



Danville Sports Market and Feasibility Analysis – Final Presentation

June 18, 2019

Key Questions

Hunden Strategic Partners was engaged by the City of Danville to conduct a comprehensive market and financial feasibility analysis for the development of a sports facility within the city limits. The key questions that HSP was tasked to answer were:

- What is the market opportunity for a new indoor and/or outdoor sports complex development in Danville to drive sports tourism and visitation to the community?
- What is the existing supply of sports and recreation facilities in Danville and the surrounding area? Is there a gap in quality or size of facilities? What is the level of local demand for a new sports complex?
- What is the existing statewide and regional supply of sports complexes capable of hosting impactful tournaments and events? Is there a gap in supply that a new Danville facility could accommodate?
- What is the market opportunity for a sports complex in Danville to host major state and regional tournaments? How do national governing bodies and event organizers view the opportunity?
- How is the Danville hotel market performing? Are there seasonal gaps in the market? How does hotel performance impact sports tourism opportunities?
- Based on the findings, what is recommended? How is the recommended facility expected to perform?

Introduction

Many cities have used youth sports developments as activity and demand generators to enhance their communities as well as overall development efforts. The activity of youth sports complexes (which are also used by adult tournaments) can generate consistent usage, which provides consistent hotel and restaurant activity. This is especially true on weekends, which is a weak time of the week in many locations. The ability to drive incremental business during non-peak periods will help to diversify the tourism industry in Danville.

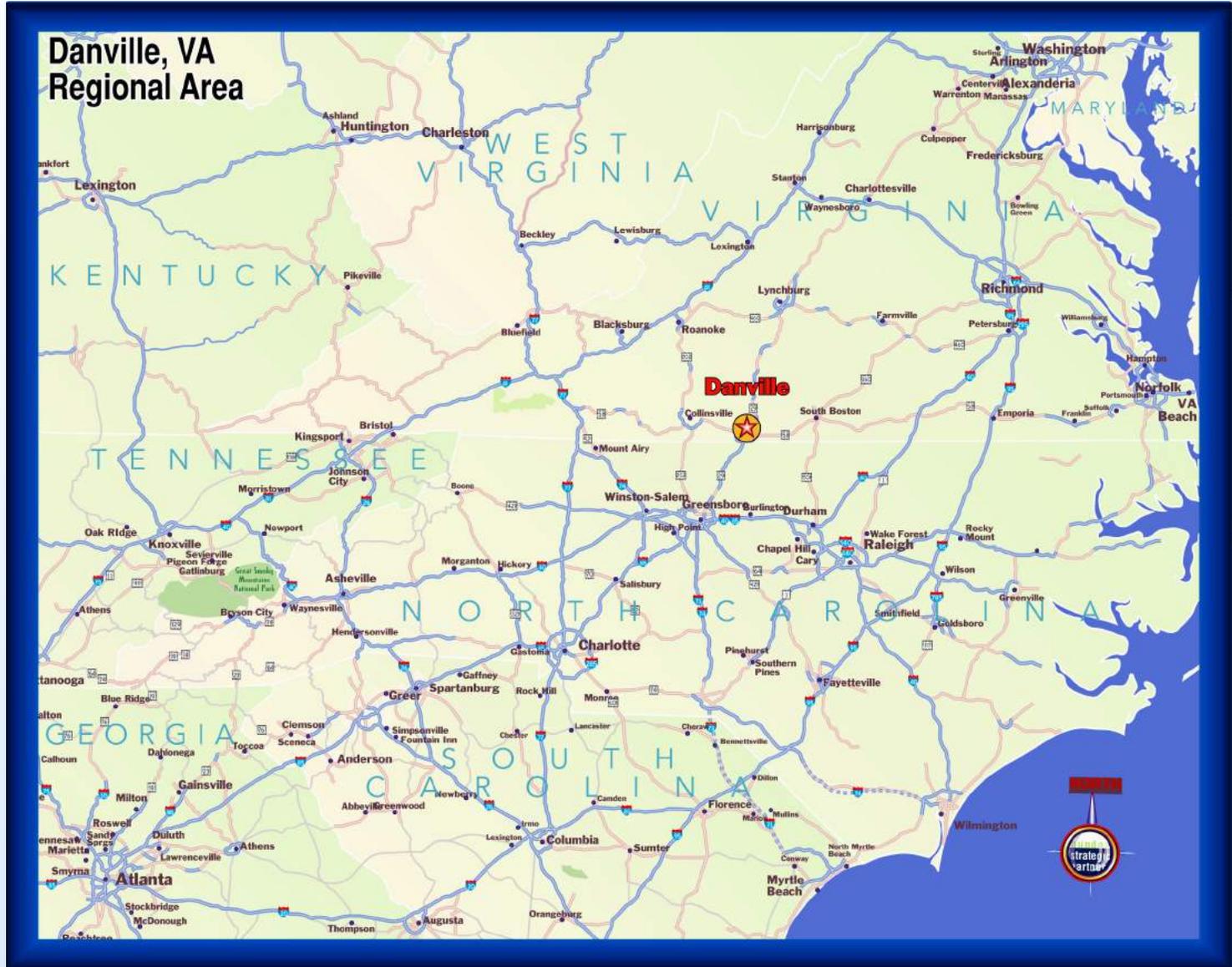
The findings suggest there is a demand for a high-quality diamond complex capable of hosting baseball and softball tournaments of all ages. There is an adequate supply of tournament-ready sites in the competitive region for multipurpose-field sports, but diamond sports are lacking. There are currently no comprehensive baseball/softball complexes with more than five fields within 90 miles of Danville. Tournament directors and baseball/softball governing bodies are frustrated with the existing regional supply of facilities and they are interested in bringing events back to Danville. A new multi-use sports facility would serve a local audience as well as tap into an already strong regional demand in baseball and softball. It would also provide options for growing sports such as soccer and lacrosse with outfield field overlays.

Danville leaders realize that a community amenity such as a high quality sports facility is valuable to the City on many levels but is rarely profitable when serving the community at rates that are affordable to a majority of households. As such, a portion of the operating costs may be subsidized by outside sources. The facility must be able to generate enough events on the calendar to keep it operating without significant financial support. Almost no sports complex can completely pay for itself, so the design and operating concept of any new facility should ensure that it can maximize revenues and minimize expenses. The balance between local use to accommodate resident needs while securing revenue-generating tournament will require strong partnerships between stakeholders.

Overview

Located along southern border of Virginia, Danville is 70 miles south of Lynchburg and 45 miles northeast of Greensboro via US Route 29. Raleigh-Durham is the closest major metropolitan market, located 80 miles southeast of the City.

HSP's analysis suggests that accessibility issues, including Danville's distance from major interstates, may present challenges in attracting impactful sports tournaments. The location near the state border, however, is attractive to some tournament organizers.



Relevant Hotel Supply

The availability of quality, branded hotel options has a major impact on a destination's ability to host impactful regional events. The adjacent table details the supply of hotel options within 20 miles of downtown Danville. There are currently 1,066 hotel rooms within 20 miles of Danville. Six hotels totaling 531 rooms are branded midscale or upper midscale options, which are likely to be considered by visiting teams and participants. HSP considers these six hotels (highlighted in the adjacent table) to be the competitive set of hotel properties in the market.

Danville Area Hotels				
Hotel	Distance	Rooms	Chain Scale	Open
Leeland Hotel	0.1	72	Indep	Jun-81
Holiday Inn Express Danville	0.8	95	Upper Midscale	Oct-89
Hampton Inn Danville	0.9	58	Upper Midscale	May-97
Courtyard Danville	1	92	Upscale	May-03
Budget Host Danville	1	21	Economy	Dec-99
Super 8 Danville	1	57	Economy	Apr-89
Comfort Inn Hotel Danville	1.4	118	Upper Midscale	Jun-85
Astoria Hotel Danville West	1.6	117	Indep	Jun-75
Astoria Hotel Danville North	2.5	52	Indep	Jun-73
Best Western Windsor Inn & Suites	2.8	74	Midscale	Sep-04
Budget Inn	2.9	25	Indep	Jan-00
Red Carpet Inn & Suites Danville	3.1	44	Economy	Jun-73
Sleep Inn & Suites Danville	3.2	76	Midscale	May-03
Executive Inn	4.2	20	Indep	Jan-00
Economy Inn	4.7	50	Indep	Jan-00
Travel Inn	4.8	50	Indep	Jan-00
Yanceyville Inn & Suites	12.1	45	Indep	May-98
Total/Average	2.8	1,066	-	Feb-69

Source: Smith Travel Research

Map

The adjacent figure shows the location of the competitive set of hotels. Four quality hotels (Holiday Inn Express, Hampton Inn, Courtyard, Comfort Inn) are located within two miles of downtown Danville.



Local Athletic Supply - Outdoor

The adjacent table details the existing local supply of outdoor athletic complexes. No venues in the market offer more than four multipurpose fields or five diamonds in one location. Angler's Park, which is generally considered a low quality venue by local organizations, is primarily used for rugby. Dan Daniel Memorial Park is considered the premier outdoor athletic complex in the market, but is limited by field quality and support amenities. The park also struggles with flooding and weather issues. While Dan Daniel Park offers five total diamonds, the facility features two softball fields and three baseball fields, which is not large enough to host impactful tournaments.

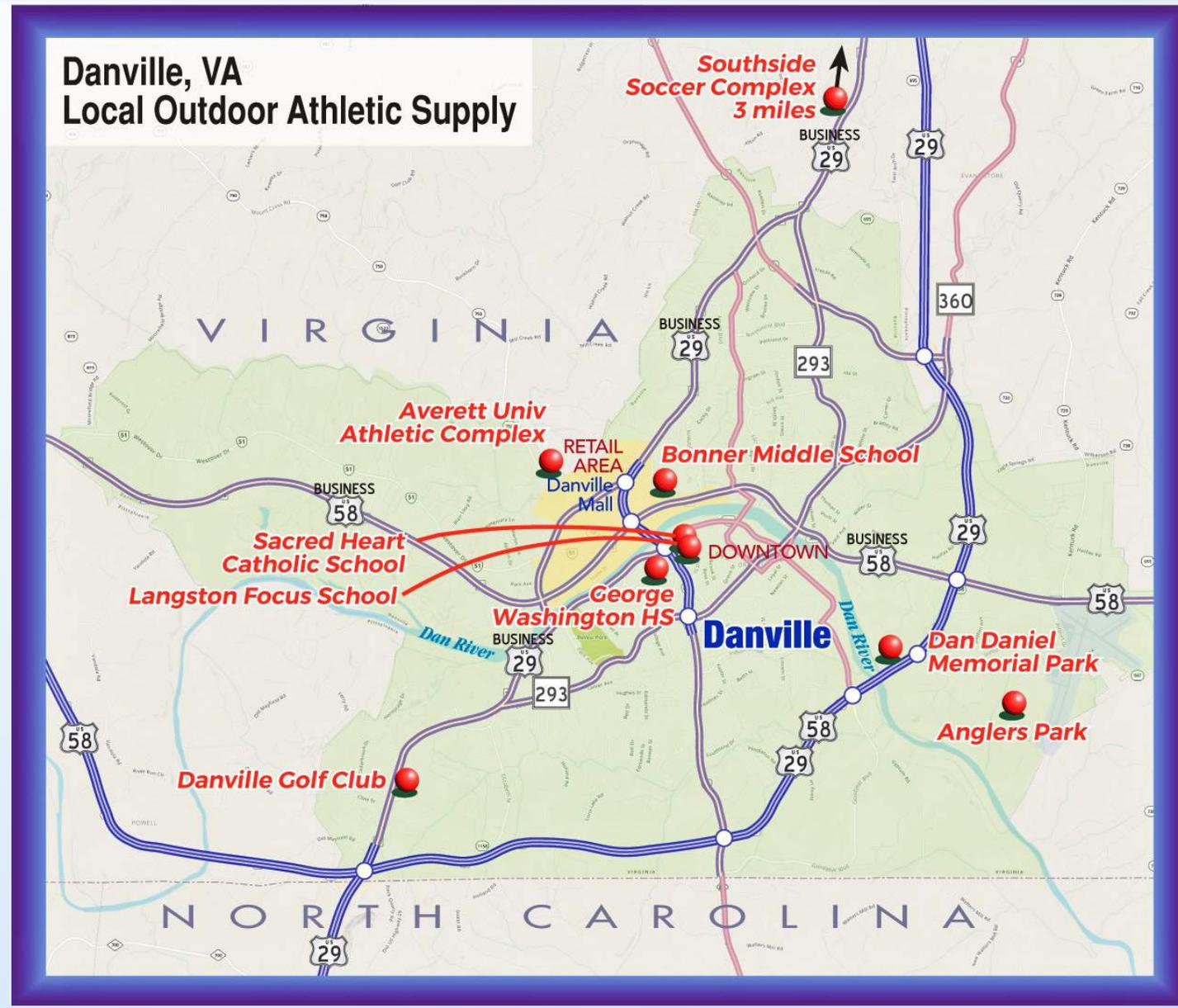
Local Outdoor Athletic Complex Supply

Venue	Location	Outdoor Multipurpose	Outdoor Baseball/Softball	Tennis	Other
Angler's Park	Danville	4	–	–	Primarily used for Rugby
Southside Soccer Complex	Bairs	3	–	–	Up to 8 multipurpose youth fields
Dan Daniel Memorial Park	Danville	3	5	–	Up to 7 multipurpose youth fields
Averett University Athletic Complex	Danville	3	2	–	
OT Bonner Middle School	Danville	2	1	4	
George Washington High School	Danville	1	1	6	
Langston Focus School	Danville	1	1	2	
Sacred Heart Catholic School	Danville	1	1	–	
Danville Golf Club	Danville	–	–	4	
Diamond Fever Softball	Ringgold	–	3	–	

Source: Hunden Strategic Partners, Various Facilities

Local Athletic Supply

The adjacent figure shows the locations of the outdoor athletic supply. Outdoor athletic complexes in the Danville market are primarily school facilities, with public parks located in the eastern portion of the City.



Local Athletic Supply

The adjacent table details the existing supply of local indoor athletic complexes. Averett University is the only venue in the Danville market with the ability to accommodate two regulation volleyball courts under one roof. All other venues can be programmed to fit two modified courts but cannot accommodate tournament play due to the limited sideline space. Availability at area schools and churches is extremely limited for local teams due to a priority on internal programs. Only one indoor aquatics venue is currently offered in the Danville market, the Danville Family YMCA.

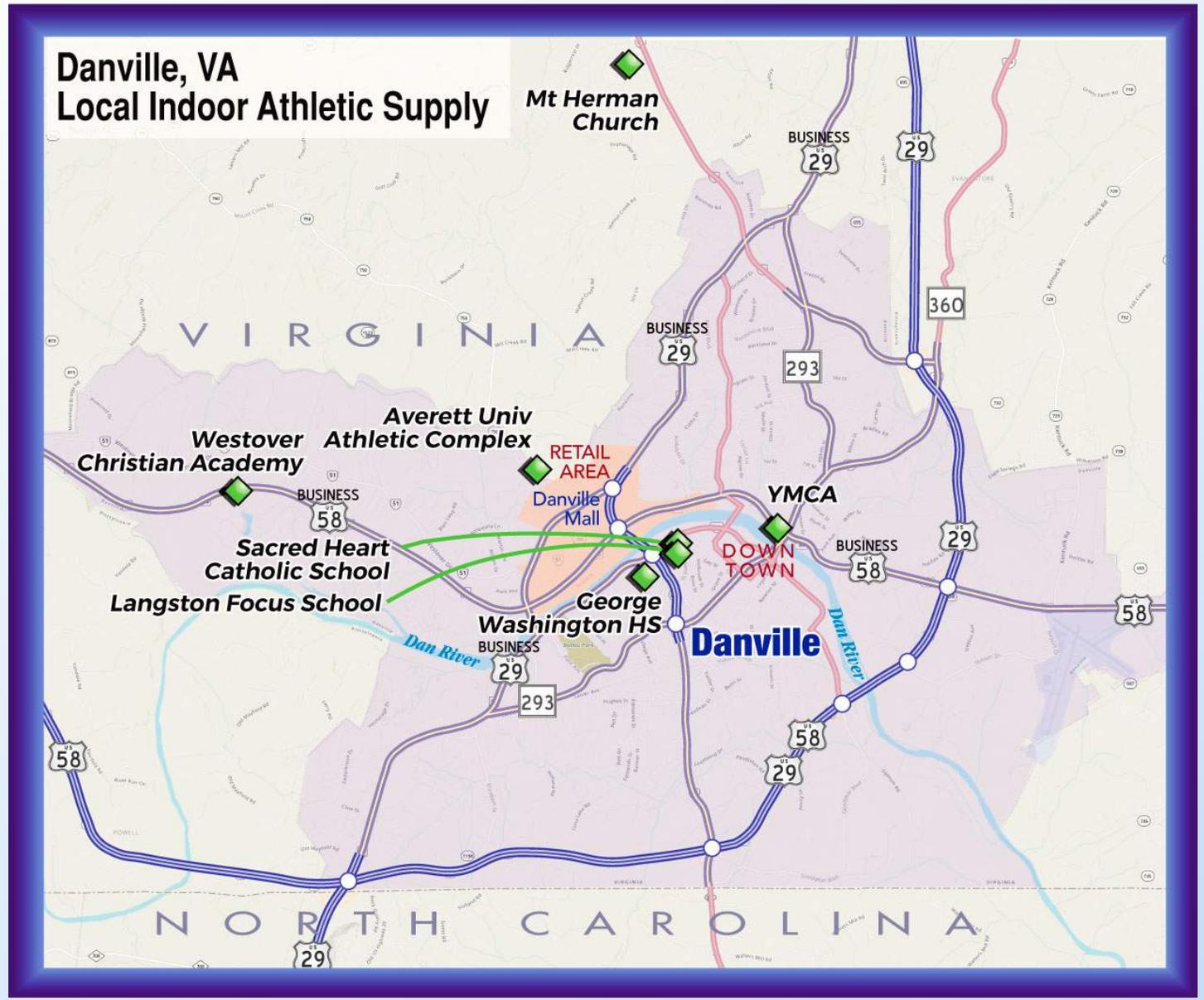
Relevant Local Indoor Athletic Complex Supply

Venue	Location	Indoor Synthetic Turf	Basketball	Indoor Tennis	Volleyball	Pool	Ice
Averett University Athletic Complex	Danville	–	1	–	3	–	–
Danville Family YMCA	Danville	–	1	–	2	1	–
George Washington High School	Danville	–	1	–	2	–	–
Langston Focus School	Danville	–	1	–	2	–	–
Sacred Heart Catholic School	Danville	–	1	–	2	–	–
Mount Herman Church	Danville	–	1	–	2	–	–
Westover Christian Academy	Danville	–	–	–	3	–	–

Source: Hunden Strategic Partners, Various Facilities

Local Athletic Supply

The adjacent figure shows the location of the existing indoor athletic venues. Relevant indoor athletic complexes in Danville are primarily made up of schools and the local YMCA.



Competitive Regional Supply

As shown, two premier indoor sports complexes are located within 100 miles of Danville: Greensboro Sportsplex (six regulation basketball court) and Spectrum Sports Academy in Roanoke (six regulation basketball courts). Due to the size and quality of these two venues, as well as the destination appeal of both cities and their proximity to Danville, a new facility in Danville would likely need to feature similar offerings in order to enter the conversation for hosting impactful regional tournaments and events. However, a venue of this size cannot likely be supported by Danville area clubs during the week which presents challenges for the feasibility of such a complex.

Venue	Location	Distance from Danville (mi)	Indoor Synthetic Turf	Basketball	Indoor Tennis	Volleyball	Pool	Ice	Other
Greensboro Sportsplex	Greensboro, NC	43	4	8	–	16	–	–	Roller rink for in-line skating
Spectrum Sports Academy	Roanoke, VA	73	1	6	–	10	–	–	
Rocky Mount Event Center	Rocky Mount, NC	119	–	8	–	16	–	–	
Talbert Recreation Center	Mooreville, NC	123	–	2	–	4	–	–	
Big Ben's Home Court	Richmond, VA	144	–	2	–	4	–	–	
U-Turn Sports Facility	Richmond, VA	144	3	4	–	9	–	–	Wellness room and other event space
Boo Williams Sportsplex	Hampton, VA	199	–	4	–	8	–	–	Indoor track
nZone	Chantilly, VA	228	3	2	–	2	–	–	
The Campus	Sterling, VA	236	1	3	–	4	–	–	Two half-courts in addition to the three full
Michael & Son Sportplex	Sterling, VA	237	3	3	–	6	–	–	Two additional turf training areas
St. James Complex	Springfield, VA	238	1	4	–	9	1	2	52-meter 8-lane pool, 7 squash courts, hitting cages, climbing wall, gymnastics center
Rocky Top Sports World	Gatlinburg, TN	292	–	6	–	12	–	–	
Suwanee Sports Academy	Suwanee, GA	348	–	7	–	11	–	–	Therapy, weights and training center

Source: Hunden Strategic Partners, Various Facilities

Competitive Regional Supply

The adjacent table details the competitive supply of regional outdoor athletic complexes. There is currently an abundant supply of multipurpose complexes within 100 miles of Danville, including eight facilities with five or more regulation multipurpose fields. This includes the six-field Smith River Sports Complex, which is located 28 miles from Danville in Axton, and the 17-field Bryan Park Soccer Complex in Greensboro. However, analysis of the competitive regional supply indicates a potential gap in quality diamond facilities. There are currently no baseball/softball venues with more than six fields in one location within 100 miles of Danville. This opportunity was reiterated by baseball and softball tournament directors, as detailed in Chapter 6.

Venue	Location	Distance from Danville (mi)	Total Multipurpose	Baseball/Softball	Tennis	Other
Smith River Sports Complex	Axton, VA	28	6	--	--	
Bryan Park Soccer Complex	Greensboro, NC	40	17	--	--	
Proehlfic Park	Greensboro, NC	50	15	3	--	Multipurpose fields ranges dramatically in size, 2 indoor courts, indoor field
Central Virginia Regional Soccer Complex	Lynchburg, VA	67	6	--	--	
River's Edge Sports Complex	Roanoke, VA	72	8	3	6	All grass fields
Moyer Sports Complex	Salem, VA	73	--	4	--	
Countryside Sports	Roanoke, VA	73	5	2	--	
WRAL Soccer Complex	Raleigh, NC	81	25	--	--	5 synthetic turf fields, including a 3,200-seat lighted stadium
Botetourt/Greenfield Recreation Park	Troutville, VA	91	6	6	--	
Cherry Park	Rock Hill, SC	159	--	5	--	
Winthrop Park	Rock Hill, SC	160	6	7	12	Track, near Winthrop University facilities
Warhill Sports Complex	Williamsburg, VA	181	14	8	--	
FFC Spotsylvania Sportsplex	Fredericksburg, VA	197	17	--	--	2 fields are synthetic and many can be lined for younger ages
Princess Anne Athletic Complex	Virginia Beach, VA	205	8	8	--	4 lighted multipurpose, 8 lighted baseball/softball
Tiger River Complex	Reidville, SC	220	--	13	--	
Philip A. Memorial Park	Leesburg, VA	235	8	9	--	All lighted fields
North Myrtle Beach Park & Sports Complex	Myrtle Beach, SC	244	10	6	--	
Grand Park Athletic Complex	Myrtle Beach, SC	245	14	11	--	Turf baseball fields can be converted into rectangular fields
Rocky Top Sports World	Gatlinburg, TN	292	7	2	--	Some facilities shared with Gatlinburg Pittman High School

Source: Hunden Strategic Partners, Various Sources

Competitive Regional Supply

The adjacent figure shows the location of the competitive outdoor regional athletic complexes. Danville area teams are currently traveling to Greensboro, Salem, Roanoke for tournament and events.



Local Outdoor Feedback

- Travel soccer is a growing sport in Danville. Teams are traveling to complexes in Bedford, Roanoke and Lynchburg for tournaments and other events.
- Only one lighted field is currently offered in the market, limiting the potential for hosting events. There is a major need for more lighted fields to host events.
- The primary need for area soccer programs is indoor training space. Teams have a need to train year-round and the only available spaces are old, vacated industrial buildings.
- Soccer clubs are currently traveling to Roanoke, Blacksburg and Greensboro for tournaments. Greensboro is home to most of the major events in the market due to the size and the initiative of their club teams.
- Area baseball clubs are primarily traveling to Greensboro and Rocky Mount for tournaments and events.
- Dan Daniel is a decent complex, but the facility has two softball fields and two little league fields which presents challenges for tournaments that typically need a minimum of four baseball or four softball fields.
- American Legion Field could potentially act as championship venue in a new complex. The field is an asset that should be leveraged.
- Danville is close enough to Greensboro that there is an option for the two communities to partner on major events. This presents opportunity.

Local Indoor Feedback

- Club basketball tournaments take place in Greensboro, Winston Salem, Durham, Raleigh, and Lynchburg. These events are typically hosted by area clubs and spread across area high schools and churches. No club basketball tournaments are currently held in the greater Danville market.
- In order to be competitive with existing basketball hubs in the greater regional market, a new facility would likely require six courts to compete for impactful tournaments and events.
- There are churches and schools in the community that are able to accommodate two modified courts, but the market has a significant lack of indoor space.
- Volleyball Programs primarily travel to Greensboro, Charlotte, Roanoke, and Myrtle Beach for tournaments. Travel to North Carolina is much easier than eastern or northern Virginia.
- Most major events are held in convention centers, but Spectrum in Roanoke and Rocky Top Sports Complex are also able to host major events.
- With a new facility, the sport of volleyball would absolutely grow locally. There is opportunity for Danville to put a league together, but there may be a shortage of qualified coaches.
- Danville would be able to attract teams for two-day local tournaments. A minimum of five volleyball courts is likely necessary to host these tournaments. There is potential for two tournaments per year.

Regional Outdoor Feedback

- The market is extremely competitive for state-sanctioned tournaments such as the US Youth Soccer tournament, which are primarily occurring near population bases in Richmond, Williamsburg, Hampton Roads, and Fredericksburg.
- The local lacrosse market is not yet established and does not feature a large-enough club lacrosse community to drive visitation and host impactful tournaments.
- There is potential for one event per month from NSA, and up to maybe seven per year over the summer with a new complex. Additionally, there is more opportunity with USSSA or USA softball.
- Danville events would primarily draw from North Carolina and also West Virginia for softball events. About 60 percent of teams would likely stay overnight.
- According to USSSA North Carolina, up to eight fields would likely be too hard to fill, but six could be right number for a new complex in Danville.
- USSSA Virginia would absolutely be interested in bringing events to Danville if a new, quality complex is developed.
- Football participation is declining overall, but flag football is increasing rapidly. There is opportunity in Danville for a flag football league, but regional camps are unlikely to occur in a market that is Danville's size.

Regional Indoor Feedback

- Wrestling, as a sport, has experience decreasing participation across the country and in Virginia over the past five years.
- The statewide supply of competitive aquatics venues is adequate. Community and high schools pools present the greatest opportunity for growth. In the Danville area, specifically, local swimming participation is hurting due to the lack of available pools for athletes and citizens.
- There are concerns that the volleyball market is already too saturated with quality facilities. Major club volleyball events are being hosted by clubs in Greensboro, Raleigh, Richmond, Roanoke and Gatlinburg.
- Aside from the Greensboro Sportsplex, which features 8 courts, the majority of basketball events in the region can be held with between 2 and 4 courts in one location. However, as previously mentioned, a key challenge in Danville is identifying a sponsor club.
- The majority of major cheer and dance events throughout the region are held in convention centers, arenas and other non-court event spaces in major metropolitan destinations. Accessibility issues and the lack of premier local groups would hinder cheer and dance opportunity in Danville.

Hotel Performance

The adjacent table summarizes the performance of the competitive hotel set over the last five years. As shown, Danville has experienced an increase in demand and occupancy over last five years, but is not yet reaching levels where new hotel development is likely viable (70 percent occupancy). The market, overall, offers attractive rates for tournament organizers (\$105 in 2017).

Historical Supply, Demand, Occupancy, ADR, and RevPar for Competitive Hotels											
Year	Annual Avg. Available Rooms	Available Room Nights	% Change	Room Nights Sold	% Change	% Occ.	% Change	ADR	% Change	RevPar	% Change
2012	513	187,245	--	103,178	--	55.1	--	\$91.47	--	\$50.40	--
2013	513	187,245	0.0%	102,632	-0.5%	54.8	-0.5%	\$92.97	1.6%	\$50.96	1.1%
2014	513	187,245	0.0%	107,799	5.0%	57.6	5.0%	\$94.33	1.5%	\$54.30	6.6%
2015	513	187,245	0.0%	117,667	9.2%	62.8	9.2%	\$96.27	2.1%	\$60.50	11.4%
2016	513	187,245	0.0%	118,476	0.7%	63.3	0.7%	\$100.47	4.4%	\$63.57	5.1%
2017	513	187,245	0.0%	116,228	-1.9%	62.1	-1.9%	\$104.70	4.2%	\$64.99	2.2%
2018 YTD (October)	513	155,952	0.0%	103,767	3.7%	66.5	3.7%	\$111.24	5.2%	\$74.02	9.1%
CAGR* (2012-2017)	--	0.0%	--	2.5%	--	2.5%	--	2.9%	--	5.8%	--

*Compound Annual Growth Rate
Sources: Smith Travel Research, Hunden Strategic Partners

Heat Charts

The adjacent table shows the occupancy by day of the week per month for the twelve months following October 2017. Days of the week with occupancy between 75 and 80 percent are shown in yellow, suggesting mild displacement and unaccommodated demand. Orange shows days with 80 to 90 percent occupancy, suggesting very likely displacement. Days in red are for times when occupancy was beyond 90 percent for the set, suggesting near-certain displacement. There are major demand peaks in warmer months, with June, August, and October generating greater than 75 percent occupancy. With occupancies above 80 percent on the weekends in April, May, and August, visiting teams would likely be forced to travel to surrounding communities, which creates a potential challenge for hosting summer events in Danville.

Occupancy Percent by Day of Week by Month - November 2017 - October 2018

	Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Avg
Nov - 17	36.3%	53.2%	61.0%	64.4%	62.1%	68.9%	68.9%	59.5%
Dec - 17	28.3%	50.9%	54.7%	53.6%	42.7%	43.8%	39.6%	44.1%
Jan - 18	25.3%	42.5%	53.9%	57.2%	36.5%	29.2%	29.9%	40.4%
Feb - 18	27.6%	59.3%	65.0%	61.6%	44.9%	42.1%	41.4%	48.8%
Mar - 18	40.4%	63.9%	71.9%	69.9%	59.1%	74.6%	70.3%	64.6%
Apr - 18	45.9%	69.2%	80.0%	82.6%	79.2%	84.5%	83.4%	73.8%
May - 18	39.9%	57.7%	70.0%	74.7%	75.0%	88.4%	87.1%	70.7%
Jun - 18	52.1%	83.2%	84.1%	83.9%	69.2%	74.4%	79.8%	75.4%
Jul - 18	53.3%	77.0%	78.4%	75.7%	71.0%	67.3%	68.4%	70.1%
Aug - 18	46.7%	76.9%	84.2%	84.4%	74.7%	77.9%	82.6%	75.7%
Sep - 18	39.7%	59.6%	70.1%	73.4%	68.1%	71.4%	71.3%	64.2%
Oct - 18	61.9%	79.2%	85.6%	84.6%	76.9%	86.3%	86.9%	80.5%
Average	41.5%	64.6%	71.6%	72.2%	63.6%	67.4%	67.3%	

Sources: Smith Travel Research

	75-80
	80-90
	> 90

Heat Charts

The adjacent heat chart details the average daily rate by day of week for the competitive set of hotels from November 2017 through October 2018. Rates have generally fluctuated with occupancy over the period, with ADRs in the summer months exceeding \$125 in April, August, and October. While late spring, summer, early fall weekends demonstrate the highest rates, these are still below the threshold that would turn away potential tournament organizers or families visiting Danville.

ADR by Day of Week by Month - November 2017 - October 2018

	Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Avg
Nov - 17	98.14	104.06	103.44	102.98	97.36	97.25	98.83	100.28
Dec - 17	93.38	98.05	99.89	99.25	95.31	88.77	92.87	95.47
Jan - 18	92.99	101.42	103.44	99.89	98.23	91.19	92.33	98.63
Feb - 18	94.87	101.41	105.83	104.76	98.52	90.97	93.34	99.68
Mar - 18	112.69	107.82	111.73	109.79	110.21	122.74	126.26	115.41
Apr - 18	104.58	105.94	114.26	121.87	122.94	128.58	129.03	118.75
May - 18	102.55	101.23	105.48	105.93	104.57	122.82	120.36	109.91
Jun - 18	101.15	104.00	105.93	104.00	103.46	108.12	109.23	105.56
Jul - 18	95.35	101.06	99.79	102.43	103.06	103.60	103.72	101.23
Aug - 18	118.16	106.73	112.77	122.04	131.96	139.79	144.23	126.04
Sep - 18	99.20	100.43	106.21	109.37	108.94	119.75	117.38	109.72
Oct - 18	111.16	108.13	108.47	108.62	109.58	133.34	136.51	116.19
Average	102.79	103.74	106.63	108.33	108.77	116.28	117.27	

Sources: Smith Travel Research

	110-120
	120-130
	> 130

Headlines

Based on the results of the market analysis, HSP presents the following headlines:

- The location, geography, accessibility and hotel room capacity of Danville immediately limits the upside opportunity for hosting impactful tournaments and events. While that is not to say there is no opportunity, the reality is that there are natural challenges within the market. Specifically, from a hotel perspective, Danville offers just six branded hotels totaling 531 rooms that are of a midscale quality or better. The properties are typically performing at greater than 75 percent occupancy levels (and in some cases 85 percent) on the weekends from April through August, the primary season for outdoor tournaments. The lack of branded hotel options, and the lack of available rooms at existing hotels, suggests that additional hotel development may be required to truly allow Danville to compete in the sports tournament market.
- The primary demand *locally*, even for sports such as soccer and baseball, is for a multi-use indoor complex. There is strong demand with Danville-area organizations for an indoor complex that offers flat-floor court space for practices, training, and camps. There is a significant lack of quality and supply of indoor athletic venues, and clubs and other programs are constrained by the indoor space availability. However, the opportunity to attract impactful, room-night generating tournaments and other events can be limited with an indoor complex. Club participation in the Danville area is limited compared to other regional sports destinations, and major events (basketball, volleyball, wrestling, etc.) are typically sponsored and hosted by premier area programs. While an indoor facility would accommodate the training needs of many Danville area organizations, the lack of sports programs with the interest and ability to host events severely limits the impact opportunity.
- The primary opportunity for *impactful, tourism-oriented regional events* in Danville is a high-quality diamond complex that offers the features and amenities required to attract event planners and tournament organizers. Regional governing bodies and tournament directors indicated interest in bringing their events to Danville with the development of a new complex with a minimum of six fields. The region lacks the appropriate number of quality diamond complexes and Danville's location near the Virginia-North Carolina border is attractive. Organizers have worked to hold events in Danville in the past, but the quality of the facilities and the disconnect between venues presented challenges.

Headlines

- The lack of an available, high-quality track and field complex in Danville has limited participation and growth of the sport at every level. Area high schools are forced to travel for every meet and practices and training are hindered by the condition of the facilities. HSP's analysis suggests that the area is in desperate need of a new quality track and field complex that will allow all area high schools to host track and field meets, as well as allow Averett University the potential to start a track and field program. However, a new track and field complex would not be HSP's *primary* recommendation if the goal of the City is to drive sports tourism. Track and field meets at the high school level typically have a minimal overall impact on room nights and tourism, and the lack of sizeable clubs in the market limits the opportunity for club events throughout the year. With all of that said, a new complex is needed accommodate local needs.
- Similar to track and field, there is not enough opportunity for a tournament-only supported indoor facility. However, there would be value in a 4-court indoor facility (approximately 36,000 square feet) that is convertible for use for consumer shows, small trade shows and conventions and other indoor flat-floor events. Multipurpose/convertible venues are often utilized by smaller communities, as there is not always a deep enough market to keep single-purpose venues busy and viable. From a corporate perspective, this may be a selling point for keeping and attracting companies that may need to use space. In addition, the venue could potentially host practices/training for local organizations throughout the week as well as a few volleyball tournaments.
- Understanding that the goal of the City is to drive sports tourism and visitation from the greater regional market rather than solely serve the local community, HSP recommends the development of a six-diamond outdoor athletic complex. Multiple tournament directors and event organizers indicated interest in bringing impactful regional tournaments to a new facility in Danville on the weekends and throughout the summer months. However, the lack of any major anchor tenants programs to drive utilization during the week may present financial operating challenges. With that said, the development of the complex may drive participation locally for baseball and softball, and could result in the formation of new clubs and leagues that draw from the greater market.

Recommendations

Based on the result of the market analysis, HSP presents the following recommendations for Danville:

- **Diamonds.** HSP recommends the development of a sports complex that features six diamonds, with room for potential expansion.
- **Turf Type.** It is recommended the baseball/softball fields be constructed with synthetic turf. This allows for both softball and baseball use at all age and competition levels. Artificial turf provides maximum programming flexibility and minimizes the impact of inclement weather.
- **Field size.** It is recommended that all diamonds have fields with a minimum 350-foot fence. This meets the minimum needs for adult competitions while still acceptable for youth (which use a 200-foot fence distance). Portable fences can be installed for youth competitions if a shorter fence distance is desired. Additionally, the infield should be designed so that the base paths can be adjusted to shorter distances for youth competition.
- **Lights.** All fields should be lighted, which provides scheduling flexibility and extends the timeframe for daily use. This is an important feature for both youth and adult league and recreational play, which are largely scheduled during evening hours to accommodate community residents.
- **Field overlay.** Generally, overlays are multipurpose fields that overlap the outfields of baseball or softball fields. Artificial turf baseball/softball fields provide the opportunity and flexibility to program the outfields with multipurpose fields when not utilized for baseball/softball programs. They also increase the number of available and potential fields for events and use, as the complex would be able to host soccer, lacrosse, and football. Based on the design of the baseball/softball fields, they may not support full-sized multipurpose fields.

Recommendations

Other recommendations for the development include:

- **Parking.** A common concern of tournament organizers is not enough parking. A common metric used for athletic facilities is to allocate 65 to 75 parking spaces (1 acre) per field. In order to accommodate the parking needs for the recommended facilities, 390 to 450 parking spaces would need to be programmed onsite. Options for overflow parking should be provided.
- **Concessions.** Beyond the concessions that should be a part of the announcer/scorekeeper's booth for the diamond four-plex facilities, an additional set of concessions should be developed with at least one concession building for the two additional diamonds. Because of the size of baseball/softball fields, a second concession/amenity building should be considered for these fields.
- **Changing/Locker Rooms.** Changing/locker rooms should be provided and these could be designed into the concession and restroom buildings.
- **Restrooms.** These should be provided, at least one for each sport and designed in concert with locker rooms and concessions.
- **Areas for event organizers and staff.** Event organizers need locations for event headquarters to conduct their business and meetings. Also, tournament officials and referees regularly do not have a base location from which to change or operate. Two small meeting rooms, with bathrooms, should be provided.

Recommendations

- **Result/Scoreboards.** Provide space for scorekeepers and a visible scoreboard for fields, one per sport.
- **Internet/Wi-Fi.** Event organizers lose capacity and effectiveness when they do not have access to sufficient Internet bandwidth. The facility should host a specific Internet connection (preferably wireless).
- **Vendors.** Offer sufficient space for vendors/concessionaires to operate during events.
- **Governing Bodies.** It is recommended that governing bodies be consulted for their facility assistance resources in the design and layout process. Governing bodies such as USSSA and USA Softball offer free services to optimize the highest and best use for each particular sports facility design and layout in accordance with their facility specifications. Additionally, many offer opportunities for grants that can be used to help offset design and construction costs.

Demand and Financial Projections

The adjacent table shows the number of annual events projected for the recommended facility.

As shown, there are projected to be approximately 160 events in the stabilized year, including approximately 23 tournaments. Each season, practice week, and league event is considered one event occasion. For example, a 14-week season would account for 14 events in the adjacent table. Demand will be driven by baseball and softball, but the multipurpose field overlays in the outfield present additional opportunity for events. By stabilization, HSP projects a total of 19 competitive baseball and softball tournaments per year that will drive visitation from outside Danville.

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Baseball										
Competitive New Tournament	6	7	7	8	9	9	9	9	9	9
Local New Tournament	1	2	2	2	2	2	2	2	2	2
Youth Baseball Leagues (Weeks)	14	14	14	14	14	14	14	14	14	14
Camps/Programs	2	2	2	3	3	3	3	3	3	3
Practices (Weeks)	34	34	34	34	34	34	34	34	34	34
Total	57	59	59	61	62	62	62	62	62	62
Softball										
Competitive New Tournament	7	7	8	9	10	10	10	10	10	10
Local New Tournament	1	2	2	2	2	2	2	2	2	2
Youth Softball Leagues (Weeks)	14	14	14	14	14	14	14	14	14	14
Camps/Programs	2	3	4	4	4	4	4	4	4	4
Practices (Weeks)	34	34	34	34	34	34	34	34	34	34
Adult Softball Leagues (Weeks)	20	20	20	20	20	20	20	20	20	20
Total	78	80	82	83	84	84	84	84	84	84
Other										
Area School Events	6	7	8	8	8	8	8	8	8	8
Multipurpose Field Events	2	3	3	3	3	3	3	3	3	3
Non-Sport Events	2	2	3	3	3	3	3	3	3	3
Total	10	12	14							
Total Events	145	151	155	158	160	160	160	160	160	160
<i>*Tournament Events</i>	15	18	19	21	23	23	23	23	23	23

Source: Various Sports Organizations, Hunden Strategic Partners

Demand and Financial Projections

The next table shows the total number of visitors (participants and spectators) expected at the Danville Sports Complex.

Total attendance is projected to increase from more than 47,000 to more than 63,000 by stabilization, depending on the number of tournaments held. More than 35,000 total attendees are projected from tournaments by the tenth year.

Projected Total Visitors (Players, Coaches, Families) - Danville Sports Complex										
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Baseball										
Competitive New Tournament	9,331	11,213	11,549	13,595	15,754	16,226	16,713	17,214	17,731	18,263
Local New Tournament	446	920	947	976	1,005	1,035	1,066	1,098	1,131	1,165
Youth Baseball Leagues	3,763	3,763	3,763	3,763	3,763	3,763	3,763	3,763	3,763	3,763
Camps/Programs	295	298	301	456	460	465	469	474	479	484
Practices	3,254	3,254	3,254	3,254	3,254	3,254	3,254	3,254	3,254	3,254
Total	17,089	19,447	19,814	22,043	24,236	24,743	25,265	25,803	26,358	26,928
Softball										
Competitive New Tournament	11,290	11,628	13,688	15,861	18,152	18,697	19,258	19,835	20,430	21,043
Local New Tournament	446	920	947	976	1,005	1,035	1,066	1,098	1,131	1,165
Youth Softball Leagues	5,544	5,544	5,544	5,544	5,544	5,544	5,544	5,544	5,544	5,544
Camps/Programs	295	447	601	607	614	620	626	632	638	645
Practices	4,937	4,937	4,937	4,937	4,937	4,937	4,937	4,937	4,937	4,937
Adult Softball Leagues	3,840	3,840	3,840	3,840	3,840	3,840	3,840	3,840	3,840	3,840
Total	26,352	27,315	29,558	31,765	34,091	34,672	35,270	35,886	36,521	37,174
Other										
Area School Events	593	692	790	790	790	790	790	790	790	790
Multipurpose Field Events	1,232	1,848	1,848	1,848	1,848	1,848	1,848	1,848	1,848	1,848
Non-Sport Events	2,000	2,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000
Total	3,825	4,540	5,638							
Total Visitation	47,266	51,302	55,010	59,447	63,965	65,054	66,174	67,328	68,517	69,740
<i>*Total Tournament Visitation</i>	<i>21,514</i>	<i>24,680</i>	<i>27,132</i>	<i>31,408</i>	<i>35,915</i>	<i>36,993</i>	<i>38,103</i>	<i>39,246</i>	<i>40,423</i>	<i>41,636</i>

Source: Various Sports Organizations, Hunden Strategic Partners

Demand and Financial Projections

The next table is a consolidated estimate of revenue and expense for the Danville Sports Complex.

The model assumes events will pay daily, hourly or per-game fees to use the facility, based on fees charged at comparable and regional facilities. As a general rule, publicly-operated sports complexes do not generate operating profit, as the benefit to these facilities is in the economic impact to the community from new spending and visitation. HSP conservatively projects the net operating loss to drop below \$100,000 per year by Year 4 of operations.

Danville Sports Complex - Full Build Out Scenario										
Financial Projections (thousands of constant dollars)										
Item	Fiscal Year									
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Operating Revenue										
Rental Fees	\$155	\$170	\$183	\$198	\$213	\$219	\$225	\$232	\$239	\$246
Net Concessions	\$21	\$25	\$29	\$34	\$39	\$42	\$44	\$47	\$49	\$52
Misc.	\$2	\$2	\$2	\$3	\$3	\$3	\$3	\$3	\$3	\$4
Parking Revenue	\$44	\$50	\$55	\$64	\$73	\$75	\$77	\$80	\$82	\$84
Advertising and Sponsorship	\$13	\$19	\$28	\$29	\$30	\$31	\$32	\$33	\$34	\$35
Naming Rights	\$30	\$31	\$32	\$33	\$34	\$35	\$36	\$37	\$38	\$39
Total Revenue	\$265	\$296	\$329	\$360	\$391	\$404	\$418	\$432	\$446	\$461
Operating Expense										
Fixed										
Salary - Permanent Staff	\$103	\$106	\$109	\$113	\$116	\$119	\$123	\$127	\$130	\$134
Salary - Part-Time/Seasonal Staff	\$25	\$26	\$27	\$27	\$28	\$29	\$30	\$31	\$32	\$33
Benefits - Permanent Staff	\$34	\$35	\$36	\$37	\$38	\$39	\$41	\$42	\$43	\$44
General and Administrative/Other	\$56	\$58	\$59	\$61	\$63	\$65	\$67	\$69	\$71	\$73
Marketing Advertising	\$20	\$21	\$21	\$22	\$23	\$23	\$24	\$25	\$25	\$26
Utilities	\$100	\$103	\$106	\$109	\$113	\$116	\$119	\$123	\$127	\$130
Facility Maintenance	\$50	\$52	\$53	\$55	\$56	\$58	\$60	\$61	\$63	\$65
Security	\$5	\$5	\$5	\$5	\$6	\$6	\$6	\$6	\$6	\$7
Insurance	\$10	\$10	\$11	\$11	\$11	\$12	\$12	\$12	\$13	\$13
Operating Expenses	\$403	\$415	\$428	\$440	\$454	\$467	\$481	\$496	\$510	\$526
Facility Reserve	\$8	\$9	\$10	\$11	\$12	\$12	\$13	\$13	\$13	\$14
Net Operating Income (Deficit)	(\$146)	(\$128)	(\$109)	(\$91)	(\$74)	(\$75)	(\$76)	(\$77)	(\$78)	(\$79)

Source: Hunden Strategic Partners



THANK YOU!

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