

The Feasibility Analysis
&
Summary Business Plan
September 2018

Prepared For:



The Village of Orland Park
14700 S. Ravinia Avenue
Orland Park, IL 60467

Prepared By:



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60462

SEPTEMBER 14, 2018

VILLAGE OF ORLAND PARK

Mr. Joseph S. LaMargo
Village Manager
14700 S. Ravinia Avenue
Orland Park, IL 60462

**RE: Feasibility Analysis and Summary Business Plan
Village of Orland Park Sports/Recreational Facilities**

Dear Mr. LaMargo:

We are pleased to submit for your consideration and review our findings and recommendations as to the Village of Orland Park's ("Village" or "VOP") existing and contemplated sports facilities, as outlined in the February 27, 2018 engagement letter between the Village and the Kreshmore Group ("Kreshmore").

The feasibility analyzes ("Report") the strengths, weaknesses and go-forward recommendations of the John Humphrey Complex ("JHC"), Centennial Park ("CeP") and Cachey Park ("CaP"). An in-depth analysis of current and forecasted demand drivers, locational attributes, current and projected capture and efficiency evaluation, a preliminary economic impact analysis, a 5- and 20-year financial pro-forma and return analysis, and discussion of various financing options are included in the Report.

Detailed revenue and expense projections with underlying attendant assumptions and notes have been prepared, which includes discussion of recommended marketing programs, staffing needs, and facility utilization.

The development and/or repositioning of sports and athletic facilities is a highly specialized business, one in which Kreshmore has unparalleled experience that will facilitate and assist the Village in achieving its financial and social objectives. We welcome the opportunity to meet with Village officials and present our findings. We are highly supportive of the work completed to date and look forward to moving forward with execution of the Plan, upon the approval of the Village.

We thank you for the opportunity to be of service and look forward to working with the Village in executing the Plan.

Most sincerely,



David J. Wabick Jr.
Director
The Kreshmore Group

Overview

The Kreshmore Group (“Kreshmore”) has been engaged by the Village of Orland Park (“Village”) to conduct an assessment of three of the Village’s existing sports facilities: Centennial Park, The John Humphrey Complex, and Cachey Park. This study evaluates the economic merits of renovating and expanding these facilities, and makes a recommendation in support of its findings. In addition, Kreshmore group has been requested to conduct a preliminary study to assess the viability of developing a new state-of-the-art athletic complex that would complement the existing facilities and create a new economic driver in the village.

The Village

Orland Park is an upscale, mid-to-upper income suburban community located approximately twenty-five (25) miles southwest of downtown Chicago with an estimated population of approximately 60,000. Residential areas are concentrated from LaGrange Road east to Harlem Avenue and south from 135th to 159th Street, and in the far southwestern portions extending from 159th Street south to Interstate 80 between 104th Avenue and Will-Cook Road. Improved primarily by production-oriented single-family subdivisions and private custom/semi-custom estate developments, a number of midrise condominium and townhome communities have been delivered. Newer production single-family development within the Village are generally priced from \$300-\$500,000.

The Village enjoys excellent access to regional employment centers and major transportation systems. Within an approximate 5-mile radius from center-city, LaGrange Road, Harlem Avenue and Southwest Highway provide ready access to Interstates 80, 55, 355, and 57, providing direct access to southern Cook and Will Counties and the City of Chicago.



Orland Park is served by the METRA commuter rail service with three (3) commuter stations located at 143rd Street, 153th Street, and 179th Street. Trains from these locations reach Chicago's Union Station in approximately one (1) hour, providing access to public transportation serving downtown and suburban Chicago. Midway and O'Hare International Airports are located within a convenient 25- and 40-minute drive time, respectively, providing flight options across the United States and around the globe.

Orland Park is the primary commercial and retail center serving the south suburbs. The Village is host to a wide variety of local and national retailers and a proliferation of casual, quick service and fine dining, highlighted by Orland Square, a 1.3-million-square-foot regional shopping center owned and operated by The Simon Group. A number of recreational venues, fitness and wellness facilities and over 1,500 acres of dedicated natural preserves are located within the Village, providing a plethora of indoor and outdoor activities for all ages.

Orland Park is served by excellent elementary schools and nationally-acclaimed Carl Sandburg High. Emergency medical services are provided by Palos Community Hospital and the University of Chicago.

Sports and Athletic Facilities

The Village boasts an excellent parks and recreation department, featuring over 150 miles of walking trails and indoor and outdoor recreation and fitness facilities. The Village owns several heavily-used outdoor sports and athletic facilities located throughout the Village.

Three of these facilities, which are subject of this report: the JHC, Centennial, and Cachey Park locations, were built by the Village to be used as a benefit to village residents. These facilities feature amenities that appeal to residents of all ages. Their current layouts are consistent with typical residential sports complexes as evidenced by the various parks, footpaths, and other community park features. All three facilities have current facility footprints that make potential athletic facility expansions difficult. Below is a summary of these facilities.

CENTENNIAL PARK:

Address: 15600 West Ave, Orland Park

<u>Field Information:</u>	<u>Types of Field</u>	<u># of Fields</u>
192 Acres	Baseball/Softball	9
	Soccer Fields	8
	Total Fields:	17



Centennial Park is the largest outdoor sports and athletic complex in Orland Park, spanning 192 acres. Located within a mile of Village Hall, Centennial Park features 17 sports fields and complementary amenities that include an outdoor water park featuring a lazy river, tubular slides, kiddie pool, and concessions. Built atop hilly and sloping terrain and located within a master-planned Centennial Park development, Centennial Park features natural preserves that includes a man-made lake that offers canoeing, kayaking and fishing to area residents. Centennial Park has a significant amount of undeveloped land that is used for hiking, birdwatching, and natural terrains. Centennial Park is suited for night play, though lighting fixtures need updating and/or replacement. Centennial Park features seventeen (17) athletic fields, located across three (3) quadrants and as summarized below:

Centennial Park Fields

Centennial Park's athletic fields are primarily configured to accommodate youth baseball and softball play, with only two diamonds featuring regulation-sized dimensions (60' and 90' base lengths). Each baseball/softball diamond is improved with natural grass and clay infields, some with 6-8 rows of metal-constructed stands for viewing. Most of the fields have begun to show signs of deferred maintenance.

Baseball and softball fields located in Quadrants 1 and 3 have access to complementary amenities that includes an indoor clubhouse, restrooms and a concession stand. Quadrant 2, however, does not have any amenities directly proximate to the athletic fields. Each of the quadrants are served by ample surface parking.

Playing surfaces on the baseball fields in Centennial are in substandard condition, while fencing and backstops are dated, inflexible field configurations provide a challenge. Topography is sloped, inhibiting the ability of the Village to attract certain tournaments, leagues and teams. The primary drawbacks of Centennial from a rental and tournament perspective are the outdated fencing and backstops, as well as the inflexible field sizes. In addition, the location of the fields is dispersed, making it difficult to manage tournaments efficiently.

Centennial Park features eight (8) soccer fields, five (5) of which were designed specifically to accommodate youth play. Current site configurations restrict the ability to attract older youth and adult usage. Centennial Park's soccer fields are generally well-maintained, though some fields show signs of decay.

On the following page is a chart that details the existing site configuration of Centennial Park's athletic fields.

Centennial Field
Existing Configuration & Layout
(Distances shown in feet)
Baseball/Softball Fields

<u>Field Name</u>	<u>Age Group</u>	<u>Dimensions</u>			<u>Min Peg Distance</u>	<u>Max Peg Distance</u>	<u>Mound Distance</u>	<u>Material</u>	<u>Lighted</u>
		<u>L</u>	<u>C</u>	<u>R</u>					
C1	8-12	277	271	262	50	70	Various	Clay	Y
C2	8-12	263	260	267	50	70	Various	Clay	Y
C3	8-13	266	265	267	50	80	Various	Clay	Y
C4	13-Adult	312	307	312	80	90	60	Clay/Grass	Y
C5	8 - Adult	310	308	313	50	90	Various	Clay	Y
C6	8-13	245	295	247	50	80	Various	Clay	Y
C7	8-12	196	245	196	50	70	Various	Clay	Y
C8	8-12	204	225	201	50	70	Various	Clay	Y
C9	8-12	196	228	202	50	70	Various	Clay	Y

Soccer Fields

<u>Field Name</u>	<u>Age Group</u>	<u>Dimensions</u>		<u>Goal Size</u>	
		<u>Length</u>	<u>Width</u>	<u>Length</u>	<u>Width</u>
S1	Adult	310	205	8	24
S2	Adult	300	200	8	24
S3	YA	240	165	7	21
S4	Adult	315	200	8	24
S5	YA	225	150	6.5	18.5
S6	Child	181	135	6	12
S7	Child	156	130	6	12
S8	Child	165	125	6	12

JOHN HUMPHREY COMPLEX:

The John Humphrey Complex is located adjacent to City Hall. Situated across nearly nineteen (19) acres, the Complex features eleven (11) baseball and softball fields, one of which has also been utilized as a practice field for youth football and lacrosse.

Address: 147th St. & West Ave, Orland Park

Field Information:

18.9 Acres¹

Type of Field

JHC (baseball)

High Point (baseball)

Total Fields:

of Fields

6

5

11

Note: A football/lacrosse field is located on field 1 in the JHC



The JHC (aerial photograph above), has parking lots to the west of Fields 1-4, and to the east of fields 5 and 6. There is a forest to the south, east, and north of the complex. The facility includes pedestrian paths which predominantly run along the outside edge of the facility, in addition to a separate path that runs through the facility. The complex is partially illuminated, providing for evening activities, however, the lighting fixtures are dated and are in need of updates and replacements. There is also a general lack of protected spectator viewing areas throughout the complex.

The facility is broken up into two sections:

1. JHC Fields
2. High Point Fields (HP)

¹ Out of the 18.9 acres, JHC sits on 7 acres of land while HP sits on the remaining 11.9 acres. Kreshmore combined both JHC and HP for the sake of this report.

The HP Fields are to the south of the JHC Fields and are separated by a walking path. The JHC Fields are built on a larger flatter piece of land with amenities and a layout more conducive to third-party use. This is in contrast to the HP Fields that are clearly arranged in a manner consistent with use as run off fields for Village Programs.

The only concession stand and bathrooms for use by visitors is located at JHC fields in the middle of the Quad (Fields 1 through 4). The location makes their use inconvenient for JHC Fields 5 and 6 as well as all HP Fields.

High Point Field 11 sits at a close enough proximity to JHC Fields 1 – 6 and is in an adequate enough condition that it can be utilized as part of the main facility.

One (1) football field is located within the John Humphrey Complex. The field is used by local youth teams (i.e. Pioneers, Knights, and St. Michaels) as a practice field. Football games take place in the outfields of the baseball fields, and have historically only been utilized as a practice facility.

On the following page is a chart that details the configurations of the John Humphrey Complex.

John Humphrey Complex
Existing Configuration & Layout
(Distances shown in feet)
Baseball/Softball Fields

<u>Field Name</u>	<u>Age Group</u>	<u>Dimensions</u>			<u>Min Peg</u>	<u>Max Peg</u>	<u>Mound Distance</u>	<u>Material</u>	<u>Lighted</u>
		<u>L</u>	<u>C</u>	<u>R</u>	<u>Distance</u>	<u>Distance</u>			
JHC 1	8-12	Est 260	301	223	50	65	Various	Clay	Y
JHC 2	9-Adult	Est 300	Est 320	Est 300	60	90	Various	Clay	Y
JHC 3	9-Adult	302	311	328	60	90	Various	Clay	Y
JHC 4	8-13	289	336	Est 290	55	80	Various	Clay	Y
JHC 5	8u	NF	NF	NF	50	55	Various	Clay	N
JHC 6	8-10	NF	NF	NF	50	60	Various	Clay	N

<u>Field Name</u>	<u>Age Group</u>	<u>Dimensions</u>			<u>Min Peg</u>	<u>Max Peg</u>	<u>Mound Distance</u>	<u>Material</u>	<u>Lighted</u>
		<u>L</u>	<u>C</u>	<u>R</u>	<u>Distance</u>	<u>Distance</u>			
HP 1	8u	NF	NF	NF	50	50	Various	Clay	N
HP 2	8u	NF	NF	NF	50	50	Various	Clay	N
HP 3	8u	NF	NF	NF	50	50	Various	Clay	N
HP 4	9-10	NF	NF	NF	60	60	Various	Clay	N
HP 5	9-10	NF	NF	NF	60	60	Various	Clay	N

Cachey Park:

Cachey Park is located within a residential area that sits between Wheeler Drive to the north, S 82nd Avenue to the East, 157th Street to the south, and Chapel Hill Rd to the west.

Wheeler Drive to the north is the main entry into Cachey and contains the one and only parking lot for the facility. Cachey is primarily used for soccer but also includes three tennis courts, two basketball courts, bocce ball, a pavilion, and a community park area. The south side of Cachey features no entry point with trees and houses lining both the west and east sides of the park. Cachey has six soccer fields that lie in the middle of the remaining open field to the south of the bocce ball and basketball courts and extending until 157th street.

Cachey Park does not have a concession stand or bathroom for use by potential visitors to the facility

Address: 8401 Wheeler Drive, Orland Park		
Field Information:	Type of Field	# of Fields
Acres: 14.02	Soccer	4-6
	Total Fields:	4-6



While conveniently located, Cachey Park is unable to accommodate larger-scale tournament play due to its residential location, restrictive site layout, insufficient parking, and lack of sufficient amenities.

Usage and Patronization

The Village's outdoor sports and athletic facilities support baseball, softball, soccer, football-cheerleading, and lacrosse usage. Soccer has the greatest "in-house" participation followed by baseball, softball, football, and lacrosse. Various area sponsors and organizations currently use the facilities at Centennial Park, the John Humphrey Complex and Cachey Park. An informal survey of usage further supported by data provided by the Village of Orland Park highlights that approximately 4,198 participants from various organizations and sponsors presently use the facilities. (Note: Kreshmore was not provided tangible information regarding soccer usage at either the Cachey or Centennial complexes).

Please see the below participant data provided by the Village of Orland Park:

Program Participants	
Soccer	1,818
Baseball	1066
Softball	758
Football	454
Lacrosse	102
Total	4,198

Soccer Participants	
Chicago Fire	1,562
St. Michaels Soccer	163
OYA Sting Soccer	97
Total	1,818

Baseball Participants	
B. OYA Recreation	811
B. Sparks	130
SWILA Baseball League	80
Orland Magic	30
Illinois Crush	15
Total	1,066

Softball Participants	
G. OYA	248
Men's League	195
Senior League	90
S.S. Express	80
Orland A's	61
G. Sparks	58
St Francis Church	26
Total	758

Football/Cheerleading Participants	
Pioneers	294
Knights	95
St. Michael's	65
Total	454

Lacrosse Participants	
Boys Chiefs	59
Hustle	43
Total	102

The majority of the users of the Village's outdoor athletic/sports facilities are Orland residents though non-residents are permitted to participate, subject to availability. The Village sponsors several "in-house" programs through its Park and Recreation department, with fees charged for participation. Certain "out-of-house" users of the facilities, notably youth football teams and Chicago Fire-sponsored soccer organizers, pay modest field rental fees. Additional revenue discussion is included later.

Facility usage for in-house programs generally run from April through June, with scheduling for in-house programs (i.e. Orland Youth Association and other community recreation groups) released in early January. Once scheduling and league play is finalized, outside organizations are eligible to make offers for field time, subject to availability.

External offers may be considered for general field time or tournament rentals. For field time, groups must submit for approval to the Village's recreation department. With this submission, they must also file rosters, charters, and insurance to prove the organization's credibility. The organization will then be granted field time, based on their place in the following order of priority.

Field Usage Order of Priority:

- Recreational
- Educational
- 90% Residency
- 80% Residency
- 63% Residency
- 50% Residency
- Less than 50% residency

Historically, most of the internal sports programming is utilized by the Orland Park Youth Association². The Orland Youth Association baseball organization has over 800 participants and takes up approximately 50% of all available time slots at the Centennial Park and John Humphrey Complex baseball fields. Girls softball is the other major user, with approximately 250 participants. Other "in-house" users include men's and senior softball leagues, with approximately 380 participants.

Nearly 75% of the field time "blocks" at Centennial Park are utilized by the Orland Youth Association and other inhouse programs, leaving ¼ of the remaining "blocks" available in the season for external renters. The John Humphrey Complex has a lower "in-house" field utilization than the Centennial Park, with slightly greater than 50% being reserved by Village-sponsored programs. Every weekend during the season is also utilized by "in-house" programs at the JHC which prevents open times from being able to be rented to event organizers.

Tournament play is very limited, given scheduling requirements of the Recreation Department and other Village-sponsored organizations.

² Please note that limited soccer information has been given on Cachey and Centennial Park. As a result, the majority of analysis going forward is done based on the baseball and softball information.

Facilities Financial Results

Sources of Revenue

Presently, revenues are primarily generated by concessions, non-resident fees, and field rentals, as shown in the chart below. The total revenues consist of: 36% field rentals, 30% concessions, 20% non-residence fees, and 14% tournament revenue.

Source (2017)	Revenue
Non-Resident Fees	\$ 41,507
Field Rentals	\$77,619
Tournaments	\$29,580
Concessions	\$61,382
Total Revenue	210,088

Field Rentals

Field rentals make up 36% of revenue generated by the Village's outside baseball/softball facilities. This is derived from both internal and external recreational and competitive teams. Fees vary significantly as illustrated on the field rental pricing chart below.

Based on usage rates, Centennial Park is the most utilized destination for field rentals and can accommodate the greatest variety of ages.

Tournaments

Tournament revenue generated \$29,580 in 2017. Of this amount, \$13,400 or 45% of tournament revenue, was generated by the two external tournaments compared to the \$16,180 generated by the 7 other events hosted by internal organizations.

Concessions

In 2017, Orland Park had roughly \$62,000 in concessions, this was split fairly evenly between the JHC and Centennial, generating \$33,000 and \$29,000 respectively.

Summary

Orland Park Fields generated \$210,088 of revenue in 2017. Residency policies have impacted this revenue dramatically and will continue to do so until changed

Rental Rates

Field rentals are priced on a tiered system (as illustrated in the chart below), with locally-based organizations paying a substantially lower rent than those without a lower residency component.

Field Rental Prices (per field time block)

Residency %	Non-Lit	Lit
Recreational	\$15.00	\$20.00
Educational	\$15.00	\$20.00
90% Residency	\$15.00	\$20.00
63% Residency	\$30.00	\$40.00
50% Residency	\$50.00	\$60.00
<50% Residency	\$90.00	\$100.00

Tournament pricing is relatively more streamlined. For a weekend, Friday through Sunday, local organizations pay a flat \$4,500 for usage of an individual park or complex, while external organizations pay \$6,500. In the event an organization makes use of both parks, in-house organizations pay \$9,000 and outside organizations pay \$12,000. In addition to field rentals, tournament organizers must pay for field maintenance, trash removal, and security or police costs.

Operating Expenses

Operating expenses for the Complexes can be categorized into three main categories: labor, maintenance, and landscaping and supplies. The largest expense is labor which comprises nearly two-thirds of the total operating costs.

Expenses by Complex (2017)	
Centennial	203,709
JHC	131,508
Cachey	25,011
Total	360,228

In 2017, labor was \$227,632, which approximated the total revenue earned during that same period.

Landscaping and field maintenance costs totaled is \$109,932 in 2017. Two-thirds of this expense is attributable to mowing and related expenses.

Expenses by Category (2017)	
Labor	227,632
Landscaping	109,932
Supplies	22,664
Total Expenses	360,228

Summary

In 2017, the Village's three sports facilities operated at a loss of \$150,140. This is a direct correlation to the fee structure for Village-sponsored organizations and in-residency participation which do not generate sufficient revenue to offset regular field operations. Programs and limited revenue generated by external participation and tournaments is minimal and as a result does not allow for revenue optimization.

Net Income (2017)	
Revenue	210,088
Expenses	360,228
Income	(150,140)

Current Market Demand and Utilization

We have examined the target market for tournaments and events, which are organized by third party promoters. Kreshmore has also viewed utilization at neighboring and competing outdoor sports facilities. We have concluded the following:

- Over 80% of travel team baseball and softball tournaments and games take place between April and Mid-July in the Midwest
- High-quality synthetic turf fields are in high demand within Illinois.
- Competitive facilities allow for the renting of individual field time slots, rather than a rental requirement of the entire complex, as is currently required by the Village.
- Orland's location is in the midst of the largest concentration of external users in the Great Lakes region.
- Flexible full-sized fields are in high demand and allow for revenue optimization

Conclusion

External usage is de minimis in comparison to internal usage. Internal usage in April through early July is completely utilized by "in-house" programs. Due to the policies and procedures of Orland Park, only two external tournaments were scheduled in 2017.

Based on current facility configurations, the policies of the Village Recreation Department, and preferential reservation system, Orland Park's outdoor athletic/sport facilities will not generate significant enough revenue to offset their costs of operations.

The current condition of the John Humphrey, Centennial Park, and Cachey Park facilities are not desirable, and will require facility improvements and policy changes to optimize revenue. Current footprints and site constraints make a potential expansion of venues economically infeasible. Further, current "In-Residency" policies leave the facilities with a limited ability to optimize revenues. Of the three facilities, the John Humphrey Complex can be most economically improved to a level that will create external market demand.

Capital Improvements:

Kreshmore has been advised that The Village of Orland Park has appropriated up to \$500,000 to refurbish its three outdoor sports facilities. Each facility is in need of renovation and repair. The budget appropriations are not sufficient to adequately refurbish all three facilities and generate positive impact. Due to the JHC's configuration and needs, the use of the appropriated funds to renovate the Complex would be the most efficient and impactful use of the funds. Below are the recommended improvements.

- Fields 2, 3, and 4 at the John Humphrey Complex could be renovated into adult sized rental fields, which are in high-demand by area tournament organizers and can be a significant revenue generator for the Village. We recommend that funds be utilized to make improvements to the infield and outfield playing surfaces and to replace exterior fencing and backstops, required to bring the facilities in-line with competitive facilities and user demand. These improvements will support higher field rental pricing, which will still be below fees charged by newer, more amenitized competitive facilities.
- Fields 1 and 6 can be reconfigured to accommodate 70' base lengths, which would improve versatility by allowing the flexibility to fit more age groups.
- All fields require improved fencing to ensure spectator safety and provide a more-appealing field design
- All fields need improvements to playing surfaces. Infields and outfields have fallen into disrepair and need to be improved to maximize rental appeal. Fencing will also need to be improved to ensure that spectators remain safe, secure the facility, and baseball field dimensions are set into place.
- Eliminate JHC field 5
- Improve and fence HP field 11

The refurbishment program as set forth above will make the JHC more competitive on an internal and external basis. On the next page is the recommended capital budget.

Capital Budget

Refurbish fields 2 & 4 infields & 90' bases	\$120,000
Refurbish field 1, infields & 70' bases	\$20,000
Refurbish fields 6, infield & 70' bases, refurbish high point #11	\$35,000
Eliminate JHC field #5. Top soil and seed where needed	\$5,000
Net backstops on field 1 - 4	\$70,000
Spectator netting	\$25,000
Extend outfield fencing	\$90,000
New mounds, pegs, & other equipment	\$20,000
Outfield repairs on fields 1-4, 6, and High Point 11	\$75,000
Miscellaneous asphalt repairs in spectator area	\$15,000
Contingency	\$25,000
Total Costs	\$500,000

**Note: Kreshmore was given an allowance of \$500,000 for refurbishment budget however we recommend an additional \$50,000 be allotted towards irrigating the JHC. This will increase the total cost of the project to \$550,000*

Preliminary Feasibility of New Sports/Athletic Development

Kreshmore has been asked to evaluate the merits and financial feasibility of the development of an outdoor sports/athletic complex located on approximately 75 acres of to be identified land. It is our opinion that market demand is highly supportive of a multi-sport facility that could be a major revenue-generator, drawing youth and adult tournament organizers from the greater Midwest region. We believe market conditions and demand support a multi-sport complex, however due to Village of Orland Park budget concerns and unknown support of a multisport complex, we recommend the development of eight (8) regulation-sized, artificially turfed baseball/softball fields, each of which can be rescaled/resized to accommodate a variety of age groups. These fields would approximately utilize 30 acres of the site, and can be readily adapted to accommodate baseball, softball, soccer and lacrosse uses. With 8 fields, the facility would be large enough from a field space perspective to attract national events while being manageable from a local, regional, and state programming level. The facility would offer premium amenities which includes concessions, retail sales and corporate sponsoring opportunities.

We recommend that Orland Park manage the facility in-house, rather than renting it to tournament promoters. This will enable the village to retain significant economic benefits from events its complex hosts.

New Sports/Athletic Development Financing

We have estimated the cost to develop a state-of-the-art, 8-field artificially turfed outdoor sports/athletic complex to approximate \$8.5 million, with a contingency of up to \$850,000. Several financing options likely will avail themselves to the Village. These include the following:

- Tax-exempt Bond Financing - General Obligation Bonds supported by the VOP
- Public-Private Partnership - Offers use of additional financing through revolving credit facilities, SBA financing, and grants
- Governmental Assistance - Potential for State of Illinois appropriations, local bonding help, and Special Taxes such as premium resort taxes
- Additional Support - Local Major League Baseball Contributions (Cubs, White Sox), Donor Campaigns, and Corporate Sponsorships

We believe financing through a Village-backed bond offering would be the most efficient execution however, combinations of the above options can be used. The Village of Orland Park has a current bond rating of Aa1, according to Moody's Investment Services. We believe this financing would price at or around 3.0% with amortization requirements over a 20 to 30 years. Projected operating cash flow (after replacement reserves and the funding of a discretionary working capital reserve) are detailed using 20, 25, and 30-year amortization schedules in the below chart:

Amortization Length (Years)	20	25	30
Yearly Payment	564,276	482,107	428,307
Cash Flow (Year 1)	777,535	859,703	913,504
Return on Cost	9%	10%	11%
Average Yearly Cash Flow (5 Years)	1,270,499	1,352,668	1,406,468
Average Yearly Cash Flow (20 Years)	1,818,683	1,900,852	1,954,653
Return on Cost (5 Years)	15%	16%	17%
Return on Cost (20 Years)	22%	23%	23%

**Note: 25 and 30 year amortizations are determined by changing the debt service payment on page 33 with the appropriate yearly payment*

Market Commentary

Within the Chicago metropolitan area, it is estimated that there are nearly one thousand youth baseball and softball travel teams, many of which have to travel long distances for tournament play. In 2017, USSSA Illinois registered over 1,900 travel baseball teams and 1,075 fast-pitch softball teams between the ages of (9) and (18u). In addition, USSSA Illinois registered 1,413 adult slow-pitch softball teams. The majority of the above mentioned teams are domiciled within the Chicagoland area.

With a central location that offers excellent access to interstate highway systems and proximity to O'Hare and Midway international airports, a modern, state-of-the art outdoor sports facility will also attract teams from throughout the Midwest, producing not only revenues generated by the sports facility but also increasing revenues generated by area hotels and retail/commercial operations.

The youth sports industry has grown exponentially over the past decade and is estimated to be over a \$15 billion market nationally in 2018. This trend is expected to continue for the foreseeable future and with a new facility, The Village of Orland Park is poised to benefit from it. Tournament promoters typically enter into partnership with local hoteliers and restaurants. These partnerships are often for a fee and require teams to purchase a set number of rooms from local hotels. Promoters will additionally solicit local businesses for event sponsorship and advertising at hosted events and generate revenue through gate fees, making it necessary for a facility to have gated fields, in order to collect the gate fees.

Large youth organizations will provide access to teams and allocate events such as state and world series' tournaments. Kreshmore has worked with a host of third-party youth organizations. Below is a list of groups specific to this area.

United States Specialty Sport Association (USSSA): USSSA is the largest multisport sanctioning body in the United States with over 4.5 million members spread across fourteen nationally sanctioned sports. In the year 2017, USSSA had over 85,000 baseball teams and over 30,000 fastpitch softball teams sanctioned nationally with the majority of those teams being between the ages of 9 – 18u. USSSA also offers a slow pitch softball program which sanctioned over 55,000 teams nationally in 2017.

USSSA has seen an explosion of growth due to its unique classification system within each sport. Baseball's classification system mirrors an MLB organizations in that the top teams within a given age group in each state are classified as "Major", with the next ability level down of teams being classified as "AAA", average teams classified as "AA", below average teams at "A", and then current in-house leagues being sanctioned as "Rec". Fastpitch softball works in the same manner, though their classification starts with "A", then "B", "C", and "Rec".

USSSA runs off of a state director model meaning that the state director within a given sport is in charge of growing USSSA membership for that sport within their state. Part of a USSSA State Director's job is to identify potential sports facilities in order to run sanctioned programs out of either directly or through the sanctioning of the facility itself. Sanctioning a facility provides the facility operators with USSSA brand recognition, the USSSA National Programming structure, and different levels of marketing and event promotions. The sanctioning model has proved successful from a growth standpoint as it provides the necessary event structures to the facility owner/event operator while allowing them to keep the majority of the revenue associated with event entry fees, gate fees, hotel overrides, apparel sales, and concession sales.

Gameday USA: Gameday USA is a for-profit baseball and fastpitch softball tournament organization based out of Naperville, Illinois. Gameday USA hosts the vast majority of their tournaments throughout the Midwest and focus on areas with commercial and tourist appeal and caters towards teams within the 9 – 14u age range with limited opportunities between the ages of 15 – 18u.

Gameday USA runs all of their tournaments direct and does not work off of a State Director Sanctioning model. As it pertains to private facilities, Gameday will pay facility rental fees in order to acquire event hosting rights to the facility on a given weekend while keeping all revenues associated with event entry fees, gate fees, hotel overrides, and apparel sales.

Perfect Game USA: Perfect Game USA is a baseball event company that mostly targets the 14 – 18u age groups and has become the national leader in events that provide collegiate and professional exposure to its event participants. Due to its focus on exposure events, Perfect Game is mostly geared towards the elite player and has a very strong following through the Southeast region of the United States. Perfect Game operates from a private event standpoint and offers very limited sanctioning opportunities to directors and facilities as they run Perfect Game events direct.

Triple Crown Sports (TCS): Triple Crown Sports is multisport organization which includes both baseball and fastpitch softball amongst their seven recognized sports. Triple Crown Sports has a baseball presence in twenty one states and a fastpitch softball presence in seven with their age groups extending from 9 – 18u. Triple Crown Sports is event driven rather than participation driven which limits the amount of team representation in certain areas of the country with the vast majority of states that operate Triple Crown Sports Tournaments only offering between one and three total events per year. The majority of events operated by Triple Crown Sports occur in the western part of the United States in states such as Arizona, Colorado, and California. Though starting to grow in other regions of the United States, Triple Crown Sports lacks a significant presence in the Great Lakes Region.

Premier Girls Fastpitch (PGF): Premier Girls Fastpitch is a girls fast-pitch softball association that has been geared towards elite teams between the ages of 12 – 18u. PGF offers showcase tournaments, camps and clinics, and qualifying tournaments. PGF's focal point is to drive teams to their marquee national events and does not put an emphasis on the creation of membership through programming.

USA/ASA Softball: USA/ASA Softball is the National Governing Body for both girls fastpitch (8 – 18u) and adult slow-pitch softball. USA/ASA runs off of a state director model and offers opportunities for all levels of player through league and tournament play. USA Softball registers over 150,000 softball teams comprising over 2 million players and annually registers over 80,000 youth girls' fast pitch softball teams comprising over 1.2 million girls.

(A summary marketing plan is attached in exhibit K)

Event Pricing:

Baseball & Softball Teams & Prices

Event pricing varies based on the age group, tournament type, location, quality of fields, and the visibility of the event. An established, well-known state level tournament played on a turf field can command entry prices of well over \$700 per team. A qualifying regional tournaments will cost around the median amount of \$500. Certain tournaments can exceed \$1,000 per team. Please see the charts below:

Event Prices Per Team of External Event Providers (Baseball 2018 Summer Season)

Provider	Min	Max	Median	Average
USSSA	\$342	\$729	\$473	\$509
Game Day USA	\$295	\$995	\$495	\$537
Perfect Game USA	\$425	\$1,250	\$595	\$783
Totals	\$295	\$1,250	\$495	\$570

Event Prices Per Team of External Event Providers (Softball 2018 Summer Season)

	Min	Max	Median	Average
USSSA	\$105	\$788	\$520	\$484
Game Day USA	\$325	\$595	\$410	\$430
NSA	\$285	\$475	\$325	\$348
Totals	\$105	\$788	\$454	\$447

Most event providers host the majority of their weekend tournaments prior to the end of July due to the beginning of the school year. Most tournaments are conducted in April through July with May and June being the most popular months. USSSA is the largest sanctioning group in the greater Chicago area. Sanctions would allow the Village of Orland Park to utilize the USSSA brand and database for a cost \$100 per event.

In order to effectively utilize the facility and develop the product demand, it is imperative to make weekends fully available on the new Orland Park Tournament Complex during all seasonal months. Orland Park's current policy precludes the rental of playing fields to third party organizers prior to the 4th of July, causing the Village to miss out on an estimated **85%** of the travel team tournaments played in the Chicagoland area. **(Travel team tournament dates for baseball and softball are shown below)**

Baseball Travel Tournaments in Illinois (2018 Season)

	April	May	June	July	August	September	October
USSSA	20	29	23	10	0	0	0
Game Day USA	5	13	26	8	0	0	1
Perfect Game USA	8	14	13	12	0	0	0
Total Tournaments	33	56	62	30	0	0	1

Softball Travel Tournaments in Illinois (2018 Season)

	April	May	June	July	August	September	October
USSSA	4	23	29	8	0	0	3
Gameday	1	3	5	2	0	0	1
NSA	2	3	4	6	4	2	0
Total Games	7	29	38	16	4	2	4

Other Sports (Soccer)

The simplest ancillary sport to add to the convertible multi-use fields in the new complex would be soccer. With Orland Park's relationship with the Chicago Fire, there is an immediate relationship which would create opportunities for leagues, tournaments, and field rentals. This is especially useful since peak soccer season is in fall and spring, where baseball is less prevalent.

Soccer can also hold tournaments, though less frequently than baseball and softball, which are typically much larger and produce greater revenue than a typical baseball tournament. Entry fees range from \$600 to \$1,000 per team.

Event Pricing Summary

Target market information determines that the majority of tournaments in both baseball and softball occur in May and June. External event providers charge an average amount of \$500 per team on a standard, regional tournament. Facilities that offer synthetic fields generate an approximate 25% pricing premium.

This facility, due to its location, size, and type, will not only attract major regional and World Series' events but, due to its demographics, will also become a home to consistent local programming.

We have determined that an average baseball tournament at an Orland Park facility would be able to charge approximately \$600 per team with a turf complex. Softball however, would be slightly reduced at \$525, still above the medium but slightly lower than baseball. These will be used as inputs when calculating the potential profitability of an Orland complex.

Comparable Analysis

A new Orland Park facility of 8 turf fields would have very limited competition in the Chicagoland area. Nearby fields tend to be too small or low quality, whereas true competitors lie in nearby states. **(See the Competing Midwestern Facilities chart on the next page)**

Comparable nearby facilities consist of Heritage Park in Wheeling and Inwood Park in Joliet. Heritage Park has quality playing surfaces, however with only 4 baseball fields (3 of which have 90' base lengths) it would be unable to compete with Orland's new facility for large tournaments and events. Inwood Park, while able to handle large tournaments, lacks in the facility quality to be an appealing destination for rentals. Both facilities are rented to outside users and used for local programming which further reduces their ability to compete with the proposed facility.

The only facilities that have a similar size and quality of fields are destination complexes, such as The Rock, near Milwaukee Wisconsin, Woodside in the Wisconsin Dells, and Grand Park near Indianapolis. While these complexes can compete with the quality and scale an 8-field synthetic turf complex can provide, they all lack in the geographical advantage that Orland Park offers. Chicago is the hub of the Midwest, and a nearby complex will be more popular for events and have a greater capability of filling weekly rental dates.

Comparables also indicate that a facility the size of Orland Park can have substantial and diverse programming over the course of the year. A similar facility such as The Rock can hold up to 25 tournaments a year. **(See tournament volume below)**

Competing Midwestern Complexes

Complex	Location	60' 90' Base Lengths	Synthetic Fields
The Rock	Franklin, WI	4/6	6/6 Infields
Woodside	Mauston, WI	12/12	12/12 Full Fields
Grand Park	Westfield, IN	8/26	8/26
Heritage Park	Wheeling, IL	3/4	4/4
Inwood Park	Joliet, IL	0/8	0/8

Tournament Volume (2018)

Complex	Total Tournaments (2018 Year)
The Rock	25
Woodside	42
Grand Park	30
Heritage Park	9
Louisville Sluggers	32
Average	28

(Facility comparables are attached in Exhibit J)

Transportation, Accessibility & Amenities

Orland Park is in close proximity to Chicago, and has access to a variety of transportation options. The village has 3 train stations, giving it easy access to areas around Chicago and making it a convenient location for teams based in the city to visit.

The village itself sits next to Interstate-294 (to Milwaukee), Interstate-80 (to northern Indiana), Interstate-355 (to northern Indiana) and Interstate-55 (to Chicago and St Louis) which all have ramp access within twenty minutes of Orland Park. These expressways give Chicago, Wisconsin, and Indiana convenient routes into Orland Park. In addition to these routes, nearby Chicago serves as a hub for numerous other routes including to the outlying Illinois cities like Peoria and Rockford, as well as regional routes to southern Illinois, Indiana and Michigan. Based on highway connections alone, Orland Park is in a convenient place to service the entire Great Lakes region and some of the Central Midwest

Finally, Orland Park has access to not one, but two of the largest airports in Chicago. Both O'Hare and Midway are within a 40 minute drive of Orland Park. O'Hare is the second largest airport in the United States and is a hub airport for American and United Airlines. This makes it extremely easy for people across the country and abroad to get flights into this area. Midway also provides another option and is a major center for Southwest Airlines.

The dense concentration of international airports surrounding the Orland Park area opens up unique opportunities to host national and international tournaments. This could be a large draw for event providers looking to host high profile events.

Hotel and Retail

Orland Park's hotel environment is growing going into 2018/2019, with 2 hotels currently within the Orland Park area and 2 additional hotels planned for LaGrange Road. A new sports development will be valuable towards growing their customer base.

Hotel Name	Address	Average Room Price	
Homewood Suites	16245 South La Grange Road, Orland Park, IL 60467	\$	123
Essence Suites	14455 South La Grange Road, Orland Park, IL 60462	\$	100
Hotels Under Construction			
New Hotel 1	16100 La Grange Road, Orland Park		TBD
New Hotel 2	16800 La Grange Road, Orland Park		TBD

The retail scene is fairly substantial in Orland Park. Orland Park has numerous shopping centers, as well as the Orland Square shopping mall. These areas could see substantial revitalization from an increase in shoppers from outside the region.

Orland Park also has a thriving restaurant community, with well over 80 restaurants in the local area (Based off of Orland Park's 2014 food guide) there are plenty of food options for teams and their families. This also opens up opportunity for tournament advertisement and a voucher system, which external event providers like to implement at their tournaments. These include both local businesses and recognizable national chains.

There are also a number of entertainment options for visitors. To name a few, there is a Dave & Busters that can provide players with games and food, a cinema where they can go to watch movies as a team, and a waterpark that teams can go to on a hot summer day. The Greater Chicago area offers a multitude of additional attractions including professional sports, theaters, and museums.

Demographics:

Geographically, Orland Park is in a Midwestern hub that will encourage external rentals and vehicle traffic. Most of Chicago and its southern & western suburbs are in close proximity. Northern Indiana is also nearby. Within 50 to 100 miles lie most of the mid-sized IL cities (Peoria, Rockford), as well as Milwaukee, Wisconsin. Just beyond that is Indianapolis and Grand Rapids Michigan. Finally, within 200 miles is most of the lower peninsula Michigan, Central Wisconsin, populated Illinois, and most of Indiana. Drives this far would take approximately four hours, which is not unreasonable seeing as national surveys determined baseball parents are willing to drive up to five hours to attend a weekend tournament.

Population

As pointed out above, 200 miles can be considered a reasonable market area in which participants are willing to travel to a third-party tournament. Within this distance lies roughly one third of the Midwest's population (due to Chicago's central location), or approximately 22 million people. Of these 22 million, 5.5 million live within 25 miles of Orland Park. Not only is Orland Park in a central location geographically, but it is in an extremely convenient position for the city of Chicago and its suburbs.

Age/Gender

Demographics give us some insight into the number of potential consumers a sports complex will have. From an age perspective, there are over 710,000 children within 25 miles of Centennial park (which will reach into the City of Chicago), of the prime age to traveling tournaments are looking to target (5-14). This number more than doubles to over 1.5 million when looking within 100 miles of Orland park (for reference, that is about a 2-hour drive).

Income

Additionally, Chicago and its surrounding suburbs are a key source of wealth in the area. As seen in the household income section of the table, roughly 40% of families within a 25 mile radius make over \$75,000 a year, and 27% make over \$100,000 a year. This indicates that a large number of households in the region have the disposable income to sign their children up for potentially expensive 3rd party leagues and tournaments.

Conclusion

Geographically, Orland Park is in the ideal place to establish a facility marketed towards traveling teams. For one it is in the geographic center of the Midwest making it accessible to teams in Wisconsin, Indiana, Missouri, and Michigan. Additionally, it sits next to Chicago and many of its affluent suburbs which house the highest concentration of travel teams in the Great Lakes region. With a high population density and level of wealth, these teams will have the membership and means to fill a complex with weekly rentals and weekend tournaments.

25-Mile Radius*			50-Mile Radius*		100-Mile Radius**	
Total Population	5,533,071	100.00%	8,328,303	100.00%	11,472,486.00	100.00%
<i>Male Population</i>	2,687,353	48.57%	4,061,869	48.77%	5,621,661.00	49.00%
<i>Female Population</i>	2,845,718	51.43%	4,266,434	51.23%	5,850,825.00	51.00%
Age						
<5	352,918	6.38%	527,821	6.34%	715,272.00	6.23%
5-9	355,420	6.42%	547,568	6.57%	755,568.00	6.59%
10-14	360,350	6.51%	555,186	6.67%	773,712.00	6.74%
15-19	366,871	6.63%	552,665	6.64%	781,662.00	6.81%
20-24	397,477	7.18%	558,329	6.70%	786,632.00	6.86%
25-34	876,279	15.84%	1,228,082	14.75%	1,602,284.00	13.97%
35-44	753,515	13.62%	1,129,322	13.56%	1,517,056.00	13.22%
45-54	741,102	13.39%	1,142,479	13.72%	1,593,650.00	13.89%
55-59	349,742	6.32%	545,788	6.55%	765,953.00	6.68%
60-64	299,471	5.41%	468,853	5.63%	660,850.00	5.76%
65+	679,926	12.29%	1,072,210	12.87%	1,519,847.00	13.25%
Ethnicity						
<i>White</i>	3,214,992	58.11%	5,286,943	63.48%	7,961,761	69.40%
<i>Black</i>	1,346,528	24.34%	1,551,461	18.63%	1,775,237	15.47%
<i>American Indian</i>	14,076	0.25%	21,689	0.26%	29,457	0.26%
<i>Asian</i>	298,694	5.40%	542,995	6.52%	623,713	5.44%
<i>Pacific Islander</i>	1,373	0.02%	2,684	0.03%	4,072	0.04%
<i>Multiracial</i>	135,971	2.46%	198,953	2.39%	275,917	2.41%
<i>Other</i>	521,437	9.42%	723,578	8.69%	802,329	6.99%
Household Income						
<\$25,000	22.79%		20.66%		20.35%	
\$25,000-\$50,000	20.98%		20.67%		21.22%	
\$50,000-\$75,000	16.67%		17.00%		17.45%	
\$75,000-\$100,000	12.07%		12.64%		12.82%	
>\$100,000	27.49%		29.04%		28.16%	
*All County Subdivisions that begin within 25/50 miles of Centennial Park						
**All Counties that begin within 100 miles of Centennial Park						

Proposed Facility Budget

Orland Park New Facility Budget

Security Fencing	\$ 35,000.00
Site Work (includes concrete pads for dugouts)	\$ 600,000.00
Turf	\$3,200,000.00
Netting/Poles	\$ 150,000.00
Netting/Poles Installation	\$ 15,000.00
Dugouts (structures only)	\$ 70,000.00
Concession, Bathroom/Office Building (Clubhouse)	\$1,000,000.00
Foul Poles	\$ 15,000.00
Irrigation	\$ 50,000.00
Storage Building	\$ -
Site Electric	\$ 240,000.00
ADCI fees	\$ 40,000.00
General Engineering fees	\$ 150,000.00
Sidewalks and paths	\$ 220,000.00
Parking lot	\$ 350,000.00
Field Lighting	\$ 650,000.00
Baseball fencing	\$ 200,000.00
Sod and Landscape	\$ 250,000.00
Scoreboards	\$ 80,000.00
Nets, mounds, windscreen, backstop padding	\$ 100,000.00
Kitchen Equipment	\$ 80,000.00
Bleachers	\$ 50,000.00
Drain tile, stone base and fabric, wood curb/nailer	\$ 650,000.00
Construction Mgt and general conditions	\$ 200,000.00
Total Price	\$8,395,000.00

**Note: Land cost is not included as part of the budget.*

Economic Impact:

In order to determine the economic impact a sports complex will have on the Orland Park area, we first examined the size and scale of tournaments that a new complex in the area will bring. Based on the location, the large number of Chicago-based teams, and the facility attributes, our analysis shows the facility will be in high demand. A quick summary of our field usage assumptions can be found in the chart below.

Field Usage Assumptions

Month	Events per Month	Field Utilization Rate	Total Teams in Events	Total Players & Coaches	Total Visitors	% of Teams Visiting
April	4	70%	216	2,803	4,204	30%
May	4	85%	262	3,403	5,105	30%
June	5	85%	383	4,984	7,475	40%
July	4	85%	340	4,420	6,630	40%
Aug	2	75%	150	1,950	2,925	30%
Sept	3	60%	143	1,856	2,785	30%
October	3	60%	134	1,747	2,621	30%

- 5 weekends in June of 2018

Facility Revenue

The direct economic Impact will be categorized as the revenue gained directly through complex spending. For this we will look at 4 main areas: event fees, gate fees, concessions, and hotel rebates which are the primary revenue drivers from the hosting of private baseball/softball tournaments. There will be additional revenue sources including: field rentals, merchandising, and sponsorships.

Event fees are the price an entire team will pay upon signing up for the tournament. We estimate these fees will average approximately \$600 for baseball and \$525 for softball. **(See Exhibit C for Year 1 Event Fee Revenue)**

Gate fees are the second largest source of revenue in a sports complex. These will typically be gathered from spectators when they enter the park. The fee is a daily payment, usually between \$5 to \$10 on most events. We assumed a gate fee of \$7 per day per visitor, in line with other Illinois tournament venues. A typical tournament will last for 3 days (Friday, Saturday, Sunday), meaning the gate fee will be paid 3 times per visitor. **(See Exhibit D for Year 1 Gate Fee Revenue)**

Concessions are estimated based on the number of attending visitors, using industry norms as a proxy. **(See Exhibit E for Year 1 Concessions Revenue).**

Hotel revenues are generated through a referral system whereby hotels will often provide tournament promoters a percentage of their revenue generated from event demand. **(See Exhibit F for Year 1 Hotel Revenue)**

In summary, total monthly tournament revenue for baseball and softball is estimated to be between \$390,000 and \$560,000 for peak months and \$200,000 to \$300,000 per month during slow months.

Tournament costs are broken out into: umpires, baseball/softball costs, tournament labor, sanctioning fees, and awards. Of these labor and umpires are the largest costs, followed by ball costs, award costs, and everything else. These will be charged per tournament and will represent a large portion of the 'COGS' of the facility. **(See Exhibit H for Year 1 Tournament Expenses)**

Fixed Expenses will consist of full-time positions, field and equipment repairs, and utility expenses. We anticipate the need for 5 new full-time positions: a general manager (\$75,000) as well as baseball, softball, and field sports directors (\$50,000 each), and a web master (\$30,000). These expenses are all annualized. **(Total Expenses are broken out in Exhibit A and B)**

Based on the above numbers, we estimate that the Orland Park sports complex will generate approximately \$1.5 million EBIT in year one with a cash flow of \$777,535.

Annual Direct Spending:

We have determined that, during a year of full operations, Orland Park will see approximately \$4,650,000 a year in direct spending within the village. This number was broken down via adding direct spending (which was determined using a visitor multiple) and hotel revenues (which was determined based on the number of visitors brought in by events).

Annual Indirect Economic Impact

Indirect Economic impact was determined by simply multiplying the direct spending in the project by a multiplier determined based on the population amount and density. This number will be the impact of the added spending reverberating throughout the community. Indirect economic spending is projected to be about \$9,900,000 a year.

Job Creation

The initial economic impact will occur during the construction phase. It is estimated that the total construction cost for the Orland Park facility will be \$8.5 million. This is projected to create approximately 23 jobs. The larger impact on job creation will occur during the operational phase of the complex. It is projected there will be approximately 125 Full-Time and Part-time jobs created for the operational phase. This will equate to approximately 18.7 FTE positions due to the seasonality of the complex.

Hotel Tax Revenue

Hotel Tax Revenue has been calculated at a tax rate of 4%. This will generate Orland Park and the County approximately in hotel tax \$26,000 for every year of operations.

Personal Earnings

Projected personal earnings for the Full-Time and Part-Time jobs created at the Orland Park Complex or through third party independent contractors is estimated to exceed \$630,000 annually.

Total Economic Impact

Below is a summary of our findings of projected economic impact

Projected Economic Impact	
Annual Direct Spending	\$4,649,740
Annual Indirect Output	\$9,876,424
Hotel Tax Revenue	\$29,600
Personal Earnings	\$630,000
Job Creation	125 Full Time & Part Time Jobs

Projected Operating Summary:

Kreshmore Group has prepared both a 5 and 20-year complex operating pro-forma. The pro-forma was based upon market research regarding all components of revenue and expenses as well as comparison to financial results from comparable facilities in the Midwest.

A summary of the financial results at the end of the 5th and 20th year are as follows:

	End of Year 5	End of Year 20
Cumulative Cash Flow	\$6,352,494	\$36,373,668
Replacement Reserve	\$750,000	\$3,750,000
Working Capital Reserve	\$450,000	\$4,350,000
Excess Cash Available	<hr/> \$7,552,494	<hr/> \$44,473,668
Loan Balance Outstanding	\$6,736,289	\$0

The pro-forma establishes both a replacement reserves and a working capital reserve. It was estimated that \$2,300,000 of the replacement reserves would be expended on capital requirements over 20 years. It is highly likely that circumstances will require greater amounts expended on capital projects. As the pro-forma indicates additional reserves are planned for and available to mitigate capital outlay risk. The pro-formas' indicate that by the 5th year of operation of the complex the excess cash flow generated plus available reserves will be sufficient to retire the outstanding bond balance.

One must be concerned that circumstances will occur which may adversely affect the operating results. Factors such as market condition changes, ineffective management, or an economic downturn are a few situations which may adversely affect results and add risk to budget deviations. While risk is always a concern the location of the project, the existing market, and the execution plan will help mitigate these risks.

Please see Exhibits A,B, and H.

Conclusion

The overall need in the Greater Chicago land market for a state of the art fully turfed baseball/sports facility is undeniable. The Growth in travel sports, the market demand for high quality facilities, and the lack of quality designated tournament facilities in the market support the need for the complex.

The Complex performance was built on conservative activity and revenue assumptions which provide room for both growth and error. The pro-formas' allow for substantial built up reserves for working capital and replacement reserves as well as the buildup of excess cash flow. By the end of the 5th year the pro-formas' indicate that the Village has enough accumulated cash and reserves to pay off the debt on the project.

It has been recommended that the facility be operated by The Village. A proper plan and training will help insure the success of that endeavor and allow the economic benefits to inure to the Village for their own use. It has also been recommended that a relationship with a major sports sanctioning organization be entered into. This relationship will provide access to teams, tournaments, and marquis events and insure market penetration.

The economic impact in regard to jobs creation, annual direct spending, annual direct economic impact, and personal earnings are impactful for the area and local economy. This combined with the financial benefit for the Village is meaningful indices when determining project risk and reward.

The Village has an enormous advantage over a private operator in that they have "in-house" programming needs which can help fill down times, a special stake with local businesses, relationships with governmental agencies, and a mission which will be supported as part of a community/area plan. All these items will help generate revenue and support that a private operator cannot reach.

In review of the findings and facts it is determined that the area and market will support the proposed facility and that proper management of the facility by the Village will add benefit and be a mitigating factor of risk.

Exhibit A

New Facility 5-Year Pro-Forma

Projected Income	Year 1	Year 2	Year 3	Year 4	Year 5
Orland Park Complex (Baseball/Softball)					
Baseball & Softball Admissions (Gate)	666,646	746,643	821,307	887,012	940,233
Baseball & Softball Event Fees	924,308	1,035,224	1,138,747	1,229,847	1,303,637
Concessions	662,236	741,704	815,874	881,144	934,013
Rental Revenue	172,320	184,382	193,602	201,346	207,386
Hotel Vouchers	74,015	82,897	91,187	98,481	104,390
Merchandising	372,992	417,751	459,527	496,289	526,066
Sponsorship	100,000	200,000	300,000	300,000	300,000
Total Revenue	2,972,516	3,408,602	3,820,243	4,094,118	4,315,725
COGS					
Orland Park Complex (Baseball/Softball)					
Event Labor (Umpires/Event Staff)	334,929	375,120	412,633	445,643	472,382
Other Event Expenses (Balls/Awards)	38,063	42,630.91	46,894.00	50,645.52	53,684.25
Concessions	430,453	482,108	530,318	572,744	607,108
Merchandising	139,872	156,657	172,322	186,108	197,275
Total COGS	608,389	681,395	749,535	809,497	858,067
Gross Profit	2,364,127	2,727,207	3,070,708	3,284,621	3,457,658
Expenses					
SG&A					
Accounting Fees	2,414	2,486	2,561	2,638	2,717
Advertising and Promotions	7,000	7,210	7,426	7,649	7,879
Bank Charges	3,000	3,090	3,183	3,278	3,377
Communications	8,004	8,244	8,491	8,746	9,009
Dues and Subscriptions	767	790	814	838	863
Full Time Positions	255,000	260,100	265,302	270,608	276,020
Insurance	15,500	15,996	16,508	17,036	17,581
IT Expense	567	584	602	620	638
Liscense & Registration	700	721	743	765	788
Seminars & Conferences	533	549	565	582	600
Office Supplies	2,845	2,930	3,018	3,109	3,202
Other Expenses	375	386	398	410	422
Postage & Delivery	620	639	658	677	698
Total SG&A	297,325	303,726	310,269	316,957	323,793
Overhead					
Equipment Rentals					
Field Repair	20,000	20,400	20,808	21,224	21,649
Equipment Repair	15,000	15,300	15,606	15,918	16,236
Utilities Lights	100,000	102,000	104,040	106,121	108,243
Utilities Other	30,000	30,600	31,212	31,836	32,473
Trash Hauling	3,133	3,509	3,860	4,169	4,419
General Supplies	719	805	886	957	1,014
Field Maintenance	25,000	25,500	26,010	26,530	27,061
Janitorial Expense	3,333	3,433	3,536	3,642	3,751
Lanscaping	167	172	177	182	188
Snow Removal	1,500	1,545	1,591	1,639	1,688
Total Fixed Expenses	772,317	788,895	805,788	822,982	840,465
EBITDA	1,591,810	1,938,312	2,264,920	2,461,639	2,617,193
Debt Service					
Debt Service	564,276	564,276	564,276	564,276	564,276
Total Debt Service	564,276	564,276	564,276	564,276	564,276
Capital Reserves					
Working Capital Reserve	-	-	150,000	150,000	150,000
Capital Reserve	250,000	250,000	250,000	250,000	250,000
Total Capital Expenses	250,000	250,000	400,000	400,000	400,000
Net Cash Flow	777,535	1,124,036	1,300,644	1,497,363	1,652,917
Total Capital Reserves					
Capital Expenditures	-	-	-	-	(500,000)
Capital Reserves	250,000	500,000	750,000	1,000,000	1,250,000
Net Capital Reserves	250,000	500,000	750,000	1,000,000	750,000
Working Capital Reserves	-	-	150,000	300,000	450,000
Total Capital Reserves	250,000	500,000	900,000	1,300,000	1,200,000
Cumulative Cash Flow					
Cumulative Cash Flow	777,535	1,901,570	3,202,215	4,699,577	6,352,494

Exhibit A-1

Pro-Forma Revenue & Expense Assumptions

Revenue & Expense Assumptions					
Assumptions Page					
Monthly Revenue: The total amount of revenue is recorded in the month the tournament begins					
Revenue Assumptions					
Revenue Growth Rates	Year 2	Year 3	Year 4	Year 5	Years 6+
Rental Revenue	7.0%	5.0%	4.0%	3.0%	1.5%
Event Revenue consists of event fees, gate fee, concessions, and Merch					
Rental revenue is limited by available timeslots, not overall usage					
Event Revenue	12.0%	10.0%	8.0%	6.0%	2.0%
Gate Fee as a % of Event Revenue	72.1%				
Concessions as a % of Event Revenue	71.6%				
Hotels as a % of Event Revenue	8.0%				
Merch as a % of Event Revenue	40.4%				
Sponsorship Revenue	Year 1	Year 2	Year 3 +		
	100,000	200,000	300,000		
Expense Assumptions					
Event Labor margin based on Year 1 (Event Labor Expenses/Fees)	36.24%				
Note: Event labor expense past year 1 is calculated on a % of revenue basis					
Event Expense Margin based on Year 1	4.12%				
Note: Other event expenses past year 1 are calculated on a % of revenue basis					
Costs of Goods sold percentage for concessions	65%				
Cost of Goods sold percentage for Merchandise	37.5%				
Credit Card Charges as a percentage of merchandise revenue	2.5%				
Insurance Expense Growth Rate	3.2%				
Repairs Expense Growth Rate	Years 1 - 5	Years 5 - 10	Years 10 - 20		
	2.0%	3.5%	5.5%		
Labor Assumptions					
Position	Salary				
General Manager	75,000				
Baseball Director	50,000				
Softball Director	50,000				
Field Sports Director	50,000				
Webmaster	30,000				
Total	255,000				
Note: Concessions labor is included within costs of goods sold					
Note: Gate & tournament labor are built into event expenses					

Exhibit A-2

Pro-Forma Debt Service & Capital Budget Assumptions

Debt Service & Capital Budget Assumptions	
Debt Service Assumptions	
Total Funds Required (Based on New Facility Budget)	8,395,000
Interest Rate on Funds (Based on Orland Park's Credit Rating & Rate of 20-Year Municiple Bonds)	3%
Amortization Length (Years)	20
Yearly Payments	(564,276)
Capital Reserve Assumptions	
General Repairs Reserve	
-	Years 1 - 2
150,000	Years 3 - 5
500,000	Year 6
150,000	Year 7 - 10
500,000	Year 11
150,000	Years 12 - 15
500,000	Year 16
150,000	Years 17 - 20
Capital Reserve	
250,000	

Exhibit B

New Facility 20-Year Pro-Forma

Projected Income	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20
Orland Park Complex (Baseball/Softball)																				
Baseball & Softball Admissions (Gate)	666,646	746,643	821,307	887,012	940,233	959,037	978,218	997,782	1,017,738	1,038,093	1,058,855	1,080,032	1,101,632	1,123,665	1,146,138	1,169,061	1,192,442	1,216,291	1,240,617	1,265,429
Baseball & Softball Event Fees	924,308	1,035,224	1,138,747	1,229,847	1,303,637	1,329,710	1,356,304	1,383,430	1,411,099	1,439,321	1,468,107	1,497,470	1,527,419	1,557,967	1,589,127	1,620,909	1,653,327	1,686,394	1,720,122	1,754,524
Concessions	662,236	741,704	815,874	881,144	934,013	952,693	971,747	991,182	1,011,006	1,031,226	1,051,850	1,072,887	1,094,345	1,116,232	1,138,556	1,161,328	1,184,554	1,208,245	1,232,410	1,257,058
Rental Revenue	172,320	184,382	193,602	201,346	207,386	210,497	213,654	216,859	220,112	223,414	226,765	230,166	233,619	237,123	240,680	240,680	240,680	240,680	240,680	240,680
Hotel Vouchers	74,015	82,897	91,187	98,481	104,390	106,478	108,608	110,780	112,995	115,255	117,560	119,912	122,310	124,756	127,251	129,796	132,392	135,040	137,741	140,496
Merchandising	372,992	417,751	459,527	496,289	526,066	536,587	547,319	558,265	569,431	580,819	592,436	604,284	616,370	628,698	641,271	654,097	667,179	680,522	694,133	708,016
Sponsorship	100,000	200,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000
Total Revenue	2,972,516	3,408,602	3,820,243	4,094,118	4,315,725	4,395,003	4,475,850	4,558,299	4,642,381	4,728,128	4,815,573	4,904,751	4,995,695	5,088,441	5,183,024	5,275,871	5,370,575	5,467,173	5,565,702	5,666,203
COGS																				
Orland Park Complex (Baseball/Softball)																				
Event Labor (Umpires/Event Staff)	334,929	375,120	412,633	445,643	472,382	481,829	491,466	501,295	511,321	521,548	531,979	542,618	553,470	564,540	575,831	587,347	599,094	611,076	623,298	635,764
Other Event Expenses (Balls/Awards)	38,063	42,630.91	46,894.00	50,645.52	53,684.25	54,757.94	55,853.10	56,970.16	58,109.56	59,271.75	60,457.19	61,666.33	62,899.66	64,157.65	65,440.80	66,749.62	68,084.61	69,446.30	70,835.23	72,251.94
Concessions	430,453	482,108	530,318	572,744	607,108	619,251	631,636	644,268	657,154	670,297	683,703	697,377	711,324	725,551	740,062	754,863	769,960	785,359	801,067	817,088
Merchandising	139,872	156,657	172,322	186,108	197,275	201,220	205,245	209,350	213,537	217,807	222,163	226,607	231,139	235,762	240,477	245,286	250,192	255,196	260,300	265,506
Total COGS	608,389	681,395	749,535	809,497	858,067	875,229	892,733	910,588	928,800	947,376	966,323	985,650	1,005,363	1,025,470	1,045,979	1,066,899	1,088,237	1,110,002	1,132,202	1,154,846
Gross Profit	2,364,127	2,727,207	3,070,708	3,284,621	3,457,658	3,519,774	3,583,117	3,647,711	3,713,581	3,780,752	3,849,250	3,919,101	3,990,332	4,062,971	4,137,045	4,208,972	4,282,338	4,357,171	4,433,501	4,511,357
Expenses																				
SG&A																				
Accounting Fees	2,414	2,486	2,561	2,638	2,717	2,798	2,882	2,969	3,058	3,150	3,244	3,342	3,442	3,545	3,651	3,761	3,874	3,990	4,110	4,233
Advertising and Promotions	7,000	7,210	7,426	7,649	7,879	8,115	8,358	8,609	8,867	9,133	9,407	9,690	9,980	10,280	10,588	10,906	11,233	11,570	11,917	12,275
Bank Charges	3,000	3,090	3,183	3,278	3,377	3,478	3,582	3,690	3,800	3,914	4,032	4,153	4,277	4,406	4,538	4,674	4,814	4,959	5,107	5,261
Communications	8,004	8,244	8,491	8,746	9,009	9,279	9,557	9,844	10,139	10,443	10,757	11,079	11,412	11,754	12,107	12,470	12,844	13,229	13,626	14,035
Dues and Subscriptions	767	790	814	838	863	889	916	943	972	1,001	1,031	1,062	1,094	1,126	1,160	1,195	1,231	1,268	1,306	1,345
Full Time Positions	255,000	260,100	265,302	270,608	276,020	281,541	287,171	292,915	298,773	304,749	310,844	317,060	323,402	329,870	336,467	343,196	350,060	255,000	255,000	255,000
Insurance	15,500	15,996	16,508	17,036	17,581	18,144	18,724	19,324	19,942	20,580	21,239	21,918	22,620	23,344	24,091	24,861	25,657	26,478	27,325	28,200
IT Expense	567	584	602	620	638	657	677	697	718	740	762	785	808	833	858	883	910	937	965	994
Liscense & Registration	700	721	743	765	788	811	836	861	887	913	941	969	998	1,028	1,059	1,091	1,123	1,157	1,192	1,227
Seminars & Conferences	533	549	565	582	600	618	636	656	675	695	716	738	760	783	806	830	855	881	907	935
Office Supplies	2,845	2,930	3,018	3,109	3,202	3,298	3,397	3,499	3,604	3,712	3,823	3,938	4,056	4,178	4,303	4,432	4,565	4,702	4,843	4,989
Other Expenses	375	396	398	410	422	435	448	461	475	489	504	519	535	551	567	584	602	620	638	658
Postage & Delivery	620	639	658	677	698	719	740	763	785	809	833	858	884	910	938	966	995	1,025	1,056	1,087
Total SG&A	297,325	303,726	310,269	316,957	323,793	330,762	337,926	345,230	352,696	360,329	368,133	376,111	384,267	392,607	401,133	409,850	418,764	427,816	437,993	448,320
Overhead																				
Equipment Rentals																				
Field Repair	20,000	20,400	20,808	21,224	21,649	22,406	23,191	24,002	24,842	25,712	27,126	28,618	30,192	31,852	33,604	35,453	37,402	39,460	41,630	43,919
Equipment Repair	15,000	15,300	15,606	15,918	16,236	16,805	17,393	18,002	18,632	19,284	20,344	21,463	22,644	23,889	25,203	26,589	28,052	29,595	31,222	32,940
Utilities Lights	100,000	102,000	104,040	106,121	108,243	110,408	112,616	114,869	117,166	119,509	121,899	124,337	126,824	129,361	131,948	134,587	137,279	139,979	137,279	137,279
Utilities Other	30,000	30,600	31,212	31,836	32,473	33,122	33,785	34,461	35,150	35,863	36,570	37,301	38,047	38,800	39,564	40,376	41,184	41,984	41,184	41,184
Trash Hauling	3,133	3,509	3,860	4,169	4,419	4,507	4,597	4,689	4,783	4,879	4,976	5,076	5,177	5,281	5,386	5,494	5,604	5,716	5,830	5,947
General Supplies	719	805	886	957	1,014	1,034	1,055	1,076	1,098	1,120	1,142	1,165	1,188	1,212	1,236	1,261	1,286	1,312	1,338	1,365
Field Maintenance	25,000	25,500	26,010	26,530	27,061	28,008	28,988	30,003	31,053	32,140	32,783	33,438	34,107	34,789	35,485	36,195	36,919	37,657	38,410	39,178
Janitorial Expense	3,333	3,433	3,536	3,642	3,751	3,864	3,980	4,099	4,222	4,349	4,479	4,614	4,752	4,895	5,041	5,193	5,348	5,509	5,674	5,844
Lanscaping	167	172	177	182	188	194	199	205	212	218	224	231	238	245	253	260	268	276	284	293
Snow Removal	1,500	1,545	1,591	1,639	1,688	1,739	1,791	1,845	1,900	1,957	2,016	2,076	2,139	2,203	2,269	2,337	2,407	2,479	2,554	2,630
Total Fixed Expenses	772,317	788,895	805,788	822,982	840,465	859,092	878,152	897,655	917,613	938,037	959,355	981,217	1,003,639	1,026,638	1,050,232	1,074,440	1,099,280	917,081	925,325	933,906
EBITDA	1,591,810	1,938,312	2,264,920	2,461,639	2,617,193	2,660,682	2,704,965	2,750,056	2,795,968	2,842,715	2,889,895	2,937,884	2,986,694	3,036,333	3,086,813	3,134,532	3,183,058	3,440,090	3,508,176	3,577,451
Debt Service																				
Debt Service	564,276	564,276	564,276	564,276	564,276	564,276	564,276	564,276	564,276	564,276	564,276	564,276	564,276	564,276	564,276	564,276	564,276	564,276	564,276	564,276
Total Debt Service	564,276	564,276	564,276	564,276	564,276	564,276	564,276	564,276	564,276	564,276	564,276	564,276	564,276	564,276	564,276	564,276	564,276	564,276	564,276	564,276
Capital Reserves																				
Working Capital Reserve	-	-	150,000	150,000	150,000	500,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000
Capital Reserve	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000
Total Capital Expenses	250,000	250,000	400,000	400,000	400,000	750,000	400,000	400,000	400,000	400,000	750,000									

Exhibit C

Year 1 Projected Event Revenue

Projected Baseball Event Revenue

Mo.	Events/mo	Max Teams per Event	Max Teams per Month	Tourname nt Entry per Team	Entry Rev per Event	Entry Rev per Month
April	2	58.80	117.60	\$ 600	\$ 35,280	\$ 70,560
May	2	71.40	142.80	\$ 600	\$ 42,840	\$ 85,680
June	3	82.45	247.35	\$ 600	\$ 49,470	\$148,410
July	2	93.50	187.00	\$ 600	\$ 56,100	\$112,200
Aug	1	82.50	82.50	\$ 600	\$ 49,500	\$ 49,500
Sept	2	50.40	100.80	\$ 600	\$ 30,240	\$ 60,480
October	1	50.40	50.40	\$ 600	\$ 30,240	\$ 30,240
Totals	13	489	928	4,200	293,670	557,070

Projected Total Event Revenue

Mo.	Events/mo	Max Teams per Event	Max Teams per Month	Tourname nt Entry per Team	Entry Rev per Event	Entry Rev per Month
April	4	108	216	1,125	61,005	122,010
May	4	131	262	1,125	74,078	148,155
June	5	150	383	1,125	85,170	219,810
July	4	170	340	1,125	96,263	192,525
Aug	2	150	150	1,125	84,938	84,938
Sept	3	92	143	1,125	52,290	82,530
October	3	92	134	1,125	52,290	74,340
Totals	25	894	1,628	7,875	506,033	924,308

Projected Softball Event Revenue

Mo.	Events/mo	Max Teams per Event	Max Teams per Month	Tourname nt Entry per Team	Entry Rev per Event	Entry Rev per Month
April	2	49.00	98.00	\$ 525	\$ 25,725	\$ 51,450
May	2	59.50	119.00	\$ 525	\$ 31,238	\$ 62,475
June	2	68.00	136.00	\$ 525	\$ 35,700	\$ 71,400
July	2	76.50	153.00	\$ 525	\$ 40,163	\$ 80,325
Aug	1	67.50	67.50	\$ 525	\$ 35,438	\$ 35,438
Sept	1	42.00	42.00	\$ 525	\$ 22,050	\$ 22,050
October	2	42.00	84.00	\$ 525	\$ 22,050	\$ 44,100
Totals	12	405	700	3,675	212,363	367,238

Exhibit D

Year 1 Projected Gate Revenue

Projected Baseball Gate Revenue

Mo.	Events/mo	Visitors per Event	Visitors per Month	Gate Fee	Gate Fee per Event	Gate Fee per Month
April	2	1,147	2,293	7	24,079	48,157
May	2	1,392	2,785	7	29,238	58,477
June	3	1,608	4,823	7	33,763	101,290
July	2	1,823	3,647	7	38,288	76,577
Aug	1	1,609	1,609	7	33,784	33,784
Sept	2	983	1,966	7	20,639	41,278
October	1	983	983	7	20,639	20,639
Totals	13	9,544	18,105	49	200,430	380,200

Projected Total Gate Revenue

Mo.	Events/mo	Visitors per Event	Visitors per Month	Gate Fee	Gate Fee per Event	Gate Fee per Month
April	4	2,102	4,204	14	44,144	88,288
May	4	2,553	5,105	14	53,604	107,207
June	5	2,934	7,475	14	61,609	156,982
July	4	3,315	6,630	14	69,615	139,230
Aug	2	2,925	2,925	14	61,425	61,425
Sept	3	1,802	2,785	14	37,838	58,477
October	3	1,802	2,621	14	37,838	55,037
Totals	25	17,432	31,745	98	366,073	666,646

Projected Softball Gate Revenue

Mo.	Events/mo	Visitors per Event	Visitors per Month	Gate Fee	Gate Fee per Event	Gate Fee per Month
April	2	956	1911	\$7	\$20,066	\$40,131
May	2	1160	2321	\$7	\$24,365	\$48,731
June	2	1326	2652	\$7	\$27,846	\$55,692
July	2	1492	2984	\$7	\$31,327	\$62,654
Aug	1	1316	1316	\$7	\$27,641	\$27,641
Sept	1	819	819	\$7	\$17,199	\$17,199
October	2	819	1638	\$7	\$17,199	\$34,398
Totals	12	7,888	13,640	49	165,643	286,445

Exhibit E

Year 1 Projected Concessions Revenue

Projected Baseball Concessions Revenue

Mo.	Events/ mo	Players & Visitors per Event	Players & Visitors per Month	Coaches From out of Town	Total Concessions Spending per Event	Total Concessions Spending per Month
April	2	1,911	3822	30%	\$ 23,791.95	\$ 47,583.90
May	2	2,321	4641	30%	\$ 28,890.23	\$ 57,780.45
June	3	2,680	8039	40%	\$ 33,763.28	\$ 101,289.83
July	2	3,039	6078	40%	\$ 38,288.25	\$ 76,576.50
Aug	1	2,681	2681	30%	\$ 33,381.56	\$ 33,381.56
Sept	2	1,638	3276	30%	\$ 20,393.10	\$ 40,786.20
Oct	1	1,638	1638	30%	\$ 20,393.10	\$ 20,393.10
Total	13	15,907	30,175	2	198,901	\$377,791.54

Projected Softball Concessions Revenue

Mo.	Events/ mo	Players & Visitors per Event	Players & Visitors per Month	Coaches From out of Town	Concessions Spending per Event	Concessions Spending per Month
April	2	1,593	3,185	30%	\$ 19,826.63	\$ 39,653.25
May	2	1,934	3,868	30%	\$ 24,075.19	\$ 48,150.38
June	2	2,210	4,420	40%	\$ 27,846.00	\$ 55,692.00
July	2	2,486	4,973	40%	\$ 31,326.75	\$ 62,653.50
Aug	1	2,194	2,194	30%	\$ 27,312.19	\$ 27,312.19
Sept	1	1,365	1,365	30%	\$ 16,994.25	\$ 16,994.25
Oct	2	1,365	2,730	30%	\$ 16,994.25	\$ 33,988.50
Total	12	13,146	22,734	2	164,375	\$284,444.06

Projected Total Concessions Revenue

Mo.	Events/mo	Players & Visitors per Event	Players & Visitors per Month	Coaches From out of Town	Total Concession s Spending per Event	Total Concessions Spending per Month
April	4	3,504	7,007	1	43,619	87,237
May	4	4,254	8,509	1	52,965	105,931
June	5	4,890	12,459	1	61,609	156,982
July	4	5,525	11,050	1	69,615	139,230
Aug	2	4,875	4,875	1	60,694	60,694
Sept	3	3,003	4,641	1	37,387	57,780
Oct	3	3,003	4,368	1	37,387	54,382
Total	25	29,053	52,908	5	363,277	\$662,235.60

Assumptions:

A tournament Lasts 3 Days

Local players & visitors spend \$4.00

Out of town players & visitors spend \$4.50

Exhibit F

Year 1 Projected Hotel Revenue

Orland Park Monthly Hotel Revenue				
Month	Total Visiting	Total Teams	Total Hotel Revenue	Hotel Revenue for Village (10%)
April	216	65	\$85,377.60	\$8,537.76
May	262	79	\$103,672.80	\$10,367.28
June	383	153	\$202,408.80	\$20,240.88
July	340	136	\$179,520.00	\$17,952.00
Aug	150	45	\$59,400.00	\$5,940.00
Sept	143	43	\$56,548.80	\$5,654.88
Oct	134	40	\$53,222.40	\$5,322.24
Room Nigh	2			\$74,015.04
Rooms per	6			
Hotel Price	\$110			

**Note: 10% is the standard industry commission rate for sports facilities on overnight stays when contracting through a housing company. This would be paid by all hotels who house teams, not only those in Orland Park*

Exhibit G

Year 1 Projected Event Expenses

Projected Baseball Event Expenses

Month	Umpires	Baseball Cost Per Event	Tournament Labor Per Event	Sanction Fee per Event	Team Awards Per Event	Individual Awards per Event	Total Expenses per Event	Total Event Expenses per Month
April		\$12,936	\$662	\$750	\$100	\$240	\$624	\$15,312
May		\$15,708	\$803	\$750	\$100	\$240	\$624	\$18,225
June		\$18,139	\$928	\$750	\$100	\$240	\$624	\$20,781
July		\$20,570	\$1,052	\$750	\$100	\$240	\$624	\$23,336
Aug		\$18,150	\$928	\$750	\$100	\$240	\$624	\$20,792
Sept		\$11,088	\$567	\$750	\$100	\$240	\$624	\$13,369
October		\$11,088	\$567	\$750	\$100	\$240	\$624	\$13,369
Season Total		\$107,679	\$5,506	\$5,250	\$700	\$1,680	\$4,368	\$125,183
								\$236,986

Projected Softball Event Expenses

Month	Umpires	Softball Cost Per Event	Tournament Labor Per Event	Sanction Fee per Event	Team Awards Per Event	Individual Awards per Event	Total Expenses per Event	Total Event Expenses per Month
April		\$7,840	\$368	\$750	\$100	\$200	\$520	\$9,778
May		\$9,520	\$446	\$750	\$100	\$200	\$520	\$11,536
June		\$10,880	\$510	\$750	\$100	\$200	\$520	\$12,960
July		\$12,240	\$574	\$750	\$100	\$200	\$520	\$14,384
Aug		\$10,800	\$506	\$750	\$100	\$200	\$520	\$12,876
Sept		\$6,720	\$315	\$750	\$100	\$200	\$520	\$8,605
October		\$6,720	\$315	\$750	\$100	\$200	\$520	\$8,605
Season Total		\$64,720	\$3,034	\$5,250	\$700	\$1,400	\$3,640	\$78,744
								\$136,006

Projected Combined Event Expenses

Month	Umpires	Baseball/Softball Cost Per Event	Tournament Labor Per Event	Sanction Fee per Event	Team Awards Per Event	Individual Awards per Event	Total Expenses per Event	Total Event Expenses per Month
April		\$20,776	\$1,029	\$1,500	\$200	\$440	\$1,144	\$25,089
May		\$25,228	\$1,250	\$1,500	\$200	\$440	\$1,144	\$29,762
June		\$29,019	\$1,438	\$1,500	\$200	\$440	\$1,144	\$33,741
July		\$32,810	\$1,626	\$1,500	\$200	\$440	\$1,144	\$37,720
Aug		\$28,950	\$1,434	\$1,500	\$200	\$440	\$1,144	\$33,668
Sept		\$17,808	\$882	\$1,500	\$200	\$440	\$1,144	\$21,974
October		\$17,808	\$882	\$1,500	\$200	\$440	\$1,144	\$21,974
Season Total		\$172,399	\$8,540	\$10,500	\$1,400	\$3,080	\$8,008	\$203,927
								\$372,992

Yearly Fixed Expenses

Full Time Positions	255,000
Field Repair	20,000
Equipment Repair	15,000
Utilities Lights	100,000
Utilities HVAC	30,000
Field Maintenance	25,000
Insurance	15,500
Total	460,500

Exhibit H

Loan Repayment Schedule

Orland Park Loan Yearly Amortization Schedule

Rate	3%			
Amount	8,395,000			
Term (months)	20			
Payment	\$564,275.87	\$6,771,310.38		
	Payment	Interest	Principal	Balance
Year 1	\$ 564,275.87	\$ 251,850.00	\$312,425.87	\$8,082,574.13
Year 2	\$ 564,275.87	\$ 242,477.22	\$321,798.64	\$7,760,775.49
Year 3	\$ 564,275.87	\$ 232,823.26	\$331,452.60	\$7,429,322.89
Year 4	\$ 564,275.87	\$ 222,879.69	\$341,396.18	\$7,087,926.71
Year 5	\$ 564,275.87	\$ 212,637.80	\$351,638.06	\$6,736,288.65
Year 6	\$ 564,275.87	\$ 202,088.66	\$362,187.21	\$6,374,101.44
Year 7	\$ 564,275.87	\$ 191,223.04	\$373,052.82	\$6,001,048.62
Year 8	\$ 564,275.87	\$ 180,031.46	\$384,244.41	\$5,616,804.22
Year 9	\$ 564,275.87	\$ 168,504.13	\$395,771.74	\$5,221,032.48
Year 10	\$ 564,275.87	\$ 156,630.97	\$407,644.89	\$4,813,387.59
Year 11	\$ 564,275.87	\$ 144,401.63	\$419,874.24	\$4,393,513.35
Year 12	\$ 564,275.87	\$ 131,805.40	\$432,470.46	\$3,961,042.88
Year 13	\$ 564,275.87	\$ 118,831.29	\$445,444.58	\$3,515,598.31
Year 14	\$ 564,275.87	\$ 105,467.95	\$458,807.92	\$3,056,790.39
Year 15	\$ 564,275.87	\$ 91,703.71	\$472,572.15	\$2,584,218.24
Year 16	\$ 564,275.87	\$ 77,526.55	\$486,749.32	\$2,097,468.92
Year 17	\$ 564,275.87	\$ 62,924.07	\$501,351.80	\$1,596,117.12
Year 18	\$ 564,275.87	\$ 47,883.51	\$516,392.35	\$1,079,724.77
Year 19	\$ 564,275.87	\$ 32,391.74	\$531,884.12	\$ 547,840.65
Year 20	\$ 564,275.87	\$ 16,435.22	\$547,840.65	\$ 0.00

Exhibit I

Field Programming Schedule

Key




	Vaible Rental Day
	Scheduled Baseball Event
	Scheduled Softball Event

Exhibit J

Comparable Facilities

Comparable facilities are on the following pages.

Exhibit J

Comparable Facilities

The Rock
7900 Crystal Ridge Rd.
Franklin, WI 53132
<http://mke.rockleaguebaseball.com/>

Located only 25 minutes from downtown Milwaukee and 40 minutes from the northern Illinois border, the Rock is the second largest sports complex in Wisconsin at a size of 142 acres. Focused mostly on baseball, the complex contains 6 baseball fields, as well as BMX, bike, and snow parks.

The complex caters primarily to a baseball crowd, with its unique claim to fame being its 6 replica major league baseball fields. Each of these diamonds have all turf infields, with Kentucky blue grass outfields. Base lengths for each of the fields are 60'-90' although the central diamond of 4 fields has noticeably longer fence lengths. Each field has seating.

In addition to the baseball fields, the Rock also contains a variety of extra amenities such as an umbrella bar overlooking the complex, a variety of concession stands spread about the park, a number of restaurants, and parking nearby the fields.

Tournaments at the Rock begin March 16th and end in mid-October with the heavy season taking place between May and July when 16 of its 25 tournaments are offered. These tournaments host age groups that range between 9U and 18U. The Rock is partnered with Game Day USA to host and organize all of its tournaments. Large scale tournaments carry a registration fee of \$300 per person, and each tournament will host numerous age groups over the course of the year.

The Rock sports complex has had a substantial economic impact on the City of Franklin. So much so that only 5 years after its construction in 2013, the City of Franklin approved a \$130,000,000 development next to the park that will include a tournament stadium, apartments, hotels, and mixed use commercial space that will encompass over 200 acres.

The Rock is privately owned and operated by Roc Ventures, though it has a partnership with the City of Franklin and has worked on several joint projects with the town such as the construction of the ballpark commons and the original Rock complex.

Exhibit J

Comparable Facilities

Inwood Sports Complex: Harlow Lockwood Softball Fields
300 W. Jefferson Street,
Joliet, IL 60435

The Harlow Lockwood Softball Fields in the Inwood Sports Complex is a moderate sized softball facility owned and operated by the Village of Joliet. The facilities were constructed in 1990 and span over 25 acres.

This facilities 6 fields have a limestone based infield, natural outfields, 300 foot fences, and are fully lighted with supplementary concessions facilities. The facility also contains 6 grass multi-use fields that are primarily used for village soccer programs. There are also additional amenities including water parks, bike paths, and a large concessions area. The facility is gated well.

This complex primarily hosts softball tournaments, particularly slow pitch. There will be 25 tournaments over the course of this season, with entry prices of around \$320 per team. Tournament scheduling and operations are handled by USSSA, which is the largest slow pitch softball tournament organizer in the United States, however the facilities themselves are the property of Joliet. These tournaments range from small local tournaments, to numerous USSSA licensed state and Great Lakes regional tournaments. The complex has also been known to occasionally host national level tournaments.

Rental rates at the facility are fairly low. They have no easily discernable pecking order, and charge \$25 for a 2 hour timeslot for softball fields. These come with an extra \$60 charge for every 2 hours of lighting. Multi-use fields also cost \$25 per 2 hours, with no lighting option.

Exhibit J

Comparable Facilities

Heritage Park 100 Community Boulevard, Wheeling, IL 60090

Heritage Park is one of the closest sports complexes to the Chicago metropolitan area (a 45-minute drive on a low traffic day). Heritage Park in Wheeling was renovated 4 years ago for \$33.5MM to include 4 full-turf baseball diamonds. An aerial photo of the complex is provided on the next page.

The complex has 4 full-turf baseball diamonds all of which can convert into multi-use sports fields. Three of these fields are full-sized, 60' 90' base length fields. All fields can be scaled down to accommodate softball and youth games. There are also five grass multi use fields constructed on the edge of the complex. The multi-use fields are not gated and are utilized by local recreational organizations.

The complex also includes a concessions building with a tower, as well as pedestrian areas between the fields that include bleachers and shaded dining areas. This area is protected from stray balls using a combination of nets and tall fencing. The four turf fields are also gated in enabling ticket sales.

Heritage Park was originally constructed for use by Wheeling's high school teams with plans to give them access to top-tier playing surfaces. However, Heritage Park has since built a substantial external following with the "Experience the Turf" tournament costing between \$600 – \$750 for a team to join. The complex leverages its position as one of the few synthetic turf parks in the Chicago area and hosts 4-5 of these tournaments during the baseball season, most of which fill up several months in advance. These tournaments begin on May 11th and continue until July 29th.

The Heritage Park expansion was funded by the Village of Wheeling and the facility is owned and managed by the Village of Wheeling itself. Tournaments in Heritage are held by JP Sports, which is an event provider sanctioned by the USSSA.

Rental rates for these fields, based on information from the village website, is as follows:

Baseball

	Field Rental Fee (Two Hours)	Light Fee (Two Hours)	Deposit
Resident	\$90	\$50	\$250
Non - Resident	\$126	\$50	\$250
Corporate Resident	\$104	\$50	\$250
Corporate	\$144	\$50	\$250

Multi-Use

	Field Rental Fee (Hourly)	Light Fee (Hourly)	Deposit
Resident	\$90	\$25	\$250
Non - Resident	\$126	\$25	\$250
Corporate Resident	\$104	\$25	\$250
Corporate	\$144	\$25	\$250

Exhibit J

Comparable Facilities

Grand Park
19000 Grand Park Blvd,
Westfield, IN 46074
<http://grandpark.org/>

Grand Park was built to service the baseball, football, and soccer needs for the whole of Indianapolis area. Built 23 miles north of Indianapolis, Grand park is a massive complex of sports fields that spans over 400 acres.

Unlike some of the other complexes on this list, Grand Park was not built to provide services for a specific sport, rather it was built with the capacity to host games for many different sports by the City of Westfield Indiana, who still administers the park. Servicing this end, Grand Park has 26 baseball diamonds, as well as 31 multipurpose fields to be used for football, soccer, and lacrosse. The park also contains an indoor athletic center, and a 370,000 square foot Events center with fields, multiuse space, and courts for basketball & volleyball fields.

All of the 26 baseball fields are lighted while 8 are synthetic turf. These 8 are primarily used for tournament play, whereas the rest take care of the local sports leagues as well as potential tournament runoff. Four of the synthetic fields are full sized and the other 4 are junior sized.

Tournaments at Grand Park (scheduled for 2018) began on April 16th and end on July 16th. There are a total of 30 tournaments taking place during this time, with the most taking place in June (a tournament almost every weekend). Tournaments in age groups range between 9U and 18U.

Economic impact

The City of Westfield Indiana has done its own study on the economic impact of the Grand Park Sports campus. This study concluded that the total impact of the construction was \$89.8 million during the years of 2012 – 2015. Operations comes out to a much higher number, with \$220.1 million in economic impact being generated between 2014-15 by the ongoing operation of the sports complex. Approximately 79% of the baseball and softball players at this complex are from out of the area, with about 64% of field sports players traveling as well.

GRAND PARK SPORTS CAMPUS
ANNUAL DIRECT AND TOTAL OPERATIONS IMPACT

<u>Impact Type</u>	<u>Output</u>	<u>Jobs</u>	<u>Personal Income</u>
2014	\$69,246,155	928	\$25,271,212
Local Purchases	\$2,874,395	25	\$1,280,261
Visitor Spending	\$66,371,760	903	\$23,990,951
2015	\$150,900,042	2,008	\$53,961,570
Local Purchases	\$3,163,795	23	\$1,391,740
Visitor Spending	\$147,736,247	1,984	\$52,569,830
2016	\$162,618,588	2,166	\$58,150,689
Local Purchases	\$3,163,795	23	\$1,391,740
Visitor Spending	\$159,454,793	2,143	\$56,758,948

Exhibit J

Comparable Facilities

Woodside Sports Complex
4217 W50th Street,
Mauston, WI 53948

Comprised of 3 different sports complexes near the Wisconsin Dells, the Woodside Sports Complex is the largest all-turf multi-sport facility in the Midwest.

The complex is very versatile and has facilities that can be used for baseball, volleyball, basketball, wrestling, soccer, football, and lacrosse. In addition to its two large outdoor facilities, Woodside also has a multi-use dome that is capable of layering synthetic turf with flooring for various indoor sports, making it an incredibly versatile facility.

All but 2 fields in the Woodside Complex are synthetic fields. There are a total of 12 synthetic turf baseball and softball fields with an additional six synthetic multi-use fields that are used for baseball, softball, and lacrosse. In addition, the dome is capable of being resurfaced to provide either 16 Volleyball courts, 10 basketball courts, 32 wrestling mats, or one synthetic softball diamond or multi-use field.

Additional features include an entrance gate at each facility, several batting cages, concessions and retail, as well as partnerships with several high profile hotels, restaurants and resorts in the nearby area. The facilities have trained security staff.

Tournaments at Woodside begin on April 6th and are scheduled until September. April, May, and June are its three busiest months, with 43 of its 62 scheduled events. These tournaments pull from a variety of sports with baseball and softball being the most common, followed by football and soccer.

The Woodside Sports Complex is privately owned and operated by Woodside Sports and it is therefore difficult to ascertain a direct economic impact from the complex. However, Woodside is partnered with over 50 hotels and ensures that each team registered for a tournament outside of a given radius purchases at least 8 rooms from an affiliated hotel for the weekend. Putting it this way, there are at least 19 baseball tournaments throughout the year with over 35 teams participating in each. With 8 required rooms per team, that's over 5.3 thousand hotel rooms being rented over the course of the baseball season.

Exhibit K

Summary Marketing Plan

Kreshmore recommends that the Village of Orland Park run and operate the newly proposed athletic facility internally and utilize an external sanctioning body as outlined in the “Market Commentary” section which begins on Page 17 of this report.

The success of the proposed athletic facility for the VOP will hinge on the Villages ability to provide continued programming throughout the peak baseball and softball season (April – June), bring in specialty events in late June – early August, and provide a fall schedule for the month of October. VOP, lacking both current contacts and reach into the marketplace, would need a sanctioning body that can help drive national/regional/local visibility to their newly created events while working with the VOP on events that will require a bidding process such as State Level and World Series tournaments.

A brief marketing outline would be as follows:

- 1.) VOP to partner with a sanctioning body that has brand recognition and visibility in order to sanction the VOP’s newly created baseball and softball tournaments starting in the month of April and extending into mid-June
- 2.) VOP to hire a web manager, a baseball director, a softball director, and a field sports director in order to do the following:
 - a. Web manager to create a new website for the proposed athletic facility
 - i. Website to be linked back to the national sanctioning body selected in order to help drive national visibility
 - ii. Website will be linked back to the national sanctioning body to process event payments as we all ensure that all event protocol is being followed such as teams within the events being sanctioned
 - b. Baseball, softball, and field sports director to work with the state director within the chosen association and sport to define event parameters and establish a clear marketing plan
 - i. Baseball, softball, and field sports director will also be responsible for calling teams, leagues, and organizations to market the proposed athletic facility as well as the event schedule
 - ii. Baseball, softball, and field sports director will be in charge of attending appropriate sports conventions for networking and facility promotions.
- 3.) The web manager and sports directors will work together on a social media and email strategy to enhance the marketing push by the sanctioning body
- 4.) VOP’s hired sports directors to work with the sanctioning body on acquiring necessary bids to premium events such as State Tournaments and World Series events

Once the VOP establishes the core of their event schedule, they will begin to work with the Chicagoland CVB on additional events to provide diversity within their schedule. These events will typically require a yearly extended bid process and will revolve around both mainstream sports and events driven towards the creation of traffic to the VOP.