



**INDEPENDENT PEER REVIEW – PROPOSED REGIONAL
SPORTS CENTER & SPORTS FIELDS AT FROSTBURG
STATE UNIVERSITY**

PRESENTED TO: MARYLAND STADIUM AUTHORITY



FINAL REPORT – JUNE 2022



June 21, 2022

Mr. Al Tyler, Vice President, Economic Development
Maryland Stadium Authority
Capital Projects Development Group
351 West Camden Street, Suite 300
Baltimore, MD 21201

Dear Mr. Tyler:

Crossroads Consulting Services LLC has completed its independent peer review of the study and analysis conducted by Brailsford and Dunlavey related to a proposed new regional sports center and enhanced and relocated outdoor fields on the campus of Frostburg State University. This report summarizes our findings and principal conclusions from the research and analysis.

The findings contained in the report reflect analysis of information provided by secondary sources that are assumed to be correct. We have utilized sources that are deemed to be reliable but cannot guarantee their accuracy. We have no obligation, unless subsequently engaged, to update our report or revise the information contained therein to reflect events and transactions occurring after the date of this report.

In accordance with the terms of our engagement letter, the accompanying report is restricted to internal use by Maryland Stadium Authority and Frostburg State University and may not be relied upon by any party for any purpose, including financing. Notwithstanding these limitations, it is understood that this document may be subject to public information laws and, as such, can be made available to the public upon request.

Although you have authorized reports to be sent electronically for your convenience, only the final hard copy report should be viewed as our work product.

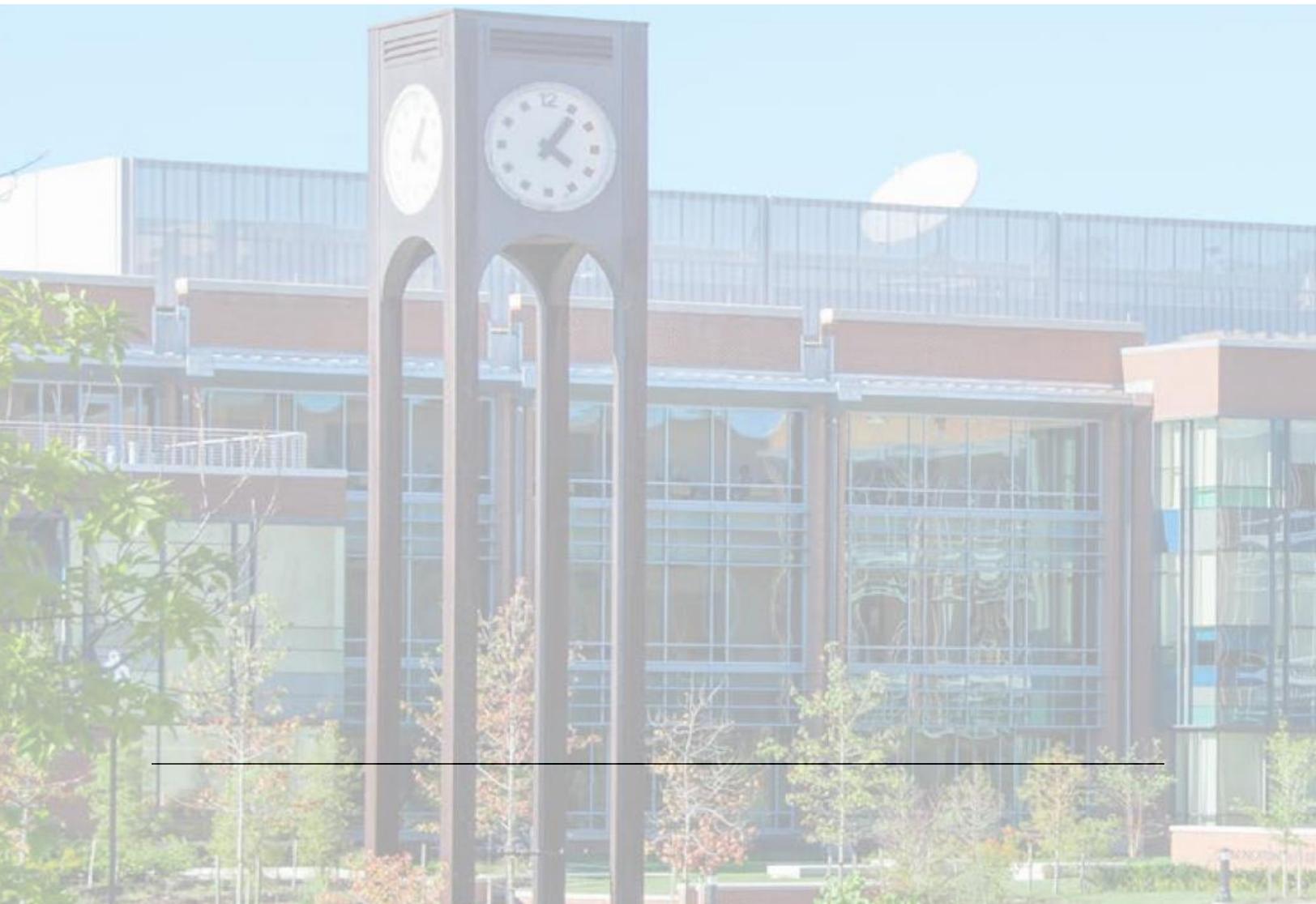
We have enjoyed serving you on this engagement and look forward to the opportunity to provide you with continued services.

Sincerely,

Crossroads Consulting Services LLC

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1. INTRODUCTION AND EXECUTIVE SUMMARY



PROJECT BACKGROUND

The City of Frostburg (City) is in west Allegany County, Maryland. The City is about a two-and-a-half-hour drive from Baltimore, Washington, D.C., and Harrisonburg, Virginia. Founded in 1812, the City currently has a population of approximately 9,000 residents.

The Frostburg State University (FSU) campus encompasses 260 acres. Founded in 1898, FSU is an accredited public institution offering undergraduate, graduate, and doctoral degrees for students and is the only four-year institution of University System of Maryland west of the Baltimore-Washington corridor. It serves as the premier educational and cultural center for Western Maryland and surrounding counties in Pennsylvania and West Virginia. According to The Washington Monthly 2021 College Rankings, FSU ranked first among public universities in Maryland.

As shown below, enrollment at FSU has historically averaged more than 5,000 students in undergraduate, graduate and doctoral programs combined.

Frostburg State University Enrollment (2017-2020)					
	2017	2018	2019	2020	Average
Undergraduate	4,725	4,638	4,429	4,419	4,553
Graduate	589	587	673	662	628
Doctoral	82	69	76	77	76
Total	5,396	5,294	5,178	5,158	5,257

Source: Frostburg Enrollment Profile.

FSU is home to 22 NCAA intercollegiate team sports. Students can also participate in club and intramural sports. FSU offers multiple athletic facilities including, but not limited to, Bobcat Natatorium, Bobcat Arena, Bobcat Stadium, Bob Wells Field and Bobcat Field.

In November of 2020, FSU engaged Brailsford and Dunlavey (B&D) to evaluate the existing athletic facilities on campus and identify gaps between the University's athletic facilities and its athletic needs. In addition to studying FSU's athletic needs, the study explored ways to maximize FSU as an economic driver. B&D provides advisory services ranging from market analysis and financial modeling to development structure evaluation and construction oversight. Centers LLC, is a subsidiary of B&D that provides management services for university recreation, fitness and wellness facilities such as Mylan Park in Morgantown, West Virginia.

The B&D study found that most of the University's athletic facilities do not meet the required needs of FSU athletes. The study recommended the development of a new regional sports center with a turf field(s), two basketball/volleyball courts, 2,000 spectator seats, multi-purpose practice space, a weight and fitness center, and other amenities. The proposed indoor sports center could also include an ice rink. In addition, the study recommended the relocation and enhancement of six outdoor turf fields that could accommodate FSU athletic programs as well as host tournaments that generate economic benefits.

In addition to the development of the indoor and outdoor sports facilities, the study recommended the renovation of the existing Cordts Physical Education Center, which has historically served as the primary facility for student athletics and recreation. With the development of a new indoor sports center, B&D recommended that the Cordts Physical Education Center serve as the facility for general student and faculty/staff recreation on campus while the proposed new regional sports center would be dedicated to accommodating FSU's athletic programs, including men's and women's basketball and women's volleyball home games. Both the proposed new regional indoor sports center and the outdoor fields could be available for rental and/or membership opportunities.

According to B&D, if built, it is envisioned that the proposed regional sports center and outdoor fields would promote University growth, enhance quality of life in the region, and support sports tourism. These new facilities could attract new students, employees, and employers, while building community and empowering youth and families within the region.

PURPOSE OF THE STUDY

Maryland Stadium Authority (MSA) retained Crossroads Consulting Services LLC (Crossroads Consulting) to conduct an independent peer review of certain components of the B&D study, specifically those related to a proposed new regional sports center and outdoor fields on the FSU campus. Specifically, the focus of this review is assessing the overall reasonableness of B&D's building program recommendations, financial pro forma and economic impact estimates and related assumptions. The independent peer review focused on the proposed new sports complex which includes the sports center and the outdoor fields but not the proposed ice rink or renovations pertaining to the Cordts Physical Education Center. Further, this independent peer review does not include an assessment of the construction costs or construction-related economic impacts estimated by B&D. The findings in this report are limited as Crossroads Consulting did not complete any detailed market analysis surveys or focus group sessions.

The analysis contained within this study does not include any architectural-related services (e.g., environmental assessments, noise analysis, transportation/traffic impact analysis, etc.). In addition, this study does not include any detailed programming, design planning services, site development/planning services (e.g. geotechnical engineering, testing, surveying, etc.) or project cost budgeting/phasing. The conclusions outlined in this study are only one factor that FSU should consider in its strategic planning efforts. The research and analysis contained in this report are intended to allow FSU and MSA to draw informed conclusions regarding the potential viability associated with future development of the proposed new regional sports center and outdoor fields.

WORK PLAN

Research tasks completed as part of this study effort included, but were not limited to, the following.

- Obtained input from client representatives to develop an understanding of the background, history and key issues related to the study; confirm the study scope and objectives; review existing data related to the project; and discuss the project schedule.
- Reviewed the B&D study titled “Answering the Call” and dated November 2020.
- Obtained and reviewed additional information from B&D related to their analysis, assumptions and financial and economic estimates for the proposed new regional sports center and outdoor fields at FSU.
- Reviewed the 2018 – 2028 Frostburg State University Facilities Master Plan.
- Performed a cursory analysis of market attributes including demographic and socioeconomic metrics, transportation access, hotel supply and the supply of existing sports facilities to provide perspective on the market in which the proposed projects would operate in and assist in the peer review of the B&D study.
- Performed an independent peer review of the B&D study in terms of the demand analysis, financial pro forma and related assumptions, and economic and fiscal impact methodology and related assumptions. The findings of the report are limited as Crossroads Consulting was not engaged to undertake any detailed market analysis surveys and/or focus group sessions.
- Summarized notable observations related to the B&D study and commented on the overall reasonableness of the study from a general market and economic perspective.

The remainder of this report provides an executive summary which is followed by our cursory market analysis as well as our more detailed findings based on the independent peer review of the B&D study. The accompanying report is restricted to internal use by FSU and MSA and may not be relied upon by any party for any purpose including financing.

EXECUTIVE SUMMARY

FSU is an economic driver to the local area with a historical average enrollment of over 5,000 students, in addition to staff. One of the primary ways that FSU attracts students is through its athletic programs and facilities. As previously mentioned, FSU is home to 22 NCAA intercollegiate team sports. Students can also participate in club and intramural sports. These athletic programs attract new visitors to the area that spend money at local restaurants, hotels and retail establishments. As such, FSU directly supports existing businesses and plays a significant role in attracting new businesses to Frostburg.

A study completed by B&D in November 2020 for FSU found that many of the University's athletic facilities do not meet the needs of teams and that there is demand for new facilities. As such, B&D recommended the development of a new sports center and enhanced and relocated outdoor fields. While there will likely be non-FSU rental opportunities at these new facilities, they are primarily envisioned to be dedicated to accommodating FSU's athletic needs. Both the proposed indoor sports center and outdoor fields would better position FSU to retain and expand its student base, recruit and foster student-athletes and staff and enhance FSU as an economic driver. Many similar facilities are built for the economic impacts they can generate to the surrounding area. Research indicates that competitive sporting events are less impacted by economic downturns as families are committed to their children's athletic activity. Further, B&D recommended the renovation of the existing Cordts Physical Education Center which is anticipated to be dedicated to serving the recreation needs of students and faculty.

MSA retained Crossroads Consulting to conduct an independent peer review of B&D's study related to the proposed new sports center and outdoor fields on the campus of FSU. The following summarizes our key observations related to the overall reasonableness of B&D's building program recommendations, financial pro forma and economic impact estimates and related assumptions.

- While B&D conducted significant market outreach with FSU faculty and students, it is recommended that additional surveys be conducted with potential user groups that represent local, regional and national sporting events to gauge demand from these market segments, particularly for the enhanced and relocated outdoor fields. This input would augment the prior survey effort and help identify additional market opportunities, refine facility requirements as well as quantify the potential type and number of events and attendance that could potentially occur at the outdoor fields.
- The recommendation, and proposed building program, for a new sports center and enhanced and relocated fields appears to be consistent with our understanding of FSU's objectives as well as the research and analysis conducted by B&D. The recommended building program should be further refined by an architect that specializes in the design of

similar facilities. Adjustments to capacity and square footage may be necessary to maximize usage and efficiency which would impact construction costs. Further, the recommended phasing approach is consistent with FSU's objectives.

- The estimated incremental new attendance at basketball/volleyball games at the new indoor sports center appears high. B&D did not include the potential rental of the indoor turf field or indoor competitions, camps, clinics or tournaments in their estimate of usage at the new indoor sports center, which reflects a conservative approach.
- While the estimated participant attendance at the outdoor fields appears to be reasonable, the ratio of spectators per participant appears high.
- Based on our review of the financial estimates prepared by B&D, FSU may want to plan for the proposed projects to operate closer to breakeven, which is consistent with our review of comparable facilities in which a university is the primary user.
- There appears to be discrepancies in B&D's calculation of indirect and induced economic benefits to Western Maryland (Allegany and Garrett counties). As a result, the estimated total output in Western Maryland (\$3.4 million) appears to be high. Our calculation estimates that total output would be approximately \$2.5 million in Western Maryland.
- Overall, the estimated total output in the State appears to be reasonable. While there appear to be several discrepancies in the calculation of economic benefits, they are deemed to have a nominal impact on the estimated total output in the State.
- B&D's estimate of employment and wages appears to be overstated for both Western Maryland (79 full and part-time jobs and \$2.9 million in earnings) and the State (100 full and part-time jobs and \$3.6 million in earnings). Utilizing a more standard methodology would yield a total of approximately 20 full and part-time jobs and \$600,000 in total earnings in Western Maryland and approximately 50 full and part-time jobs and \$1.7 million in total earnings in the State.
- Upon request, B&D provided us with an estimate of sales and use tax at the State level (\$151,000) and hotel/motel tax at the County level (\$41,000) associated with ongoing operations of the proposed project that was not included in their report dated November 2020. While these estimates appear to be reasonable to conservative, there are likely additional taxes such as admissions and amusement tax and local personal income tax at the local level and personal and corporate income tax at the State level that would be positively impacted but were not quantified.

- As operating objectives and strategies evolve, the estimate of economic and fiscal benefits generated by ongoing operations of the proposed projects should be updated. Future refinements should utilize the most recent multipliers to reflect current market and economic conditions.

The proposed building programs recommended by B&D appear to be reasonable and would significantly benefit FSU. Providing new, first-class athletic facilities would help retain and grow FSU's existing student and faculty base, enhance FSU's recruitment of student-athletes, coaches, and other athletic staff; and improve student-athlete development. Further, the proposed new sports center would allow the Cordts Physical Education Center to be dedicated to the recreational and fitness needs of the general student/faculty base.

In addition, although there were some discrepancies in certain areas related to B&D's estimate of financial operations and economic benefits, the proposed project could potentially be self-sustaining and generate significant economic impacts at both the local and State levels. If built, the local and State economies could benefit from both the construction and ongoing operations of the proposed project in several ways such as enhancing the overall quality of life and livability of the area; attracting a critical mass of people annually to help support area businesses; increasing the development of sports participants in the area; offering first-class facilities to both residents and visitors; serving as a catalyst for future economic development; broadening the area's economic base; and producing economic and fiscal benefits.

The information presented in this executive summary is extracted from the more detailed report. As such, it is important for the reader to review this report in its entirety.

2. CURSORY MARKET REVIEW



MARKET OVERVIEW

To assist in the independent peer review of the B&D study, Crossroads Consulting conducted a cursory market review including an overview of existing FSU athletic facilities and the athletic program, local market conditions, transportation access, hotel supply and the supply of area sports facilities. This review was limited as detailed market analysis surveys and/or focus group sessions were outside the scope of this engagement.

OVERVIEW OF EXISTING FSU ATHLETIC FACILITIES

As previously mentioned, FSU offers multiple athletic facilities that accommodate trainings, practices and games associated with the University's athletics as well as general student/faculty recreation. The size and quality of sports facilities can directly impact a school's recruitment as well as the athletic development of student-athletes.

The following graphic depicts the layout of existing FSU sports facilities.

Map of Existing FSU Sports Facilities



Source: Google Maps.

The following pages provide a brief description of each of FSU's primary athletic facilities.

Harold J. Cordts Physical Education Center offers the Bobcat Natatorium; Bobcat Arena; a second gymnasium; racquetball, handball and squash courts; a golf/baseball practice room; an indoor climbing wall; a gymnastics room; dance studio; and weight and cardiovascular rooms. The facility is home to health and education classes, intramural and intercollegiate competition and other uses of the University community.

Bobcat Arena has 3,600 seats and is home to FSU's men's and women's volleyball and basketball teams. The facility is also used for intramural, club, and varsity practices and competitions. It has a synthetic Versa-Turf 360 multi-purpose surface.

Bobcat Natatorium is an Olympic-size pool with a separate diving well. Bobcat Natatorium is home to FSU's men's and women's swimming programs and has ample spectator seating from an elevated balcony.



Source: Frostburg Athletic Facilities Website

Bobcat Stadium has 3,000 seats and hosts men's and women's varsity field hockey, football, lacrosse, track & field, and soccer competitions and training. The stadium is also utilized by local high school events including boys' and girls' soccer and football. The field is the only existing turf field at FSU.



Source: Frostburg Athletic Facilities Website

Bob Wells Field and Bobcat Field accommodate baseball and softball, respectively. Located between the Harold J. Cordts Physical Education Center and the Lewis Ort Library, Bob Wells Field has a 250-person seating capacity behind the backstop and down the right field lines with additional fan view from the balconies of the Ort Library. Bob Wells Field hosts men's baseball varsity team practices and competitions. Planned upgrades at the field include refurbished dugouts and construction of a new press box. Bobcat Field features a press box, scoreboard and public address system and primarily hosts women's softball.



Source: Frostburg Athletic Facilities Website

The Cordts Tennis Complex is located behind the Harold J. Cordts Physical Education Center and features six lighted courts. The facility is used by physical education classes as well as the public. The Bobcat men's and women's tennis teams compete at this facility.



Source: Frostburg Athletic Facilities Website

In addition to these facilities, FSU features five (5) outdoor rectangular fields which accommodate the school's outdoor sports programs such as soccer, rugby, etc.

Although not an athletic facility, construction is currently underway on the new Education and Health Sciences Center which will be located adjacent to the Cordts Physical Education Center and the baseball field. This new facility will include updated space for the services currently provided in the Brady Health Center.

OVERVIEW OF EXISTING FSU ATHLETICS

Given that a primary objective of the proposed project is to better accommodate FSU’s athletic programs, this section provides an overview of the University’s current athletics in terms of sports, competition level and facilities.

The mission of FSU Athletics is to provide well-balanced experiences for student-athletes by promoting academic excellence, physical and emotional well-being, healthy competition, and the development of personal competencies that lead to lifelong success. FSU joined the National Collegiate Athletic Association (NCAA) Division III in fall of 1977. FSU sponsors intercollegiate teams in 22 sports. Since 1977, FSU has appeared in over 40 NCAA Championship Tournaments and National Championships and has received numerous awards/titles such including 17 Academic All-Americans, 293 All-Americans, 51 Individual National Championships and three (3) Team National Championships.

The following outlines the 22 sports that FSU sponsors teams in.

Men’s Sports	Women’s Sports
Baseball	Acrobatics & Tumbling
Basketball	Basketball
Cross Country	Cross Country
Football	Field Hockey
Indoor Track & Field	Indoor Track & Field
Lacrosse	Lacrosse
Outdoor Track & Field	Outdoor Track & Field
Soccer	Soccer
Swimming	Softball
Tennis	Swimming
	Tennis
	Volleyball

In 2018 FSU accepted membership to the Mountain East Conference (MEC) within NCAA Division II contingent upon acceptance and satisfactory progression through the Division II membership process. The outlined schedule for progression through the process indicates that FSU would have full active membership in the 2022-2023 season and be eligible for NCAA postseason competition in this year.

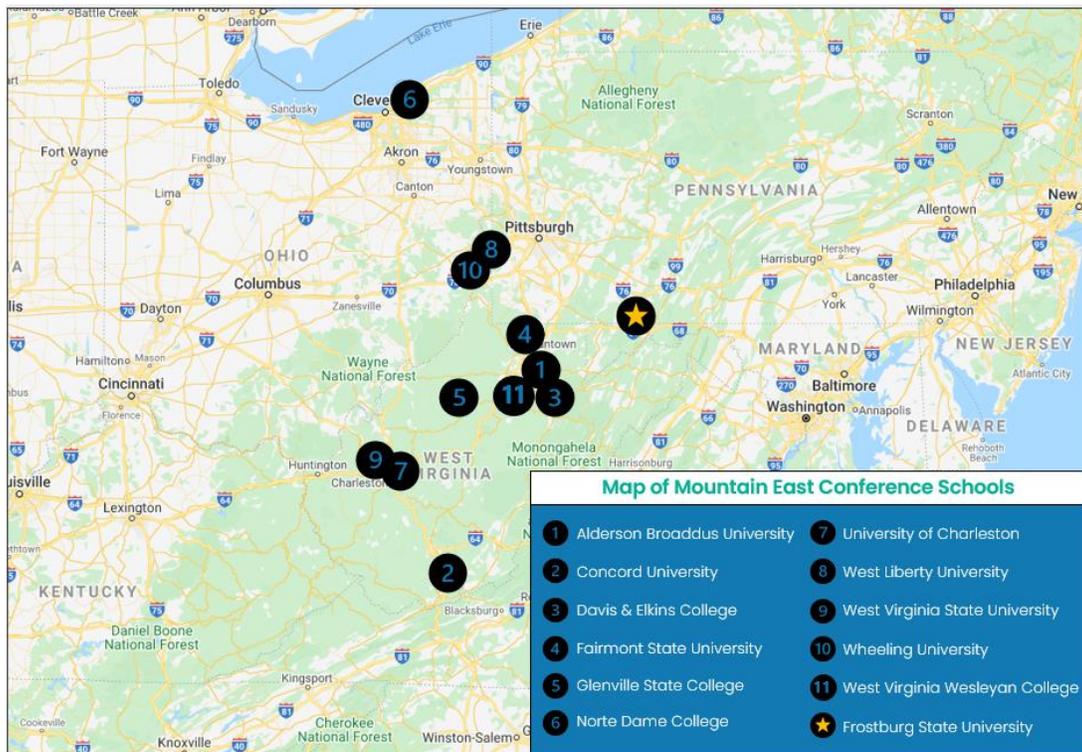
NCAA Division II is a collection of more than 300 NCAA colleges and universities that provide thousands of student-athletes the opportunity to compete. The MEC consists of 12 schools located in the states of Maryland, West Virginia, and Ohio. The MEC was founded in 2012 and currently sponsors 22 NCAA Division II sports. The MEC does not sponsor men’s lacrosse or field hockey. As such, FSU’s men’s lacrosse program is an associate member of the Eastern

Connecticut Conference and women’s field hockey competes as an independent Division II team.

The following provides a list of the 12 schools that currently compete in the MEC.

- Alderson Broaddus University - Philippi, West Virginia
- Concord University - Athens, West Virginia
- Davis & Elkins College - Elkins, West Virginia
- Fairmont State University - Fairmont, West Virginia
- **Frostburg State University - Frostburg, Maryland**
- Glenville State College - Glenville, West Virginia
- Notre Dame College - South Euclid, Ohio
- University of Charleston - Charleston, West Virginia
- West Liberty University - West Liberty, West Virginia
- West Virginia State University - Institute, West Virginia
- Wheeling University - Wheeling, West Virginia
- West Virginia Wesleyan College - Buckhannon, West Virginia

As shown below, it appears that the geographic proximity of FSU to other schools within the MEC could create the opportunity to create rivalries that drive higher attendance at games.



LOCAL MARKET CONDITIONS

Characteristics of the market in which the proposed new regional sports center and enhanced and relocated outdoor fields would operate are important to evaluate and understand as they are one factor considered when determining the overall reasonableness of the B&D study completed in 2020. This section provides a cursory review of key demographic and socioeconomic statistics, transportation access, hotel and other offerings, and supply of regional local sports facilities. More detailed data related to demographic/socioeconomic statistics and the supply of sports facilities in the area can be found in the appendix of this report.

DEMOGRAPHIC AND SOCIOECONOMIC STATISTICS

Demographic and socioeconomic indicators are pertinent to assessing demand for participant-driven sports activities. Many variables, including demographic and economic conditions, as well as local area offerings and destination appeal, are likely to impact a facility's competitive positioning in the market.

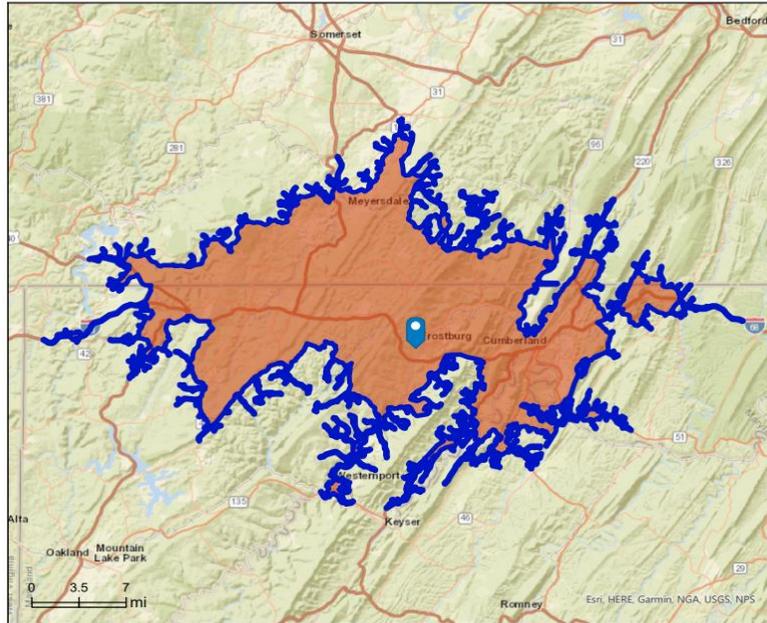
The potential event base at the proposed regional sports center and outdoor fields is anticipated to be diverse. The indoor sports center is anticipated to host trainings, practices and games associated with the University's athletic programs. The outdoor fields are anticipated to host the University's athletic needs as well as sports tournaments that generate tourism. Further, there may be memberships and rental opportunities available to the public at one or both facilities.

This section highlights demographic data including population, age distribution and income characteristics within a 30- and 60-minute drive time from FSU. Typically, community sports activity usually draws people from a 30-minute drive time while tournaments and other larger events can draw from a 60-minute drive time and even greater distances. In addition to the aforementioned market areas, demographic data is also provided as a comparative reference point for Allegany County, the Cumberland Metropolitan Area (Metro Area), the State of Maryland, and the U.S. These profiled markets are not intended to directly correlate to demand but rather to illustrate the characteristics of the market within which the proposed regional sports center and outdoor fields would operate.

A metro area contains at least one core urban area of 50,000 or more inhabitants. Each metropolitan area consists of one or more counties and includes the counties containing the core urban area, as well as any adjacent counties that have a high degree of social and economic integration with the urban core. The Cumberland Metro Area consists of Allegany County and Mineral County, West Virginia.

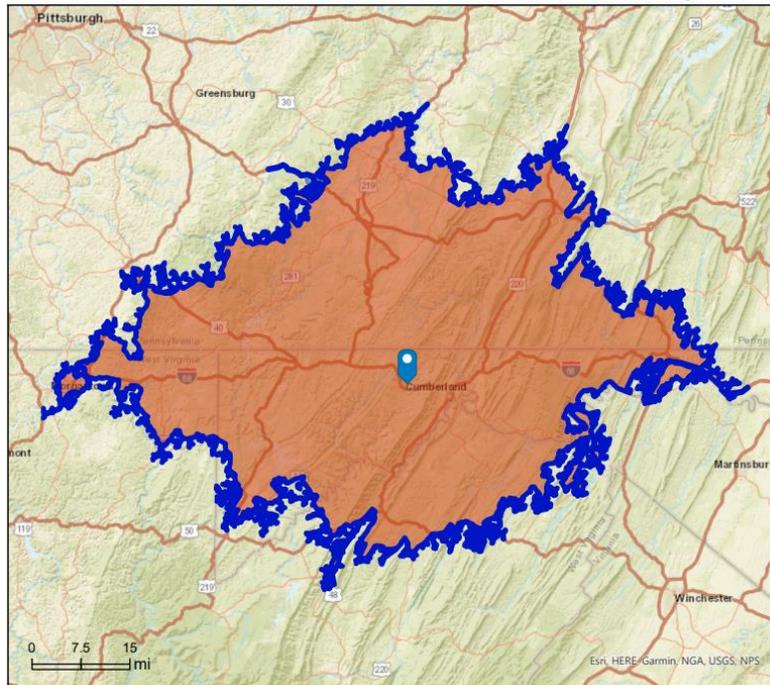
As shown on the maps that follow, both the 30- and 60-minute drive times extend into portions of Pennsylvania and West Virginia which could provide an opportunity for the proposed project to attract non-local participants and spectators that generate economic impacts.

Map of 30-Minute Drive Time



Source: Esri.

Map of 60-Minute Drive Time

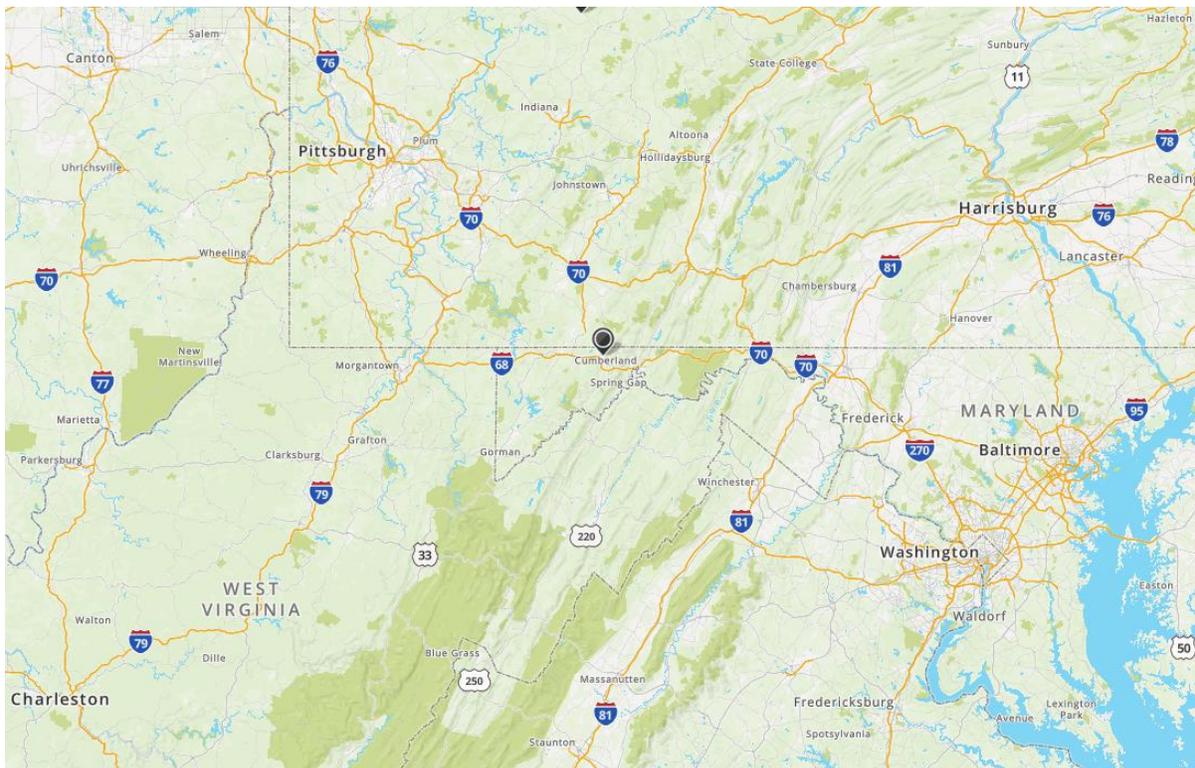


Source: Esri.

Population serves as a base from which the proposed regional sports complex could draw attendance and other forms of support. The population within a 30-minute drive time is relatively small and projected to decline over the next five years. The population and growth rates within the 30-minute drive time are relatively similar to that of Cumberland Metro Area. The population within a 30-minute drive time is also relatively older and less affluent. As it relates to the proposed new projects at FSU, a new sports center and outdoor fields could provide the opportunity to retain, grow, and attract businesses as well as drive people to the area. Similar projects have become economic catalyst for the communities they were developed in.

TRANSPORTATION ACCESS

Ease of access to a market for attendees plays an important role for organizers in selecting locations of venues to host their events. Furthermore, the location and accessibility of a facility relative to the population base can impact its marketability for events. As shown in the map that follows, Interstate 68 (I-68) provides good east-west access to and from FSU. I-68 can be accessed from the north and south using roadways such as Interstate 79, Interstate 99 and Interstate 81. In addition, Route 219 intersects I-68 directly to the west of FSU.



Source: MapQuest.

HOTEL SUPPLY

Hotel accommodations, both in terms of supply and range of offerings, proximate to sports facilities can play an important role in attracting sporting events that draw overnight attendees. Research indicates that participants/spectators tend to travel further and stay longer when their choice of hotel property is readily available.

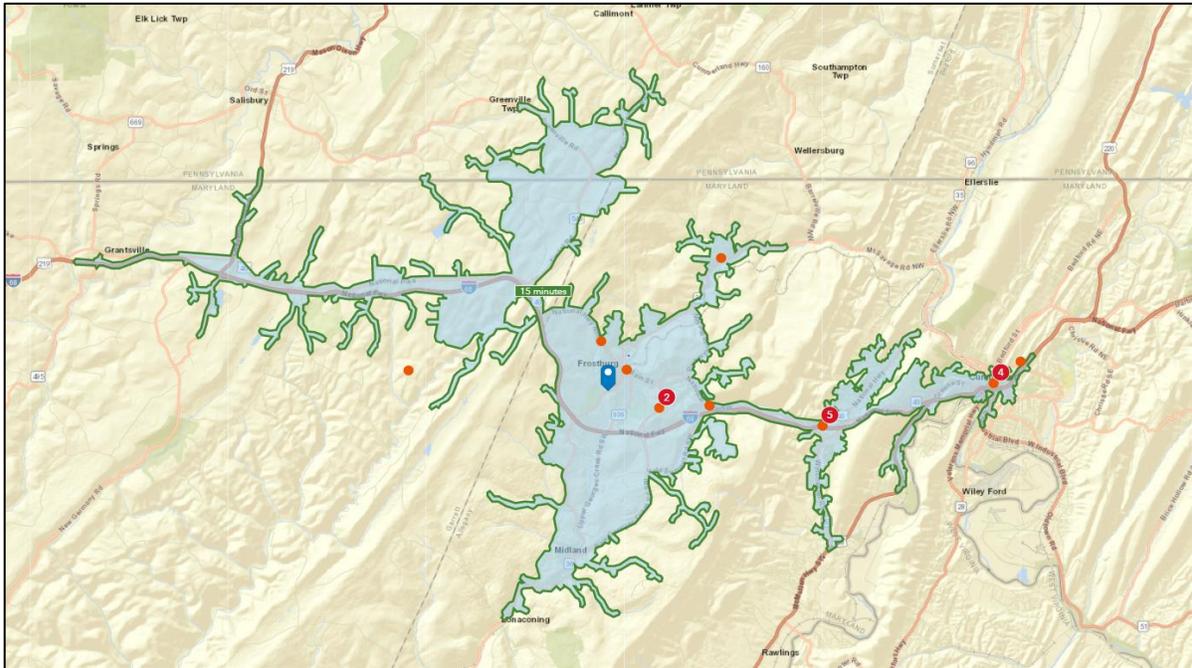
There are just over 900 total hotel rooms within a 15- minute drive time of the FSU campus. There are nine (9) limited-service chain-affiliated hotels that offer an aggregate of 800 rooms. In addition, there are multiple boutique properties that offer an aggregate of 109 rooms. Limited-service hotels are generally defined as those that offer certain services and amenities such as a business center, fitness room, swimming pools, etc. Full-service hotels generally offer all the services of a limited-service hotel as well as full restaurants, luxurious rooms, laundry, shuttle services, spas, room service, etc. Boutique hotels are characterized by their smaller size, personalized service, and local personality.

Hotel Supply within a 15-Minute Drive Time of FSU	
Property	Number of Rooms
Ramada by Wyndham Cumberland	130
Fairfield Inn- Suites by Marriott	108
Best Western Braddock Inn	103
Quality Inn	90
Holiday Inn	87
Motel 6 La Vale Cumberland	80
Hampton Inn-Frostburg	72
Comfort Inn	67
Super 8 by Wyndham La Vale	63
All Other Hotels	109
Total	909

Note: All other hotels includes properties with less than 30 rooms.

The map below illustrates the number of hotels within a 15-minute drive of FSU. As shown, most hotels are situated to the east of FSU along Interstate 68.

Map of Hotels: 15-Minute Drive Time



Source: Esri.

SUPPLY OF LOCAL SPORTS FACILITIES

In addition to accommodating the University's needs, the proposed project is anticipated to be available for community rentals and memberships as well as tournaments according to B&D. The extent that existing sports facilities meet the needs of target markets is important to consider when assessing demand for a new sports center and enhanced and relocated fields. Facility size, program elements, configuration, quality/condition, age, market focus and date availability are factors that impact how competitive facilities may be to the proposed new sports center and outdoor fields.

As shown in the following table, there is a limited supply of sports facilities in the immediate area that can accommodate sports and/or fitness activity, especially activities requiring indoor space. The closest indoor sports facility is the YMCA of Cumberland, which offers two basketball courts, a turf area, an outdoor, rectangular field and other amenities. Both of the profiled outdoor facilities are primarily focused on the recreational needs of the community.

Based on the limited supply of sports facilities in the local area, it appears that new sports facilities at FSU with the appropriate program could fill a gap in the community.

Supply of Local Sports Facilities								
Facility	Approximate Miles From FSU	Outdoor Fields			Indoor Areas			Other Amenities
		Outdoor Rectangular Fields	Outdoor Diamond Fields	Total	Indoor Basketball Courts	Indoor Volleyball Courts	Indoor Turf Areas	
Parris N. Glendening Recreation Complex	2	3	4	7	N/A	N/A	N/A	2 Outdoor Basketball Courts, Two Pavilions, Playground, 2 Fishing Ponds, Half- Mile Walking Trail
YMCA of Cumberland MD	11	1	N/A	N/A	2	N/A	1	Indoor Track, Competition-sized Pool, Hydrotherapy Pool, Climbing Wall, Group Fitness Studio, Outdoor Pavilion
Gene Mason Sports Complex	14	5	3	8	N/A	N/A	N/A	4 Outdoor Tennis Courts, 2 Outdoor Basketball Courts, BMX Track

Notes: Facilities sorted in descending order by miles from FSU.
Data is not inclusive of any planned developments.

Sources: Individual facilities; Secondary research.

Although a primary purpose of any new sports facilities at FSU is to accommodate the University's athletic programs, these potential facilities have an opportunity to attract tournaments that generate economic impacts to the local area and the State. The broader area has multiple indoor and outdoor sports facilities that could compete with new sports facilities at FSU for tournament activity. Within a 75-mile radius, the WVU Student Recreation Center is the largest indoor facility with seven (7) basketball/volleyball courts and is primarily focused on the recreational needs of students. Hazel & J.W. Ruby Community Center at Mylan Park is planning to expand to create an additional five (5) indoor basketball/volleyball courts which could be utilized as indoor soccer fields or pickleball courts. It is anticipated that the expansion will accommodate instruction, recreation, camps, leagues and tournaments. In addition, there are several outdoor facilities such as Mylan Park that are capable of hosting outdoor tournament activity and could compete with any new outdoor sports facilities at FSU. Additional information related to the supply of facilities in the region can be found in the appendix of this report.

3. INDEPENDENT PEER REVIEW



INDEPENDENT PEER REVIEW

This section provides an independent peer review of the B&D study that was completed in 2020 in terms of their analysis, assumptions and recommendations related to demand, building program, phasing strategy, estimated financial operations and estimated economic and fiscal impacts for the proposed new regional sports center and enhanced and relocated outdoor fields at FSU. For purposes of this assessment, the B&D study was reviewed in sections including Demand and Program, Financial Pro Forma and Economic Analysis. Each section provides a summary of B&D's analysis and findings and is followed by key observations resulting from the peer review. As previously mentioned, this independent peer review does not include estimates related to construction, the proposed improvements to the Cordts Physical Education Center or the proposed ice rink.

Further, it should be noted that the B&D study was a preliminary assessment and, consistent with studies for similar projects, should continue to be refined as decisions related to the building program and other the operating characteristics evolve.

B&D – DEMAND ANALYSIS AND PROGRAM RECOMMENDATIONS

The following summarizes key findings related to potential demand, building program recommendations and phasing strategy outlined in the study completed by B&D in November 2020.

FSU Athletic Facility Condition

To better understand the gap between existing facilities and FSU's needs, B&D asked FSU athletic department personnel to rate the condition of each athletic facility on a scale from one (1) to five (5). The following table summarizes key findings from this process. The numbers within the table represent the rating of existing condition and the colors represent whether each facility exceeds (green), meets (yellow) or does not meet team needs (red). As shown, many facilities do not currently meet FSU team needs.

Team	Locker Rooms/ Team Rooms	Practice Facilities	Competition Venue	Spectator Accommodations	Administration	Athletic Training & Rehab	Strength & Conditioning
Men's Teams							
Baseball	4	2	1	1	2	3.5	1.5
Basketball	2	3	1	2	2	3.5	1.5
Cross Country	2	3	3	3	2	3.5	2
Football	4	3	3	4	2	3.5	1
Lacrosse	3	3	3	4	2	3.5	1.5
Soccer	2	3	2	4	2	3.5	2
Swimming	1	3	1.5	3	2	3.5	2
Tennis	1	3	3	3	2	3.5	2
Track and Field	2	2.5	3	3	2	3.5	1.5
Women's Teams							
Acrobatics & Tumbling	1	3	3	3	2	3.5	1.5
Basketball	4	3	1	2	2	3.5	1.5
Cross Country	4	3	3	3	2	3.5	2
Field Hockey	4	2	2	4	2	3.5	2
Lacrosse	4	3	3	4	2	3.5	1.5
Soccer	4	3	2	4	2	3.5	2
Softball	4	2	2	2	2	3.5	2
Swimming	1	3	1.5	3	2	3.5	2
Tennis	4	3	3	3	2	3.5	2
Track and Field	4	2.5	3	3	2	3.5	1.5
Volleyball	4	3	3	2	2	3.5	1.5

Source: B&D "Answering the Call" Study.

FSU Appropriations

The following summarizes key findings in the B&D study related to historical FSU appropriations in comparison to other UM System residential schools.

- FSU has received the lowest combined capital appropriations among UM System residential Schools.
- FSU received the 3rd lowest combined operational appropriations among UM System residential schools.
- FSU appropriations per student are below the average but graduation and retention rates are in alignment with the average of UM System residential schools.

Market Characteristics

B&D's key findings related to the market in which FSU operates in are summarized below.

- Unemployment in the region has been above the national average, while the size of the labor force has declined 8% over the past 15 years. COVID-19 worsened these indicators across the country and locally.
- Limited opportunities and relatively low income levels impact quality of life and retention of labor force.
- Mills and factories closing led to ripple effects of job loss across industries.
- FSU is the second largest employer in Allegany County.
- FSU has continued to evolve over the century to reflect changing demographics and workforce demands and has over 5,000 students.
- The growth and stability of the region depends on the success of FSU.

Survey Results

To better identify the potential athletic facility needs of FSU, B&D conducted a visioning session with campus leadership and 12 stakeholder meetings with the Athletics, Administration and Finance, and Facilities departments as well as officials from the City of Frostburg, Allegany County, and Garrett County. Further, B&D conducted over 700 student and faculty/staff surveys and focus group sessions with over 30 students representing various market segments. The results of this outreach suggested that the addition and improvement of recreation space on campus should be a high priority. The following provides a summary of key findings from the survey of students and faculty. For informational purposes, the survey garnered responses from 287 faculty/staff and 452 students with a 95% confidence level and a +/- 4.8% margin of error.

- Many students are dissatisfied with the size and condition of existing spaces
- Many students are unfamiliar with the facilities and programs available to them
- 20% of students never participated in youth recreational or high school varsity sports
- 53% of students and 58% of faculty do not pursue recreation on campus 2+ days a week
- If desired programmatic changes were implemented on campus, both students and faculty would increase the number of days pursuing recreation
- Students find value in campus recreation with the top three benefits being supporting a healthy lifestyle, managing stress and providing a gathering place to meet new friends
- Students need to be encouraged to participate in recreation on campus with enhanced facilities and programming
- 71% of students would support a student fee

Program

Based on the demand analysis, B&D recommended a new sports center, enhancement and relocation of existing outdoor fields and renovation/enhancement of the Cordts Physical Education Center. As previously mentioned, the Cordts Physical Education Center has historically served as the primary facility for student athletics, including men's and women's basketball and women's volleyball home games, and recreation. Based on information obtained from B&D, it is anticipated that a renovated/expanded Cordts Physical Education Center would primarily serve as the center for general student and faculty/staff recreation on campus. The proposed new regional sports center would be dedicated to FSU's athletic programs, including men's and women's basketball and women's volleyball home games, as well as be available for rental and membership opportunities.

The image below depicts the building program recommendations for the proposed new regional sports center and the enhanced and relocated outdoor fields as outlined in the B&D study. In addition, the proposed recommendations for the Cordts Physical Education Center are shown for informational purposes.

Recommended Program



Source: Brailsford & Dunlavey "Answering the Call" November 2020 study.

The following table outlines the building program elements and square footage requirements recommended in the B&D study.

Regional Sports Center Program	
Program Element	Square Feet
Activity Zone	97,000
Indoor Turf Fields Two Court Gymnasium Spectator Seating (2,000 Seats) Weight & Fitness Multipurpose Practice Space	
Support Zone	8,000
Food Service (Concessions) Guest Lockers Outdoor Adventure Center Sports Club & League Rooms Storage Misc. Components	
Team Zone	27,500
Team Spaces (Basketball, Volleyball, Support) Additional Locker Rooms Administration	
Outdoor Turf Field Complex	6 Fields
Total Gross Square Footage (73% Efficiency Factor):	180,000

Source: B&D "Answering the Call" Study.

The total estimated square footage requirement for the proposed new sports center is approximately 132,500 net square feet or 180,000 gross square feet which excludes the proposed ice rink. The activity zone is proposed to consist of a two-court gymnasium with a seating capacity of 2,000 for men's basketball and women's basketball and volleyball, a weight training room, practice space, an indoor turf field (160' x 360'), and other support areas.

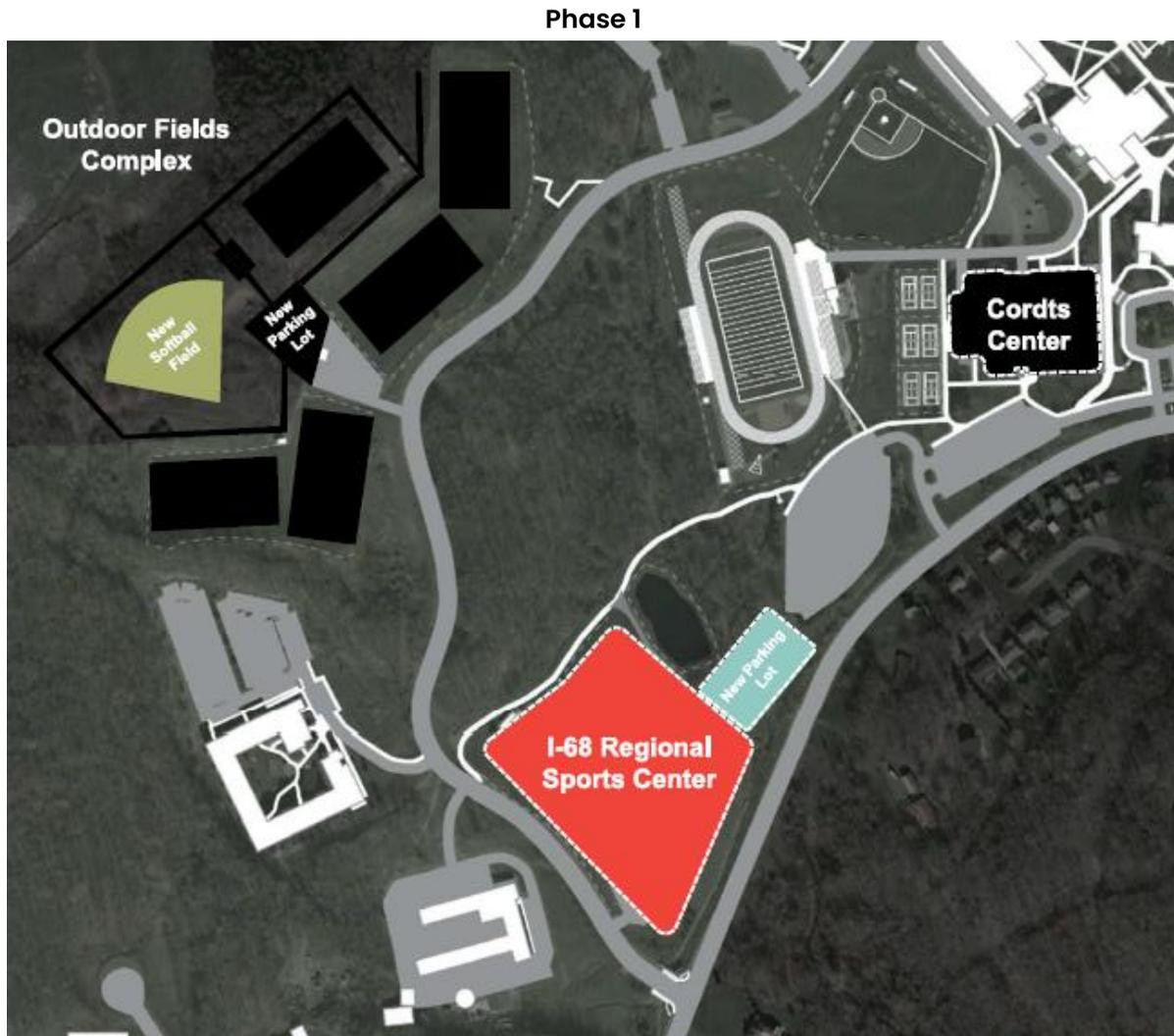
In addition to the proposed new sports center, the proposed plan includes relocation of the existing softball field and development of six (6) lighted rectangular turf fields (which includes the usage of the outfield of the softball field as a rectangular field). B&D also recommended renovating the existing Cordts Physical Education Center including locker rooms, training spaces, etc.

Proposed Phasing Strategy

B&D recommended a phased approach to the development of the new regional sports center and enhanced and relocated fields, which is summarized below.

Phase 1: Development of the new regional sports center

B&D recommended that Phase 1 include the development of the new regional sports center, which will be dedicated to accommodating FSU athletic programs and create revenue generation from rental opportunities.



Source: Brailsford & Dunlavey "Answering the Call" Study.

Phase 2: Enhancement and relocation of the outdoor fields

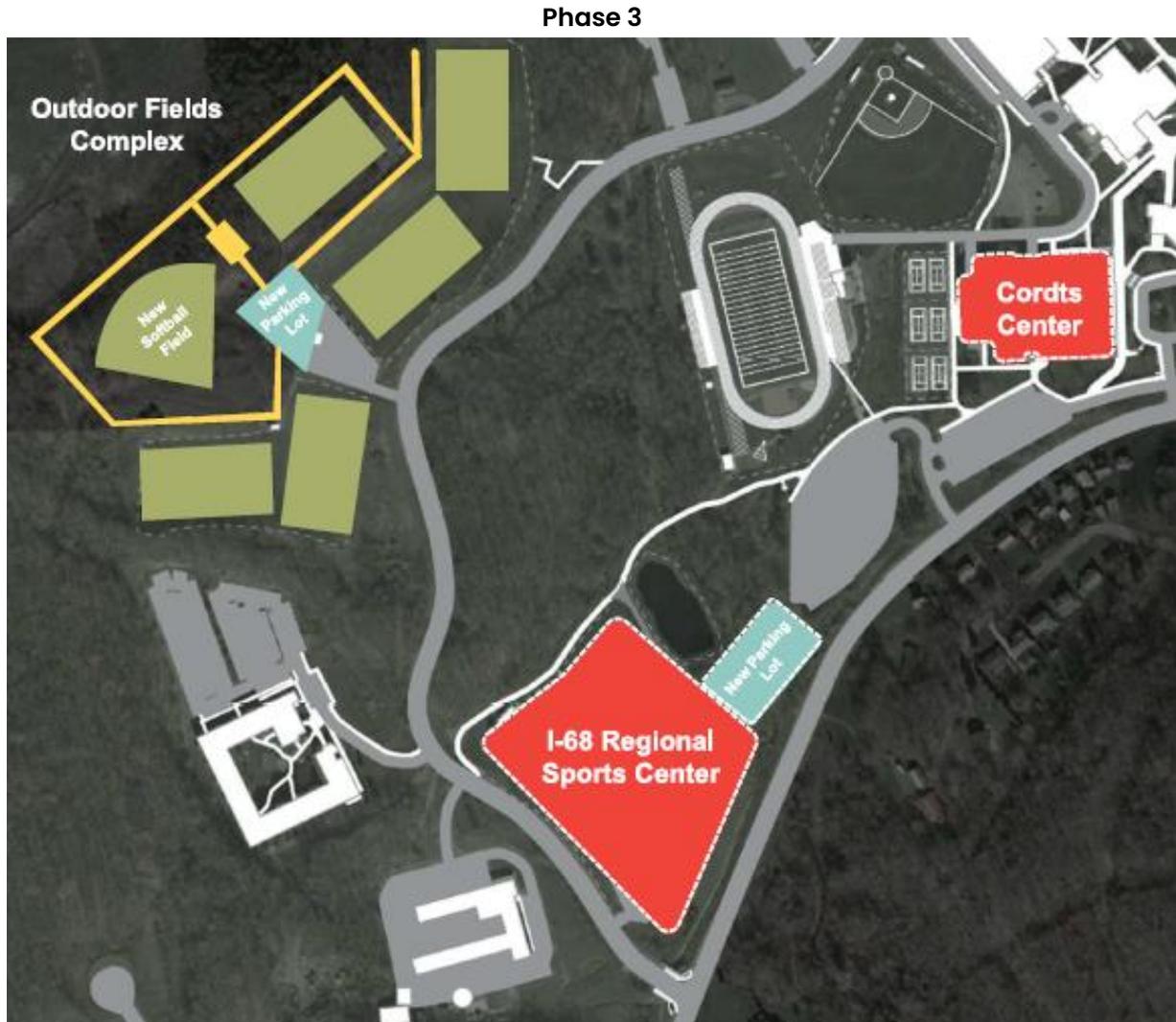
B&D recommended that Phase 2 include enhancement and relocation of the outdoor fields, which will primarily accommodate FSU's athletic programs as well as host tournaments that generate sports tourism and other rental opportunities.



Source: Brailsford & Dunlavy "Answering the Call" Study.

Phase 3: Renovation/Enhancement of Cordts Physical Education Center

Phase 3 includes the renovation and enhancement of the Cordts Physical Education Center which is envisioned to be dedicated to general student and faculty/staff recreation. This phase is shown for informational purposes only.



Source: Brailsford & Dunlavy "Answering the Call" Study.

OBSERVATIONS – DEMAND ANALYSIS AND RECOMMENDED PROGRAM

The following summarizes key observations based on the peer review of the demand analysis, recommended building program and phasing strategy for the indoor regional sports center and outdoor fields recommended by B&D as part of the study completed in November 2020. As previously mentioned, this independent peer review of the B&D study does not include the recommendations related to the Cordts Physical Education Center or proposed ice rink.

Observations – Demand Analysis

- The recommendation for a new sports center and enhanced and relocated fields appears to be consistent with our understanding of FSU’s objectives as well as the research and analysis performed by B&D.
- The condition of existing athletic facilities at FSU do not appear to be consistent with other schools within the MEC. The development of the proposed facilities would place FSU in a more competitive position with peer schools.
- B&D conducted significant market outreach with FSU faculty and students. The survey conducted of staff and students appears to be sufficient in terms of obtaining a representative sample. While the market outreach conducted by B&D appears to have been in-depth, it is recommended that additional surveys be conducted with potential user groups that represent local, regional and national sporting events to gauge demand from these market segments, particularly for the enhanced and relocated outdoor fields. This input would augment the prior survey effort and help identify additional market opportunities, refine facility requirements as well as quantify the potential type and number of events and attendance that could potentially occur at the outdoor fields.
- As it relates to attracting user groups outside of FSU programming, a more detailed analysis of demographic and socioeconomic statistics, sports trends and competitive facilities in the region would further assist in gauging and quantifying potential demand for the proposed projects.
- Overall, development of the proposed first-class facilities would enhance FSU’s athletic recruiting efforts for student-athletes, coaches, staff, etc., as well as assist in the retention and growth of the student/faculty base. Further, these facilities would better position FSU as an economic driver for the local and surrounding areas. Based on a cursory review of existing sports facilities in the area, it appears that the proposed project, especially the new indoor facility, could also fill an unmet need in the community. Adjustments to the building program may be necessary to maximize these potential benefits.

- Although not required at this stage in the planning process, there will be a need to develop a mission statement and booking policy that prioritizes facility uses and aligns with FSU's operating objectives for both the outdoor fields and the indoor sports center.

Observations - Program

- It appears that the number of outdoor fields is sufficient to accommodate FSU's athletic needs as well as potential tournament activity.
- B&D recommends that each outdoor field offer lights and bleacher seating, which is appropriate to extend usage hours of the fields and accommodate spectators at tournaments. In addition, restrooms, storage, concession stand(s) and other support spaces should be located near the outdoor fields.
- Consistent with the recommendations provided by B&D, as the design of the fields progresses, it would be ideal if all of the fields could meet NCAA size regulations. Further, the softball field should have the appropriate dimensions to allow the outfield to be used as a rectangular field. The final field layout should also ensure that bleacher seating can be offered at each field.
- According to FSU representatives and B&D, while the primary purpose of the proposed new indoor sports center is to accommodate the athletic needs of FSU's student-athletes, it will also be available for rental opportunities and community memberships. The proposed building program elements for the indoor sports center appear to be consistent with these objectives as well as other similar facilities.
- While the primary purpose of the proposed new sports center is to serve FSU's needs and be available for rent to the public, the facility's proposed building program could likely accommodate some smaller, local-based competitions/tournaments. This potential use would need to be further evaluated with a survey effort.
- The proposed indoor building program elements, particularly the indoor turf field, would fill a University need and provide FSU student-athletes an opportunity to train year-round. Further, there would be opportunities to rent the indoor turf field to non-University organizations including those representing outdoor sports seeking indoor training space during the winter months.
- Consistent with our understanding of the objectives of the proposed new indoor facility, it is unlikely that it will host large tournaments on a regular basis as these events typically require a higher number of courts/fields in one location.
 - There are options to cover courts with turf or vice versa to create additional playing surfaces of one type; however, this would depend on demand as well as operational objectives and available funding and would need to be vetted at the appropriate time.

- Most estimated space allocations for the proposed building program elements of the proposed new sports center appear to be appropriate to accommodate the anticipated uses. Certain proposed areas may require additional space as design of the facilities progresses:
 - The proposed seating capacity of the sports center (2,000 seats) is 44% less than the current seating capacity of Bobcat arena (3,600 seats). The average seating capacity of arenas within the MEC in which data was available is approximately 1,970 which is consistent with the proposed new seating capacity. FSU may want to consider a larger seating capacity if certain FSU events such as graduations are anticipated to be held at the facility.
 - According to information provided by B&D, the proposed indoor turf area is anticipated to have dimensions of 160' x 360' (57,600 SF) which can be used as one full-sized field or multiple smaller fields. It is recommended that the final design of the turf area include a square footage allocation for support space such as sideline areas.
 - Court sizes should meet the requirements outlined by NCAA.
 - Additional square footage may be needed for areas such as team spaces and locker rooms to have an appropriate amount of space for circulation and separate restrooms for all genders.
 - The preliminary cost estimates prepared by B&D may need to be revised to account for any additional square footage requirements as the design of the indoor sports center progresses.
- Although not specifically outlined in the B&D study, the indoor sports center and outdoor fields should feature robust Wi-Fi that can support streaming as well as other support amenities such as consistent court/field lighting, a public address system, scoreboards, etc.
- The recommended building program should be further refined by an architect that specializes in designing similar facilities.

Observations – Phasing Strategy

- The recommended phasing strategy appears consistent with the objectives of the proposed project. Should the primary objective of FSU change to attracting events that generate economic impact, then development of the outdoor fields could be shifted to Phase 1.

B&D – FINANCIAL PRO FORMA

The following summarizes B&D's financial estimates and related assumptions associated with operations of the proposed sports center and outdoor fields. For purposes of this assessment, estimates and assumptions related to the proposed ice rink are not shown. According to B&D, assumptions and estimates were based on the demand analysis, data from comparable facilities and their industry experience.

Usage/Programming Assumptions

Programming at the proposed new sports center is anticipated to include FSU basketball/volleyball games and practices as well as non-FSU community usage. The following summarizes B&D's assumptions related to these uses.

- Basketball/Volleyball attendance at the proposed new sports center is estimated to be 600 per game (30% of total capacity) or total attendance of 22,200 in 2022. Based on information provided by B&D, this estimate is based on historical average attendance at basketball and volleyball games at FSU as well as comparable facilities. B&D estimated that attendance would slightly decrease annually before stabilizing at an average per game attendance of 525 in 2027.
- B&D estimated that the enhanced and relocated outdoor fields would host six (6) tournaments with 48 teams per tournament. Each team is assumed to have 25 players, two (2) coaches and one (1) staff member. Spectators were estimated at a ratio of three (3) spectators per participant. Including umpires, B&D estimated that the six (6) outdoor tournaments would generate annual attendance of approximately 30,200.
- Combined, the courts and outdoor fields are estimated to draw approximately 35,000 participants/spectators related to community rentals. B&D did not include community rentals for the proposed new indoor turf field.

Estimate of Financial Operations

The following provides a summary of the net operating revenue and operating expense estimates prepared by B&D. The financial estimates reflect the first year of operations and are calculated in 2022 dollars. B&D's estimate of financial operations should continue to be refined as the design, construction timeline and operational aspects of the project progress.

B&D Complex Projections: Financial Operations (2022 dollars)	
Operating Revenue	
Concessions*	\$147,900
Merchandise	\$30,800
Facility Rentals (e.g. fields, equipment, tournaments)	\$1,091,700
Advertising & Sponsorship*	\$245,900
Total	\$1,516,300
Operating Expenses	
Personnel	\$571,600
Non-Personnel	\$766,700
Total	\$1,338,300
Net Operating Income	\$178,000

Note: *TBD - Dependent on current food service contract & potential advertising/sponsorships

Source: B&D "Answering the Call" Study.

The following summarizes operating revenue and expense line items estimated by B&D.

Operating Revenue

Facility Rentals – This line item includes revenue generated from tournaments at the outdoor fields and other rental opportunities at both the fields and the indoor sports center. Tournaments were estimated to generate \$2,440 per team which was inflated to 2022 dollars. Non-tournament rental of the outdoor fields was estimated to average 2.5 hours/day at an hourly rate of \$313 (2022 dollars), irrespective of the number of fields rented. Indoor courts were estimated to be rented an average of 2.5 hours/day at an hourly rate of \$102 (2022 dollars), irrespective of the number of courts rented. This line item does not include potential revenues from memberships or rental of the indoor turf field.

Concessions – A per capita spending amount was applied to estimated basketball/volleyball attendance, tournament spectators and a portion of the estimated attendance from court/field rentals. It was estimated that the facility would net 45% of concession revenue. It is noted that concession revenue is dependent on the food and beverage service contract.

Merchandise – A per capita spending amount was applied to estimated basketball/volleyball attendance and tournament spectators at the outdoor fields. Approximately 50% was estimated to be net to the facility with the remaining 50% reflecting the cost of goods sold.

Advertising and Sponsorship – This line item reflects a net revenue estimate of advertising and sponsorship based on comparable facilities and is noted to be dependent on potential opportunities.

Operating Expenses

Personnel – Assumes approximately five (5) full-time salaried positions and part-time student labor which is estimated to equate to approximately seven (7) full-time equivalents. The full-time positions were assigned an annual salary. Most student labor positions were assumed to earn minimum wage. This line item also includes five (5) positions paid on a per game basis for tournament operations. The estimate of personnel expense includes benefits and payroll taxes for full-time positions and payroll taxes for part-time student staff. Operations at the outdoor fields on non-tournament days are assumed to continue to be handled by existing FSU staff.

Non-Personnel – Non-personnel expense include equipment, supplies, computer software, insurance, janitorial, maintenance, repairs, marketing, administrative, utilities and a management fee. Non-personnel expenses were calculated by applying a per square foot expense to the total proposed square footage. As it relates to utilities, the estimate reflects the anticipated cost of the proposed new indoor sports center; utilities associated with the outdoor field lights are assumed to be a campus expense.

OBSERVATIONS – FINANCIAL PRO FORMA

- Estimated average attendance at basketball/volleyball games appears to be consistent with other schools within the MEC and represents an increase over historical attendance at FSU. Consistent with B&D's estimates, the facility will likely experience a honeymoon period in year 1 of operations and then the average attendance per game will decrease over the next few years before stabilizing, which is common with new facilities. It should be noted that multiple factors can impact attendance including student enrollment, the opponent, etc.
- The estimate of six (6) tournaments and related participant attendance at the outdoor fields appears reasonable based on the supply of existing facilities in the region and FSU's primary objective of utilizing the fields for University athletics; however, the ratio of spectators per participant appears high.
- B&D's estimated programming includes community rentals of the outdoor fields and indoor courts which is consistent with the objectives of FSU. B&D did not include the potential rental of the indoor turf field or indoor competitions, camps, clinics or tournaments in their estimate of usage at the new indoor sports center, which reflects a conservative approach.
- Estimated facility rental revenue as shown in the report, particularly that associated with the outdoor fields, appears to be high based on our review of comparable facilities. FSU may want to plan for lower net revenue generated from the outdoor fields.

- Estimated revenue from concessions appears to be slightly high based on the per capita spending amount used by B&D. A downward adjustment to the per capita spending on concessions could result in a decrease of approximately \$40,000 in this line item.
- A downward adjustment to both facility rental and concessions revenue could potentially be offset by revenues generated from memberships, hosting small indoor competitions/tournaments and rental of the indoor turf field(s) which were not estimated by B&D.
- Estimated revenue from the merchandise sales appears to be reasonable based on the per capita spending amount used by B&D and the estimated usage of the proposed facilities.
- Estimated advertising and sponsorship revenue appears to be reasonable to slightly high. This line item generally varies based on the number of events, attendance and aggressiveness of the approach taken by management in terms of the amount and type of advertising and sponsorships sold. The proposed projects could have a unique opportunity to garner support in terms of advertising and sponsorships from local and regional organizations. Further market testing is recommended to better understand potential advertising and sponsorship opportunities at the proposed new facilities.
- Staffing levels and positions appear reasonable. It is also reasonable to assume that some services would continue to be provided by FSU.
- Personnel costs appear reasonable for most of the full-time positions. Two of the five positions are estimated to earn an hourly rate that is slightly lower than the effective Maryland minimum wage rate that took effect in January 2022. Increasing these salaries to meet the 2022 minimum wage would result in an increase in personnel cost of approximately \$3,000. The part-time student labor expense also appears to be low as the estimated hourly rate is significantly lower than the minimum wage in 2022. Increasing these rates to meet the 2022 minimum wage would result in an increase of approximately \$90,000 in personnel costs.

It should be noted that estimated expenses impacted by the increasing minimum wage in Maryland will continue to increase into 2025, when the minimum wage will increase to \$15.00/hour.

While full-time and part-time labor estimates appear to be low, personnel costs appear to be slightly high for tournament staff, which are assumed to be paid on a per game basis. While the number of tournament positions is reasonable, the total number of games played during six (6) tournaments appears to be high. Based on industry experience, FSU could plan for a decrease in this line item of \$60,000 to \$70,000.

After accounting for the above, personnel costs could potentially be slightly lower (+/- 5%).

- While certain individual line items for non-personnel costs appear to be slightly low or slightly high, the overall total non-personnel cost appears reasonable.
- Based on our review of the financial estimates prepared by B&D, FSU may want to plan for the proposed projects to operate closer to breakeven, which is consistent with our review of comparable facilities in which a university is the primary user.
- It is recommended that FSU plan for an annual payment specifically designated as a reserve for replacement fund to safeguard the investment. This fund is intended to cover any extraordinary annual/future capital repairs or improvements.
- Some universities charge student athletic fees, which are used to support the maintenance and upkeep of facilities that are regularly available to students. Should FSU decide to increase the current athletic fee, this revenue would positively impact the bottom line.

B&D - ECONOMIC IMPACT ANALYSIS

This section summarizes B&D's estimated economic benefits associated with the proposed outdoor fields and indoor sports center as well as the general methodology used. While B&D also estimated the economic and fiscal benefits associated with construction of the proposed projects, including the proposed Cordts Physical Education Center renovations, the review of construction-related estimates is outside the scope of this engagement.

B&D estimated the incremental new economic benefits associated with ongoing operations of the outdoor fields and proposed new sports center in terms of direct, indirect and induced and total benefits to both Western Maryland (Allegany County and Garrett counties) and the State of Maryland.

Direct benefits included facility operations as well as spending from incremental new attendees before and after events. Approximately 63% of basketball/volleyball attendance and all tournament activity was estimated by B&D to be incremental new. Based on the event mix, estimated incremental new attendance at the proposed projects was categorized as either in-market day trippers, out-of-market day trippers or overnight stays. Day trippers travel to and from the proposed facilities for the event on the same day while overnight attendees generate room nights. Both day trippers and overnighters were assigned different per capita spending amounts. Adjustments were made to the gross direct spending to account for leakage (i.e. spending that occurs outside of the area). B&D applied RIMS II multipliers to the adjusted direct spending to calculate indirect and induced benefits.

The following table summarizes the economic benefits estimated by B&D.

Annual Economic Impacts*			
State of Maryland Recurring Operations		Western MD Recurring Operations (Allegany & Garrett Counties)	
Direct Benefits		Direct Benefits	
Estimated Output	\$2,700,000	Estimated Output	\$1,530,000
Estimated Wages	\$1,200,000	Estimated Wages	\$930,000
Estimated Employment	36	Estimated Employment	27
Indirect & Induced Benefits		Indirect & Induced Benefits	
Estimated Output	\$2,300,000	Estimated Output	\$1,850,000
Estimated Wages	\$2,400,000	Estimated Wages	\$1,977,000
Estimated Employment	64	Estimated Employment	52
Total Benefits		Total Benefits	
Estimated Output	\$5,000,000	Estimated Output	\$3,380,000
Estimated Wages	\$3,600,000	Estimated Wages	\$2,907,000
Estimated Employment	100	Estimated Employment	79

Note: *The above estimates reflect year 1 operations of the proposed facilities in 2022 dollars.

Source: B&D "Answering the Call" Study.

OBSERVATIONS – ESTIMATED ECONOMIC IMPACTS

- In general, the methodology used by B&D to calculate the gross direct spending associated with ongoing operations of the proposed sports complex appears to be reasonable. However, the amount of incremental new attendance at basketball/volleyball games appears to be high. In addition, B&D includes an estimate associated with increased enrollment at FSU that would typically not be included since increased enrollment can occur due to various factors and it is difficult to estimate enrollment that would be directly attributable to the proposed new facilities. Further, enrollment at FSU's main campus has been decreasing the last few years.
- The allocation of visitors between day trippers (both in-market and out-of-market) and overnight stays appears reasonable.
- The estimated per capita spending amounts on lodging, food and beverage, retail and transportation as well as the allocation among spending categories appear to be reasonable.
- The adjustment B&D made to direct spending in Western Maryland (i.e. Allegany and Garrett counties) to account for leakage appears high based on the location of hotel, retail and dining establishments.
- The adjustment made to direct spending in the State to account for leakage appears reasonable to slightly high.

- B&D utilized RIMS II multipliers which is a reputable source from the Bureau of Economic Analysis. Regional planners, local officials, and investors typically use the Regional Input-Output Modeling System (RIMS II) to assess how projects such as the one under consideration at FSU ripple through an economy. These multipliers were compared to those obtained from an alternative source (IMPLAN) and appear to be reasonable. IMPLAN is a computer software package that consists of procedures for estimating local input-output models and associated databases. The IMPLAN software package allows the estimation of the multiplier effects of changes in final demand for one industry on all other industries within a defined economic area. Its proprietary methodology includes a matrix of production and distribution data among all counties in the U.S.
- The methodology that B&D used to calculate indirect and induced economic benefits and total output at the local and State levels are inconsistent. Further, there appears to be discrepancies in B&D's calculation of indirect and induced economic benefits to Western Maryland (Allegany and Garrett counties). As a result, the estimated total output in Western Maryland (\$3.4 million) appears to be high. Our calculation estimates that total output would be approximately \$2.5 million in Western Maryland.
- Overall, the estimated total output in the State appears to be reasonable. While there appear to be several discrepancies in the calculation of economic benefits, they were deemed to have a nominal impact on the estimated total output in the State.
- B&D's estimate of employment and wages appears to be overstated for both Western Maryland (79 full and part-time jobs and \$2.9 million in earnings) and the State (100 full and part-time jobs and \$3.6 million in earnings). Utilizing a more standard methodology would yield a total of approximately 20 full and part-time jobs and \$600,000 in total earnings in Western Maryland and approximately 50 full and part-time jobs and \$1.7 million in total earnings in the State.
- Upon request, B&D provided us with an estimate of sales and use tax at the State level (\$151,000) and hotel/motel tax at the County level (\$41,000) associated with ongoing operations of the proposed project that was not included in their report dated November 2020. While these estimates appear to be reasonable to conservative, there are likely additional taxes such as admissions and amusement tax and local personal income tax at the local level and personal and corporate income tax at the State level that would be positively impacted but were not quantified.
- As operating objectives and strategies evolve, the estimate of economic and fiscal benefits generated by ongoing operations of the proposed projects should be updated. Future refinements should utilize the most recent multipliers to reflect current market and economic conditions.

- As previously mentioned, the review of estimated economic and fiscal benefits associated with construction is outside of the scope of this engagement. It is recommended that these estimates continue to be updated as the design, building program elements, square footage requirements, and construction timeline and cost evolve.

4. APPENDIX



Exhibit 1 - Demographic/Socioeconomic Statistics

Key Demographic/Socioeconomic Statistics						
Category	Geographic Area					
	Allegheny County	Cumberland MSA	30-Min Drive Time	60-Min Drive Time	State of Maryland	U.S.
Population Summary						
2000 Total Population	74,930	102,008	100,383	284,624	5,296,486	281,421,906
2010 Total Population	75,087	103,299	100,796	293,245	5,773,552	308,745,538
2021 Total Population	71,351	99,370	96,946	291,445	6,099,098	333,934,112
2026 Total Population	68,845	96,406	94,011	286,749	6,250,391	345,887,495
2000-2010 Annual Growth Rate	0.02%	0.13%	0.04%	0.30%	0.90%	0.97%
2010-2021 Annual Growth Rate	-0.45%	-0.35%	-0.35%	-0.06%	0.51%	0.74%
2021-2026 Annual Growth Rate (Projected)	-0.70%	-0.60%	-0.61%	-0.32%	0.50%	0.72%
2021 Median Age	42.8	43.5	43.5	44.4	39.6	38.8
2021 Population by Age						
Age 0-24	26.7%	26.5%	26.4%	25.6%	30.0%	31.0%
Age 25-44	25.8%	25.2%	25.3%	25.1%	26.8%	26.8%
Age 45-64	25.0%	25.7%	25.8%	27.0%	26.0%	25.1%
Age 65+	22.6%	22.7%	22.5%	22.2%	17.0%	17.2%
2021 Household Income Distribution						
Less than \$24,999	25.6%	24.4%	24.4%	22.3%	12.9%	18.0%
\$25,000 to \$34,999	11.9%	11.1%	11.2%	10.4%	6.3%	8.4%
\$35,000 to \$49,999	13.1%	14.1%	13.4%	14.3%	8.9%	11.9%
\$50,000 to \$74,999	19.7%	20.5%	19.5%	19.5%	15.1%	17.3%
\$75,000 to \$99,999	14.3%	14.5%	14.3%	13.5%	13.1%	12.8%
\$100,000+	15.4%	15.4%	17.2%	19.9%	43.6%	31.5%
2021 Median Household Income						
2021 Median Household Income	\$49,105	\$50,304	\$50,893	\$52,575	\$86,104	\$64,730
2026 Median Household Income (Projected)	\$51,593	\$53,570	\$53,820	\$56,789	\$93,931	\$72,932
2021-2026 Annual Growth Rate (Projected)	1.01%	1.30%	1.15%	1.60%	1.82%	2.53%
2021 Average Household Income						
2021 Average Household Income	\$60,984	\$62,498	\$64,147	\$69,401	\$117,573	\$92,435
2026 Average Household Income (Projected)	\$66,579	\$69,205	\$70,811	\$77,608	\$130,105	\$103,679
2021-2026 Annual Growth Rate (Projected)	1.83%	2.15%	2.08%	2.37%	2.13%	2.43%

Source: Esri.

Exhibit 2 – Supply of Sports Facilities in the Region (75-mile radius)

(Note: This is not an all-inclusive inventory of facilities)

Supply of Regional Sports Facilities - 75-Mile Radius									
Facility	Approximate Miles From FSU	Outdoor Fields			Indoor Areas			Other Amenities	
		Outdoor Rectangular Fields	Outdoor Diamond Fields	Total	Indoor Basketball Courts	Indoor Volleyball Courts	Indoor Turf Areas		
Parris N. Glendening Recreation Complex	2	3	4	7	N/A	N/A	N/A	2 Outdoor Basketball Courts, Two Pavilions, Playground, 2 Fishing Ponds, Half- Mile Walking Trail	
YMCA of Cumberland MD	11	1	N/A	N/A	2	N/A	1	Indoor Track, Competition-sized Pool, Hydrotherapy Pool, Climbing Wall, Group Fitness Studio, Outdoor Pavilion	
Gene Mason Sports Complex	14	5	3	8	N/A	N/A	N/A	4 Outdoor Tennis Courts, 2 Outdoor Basketball Courts, BMX Track	
Uniontown YMCA	54	1	N/A	1	1	N/A	N/A	Aerobics Center, Child Watch, Fitness Center, Handball and Racquetball Courts, Indoor Running Track, Outdoor Running Track, Pool, Sauna, Weight Room, Teen Center, 2 Outdoor Basketball Courts, 1 Outdoor Tennis Courts	
Ligonier Valley YMCA	61	1	N/A	N/A	1*	1*	N/A	Fitness Center, Indoor Pool, Aerobics Center, Sauna, Weight Room	
WVU Student Recreation Center	63	3	N/A	3	7*	7*	N/A	5 Outdoor Tennis Courts, 2 Pools, Elevated Track, 3 Racquetball Courts, 50- foot Climbing Wall, 17,000 SF of Fitness Equipment, 3 Sand Volleyball Courts, 2 Outdoor Basketball Courts	
WVU Coliseum	63	N/A	N/A	N/A	1*	1*	N/A	14,000 seats, Locker rooms, Player's Lounge and Team Video Theater, Strength & Conditioning Center, Equipment Room, Training Room	
WVU Monongalia County Ballpark	63	N/A	1	1	N/A	N/A	N/A	2,500 seats, Two ticket booths, Team Shop, Two Concession Areas, Party Deck, Indoor/Outdoor Batting Cages, Player's Lounge, Team Theater, Athletic Training and Equipment Room, Locker Rooms, Coach's office, Player's Lounge, 3 Luxury Suites, TV Booth, 3 Radio Booths, 20-seat Press Area, Video Control Booth	
WVU Dick Dlesk Soccer Stadium	63	1	N/A	1	N/A	N/A	N/A	Natural Grass, Locker Rooms, Athletic Training Room	
WVU Caperton Indoor Facility	63	1	N/A	1	N/A	N/A	1	Skylights, Locker Room, Training room, Storage Areas	
WVU Basketball Practice Facility	63	N/A	N/A	N/A	2	N/A	N/A	Locker Rooms, Athletic Training room, Hot/ Cold Pools, 25-seat Theater, Weight Room, Offices and conference room, Equipment Room, Hall of Traditions	
WVU Dreamwork Field	63	1	N/A	1	N/A	N/A	N/A	Tower Lights, Audio System, Locker Room, Coaches Office Space, Team Lounge with Kitchenette, Athletic Training Room, Hydrotherapy Pool, Hall of Honor, Storage Rooms	
WVU Men's Soccer Practice Facility	63	1	N/A	1	N/A	N/A	N/A	Natural Grass, Locker Rooms, Lounge	
Garver Memorial YMCA	66	N/A	1	1	1	N/A	N/A	Aerobics Center, Computer Lab, Fitness Center, Multi-purpose Room, Handball and Racquetball Courts, Early Childhood Center, Weight Room, Teen Center, Outdoor Tennis Court, Outdoor Basketball Court	
Greater Johnstown Community YMCA	67	N/A	N/A	N/A	1	N/A	N/A	Indoor Running Track, Sauna, Fitness Center, Aerobics Center, Handball and Racquetball Courts, Weight Room, Indoor Pool, Child Watch	
YMCA of Laurel Highlands	67	1	2	3	1*	1*	N/A	Aerobics Center, Child Watch, Fitness Center, Multi-purpose Room, Outdoor Running Track, Weight Room	
Pinesburg Softball Complex	70	N/A	4	4	N/A	N/A	N/A	Modular Playground, Concession Stand, Bleacher Seating	
Anker Fields Complex at Mylan Park	74	N/A	4	4	N/A	N/A	N/A	Natural Grass, Ticket Offices, Press Boxes, Batting Cages, Pavilion, Full-Service Concessions, Spectator Seating	
March-Westin Complex at Mylan Park	74	N/A	2	2	N/A	N/A	N/A	Turf, Portable mounds	
Hazel & J.W. Ruby Community Center at Mylan Park	74	1	N/A	1	2*	2*	N/A	Covered Pavilion, Wireless Internet, Curtain Dividers, Large Lobby Area, Outdoor Event Space	
Jim Barnett Park	75	2	8	10	1	N/A	N/A	BMX Track, Indoor & Outdoor Pool, 18-hole Disc Golf Course, 3 outdoor basketball courts, 8 outdoor tennis/pickleball courts, Horseshoe Courts, Public Fishing Lake, 2 Playgrounds	
Marty Snook Park	75	2	5	7	N/A	N/A	N/A	25 meter Outdoor Pool, 2 Tennis Courts, 2 Basketball Courts, Walking Trail, Fitness Area, Volleyball Courts	
Average	59	2	3	3	2	3	1		

Notes: Facilities sorted by miles from FSU.
 * represents courts that double as basketball and volleyball.
 Data is not inclusive of any planned developments.
 Sources: Individual facilities; Secondary research.

5. LIMITING CONDITIONS AND ASSUMPTIONS



This analysis is subject to our contractual terms as well as the following limiting conditions:

- This analysis has been prepared for Maryland Stadium Authority (Client) on behalf of Frostburg State University for its internal decision-making purposes associated with a proposed new regional sports center and enhanced and relocated outdoor fields and should not be used for any other purposes without the prior written consent of Crossroads Consulting Services LLC.
- This report should only be used for its intended purpose by the entities to whom it is addressed. Reproduction or publication by other parties is strictly prohibited.
- The findings and assumptions contained in the report reflect analysis of primary and secondary sources. We have utilized sources that are deemed to be accurate but cannot guarantee their accuracy. No information provided to us by others was audited or verified and was assumed to be correct.
- Although the analysis includes findings and recommendations, all decisions relating to the implementation of such findings and recommendations shall be the Client's responsibility.
- Estimates and analysis regarding the proposed facilities are based on trends and assumptions and, therefore, there will usually be differences between the projected and actual results because events and circumstances frequently do not occur as expected, and those differences may be material.
- Although this analysis utilizes various mathematical calculations, the final estimates are subjective and may be influenced by our experience and other factors not explicitly stated.
- We have no obligation, unless subsequently engaged, to update this report or revise this analysis as presented due to events or circumstances occurring after the date of this report.
- The quality of ownership and management at a new sports center and outdoor fields has a direct impact on economic performance. This analysis assumes responsible and competent ownership and management. Any departure from this assumption may have a significant impact on the findings in this report.
- Multiple external factors influence current and anticipated market conditions. Although we have not knowingly withheld any pertinent facts, we do not guarantee that we have knowledge of all factors which might influence the operating potential of the proposed project. Due to quick changes in the external factors, actual results may vary significantly from estimates presented in this report.
- The analysis performed was limited in nature and, as such, Crossroads Consulting Services LLC does not express an opinion or any other form of assurance on the information presented in this report.
- The analysis is intended to be read and used in its entirety. Separation of any portion from the main body of the report is prohibited and negates the analysis.
- In accordance with the terms of our engagement letter, the accompanying report is restricted to internal use by the Client and may not be relied upon by any party for any purpose including any matter pertaining to financing.