

# Indoor Multiuse Sports Facility

## Submission of Interest to the Hospitality Projects in Wake County RFI

### ***Executive Summary***

Within its Sports Priority, the recently-developed Wake County Destination Strategic Plan (Wake County DSP) assessed the current product within the county and identified ways to strengthen the county's competitive position as a sports tourism destination and attract more large-scale sports events and tournaments to drive overnight visitation. The plan found that the county lacks an indoor, multiuse sports facility.

Cary has been a regional leader in the development and management of recreational venues for more than two decades and serves as a valued partner with the Greater Raleigh Sports Alliance (GRSA) in attracting and hosting regional and national level youth, collegiate, and amateur sports events. Given the identified need for an indoor multiuse sports facility and a desire to help extend the area's brand as a destination for sports tourism, Cary proposes to construct an indoor, multiuse sports facility to fill the identified need.

The following pages describe the proposed venue, its visitor facing uses, and the regional benefit and impact of the venue.

Cary's project team is well-trained and experienced with managing projects of this size and beyond. The project team will oversee the planning and design and will serve as the project manager for construction and completion of the project. Cary would manage the facility and work in partnership with GRSA to attract sports events and tournaments of the scale to drive overnight visitation.

### ***Project Purpose and Use***

The recently released Wake County DSP recommends that the county create a countywide sports complex to increase sports tourism and travel and help Wake County attain its long-term, overnight visitation goals. A missing element of the countywide sports complex model is an indoor multiuse sports facility to balance the county's inventory of outdoor sports fields and venues. The indoor multiuse sports facility would need to be "tournament-ready" and meet standards set by GRSA and partners within Wake County to ensure the facility is of a caliber that can host tournaments that are targeted in the DSP and have the ability to draw athletes from outside the region.

Given Cary's history of success in hosting premier sporting events, its proximity to the infrastructure desired by overnight visitors, and Cary's goal to extend its brand as a competitive host for high-caliber youth, collegiate, and amateur sporting events, Cary proposes to build an indoor multiuse sports facility to complement existing facilities in the county and to serve as an anchor for the countywide sports

### ***Why locate the facility in Cary?***

Cary's track record of successful management of high-quality sports venues, as well as a central location in the county and proximity to the county's destination assets, puts Cary in a competitive position to be the owner of such a facility.

- Cary is a leader in the region for sports tourism, welcoming thousands of spectators and athletes to the USA Baseball National Training Center, WakeMed Soccer Park, the Cary Tennis Park.
- Cary is committed to strategically developing community assets and adding to the area's quality of place (as evidenced by the goals outlined in the Cary 2040 Community Plan— Cary's new comprehensive plan).
- Cary has a strong relationship with GRSA and has proven that it excels in hosting sports tourism

complex model. Cary recognizes that as more indoor sports venues come online, and competition increases for sports-related tourism dollars, the facilities in the county and the countywide sports complex model as a whole, must remain at the forefront of industry trends. To attract high-level national events, the venue must provide the ancillary amenities demanded by organizers, athletes and spectators and provide visitors a high-quality experience.

### Understanding future needs

To build an understanding of the optimal programming of the facility, Cary undertook a market demand assessment with Jones Lang Lasalle for a facility that would:

- meet the countywide sports complex model needs,
- complement, rather than compete with existing facilities (i.e., provide an indoor venue for new events which heretofore could not find an appropriate-sized venue in the Wake County area), and
- differentiate itself to a degree to be successful in attracting US regional and national events (thereby contributing new events to attract new visitors to the County to help attain the county's increased overnight visitor goals).

Programming of the facility will be geared toward tournament/visitor-facing events, focusing on those sports for which Wake County is currently or potentially competitive given brand recognition, growth and demand within the sport, a strong local presence, and/or potential for growth.

As part of the methodology for the market demand assessment, tournament organizers and sports experts throughout the country were interviewed to solicit their perceptions of Wake County as a destination/host for their events. The space needs and types of amenities sought in choosing venues and their willingness to bring new events to the market should such a facility be built were also explored. Figure 1 summarizes the key take-aways from the research.

**Figure 1: Market Demand Findings**



In summary, the tournament organizers and experts relayed a consistent message of the importance of the total facility "experience" to support the athletes and the competitions, as well as having an attractive location for the facility, proximate to lodging and dining amenities. The interviews validated that tournament organizers across all levels of sports perceive Cary and Wake County as a desirable sports tourism destination. Feedback on optimal facility layout and design was factored into the overall direction for potential programming of the venue.

### ***Programming and meeting unmet needs***

Currently, Cary envisions building a roughly 250,000 sq. foot facility that could house uses that are currently not met in Wake County:

- up to 12 basketball courts (which would be repurposed for volleyball and badminton use, as well as other sports uses after changing out flooring, etc.),
- dedicated space for E-sports or other high-bandwidth/technology uses, and
- an arena capable of seating approximately 4,000 – 5,000 around a center court.

The facility would also be programmed to provide for uses and amenities to create the aforementioned “experience” and ease of use to make the facility more attractive to tournament organizers. These uses would include:

- up-scale concession and dining areas,
- ancillary programming (locker rooms, practice areas, a weight or training room, restrooms, etc.),
- space for spectator amenities (e.g., activities between games or matches, waiting areas with Wi-Fi, gathering spaces, etc.),
- ample storage space so that the facility can accommodate the majority of organizer needs (e.g., a stage, different types of flooring/mats), and
- meeting space/flexible classroom space for tournament organizer and other local/user needs (the meeting space would be configured and operated in a way to complement existing meeting space in the County).

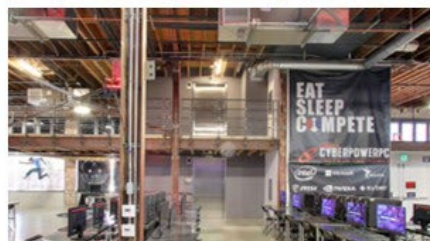
Some elements of the planned programming and space needs include:

#### **Mezzanine: Entry-level/amenities (street level)**

- Ticket office/information
- Lobby area
- Concessions and/or restaurant
- Meeting space/Ballroom
- Computer classroom/E-sports practice space
- Commercial kitchen space

#### **First Level: Tournament (below ground level)**

- Free span courts (12 basketball courts; flexible use and divisible)
- 4,000+ seat arena/center court
- Locker rooms/weight rooms
- Storage



The size of the facility was determined given the space needs of US regional and national caliber tournaments to allow play to take place under one roof. As noted earlier, no such indoor facility is available/exists in the county. Currently, tournaments wanting to come to Wake County are required to split play among numerous indoor facilities throughout the county. Feedback from the market demand

assessment and the Wake County DSP suggests that tournament organizers prefer to consolidate play/usage in a single location. The facility would not be in competition with the Raleigh Convention Center; tournaments that use the Convention Center are of a much larger scale.

The planned arena could be used as either a center court or for non-tournament convocations (another needed space in the county). Reynolds Coliseum on the NC State University campus could serve the county's arena/center court need; however, it is rarely available for booking for non-NC State University events.

*Our teams love Wake County. We would book there more often if there was a facility that could accommodate all of our court needs under one roof.*

*—National Basketball Tournament Organizer*

### ***Regional and National Benefit***

As envisioned, the facility will be consistent with the 2017 Wake County Room Occupancy and Prepared Food and Beverage Operating Principles. The findings of the market demand assessment suggest that if programmed and positioned properly and with the above space flexibility, the facility would be capable of hosting 30-40 tournaments per year, with the tournaments attracting as many as 600 overnight visitors per tournament (with visitors including athletes, traveling families/friends, and spectators). The hotel and visitor spending from these tournaments would provide direct spending benefit throughout Wake County.

Such visitation would result in roughly \$72,000 in direct spending per tournament for the larger tournaments<sup>1</sup> (including room nights, food and beverage and other visitor spending). As the programming and optimal use of the facility is refined, Cary would rely on the standard visitor impact metrics employed by the Greater Raleigh Convention and Visitors Bureau within the destination industry sanctioned *Sports Events Impact Calculator* to quantify, track and report more specific impact numbers. Qualitatively, the facility would serve as an anchor for the proposed countywide sports complex model, providing a “right-sized” venue programmed primarily for tournament use that does not yet exist in Wake County, and would further brand Wake County as a competitive location for high-quality national tournament play.

The facility would create a desirable location for indoor sports such as basketball, volleyball, wrestling, gymnastics, dance or cheer—in other words, what USA Baseball creates for youth and collegiate baseball, what WakeMed Soccer Park creates for youth, collegiate and amateur soccer, or what the Cary Tennis Park creates for tennis. Additionally, the meeting space component of the facility could augment the county's inventory and eventually add to the existing Cary Meeting District as defined by the Greater Raleigh Convention and Visitors Bureau for meetings and conventions in the county.



*Potential E-gaming/ technology classroom usage*

Finally, the facility could potentially present an opportunity to explore the county and Cary's potential as a destination for e-sports competitions. The E-sports opportunity would both leverage the strong gaming industry presence in the county, as well as be a first-mover in strategic development of E-sports programming and event production. E-sports organizers interviewed during the market demand

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<sup>1</sup> “Larger tournaments” are defined as those attracting 500 athletes and accompanying overnight-visitors/spectators. The impact amount assumes 75% of attendees are overnight visitors, with a total 2-day stay.



assessment suggested that many of the current E-sports facilities were built primarily considering only space/size needs and not considering the production of the events/competitions. As envisioned, the E-sports component of the facility would be planned with such production needs in mind, as well as anticipating how the high-bandwidth, dedicated technology space could be leveraged for other uses (e.g., classroom or training space). This strategic approach would more positively position the venue with E-sports organizers and producers.

### ***Organization and Location***

Cary envisions managing and operating the facility in the same way that it oversees and coordinates activity at WakeMed Soccer Park. Cary would continue to partner with GRSA in identifying and pursuing targeted national and regional tournaments to host at the facility.

Cary proposes to site the facility at a location within Cary's limits with easy access to Interstate 40 and roads of regional significance, as well as RDU International Airport. Figure 2 illustrates a potential site for the facility. The site is proximate to a variety of lodging options (existing and planned) and is at the edge of planned mixed-use development on Cary's Eastern Gateway, including the recently-approved 92-acre Fenton development, the first phase of which should be complete in 2020.

**Figure 2: Potential site-plan**

The facility is envisioned to be sited within the Eastern Gateway.



### ***Anticipated Costs***

In keeping with the goal of distinguishing the facility to extend Wake County's strong brand as a sports tourism destination, as well as to remain ahead of industry trends and increased competition for tournament organizers' attention and commitment, programming for the facility has been estimated at the higher-end of the construction/development scale. As currently programmed/envisioned, the facility is estimated to have a construction cost of between \$88.2 million and \$100.8 million and soft costs between \$26.5 million and \$30.2 million. Cary would work with GRSA to book tournament play in the facility to generate revenues (through rental, concession sales, and other fees) to cover the operating expenses in the facility.

### ***Next steps***

In 2019, Cary will refine programming needs and collaborate with local partners to solidify interest in partnering to fully leverage the space. In addition, Cary will begin the conceptual design based on the feedback received in the market assessment study. With the collective resources of the Wake County Interlocal Fund and the Cary's ability to deliver resources, there is a high probability of the proposed new venue becoming a reality and contributing to implementing the Sports Priority of the Wake County Destination Strategic Plan.

For more information on the planned indoor multiuse sports facility, please contact Doug McRaney, Director, Town of Cary Parks, Recreation & Cultural Resources at 919.469.4066 or [doug.mcraNEY@townofcary.org](mailto:doug.mcraNEY@townofcary.org).