | \$52,800 | \$57,200 | \$60,060 |
| Meetings and Non-Sport Events | \$87,900 | \$90,537 | \$102,578 | \$105,656 | \$114,267 |
| Basketball | \$193,666 | \$229,326 | \$286,095 | \$312,168 | \$341,258 |
| Volleyball | \$126,450 | \$149,355 | \$185,834 | \$202,491 | \$221,042 |
| Court Rentals | \$215,850 | \$222,326 | \$240,445 | \$247,658 | \$267,843 |
| Rental Hockey Tournaments | \$126,000 | \$144,000 | \$198,000 | \$217,800 | \$249,480 |
| In-House Hockey | \$126,781 | \$156,464 | \$203,802 | \$227,470 | \$254,639 |
| In-House Ice Programs | \$307,319 | \$342,949 | \$418,202 | \$460,022 | \$527,031 |
| Ice Rental | \$331,055 | \$364,160 | \$382,368 | \$393,839 | \$405,654 |
| FEC/Adventure | \$938,769 | \$1,098,075 | \$1,338,149 | \$1,557,657 | \$1,739,485 |
| Fitness and Training | \$227,888 | \$273,466 | \$315,853 | \$331,646 | \$348,228 |
| Outdoor Rental Multi-Purpose Field Tournaments | \$58,800 | \$82,800 | \$113,520 | \$150,480 | \$178,794 |
| Outdoor Soccer | \$58,120 | \$68,589 | \$85,267 | \$92,867 | \$101,326 |
| Outdoor Football | \$17,050 | \$20,002 | \$24,711 | \$26,827 | \$29,173 |
| Outdoor Lacrosse | \$19,125 | \$24,463 | \$33,076 | \$37,661 | \$43,049 |
| Outdoor Field Rental | \$91,056 | \$95,609 | \$110,428 | \$115,950 | \$121,747 |
| Outdoor Amenities | \$547,475 | \$741,360 | \$922,141 | \$1,154,280 | \$1,323,953 |
| Birthday Parties | \$33,600 | \$40,320 | \$46,570 | \$48,898 | \$53,910 |
| Youth Programming | \$137,300 | \$151,030 | \$174,440 | \$183,162 | \$201,936 |
| Parking Fees | \$66,150 | \$93,150 | \$116,100 | \$153,900 | \$174,150 |
| Facility Fees | \$152,160 | \$166,720 | \$204,640 | \$238,880 | \$249,600 |
| Food & Beverage | \$825,086 | \$955,116 | \$1,131,968 | \$1,326,359 | \$1,420,971 |
| Hotel Rebates | \$105,654 | \$128,274 | \$159,292 | \$197,225 | \$213,016 |
| Retail | \$36,051 | \$41,980 | \$49,298 | \$58,277 | \$62,239 |
| Tenant Revenue | \$324,000 | \$324,000 | \$324,000 | \$324,000 | \$324,000 |
| Sponsorship/Advertisement Revenue | \$235,000 | \$235,000 | \$285,000 | \$285,000 | \$315,000 |
| Total Revenue | \$5,604,304 | \$6,473,070 | \$7,761,976 | \$8,819,770 | \$9,681,420 |

TOTAL EXPENSE

| Cost of Goods Sold | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 |
|--|--------------------|--------------------|--------------------|--------------------|--------------------|
| Rental Basketball Tournaments | \$3,400 | \$4,000 | \$5,940 | \$8,140 | \$9,702 |
| Rental Volleyball Tournaments | \$15,400 | \$15,400 | \$19,800 | \$23,100 | \$24,255 |
| Court Rental Events | \$2,800 | \$4,000 | \$5,280 | \$5,720 | \$6,006 |
| Meetings and Non-Sport Events | \$35,160 | \$36,215 | \$41,031 | \$42,262 | \$45,707 |
| Basketball | \$88,003 | \$104,207 | \$124,080 | \$135,388 | \$144,641 |
| Volleyball | \$45,487 | \$53,726 | \$65,480 | \$71,349 | \$77,111 |
| Court Rentals | \$10,793 | \$11,116 | \$12,022 | \$12,383 | \$13,392 |
| Rental Hockey Tournaments | \$18,900 | \$21,600 | \$29,700 | \$32,670 | \$37,422 |
| In-House Hockey | \$39,200 | \$48,378 | \$60,652 | \$67,696 | \$74,376 |
| In-House Ice Programs | \$64,289 | \$71,721 | \$87,440 | \$96,184 | \$110,209 |
| Ice Rental | \$54,624 | \$60,086 | \$63,091 | \$64,983 | \$66,933 |
| FEC/Adventure | \$341,834 | \$400,247 | \$487,743 | \$567,751 | \$634,200 |
| Fitness and Training | \$124,833 | \$149,799 | \$173,018 | \$181,669 | \$190,753 |
| Outdoor Rental Multi-Purpose Field Tournaments | \$5,880 | \$8,280 | \$11,352 | \$15,048 | \$17,879 |
| Outdoor Soccer | \$19,241 | \$22,707 | \$26,563 | \$28,931 | \$30,624 |
| Outdoor Football | \$5,467 | \$6,414 | \$7,460 | \$8,099 | \$8,546 |
| Outdoor Lacrosse | \$4,211 | \$5,387 | \$6,906 | \$7,863 | \$8,754 |
| Outdoor Field Rental | \$4,553 | \$4,780 | \$5,521 | \$5,797 | \$6,087 |
| Outdoor Amenities | \$136,869 | \$185,340 | \$230,535 | \$288,570 | \$330,988 |
| Birthday Parties | \$9,264 | \$11,117 | \$12,477 | \$13,101 | \$14,244 |
| Youth Programming | \$57,607 | \$63,367 | \$72,958 | \$76,606 | \$84,331 |
| Parking Fees | \$14,884 | \$20,959 | \$26,123 | \$34,628 | \$39,184 |
| Facility Fees | \$0 | \$0 | \$0 | \$0 | \$0 |
| Food & Beverage | \$453,797 | \$525,314 | \$622,582 | \$729,498 | \$781,534 |
| Hotel Rebates | \$0 | \$0 | \$0 | \$0 | \$0 |
| Retail | \$25,236 | \$29,386 | \$34,509 | \$40,794 | \$43,567 |
| Tenant Expense | \$0 | \$0 | \$0 | \$0 | \$0 |
| Sponsorship/Advertisement Expense | \$58,750 | \$58,750 | \$71,250 | \$71,250 | \$78,750 |
| Total Cost of Goods Sold | \$1,640,479 | \$1,922,296 | \$2,303,514 | \$2,629,479 | \$2,879,195 |
| Gross Margin | \$3,963,825 | \$4,550,774 | \$5,458,462 | \$6,190,290 | \$6,802,225 |
| <i>% of Revenue</i> | <i>71%</i> | <i>70%</i> | <i>70%</i> | <i>70%</i> | <i>70%</i> |
| Facility Expenses | \$1,091,131 | \$1,101,890 | \$1,122,756 | \$1,145,464 | \$1,164,650 |
| Operating Expense | \$941,941 | \$935,354 | \$1,000,403 | \$1,058,596 | \$1,108,142 |
| Management Payroll | \$1,247,000 | \$1,350,880 | \$1,527,915 | \$1,643,032 | \$1,762,753 |
| Payroll Taxes/Benefits/Bonus | \$450,965 | \$501,568 | \$581,844 | \$642,453 | \$695,939 |
| Total Operating Expenses | \$3,731,036 | \$3,889,691 | \$4,232,917 | \$4,489,545 | \$4,731,484 |

SUMMARY PERFORMANCE

Financial Performance Summary - Full Athletic Facility

| | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 |
|--------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| Total Revenue | \$5,604,304 | \$6,473,070 | \$7,761,976 | \$8,819,770 | \$9,681,420 |
| Total Cost of Goods Sold | \$1,640,479 | \$1,922,296 | \$2,303,514 | \$2,629,479 | \$2,879,195 |
| Gross Margin | \$3,963,825 | \$4,550,774 | \$5,458,462 | \$6,190,290 | \$6,802,225 |
| <i>% of Revenue</i> | 71% | 70% | 70% | 70% | 70% |
| Total Operating Expenses | \$3,731,036 | \$3,889,691 | \$4,232,917 | \$4,489,545 | \$4,731,484 |
| EBITDA | \$232,789 | \$661,083 | \$1,225,544 | \$1,700,745 | \$2,070,741 |
| <i>% of Revenue</i> | 4% | 10% | 16% | 19% | 21% |

AVERAGE DAILY EXPENDITURE

Per Person Spending By Category

| | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 |
|---------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Lodging/Accommodations | \$50.00 | \$50.75 | \$51.51 | \$52.28 | \$53.07 |
| Dining/Groceries | \$51.75 | \$52.53 | \$53.31 | \$54.11 | \$54.93 |
| Transportation | \$8.80 | \$8.93 | \$9.06 | \$9.20 | \$9.34 |
| Entertainment/Attractions | \$4.14 | \$4.20 | \$4.27 | \$4.33 | \$4.39 |
| Retail | \$24.32 | \$24.69 | \$25.06 | \$25.43 | \$25.82 |
| Miscellaneous | \$13.97 | \$14.18 | \$14.39 | \$14.61 | \$14.83 |
| Total | \$152.98 | \$155.28 | \$157.61 | \$159.97 | \$162.37 |

ECONOMIC IMPACT

Number of Events Per Year

| | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 |
|-----------------------------------|-----------|-----------|-----------|-----------|-----------|
| Basketball Tournaments | 6 | 7 | 9 | 12 | 14 |
| Volleyball Tournaments | 10 | 10 | 12 | 14 | 14 |
| Ice Events/Ice Hockey Tournaments | 7 | 8 | 10 | 11 | 12 |
| Other Tournaments/Events | 5 | 7 | 8 | 9 | 9 |
| Multi-Purpose Field Tournaments | 6 | 7 | 8 | 10 | 11 |
| Total Events Per Year | 34 | 39 | 47 | 56 | 60 |

Economic Impact Drivers

| | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 |
|--------------------------------------|---------|---------|---------|---------|---------|
| Non-Local Days in Market - Overnight | 139,328 | 169,407 | 210,122 | 260,369 | 281,172 |
| Room Nights | 33,541 | 40,722 | 50,569 | 62,611 | 67,624 |

Economic Impact

| | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 |
|-----------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| Total Direct Spending - Overnight | \$21,314,669 | \$26,305,051 | \$33,116,492 | \$41,651,277 | \$45,653,912 |
| Total Indirect Spending | \$0 | \$0 | \$0 | \$0 | \$0 |
| Total Economic Impact | \$21,314,669 | \$26,305,051 | \$33,116,492 | \$41,651,277 | \$45,653,912 |



Next Steps

OPPORTUNITIES

- Facility represents a best-in-class tournament capable facility with diverse assets such as:
 - Large court space to host tournaments and events (sport or non-sport)
 - FEC is a guest differentiator and revenue driver
 - Developing turf fields in the region allows for longer playability
 - Sports Performance Area with indoor turf training space
 - Medical Lease space is additional revenue for the facility with no added expense
 - Designated Go-Kart Track and RV Spots
- Drive new revenue/programs and grow local sports/recreation programs
- Creates strong economic development, economic impact, and tax revenue generation drivers to increase non-local visitation and spending – approximately \$45.6 million at maturity
- Operationally self-sustaining model from Year 1 – Year 5 at maturity

NEXT STEPS

- Review Pro Forma and make updates
- Explore strategic partnerships
 - Private sector
 - Tournament rights holders
 - Schools/Universities
 - Local sports organizations
- Explore potential upfront and operational funding mechanisms
 - Hotel/motel taxes
 - Sales tax
 - Development incentives
 - Grants
- SFC: update Pro Forma and create & send final report

SPORTS FACILITIES **COMPANIES**

Q & A

NEXT STEPS

DRAFT PRO FORMA